

Nine months 2016 results

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November 9th, 2016



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.

This presentation does not constitute a recommendation regarding the securities of the Company. This presentation does not contain an offer to sell or a solicitation of any offer to buy any securities issued by Italiaonline S.p.A. or any of its subsidiaries.

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., Andrea Servo, declares that the accounting information contained herein correspond to document results, books and accounting records.

Reference is also made to the certification included in the Interim Report as at September 30, 2016, that will be made public on November 14, 2016.

Financial performance



Accounting data



9M 2016 results are compared with 9M 2015 "comparable" data, calculated as if the merger by incorporation of Italiaonline S.p.A. into Seat Pagine Gialle S.p.A. had taken place on 1 January 2015 and normalized with respect to the revenue recognition criteria.

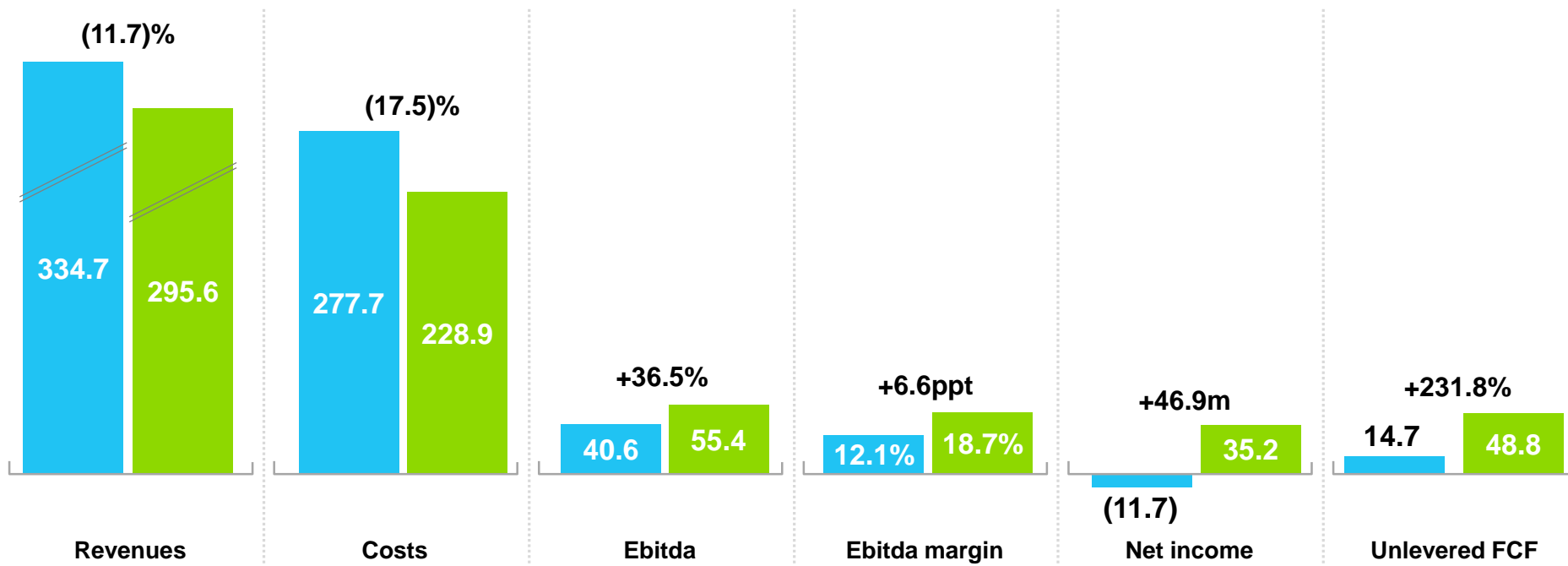
As it was already done for the FY 2015, the Q1 2016 and H1 2016 results, in order to enable comparison between the 9M 2016 and 9M 2015 results, the latter (with reference to Seat Pagine Gialle S.p.A. only) were reduced due to the non recurring effect arising from (i) the change in revenue recognition criteria adopted from 1/1/2015 on the PagineBianche® offer and (ii) the new Smartbook® publication calendar introduced from 1/1/2016, totally amounting to € 9.0 million at revenue level and € 8.6 million at Ebitda level in 9M 2015.

Group results



Change vs. nine months 2015⁽¹⁾ | A clear signal of turnaround

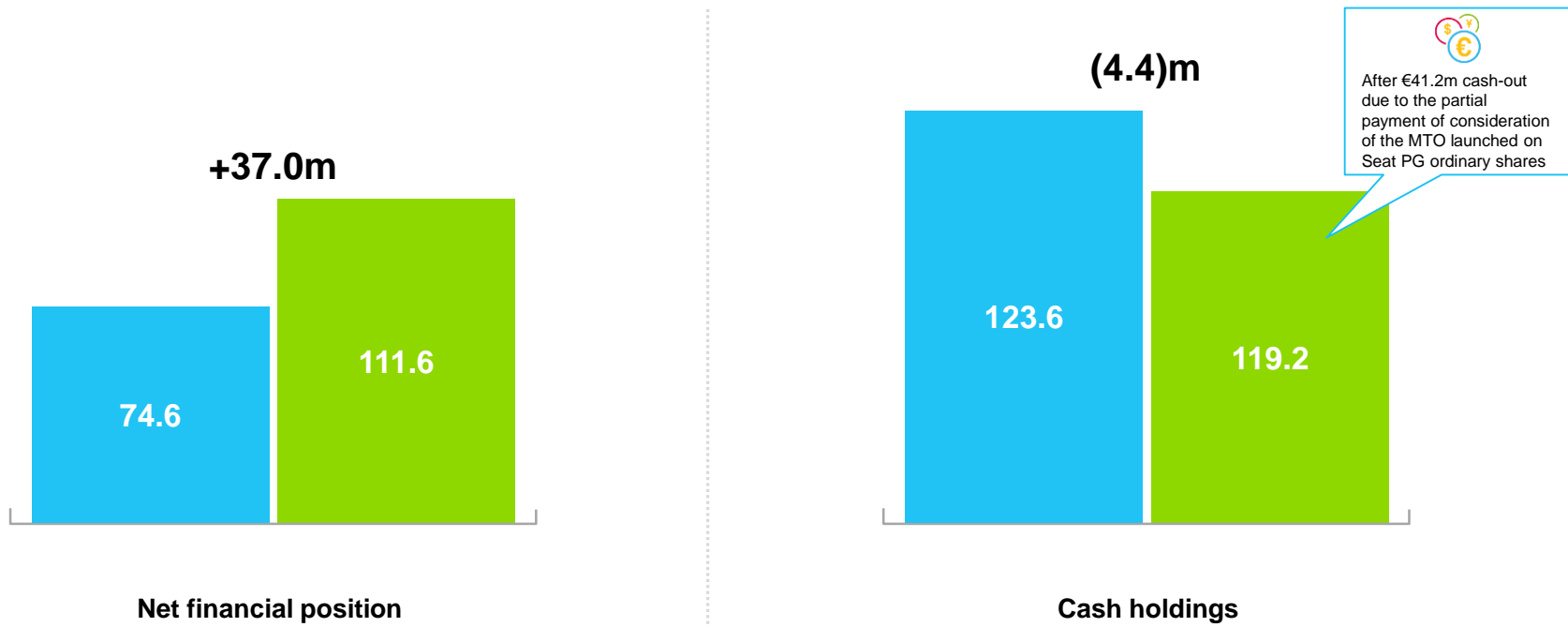
In millions of Euro, except for percentages



(1) 9M 2015 figures shown on a comparable basis (see slide 4)

Change vs. year-end 2015⁽¹⁾ | A clear signal of improvement

In millions of Euro



(1) 9M 2015 figures shown on a comparable basis (see slide 4)

Group results: 9M 2016 Actual vs. 9M 2016 Business Plan

In millions of Euro, except for percentages

	9M 2016 A	9M 2016 Business Plan	Change	
			mIn	%
Revenues	295.6	314.7	(19.1)	(6.1)%
EBITDA	55.4	38.7	+16.7	+43.2%
Ebitda <i>margin</i>	18.7%	12.3%	+6.4ppt	
Capex	16.5	28.6	(12.1)	(42.3)%
Capex <i>margin</i>	5.6%	9.1%	(3.5)ppt	
Unlevered free cash flow	48.8	30.2	+18.6	+61.6%
Net financial position	111.6	84.5	+27.1	+32.1%

Nine months 2016 | Profit & Loss

(In millions of Euro)	9M 2016	9M 2015 Comparable data ⁽¹⁾	Change	
			mln	%
Revenues from sales and services	295.6	334.7	(39.1)	(11.7)%
Costs	(228.9)	(277.7)	48.7	17.5%
Gross operating profit (GOP)	66.7	57.0	9.6	16.9%
<i>as % of revenues</i>	22.5%	17.0%		
Bad debt, risk provisions and others	(11.2)	(16.4)	5.2	31.6%
EBITDA	55.4	40.6	14.8	36.5%
<i>as % of revenues</i>	18.7%	12.1%		
Operating D&A and write-down	(32.2)	(37.2)	5.0	13.3%
Non operating amortization and write-down	(4.7)	(3.0)	(1.7)	(54.9)%
Non-recurring and restructuring costs, net	(7.2)	(8.1)	0.8	10.1%
EBIT	11.3	(7.7)	18.9	n.s.
<i>as % of revenues</i>	3.8%	(2.3)%		
Interest expense, net	0.2	(3.0)	3.1	n.s.
Value adjustments of financial assets and losses from subsidiaries disposal	0.0	(6.6)	6.6	n.s.
Net income from composition with creditors	0.0	5.9	(5.9)	(100.0)%
Profit (Loss) before income taxes	11.5	(11.3)	22.8	n.s.
Income taxes	23.7	(0.6)	24.3	n.s.
Profit (loss) on continuing operations	35.2	(11.9)	47.1	n.s.
Profit (loss) from non-current assets held for sale and discontinued operations	0.0	0.2	(0.2)	(100)%
Profit (Loss) for the period	35.2	(11.7)	46.9	n.s.

(1) 9M 2015 figures shown on a comparable basis (see slide 4)

(2) Data referred to the core business only (Italiaonline+DLS+Moqu)

HIGHLIGHTS

Revenues down by 11.7% to € 295.6 million (€ 334.7 million in 9M'15) due to the expected decline of traditional businesses, and reflecting a decrease in digital revenues not yet benefiting from new products launched in Sept./Oct. 2016

Costs down by 17.5% to € 228.9 million (€ 277.7 million in 9M'15) sustained by a significant cost reduction. More than 50%⁽²⁾ of these savings are not related to revenue decline

Bad debt, risk provisions and other down by 31.6% to € 11.2 million (€ 16.4 million in 9M'15) thanks to the improved credit and sales quality

Operating D&A includes depreciation mainly related to hardware and software investments

Non operating D&A includes amortization of intangible assets which increased due to the IOL/Seat business combination

Non-recurring and restructuring costs includes rebranding and merger costs

EBITDA up by 36.5% to € 55.4 million (€ 40.6 million in 9M'15) thanks to cost efficiency and despite lower revenues

EBITDA margin up 6.6 ppt to 18.7% (12.1% in 9M'15)

Net profit positive by € 35.2 million, + € 46.9 million over a negative result of € 11.7 million in 9M'15

Nine months 2016 | Cash flow statement

(In millions of Euro)	9M 2016	9M 2015 Comparable data ⁽¹⁾	Change	
			mIn	%
EBITDA	55.4	40.6	14.8	36.5%
Decrease (increase) in operating working capital	11.7	8.8	2.9	32.4%
Capital expenditure	(16.5)	(26.1)	9.6	36.8%
Other changes and movements	(0.9)	(3.5)	2.6	74.0%
Operating FREE CASH FLOW	49.6	19.8	29.9	n.s.
Payment of income taxes	(0.9)	(5.1)	4.2	82.5%
Unlevered FREE CASH FLOW	48.8	14.7	34.1	231.8%

(1) 9M 2015 figures shown on a comparable basis (see slide 4)

HIGHLIGHTS

Unlevered FCF generated in 9M 2016 was positive for € 48.8 million, improving by € 34.1 million compared to 9M'15 (€ 14.7 million). This result mainly benefits from:

- the € 14.8 million increase in **EBITDA**
- the lower **capital expenditure** by € 9.6 million
- the lower **tax payments** of € 4.2 million (it should be recalled that in January 2015 the Seat Group had paid € 2.9 million tax payables arising on the composition with creditors)

Nine months 2016 | Balance sheet

(In millions of Euro)	30/09/2016	31/12/2015 Comparable data ⁽¹⁾	Change
Goodwill & marketing related intangible assets	279.0	283.7	(4.7)
Other non-current assets	76.0	91.8	(15.8)
Non-current liabilities	(52.4)	(83.5)	31.1
Working capital	(36.9)	(31.2)	(5.7)
Net non-current assets held for sale and discontinued operations	1.0	2.3	(1.3)
Net invested capital	266.7	263.1	3.5
Equity of the Group	378.3	288.2	90.0
Non-controlling interests	0.0	49.5	(49.5)
Total equity (A)	378.3	337.7	40.6
Current financial assets, cash and cash equivalent	119.9	124.4	(4.5)
Current financial debts	(1.2)	(42.0)	40.8
Non-current financial debts	(7.1)	(7.8)	0.7
Net financial position (B)	111.6	74.6	37.0
Total (A-B)	266.7	263.1	3.5

(1) 9M 2015 figures shown on a comparable basis (see slide 4)

HIGHLIGHTS

As of September 30th, 2016 **net financial position** was positive at € 111.6 million (including € 8.2 million for the liability arising from financial leases contracts relating to the real estate complex where the Company's secondary office is located), an improvement of € 37.0 million compared to December 31th, 2016 when it was positive for € 74.6 million

As of September 30th, 2016 **cash holdings** amounted to € 119.2 million, compared to € 123.6 million at December 31th, 2015 (prior to Italiaonline's repayment of € 41.2 million, inclusive of interest, resulting from the loan agreement entered into, partially pay the consideration for the mandatory takeover bid for Seat Pagine Gialle's ordinary shares concluded in November 2015)

Goodwill and other intangibles as of September 30th, 2016 amount to € 279.0 million, including € 72 million effect from the PPA (Purchase Price Allocation) arising from the Italiaonline | Seat Pagine Gialle business combination

Focus on core business results

(Italiaonline + DLS + Moqu)



Nine months 2016 | Revenue breakdown

(In millions of Euro)	9M 2016	9M 2015 Comparable data ⁽⁴⁾	Change	
			mln	%
Revenues	284.7	323.4	(38.7)	(12.0)%
Digital ⁽¹⁾	186.6	208.4	(21.8)	(10.4)%
as % total revenues	65.6%	64.4%		
Print ⁽²⁾	78.7	87.4	(8.7)	(10.0)%
as % total revenues	27.7%	27.0%		
Others ⁽³⁾	19.3	27.5	(8.2)	(29.8)%
as % total revenues	6.8%	8.5%		

(1) Includes advertising on owned and third party web properties, web sites, web marketing services, premium subscribers services, direct marketing campaigns (DEM and SMS)

(2) Includes advertising on print directories (Smartbook) and Telco rebates on directories distribution

(3) Includes directory assistance services (89.24.24,12.40,12.88 and 12.54 advertising and traffic), third party products (media partnerships), direct marketing and merchandising

(4) 9M 2015 figures shown on a comparable basis (see slide 4)

HIGHLIGHTS

Revenues down by 12.0% to € 284.7 million (€ 323.4 million in 9M'15):

- **Digital revenues** at € 186.6 million (65.6% of total revenues) decreased by 10.4% (€ 208.4 million in 9M'15):
 - I. SMEs digital revenues not yet benefiting from the launch, starting from September 2016, of the new digital product offering (“IOL Connect”, “IOL Website” and “IOL Audience”) to digitize Italian companies
 - II. Large accounts digital revenues reflecting refocusing of Moqu ADV business from search arbitrage to Ad campaign management IOL Audience platform for SMEs and planned termination of two relevant Telco advertising contracts signed in the past in connection with M&A activity
- **Print revenues** at € 78.7 million (27.7% of total revenues) decreased by 10.0% (€ 87.4 million in 9M'15). Net of Telco rebates on directories distribution, print revenues down by 20.8%
- **Other revenues** at € 19.3 million (6.8% of total revenues) decreased by 29.9% (€ 27.5 million in 9M'15) as a results of the decline (down by 30.7%) in the directory assistance services and including deconsolidation of the 1254 business effective from July 1st, 2016

Nine months 2016 | Cost breakdown

(In millions of Euro)	9M 2016	9M 2015 Comparable data ⁽¹⁾	Change	
			mln	%
Revenues	284.7	323.4	(38.7)	(12.0)%
Costs	(216.8)	(264.4)	47.5	18.0%
as % revenues	76.2%	81.8%		
Industrial costs	(83.0)	(101.4)	18.5	18.2%
as % revenues	29.1%	31.4%		
Commercial costs	(44.7)	(60.5)	15.8	26.2%
as % revenues	15.7%	18.7%		
General costs	(21.6)	(32.7)	11.1	33.9%
as % revenues	7.6%	10.1%		
Labour costs	(67.6)	(69.7)	2.2	3.1%
as % revenues	23.7%	21.6%		
Gross operating profit (GOP)	67.8	59.0	8.9	15.0%
as % revenues	23.8%	18.2%		
Bad debt, risk provisions and others	(10.5)	(15.9)	5.4	0.3
as % revenues	3.7%	4.9%		
EBITDA	57.4	43.1	14.3	33.2%
as % revenues	20.2%	13.3%		

(1) 9M 2015 figures shown on a comparable basis (see slide 4)

(2) Includes advertising and information technology (IT) costs

(3) Does not include capitalized labour costs

HIGHLIGHTS

Costs down by 18.0% to € 216.8 million (€ 264.4 million in 9M'15):

- **Industrial costs** at € 83.0 million, down by 18.2% (or € 18.5 million) thanks to lower printing, distribution and website production costs and including savings in the directory assistance call center costs
- **Commercial costs** at € 44.7 million down by 26.2% (or € 15.8 million) following the decrease in the # of sales reps (from 1,392 at the end of September 2015 to 951 at the end of September 2016)
- **General⁽²⁾ costs** at € 21.6 million down by 33.9% (or € 11.1 million) mainly thanks to a reduction in advertising, information technology (IT) and other G&A costs
- **Labour⁽³⁾ costs** at € 67.6 million down by 3.1% (or € 2.2 million) mainly attributable to non-payroll related items

Outlook



Business Plan announced mid-January 2016

Business Plan

In millions of Euro, except for percentages

	2015 A	2015E	2018E
Revenues ⁽¹⁾	449.6	448.6	CAGR 2015-2018: 0% ÷ +0.3% vs. 2015E
EBITDA ⁽¹⁾	44.1	41.7	CAGR 2015-2018: +40% ÷ +45% vs. 2015E
Ebitda margin ⁽¹⁾	9.8%	9.3%	25% ÷ 30%
Capex	38.8	41.9	
Capex margin	8.6%	9.1%	7.6%
Free cash flow	16.7	12.7	Cash conversion: 55%÷60% of EBITDA CAGR 2015-2018: +75% ÷ +80% vs. 2015E

Business Plan

In millions of Euro

	2015 A	2015E	2016E	2017E	2018E
Cash holdings	123.6	118.2	80.6	96.4	157.8
Net financial position	74.6	69.1	81.3	97.1	158.5

Outlook 2016

Group FY 2016 guidance issued in August:

Revenues

€391 ÷ €401 million

Ebitda

€64 ÷ €67 million

Ebitda margin

16.4% ÷ 16.7%

Cash holdings

Consistently higher than the original plan target (equal to € 80.6 million)

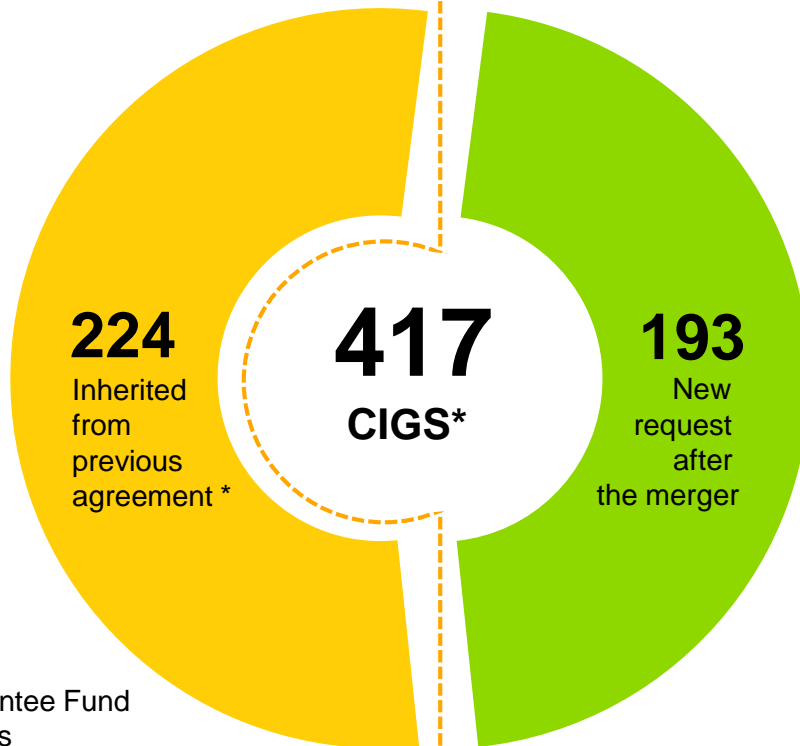
- We anticipate FY 2016 revenues close to the lower-end of the guidance, while we confirm the guidance for all the other items below revenues
- **Cash holdings** available at the end of December 2016 expected in a range of **€115 ÷ €120 million**
- The management is working to update the **Business Plan** announced in mid-January 2016
- The presentation to the financial community is expected to take place **within Q1 2017**

HR Reorganization plan



Italiaonline | Reorganization plan

Collective bargaining agreement (Seat PG | February 2015)



*Note:
CIGS = Extraordinary Wage Guarantee Fund
85 Unrealized voluntary resignations
139 Deriving from previous CIGS request

100
New hirings

283
CIGS*
4 days a month



In recent weeks, there have been several comparative sessions at the MISE (Ministry for the Economic Development) between the Company and the Trade Unions



Last Friday on November 4, at the end of a long negotiation, even the last proposal made by the MISE did not find the consent of Trade Unions and it was therefore not possible to reach an agreement between the parties



The implementation of the suspension from work is ongoing as of this month of November

Business update



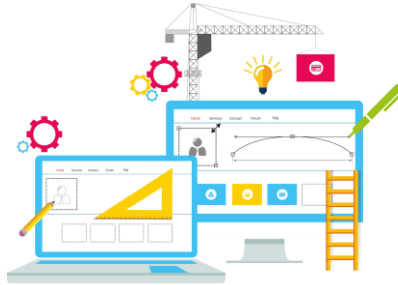
A complete portfolio to digitize SMEs



Digital Presence

iOL | Connect

20th September



Digital industry 4.0

iOL | Website

18th October



SMEs Media Planner

iOL | Audience

8th September

IOL Connect



IOL Connect | Digital presence management



CAR NAVIGATION SYSTEMS



IOL Connect | Yext partnership



New York based **Location Data Management** company
Since 2006 it puts business on the map with the network of 100 publisher sites

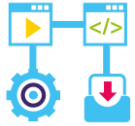
IOL Website





Beyond apps

- Average 4/5 apps per user
- 6+ million apps in the stores
- Update costs and store approval time



State of the art platform **duda**

- HTML 5
- Native mobile platform
- 5+ millions websites



State of the art website development **"Spotzer"**

- Dedicated Client manager
- In house Customer requirement capture and quality assurance
- Crowdsourcing/offshoring for design, copy, coding



IOL Website | Dedicated Client manager

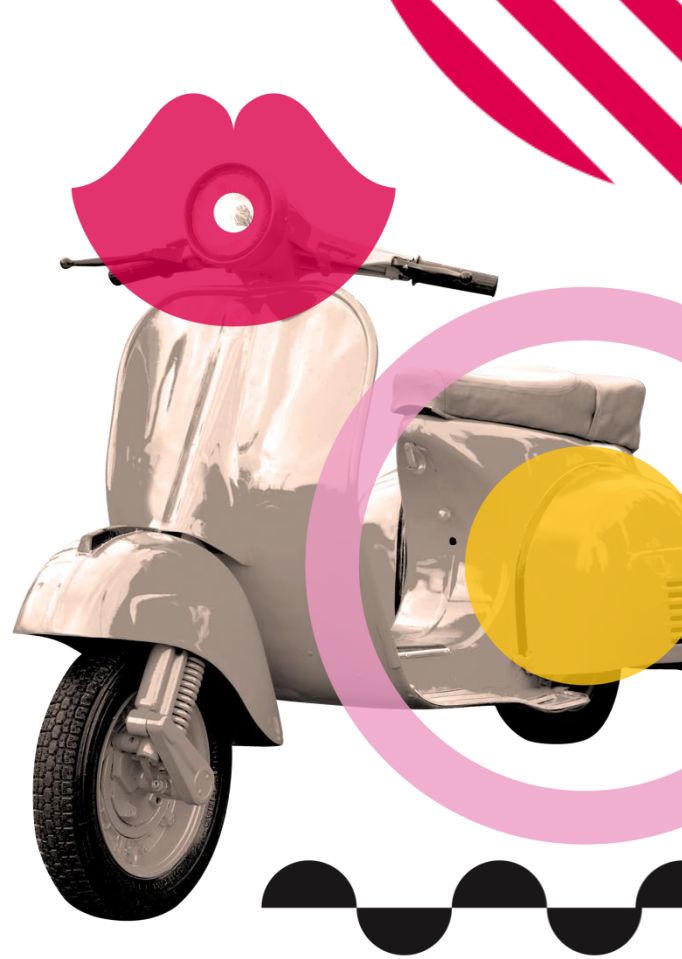


Customer

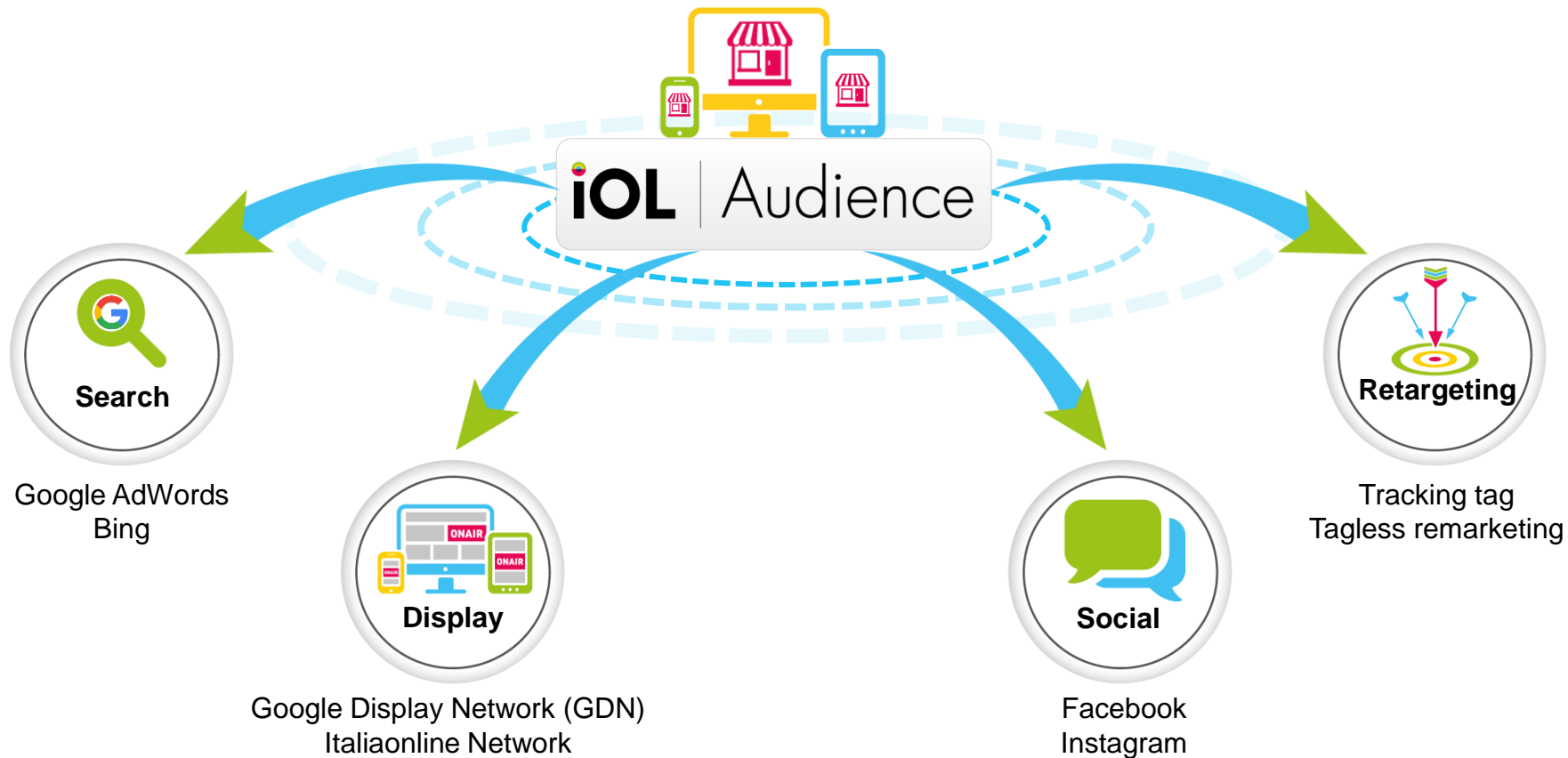


Customer Care

IOL Audience



IOL Audience | 360° media planner for SMEs



IOL Audience | Matchcraft partnership



Advisor for Italiaonline, exclusive and proprietary keyword library



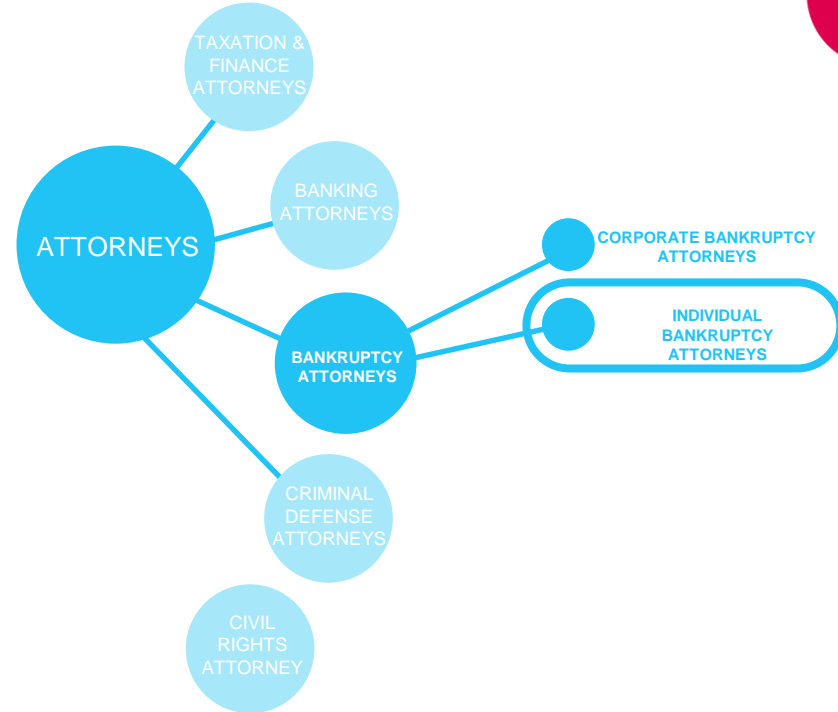
3500 mapped business categories



Over 100k keyword



100k ad campaigns delivered



- Conversion-based bid management with integrated Google Analytics, call tracking
- Multi-tiered collection of business categories made up of keywords and ad copy

New products press coverage

iOL | Connect

iOL | Website

iOL | Audience



101 articles on national press

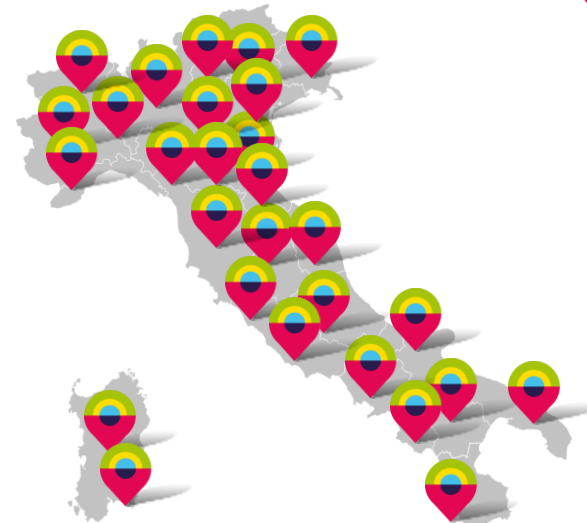
120 articles on local press

2 clip radio on air on more than **282** local radios

3 video interviews



33 journalists attended, 2 photographers and 1 cameraman



la Repubblica

il Giornale

CORRIERE DELLA SERA

Il Sole **24 ORE**

Il Messaggero

IL GIORNO

Libero

ANSA.it

**MILANO
FINANZA**

ItaliaOggi

teleborsa

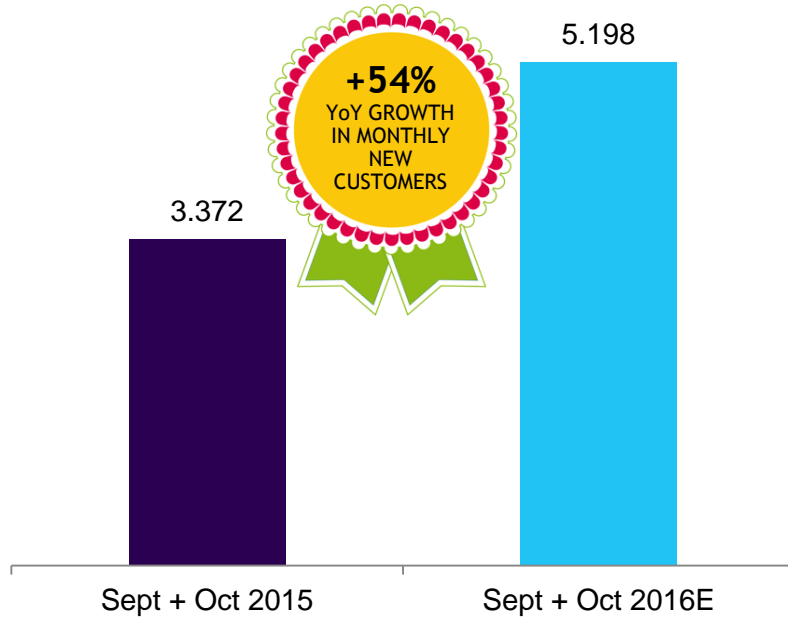
ask@news

K adnkronos

Quotidiano Nazionale
QN

First back to growth signals | Increase in new customer acquisition

TOTAL NEW CUSTOMERS – SEPT/OCT 2016 ⁽¹⁾



of sales reps⁽²⁾ 1,217

906 -26%

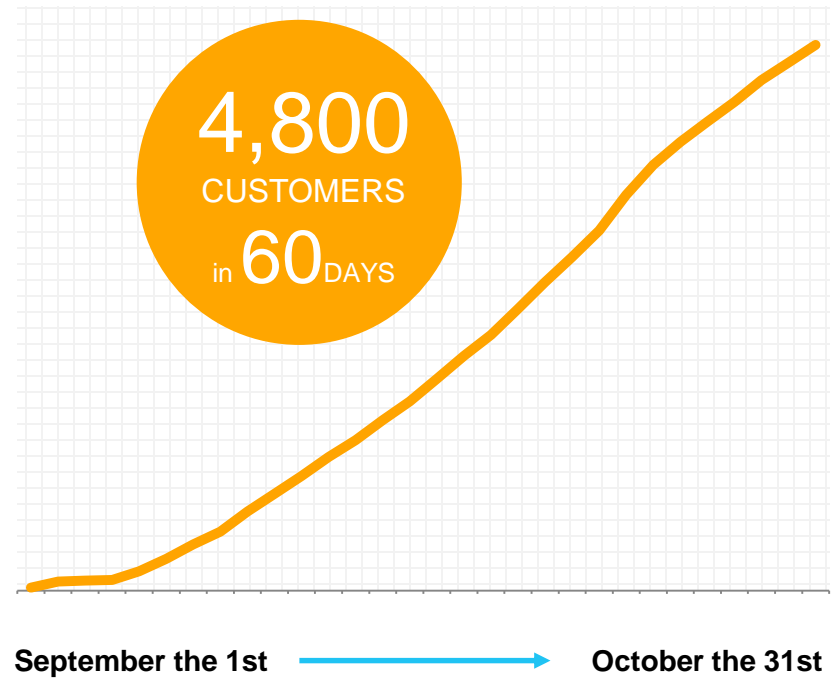
of customers per sales rep 2.8

5.7 +107%



(1) SMEs only - (2) end of period (Oct)

IOL CONNECT NEW CUSTOMERS IN TWO MONTHS



A brand portfolio with strong awareness

LIBERO.

MAUs¹: 9.7mln



APP download²:
2.8mln



V:RGILIO

MAUs¹: 12.7mln



APP download²:
2.2mln



PagineGialle

MAUs¹: 5.7mln



APP download²:
3.8mln



PagineBianche



TuttoCittà

superEva

892424
Pronto PagineGialle

1240
Pronto PagineBianche

LIBERO /
TECNOLOGIA.



SPORTSTADIO



SiViaggia
LE METE DEI TUOI DESIDERI



DiLei
Digitale, singolare, femminile.

FOOD in ITALY

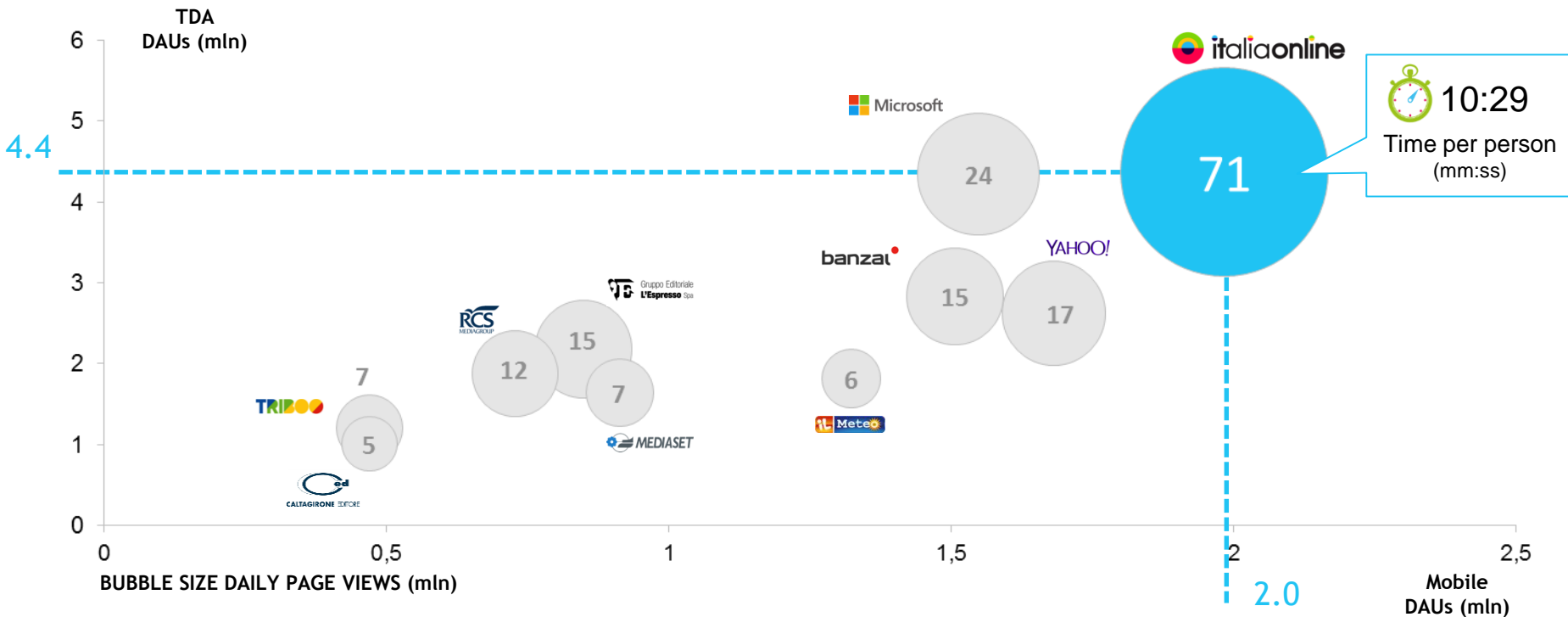
V: MOTORI



QuiFinanza
Economia, mercati, lavoro.

Source: (1) Audiweb View, powered by Nielsen, TDA Avg. September 2015 - August 2016 | (2) Internal data as of September 2016
Note: TDA - Total Digital Audience | MAUs - Monthly Active Users

The undisputed Italian internet leader



Source: Audiweb Database, powered by Nielsen, Avg. September 2015 - August 2016 | Google and Facebook are not in Audiweb Database, Banzai data available from September 2015 to June 2016

Note: TDA - Total Digital Audience | DAUs - Daily Active Users

Appendix



Nine months 2016 | Revenue and Ebitda breakdown by company

(In millions of Euro)	Revenues from sales and services				EBITDA			
	9M 2016	9M 2015 Comparable data ⁽³⁾	Change		9M 2016	9M 2015 Comparable data ⁽³⁾	Change	
			mln	%			mln	%
Core business ⁽¹⁾	284.7	323.4	(38.7)	(12.0)%	57.4	43.1	14.3	33.2%
Consodata	8.8	8.5	0.3	3.5%	(0.2)	(0.4)	0.2	50.0%
Europages	4.5	5.5	(1.0)	(18.2)%	(1.4)	(1.4)	0.0	0.0%
ProntoSeat	3.7	3.8	(0.1)	(2.6)%	(0.4)	0.1	(0.5)	n.s.
Couponing in liquidazione ⁽²⁾	0.0	1.0	(1.0)	(100.0)%	0.0	(0.9)	0.9	100.0%
Intercompany elim. & others	(6.1)	(7.5)	1.4	18.3%	0.0	0.1	(0.1)	(68.6)%
GROUP	295.6	334.7	(39.1)	(11.7)%	55.4	40.6	14.8	36.5%

(1) Includes Italiaonline + DLS + Moqu

(2) Formerly named Glamoo

(3) 9M 2015 figures shown on a comparable basis (see slide 17)

Third quarter 2016 | Group Profit & Loss & Cash flow statement

(In millions of Euro)	Q3 2016	Q3 2015 Comparable data ⁽¹⁾	Change	
			mln	%
Revenues from sales and services	95.9	115.7	(19.8)	(17.1)%
Costs	(67.3)	(89.0)	21.7	24.4%
Gross operating profit (GOP)	28.6	26.6	1.9	7.3%
<i>as % of revenues</i>	29.8%	23.0%		
Bad debt, risk provisions and others	(2.6)	(7.5)	4.8	64.8%
EBITDA	25.9	19.2	6.8	35.3%
<i>as % of revenues</i>	27.1%	16.6%		
Operating D&A and write-down	(10.4)	(12.4)	2.0	16.0%
Non operating amortization and write-down	(1.3)	(1.2)	(0.1)	(11.2)%
Non-recurring and restructuring costs, net	(2.5)	(1.6)	(0.9)	(57.9)%
EBIT	11.8	4.1	7.7	n.s.
<i>as % of revenues</i>	12.3%	3.5%		
Interest expense, net	0.0	(0.0)	0.1	n.s.
Value adjustments of financial assets and losses from subsidiaries disposal	0.0	(6.6)	6.7	n.s.
Net income from composition with creditors	0.0	0.0	(0.0)	(100.0)%
Profit (Loss) before income taxes	11.8	(2.6)	14.4	n.s.
Income taxes	19.6	1.1	18.4	n.s.
Profit (loss) on continuing operations	31.3	(1.5)	32.8	n.s.
Profit (loss) from non-current assets held for sale and discontinued operations	0.0	0.0	0.0	n.s.
Profit (Loss) for the period	31.3	(1.5)	32.8	n.s.

(1) 9M 2015 figures shown on a comparable basis (see slide 17)

(In millions of Euro)	Q3 2016	Q3 2015 Comparable data ⁽¹⁾	Change	
			mln	%
EBITDA	25.9	19.2	6.8	35.3%
Decrease (increase) in operating working capital	(7.0)	(12.5)	5.5	43.9%
Capital expenditure	(4.4)	(6.9)	2.5	36.0%
Other changes and movements	(1.1)	(0.4)	(0.7)	n.s.
Operating FREE CASH FLOW	13.4	(0.6)	14.1	n.s.
Payment of income taxes	(0.220)	(0.6)	0.4	65.6%
Unlevered FREE CASH FLOW	13.2	(1.3)	14.5	n.s.

Thank you!

