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3Q 2017 FINANCIAL RESULTS
November 7, 2017

Welcome to Web.com's Quarterly Earnings Call

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This presentation includes "forward-looking statements" including, without limitation, Retail VAS national campaign to begin in Q4-17, and statements regarding Web.com's plans, expectations, confidence in its strategy and intentions, that are subject to risks, uncertainties and other factors that could cause actual results or outcomes to differ materially from those contemplated by the forward-looking statements. These statements are sometimes identified by words such as "expect," "believe," "opportunities," "guidance," or words of similar meaning. As a result of the ultimate outcome of such risks and uncertainties, Web.com's actual results could differ materially from those anticipated in these forward-looking statements. These statements are based on Web.com's current beliefs or expectations, and there are a number of important factors that could cause the actual results or outcomes to differ materially from those indicated by these forward-looking statements. Other risk factors are set forth under the caption, "Risk Factors," in Web.com's Annual Report on Form 10-K for the year ended December 31, 2016, and 10-Q dated June 30, 2017, as filed with the Securities and Exchange Commission, which are available on a website maintained by the Securities and Exchange Commission at www.sec.gov. Web.com expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein as a result of new information, future events or otherwise.

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Some of the measures in this presentation, including adjusted EBITDA, are non-GAAP financial measures within the meaning of the SEC Regulation G. Web.com believes presenting non-GAAP financial measures is useful to investors, because they describe the operating performance of the company, in ways that management views, or uses to assess, the performance of the company. Company management uses these non-GAAP measures as important indicators of the company's past performance and in planning and forecasting performance in future periods. The non-GAAP financial information Web.com presents may not be comparable to similarly-titled financial measures used by other companies, and investors should not consider non-GAAP financial measures in isolation from, or in substitution for, financial information presented in compliance with GAAP. You are encouraged to review the reconciliation of non-GAAP financial measures to GAAP financial measures included in this presentation and in Web.com's press release on November 7, 2017, and filings it makes with the Securities and Exchange Commission, which are available at www.sec.gov as well as in this presentation.

Agenda

Corporate Overview

- **Business Highlights**
- **2017 Objectives Update**
- **Quarterly Financial Summary**
- **Operating Highlights**

Financial Review

- **3Q 2017 Financial Performance**
- **4Q & Full Year 2017 Financial Guidance**

Q&A

Business Highlights

- **On target with strategic goals**
- **Purchased assets of Acquisio (11/1/17 close)**
- **Executing on marketing and branding initiatives**
 - ✓ **Premium Services (Lead Stream) market test**
 - ✓ **Retail VAS national campaign to begin in 4Q-17**
 - ✓ **Launched new website in 4Q-17**
- **Repurchased \$74.4 million (\$166 million since authorization¹) of stock as part of \$200 million buyback authorization**

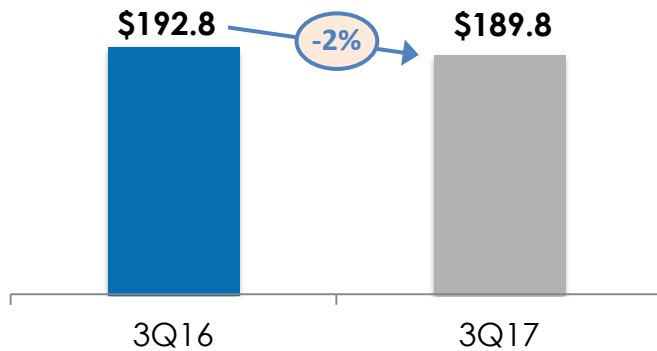
1. As of September 30, 2017

2017 Objectives Update

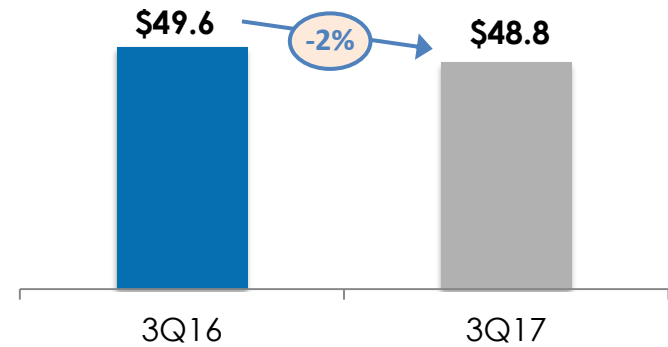
- **Stabilize and Optimize**
- **Integrate**
- **Invest & Grow**
- **International Expansion**

3Q 2017 Financial Highlights

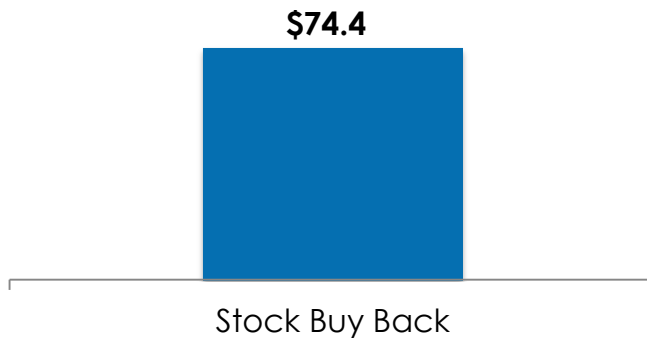
Non-GAAP Revenue (\$mm)



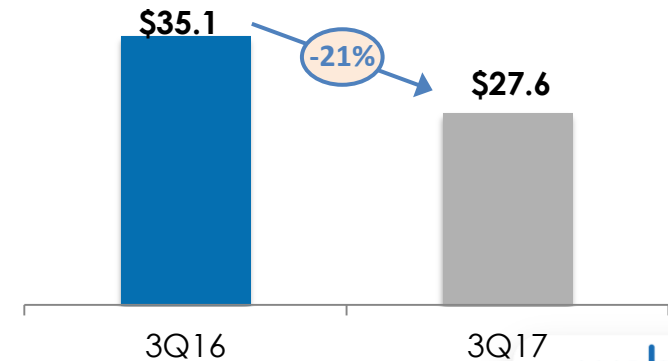
Adjusted EBITDA (\$mm)



Capital Deployment (\$mm)



Free Cash Flow (\$mm)



3Q 2017 Operating Highlights

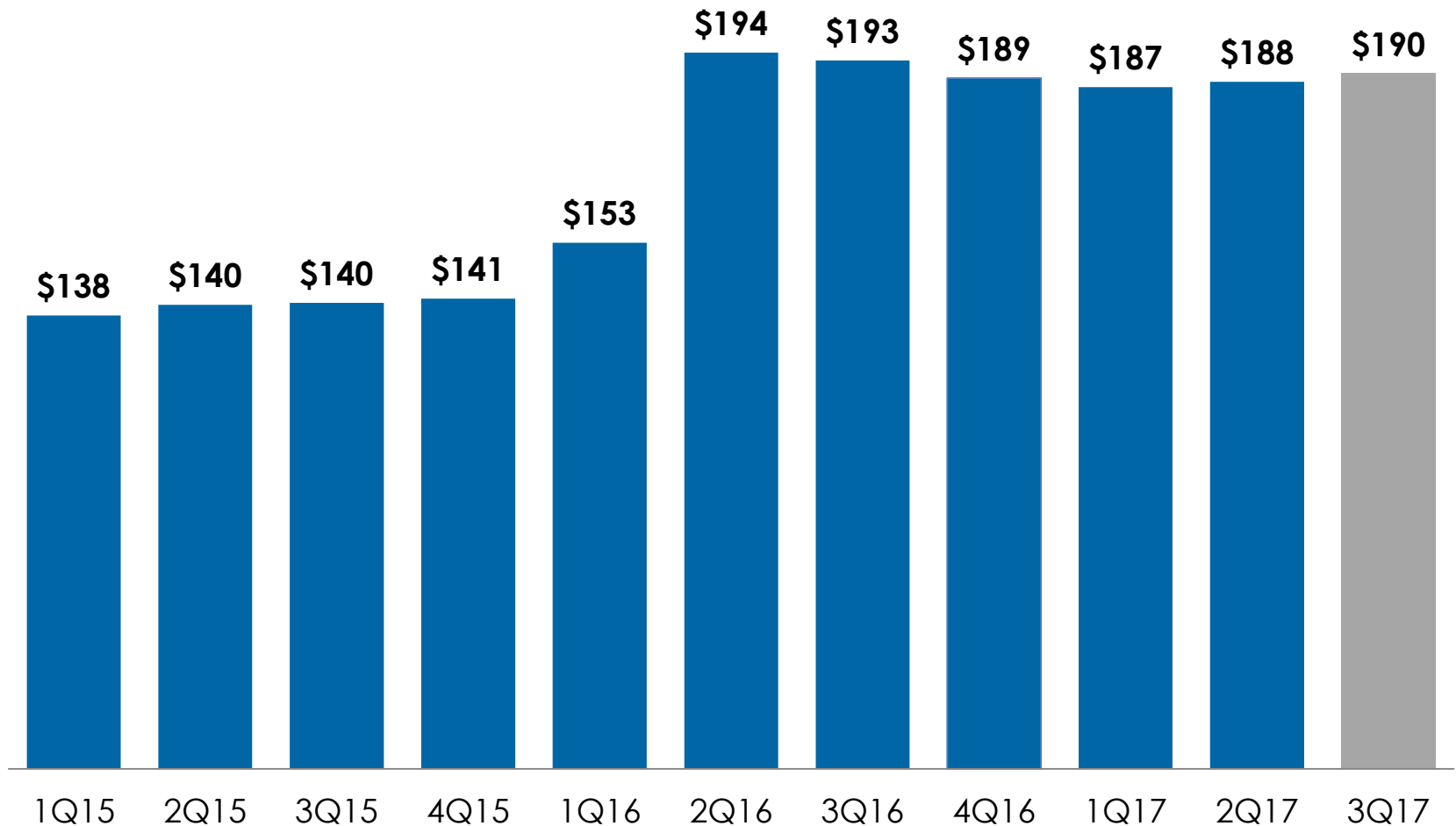
30,000
Reduction In
Subscribers

3,460,000
Total
Subscribers

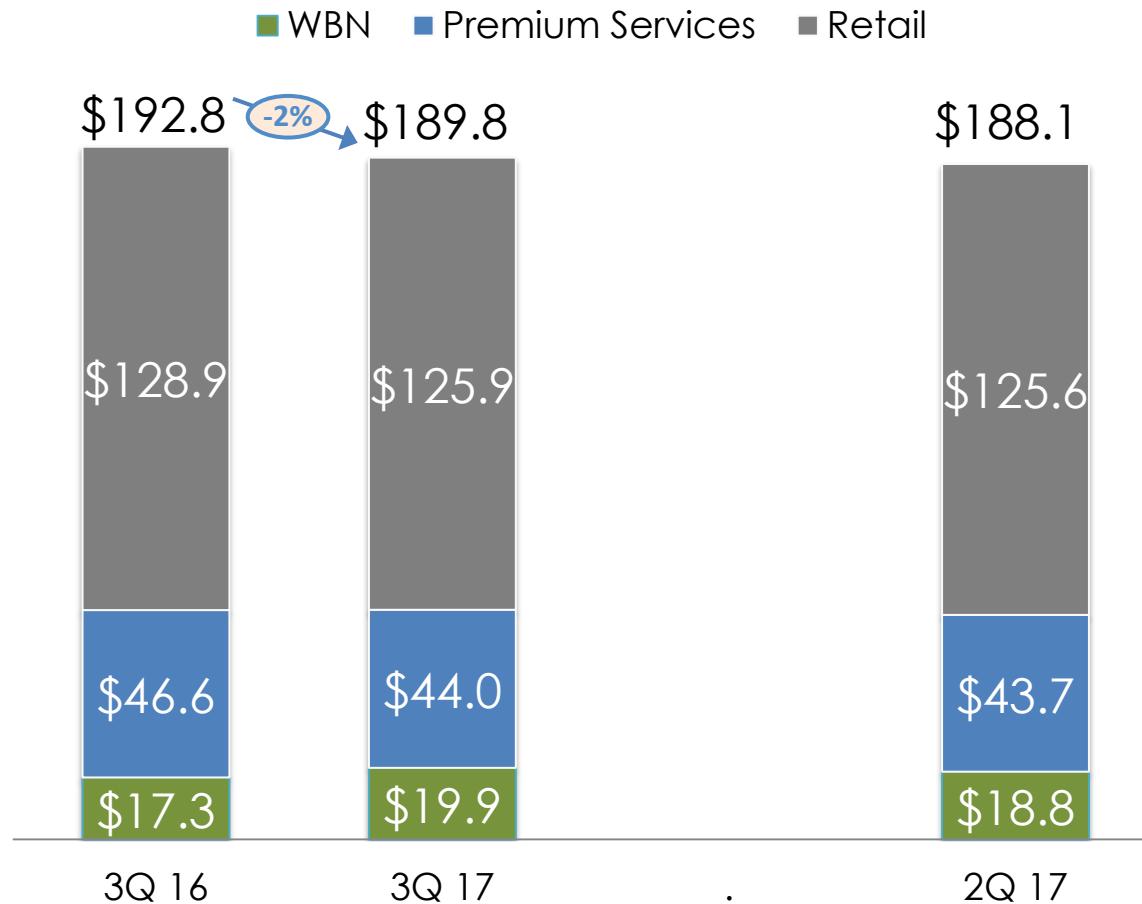
84.4% LTM
Retention

Notes: LTM Retention is a trailing twelve month retention metric calculated as subscribers at the end of the period less acquired subscribers divided by the sum of subscribers at the beginning of the period and the new subscribers added during the last twelve months. 3Q 2017 net subscriber reduction includes a decrease of approximately 6,000 subscribers that is an adjustment to true up final subscriber counts related to the DonWeb.com acquisition from 1Q 2017.

Non-GAAP Revenue (\$mm)

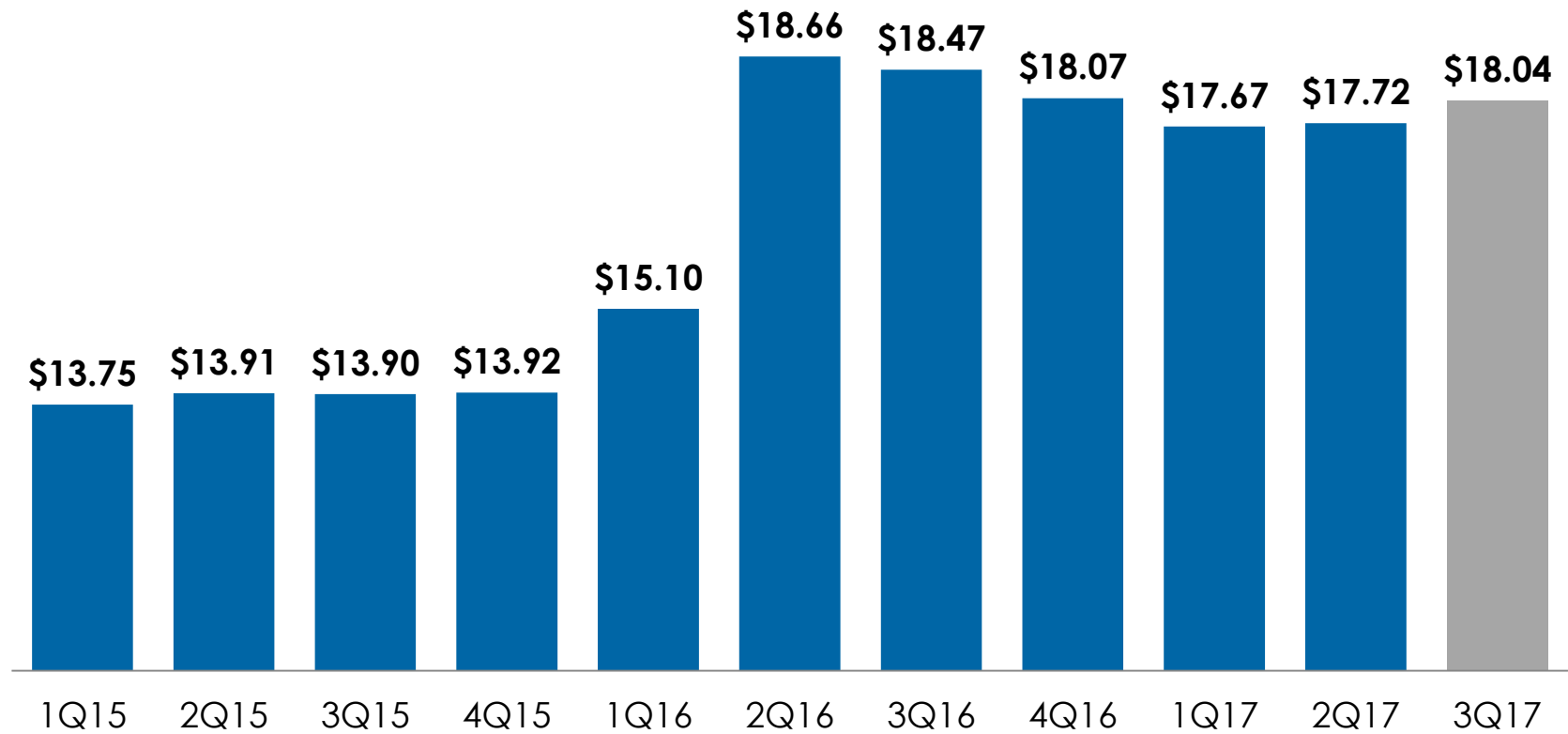


Non-GAAP Revenue Detail (\$mm)



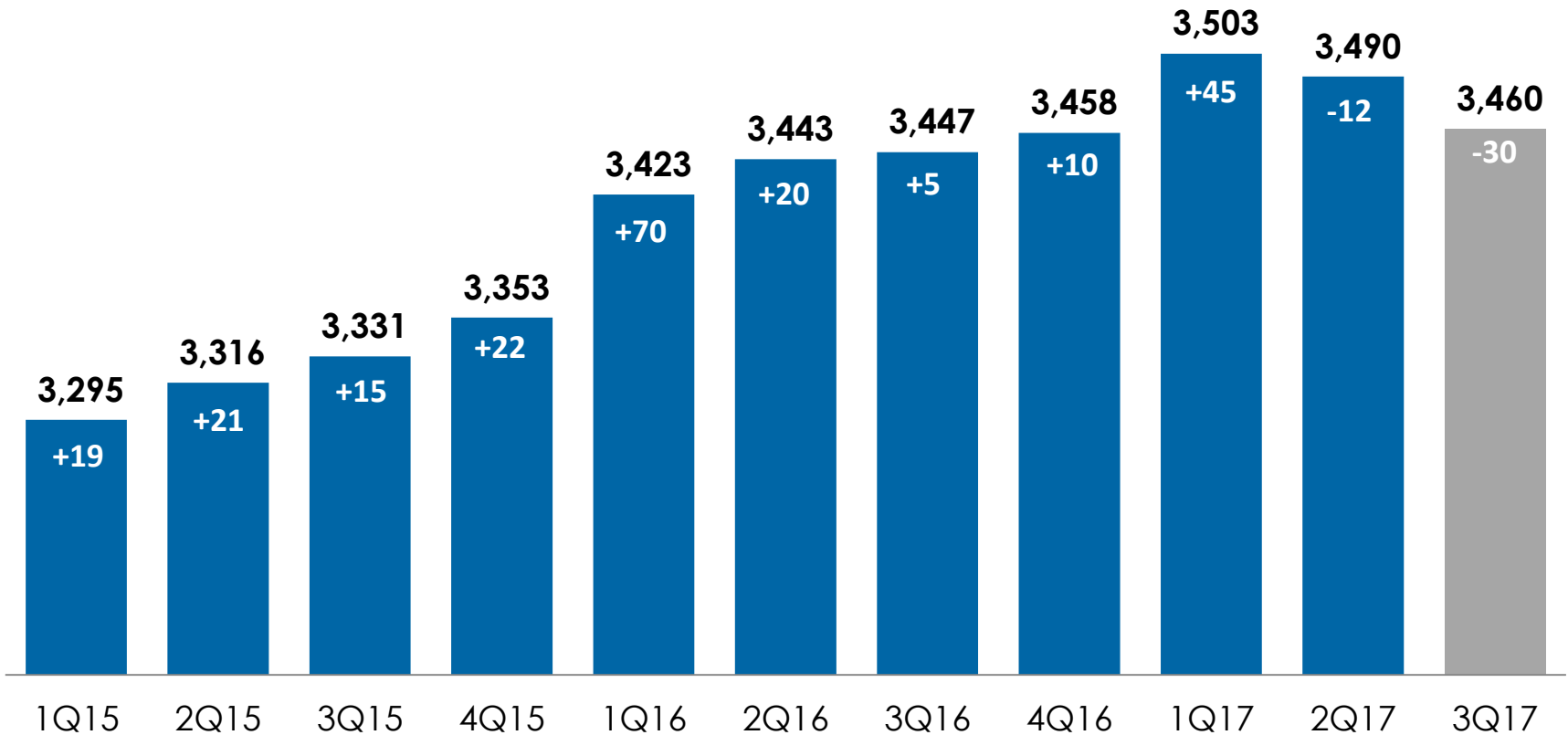
Note: Numbers may not add due to rounding.

ARPU



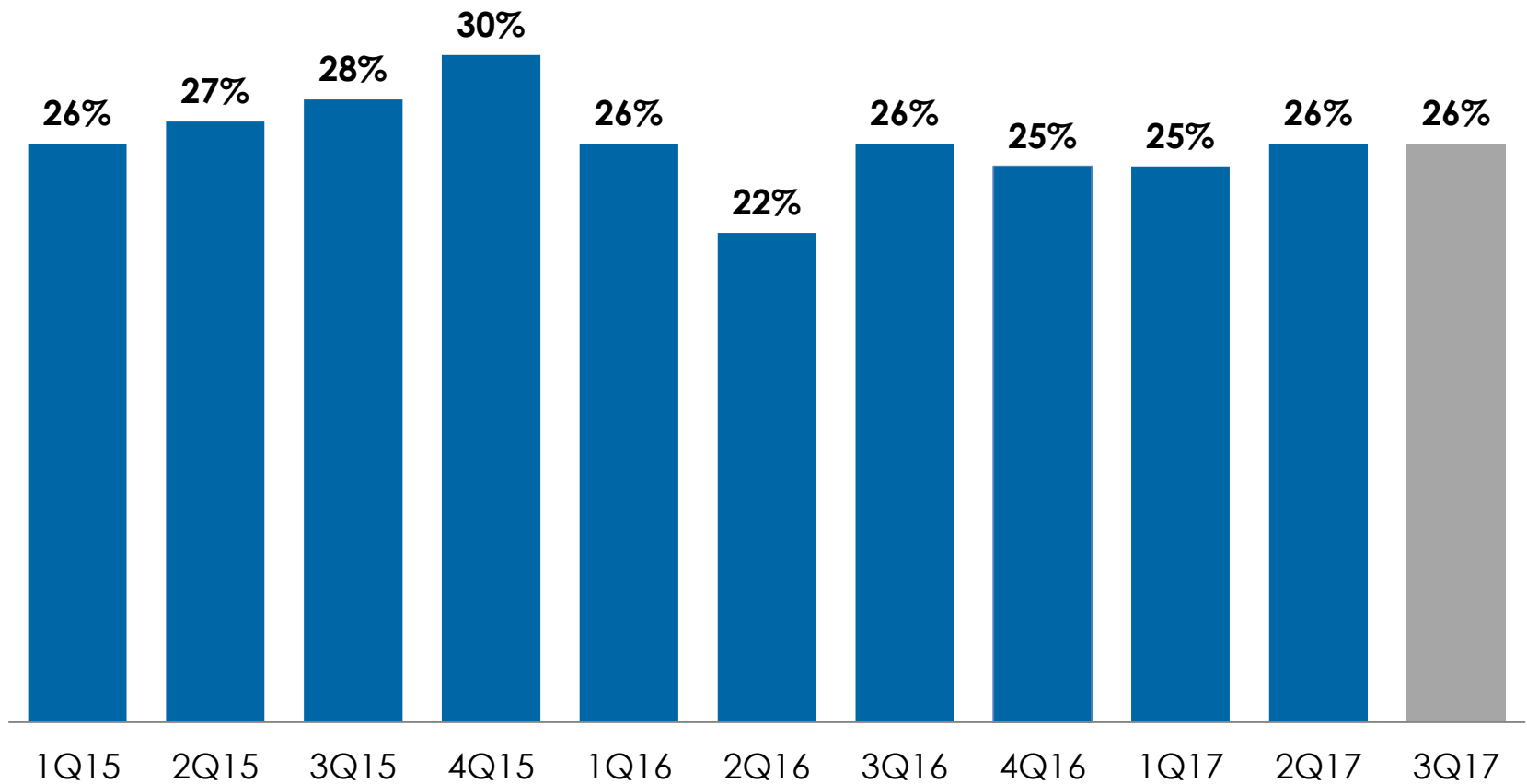
Note: ARPU is calculated as Non-GAAP subscription revenue divided by the average number of subscribers for the period divided into a monthly average. 1Q16 ARPU includes 23 days of Yodle activity in the quarter. Yodle acquisition closed on March 9, 2016. 1Q17 ARPU includes 59 days of DonWeb.com activity in the quarter. DonWeb.com acquisition closed on January 31, 2017.

Net Subscriber Growth



Note: 1Q16 net subscriber adds includes approximately 53,000 customers acquired as part of the Yodle acquisition. 1Q17 net subscriber adds includes approximately 74,000 customers acquired as part of the DonWeb.com acquisition. 3Q17 net subscriber reduction includes a decrease of approximately 6,000 subscribers that is an adjustment to true up final subscriber counts related to the DonWeb.com acquisition from 1Q17. Numbers may not add due to rounding.

Adjusted EBITDA Margin

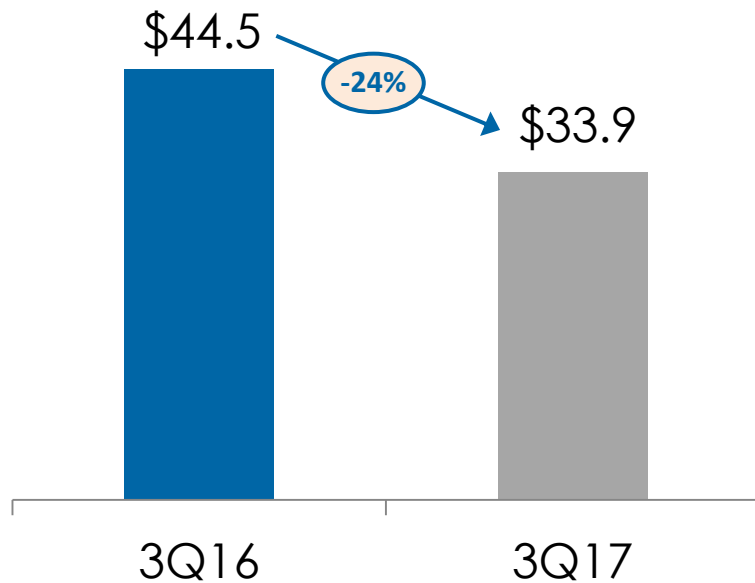


3Q 2017 GAAP Results

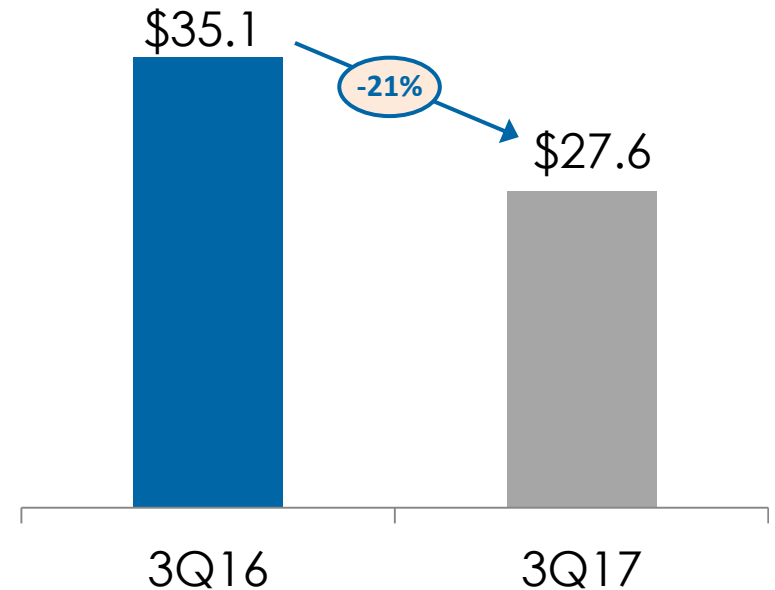
(\$ mm)	
Revenue	\$188.6
Cost of revenue (excluding depreciation & amortization)	\$59.4
Income from operations	\$23.6
Net Income	\$8.3
Diluted net income per share	\$0.16

Cash Flow Generation

Cash from Operations (\$mm)



Free Cash Flow (\$mm)



Summary Balance Sheet

	9/30/16	12/31/16	3/31/17	6/30/17	9/30/17
Cash	\$21.8	\$20.4	\$24.5	\$33.4	\$7.7
Accounts Receivable, net	\$20.1	\$20.6	\$18.3	\$20.3	\$24.5
Deferred Expenses	\$110.5	\$109.3	\$111.6	\$111.6	\$111.0
Debt (current & long-term)					
Term Loan	\$385.1	\$382.7	\$380.3	\$404.7	\$389.7
Revolver	\$71.9	\$49.3	\$56.3	\$0.0	\$32.0
Convertible Debt	\$258.8	\$258.8	\$258.8	\$258.8	\$258.8
Total Debt (Gross)	\$715.8	\$690.8	\$695.3	\$663.5	680.5
Less: Debt Discount (OID)	(\$29.9)	(\$26.6)	(\$23.3)	(\$18.5)	(\$14.8)
Total Debt (Net)	\$685.8	\$664.1	\$672.0	\$645.0	\$665.6
Deferred Revenue	\$432.1	\$426.1	\$436.6	\$434.3	\$428.1
Stockholders' Equity	\$238.5	\$235.5	\$275.1	\$293.0	236.7



APPENDIX

Reconciliation of GAAP to Non-GAAP Results

(in thousands except ARPU, unaudited)

Reconciliation of GAAP revenue to non-GAAP revenue and non-GAAP subscription revenue used in ARPU	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17
GAAP revenue	\$ 132,600	\$ 135,719	\$ 136,821	\$ 138,320	\$ 144,798	\$ 187,818	\$ 190,686	\$ 187,203	\$ 185,118	\$ 186,731	\$ 188,567
Fair value adjustment to deferred revenue	5,093	4,252	3,547	3,017	8,558	6,038	2,108	1,658	1,710	1,328	1,202
Non-GAAP revenue	<u>\$ 137,693</u>	<u>\$ 139,971</u>	<u>\$ 140,368</u>	<u>\$ 141,337</u>	<u>\$ 153,356</u>	<u>\$ 193,856</u>	<u>\$ 192,794</u>	<u>\$ 188,861</u>	<u>\$ 186,828</u>	<u>\$ 188,059</u>	<u>\$ 189,769</u>
Professional services and other revenue	\$ (2,139)	\$ (2,034)	\$ (1,801)	\$ (1,780)	\$ (1,606)	\$ (1,697)	\$ (1,915)	\$ (1,724)	\$ (1,771)	\$ (2,220)	\$ (1,809)
Non-GAAP subscription revenue used in ARPU	<u>\$ 135,554</u>	<u>\$ 137,937</u>	<u>\$ 138,567</u>	<u>\$ 139,557</u>	<u>\$ 151,750</u>	<u>\$ 192,159</u>	<u>\$ 190,879</u>	<u>\$ 187,137</u>	<u>\$ 185,057</u>	<u>\$ 185,839</u>	<u>\$ 187,960</u>
Average Subscribers during period	3,286	3,305	3,324	3,342	3,350	3,433	3,445	3,452	3,490	3,497	3,472
ARPU	<u>\$ 13.75</u>	<u>\$ 13.91</u>	<u>\$ 13.90</u>	<u>\$ 13.92</u>	<u>\$ 15.10</u>	<u>\$ 18.66</u>	<u>\$ 18.47</u>	<u>\$ 18.07</u>	<u>\$ 17.67</u>	<u>\$ 17.72</u>	<u>\$ 18.04</u>

Reconciliation of GAAP to Non-GAAP Results

(in thousands except percentages, unaudited)

Reconciliation of GAAP net (loss) income to adjusted EBITDA	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17
GAAP net (loss) income	\$ 2,339	\$ 4,550	\$ 6,094	\$ 76,977	\$ 337	\$ (1,606)	\$ 3,346	\$ 1,914	\$ 6,518	\$ 8,046	\$ 8,301
Depreciation and amortization	13,744	13,849	13,846	14,906	15,913	22,273	21,165	18,697	18,433	17,401	17,601
Loss on sale of assets	-	-	-	-	-	-	-	7	-	-	2
Asset impairment	-	-	-	-	-	-	1,979	7,111	143	-	-
Stock based compensation	5,047	5,137	5,067	4,813	4,808	5,392	5,008	5,506	5,557	6,102	5,698
Restructuring expense	313	22	-	224	136	778	1,133	1,570	322	-	424
Corporate development	597	-	-	2	3,340	529	57	706	417	340	249
Fair value adjustment to deferred revenue	5,093	4,252	3,547	3,017	8,558	6,038	2,108	1,658	1,710	1,328	1,202
Fair value adjustment to deferred expense	191	167	147	128	58	94	80	68	57	46	37
Interest expense, net	5,249	5,182	4,966	4,616	5,598	8,662	8,270	7,932	7,891	8,146	8,567
Income tax expense (benefit)	3,561	5,203	5,673	(62,697)	977	522	6,477	2,276	6,134	6,806	6,735
Loss from debt extinguishment	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	\$ 36,134	\$ 38,362	\$ 39,340	\$ 41,986	\$ 39,725	\$ 42,682	\$ 49,623	\$ 47,445	\$ 47,182	\$ 48,215	\$ 48,816

Reconciliation of GAAP net (loss) income margin to adjusted EBITDA margin	Q1/15	Q2/15	Q3/15	Q4/15	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17
GAAP net (loss) income margin	2%	3%	4%	56%	0%	-1%	2%	1%	4%	4%	4%
Depreciation and amortization	10	9	9	11	10	12	10	10	9	8	9
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Asset impairment	-	-	-	-	-	-	1	4	-	-	-
Stock based compensation	4	4	4	3	3	3	3	3	3	3	3
Restructuring expense	-	-	-	-	-	-	1	1	-	-	-
Corporate development	-	-	-	-	2	-	-	-	-	1	-
Fair value adjustment to deferred revenue	4	3	3	2	6	3	1	1	1	1	1
Fair value adjustment to deferred expense	-	-	-	-	-	-	-	-	-	-	-
Interest expense, net	4	4	4	3	4	5	5	4	5	5	5
Income tax expense	2	4	4	(45)	1	-	3	1	3	4	4
Loss from debt extinguishment	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA margin	26%	27%	28%	30%	26%	22%	26%	25%	25%	26%	26%

Reconciliation of GAAP to Non-GAAP Results

(in thousands except percentages, unaudited)

Reconciliation of GAAP operating income to non-GAAP operating income	Three months ended September 30,	
	2017	2016
GAAP operating income	\$ 23,603	\$ 18,093
Amortization of intangibles	12,325	15,461
Loss on sale of assets	2	—
Asset impairment	—	1,979
Stock based compensation	5,698	5,008
Restructuring expense	424	1,133
Corporate development	249	57
Fair value adjustment to deferred revenue	1,202	2,108
Fair value adjustment to deferred expense	37	80
Non-GAAP operating income	<u>\$ 43,540</u>	<u>\$ 43,919</u>

Reconciliation of GAAP operating margin to non-GAAP operating margin	Three months ended September 30,	
	2017	2016
GAAP operating margin	13 %	9 %
Amortization of intangibles	6 %	8 %
Loss on sale of assets	-	-
Asset impairment	-	1 %
Stock based compensation	3 %	3 %
Restructuring expense	-	1 %
Corporate development	-	-
Fair value adjustment to deferred revenue	1 %	1 %
Fair value adjustment to deferred expense	-	-
Non-GAAP operating margin	<u>23 %</u>	<u>23 %</u>

Reconciliation of GAAP to Non-GAAP Results

(in thousands, unaudited)

Reconciliation of net cash provided by operating activities to free cash flow	Three months ended September 30,	
	2017	2016
Net cash provided by operating activities	\$ 33,864	\$ 44,459
Capital expenditures	(6,219)	(9,368)
Free cash flow	<u>\$ 27,645</u>	<u>\$ 35,091</u>
Net cash used in investing activities	<u>\$ (6,219)</u>	<u>\$ (9,615)</u>
Net cash (used in) provided by financing activities	<u>\$ (53,337)</u>	<u>\$ (21,973)</u>

Reconciliation of GAAP to Non-GAAP Results

(in millions, unaudited)

Reconciliation of GAAP revenue to non-GAAP revenue	Guidance As of 11/7/17	
	Q4/17	FY/17
GAAP revenue	\$187,400 to \$190,400	\$747,900 to \$750,900
Fair value adjustment to deferred revenue	~ \$1,100	~ \$5,300
Non-GAAP revenue	<u>\$188,500 to \$191,500</u>	<u>\$753,200 to \$756,200</u>

Reconciliation of net cash provided by operating activities to free cash flow	Guidance As of
	11/7/17 FY/17
Net cash provided by operating activities	\$156,000 to \$163,000
Capital expenditures	~(\$23,000)
Free cash flow	<u>\$133,000 to \$140,000</u>