



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

9M15 CONSOLIDATED RESULTS APPROVED:

CONSOLIDATED REVENUE €46.7 MN, UP BY 5%
(VS €44.5 MN IN 9M14)

EBITDA¹ UP BY 20% TO €8.5 MN, WITH 18% MARGIN ON REVENUE
(VS €7 MN AND 16% MARGIN IN 9M14)

EBIT UP TO €3 MN
(+136% VS €1.3 MN IN 9M14)

NET PROFIT +€2.3 MN
(VS -€1.4 MN AT 30 SEPTEMBER 2014)

NET FINANCIAL POSITION -€28.4 MN
(FROM -€33.6 MN AT 31 DECEMBER 2014)

**REFOCUSING PROCESS SUCCESSFULLY COMPLETED ON CORE BUSINESS
OF PROFESSIONAL SERVICES FOR ONLINE PRESENCE**

ACTIVE CLIENTS INCREASE TO 540,000 IN 7 EUROPEAN COUNTRIES
(520,000 CLIENTS AT 30 SEPTEMBER 2014)

Florence, 11 November 2015 - Today, the Board of Directors of DADA S.p.A., listed in the STAR segment of the Milan Stock Exchange, and international leader in professional online presence and visibility services, approved the Interim Management Report at 30 September 2015.

Claudio Corbetta, CEO of DADA: *“We are delighted with the results of 9M15. The growth in the Group’s customer base at the international level despite increasing complexity in the competitive environment, and the improvement in the portfolio of digital services for SMEs, confirm the soundness of the business model we are adopting and pave the way to further strengthening our leadership in the international Domains and Hosting business.”*

Lorenzo Lepri, General Manager and CFO of DADA: *“In 9M15 we successfully completed the refocusing process on our core business, disposing of a number of non-core assets and finalizing an acquisition to strengthen our footprint in digital services for online presence.”*

NB: for the sake of clarity, changes in percentage and absolute terms appearing in this Press Release have been calculated using exact amounts.

¹ EBITDA is before impairment losses and non-recurring items



Furthermore, we are back to growth and report a profit again, thanks also to the success of the operating and corporate efficiency measures taken over the past 18 months.”

REFOCUSING PROCESS COMPLETED ON CORE BUSINESS

In 9M15 the Group successfully completed the refocusing process on the core business of professional services for online presence that had started in 2014. Specifically, 9M15 saw the completion of the following extraordinary transactions:

- 1- on 23 March 2015, Dada S.p.A. sold to Italiaonline S.p.A. the entire share capital of Moqu Adv S.r.l.. This agreement has led to the application of accounting standard IFRS 5 “Non-current assets held for sale and discontinued operations”: as from 1 March, all of the income statement items relating to the disposed companies have been grouped on the line “Profit/(loss) from discontinued operations”. For the sake of comparison, all income statement and statement of financial position items from the prior year have been restated and reclassified, while assets and liabilities are shown on a continuing operations basis.
- 2- On 30 June 2015, the Dada Group completed the transfer of the ProAdv/Simply BU to 4w MarketPlace S.r.l., acquiring 25% of the transferee’s share capital. As of 1 July 2015, the equity investment is measured at equity, while 3Q14 included the full consolidation of the assets of the transferred BU.
- 3- On 2 July 2015, through its subsidiary Register.it S.p.A., Dada signed a binding agreement for the acquisition of 100% of the share capital of Etnet S.r.l., a company that provides web and mobile services for digital communication to SMEs. The equity investment was fully consolidated as of 1 July 2015. Conversely, 3Q14 had no financial benefit from this company.

All the comments and analysis contained in this press release have been made in light of the new Group structure.

As a result of the abovementioned refocusing process, the Dada Group is currently organized mainly around the single business unit falling under the “Domain and Hosting” division.

GROUP RESULTS IN 9M15

In 9M15, the Dada Group achieved **consolidated revenue** of €46.7 million, up by 5% versus €44.5 million achieved at 30 September 2014.

The trend of revenue reflects the favourable dynamics of the depreciation of the Euro against the British Pound, which accounted for approximately €1.8 million on the difference, as well as the following changes that took place in the scope of consolidation over the period: the disposal of the UK ADSL business (at end May 2014), which contributed €0.3 million to the 2014 results; the disposal of the ProAdv/Simply BU, which contributed €0.4 million to revenue in 3Q14; the consolidation of the results of Etnet S.r.l. in 3Q15, which contributed €0.2 million to revenue.



Even net of these effects, consolidated revenue in 9M15 would be up by about 1% versus the figure reported in 9M14.

Foreign-based activities contributed 56% to consolidated revenue in 9M15, in line with 55% in 9M14, confirming the significant weight of international contribution to the overall development of the Dada Group.

In 9M15, **consolidated EBITDA** of the Dada Group, before impairment losses and other non-recurring items, came to a **positive €8.5 million** reporting **18% margin** on consolidated revenue. The aggregate, despite lower levels of capitalization of approximately €0.5 million in the period, **grew by 20%** versus €7.0 million in 9M14 (16% EBITDA margin).

The trend of operating costs shows a **less significant impact of all major cost items on consolidated revenue**. Specifically:

- service costs in absolute terms were in line with the levels in 9M14, dropping from 59% as a percentage of revenue in 9M14 to 57% in 9M15. In particular, marketing costs rose (by 35%) aimed to support clients base growth, while the depreciation of the Euro against the US dollar impacted negatively on the costs to purchase domains approximately €0.8 million, accounting for 3% of service costs.
- payroll costs amounted to €13.4 million in 9M15, down by 2% versus €13.7 million in 9M14, and dropping from 31% to 29% as a percentage of revenue, thanks also to the success of the efficiency measures taken over the past 18 months.
- the item “change in inventories and increase in own work capitalized”, amounting to €1.7 million, dropped by 27% versus €2.3 million in 9M14. This change brought less benefits to the period EBITDA and is mainly attributable to the gradual implementation of the investments made over the past few quarters.

In 9M15, the Dada Group achieved a positive **EBIT** of €3 million (7% margin on revenue), increasing sharply versus €1.3 million (3% margin on revenue) in 9M14.

EBIT's performance in the reporting period was affected by:

- consolidated amortization and depreciation, amounting to €5 million, €2.8 million of which for tangible assets and €2.2 million for intangible assets; the figure dropped slightly (-3%) versus 9M14, due also to the lower levels of investment made in the period;
- impairment, provisions and non-recurring income/charges of €0.4 million versus €0.5 million in 9M14 include costs and expenses relating to certain extraordinary transactions (4w and Etinet), amounting about to €0.2 million.

Financial activities of the Dada Group came to -€1.9 million in 9M15, improving versus -€2 million in 9M14.

The trend of this aggregate benefited from the effects of forex fluctuations, especially those regarding the Euro/British pound exchange rate. The trend in spreads and rates charged on loans equally improved, thanks to the positive outcome of a certain number of renegotiations of outstanding loans.

Financial activities were impacted by: (i) interest expense on medium/long-term loans, amounting to €0.9 million (in line with 9M14); (ii) other bank commissions and interest



owed on bank overdrafts amounting to €1.2 million (€1.3 million in 9M14), linked to interest paid on current account overdrafts (€0.4 million) and to bank commissions on credit card payments (€0.8 million); (iii); IRS derivative differentials, basically neutral versus -€0.1 million in 2014; (iv) the benefits from forex in 9M15 of approximately €0.2 million, decreasing versus a positive €0.3 million in 9M14.

Other income from financial activities came to €2.2 million in 9M15, generated by the transfer of the ProAdv/Simply BU to 4w MarketPlace S.r.l., which resulted in a gain recorded in the income statement as the difference between the sworn appraisal of €2.2 million and the book value of the BU basically equivalent to zero.

In 9M15, the overall **tax burden** came to -€0.7 million, in line with the figure reported at 30 September 2014, and reflects: (i) current tax of €0.5 million (referring mostly to the tax burden on some foreign-based companies with positive pre-tax income), up versus 9M14 (€0.4 million), mainly as a result of the increase in taxable income; (ii) deferred tax, which impacted negatively on 9M15 as it did on 9M14 (€0.2 million and €0.3 million respectively).

Profit (loss) from discontinued operations, which comprises the financial results of the Performance Advertising division sold in 1Q15, with financial effects from 28 February, showed a loss of €0.3 million (basically breakeven in 9M14), €0.2 million of which attributable to non-recurring costs incurred by the Group to carry out the transaction.

The consolidated Net Profit of the Dada Group came to a positive €2.3 million in 9M15, **improving sharply** versus the loss of €1.4 million in 9M14.

GROUP BALANCE SHEET AND FINANCIAL POSITION AT 30 SEPTEMBER 2015

The total **Net Financial Position** at 30 September 2015 came to -€28.4 million, improving versus -€33.6 million at 31 December 2014 and -€32.9 million at 30 September 2014.

In 9M15, the NFP was mainly influenced by: (i) the positive cash flows generated by operating activities after changes in net working capital of €8.1 million (€5 million in 9M14, including the effects of discontinued operations); (ii) investing activities of -€0.7 million (including the benefits from the disposal of Moqu, amounting to €4.6 million) versus -€4.5 million in 9M14 (€0.5 million of which from discontinued operations).

Investment outlays totaled €5.2 million: €2.5 million of which for intangible assets (including the increase in goodwill from the acquisition of Etinet, amounting to €0.7 million) versus €3 million in 9M14 (€0.5 million referring to discontinued operations); €2.7 million of which for tangible investments in technology, increasing versus €1.6 million in 9M14.

Cash used for financing activities, tax and non-recurring items at 30 September 2015 came to -€2.2 million versus -€2.3 million at 30 September 2014.

The consolidated Net Financial Position at 30 September 2015 consisted of current debt of €12 million (€18.2 million at 31 December 2014), medium/long-term loans and other borrowings of €23.1 million (€16.7 million at 31 December 2014) and of banks and financial assets totaling €6.6 million (€1.4 million at 31 December 2014). The lower levels of current exposure are largely attributable to the renegotiation of the non-current loan with Banca Intesa, and to two new loans, one with Unicredit, signed concurrent to the loan granted by



Banca Intesa effective 31 March 2015, and the other with Cariparma, granted on 30 September 2015. 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 expected of the Group more to the instalment payments of principal.

The Dada Group's **Net Working Capital** came to -€10.7 million at 30 September 2015 versus -€10.3 million at 31 December 2014 (-€10.4 million at 30 September 2014). It should be noted that the trend of this aggregate is closely tied to the trend of revenue over the period, part of which is recognized as deferred income on a pro-rata basis. Deferred income, €12.7 million at 30 September 2015 in line with the figure at 30 September 2014, while under other payables, will not entail future outlays, but rather the recognition of revenue in the income statement.

The Dada Group's **Shareholders' Equity** at 30 September 2015 amounted to €58.9 million versus €50.1 million at 31 December 2014. The increase is mainly explained by the contribution of profit, amounting to €2.3 million, the translation of financial statements of consolidated companies denominated in GBP for €2.2 million, the recognition of the gain of €4.2 million from the disposal of Moqu in accordance with OPI 1, and the rest from other changes.

BUSINESS PERFORMANCE IN 9M15

The disposal of the Performance Advertising BU 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.

The Dada Group currently counts over **540 thousand business clients** (520 thousand at 30 September 2014) and over **1.8 million total domains** managed in Italy, UK and Ireland, Spain, France, Portugal and the Netherlands.

The last quarter corroborated the constant increase in new clients, confirming the success of the sales and product policies implemented to counter the **fiercely competitive environment** in the industry, which have been extended to all the countries. Thanks also to greater investments in marketing and visibility and to campaign optimization, **new domain registrations grew by over 10% versus 3Q14**, allowing the Group to grab market shares from main competitors.

Expansion of the interaction channels and extension of contact time for customer care (now available through inbound/outbound phone service and live chat 7 days a week) also **improved the average rate of renewal, with a number of products scoring results above 90%, and gave greater opportunities to the upselling** of services to the customer base.

Looking at the product mix, 3Q15 confirmed:

- the evolution of Dada's positioning as a provider of advanced **Cloud Hosting, dedicated and managed Virtual Servers services**, to allow the management of websites on virtualized servers and to guarantee high performance, now also



through highly structured pricing policies, thanks also to the recent launch of a new line of cutting-edge products on the market.

- the broader range of services in 'We do it for you' mode, which allows professionals and businesses to rely on a team of web designers, developers and Internet communication consultants for the creation and management of custom projects of their web and e-commerce site.
- the success of the new, advanced cPanel hosting solution, which brought highly interesting results in terms of quantity and revenues in all the countries.

EVENTS AFTER 9M15, GROUP STRATEGIC GUIDELINES AND BUSINESS OUTLOOK FOR THE YEAR

EVENTS AFTER 9M15

There are no significant events to report after the close of 3Q15.

STRATEGIC GUIDELINES AND OUTLOOK FOR THE YEAR

Thanks also to the success of the Dada Group's strategy to refocus on the core business of digital services for SMEs of the Domain and Hosting division, the results achieved in 9M15 basically confirm the expectations announced in the 2014 financial statements on the outlook for 2015.

In both the main EU and UK business areas, the strategic priorities on the Group's future development aim at retaining the existing customer base and gaining new clients, to further strengthen the domestic and international customer base, also through:

- increasingly customized and flexible solutions to meet the needs of a rapidly-evolving market focused on mobility, with the launch of new products in the portfolio of solutions, with a view to providing a one-stop-shop experience of digital services for online presence and business;
- increasingly interactive contact with clients by improving before and after-sales service quality and through full-circle support for the management of the online presence, visibility and digital protection of businesses on the web;
- growing focus on the business client segment of SMEs and SOHOs, traditionally those boasting the highest retention rates and ARPU, with the launch of specific services such as online trademark registration or accreditation as Trade Mark Clearing House agents;
- increase and constant optimization of marketing investments to counter the growing aggressiveness and spending power of the main international competitors in all of Dada's markets of operation.

In light of the indications seen so far on the business outlook, also after the end of September, and in the absence of macroeconomic and market events unpredictable at this time, the Dada Group is most likely expected to confirm the trend of improvement in the results reported in 9M15 throughout the entire 2015 FY.



RESIGNATION OF TWO DIRECTORS

Today, the Board of Directors took note of the resignation of non-executive Directors Khaled Bishara and Antonio Converti, issued on 8 September 2015, and co-opted Youssef Mohamed Salah Abdelsalam Bassem and Fadi Zafer Boulos Antaki as new non-executive directors of the Company, following the announcement by Dr.ssa Filippini, the only candidate remaining on the list from where the two outgoing directors were drawn, of her impossibility to accept such position due to personal reasons.

The CVs of both appointed directors are available at the registered office and on the website www.dada.eu (Corporate Governance / Corporate Bodies section).

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 Consolidated Interim Financial Report at 30 September 2015 will be made available to the public at the Company's registered office, as well as on the Company's website www.dada.eu (Investor Relations/Financial Reports section) in accordance with the law.

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, servers, online brand protection). With over 540 thousand business clients and over 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 its markets of operation: in Italy through its established brand Register.it, as well as in the UK, Ireland, Spain, France, Portugal and the Netherlands under the Namesco, PoundHost, Register365, Nominalia and Amen brands, respectively.

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ANNEX

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 30 SEPTEMBER 2015

EUR/000	30-Sept.-15 9 months		30-Sept.-14 9 months		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	46,660	100%	44,486	100%	2,174	5%
Chg. in inventories & inc. in own wk. capit.	1,689	4%	2,329	5%	-640	-27%
Service costs and other operating expenses	-26,484	-57%	-26,037	-59%	-446	2%
Payroll costs	-13,407	-29%	-13,749	-31%	342	-2%
EBITDA	8,458	18%	7,030	16%	1,429	20%
Depreciation and amortization	-5,071	-11%	-5,247	-12%	-176	-3%
Non-recurring income/(charges)	-146	-	-146	-	-	-
Impairment of fixed assets	-	-	-23	-	23	-100%
Impairment losses and other provisions	-205	-	-330	-1%	124	-38%
EBIT	3,036	7%	1,284	3%	1,752	136%
Financial income	626	1%	528	1%	98	19%
Financial charges	-2,509	-5%	-2,520	-6%	11	-
Other income/charges from financial assets and liabilities	2,184	-	-	-	-	-
Share of profit/loss of companies valued at equity	3	-	-	-	-	-
Profit/(loss) before taxes	3,341	7%	-708	-2%	4,049	572%
Income taxes	-717	-2%	-712	-2%	-5	1%
Profit/(loss) from continuing operations	2,624	6%	-1,420	-3%	4,045	285%
Profit/(loss) from discontinued operations	-346	-1%	38	0%	-384	-1005%
Group net profit (loss)	2,279	5%	-1,382	-3%	3,661	265%



RECLASSIFIED CONSOLIDATED INCOME STATEMENT 3rd QUARTER 2015

EUR/000	3Q15		3Q14		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	14,780	100%	13,624	100%	1,155	8%
Chg. in inventories & inc. in own wk. capitalized	479	3%	699	5%	-220	-31%
Service costs and other operating expenses	-8,236	-56%	-7,809	-57%	-427	5%
Payroll costs	-4,599	-31%	-4,368	-32%	-232	5%
EBITDA	2,424	16%	2,147	16%	277	13%
Depreciation and amortization	-1,692	-11%	-1,800	-13%	-107	-6%
Non-recurring income/(charges)	-5	-	-146	-1%	141	-96%
Impairment of fixed assets	-	-	-23	-	23	-100%
Impairment losses and other provisions	-40	-	148	1%	-188	-127%
EBIT	686	5%	327	2%	360	110%
Financial income	53	0%	246	2%	-193	-78%
Financial charges	-815	-6%	-828	-6%	13	-2%
Other income/charges from financial assets and liabilities	-	-	-	-	-	-
Share of profit/loss of companies valued at equity	3	-	-	-	3	-
Profit/(loss) before taxes	-72	0%	-256	-2%	184	72%
Income taxes	-154	-1%	-303	-2%	149	-49%
Profit/(loss) from continuing operations	-226	-2%	-559	-4%	333	60%
Profit/(loss) from discontinued operations	-	-	26	-	-26	-100%
Group net profit/(loss)	-226	-2%	-533	-4%	307	58%



NET WORKING CAPITAL AND NET FINANCIAL POSITION AT 30 SEPTEMBER 2015

EUR/000	30-Sept.-15	31-Dec.-14	DIFFERENCE	
			Absolute	%
Fixed assets	99,328	95,364	3,964	4%
Current operating assets	15,506	17,585	-2,079	-12%
Current operating liabilities	-26,206	-27,851	1,645	-6%
Net working capital	-10,700	-10,266	-434	-4%
Provision for termination indemnities	-700	-815	115	-14%
Provision for risks and charges	-518	-544	26	-5%
Other payables due beyond one year	-	-17	17	-100%
Net capital employed	87,411	83,723	3,688	4%
Non-current financial payables and derivatives	-23,099	-16,674	-6,425	39%
Shareholders' equity	-58,986	-50,150	-8,837	18%
Current bank debt	-11,402	-18,183	6,782	-37%
Current financial receivables and derivatives	504	-	504	n.m.
Current financial payables and derivatives	-524	-107	417	390%
Cash and cash equivalents	6,097	1,391	4,705	338%
Net short-term financial position	-5,325	-16,899	11,574	-68%
Total net financial position	-28,425	-33,573	5,149	-15%



HIGHLIGHTS ON CONSOLIDATED RESULTS BY GEOGRAPHY

Description	30/09/2015 (9 months)		30/09/2014 (9 months)	
	Amount	% of total	Amount	% of total
Revenue - Italy	20,406	44%	19,932	45%
Revenue - abroad	26,254	56%	24,554	55%
Total	46,660		44,486	



CONSOLIDATED CASH FLOW STATEMENT AT 30 SEPTEMBER 2015

EUR/000	30 September 2015	30 September 2014
Cash flow from oper. activities before changes in working capital	8,401	7,218
(Increase)/decrease in inventories	10	
(Increase)/decrease in receivables	-697	2,146
Increase /(decrease) in payables	364	-3,105
Change in working capital on assets held for sale	-	-1,246
Cash flow from operating activities	8,078	5,013
Income taxes paid	-261	-395
Interest (paid)/received	-1,987	-1,805
Change in tax and interest paid on assets held for sale	-	-98
Net cash flow from operating activities	5,829	2,715
Investing activities		
Sale of subsidiaries and associates	4,758	-
Financial effect of discontinued operations	-206	-
Acquisition of subsidiaries and associates	-700	-
Financial effect of acquired operations	-10	-
Purchase of property, plant and equipment	-2,663	-1,556
Other changes in fixed assets	-2	13
Purchase of intangible assets	-139	-146
Product development costs	-1,699	-2,329
Investing activities from assets held for sale		-462
Net cash flow used in investing activities	-661	-4,480
Financing activities		
Change in loans	6,351	-2,540
Other changes	15	-97
Financing activities from assets held for sale	-	-10
Net cash flow from/(used in) financing activities	6,367	-2,647
Net increase/(decrease) in cash and cash equivalents	11,535	-4,412
Cash and cash equivalents at beginning of period	-16,792	-9,514
Cash and cash equivalents at end of period	-5,257	-13,926