ENDURANCE
International Group

Q2 FY2015 Earnings Presentation

August 4, 2015

FORWARD LOOKING STATEMENTS AND OTHER IMPORTANT CAUTIONS

Statements in this presentation which are not statements of historical fact, including but not limited to statements concerning our expected future growth and growth opportunities, the timing and success of anticipated product introductions, the timing and success of anticipated investments in marketing and their impact on total subscribers, ARPS and subscriber retention, our ability to drive future growth through mergers and acquisitions, our expectations concerning the financial performance of acquired businesses, future trends in ARPS and total subscribers, the anticipated impact of changes in subscriber term mix, our future integration and restructuring expenses, our investment priorities and anticipated uses of cash, our financial guidance and expectations for fiscal year 2015 (including the third quarter of fiscal year 2015), our long term growth rate expectations and our expectations regarding our future financial and operating performance, are “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995). These forward-looking statements are based on our current expectations and beliefs, as well as a number of assumptions concerning future events. These statements are subject to risks, uncertainties, assumptions and other important factors set forth in our SEC filings, many of which are outside of our control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. Some of the key factors that could cause actual results to differ from our expectations include: 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 continue to drive growth through mergers or acquisitions, whether due to unavailability of target companies at prices and on terms we are willing or able to pay, difficulties in obtaining debt or equity funding for mergers and acquisitions, regulatory constraints, our inability to integrate acquired businesses and/or realize the expected cost savings and other synergies from our acquisitions; 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 co-located 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 adverse consequences of our substantial indebtedness.

You are cautioned to not place undue reliance on such forward-looking statements because actual results may vary materially from those expressed or implied. All forward-looking statements are based on information available to us on this date and we assume no obligation to, and expressly disclaim any obligation to, update or revise any forward-looking statements, whether 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.

AGENDA

Hari Ravichandran
Founder, CEO

Tiv Ellawala
CFO

- Overview of Q2
- Initiatives Update
- Q3 & Full Year Guidance

- Supplemental Information

Q2 FISCAL 2015: HIGHLIGHTS

	Adj. Revenue	Adj. EBITDA	UFCF *(as reported)*	Subscribers	ARPS
Q2 FY2015	*15% y/y growth* $183.3 MILLION	*9% y/y growth* $61.6 MILLION	*27% y/y growth* $55.3 MILLION	*17% y/y growth* 4.4* MILLION	*0% y/y growth* $14.30 PER MONTH
Q2 FY2014	$159.0 MILLION	$56.5 MILLION	$43.7 MILLION	3.7 MILLION	$14.33 PER MONTH

** Excluding the impact of subscribers of businesses acquired in Q2 FY2015, our total subscriber count was 4.3 million as of June 30, 2015.*

Note: Please refer to "Non-GAAP and Other Financial Measures" slides for definitions and other important information about total subscribers and ARPS. Except as otherwise noted in this presentation, number of subscribers and ARPS includes subscribers and adjusted revenue from all acquired businesses.

MULTIPLE CHANNEL & PRODUCT GATEWAYS

WORD OF MOUTH | AFFILIATE NETWORK | PARTNERS | INTERNAT'L | BULK BUYING

Subscriber growth "Q"

1997 — 2014 — ONWARD

HOSTING	DOMAINS	CMS	BUILDERS	MOBILE	ECOMMERCE	FUTURE
Tech: bluehost Service: HostGator Basic: iPage Other Niche: FatCow, arvixe web hosting	DOMAIN.COM BuyDomains	WordPress (Partner)	webzai Sitelio SiteBuilder.com Sitey. website BUILDER.COM	appmachine	ecwid (Partner)	VPN MARKETING-LED SOLUTIONS

P x Q = Revenue Growth

ANALYTICS

UPSELL CHANNELS

ORDER FLOW | SALES FLOOR | MARKETPLACES | CAMPAIGNS | CONTENT LED MARKETING

ARPS growth "P"

$1-2 a month — High adoption, high growth products

$20+ a month — Targeted high price products

BUSINESS HIGHLIGHTS

Q2 FY2015

1 TECHNOLOGY PLATFORM

- Beta launch of cloud platform on Bluehost and preparation for roll-out in 2H to other major brands
- Initiated roll-out of Optimized WordPress product

2 DOMAINS

nTLDs

Directi

- Maintaining domains as additional upsell opportunity
- Continued to extend nTLDs

3 MOBILE

Business on Tapp

- Increasing traction of *Business on Tapp*
- Beta launch of mobile app builder on schedule for 2H

4 INTERNATIONAL

- Continued growth and investment in India, Brazil, and China
- Strong early stage growth from recently launched HostGator Mexico site

5 DISTRIBUTION

MOJO Marketplace

- Data management platform analytics
- Facebook Pages – iPage control panel access

ADDITIONAL HIGHLIGHTS

ACQUISITION ACTIVITY

	VERIO	site5
Total cash consideration*	$13.0M	$23.0M
Subscribers	~28K	~58K

H2 FOCUS AREAS

Gateway opportunities

- Web builder segment
- WordPress product
- Mobile app product

Will focus on continued:

- Testing in new marketing
- Engineering work streams

- Subscriber base growth
- Future ARPS growth

* *Site5 total purchase price was $35M, which consisted of $23M in cash consideration and $12M representing the value attributed to our prior 40% equity interest in Site5, which was redeemed by the seller prior to the transaction. Of the $23M in cash consideration, $18.4M was paid at closing, with deferred consideration of $4.6M payable a year from closing.*

Verio cash consideration included $10.5M paid at closing with $2.5M in deferred consideration.

ENDURANCE DASHBOARD FOR FUTURE GROWTH

CORE BUSINESS GROWTH

SUBS

- Word of Mouth
- Affiliates
- Partnerships
- Gateway products
- International

X

ARPS

- New products
- Better distribution

+

GROWTH FROM M&A

SUBS

- Migration ability
- Efficient platform
- Synergies

X

ARPS

- New products
- Better analytics
- More touchpoints
- Superior distribution

$1.19
EIG FY15
FCF per Share

$2.30+
Future
FCF per Share

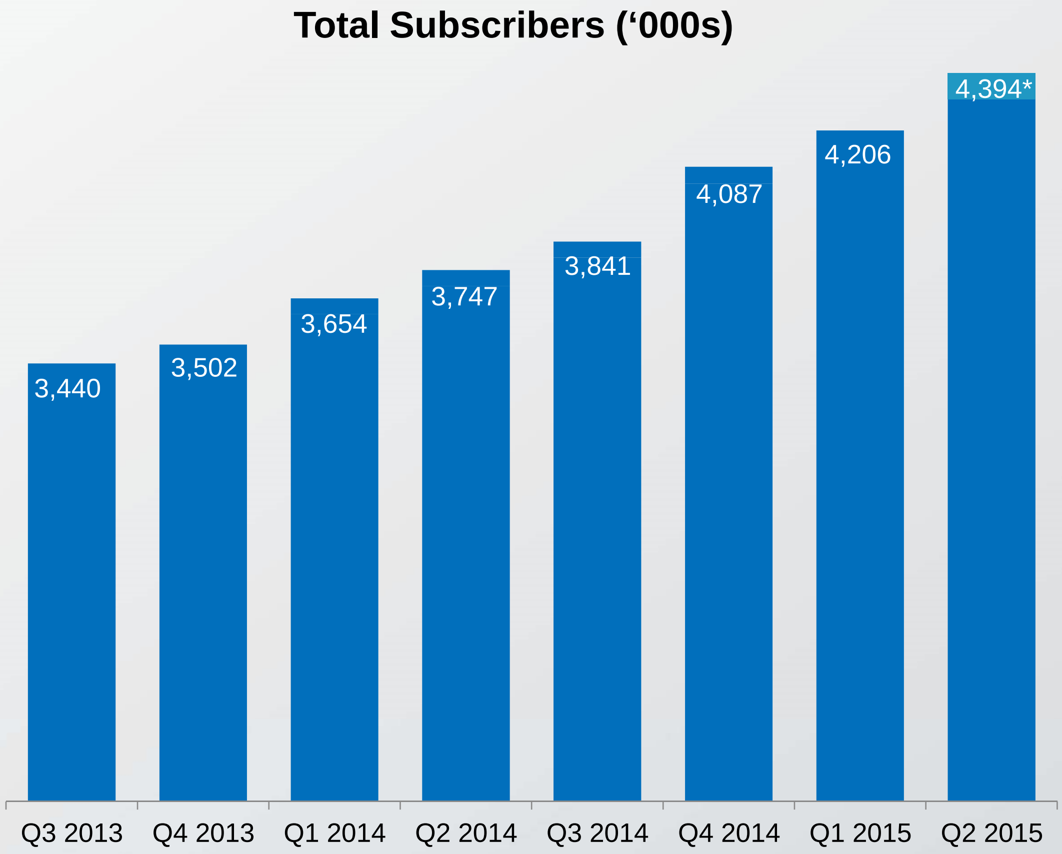
FINANCIAL EFFICIENCY

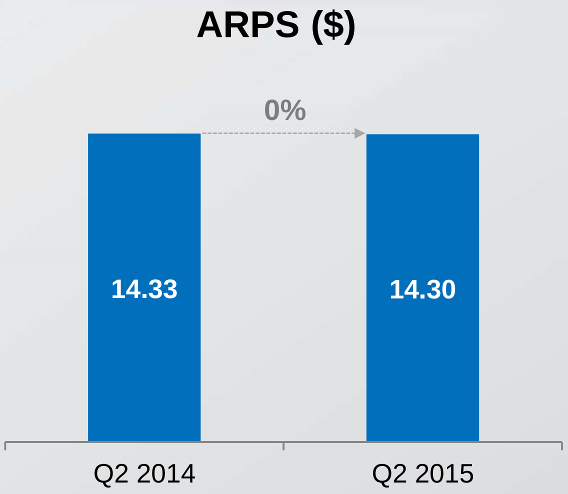
Capital Structure

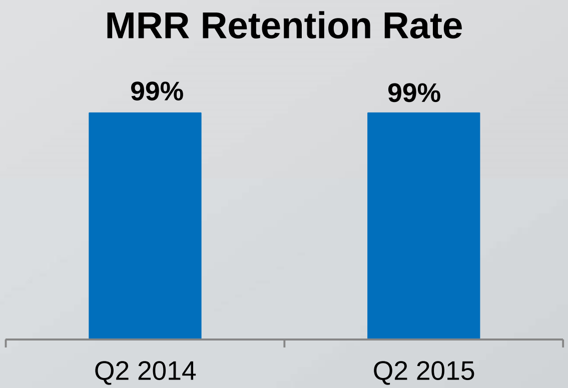
NOLs & Tax Benefits

Cash Flow Conversion

Q2 2015 OPERATING METRICS





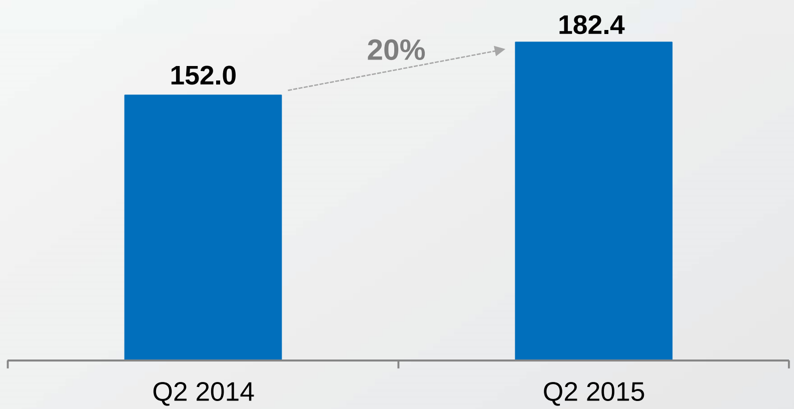


** Excluding the impact of subscribers of businesses acquired in Q2 FY2015, our total subscriber count was 4.308 million as of June 30, 2015.*

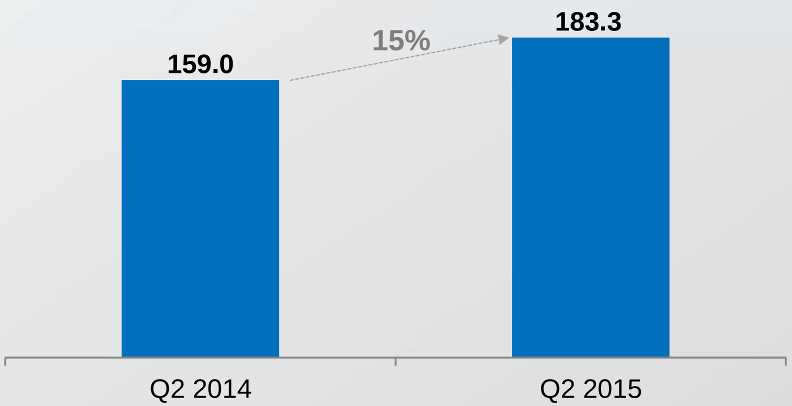
Note: Please refer to "Non-GAAP and Other Financial Measures" slides for definitions and other important information about total subscribers and ARPS. Except as otherwise noted in this presentation, number of subscribers and ARPS includes subscribers and adjusted revenue from all acquired businesses.

Q2 2015 KEY FINANCIAL METRICS

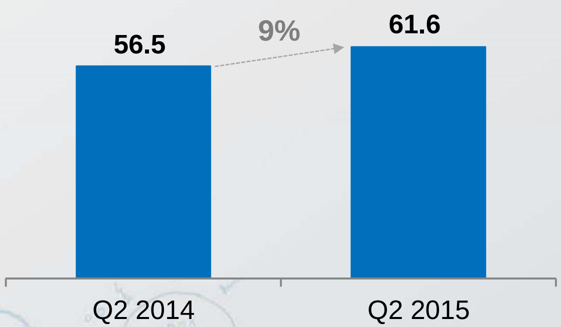
GAAP Revenue ($M)



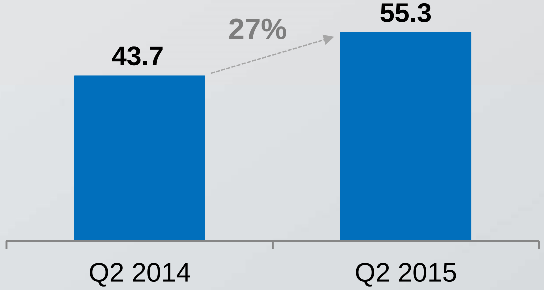
Adj. Revenue ($M)



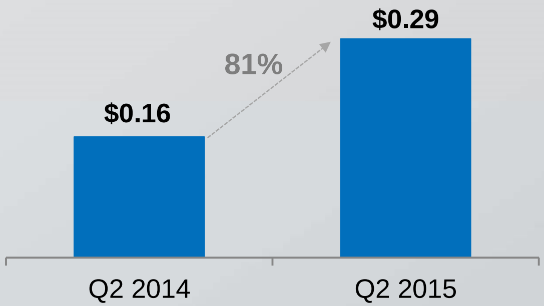
Adj. EBITDA ($M)



UFCF* ($M)



FCF per Share

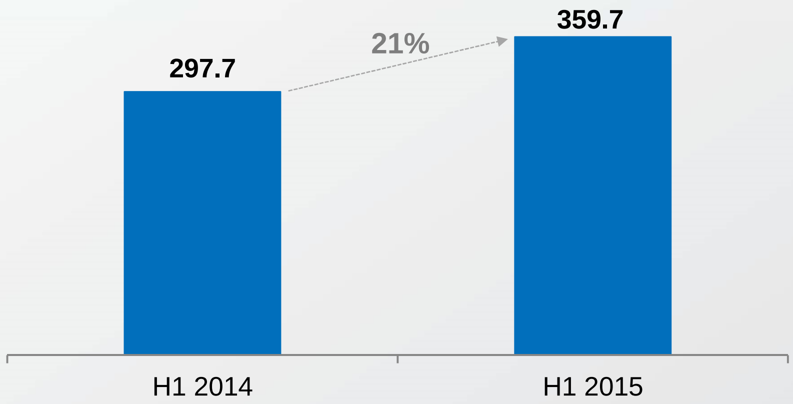


** UFCF (as reported)*

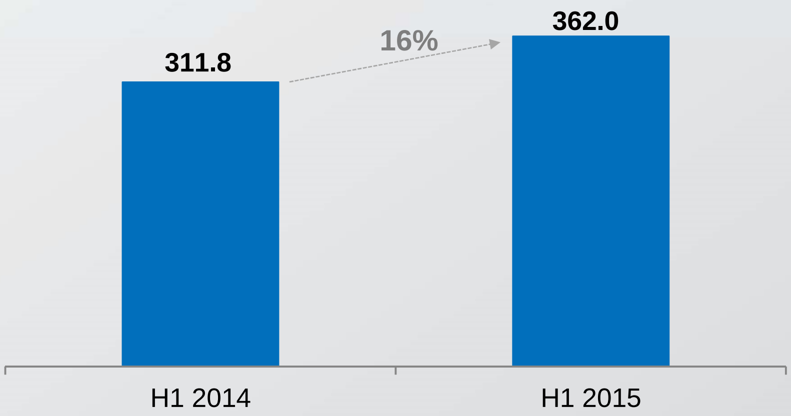
Note: Reconciliation for adjusted revenue, adjusted EBITDA, and UFCF (as reported) available in non-GAAP reconciliation slides.

H1 2015 KEY FINANCIAL METRICS

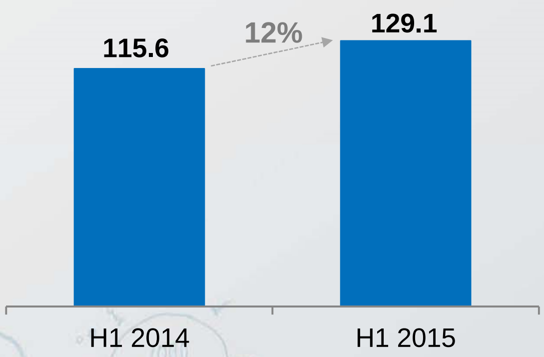
GAAP Revenue ($M)



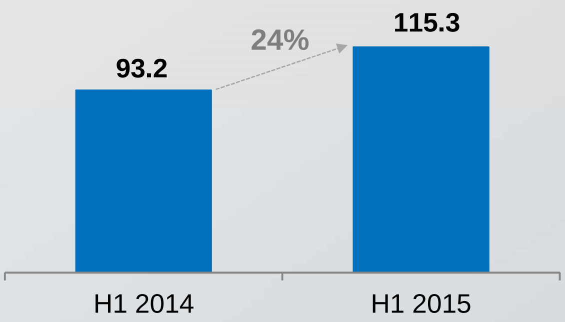
Adj. Revenue ($M)



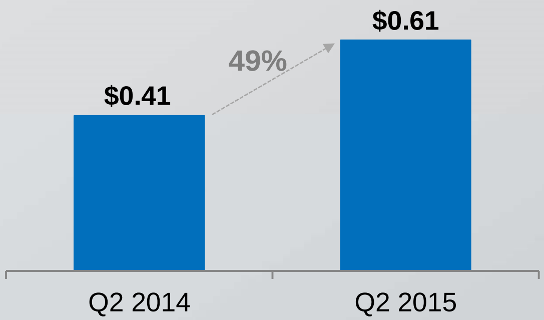
Adj. EBITDA ($M)



UFCF* ($M)



FCF per Share



** UFCF (as reported)*

Note: Reconciliation for adjusted revenue, adjusted EBITDA, and UFCF (as reported) available in non-GAAP reconciliation slides.

CAPITALIZATION & DEBT

	Dec 31, 2014	March 31, 2015	June 30, 2015
Revolver	$50	$21	$35
First Lien Debt	1,037	1,034	1,032
Total Senior Debt	**$1,087**	**$1,055**	**$1,067**
Deferred Purchase Obligations	25	45	33
Capital Lease	8	7	6
Total Debt	**$1,120**	**$1,107**	**$1,106**
Cash	34	33	37
Net Debt	**$1,086**	**$1,074**	**$1,069**

	LTM* Q2	Guidance 2015**
Adjusted EBITDA	$249	~$280

Numbers in $M

** Last twelve months*
***Based on our expectations as of the date of this presentation, August 4, 2015. Figure represents the midpoint of our guidance range.*

FY2015 FULL YEAR & Q3 GUIDANCE

Prior Guidance

	Q2 2015 Actuals	Q2 2015 Guidance	FY 2015 Guidance
Adjusted Revenue	$183M	$181 - 183M	$745 - 755M
Adjusted EBITDA	$62M	$60 - 62M	$275 - 285M
UFCF *(as reported)*	$55M		$220 - 230M

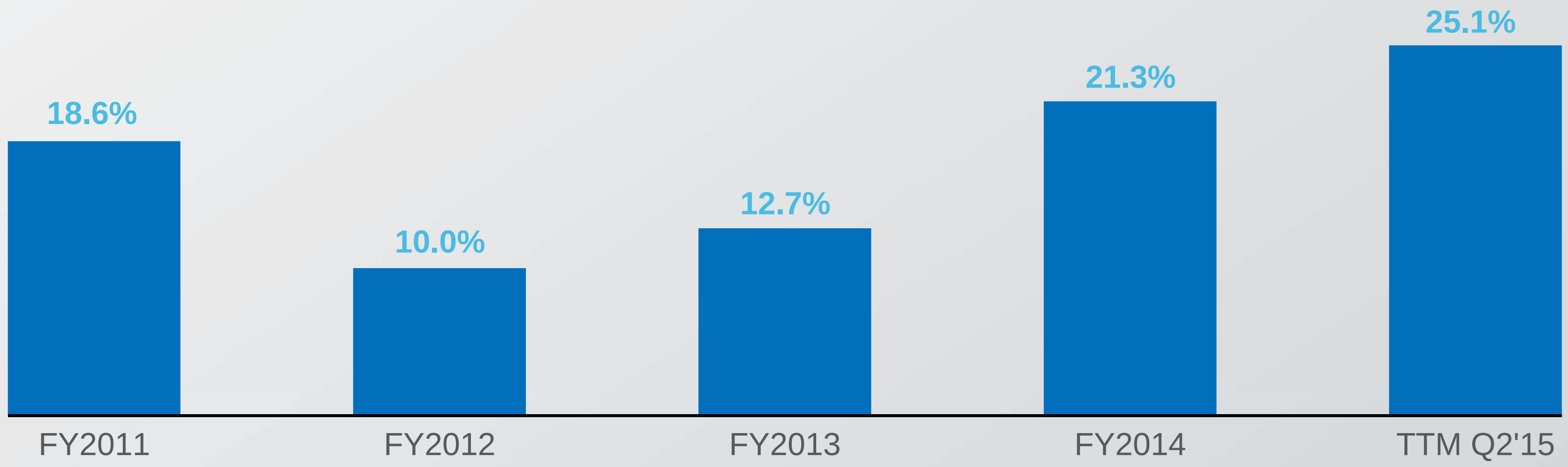
Current Guidance
(at August 4, 2015)

	Q3 2015 Guidance	FY 2015 Guidance
Adjusted Revenue	$189 - 193M	$745 - 755M
Adjusted EBITDA	$66 - 69M	$275 - 285M
UFCF *(as reported)*		$220 - 230M

Guidance figures above are estimates based on our expectations as of the date of this presentation, August 4, 2015.

CASH RETURN ON INVESTED CAPITAL (CROIC)

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



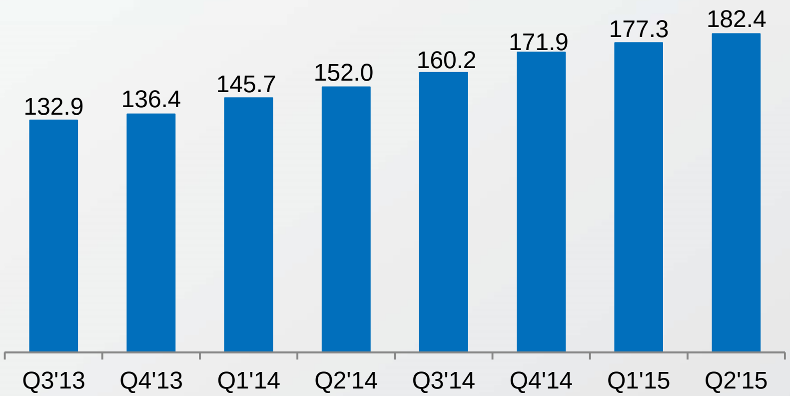
(1) UFCF is calculated as GAAP cash flow from operations less capital expenses and leases, or as Free Cash Flow (FCF) plus interest paid. Please see Non-GAAP Reconciliation slides for further details

(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 Reconciliation slides for further details.

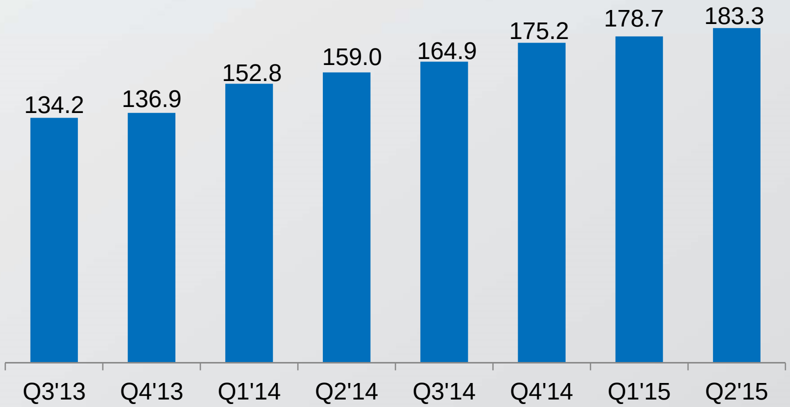
SUPPLEMENTAL INFORMATION

HISTORIC KEY FINANCIAL METRICS

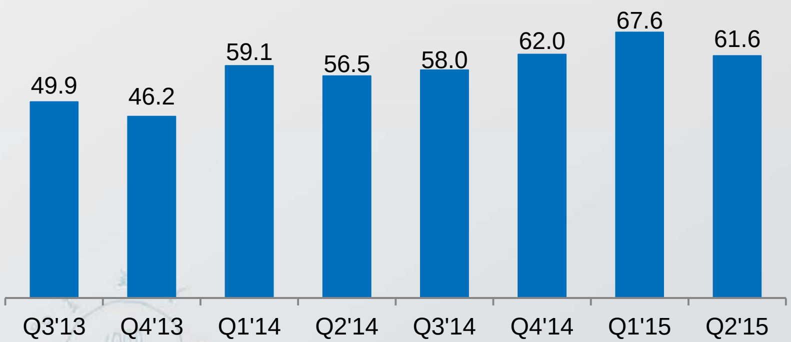
GAAP Revenue ($M)



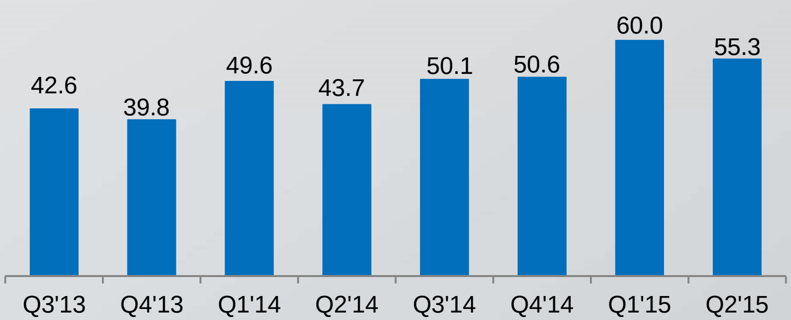
Adj. Revenue ($M)



Adj. EBITDA ($M)



UFCF* ($M)

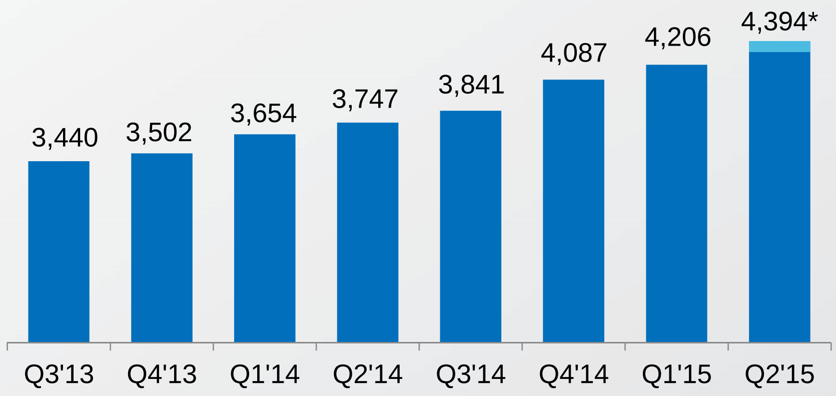


** UFCF (as reported)*

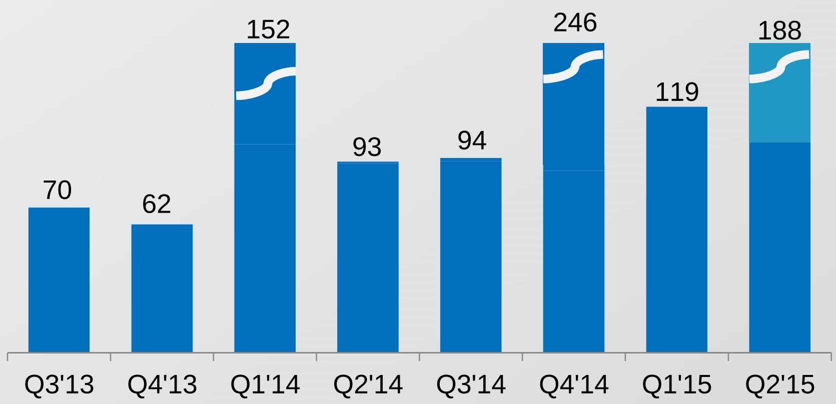
Note: Reconciliation for adjusted revenue, adjusted EBITDA, and UFCF (as reported) available in non-GAAP reconciliation slides.

HISTORIC OPERATING METRICS

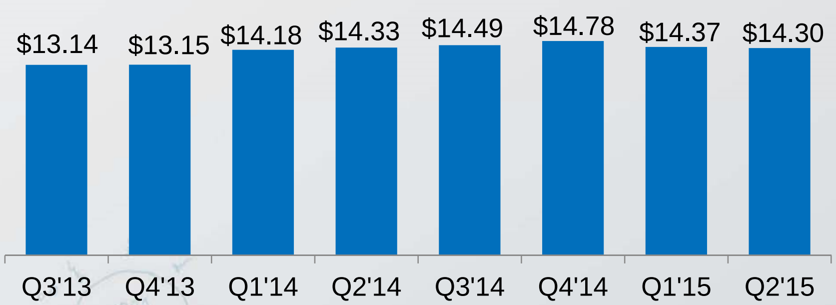
Total Subscribers (‘000s)



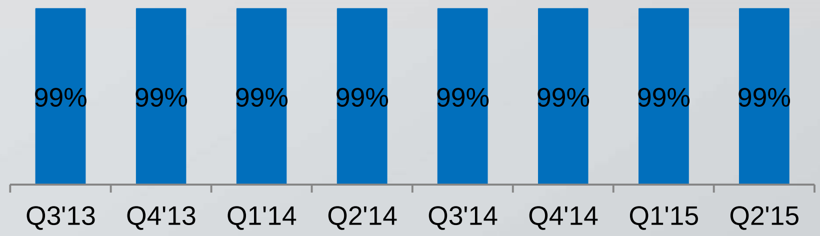
Quarterly Subscriber Increases (‘000s)



ARPS ($)



MRR Retention Rate



** Excluding the impact of subscribers of businesses acquired in Q2 FY2015, our total subscriber count was 4.308 million as of June 30, 2015.*

Note: Please refer to “Non-GAAP and Other Financial Measures” slides for definitions and other important information about total subscribers and ARPS. Except as otherwise noted in this presentation, number of subscribers and ARPS includes subscribers and adjusted revenue from all acquired businesses.

NON – GAAP RECONCILIATION STATEMENT

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2015	2014	2015
Revenue	$ 151,992	$ 182,431	$ 297,742	$ 359,749
Purchase accounting adjustment	7,046	856	14,067	2,251
Adjusted revenue	$ 159,038	$ 183,287	$ 311,809	$ 362,000
Total subscribers	3,747	4,394	3,747	4,394
Average subscribers for the period	3,701	4,272	3,643	4,205
ARPS	$ 14.33	$ 14.30	$ 14.26	14.35

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2015	2014	2015
Net loss	$ (16,132)	$ (2,071)	$ (38,601)	$ (1,187)
Stock-based compensation	3,629	6,539	7,173	10,510
Loss (gain) on sale of assets	68	(4)	74	36
Gain of unconsolidated entities (1)	(89)	(1,982)	(110)	(874)
Amortization of intangible assets	25,462	22,135	49,541	43,433
Amortization of deferred financing costs	19	21	38	41
Changes in deferred revenue	18,523	7,631	49,917	22,564
Impact of reduced fair value of deferred domain registration costs	(6,335)	(525)	(12,337)	(1,203)
Transaction expenses and charges	757	1,618	2,120	3,141
Integration and restructuring expenses	7,975	2,325	11,171	3,743
Legal advisory expenses (2)	-	1,055	-	1,055
Depreciation	7,502	8,229	14,548	16,095
Income tax expense	1,048	2,707	4,487	3,685
Interest expense, net (excluding impact of amortization of deferred financing costs)	14,069	13,873	27,602	28,082
Adjusted EBITDA	$ 56,496	$ 61,551	$ 115,623	$ 129,121

(1) *The gain of unconsolidated entities is reported on a net basis for the three and six months ended June 30, 2015. The three months ended June 30, 2015 includes a $5.4 million gain for the redemption of our equity interest in World Wide Web Hosting (Site5), partially offset by our proportionate share of net losses from unconsolidated entities of $3.5 million. The six months ended June 30, 2015 includes the $5.4 million gain for the redemption of our equity interest in World Wide Web Hosting (Site5), partially offset by our proportionate share of net losses from unconsolidated entities of $4.6 million.*

(2) *Consists of legal and related advisory expense associated with matters that are the subject of a class action lawsuit filed against the Company in May 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"), Unlevered Free Cash Flow ("UFCF"), and Unlevered Free Cash Flow (as reported) (all data in thousands, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2015	2014	2015
GAAP Cash Flow from Operations	$ 28,402	$ 46,009	$66,389	$ 96,232
Less:				
Capital expenditures and capital lease obligations (1)	(7,595)	(8,205)	(14,683)	(16,384)
Free Cash Flow	$ 20,807	$ 37,804	$ 51,706	$ 79,848
Weighted-average common shares outstanding	127,226	131,186	126,844	131,092
Free Cash Flow per Share	**$0.16**	**$0.29**	**$0.41**	**$0.61**
Plus:				
Interest paid	14,174	13,885	28,269	28,111
Unlevered Free Cash Flow	$ 34,981	$ 51,689	$ 79,975	$ 107,959
Adjustments Plus:				
Transaction expenses and charges	723	732	2,099	2,577
Integration and restructuring expenses	7,975	2,373	11,171	4,304
Legal advisory expenses (2)	-	462	-	462
Unlevered Free Cash Flow (as reported) (3)	$ 43,679	$ 55,256	$ 93,245	$ 115,302

(1) Capital expenditures during the three and six months ended June 30, 2014 and June 30, 2015 includes $1.8 million and $1.9 million of payments under a three year capital lease for software of $11.7 million beginning in January 2014. The remaining balance on the capital lease is $6.2 million as of June 30, 2015.

(2) Consists of legal and related advisory expense associated with matters that are the subject of a class action lawsuit filed against the Company in May 2015.

(3) Interest paid in the above table is disclosed in the consolidated statement of cash flows. As previously reported, interest paid in the FCF/UFCF reconciliation table was net of accrued loan interest and interest income. If we used the previous method, the Unlevered Free Cash Flow (as reported) amounts for the three months ended June 30, 2014 and 2015 would be $43.6 million and $55.1 million, respectively and the amounts reported for the six months ended June 30, 2014 and 2015 would be $92.6 million and $115.0 million, respectively.

NON – GAAP RECONCILIATION STATEMENT (CONT.)

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2015	2014	2015
Income tax expense in consolidated statement of operations and comprehensive income (loss)	$ 1,048	$ 2,707	$ 4,487	$ 3,685
Less: non-cash deferred tax expense	(963)	(1,580)	(1,940)	(1,961)
Plus: decrease (increase) in accrued income taxes	619	588	(1,596)	693
Income taxes paid in consolidated statements of cash flows	$ 704	$ 1,715	$ 951	$ 2,417

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 loss and to interest paid in our consolidated statements of cash flows (all data in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2015	2014	2015
Interest expense, net (excluding amortization of deferred financing costs)	$ 14,069	$ 13,873	$ 27,602	$ 28,082
Amortization of deferred financing costs	19	21	38	41
Other Income	--	(5,440)	--	(5,440)
Other (income) expense, net, in consolidated statements of operations and comprehensive loss	$ 14,088	$ 8,454	$ 27,640	$ 22,683
Add:				
Other Income	--	5,440	--	5,440
Less:				
Amortization of deferred financing costs	(19)	(21)	(38)	(41)
Amortization of net present value of deferred consideration	—	(143)	(5)	(281)
(Increase) decrease in accrued interest	16	38	500	101
Interest income	89	117	172	209
Interest paid in consolidated statements of cash flows	$ 14,174	$ 13,885	$ 28,269	$ 28,111

NON – GAAP RECONCILIATION
STATEMENT (CONT.)

Calculation of Cash Return on Invested Capital (in $ millions)	FY2011	FY2012	FY2013	FY2014	TTM - Q1'15	TTM – Q2'15
GAAP Cash Flow from Operations	$ 46.3	$ 55.3	$ 32.6	$ 142.9	$ 155.1	$ 172.7
Dividend from Minority Interest	-	-	-	(0.2)	(0.2)	(0.2)
Capital Expenditures and Capital Lease Obligations	(6.6)	(28.2)	(33.5)	(27.5)	(28.6)	(29.2)
Free Cash Flow	39.6	27.2	(0.9)	115.2	126.4	143.4
Interest Paid	24.0	40.9	90.0	57.4	57.5	57.3
Unlevered Free Cash Flow	**$ 63.7**	**$ 68.1**	**$ 89.1**	**$ 172.6**	**$ 183.9**	**$ 200.6**
Current Portion of Long Term Debt	3.5	23.0	10.5	60.5	31.5	45.5
Notes Payable, Long Term	346.5	1,107 .0	1,036.9	1,026.4	1,023.8	1,021.1
Capital Leases, Short and Long Term	-	-	-	8.1	7.2	6.2
Long Term Deferred Revenue	14.2	36.3	55.3	65.9	68.5	72.0
Deferred Consideration	7.7	77.4	28.6	24.6	44.8	32.7
Redeemable Non-Controlling Interest	-	-	20.8	30.5	-	-
Total Shareholders' Equity	652.5	70.2	155.3	174.5	179.1	183.9
Total Invested Capital	1,024.4	1,313.8	1,307.4	1,390.5	1,354.9	1,361.5
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	111.2	120.9
Adjusted Invested Capital	**$ 343.3**	**$ 679.8**	**$ 700.0**	**$ 809.1**	**$ 783.0**	**$ 799.3**
Cash Return on Invested Capital (CROIC)	**18.6%**	**10.0%**	**12.7%**	**21.3%**	**23.5%**	**25.1%**

(1) For detailed adjustments, please refer to Form S-1 filed on October 23, 2013. Includes cash paid to selling shareholders, Issuance of preferred stock, deemed capital contribution for roll-over stockholders, and deferred consideration. Please see Non-GAAP and Other Financial Measures slides for definition of Sponsor Acquisition.

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; TTM Q1 2015 - $183.7 million; and TTM Q2 2015 - $200.3 million. CROIC would have been: FY2011 – no change; FY2012 - 11.4%; FY2013 - 11.0%; FY2014 - 19.7%; TTM Q1 2015 - 21.7%; and TTM Q2 2015 - 23.1%.

Individual adjustments may not total reported numbers due to rounding.

ADJUSTED P&L RECONCILIATION STATEMENT

(in $ millions)	Three Months Ended March 31, 2014	Three Months Ended March 31, 2015	Three Months Ended June 30, 2014	Three Months Ended June 30, 2015	Six Months Ended June 30, 2014	Six Months Ended June 30, 2015	Year Ended June 30, 2014
GAAP Revenue	$145.8	$177.3	$152.0	$182.4	$297.7	$359.7	$629.8
Purchase Accounting Adjustment	7.0	1.4	7.0	0.9	14.1	2.3	22.1
Adjusted Revenue	**$152.8**	**$178.7**	**$159.0**	**$183.3**	**$311.8**	**$362.0**	**$651.9**
GAAP Cost of Revenue	89.2	100.9	92.6	104.9	181.8	205.9	381.5
Stock Based Compensation	(0.1)	(0.1)	(0.1)	(0.7)	(0.3)	(0.8)	(0.5)
Depreciation	(6.7)	(7.3)	(7.0)	(7.5)	(13.7)	(14.8)	(29.0)
Amortization	(24.1)	(21.3)	(25.5)	(22.1)	(49.5)	(43.4)	(102.7)
Integration and Restructuring Expenses	(1.5)	(1.1)	(3.4)	(1.9)	(4.8)	(3.1)	(9.8)
Adjusted Cost of Revenue	$56.8	$71.1	$56.6	$72.7	$113.5	$143.8	$239.5
Adjusted Gross Profit	**$96.0**	**$107.6**	**$102.4**	**$110.6**	**$198.3**	**$218.2**	**$412.4**
GAAP Engineering & Development	5.0	5.4	5.4	6.6	10.3	12.0	19.5
Stock Based Compensation	(0.2)	(0.2)	(0.2)	(0.5)	(0.4)	(0.7)	(0.9)
Depreciation	(0.1)	(0.1)	(0.0)	(0.2)	(0.1)	(0.3)	(0.2)
Integration and Restructuring Expenses	(0.4)	0.0	(1.5)	(0.5)	(2.0)	(0.4)	(2.3)
Adjusted Engineering & Development	$4.3	$5.1	$3.7	$5.4	$7.8	$10.6	$16.1
GAAP Sales & Marketing	41.6	35.0	38.2	37.2	79.8	72.3	146.8
Stock Based Compensation	(0.4)	(0.4)	(0.4)	(0.8)	(0.8)	(1.2)	(1.6)
Depreciation	(0.2)	(0.2)	(0.2)	(0.3)	(0.4)	(0.5)	(1.0)
Integration and Restructuring Expenses	(0.7)	0.0	(0.8)	0.2	(1.5)	0.2	(2.4)
Adjusted Sales & Marketing	$40.3	$34.4	$36.8	$36.3	$77.1	$70.8	$141.8
GAAP General & Administrative	15.5	18.7	16.9	21.1	32.4	39.8	69.5
Stock Based Compensation	(2.9)	(3.3)	(3.0)	(4.6)	(5.8)	(7.8)	(13.0)
Depreciation	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.5)	(0.7)
Integration and Restructuring Expenses	(0.6)	(0.4)	(2.3)	(0.1)	(2.8)	(0.5)	(5.5)
Legal Advisory Expenses	0.0	0.0	0.0	(1.1)	0.0	(1.1)	0.0
Gain (Loss) on Sale of Assets	0.0	0.0	(0.1)	0.0	(0.1)	0.0	0.2
Transaction Expense and Charges	(1.4)	(1.5)	(0.8)	(1.6)	(2.1)	(3.1)	(4.8)
Adjusted General & Administrative	$10.4	$13.3	$10.5	$13.5	$21.3	$26.8	$45.7
Adjusted Operating Income	**$41.0**	**$54.8**	**$51.4**	**$55.3**	**$92.1**	**$110.0**	**$208.8**
Changes in Deferred Revenue	31.4	14.9	18.5	7.6	49.9	22.6	67.7
Impact of Reduced Fair Value of Deferred Domain Registration Costs	(6.0)	(0.7)	(6.3)	(0.5)	(12.3)	(1.2)	(18.8)
Reversal of Purchase Accounting Revenue Impact	(7.0)	(1.4)	(7.0)	(0.9)	(14.1)	(2.3)	(22.1)
Adjusted EBITDA	**$59.4**	**$67.6**	**$56.5**	**$61.6**	**$115.6**	**$129.1**	**$235.6**

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

NON-GAAP & OTHER FINANCIAL MEASURES

Adjusted EBITDA, free cash flow, free cash flow per share, unlevered free cash flow, unlevered free cash flow (as reported), cash return on invested capital, adjusted revenue, average revenue per subscriber, 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.

We have not reconciled our adjusted revenue, adjusted EBITDA or UFCF guidance or our illustrative future FCF per share to the most comparable GAAP metrics because we do not provide guidance or illustrative figures for the reconciling items between these non-GAAP metrics and the most comparable GAAP metrics, as certain of these items are out of our control and/or cannot be reasonably predicted.

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, 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 of unconsolidated entities, net gain on sale of assets and the impact of purchase accounting related to reduced fair value of deferred domain registration costs. 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 health 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.

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.

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.

NON-GAAP & OTHER FINANCIAL MEASURES (CONT.)

Unlevered Free Cash Flow (as reported), or UFCF (as reported), is a non-GAAP financial measure that we calculate as UFCF plus integration and restructuring expenses, transaction expenses and charges, certain legal advisory expenses, and dividend related payments. We believe that this presentation provides investors with an alternative view of UFCF by adding back expenses that primarily relate to the process of acquiring another business and integrating that business into our support and/or technical platforms, which we believe is useful to investors in evaluating the post integration performance of our company. UFCF (as reported) also adds back certain legal advisory and dividend related expenses that we believe do not reflect our ongoing operating performance.

Cash Return on Invested Capital – 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.

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. 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 this definition of total subscribers. Approximately 17 percent of the increase in total subscribers in the second quarter of 2015 consists of these adjustments.

NON-GAAP & OTHER FINANCIAL MEASURES (CONT.)

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 negatively impacted by our acquisitions since the acquired subscribers often have lower ARPS.

Monthly Recurring Revenue Retention Rate (MRR) - We believe that our ability to retain revenue from our subscribers is an indicator of the long-term value of our subscriber relationships and the stability of our revenue base. To assess our performance in this area, we measure our monthly recurring revenue, or MRR, retention rate which reflects both subscriber churn and additional revenue from existing subscribers due to renewals, upsells and price changes. 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. MRR for a period is presented as a rolling average of MRR for the most recent four quarters. We believe MRR retention rate is an indicator of our ability to retain existing subscribers, up sell products and services to them and maintain subscriber satisfaction. MRR can be impacted by factors such as subscriber churn, new subscriber additions, increases in pricing and product uptake.

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.

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.

NON-GAAP & OTHER FINANCIAL MEASURES (CONT.)

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 cost of revenue less stock-based compensation expense, depreciation, expenses related to integration of acquisitions and restructurings and transaction expense and charges including costs associated with certain litigation matters.

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

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.