



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

1H15 CONSOLIDATED RESULTS APPROVED:

**CONSOLIDATED REVENUE UP BY 3% TO €31.9 MN
(VERSUS €30.9 MN IN 1H14)**

**EBITDA¹ UP BY 24% TO €6 MN AND MARGIN INCREASING TO 19% ON
REVENUE
(VERSUS €4.9 MN IN 1H14 AND 16% MARGIN)**

EBIT INCREASES TO €2.3 MN (+146% VERSUS €1 MN IN 1H14)

**POSITIVE NET PROFIT OF €2.5 MN (VERSUS -€0.8 MN AT 30 JUNE
2014)**

**NET FINANCIAL POSITION DOWN TO -€27.9 MN (FROM -€33.6 MN AT 31
DECEMBER 2014)**

**CUSTOMER BASE INCREASES TO 530,000 ACTIVE CLIENTS IN 7 EUROPEAN
COUNTRIES**

+19% NEW DOMAINS REGISTERED BY SMBs VERSUS 1H14

**STOCK OF DOMAINS MANAGED GROWS BY 4%, DESPITE THE MARKET'S
GENERAL DECLINE**

**FOCALIZATION PROCESS SUCCESSFULLY COMPLETED ON CORE BUSINESS
OF PROFESSIONAL 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.



Florence, 30 July 2015 - The Board of Directors of Dada S.p.A., international leader in professional online presence and visibility services, approved the Half-Year Financial Report at 30 June 2015.

One of the key events in 1H15 was the disposal by Dada S.p.A. to Italiaonline S.p.A. on 23 March 2015 of the entire share capital of Moqu Adv S.r.l.. This has required the application of accounting standard IFRS 5 "non-current assets held for sale and discontinued operations". The main effect is that, as from 1 March 2015, all of the income statement items relating to the disposed companies have been grouped on the line "Profit/(loss) from discontinued operations".

Furthermore, for the sake of comparison, all income statement and statement of financial position items from the prior year have been restated and reclassified. Assets and liabilities of the prior year are, instead, still shown on a continuing operations basis.

As a result of the above, the Dada Group is currently organized around the single business unit falling under the "Domain and Hosting" division.

Furthermore, on 30 June 2015, the Dada Group completed the transfer of the ProAdv/Simply business line to 4W Marketplace S.r.l., acquiring 25% of the latter's share capital.

GROUP RESULTS IN 1H15

In 1H15, the Dada Group achieved **Revenue** of €31.9 million, up by 3% versus €30.9 million achieved in 1H14.

The performance also reflects in addition to the ordinary evolution of the business, a favourable trend of the depreciation of the Euro against the British Pound, which accounted for approximately €1.2 million versus 1H14, 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 €0.3 million to revenue in 1H14.

Foreign-based activities contributed 55% to consolidated revenue in 1H15, in line with 1H14, confirming the significant weight of international contribution to the overall development of the Dada Group.

In 1H15, consolidated **EBITDA** came to a positive €6.0 million, with a 19% margin on revenue. The aggregate grew by 24% versus €4.9 million in 1H14 (16% margin).

Specifically:

- Service costs were basically in line with the levels in 1H14, dropping from 59% as a percentage of revenue in 1H14 to 57% in 1H15. Mention should be made, in particular, of the material increase in marketing costs incurred in the period to achieve the growth of the customer base, and of the benefits arising from the start of operations at the new Datacenter in the UK, which significantly reduced operating costs related to provisioning of technological services for the Group;
- Payroll costs in 1H15 amounted to €8.8 million, down by 6% versus €9.4 million in 1H14, thanks also to the positive results of the efficiency measures announced starting from last year;
- The item "change in inventories and increase in own work capitalized" amounted to €1.2 million in 1H15, or 4% of consolidated revenue, down by 26% versus €1.6 million in 1H14 (5% of consolidated revenue). The reduction is mainly attributable to the gradual implementation of the investments made over the past quarters.



In 1H15, **EBIT** achieved by the Group came to a positive €2.3 million (7% of revenue), rising sharply versus €1 million in 1H14 (3% of revenue).

EBIT's performance was mainly affected by:

- Consolidated amortization and depreciation, amounting to €3.4 million, €1.9 million of which for tangible assets and €1.5 million for intangible assets, figures basically in line with 1H14.
- Impairment losses, provisions and other non-recurring charges which impacted of €0.3 million in 1H15 versus €0.5 million in 1H14.

In 1H15, **Financial Activities** came to a negative €1.1 million, improving by approximately 20% versus a negative €1.4 million in 1H14. This trend, comparing the half-year periods, was also influenced by the effects associated with forex fluctuations, referring especially to Euro/British pound exchange rate patterns.

This aggregate was also impacted by: (i) interest expense on bank loans, amounting to €0.6 million (in line with 1H14); (ii) other bank commissions and interest owed on bank overdrafts amounting to €0.8 million (€0.9 million in 1H14), linked primarily to interest paid on current account overdrafts and to bank commissions on credit card payments; (iii) the positive impact of forex in 1H15 of approximately €0.3 million, improving versus €0.1 million in 1H14.

Other Income from Financial Activities positively affected the 1H15 financial statements, especially following the transfer of the ProAdv/Simply business line to 4W Marketplace S.r.l., which generated a gain recorded in the income statement, being the difference between the value of €2.2 million from the sworn appraisal of the business and the book value basically equivalent to zero.

In 1H15, the overall **Tax burden** came to -€0.6 million (-€0.4 million in 1H14), and reflects current tax of €0.4 million (referring mainly to the tax burden on foreign-based companies with positive pre-tax income), increasing versus 1H14 (€0.1 million), due mainly to the increase in taxable income, while deferred tax in 1Q15 amounted to -€0.2 million versus -€0.1 million in the prior year.

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 (a loss of €0.1 million in 1Q14), €0.2 million of which from non-recurring costs incurred to execute the transaction.

In 1H15, **consolidated Net Profit** came to a positive €2.5 million, improving sharply versus -€0.9 million in 1H14.

GROUP BALANCE SHEET AND FINANCIAL POSITION AT 30 JUNE 2015

The total **Net Financial Position** at 30 June 2015 came to -€27.9 million, improving versus -€33.6 million at 31 December 2014 and -€32.6 million at 30 June 2014.

In 1H15, the trend of this aggregate was mainly affected by: (i) the positive cash flows generated by operating activities after changes in working capital of €5.3 million (€4.1 million in 1H14, including the effects of discontinued operations); (ii) positive investing



activities of €1.8 million (including the positive deconsolidation effects of €4.6 million from the disposal of Moqu) versus -€3.9 million in 1H14 (including €0.3 million from the effects of discontinued operations).

Investment disbursements in 1H15 amounted to €2.8 million, €1.3 million of which for intangible assets versus €1.9 million in 1H14 (€0.3 million referring to discontinued operations), and €1.4 million of which for tangible investments in technology, decreasing versus €1.9 million in 1H14; (iii) the remainder by cash flow for financing activities, tax and non-recurring items amounting to -€1.4 million (-€1.6 million in 1H14).

The consolidated Net Financial Position at 30 June 2015 consisted of current debt of €12.6 million (€18.2 million at 31 December 2014), medium/long-term loans and other borrowings of €19.3 million (€16.7 million at 31 December 2014) and banks and financial assets totaling €4 million (€1.4 million at 31 December 2014). The reduction in short-term exposure is mainly the result of the renegotiation of the medium/long-term loan with Banca Intesa and the issuance of a new m/t loan with Unicredit, both made effective from 31 March 2015. The renegotiation 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.

Mention should be made that part of the cash consideration from the disposal of Moqu was used to further reduce current debt.

BUSINESS PERFORMANCE IN 1H15

The disposal of the Performance Advertising segment and the contribution of ProAdv/Simply business line have allowed the Group to complete the focalization process on the core business of **professional online presence services**, strengthening 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 30 June 2015, the Dada Group counted over **530 thousand business clients** and over **1.7 million total domains managed** in Italy, Spain, UK and Ireland, France, Portugal and Holland through the Nominalia, Namesco, PoundHost, Register365 and Amen brands, respectively.

2Q15 confirmed the highly challenging climate and fiercer competition fueled by aggressive customer acquisition investments made by major competitors, even if signs of a possible slowdown in the drop in the Domain & Hosting segment were seen in some of the Group's countries of operation.

The Dada Group has tackled this competitive scenario by implementing **price repositioning** policies since the start of the year, particularly in the domains and servers segment, which have brought a **solid growth in terms of new customers acquired**. Specifically, thanks to Italy and the UK, the number of new domain registrations in the SMBs segment rose by **19%** versus 1H14, increasing the stock of domains managed in this segment by 4%, net of Wholesale clients.

The **development of modular solutions** and the expansion of the product range also produced satisfactory results in terms of upselling towards higher-value services.



The further focus on **customer service**, with the 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), **improved the average renewal rate, with a number of products scoring results above 90%, and gave greater opportunities to the upselling** of services to the customer base. Customer satisfaction was also confirmed by the growth in the **Net Promoter Score**, the system that measures the customer satisfaction and loyalty rate adopted in 2013 and now used in all countries.

Along with the growing number of new SMBs clients, the period also reported a change in the **mix of products sold**. 1H15, in fact, confirmed:

- the growing success of the **new professional Email platform** developed in 2014, now chosen by an increasingly broader range of customer segments and currently available in all geographies;
- the evolution of Dada's positioning also 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 structured pricing policies;
- 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 their web and e-commerce site.

1H15 also saw the launch of the **new range of advanced hosting solutions** and **trademark registration** services for the on- and offline protection of intellectual property.

EVENTS AFTER 1H15, STRATEGIC GUIDELINES AND OUTLOOK FOR THE YEAR

EVENTS AFTER 1H15

On 2 July 2015, Dada signed a binding agreement through its subsidiary Register.it S.p.A. to acquire 100% of the share capital of **Etinet S.r.l.**, completed on 8 July 2015.

The transaction aims to strengthen the Dada Group's strategy of expanding the range of services for digital communication tailored to SMBs, as Etinet is one of the most innovative Web Factories in Italy, and provides businesses with advanced solutions to manage their presence in the digital arena. In 2014, revenue achieved by the Etinet scope is estimated at about €850 thousand, with EBITDA at approximately €270 thousand and gross profit of roughly €150 thousand.

The consideration for 100% of the Etinet shares is €700 thousand, based on a net financial position at break-even. Part was paid at the date of completion of the transaction, and part was placed in escrow to service the standard representations and warranties. An earn-out of a maximum of €90 thousand will be paid in the first half of 2016 should pre-established goals be met.

Further details are found in the press releases issued on 2 July and 8 July 2015, available on the company's website www.dada.eu.

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 SMBs of the Domain and Hosting division, the results achieved in the first six months of the year 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;
- the expansion of the portfolio of solutions, with the launch of new products, with a view to providing business clients with a one-stop-shop experience of digital services for online presence and business;
- increasingly interactive contact with end clients by improving before and after-sales service quality, and through multi-channel support for the management of the online presence, visibility and digital protection of businesses on the web;
- increased focus on the business client segment of SMBs 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.

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 Half-Year Financial Report at 30 June 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 530 thousand business clients and over 1.7 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 Spain, the UK, Ireland, France, Portugal and Holland under the Nominalia, Namesco, PoundHost, Register365 and Amen brands, respectively.*

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ANNEX

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2015

EUR/000	30-June-15 6 months		30-June-14 6 months		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	31,881	100%	30,862	100%	1,019	3%
Chg. in inventories & inc. in own wk. capitalized	1,210	4%	1,630	5%	-420	-26%
Service costs and other operating expenses	-18,248	-57%	-18,228	-59%	-20	-
Payroll costs	-8,808	-28%	-9,381	-30%	573	-6%
EBITDA	6,035	19%	4,883	16%	1,152	24%
Depreciation and amortization	-3,379	-11%	-3,447	-11%	69	-2%
Non-recurring income/(charges)	-140	-	-	-	-140	-
Impairment losses and other provisions	-166	-1%	-478	-2%	312	-65%
EBIT	2,350	7%	957	3%	1,393	146%
Financial income	573	2%	282	1%	291	103%
Financial charges	-1,694	-5%	-1,691	-5%	-3	-
Other income/charges from financial assets and liabilities	2,184	-	-	-	-	-
Profit/(loss) before taxes	3,413	11%	-452	-1%	3,865	855%
Income taxes	-563	-2%	-409	-1%	-154	38%
Profit/(loss) from continuing operations	2,850	9%	-861	-3%	3,712	431%
Profit/(loss) from discontinued operations	-346	-1%	12	-	-358	n.s.
Group net profit (loss)	2,504	8%	-849	-3%	3,354	395%





RECLASSIFIED CONSOLIDATED INCOME STATEMENT 2th QUARTER 2015

EUR/000	2Q15		2Q14		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	15,879	100%	14,883	100%	996	7%
Chg. in inventories & inc. in own wk. capitalized	603	4%	804	5%	-200	-25%
Service costs and other operating expenses	-9,018	-57%	-8,667	-58%	-351	4%
Payroll costs	-4,264	-27%	-4,403	-30%	139	-3%
EBITDA	3,201	20%	2,617	18%	584	22%
Depreciation and amortization	-1,721	-11%	-1,756	-12%	35	-2%
Non-recurring income/(charges)	-120	-1%	-	-	-120	-
Impairment losses and other provisions	-74	0%	-425	-3%	351	-83%
EBIT	1,286	8%	435	3%	850	195%
Financial income	134	1%	173	1%	-38	-22%
Financial charges	-846	-5%	-813	-5%	-33	4%
Other income/charges from financial assets and liabilities	2,184	14%	-	-	2,184	-
Profit/(loss) before taxes	2,759	17%	-205	-1%	2,964	-1446%
Income taxes	-250	-2%	-203	-1%	-47	23%
Profit/(loss) from continuing operations	2,509	16%	-408	-3%	2,917	716%
Profit/(loss) from discontinued operations	-16	0%	79	1%	-95	-120%
Group net profit/(loss)	2,493	16%	-328	-2%	2,822	860%



NET WORKING CAPITAL AND NET FINANCIAL POSITION AT 30 JUNE 2015

EUR/000	30-June-15	31-Dec-14	DIFFERENCE	
			Absolute	%
Non-current assets	100,895	95,364	5,531	6%
Current assets	16,602	17,585	-984	-6%
Current liabilities	-27,442	-27,851	408	-1%
Net working capital	-10,841	-10,266	-575	6%
Provision for termination indemnities	-661	-815	154	-19%
Provision for risks and charges	-519	-544	25	-5%
Other payables due beyond one year	-6	-17	11	-67%
Net capital employed	88,868	83,723	5,145	6%
Non-current financial payables	-19,262	-16,674	-2,588	16%
Shareholders' equity	-60,929	-50,150	-10,780	21%
Current bank debt	-12,292	-18,183	5,892	-32%
Current financial receivables and derivatives	500		500	-
Current financial payables and derivatives	-381	-107	-274	256%
Cash and cash equivalents	3,496	1,391	2,105	151%
Current net financial position	-8,677	-16,899	8,222	49%
Total net financial position	-27,939	-33,573	5,634	17%



HIGHLIGHTS ON CONSOLIDATED RESULTS BY GEOGRAPHY

Description	30/06/2015 (6 months)		30/06/2014 (6 months)	
	Amount	% of total	Amount	% of total
Revenue - Italy	14,378	45%	13,900	45%
Revenue - abroad	17,503	55%	16,962	55%
Total	31,881		30,862	



CONSOLIDATED CASH FLOW STATEMENT AT 30 JUNE 2015

EUR/000	30 June 2015	30 June 2014
Cash flow from operating activities before changes in working capital	5,935	5,026
(Increase)/decrease in receivables	-1,539	27
Increase /(decrease) in payables	854	-38
Change in working capital on assets held for sale		-953
Cash flow from operating activities	5,250	4,062
Income taxes paid	-171	-215
Interest (paid)/received	-1,269	-1,397
Change in tax and interest paid on assets held for sale		-13
Net cash flow from operating activities	3,811	2,437
Investing activities		
Sale of subsidiaries and associates	4,758	
Financial effect of discontinued operations	-206	
Purchase of property, plant and equipment	-1,443	-1,898
Other changes in fixed assets	-7	10
Purchase of intangible assets	-67	-102
Product development costs	-1,210	-1,630
Investing activities from assets held for sale		-321
Net cash flow used in investing activities	1,825	-3,942
Financing activities		
Change in loans	2,588	-2,313
Other changes	31	-83
Net cash flow from/(used in) financing activities	2,619	-2,396
Net increase/(decrease) in cash and cash equivalents	8,254	-3,901
Cash and cash equivalents at beginning of period	-16,792	-9,514
Cash and cash equivalents at end of period	-8,538	-13,414