



Company Presentation

IT Day- Banca IMI

February 21st 2018



Disclaimer



This presentation contains certain forward-looking statements that reflect the Company's management's current views with respect to future events and financial and operational performance of the Company and its subsidiaries. These forward-looking statements are based on Italiaonline S.p.A.'s current expectations and projections about future events. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of Italiaonline S.p.A. to control or estimate precisely, including changes in the regulatory environment, future market developments, fluctuations in the price, and other risks. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this presentation. Italiaonline S.p.A. does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation. The information contained in this presentation does not purport to be comprehensive and has not been independently verified by any independent third party.

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Pursuant to art. 154-bis, paragraph 2, of the Italian Unified Financial Act of February 24, 1998, the executive in charge of preparing the corporate accounting documents at Italiaonline S.p.A., Gabriella Fabotti, declares that the accounting information contained herein correspond to document results, books and accounting records.

Pro Forma 9M 2016

9M 2016 results have been normalized (pro-forma data) for an amount of revenues (-€ 15.7 million) and Ebitda (-€ 2.6 million) to reflect the change in the perimeter due to the sale and termination of certain business lines (Europages subsidiary, 12.54 business and Moqu arbitration agreement on Google Ad Sense market) in the course of 2016 and some changes in the directory publication calendar in 2017 vs 2016, and thus to enable comparison with 9M 2017 results. 9M 2016 NFP, Unlevered FCF and Net Income are reported data. In the presentation the comparison with 9M 2016 results, only for Revenue and EBITDA is made versus 9M 2016 pro-forma (as before described).

Digital for growth

Our mission is digitizing Italian companies





Who we are:

The top **Italian internet company** with leading audience (**54%¹** market reach), strong foot print on the territory (**812 sales rep²**) and a complete digital products portfolio



Our mission:
is digitizing Italian
Companies

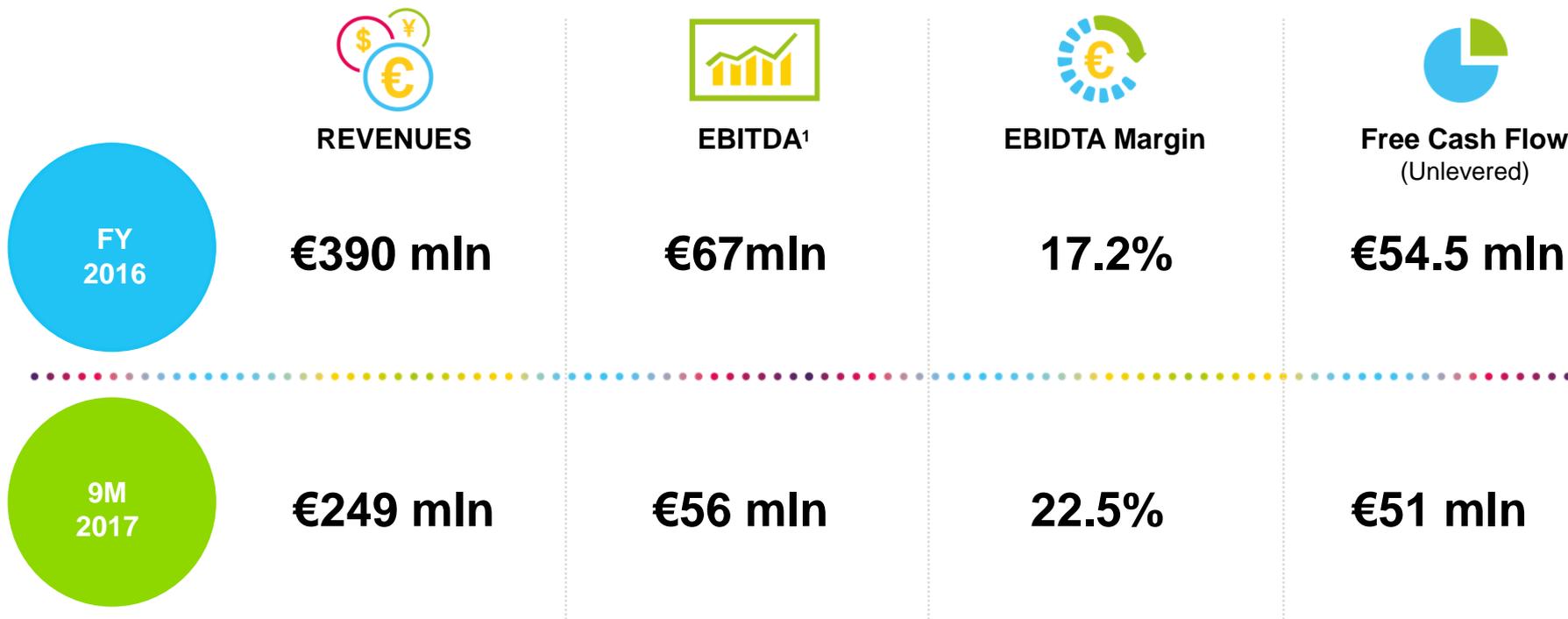


What we do:
digital advertising, media planning, web
marketing, digital presence, lead
generations and website creation



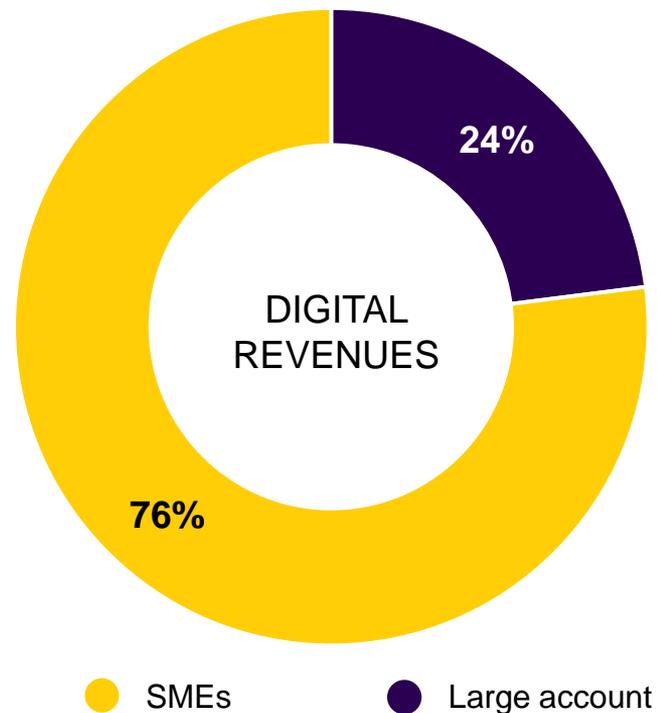
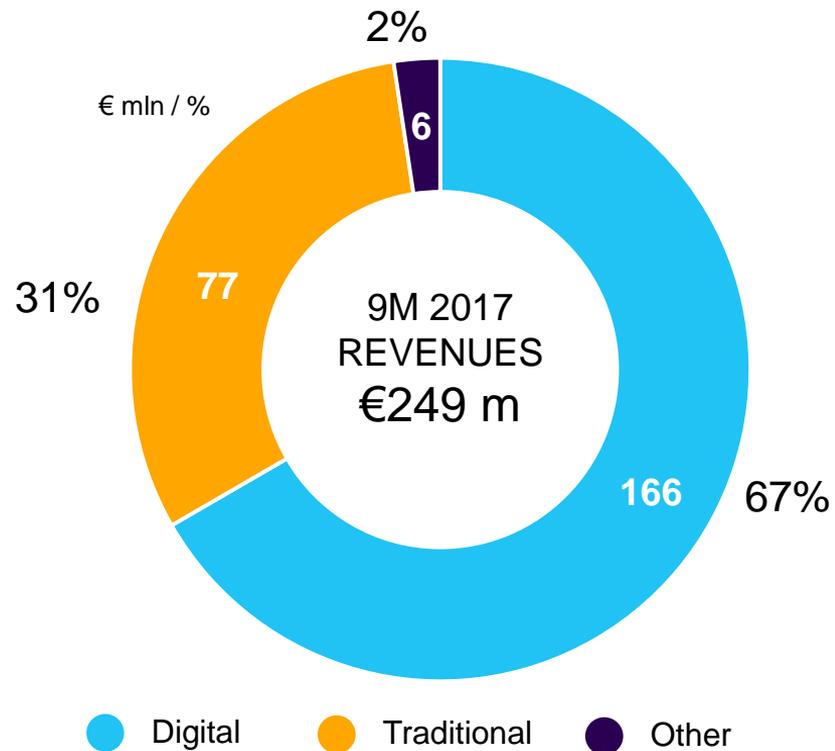
Our customer:
large and diversified
customer base SMEs (**230k³**)
and Large Accounts (**700³**)

Italiaonline | Key Figures

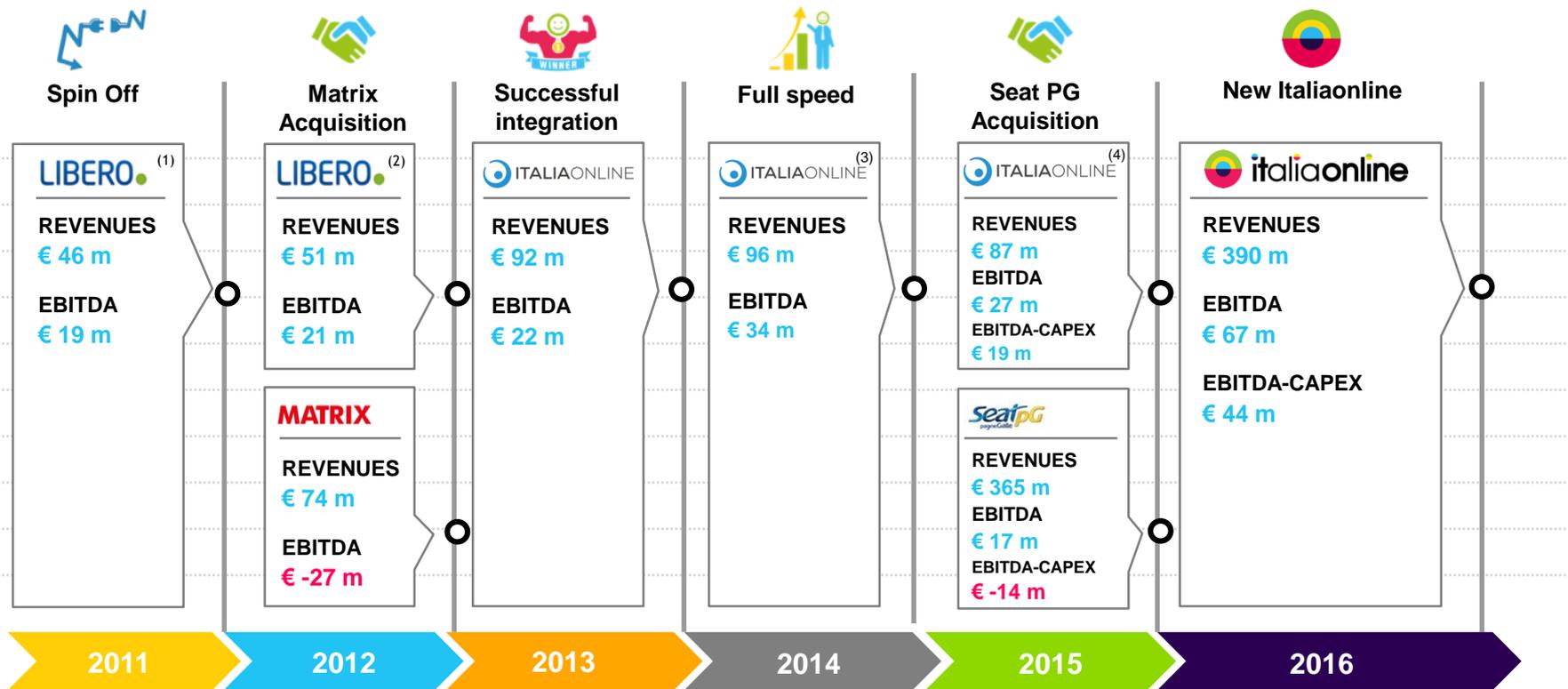


(1) Ebitda FY 2016 before the write-down of Consodata S.p.A. trade receivables (€3.2m), as result of the decision to dispose the Company

Multiple revenues streams



A history growth and of successfully executed M&A



(1) 2011 pro-forma data to represent FY revenues since spin-off from Wind Telecomunicazioni occurred on March '11

(2) EBITDA is adjusted for the Matrix acquisition cost of €2.1m

(3) EBITDA is adjusted for IPO costs effect (1.8€m)

(4) EBITDA is adjusted for extraordinary costs effect (8,0€m, mostly related to Seat deal)

Management team of excellence



Antonio Converti – CEO

37 yrs of Experience



Gianluca Pancaccini - CTO

32 yrs of Experience



Gabriella Fabotti – CFO

25 yrs of Experience



Carlo Meglio – CDO

20 yrs of Experience



Ivan Ranza – CCO SME

23 yrs of Experience



Andrea Fascetti – CHRO

26 yrs of Experience



Andrea Chiapponi – CCO Large account

20 yrs of Experience



Maurizio Mongardi – COO

28 yrs of Experience



A unique and integrated business model



WEB PROPERTIES

a leading audience and advertising inventory



DIGITAL ADVERTISING

programmatic and direct sales, special projects

iOL | Advertising



SME SOLUTIONS

solutions for local business to get digital and be found

iOL | Connect
iOL | Website
iOL | Audience

Audience

Sales Network

Diversified Customer Base

Strategic Partnerships

Audience | a leading daily audience



4.8 mln

TDA
DAUs*



2.5 mln

MOBILE
DAUs*



12 min

TIME SPENT
PER PERSON*



3.5 bln

DISPLAY
MONTHLY IMPRESSIONS**



110 mln

VIDEO
MONTHLY IMPRESSIONS**

OUR WEB PROPERTIES

LIBERO.

VIRGILIO

SUPERQVA

DiLei

QF QuiFinanza

SiViaggia

Buonissimo
Guida ai Ristoranti

PagineGialle

PagineBianche

TuttoCittà

*Source: Audiweb Database, powered by Nielsen, Sept 2017 | Google, Facebook and Microsoft are not included –| TDA – Total Digital Audience | DAUs – Daily Active Users.

**Source: internal data 9M 2017 .

Sales network | Strong footprint on the territory

Largest Italian network to reach and support every local business



812
Sales rep¹



35
Large Accounts



Diversified customer base

ENTERTAINMENT	TECHNOLOGY	AUTOMOTIVE	FOOD
TELECOMMUNICATION	RETAIL	PERSONAL CARE	TRAVEL
AGENCIES			



LARGE ACCOUNT 700 Customers

SMEs 230K Local Customers

Note: # of customers H1 2017

Strategic partnerships

DIGITAL ADVERTISING PARTNERS



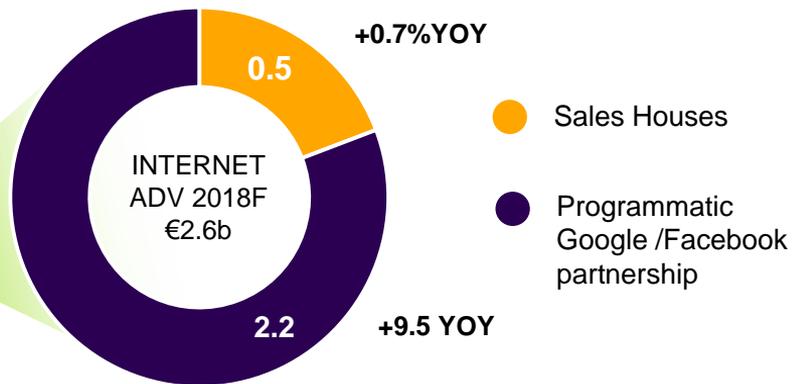
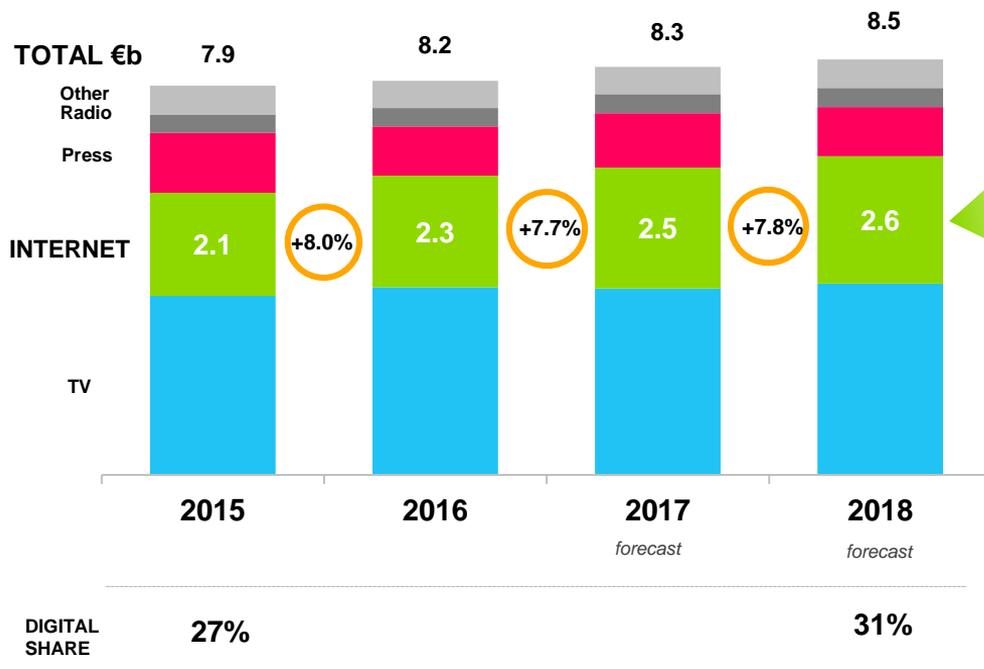
TECHNOLOGICAL PARTNERS



Market and iOL Positioning

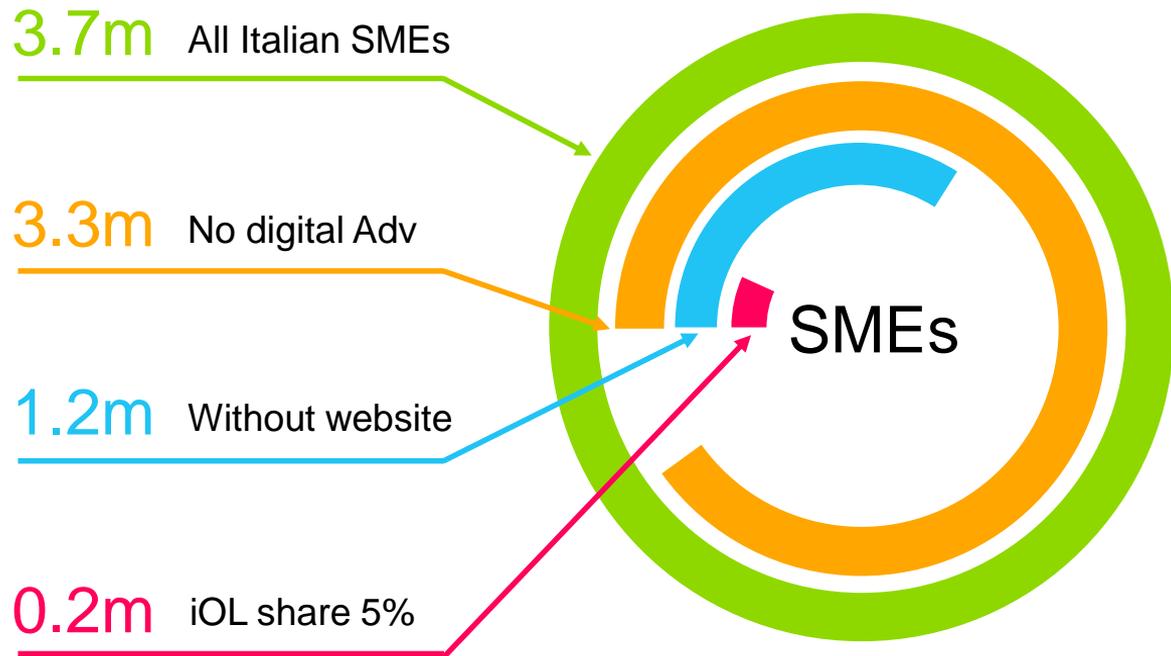


Internet is driving the advertising market growth



Source: Nielsen – Forecast Nov. 2017

Large and underserved Market



Italian SMEs represent **68.0%** of the total national added value¹, **95%** of ITA SMEs are Micros.



≈ **88%** do not pay for Web ADV, and ≈ **33%** no website



In 2018-2019 ITA SMEs revenues are expected to grow² +4% yoy (avg.)

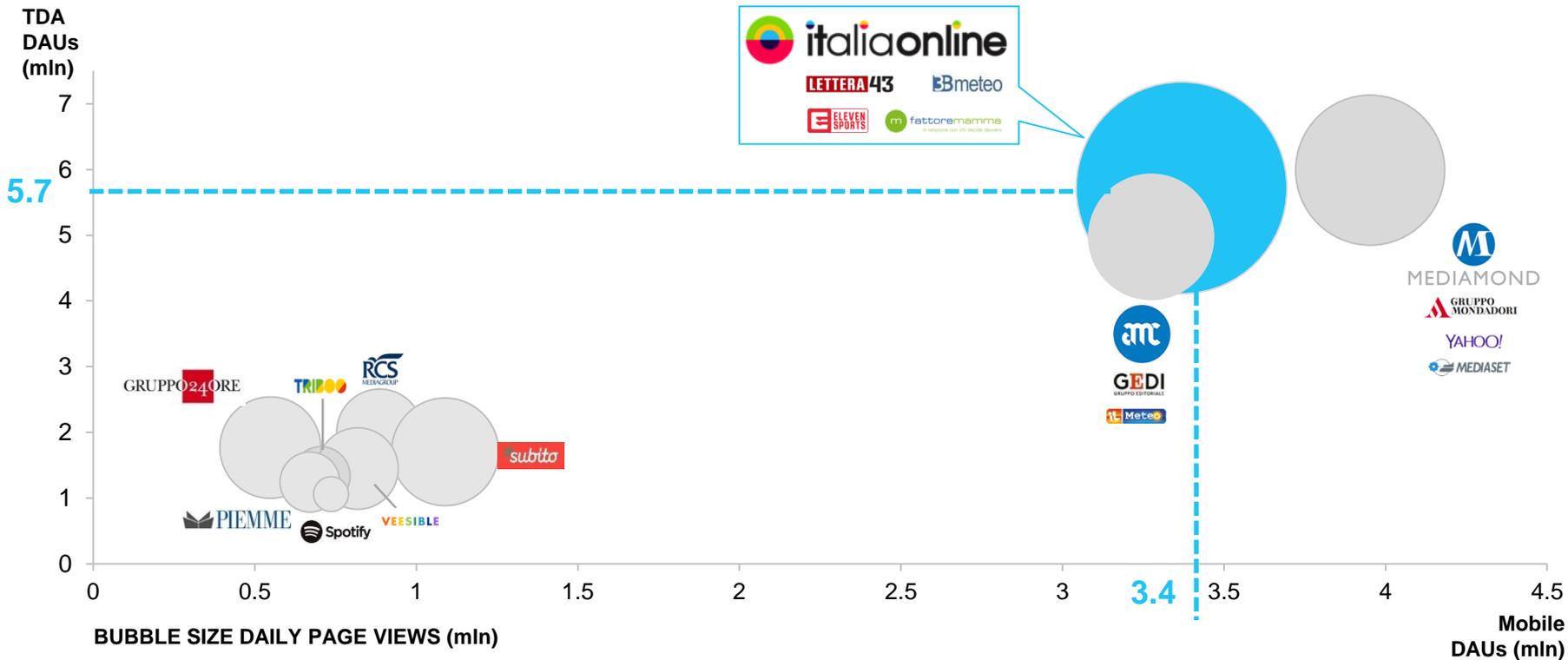


Significant market opportunity for iOL as SMEs expand their online presence

1.Sources: European Commission - SME Performance Review 2017 – Pragma CNR – Company Analysis

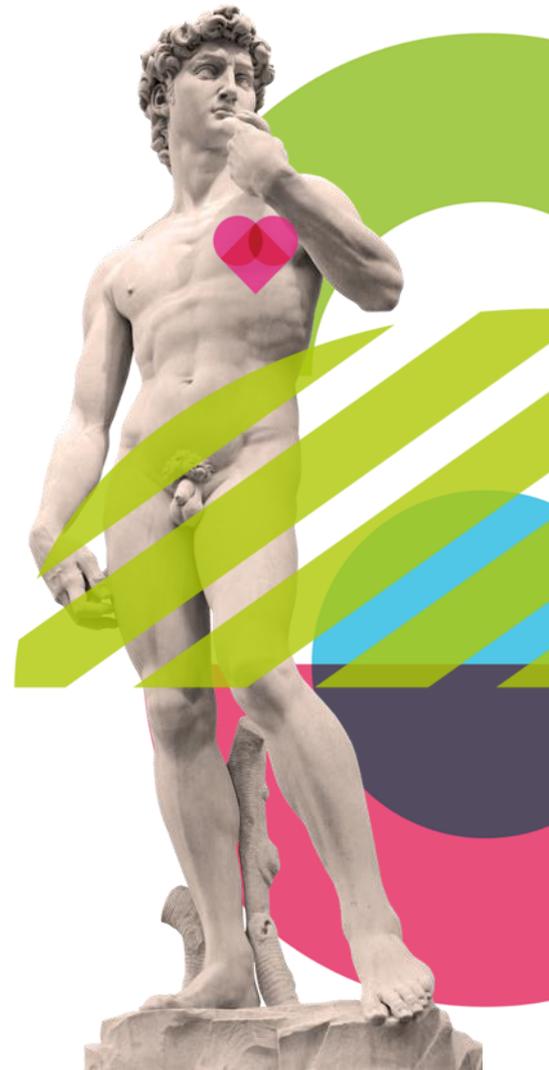
2.Cerved PMI 2017- figure refers to SMEs (9-50 employees)

iOL is one of top 3 advertising sales houses

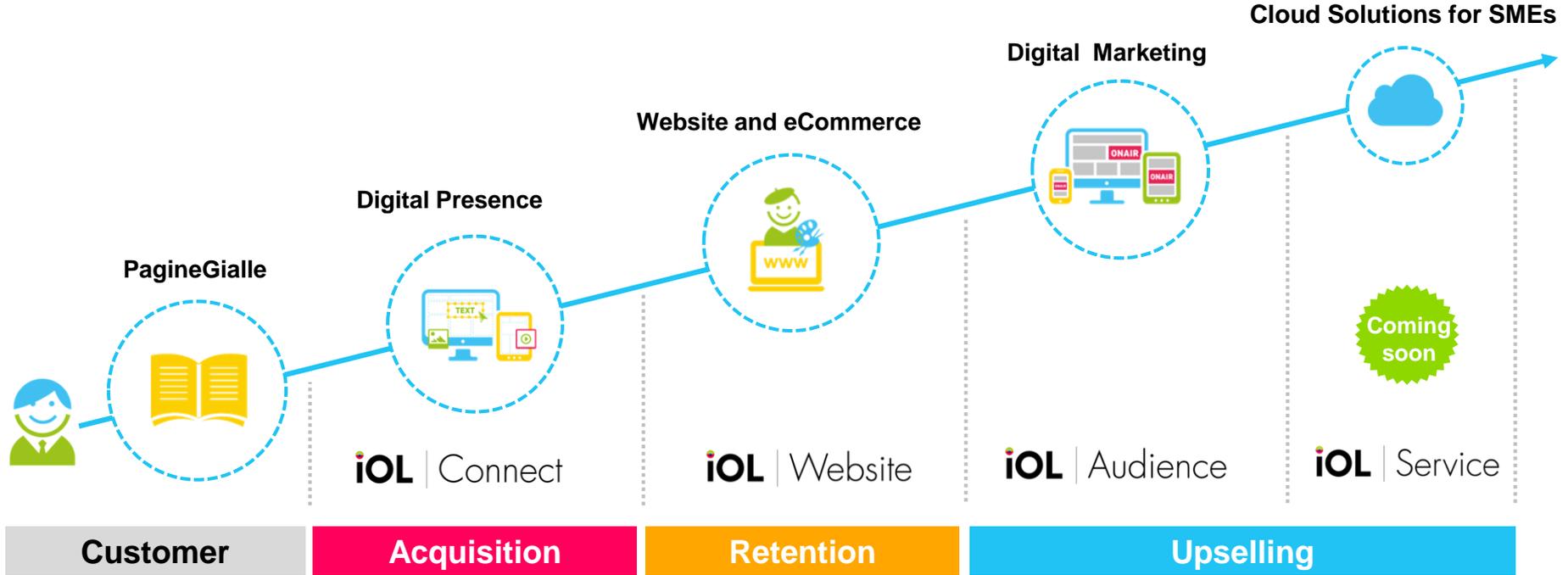


Source: Audiweb Database, powered by Nielsen, September 2017 | Google, Facebook and Microsoft are included – Custom Properties: figures refer to iOL web properties and partnerships
 Note: TDA – Total Digital Audience | DAUs – Daily Active Users

Italiaonline for SMEs



A complete product portfolio to lead SMEs digital transformation



We cover the complete digital products value chain

From off-the-shelf products to tailor made solutions



Our unique offering tailored to Italian SMEs

iOL | Connect

We put your business where people search for it

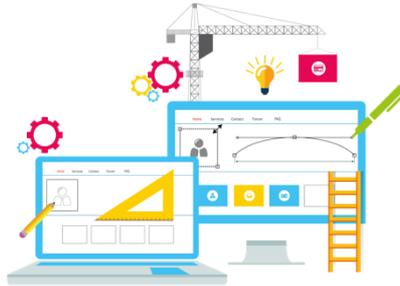


Google facebook Bing V:RGILIO

Partner with
yext

iOL | Website

Cutting edge professional web site development



80k sites developed
live website creation with online web designer

Partner with

“Spotzer,” **duda**

iOL | Audience

We do for SMEs what top AD agencies do for top brands



Trough the unique expertise of **moqu-adv**
(100% controlled by IOL)

Powered by

matchcraft

Most advanced datacenter to deliver SME cloud applications



Largest and most reliable datacenter
in Italy: **Tier IV Gold**



Italiaonline Large Account



Leader digital AD sales house with best programmatic skills

iOL | Advertising

DIRECT SALES

50%

- Human sales to advertisers and Media Centers
- Both branding and performance goals



PROGRAMMATIC SALES

50%

- Deals (Human & Machine2machine)
- Open market (Machine2machine)

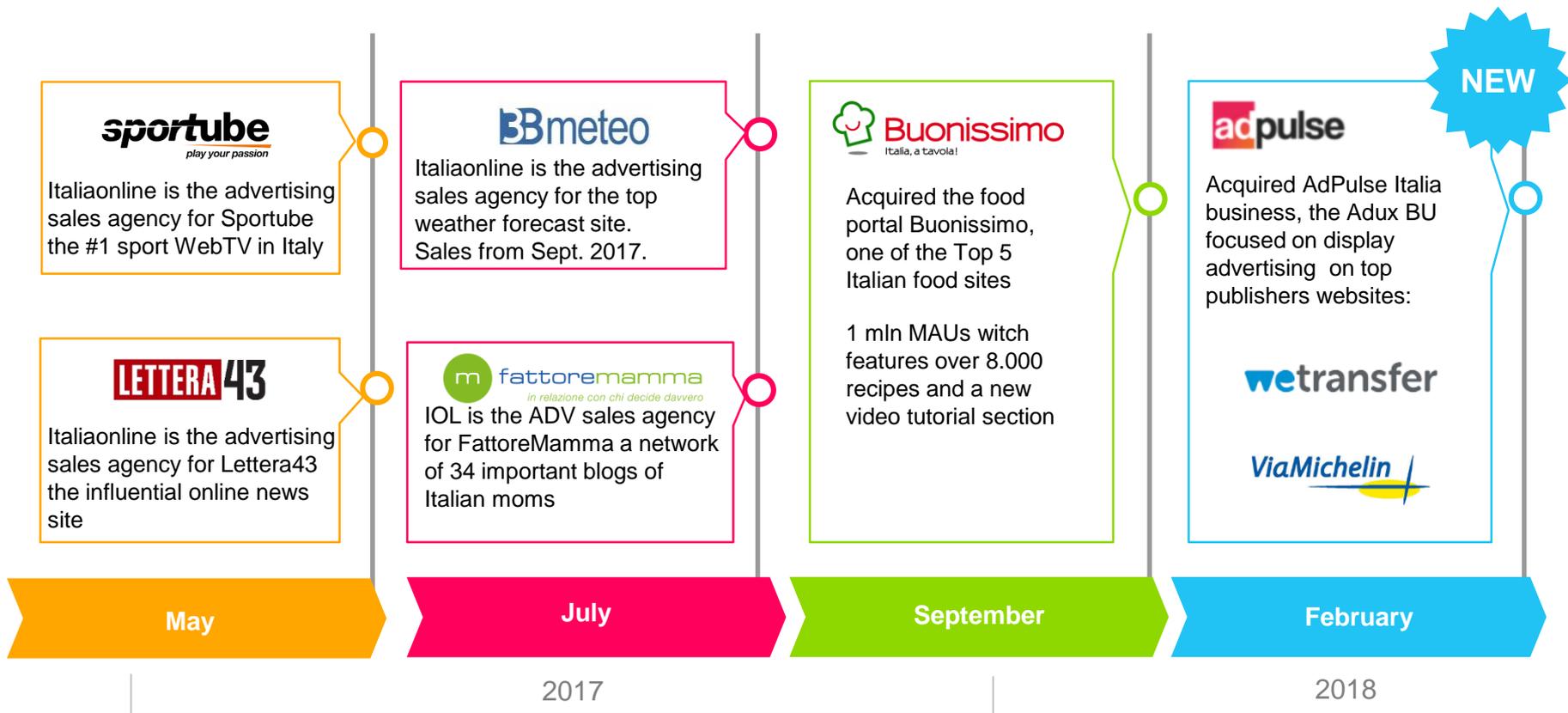


DMP (Data Management Platform)

Leveraging proprietary data for inventory enrichment and multivariable targeting

- 17 m users (TDA)
- 8 m email subscribers

iOL Advertising | acquisitions and commercial partnerships



The most active email accounts



9.8 mln
active accounts⁽¹⁾

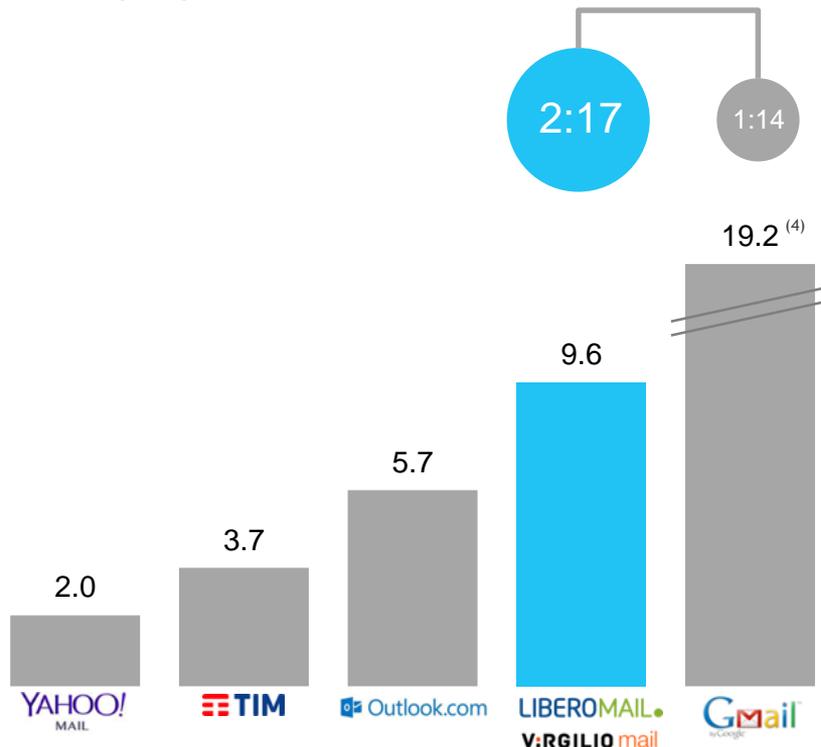


3.7 bln
exchanged messages⁽²⁾



MAUs⁽³⁾ (mln)

time spent per person (hh:mm)



(1) Source: internal data, 90 days active mailboxes, average 9M 2017
 (2) Source: internal data, average Daily figures Sept 2017
 (3) Source: Audiweb View, powered by Nielsen, TDA average 9M 2017
 (4) Includes Android & Google accounts

One-stop-shop digital marketing solutions for leading brands

Bespoke solutions



- Branded content
- Creative formats
- Websites and mini-sites
- 20% Customer base benefits from bespoke solutions

Programmatic buy-house

- Best of breed campaign management buying platforms (DoubleClick/Google)
- Full access to Italian and international inventory and global AD Exchanges
- Accurate targeting through first and third party data
- Performance and branding campaigns

 DoubleClick
Campaign Manager

 DoubleClick
Search

 DoubleClick
Bid Manager

 DoubleClick
Ad Exchange

 iOL | Adv Network

 Google
AdWords

 iOL | DMP

 Facebook
Audience
Network

Web Properties





9.1 mln
Unique Audience ⁽¹⁾



29.1%
Market Reach ⁽¹⁾



1.5 bln
Page Views ⁽¹⁾



8.0 mln
Active Subscribers ⁽²⁾



2:07 h
Average Time Spent ⁽¹⁾
Per Person

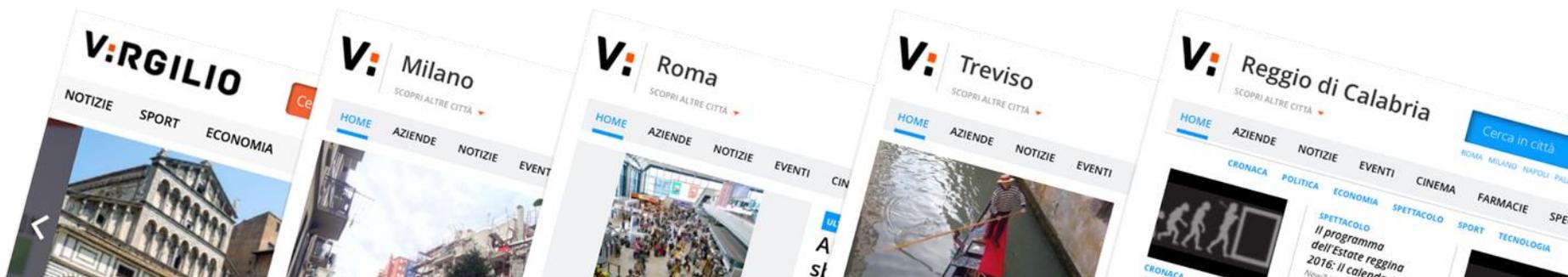
(1) Source: Audiweb View, powered by Nielsen, TDA avg. 9M 2017 | (2) Source: internal data, 90 days active mailboxes, avg. 9M 2017

AUDIENCE PLATFORM

16.9 mln
MAUs ⁽¹⁾

VIRGILIO

9.8 mln
FREE SUBSCRIBERS ⁽²⁾



11.6 mln
Unique Audience ⁽¹⁾



37.2%
Market Reach ⁽¹⁾



0.4 bln
Page Views ⁽¹⁾



1.8 mln
Active Subscribers ⁽²⁾



0:24 h
Average Time Spent ⁽¹⁾
Per Person

(1) Source: Audiweb View, powered by Nielsen, TDA avg. 9M 2017 | (2) Source: internal data, 90 days active mailboxes, avg. 9M 2017



4.2 mln
Unique Audience ⁽¹⁾



13.4%
Market Reach ⁽¹⁾



13.8 mln
Page Views ⁽¹⁾



16.1 mln
Copies distributed



0:06h
Average Time Spent ⁽¹⁾
Per Person

(1) Source: Audiweb View, powered by Nielsen, TDA avg. 9M 2017

Innovative content factory based on internet trends



Data Driven Publishing

Topics selection based on real-time **search** and **social** trends



Content Factory

Content production based on **crowdsourcing** and/or content syndication



Engagement

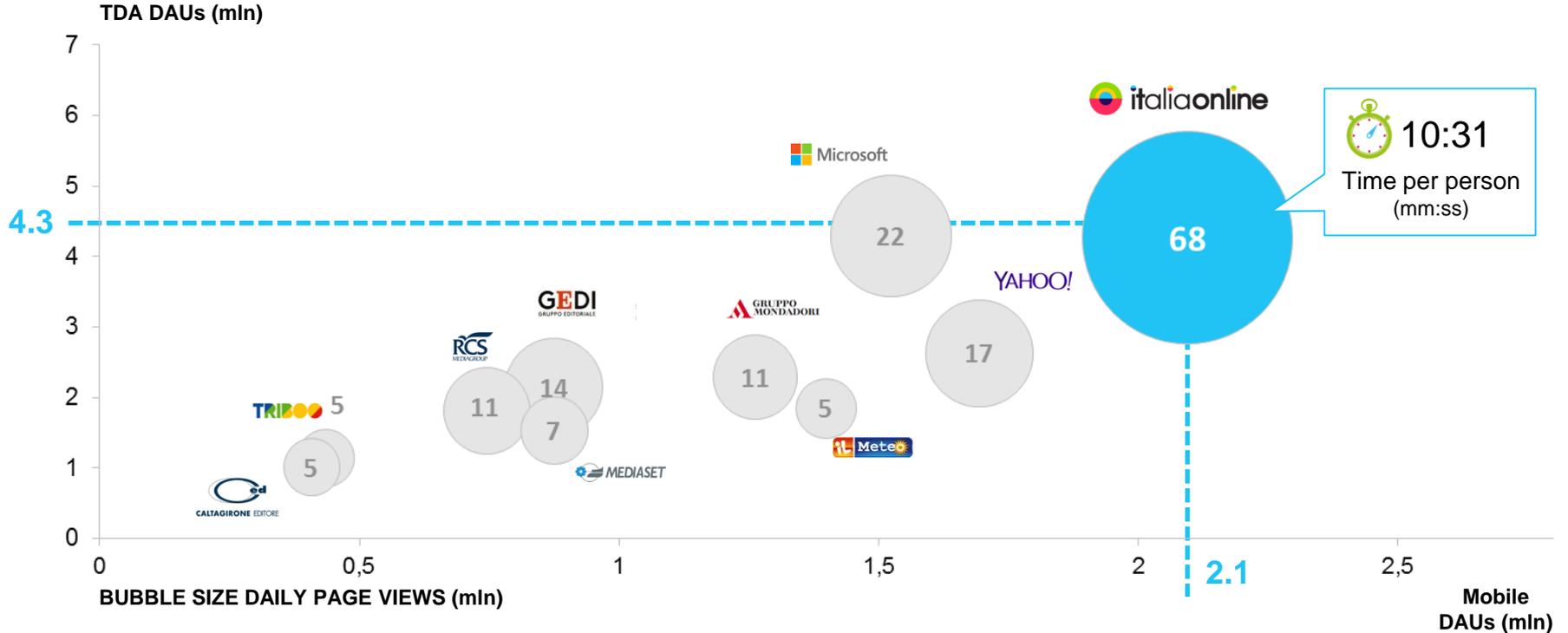
Proprietary tools for optimizing **engagement** rate and making contents go viral



OUR VORTALS

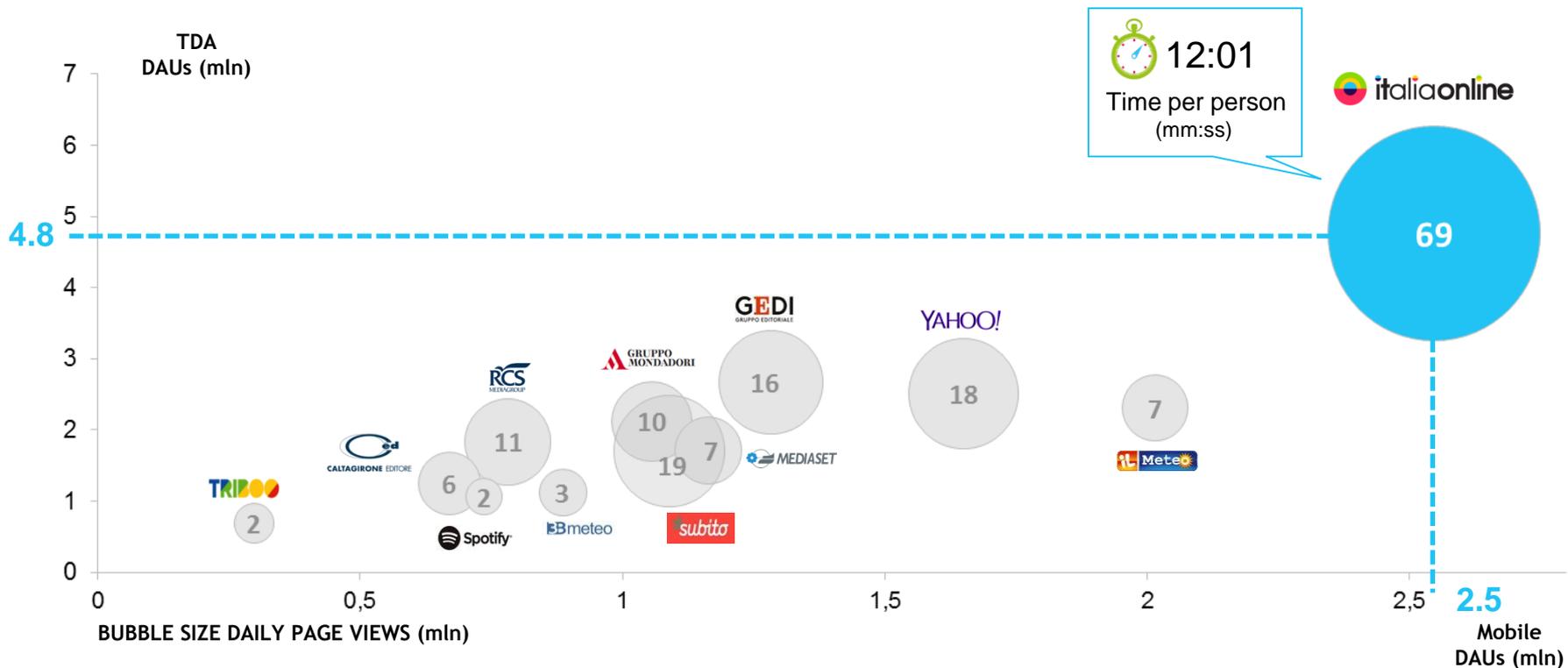


The undisputed Italian internet leader | average daily audience 2016



Source: Audiweb Database, powered by Nielsen, Avg. FY.2016 | Google and Facebook are not in Audiweb Database
 Note: TDA – Total Digital Audience | DAUs – Daily Active Users

Daily Audience | Month of September 2017



Source: Audiweb Database, powered by Nielsen, September 2017 | Google, Facebook and Microsoft are not in Audiweb Database
 Note: TDA – Total Digital Audience | DAUs – Daily Active Users

Growth Strategies

Organic & M&A



Six organic growth pillars



SMEs

1 Churn Reduction

- Shift to evergreen contracts
- Dedicated retention team
- Customer profiling for churn prevention

2 Win Back

- Improve penetration in segments w/o web
- Win back on web Customer
- Improve sales channel balance

3 Up Selling

- Multi channel strategy based on ARPA
- Maximize digitization of Customers
- Focus on website sales



Large Account

1 Custom Projects

- Special Advertising
- Branded Content / Native Advertising
- Digital Marketing Solutions

2 Programmatic

- Rich Inventory
- Header Bidding / Google Exchange Bidding
- Programmatic Sales House

3 3rd Party Sales

- Acquire third party inventories
- Increase market share
- Grow brand portfolio and audience

M&A opportunities to accelerate digital revenues growth



CLOUD



COMMERCE



CONTENT

STRATEGY

Acquire applications and/or technology company to improve product portfolio for SMEs

Acquire e-commerce and marketplaces company

Acquire premium content and creative platforms

OBJECTIVE

Strengthen Italiaonline market position in digital offer for SMEs

- Develop the “*Made in Italy*” marketplace
- Improve local growth through switching and gig economy

- Increase market share and advertising inventory
- Acquire valuable customers’ segments

RESULTS

Revenues increase and improve marginality through disintermediation and synergies

Revenue increase and complete offer for SMEs

Revenues increase and improve growth speed

Other small opportunistic targets may also be considered

M&A opportunities – Tax Assets



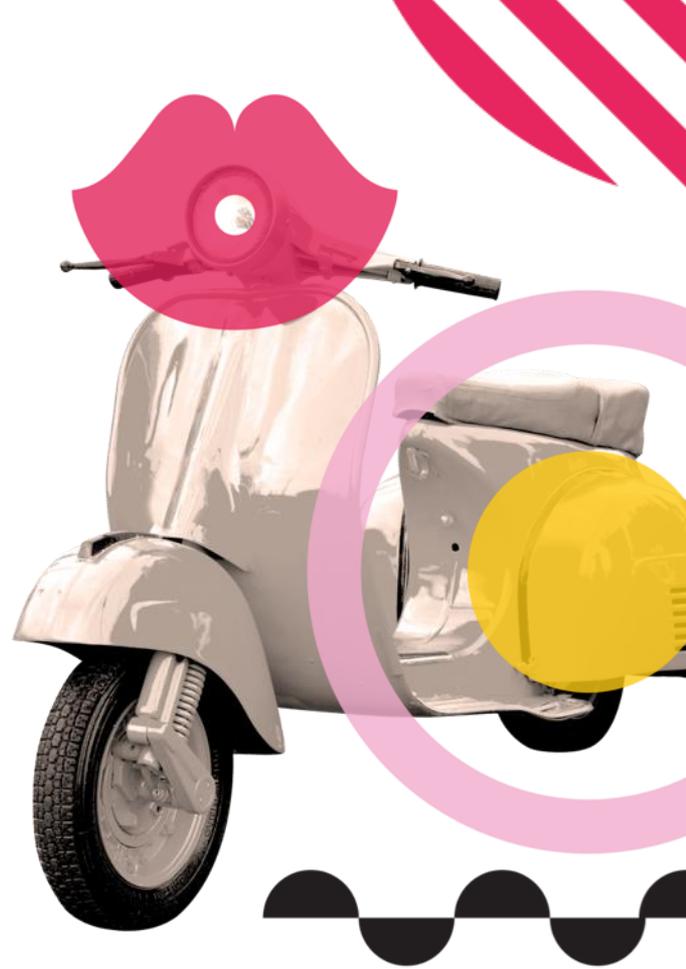
Tax Assets
would provide
a **tax shield**
in any M&A deals
which involve the
consideration of
profits



Tax assets as of 31 Dec. 2016 €808 m



Financial Overview



9M 2017 | Financial highlights



In Q3 2017 recovery of **digital segment** and in particular of **Digital ADV** reduces the revenues decline



9M 2017 **Revenues** at € 249 m vs € 280 m pro forma⁽¹⁾ 9M 2016



Increasing profitability: +5.7% yoy Ebitda, Ebitda margin 22.5% + 3.6 pp vs 9M 2016



Still **good cash flow generation**: Unlevered FCF €51 m (+5% yoy), Ebitda **Cash Conversion**⁽²⁾ 91%



Positive **Net Financial Position** at **€77 m**, vs € 69 m at 30 June 2017



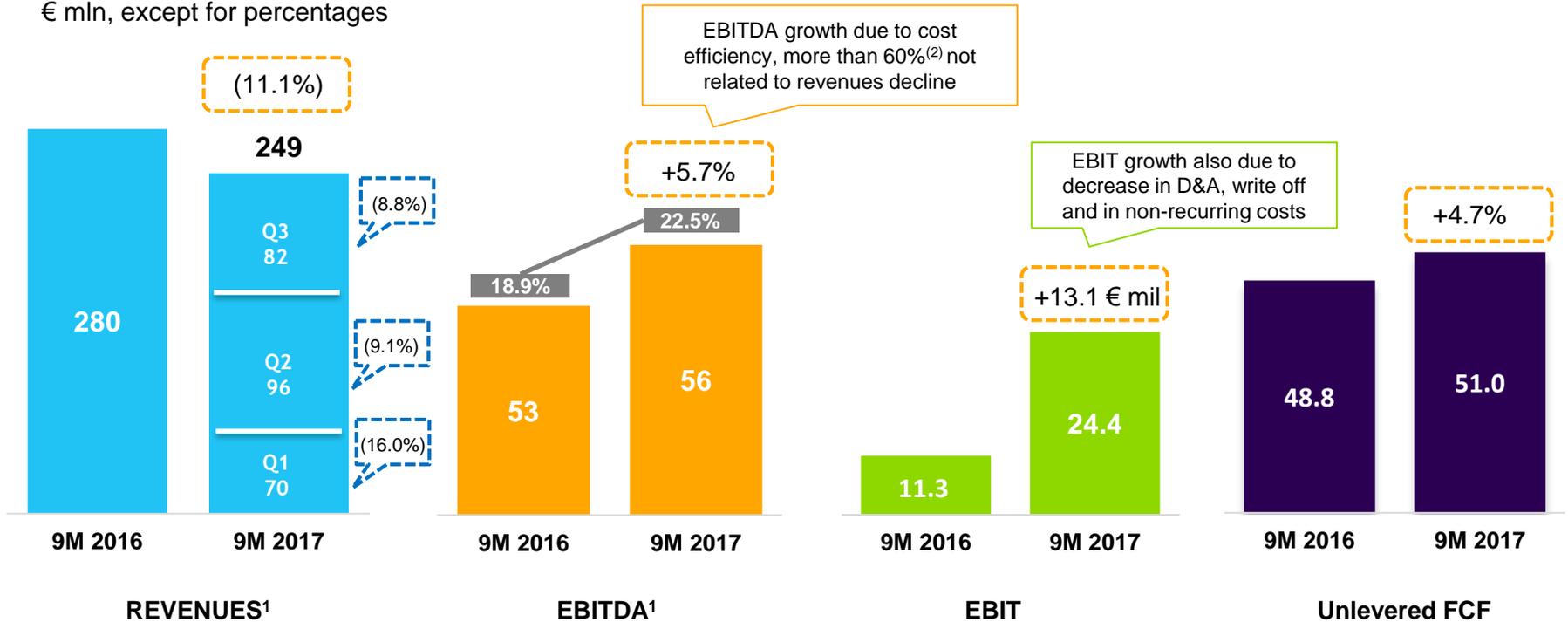
Increased Audience⁽³⁾:  **+12% Mobile DAUs**  **+10 % Time per person**  **+9% TDA DAUs**

(1) 9M 2016 normalized results (pro-forma data) for an amount of revenues (-€ 15.7 m) and Ebitda (-€ 2.6 m) to reflect the change in the perimeter due to the sale and termination of certain business lines (Europages SA, 12.54 business and Moqu arbitration agreement on Google Ad Sense market) in the course of 2016 and some changes in the directory publication calendar in 2017 vs 2016 and thus to enable comparison with 9M 2017 results. 9M 2016 Ebit and Unl FCF reported data.

(2) Cash Conversion = Unl. FCF / EBITDA Reported - (3) Source: Audiweb Database, powered by Nielsen, figures Month Sept 2017, YOY performance | TDA: Total Digital Audience, DAUs: Daily Active User

9M 2017 | Improved profitability and still good cash generation

€ mln, except for percentages

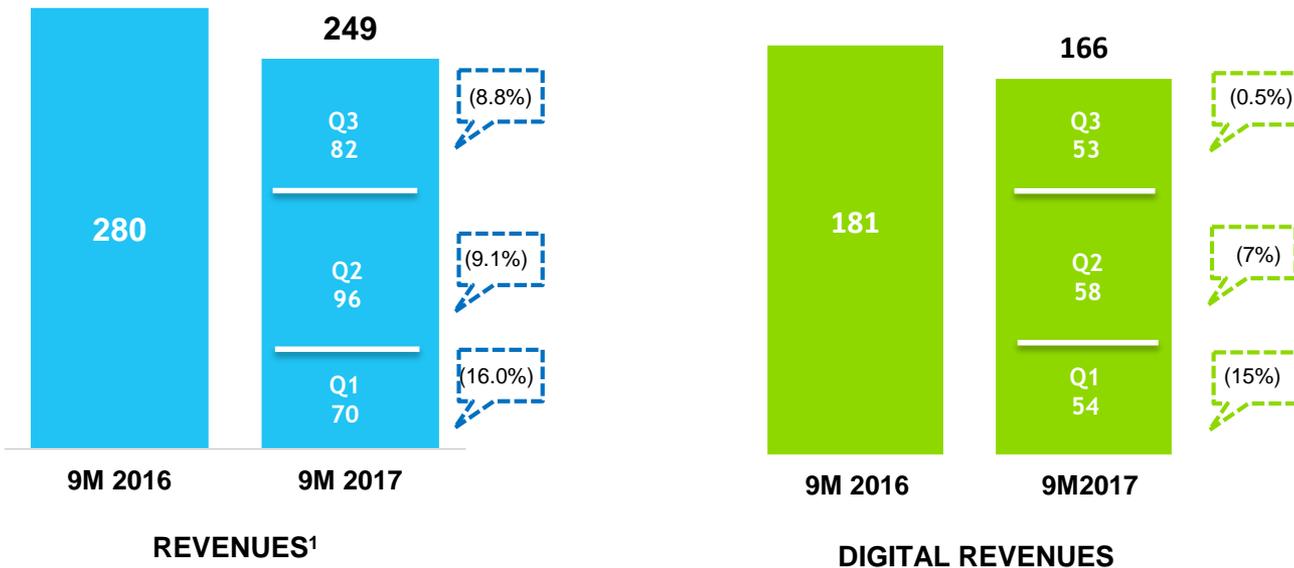


(1) 9M 2016 results have been normalized (pro-forma data) for an amount of revenues (-€ 15.7 million) and Ebitda (-€2,6 million) to reflect the change in the perimeter due to the sale and termination of certain business lines (Europages subsidiary, 12.54 business and Moqu arbitration agreement on Google Ad Sense market) in the course of 2016 and a new directory publication calendar in 2017 vs 2016 and thus to enable comparison with 9M 2017 results

(2) Figure referred to IOL core business only

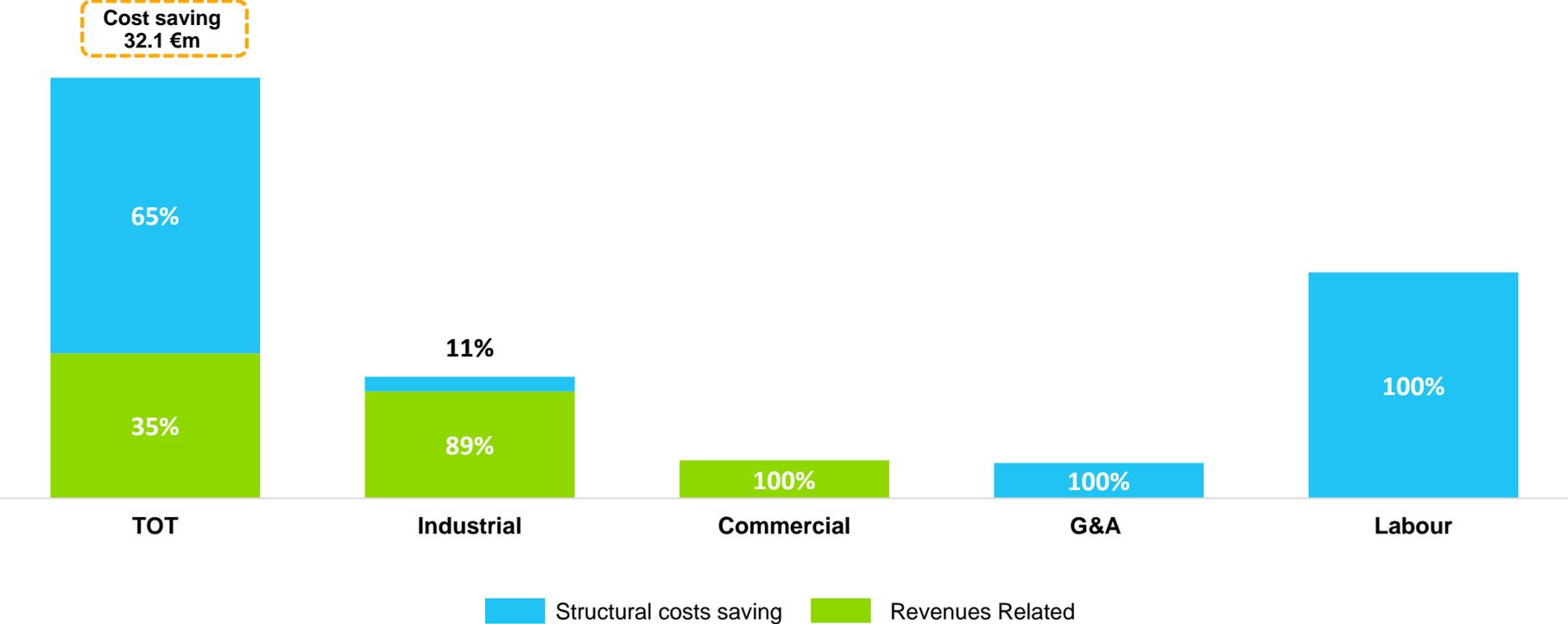
9M 2017 | Digital segment leads revenues trend recovery

€ mln, except for percentages (YoY performances)



(1) 9M 2016 results have been normalized (pro-forma data) for an amount of revenues (-€ 15.7 million) and Ebitda (-€2,6 million) to reflect the change in the perimeter due to the sale and termination of certain business lines (Europages subsidiary, 12.54 business and Moqu arbitration agreement on Google Ad Sense market) in the course of 2016 and a new directory publication calendar in 2017 vs 2016 and thus to enable comparison with 9M 2017 results.

9M 2017 | 65% of costs saving is structural

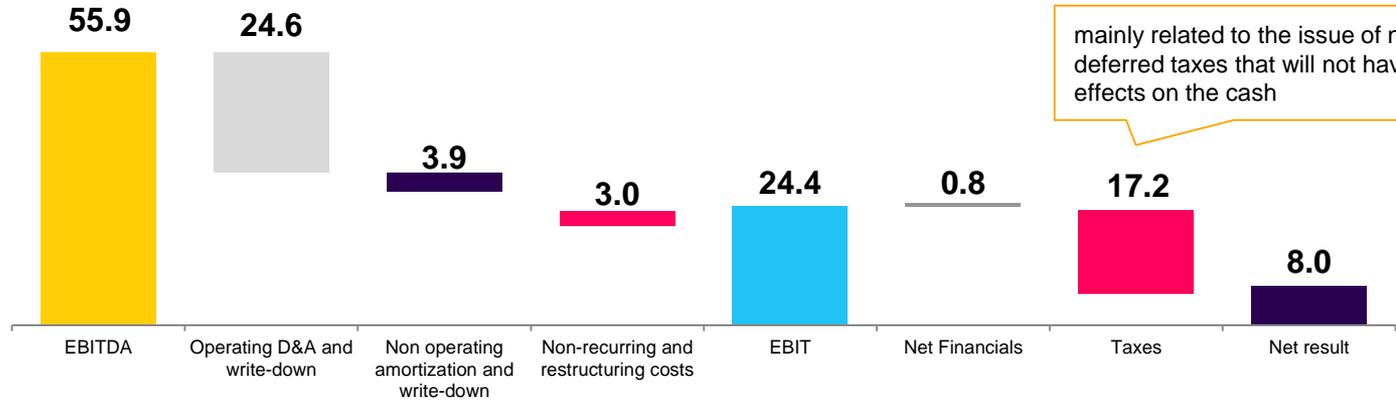


Note: Based on 9M 2017 vs 9M 2016 Pro-forma figures referred to Core business costs only | Italiaonline+DLS+Moqu

9M 2017 | From EBITDA to Net Result

9M
2017

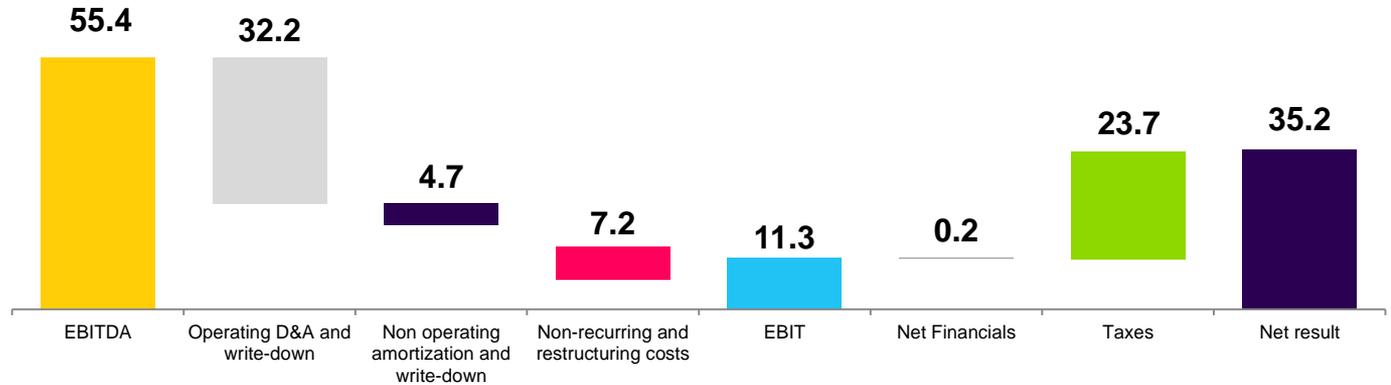
€ MLN



mainly related to the issue of net deferred taxes that will not have any effects on the cash

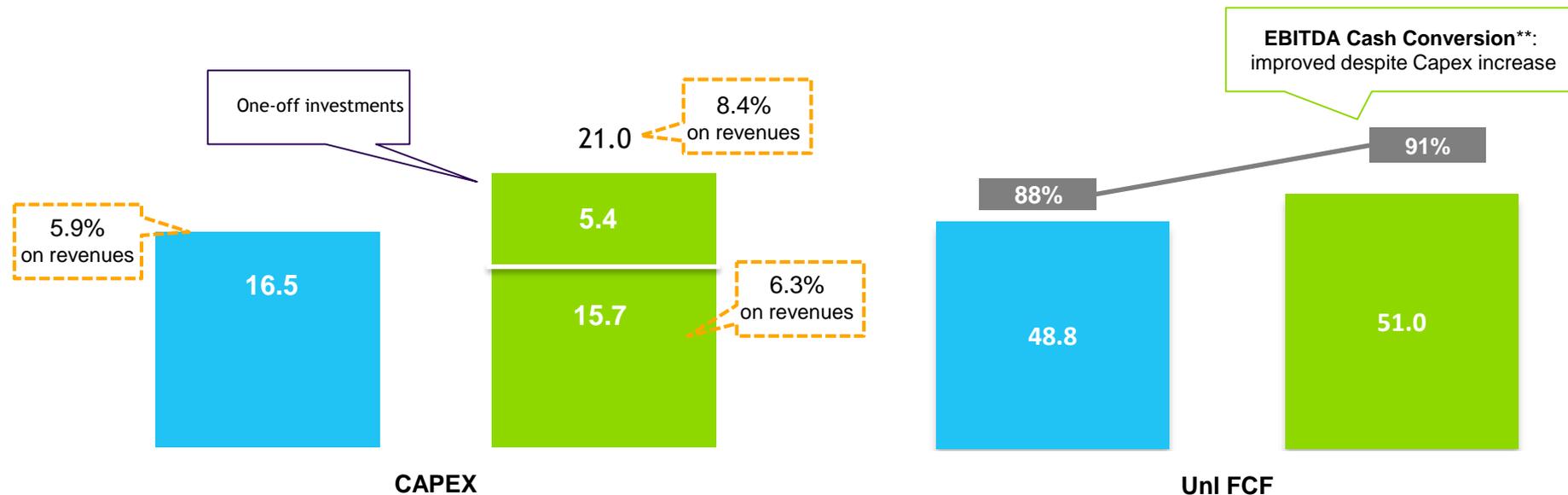
9M
2016
reported

€ MLN



9M 2017 | Capex and Ebitda Cash Conversion

€ mln Net of one-off investments 9M 2017 capex were €15.7m, down 5.3% YoY, at 6.3% of revenues



* Revenues 9M 2016 pro-forma

** Cash Conversion = Unl. FCF / EBITDA Reported



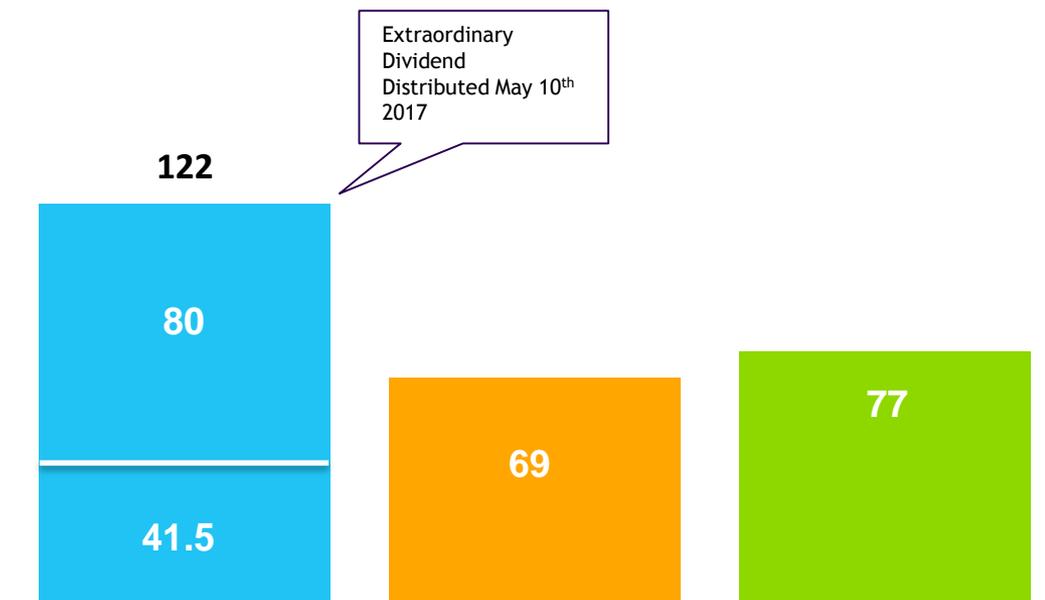
9M 2016



9M 2017

9M 2017 | Improved positive Net Financial Position

€ mln



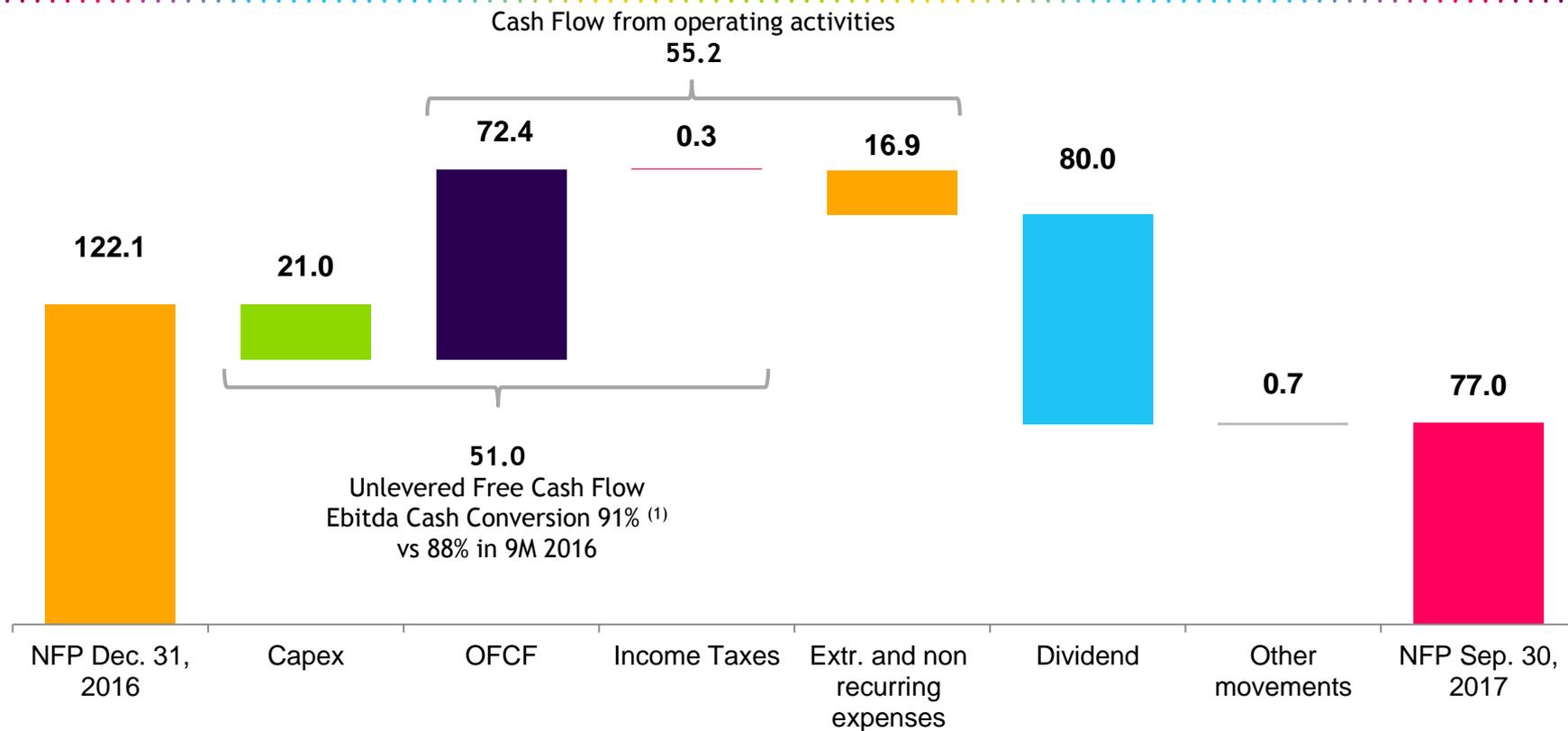
Net financial position

At Dec. 31st, 2016

At June. 30th, 2017

At Sep. 30th, 2017

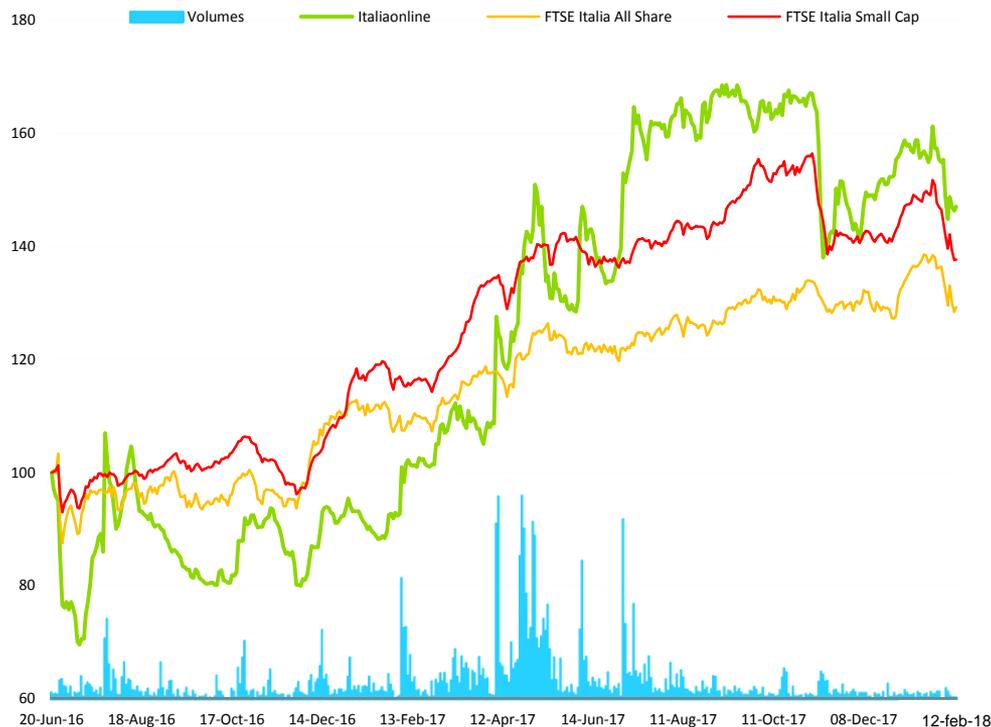
9M 2017 | Change in Net Financial Position



(1) Cash conversion = Unl FCF / EBITDA Reported

Italiaonline Share

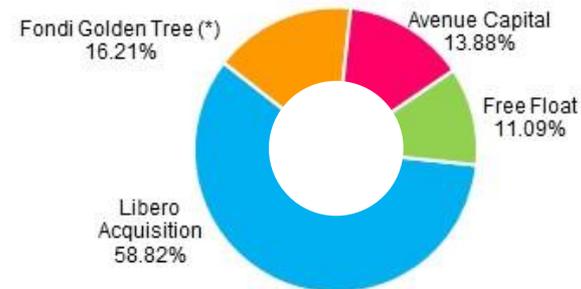
IOL versus indices: June 20, 2016 – February 12, 2018



Source: Thomson Reuters EIKON



Shareholders structure



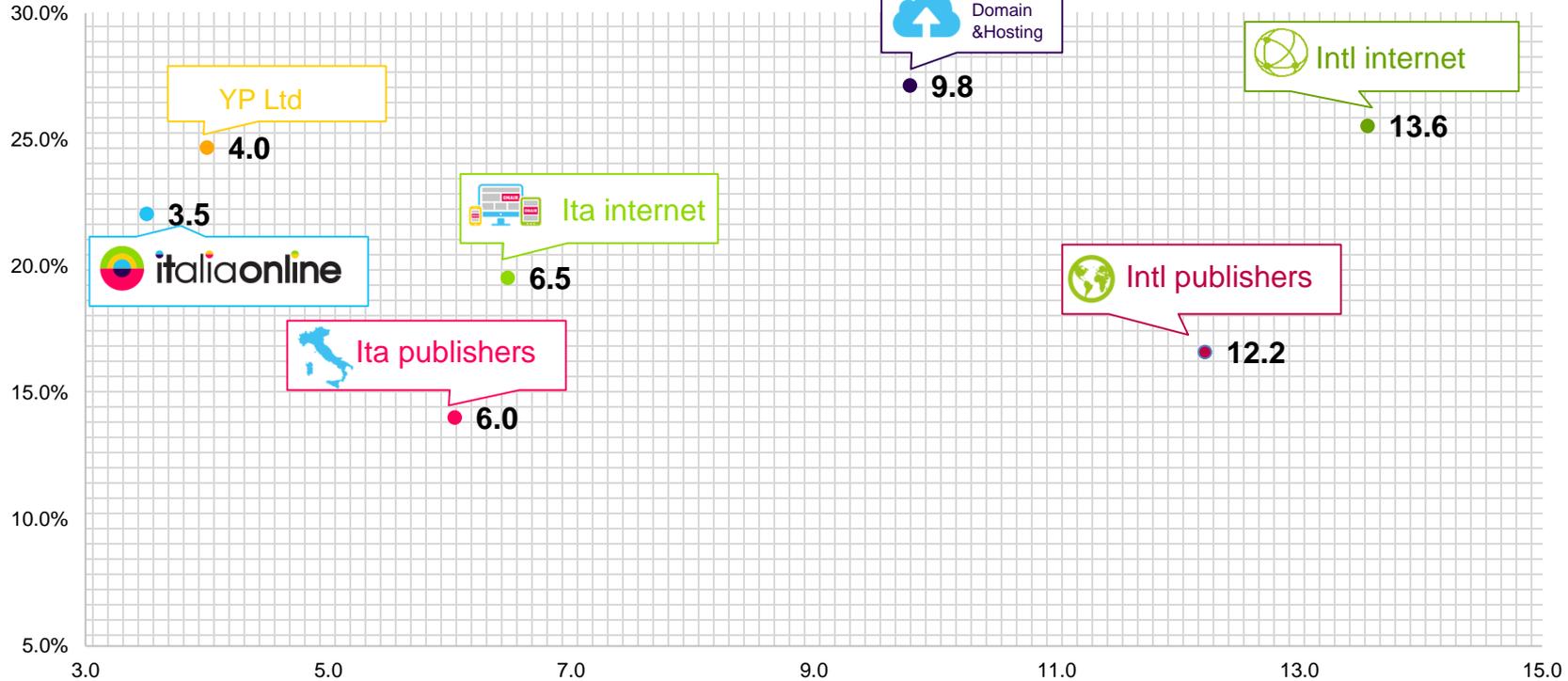
(*) GoldenTree Asset Management Lux S.à r.l., GoldenTree SG Partners L.P., GT NM L.P. e San Bernardino County Employees Retirement Association

Share data as of February 12, 2018

MARKET	MTA
NOSH Ord (€mln)	114.8
PRICE (€)	3.0
MKT CAP Ord (€mln)	344
PERFORMANCE (from June 20, 2016)	+47.0%
RELATIVE PERF.vs FTSE MIB (from June 20, 2016)	18.3%
AVG DAILY VOLUMES YTD (€)	268,118
Saving Share: NOSH 6.803 Closing Price (€) 296 Market Cap (€ mln) 2.0	

IOL vs Baskets of Peers (average values)

EBITDA Margin 2018E



Source Thomson Reuters EIKON – data as of 12 Feb 2018 and company analysis

EV/EBITDA 2018E

Investment Case



Investment Summary

1

Leadership:

- Top Italian digital company
- leading audience and the largest advertising inventory

2

National Footprint - Sales Network

- Largest Italian network sales (812 Sales Rep and 63 SMEs agencies)....
-to reach and support every local business

3

Unique & Integrated Business Model

- Complete product offering to digitize ITA companies and strategic partnerships
- High quality/diversified Customer base

4

Large Market Opportunity

- Significant market opportunity as SMEs continue to expand their online presence.
- Act as consolidator (M&A) in a fragmented sector, thanks to strong financial profile

5

Attractive Financial Profile¹

- Cash Flow generation ($\approx 90\%$ Ebitda Cash Conv) and Positive NFP (€ 77 mln)
- Improving profitability

6

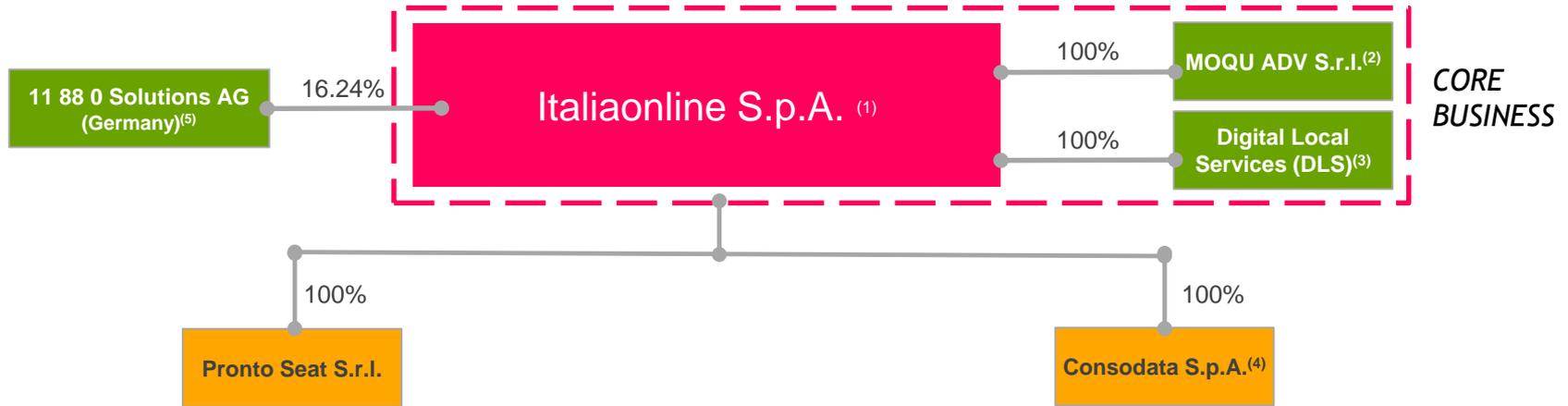
Best in class Management:

- Long –standing experience in digital sector
- Solid track-record in M&A execution

Appendix



Group Structure as of 30 June 2017



- (1) Italiaonline also holds a 20% stake in Gold Five S.r.l. "in liquidazione", a 100% stake in Couponing Italia S.r.l. "in liquidazione" and a 100% stake in Telegate Holding GmbH "in liquidazione"
- (2) Moqu Adv S.r.l. holds a 100% stake in Moqu Adv Ireland Ltd "in liquidazione"
- (3) 63 active territorial units ("DLS") established as single shareholder limited liability companies directly owned by Italiaonline S.p.A.
- (4) As the plan of Parent Company to sell the equity holding in Consodata S.p.A. has been put on hold, the assets and liabilities referred to this company were no longer classified "net non-current assets held for sale", pursuant to IFRS 5.
- (5) Disposed on 14 February 2018.



Chiara Locati – IR Director

21 yrs of Experience



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