ENDURANCE
International Group

Q1 Fiscal 2016 Earnings Presentation
May 3, 2016

FORWARD LOOKING STATEMENTS AND OTHER IMPORTANT CAUTIONS

This presentation contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements concerning our financial guidance for fiscal year 2016; the expected opportunities and benefits associated with the combination of the Endurance and Constant Contact businesses; our ability to achieve run rate cost synergies from the Constant Contact acquisition in the expected amounts or timeframes or at all; our ability to broaden training for our agents to support our products; our expected product and revenue mix; the timing and nature of our product launch plans; our plans to invest in our business, including our flagship and growth brands, new products and other initiatives, and the expected benefits from those investments; our plans with respect to future acquisitions and investments; our ability to de-lever in the expected amounts or timeframes; our plans to increase our investment in marketing; our ability to leverage our position in technology, marketing channels and product to support longer-term growth and value creation; our ability to drive new subscribers to our platform and provide solutions to help them grow their business; our growth rate expectations for Constant Contact and Endurance; our ability to achieve our financial and operational targets; and our expected financial and operational performance in general. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this presentation that are not historical facts, and statements identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "future," "strive," "see," "estimates," "will," "should," "may," "continue," "confident," "committed," and variations of such words or words of similar meaning and the use of future dates. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that these plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation, the possibility that our fiscal 2016 guidance may differ from expectations; the possibility of any failure to realize the intended benefits of the acquisition of Constant Contact, including the inability to integrate Constant Contact's and Endurance's business and operations or to realize the anticipated synergies in the expected amount or within the anticipated time frames or cost expectations or at all; an adverse impact on our business from our substantial indebtedness and the cost of servicing our debt; an adverse impact on our business from litigation or regulatory proceedings; actual or contingent liabilities; the rate of growth of the Small and Medium Business ("SMB") market for our solutions; our inability to maintain a high level of subscriber satisfaction; our inability to continue to add new subscribers and increase sales to our existing subscribers; our inability to execute on future mergers or acquisitions, investments or other product initiatives, whether due to unavailability of targets, difficulties in obtaining debt or equity funding, regulatory constraints, or our inability to realize the expected benefits; system or Internet failures; our dependence on establishing and maintaining strong brands; our inability to maintain or improve our competitive position or market share; the loss of strategic relationships or alliances with third parties; the business risks of international operations; the loss or unavailability of any of our data centers; our recognition of revenue for subscription based services over the term of the applicable agreement; the occurrence of security or privacy breaches; and other risks and uncertainties discussed in our filings with the SEC, including the "Risk Factors" section of our most recent Annual Report on Form 10-K for the year ended December 31, 2015 and other reports we file with the SEC. You can obtain copies of our filings with the SEC for free at the SEC's website (www.sec.gov). We do not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

This presentation includes data based on our internal estimates. While we believe that our internal estimates are reasonable, no independent source has verified such estimates.

The information on, or that can be accessed through, any of our websites is not deemed to be incorporated in this presentation or to be part of this presentation. This presentation also contains non-GAAP financial measures as defined by the SEC in Regulation G. Reconciliations of the non-GAAP financial measures to their comparable GAAP measures are included in our 2016 First Quarter earnings release and presentation, each dated May 3, 2016, and available in the investor relations section of our website at www.endurance.com.

AGENDA

CALL PARTICIPANTS

Hari Ravichandran
Founder &
Chief Executive Officer

Marc Montagner
Chief Financial Officer

Angela White
VP, Investor Relations

- First Quarter 2016 Highlights
- Constant Contact Integration
- Business Initiatives Update
- First Quarter Financial & Operating Metrics
- Fiscal 2016 Guidance
- Supplemental Information

Q1 FISCAL 2016

COMBINED PRO FORMA[1] BASIS

	Pro forma GAAP Revenue[2]	Pro forma Adj. Revenue[3]	Pro forma Net Income[4]	Pro forma Adj. EBITDA[5]
Q1 FY2016	*4% y/y growth* $278 MILLION	*9% y/y growth* $294 MILLION	*212% y/y growth* $28 MILLION	*12% y/y growth* $95 MILLION
Q1 FY2015	$267 MILLION	$268 MILLION	$(25) MILLION	$85 MILLION

(1) *Represents Q1 2015 and Q1 2016 as if the acquisition of Constant Contact had occurred on January 1, 2015. Represents "pro forma" amounts determined in accordance with the SEC's rules and regulations, including Article 11 of Regulation S-X.*

(2) *Q1 fiscal 2015 pro forma GAAP revenue based on combination of Endurance reported revenue of $177.3 million, Constant Contact reported revenue of $90.4 million, and elimination of inter-company transactions of approx. $0.8 million.*

(3) *Q1 fiscal 2015 pro forma adjusted revenue based on combination of Endurance reported adjusted revenue of $178.7 million, Constant Contact reported revenue of $90.4 million, and elimination of inter-company transactions of approx. $0.8 million.*

(4) *Q1 fiscal 2015 pro forma GAAP net income based on combination of Endurance reported net income of $0.9 million, Constant Contact reported net income of $3.6 million, and pro forma adjustments of $(29.8) million.*

(5) *Q1 fiscal 2015 adjusted EBITDA based on combination of Endurance reported adjusted EBITDA of $67.6 million, Constant Contact reported adjusted EBITDA of $14.7 million, Constant Contact change in deferred revenue of $2.3 million (included to conform to Endurance definition of adjusted EBITDA), and elimination of inter-company transactions of approx. $0.1 million.*

Note: Please refer to Non GAAP Information slides for definitions and other important information about combined pro forma adjusted revenue and combined pro forma adjusted EBITDA.

Q1 FISCAL 2016

CLOSING DATE BASIS

FOR COMBINED ENDURANCE AND CONSTANT CONTACT

Q1 FY2016

GAAP Revenue	GAAP Net Income*	GAAP Cash from Operations	
34% y/y growth		*-77% y/y growth*	
$237 MILLION	**$21.8** MILLION	**$11.8** MILLION	
Adj. Revenue	**Adj. EBITDA**	**FCF****	**Adjusted FCF+**
42% y/y growth	*29% y/y growth*	*-100% y/y growth*	*-10% y/y growth*
$253 MILLION	**$87** MILLION	**$0.2** MILLION	**$41.4** MILLION

All growth rates reflect year over year comparison of Q1 fiscal 2016, which includes Constant Contact results since February 10, 2016, the day after the closing of the acquisition, to Q1 fiscal 2015 reported results for Endurance International Group.

*   *GAAP net income attributable to Endurance International Group.*
* * *Free cash flow defined as cash flow from operations, less capital expenditures and capitalized leases.*
\+ *Excludes the impact of transaction, integration and restructuring, and legal expenses of $41.2 million.*

Note: Please refer to Non-GAAP Information slides for definitions and other important information about adjusted revenue, adjusted EBITDA, free cash flow and adjusted free cash flow.

CONSTANT CONTACT INTEGRATION

Constant Contact

Revenue

- Product roll-out to Endurance brands
  - Registration flow and control panel on additional flagship brands
  - Site builder brands
  - Continued touch points across offerings
- Targeted marketing campaigns specific to email marketing
- Cross-training on products across support centers

Cost Synergies

- Continued reductions in fixed cost structure
  - Working toward $55 million of run rate synergies by the end of 2016
  - Additional reductions in fixed costs
  - Expected to be largely complete by end of Q2
- Testing yields in core marketing channels across products

BUSINESS INITIATIVES

Growth & International

- Webzai site builder brands
  - New subscriber growth and renewals
  - Continued testing
- Impress.ly expansion
  - Brazil
  - India
- Marketing investments

Flagship

- Continued steady performance
- Stable subscriber acquisition costs
- Operational initiatives in support centers

M&A and Other Investments

- Fortifi software
  - Billing, support, and affiliate management system
  - $5 million investment
  - 33 percent ownership
  - Scalable across brands

ENDURANCE VISION

TODAY: BUILDING BLOCKS

Hosting platforms

Shared
Dedicated
VPS
Cloud
Builders
CMS

bluehost
HostGator
webzai
iPage
WordPress Optimized Hosting
TypePad

Domain platforms

BuyDomains.com
DOMAIN.COM

Security platforms

SSL
Backup

SiteLock Security for Small Business
jdibackup.com

Marketing platforms

Email
SEO
Social

Constant Contact
SEO GEARS ONLINE MARKETING & DESIGN

New Adjacencies

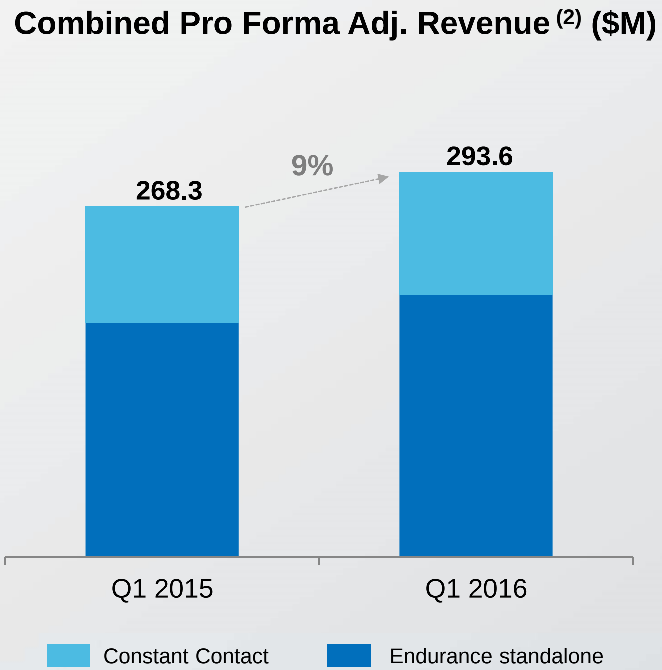
Resume
SMB finance

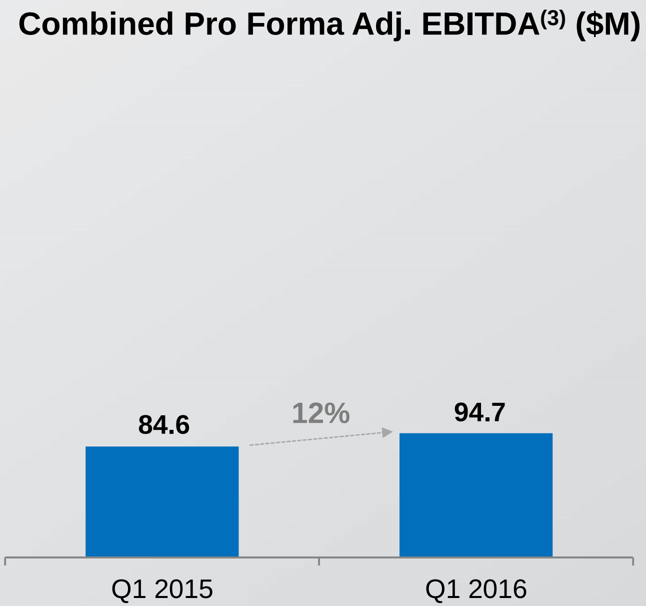
THE FUTURE

FINANCIAL & OPERATING METRICS

Q1 2016 KEY FINANCIAL METRICS

COMBINED PRO FORMA[(1)]





(1) Represents Q1 2015 and Q1 2016 as if the acquisition of Constant Contact had occurred on January 1, 2015. Represents "pro forma" amounts determined in accordance with the SEC's rules and regulations, including Article 11 of Regulation S-X.

(2) Q1 fiscal 2015 combined pro forma adjusted revenue based on combination of Endurance reported adjusted revenue of $178.7 million, Constant Contact reported revenue of $90.4 million, and elimination of inter-company transactions of approx. $0.8 million.

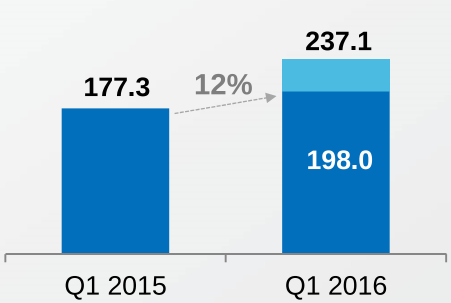
(3) Q1 fiscal 2015 combined adjusted EBITDA based on combination of Endurance reported adjusted EBITDA of $67.6 million, Constant Contact reported adjusted EBITDA of $14.7 million, Constant Contact change in deferred revenue of $2.3 million (included to conform to Endurance definition of adjusted EBITDA), and elimination of inter-company transactions of approx. $0.1 million.

Note: Please refer to Non-GAAP Information slides for definitions and other important information about combined pro forma adjusted revenue and combined pro forma adjusted EBITDA.

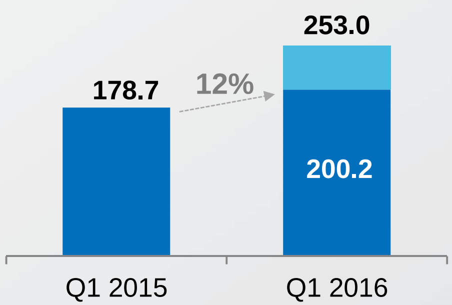
Q1 2016 KEY FINANCIAL METRICS

CLOSING DATE BASIS

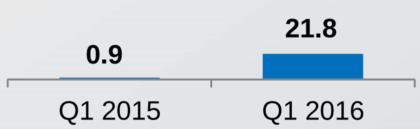
GAAP Revenue ($M)



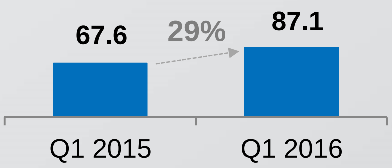
Adj. Revenue ($M)



Net Income ($M)

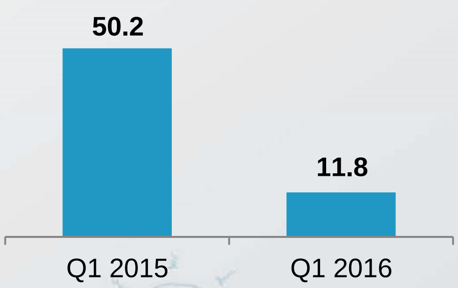


Adj. EBITDA ($M)

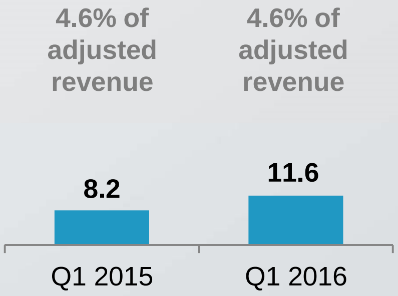


Constant Contact Endurance standalone

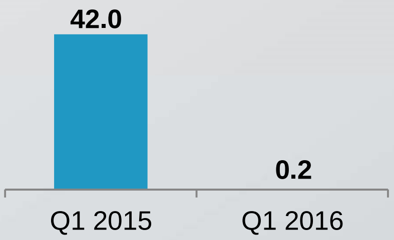
GAAP Cash from Operations ($M)



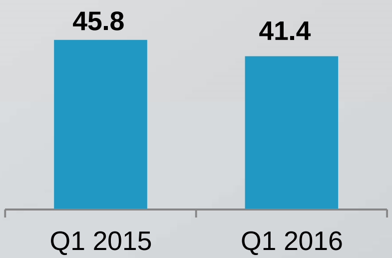
Capital Expenditures ($M)



Free Cash Flow*



Adjusted FCF+



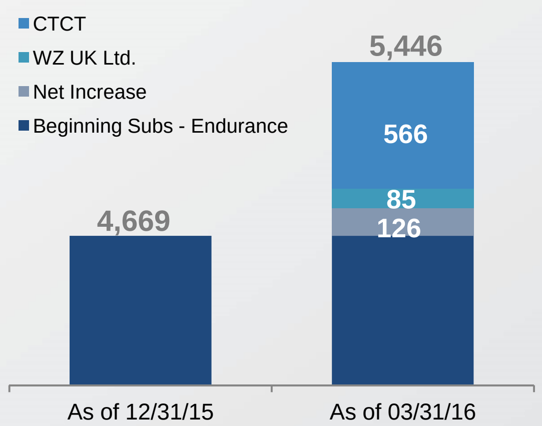
** Free cash flow defined as cash flow from operations, less capital expenditures and capitalized leases.*

+ Adjusted FCF is defined as free cash flow, excluding the impact of transaction, integration and restructuring, and legal expenses.

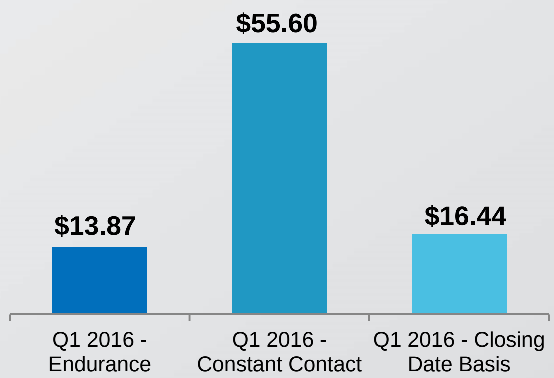
Note: Reconciliation for adjusted revenue, adjusted EBITDA, FCF, and adjusted FCF available in Non-GAAP Information slides.

OPERATING METRICS

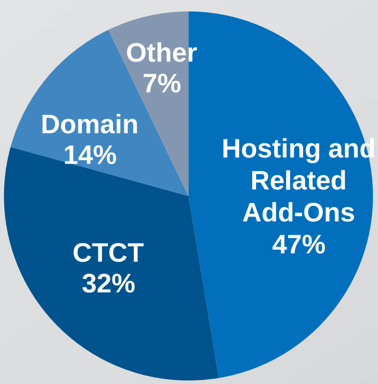
Q1 2016 Total Subscribers* (‘000s)



Q1 2016 ARPS(1) ($)



Q1 2016 Adj. Revenue Mix (pro forma (2))



* *Approximately 566,000 of the increase in subscribers from Q4’15 to Q1’16 came from the acquisition of Constant Contact during Q1’16, and approximately 85,000 of the increase came from the consolidation of WZ UK Ltd during Q1’16. Upon acquisition, Constant Contact subscriber count was adjusted to conform to Endurance’s definition of subscribers.*

(1) ARPS noted on a close date basis. Includes results from Constant Contact beginning the day after the closing of the acquisition.
(2) Represents Q1 2016 as if the acquisition of Constant Contact had occurred on January 1, 2016. Represents “pro forma” amounts determined in accordance with the SEC’s rules and regulations, including Article 11 of Regulation S-X.

Please refer to Non-GAAP Information slides for definitions and other important information about total subscribers, ARPS, and adjusted revenue.

FY2016 GUIDANCE
ANNUAL VIEW

Guidance provided as of May 3, 2016

	Combined Entity Pro Forma Basis (1)	Combined Entity Closing Date Basis (2)
Adjusted Revenue	**~ $1,225 million**	**~ $1,175 million**
Adjusted EBITDA	**~ $405 million**	**~ $400 million**
Capex	**n/a**	**~ $60 million**
Free Cash Flow*		**$180-$190 million** *before transaction, integration and restructuring, and legal expenses*
		$140-$150 million *after transaction, integration and restructuring, and legal expenses*

(1) Represents guidance for 2016 as if the acquisition of Constant Contact had occurred on January 1, 2016.
(2) Represents guidance for 2016 on a closing date basis, with Constant Contact results included beginning on February 10, 2016, the day after closing.

** Free cash flow defined as cash flow from operations, less capital expenditures and capitalized leases.*

Guidance for FCF is calculated based upon the following estimated, approximate amounts: $200 million in GAAP cash flow from operations, less $60 million in capital expenditures and capital lease obligations. Guidance for FCF before transaction, integration and restructuring, and legal expenses (which we refer to as adjusted FCF) adds back approximately $50 million of these expenses.

BALANCE SHEET
KEY METRICS

Total debt at 3/31/2016 (in $MM)		Maturity	Coupon
Existing Term Loan	$1,021	November 2019	L+548
Incremental Term Loan	731	February 2023	L+500
Unsecured Notes	350	February 2024	10.875%
Total debt	**$ 2,102**		
Debt amortization - Q1 2016	$8.9		
Total cash at 3/31/2016	**$ 83**		
Revolving Credit Facility (undrawn)	165	February 2021	L+400
Anticipated Q2 fiscal 2016 debt repayment			
Debt Amortization – Q2 2016	$ 8.9		
Additional pre payment in Q2 2016	$ 16.0		

CONTINUED ACHIEVEMENT

Leading provider of a comprehensive suite of web products for SMBs

bluehost
HostGator.com Website Hosting
iPage
FatCow
arvixe web hosting
BuyDomains
Constant Contact
singleplatform
homestead Get a site. Get found. Get customers.
a small orange
VERIO
IPOWER
TypePad
DOMAIN.COM
MOJO Marketplace An Endurance Company
HostClear
LOGICBOXES
site5
eHost.com
StartLogic
jdibackup.com
webzai
ideahost
BIGROCK Domains, Websites and more...
CloudSites
SEO GEARS ONLINE MARKETING & DESIGN
justcloud.com
resellerclub
WordPress
WP Optimized Hosting

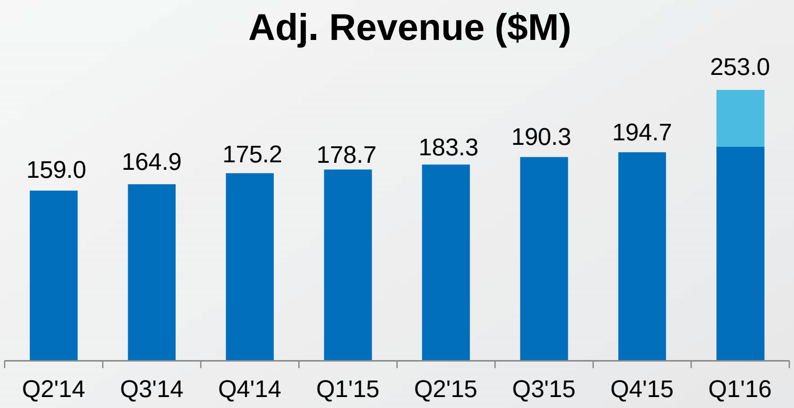
SUPPLEMENTAL INFORMATION

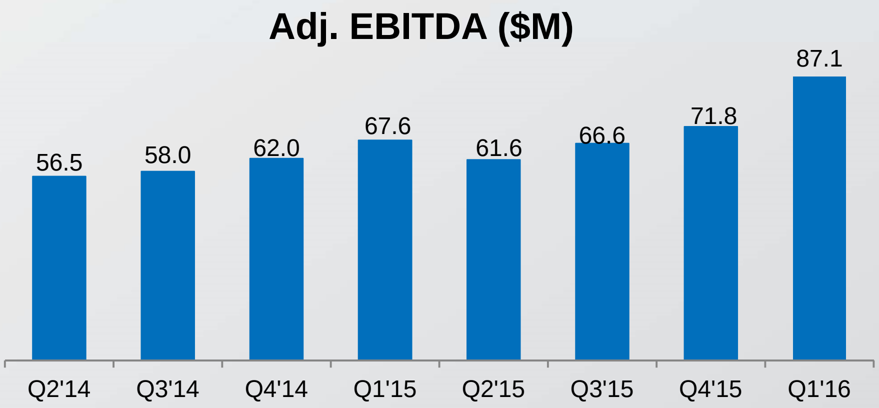
ENDURANCE
CAPITALIZATION & DEBT

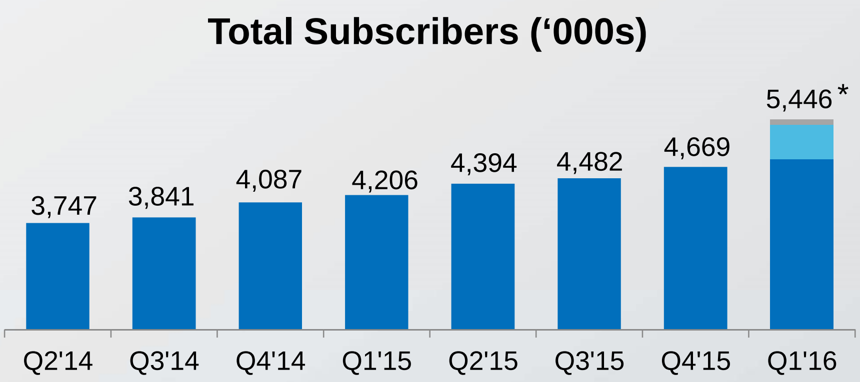
	Dec. 31, 2015	Mar 31, 2016
Term Loan	$1,026	$1,021
Incremental Term Loan	-	731
Notes	-	350
Revolver	67	-
Total Senior Debt	**$1,093**	**$2,102**
Deferred Purchase Obligations	52	52
Capital Lease	13	12
Total Debt	**$1,158**	**$2,166**
Cash	34	83
Net Debt	**$1,124**	**$2,083**

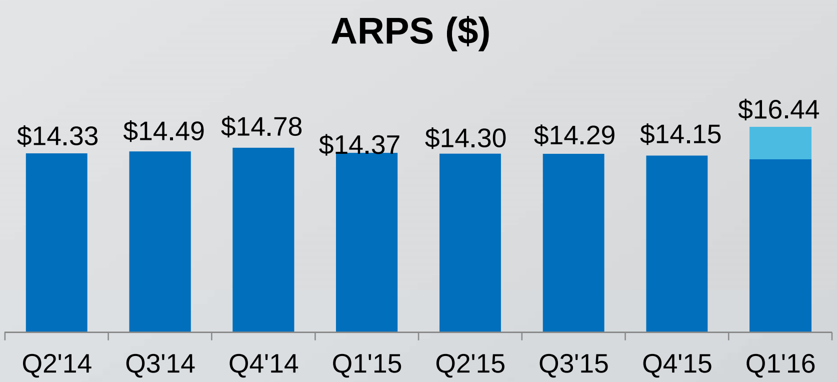
Numbers in $M

HISTORIC FINANCIAL & OPERATING METRICS









* *Reflects the impact of approximately 566,000 subscribers from the acquisition of Constant Contact and approximately 85,000 subscribers from the consolidation of WZ UK Ltd., both of which occurred in Q1 2016.*

Note: Please refer to Non-GAAP Information slides for definitions and other important information about adjusted revenue, adjusted EBITDA, total subscribers and ARPS.

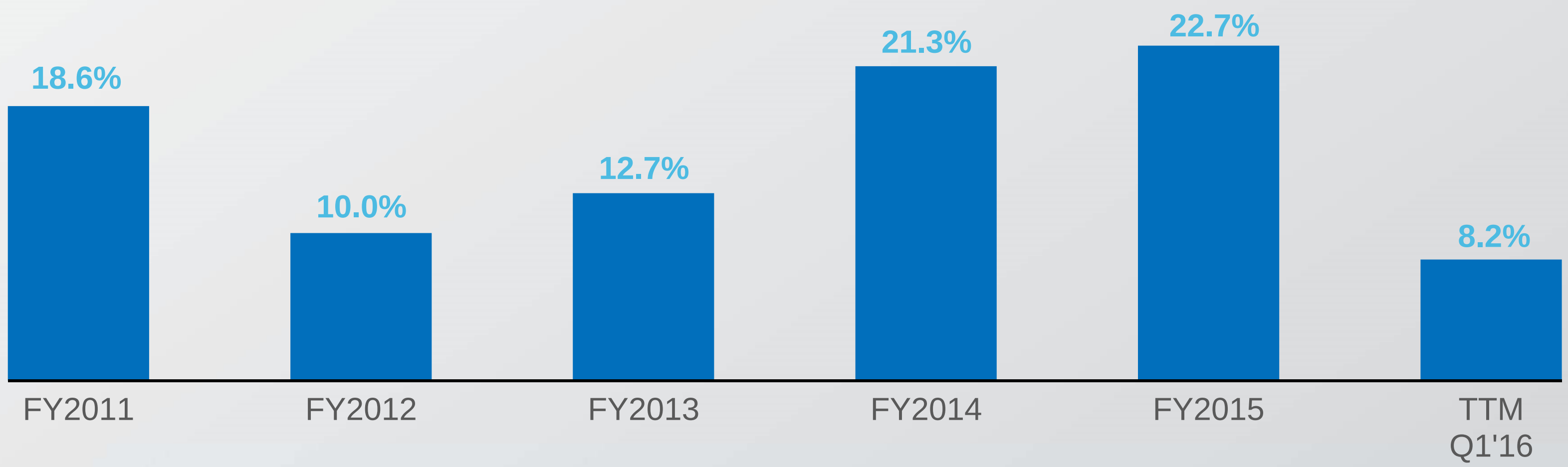
ADJUSTED P&L RECONCILIATION STATEMENT

(in $ millions)	Three Months Ended December 31, 2014	Three Months Ended December 31, 2015	Three Months Ended March 31, 2015	Three Months Ended March 31, 2016	Year Ended December 31, 2014	Year Ended December 31, 2015
GAAP Revenue	$171.9	$193.0	177.3	237.1	$629.8	$741.3
Purchase Accounting Adjustment	3.3	1.7	1.4	15.8	22.1	5.7
Adjusted Revenue	**$175.2**	**$194.7**	178.7	252.9	**$651.9**	**$747.0**
GAAP Cost of Revenue	102.3	108.3	100.9	136.5	381.5	425.0
Stock Based Compensation	(0.1)	(0.6)	(0.1)	(0.8)	(0.5)	(2.0)
Depreciation	(7.8)	(8.6)	(7.3)	(11.1)	(29.0)	(31.2)
Amortization	(26.9)	(23.9)	(21.3)	(29.8)	(102.7)	(91.1)
Integration and Restructuring Expenses	(2.1)	(3.1)	(1.1)	(5.3)	(9.8)	(10.6)
Adjusted Cost of Revenue	**$65.4**	**$72.1**	**71.1**	**89.5**	**$239.5**	**$290.1**
Adjusted Gross Profit	**$109.8**	**$122.6**	**107.6**	**163.4**	**$412.4**	**$456.9**
GAAP Engineering & Development	4.9	6.8	5.4	16.3	19.5	26.7
Stock Based Compensation	(0.3)	(0.7)	(0.2)	(0.8)	(0.9)	(2.0)
Depreciation	-	(0.2)	(0.1)	(0.7)	(0.2)	(0.7)
Integration and Restructuring Expenses	(0.1)	(0.5)	-	(2.4)	(2.3)	(2.6)
Impairment of Webzai UK	-	-	-	(1.4)	-	-
Adjusted Engineering & Development	**$4.5**	**$5.4**	**5.1**	**11.0**	**$16.1**	**$21.4**
GAAP Sales & Marketing	32.2	35.6	35.0	79.3	146.8	145.4
Stock Based Compensation	(0.4)	(1.0)	(0.4)	(1.7)	(1.6)	(3.3)
Depreciation	(0.3)	(0.3)	(0.2)	(0.9)	(1.0)	(1.1)
Integration and Restructuring Expenses	(0.5)	(0.4)	-	(4.4)	(2.4)	(1.0)
Adjusted Sales & Marketing	**$31.0**	**$33.9**	34.4	72.3	**$141.8**	**$140.0**
GAAP General & Administrative	18.6	28.0	18.7	71.4	69.5	91.0
Stock Based Compensation	(3.7)	(7.5)	(3.3)	(15.1)	(13.0)	(22.7)
Depreciation	(0.2)	(0.3)	(0.2)	(0.6)	(0.7)	(1.0)
Integration and Restructuring Expenses	(1.0)	(0.7)	(0.4)	(3.1)	(5.5)	(2.0)
Legal Advisory Expenses	-	(0.1)	-	(1.5)	0.0	(1.3)
Gain (Loss) on Sale of Assets	(0.1)	-	-		0.2	0.2
Transaction Expense and Charges	(0.9)	(5.0)	(1.5)	(31.1)	(4.8)	(9.6)
Adjusted General & Administrative	**$12.7**	**$14.4**	**13.3**	**20.0**	**$45.7**	**$54.6**
Adjusted Operating Income	**$61.6**	**$68.9**	**$54.8**	**$60.1**	**$208.8**	**$240.9**
Changes in Deferred Revenue	5.8	5.0	14.9	43.1	67.7	34.2
Impact of Reduced Fair Value of Deferred Domain Registration Costs	(2.2)	(0.4)	(0.7)	(0.3)	(18.8)	(2.0)
Reversal of Purchase Accounting Revenue Impact	(3.3)	(1.7)	(1.4)	(15.8)	(22.1)	(5.7)
Adjusted EBITDA	**$61.9**	**$71.8**	**$67.6**	**$87.1**	**$235.6**	**$267.5**

**Individual adjustments may not total reported numbers due to rounding. Please see Non-GAAP Information slides for definitions.*

CASH RETURN ON INVESTED CAPITAL (CROIC)

$$\text{CROIC} = \frac{\text{UFCF}^{(1)}}{\text{ADJUSTED INVESTED CAPITAL}^{(2)}}$$



(1) UFCF is calculated as GAAP cash flow from operations less capital expenses and leases, or as Free Cash Flow (FCF) plus interest paid. Please see Non-GAAP Information slides for further details.

(2) Calculated as total debt (which is the sum of short and long term notes payable, deferred consideration and capital lease obligations) plus long term deferred revenue plus total stockholders' equity, adjusted for the impact from the December 2011 leveraged buyout by Warburg Pincus and Goldman Sachs. Please see Non-GAAP Information slides for further details.

NON-GAAP INFORMATION

NON – GAAP RECONCILIATION
STATEMENT

The following table reflects the reconciliation of revenue calculated in accordance with GAAP to adjusted revenue and ARPS (all data in thousands, except ARPS data):

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2016
Revenue	**$ 177,318**	**$ 237,113**
Purchase accounting adjustment	1,395	15,843
Adjusted revenue	$ 178,713	$ 252,956
Total subscribers	**4,206**	**5,446**
Average subscribers for the period	4,147	5,128
ARPS	$14.37	$16.44
Adjusted revenue attributable to Constant Contact	-	52,723
Adjusted revenue excluding Constant Contact	-	200,233
Total subscribers excluding Constant Contact	4,206	4,883
Average subscribers excluding Constant Contact	4,147	4,812
ARPS excluding Constant Contact	$14.37	$13.87

NON – GAAP RECONCILIATION STATEMENT

The following table reflects the reconciliation of net income calculated in accordance with GAAP to Adjusted EBITDA (all data in thousands):

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2016
Net income	**$ 884**	**$ 14,081**
Stock-based compensation	3,971	18,388
(Gain) loss on sale of assets	40	(1)
(Gain) loss of unconsolidated entities (1)	1,108	(10,727)
Amortization of other intangible assets	21,298	29,874
Amortization of deferred financing costs and original issuance discounts	20	1,360
Impairment of other intangibles	—	1,437
Changes in deferred revenue	14,933	43,143
Impact of reduced fair value of deferred domain registration costs	(678)	(291)
Transaction expenses and charges	1,523	31,120
Integration and restructuring expenses	1,418	15,037
Legal advisory expenses (2)	—	1,540
Depreciation	7,866	13,172
Income tax expense (benefit)	978	(99,902)
Interest expense, net (excluding impact of amortization of deferred financing costs and original issuance discounts)	14,209	28,877
Adjusted EBITDA	**$ 67,570**	**$ 87,108**

(1) The gain of unconsolidated entities is reported on a net basis for the three months ended March 31, 2016. The three months ended March 31, 2016 includes an $11.4 million gain on our investment in WZ UK Ltd. This gain was generated on January 6, 2016, when we increased our ownership stake in WZ UK Ltd. from 49% to 57.5%, which required a revaluation of our existing investment to its implied fair value. This $11.4 million gain was partially offset by our proportionate share of net losses from unconsolidated entities of $0.7 million.

(2) Consists of legal and related advisory expenses associated with securities class action litigation and related matters and the SEC subpoenas received by us and Constant Contact in December 2015.

NON – GAAP RECONCILIATION
STATEMENT (CONT.)

The following table reflects the reconciliation of cash flows from net cash provided by operating activities to Free Cash Flow ("FCF") and Adjusted FCF (all data in thousands):

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2016
GAAP Cash Flow from Operations	50,223	11,772
Less:		
Capital expenditures and capital lease obligations (1)	(8,179)	(11,580)
Free Cash Flow	**$ 42,044**	**$ 192**
Adjustments		
Plus:		
Transaction expenses and charges	1,845	35,367
Integration and restructuring expenses	1,931	4,837
Legal advisory expenses (2)	-	993
Adjusted Free Cash Flow	**$ 45,820**	**$ 41,389**

(1) Capital expenditures include payments under capital leases for software. During the three months ended March 31, 2015 and March 31, 2016, these payments amounted to $0.9 million and $1.4 million, respectively. The remaining balance on the capital leases is $11.7 million as of March 31, 2016.

(2) Consists of legal and related advisory expenses associated with securities class action litigation and related matters and the SEC subpoenas received by us and Constant Contact in December 2015.

NON – GAAP RECONCILIATION
STATEMENT (CONT.)

The following table provides a reconciliation of income tax expense (benefit) included in the Adjusted EBITDA table above and in our consolidated statements of operations and comprehensive income to the income taxes paid amount in our consolidated statements of cash flows (all data in thousands).

	Three Months Ended March 31,	
	2015	2016
Income tax expense (benefit) in consolidated statements of operations and comprehensive income	$ 978	$ (99,902)
Less: non-cash deferred tax expense (benefit)	381	(103,203)
Plus: decrease (increase) in accrued income taxes	105	(2,333)
Income taxes paid in consolidated statements of cash flows	$ 702	$ 968

The following table provides a reconciliation of net interest expense included in the Adjusted EBITDA table above to net interest expense in our consolidated statements of operations and comprehensive income and to interest paid in our consolidated statements of cash flows (all data in thousands):

	Three Months Ended March 31,	
	2015	2016
Interest expense, net (excluding amortization of deferred financing costs)	$ 14,209	$ 28,877
Amortization of deferred financing costs and original issue discounts	20	1,360
Other income	—	(11,410)
Total other expense, net in consolidated statements of operations and comprehensive income	$ 14,229	$ 18,827
Add:		
Other income	—	11,410
Less:		
Amortization of deferred financing costs and original issuance discounts	(20)	(1,360)
Amortization of net present value of deferred consideration	(138)	(783)
(Increase) decrease in accrued interest	63	(11,569)
Interest income	92	134
Interest paid in consolidated statements of cash flows	$ 14,226	$ 16,659

NON – GAAP RECONCILIATION STATEMENT (CONT.)

The following table reflects the reconciliation of revenue calculated in accordance with GAAP to combined pro forma revenue and combined pro forma adjusted revenue (all data in thousands):

	Three Months Ended March 31,	
	2015	2016
GAAP revenue	**$ 177,318**	**237,113**
Constant Contact revenue pre-acquisition	90,417	41,088
Eliminations	(781)	(395)
Combined pro forma GAAP revenue	**$ 266,954**	**$ 277,806**
Purchase accounting adjustment	1,395	15,843
Combined pro forma adjusted revenue*	**$ 268,349**	**$ 293,649**

* *Combined pro forma adjusted revenue for the first quarter of 2016 divided by 5.38 million, which is the estimated average of the number of total subscribers (on a pro forma basis as if the acquisition of Constant Contact had occurred on January 1, 2016, and after adjusting Constant Contact's definition of subscribers to conform to our definition) at the beginning of the period and at the end of the period, results in estimated combined pro forma ARPS of approximately $18.19. We believe that presenting combined pro forma ARPS is useful to investors because it provides a view of ARPS as if Constant Contact had been consolidated in our financial results during all of the first quarter of 2016.*

NON – GAAP RECONCILIATION STATEMENT (CONT.)

The following table reflects the reconciliation of net income calculated in accordance with GAAP to combined pro forma net income and combined pro forma Adjusted EBITDA (all data in thousands):

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2016
Net income	**$ 884**	**$ 14,081**
Pre acquisition net (loss) income – Constant Contact	3,550	(8,038)
Eliminations	(29,750)	21,797
Combined pro forma net income	**(25,316)**	**27,840**
Stock-based compensation	8,275	20,197
(Gain) loss of unconsolidated entities, (gain) loss sale of assets, and other (1)	1,258	(11,911)
Amortization of acquired intangibles	39,508	37,877
Impairment of Intangibles	-	1,437
Changes in deferred revenue	17,325	43,754
Impact of reduced fair value of domain registration costs	(678)	(291)
Transaction expenses and charges	1,523	-
Integration and restructuring charges	1,418	15,037
Legal advisory (2)	-	1,797
Depreciation	11,889	15,213
Income tax expense (benefit)	(11,392)	(97,863)
Interest expense, net	40,808	41,592
Combined pro forma adjusted EBITDA	**$ 84,618**	**$ 94,679**

(1) The gain of unconsolidated entities is reported on a net basis for the three months ended March 31, 2016. The three months ended March 31, 2016 includes an $11.4 million gain on our investment in WZ UK Ltd. This gain was generated on January 6, 2016, when we increased our ownership stake in WZ UK Ltd. from 49% to 57.5%, which required a revaluation of our existing investment to its implied fair value. This $11.4 million gain was partially offset by our proportionate share of net losses from unconsolidated entities of $0.7 million.

(2) Consists of legal and related advisory expenses associated with securities class action litigation and related matters and the SEC subpoenas received by us and Constant Contact in December 2015.

NON – GAAP RECONCILIATION
STATEMENT (CONT.)

Calculation of Cash Return on Invested Capital (in $ millions)	FY2011	FY2012	FY2013	FY2014	FY2015	TTM – Q1'16
GAAP Cash Flow from Operations	$ 46.3	$ 55.3	$ 32.6	$ 142.9	177.2	$ 138.8
Dividend from Minority Interest	-	-	-	(0.2)	-	-
Capital Expenditures and Capital Lease Obligations	(6.6)	(28.2)	(33.5)	(27.5)	(36.1)	(39.5)
Free Cash Flow	39.6	27.2	(0.9)	115.2	141.2	99.3
Interest Paid	24.0	40.9	90.0	57.4	57.3	59.8
Unlevered Free Cash Flow	**$ 63.7**	**$ 68.1**	**$ 89.1**	**$ 172.6**	**$ 198.5**	**$ 159.1**
Current Portion of Long Term Debt	3.5	23.0	10.5	60.5	77.5	35.7
Notes Payable, Long Term	346.5	1,107 .0	1,036.9	1,026.4	1,105.9	2,066.8
Capital Leases, Short and Long Term	-	-	-	8.1	13.1	11.7
Long Term Deferred Revenue	14.2	36.3	55.3	65.9	79.7	87.5
Deferred Consideration	7.7	77.4	28.6	24.6	52.3	52.4
Redeemable Non-Controlling Interest	-	-	20.8	30.5	-	16.3
Total Shareholders' Equity	652.5	70.2	155.3	174.5	179.7	212.8
Total Invested Capital	1,024.4	1,313.8	1,307.4	1,390.5	1,418.1	2,483.1
Adjustments Related to Sponsor Acquisition (1)						
Purchase Consideration	(683.1)	(683.1)	(683.1)	(683.1)	(683.1)	(683.1)
Purchase accounting impact, cumulative	2.0	49.0	75.7	101.7	140.9	149.6
Adjusted Invested Capital	**$ 343.3**	**$ 679.8**	**$ 700.0**	**$ 809.1**	**$ 875.9**	**$ 1,949.7**
Cash Return on Invested Capital (CROIC)	**18.6%**	**10.0%**	**12.7%**	**21.3%**	**22.7%**	**8.2%**

(1) *Please refer to Non-GAAP Information slides for definition of Sponsor Acquisition.*
(2) *The UFCF and CROIC shown above are revised from amounts previously reported. UFCF has been revised to simplify the calculation, while the CROIC methodology was refined to adjusted invested capital by all impacts of the Sponsor Acquisition. Under the prior methodology, UFCF would have been: FY2011- no change; FY2012- $79.4 million; FY2013 - $82.1 million; FY2014 - $172.0 million. CROIC would have been: FY2011 – no change; FY2012 - 11.4%; FY2013 - 11.0%; FY2014 - 19.7%.*

**Individual adjustments may not total reported numbers due to rounding.*

NON-GAAP & OTHER FINANCIAL MEASURES

Adjusted EBITDA, free cash flow, adjusted free cash flow, unlevered free cash flow, cash return on invested capital, adjusted revenue, average revenue per subscriber, average subscribers, net debt, and the other non-GAAP measures listed below are non-GAAP financial measures and should not be considered as alternatives to net income, revenue or any other measure of financial performance calculated and presented in accordance with GAAP. We believe these non-GAAP financial measures are helpful to investors because we believe they reflect the operating performance of our business and help management and investors gauge our ability to generate cash flow and evaluate the effectiveness of our capital deployment strategy, excluding some recurring and non-recurring expenses that are included in the most directly comparable measures calculated and presented in accordance with GAAP.

Adjusted EBITDA is a non-GAAP financial measure that we calculate as net income (loss) plus (i) changes in deferred revenue, depreciation, amortization, stock-based compensation expense, loss of unconsolidated entities, net loss on sale of assets, impairment of other intangibles, expenses related to integration of acquisitions and restructurings, transaction expenses and charges, certain legal advisory expenses, interest expense and income tax expense, less (ii) earnings and gains related to unconsolidated entities, net gain on sale of assets and the impact of purchase accounting related to reduced fair value of deferred domain registration costs. We view adjusted EBITDA as a performance measure. Due to our history of acquisitions and financings, we have incurred and will continue to incur charges for integration, restructuring and transaction expenses that primarily relate to the process of acquiring another business and integrating that business into our support and/ or technical platforms. We believe that adjusting for these items is useful to investors in evaluating the post integration performance of our company. We manage our business based on the cash collected from our subscribers and the cash required to acquire and service those subscribers. We believe highlighting cash collected and cash spent in a given period provides insight to an investor to gauge the overall performance of our business. Under GAAP, although subscription fees are paid in advance, we recognize the associated revenue over the subscription term, which does not fully reflect short-term trends in our operating results. In order to capture these trends and report our performance consistently with how we manage our business, we include the change in deferred revenue for the period in our calculation of adjusted EBITDA for that period.

Combined Pro Forma Adjusted EBITDA is a non-GAAP financial measure that we calculate as pro forma net income (loss) plus (i) changes in pro forma deferred revenue, pro forma depreciation, pro forma amortization, pro forma stock-based compensation expense, pro forma loss of unconsolidated entities, pro forma net loss on sale of assets, pro forma impairment of other intangibles, pro forma expenses related to integration of acquisitions and restructurings, pro forma transaction expenses and charges, pro forma interest expense and pro forma income tax expense, less (ii) pro forma earnings of unconsolidated entities, pro forma net gain on sale of assets and the pro forma impact of purchase accounting related to reduced fair value of deferred domain registration costs. We believe that presenting combined pro forma adjusted EBITDA is useful to investors because it provides a view of Adjusted EBITDA as if Constant Contact had been consolidated in our financial results during the applicable period.

Free Cash Flow, or FCF, is a non-GAAP financial measure that we calculate as cash flow from operations less capital expenditures and capital lease obligations and dividend from minority interest. We believe that FCF provides investors with an indicator of our ability to generate positive cash flows after meeting our obligations with regard to capital expenditures and payment of interest on our outstanding indebtedness.

NON-GAAP & OTHER FINANCIAL MEASURES (CONT.)

Adjusted FCF is a non-GAAP financial measure that we calculate as FCF plus transaction expenses and charges, integration and restructuring expenses, and certain legal advisory expenses. We believe that this presentation of FCF provides investors with a helpful alternative view of our 2016 FCF by adding back expenses, most of which relate to our acquisition of Constant Contact, that we believe do not reflect the ongoing operating performance of our business.

Unlevered Free Cash Flow, or UFCF, is a non-GAAP financial measure that we calculate as FCF plus interest paid. We believe the most useful indicator of our operating performance is the cash generating potential of our company prior to any accounting charges related to our acquisitions and after investment in capital expenditures to operate our technology platform. Given our substantial bank debt, we believe it is important to present to our investors the cash generation potential of our business prior to interest payments.

Cash Return On Invested Capital, or CROIC, is a non-GAAP financial measure that we calculate as UFCF divided by adjusted invested capital. We calculated adjusted invested capital as the sum of total debt (which is the sum of short and long term notes payable, deferred consideration and capital lease obligations) plus long term deferred revenue plus total stockholders' equity, adjusted for all impacts from the December 2011 leveraged buy-out of our company by investment funds and entities affiliated with Warburg Pincus and Goldman Sachs, which we refer to as the Sponsor Acquisition. We believe CROIC is useful to management and investors because it helps assess the effectiveness of our capital deployment strategy by measuring our ability to generate cash flow from invested capital.

Adjusted Revenue is a non-GAAP financial measure that we calculate as GAAP revenue adjusted to exclude the impact of any fair value adjustments to deferred revenue resulting from acquisitions. Historically, we also adjusted the amount of revenue to include the revenue generated from subscribers we added through business acquisitions as if those acquired subscribers had been our subscribers since the beginning of the period presented. Since the first quarter of 2014, we have included the revenue we add through business acquisitions from the closing date of the relevant acquisition. We believe that excluding fair value adjustments to deferred revenue is useful to investors because it shows our revenue prior to purchase accounting charges related to our acquisitions.

Combined Pro Forma Adjusted Revenue is a non-GAAP financial measure that we calculate as combined pro forma GAAP revenue adjusted to exclude the impact of any fair value adjustments to deferred revenue resulting from acquisitions. We believe that presenting combined pro forma adjusted revenue is useful to investors because it provides a view of Adjusted Revenue as if Constant Contact had been consolidated in our financial results during the applicable period.

NON-GAAP & OTHER FINANCIAL MEASURES (CONT.)

Total Subscribers - We define total subscribers as those that, as of the end of a period, are identified as subscribing directly to our products on a paid basis, excluding accounts that access our solutions via resellers or that purchase only domain names from us. Historically, in calculating total subscribers, we included the number of end-of-period subscribers we added through business acquisitions as if those subscribers had subscribed with us since the beginning of the period presented. Since the first quarter of 2014, we have included subscribers we added through business acquisitions from the closing date of the relevant acquisition. Additionally, in the fourth quarter of 2014, we modified our definition of total subscribers to better reflect our expanding product mix by including paid subscribers to all of our subscription-based products, rather than limiting the definition to paid subscribers to our hosted web presence solutions. Subscribers of more than one brand, and subscribers with more than one distinct billing relationship with us, are counted as separate subscribers. Total subscribers for a period reflects adjustments to add or subtract subscribers as we integrate acquisitions and/or are otherwise able to identify subscribers that meet, or do not meet, this definition of total subscribers. Approximately 8 percent of the increase in total subscribers in the first quarter 2016 consists of these adjustments. Of the increase of approximately 777,000 in our total subscribers from December 31, 2015 to March 31, 2016, approximately 566,000 consisted of the subscriber base of Constant Contact, which we acquired in the first quarter 2016, and approximately 85,000 consisted of subscribers of our WZ UK Ltd. joint venture, which we consolidated in our financial results in January 2016.

Average Revenue Per Subscriber, or ARPS, is a non-GAAP financial measure that we calculate as the amount of adjusted revenue we recognize in a period, including marketing development funds and other revenue not received from subscribers, divided by the average of the number of total subscribers at the beginning of the period and at the end of the period, which we refer to as average subscribers for the period. We believe ARPS is an indicator of our ability to optimize our mix of products and services and pricing and sell products and services to new and existing subscribers. As we on-board new subscribers, we typically on-board them at introductory prices, which negatively impacts ARPS. Furthermore, ARPS can be impacted by our acquisitions since the acquired subscribers may have higher or lower than average ARPS. Furthermore, ARPS can be impacted by our acquisitions since the acquired subscribers may have higher or lower than average ARPS, and by adjustments to our total subscribers figure as described above. ARPS does not represent an exact measure of the average amount a subscriber spends with us each month, since our calculation of ARPS is impacted by revenues generated by non-subscribers.

Average Subscribers – please see definition of Average Revenue Per Subscriber.

Net Debt is a non-GAAP financial measure that we calculate as total debt (which is the sum of short and long term notes payable, deferred consideration and capital lease obligations) less cash and cash equivalents. We use net debt to evaluate our capital structure.

NON-GAAP & OTHER FINANCIAL MEASURES (CONT.)

Monthly Recurring Revenue Retention Rate (MRR) - We calculate MRR retention rate at the end of a period by taking the retained recurring value of subscription revenue of all active subscribers of our major brands at the end of the prior period and dividing it into the retained recurring value of subscription revenue for those same subscribers at the end of the period presented. The brands included in this calculation are our HostGator, BlueHost, iPage, Fatcow, Homestead, A Small Orange and Domain.com brands and the smaller brands that share a billing platform with those brands, which together accounted for approximately 61% of our revenue for the three months ended March 31, 2016. A number of our recently acquired and international brands are not included in MRR, including in particular Constant Contact, our Directi brands and our JDI Backup cloud storage brands, because these brands have not yet been integrated into our business intelligence system and we are not able to produce adequately reliable MRR data for them. MRR for a period is presented as a rolling average of MRR for the most recent four quarters.

Adjusted Cost of Revenue, Adjusted Sales and Marketing, Adjusted Engineering and Development and Adjusted General and Administrative (together the "**Adjusted Operating Expenses**") and **Adjusted Operating Income** are non-GAAP financial measures that we believe are helpful in understanding the operating performance of our business without the impact of non-cash expenses, expenses related to integrations of acquisitions and restructurings, and transaction expenses and charges including costs associated with certain litigation matters. These measures are calculated as follows:

Adjusted Cost of Revenue is calculated as cost of revenue less stock-based compensation expense, depreciation, amortization and expenses related to integration of acquisitions and restructurings.

Adjusted Sales and Marketing is calculated as sales and marketing expense less stock-based compensation expense, depreciation and expenses related to integration of acquisitions and restructurings.

Adjusted Engineering and Development is calculated as engineering and development expense less stock-based compensation expense, depreciation and expenses related to integrations of acquisitions and restructurings.

Adjusted General and Administrative is calculated as general and administrative expense less stock-based compensation expense, depreciation, expenses related to integration of acquisitions and restructurings, transaction expense and charges, certain legal advisory expenses and gain (loss) on sale of assets.

Adjusted Operating Income is calculated by subtracting the sum of the Adjusted Operating Expenses, as defined above, from adjusted revenue.

NON-GAAP & OTHER FINANCIAL MEASURES (CONT.)

Our non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in our industry, as other companies in our industry may calculate non-GAAP financial results differently, particularly related to adjustments for integration and restructuring expenses. In addition, there are limitations in using non-GAAP financial measures because they are not prepared in accordance with GAAP, may be different from non-GAAP financial measures used by other companies and exclude expenses that may have a material impact on our reported financial results. Furthermore, interest expense, which is excluded from some of our non-GAAP measures, has and will continue to be for the foreseeable future a significant recurring expense in our business. The presentation of non-GAAP financial information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with GAAP. We urge you to review the reconciliations of our non-GAAP financial measures to the comparable GAAP financial measures included with this presentation, and not to rely on any single financial measure to evaluate our business. For a further discussion of these measures, see our most recent Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission (SEC) on February 29, 2016.