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1Q 2015 Financial Results

April 30, 2015

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Some of the measures in this presentation, including 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, excluding some recurring charges that are included in the most directly comparable measures calculated and presented in accordance with GAAP. 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 Web.com’s filings with the Securities and Exchange Commission, which are available at www.sec.gov as well as in this presentation.

Agenda

- **Corporate Overview**

- Business Highlights
- Macro Environment
- Quarterly Financial Summary
- Operating Highlights

- **Financial Review**

- 1Q 2015 Financial Performance
- 2Q & Full-Year 2015 Financial Guidance

- **Q&A**



David Brown



Kevin Carney

1Q 2015 Business Highlights

Repurchased \$15.8 million of stock as part of \$100 million buyback program

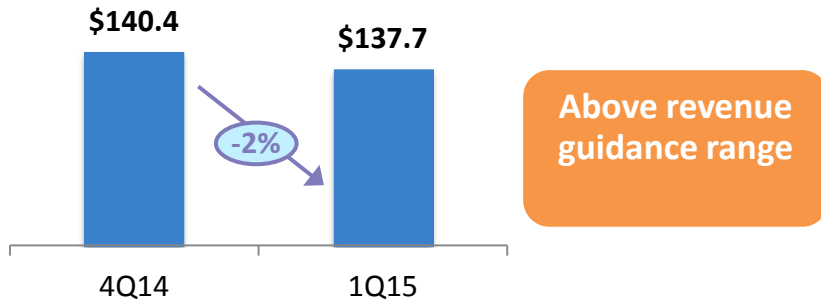
Operating cash flow grew year-over-year by 72% to \$31.9 million

Signed partnership with Sam's Club, Walmart's wholesale club

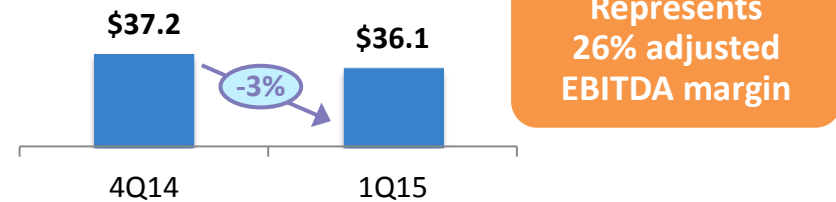
Reduced debt by \$17.5 million

1Q 2015 Financial Highlights

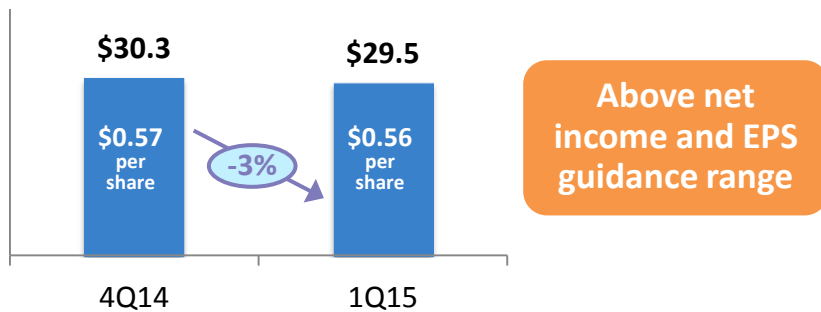
Non-GAAP Revenue (\$mm)



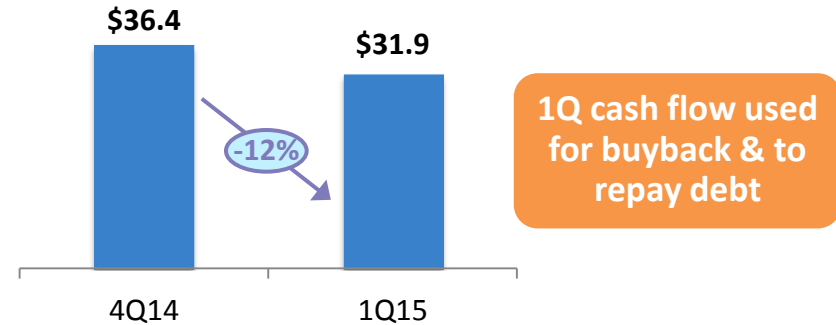
Adjusted EBITDA (\$mm)



Non-GAAP Net Income (\$mm)



Cash from Operations (\$mm)

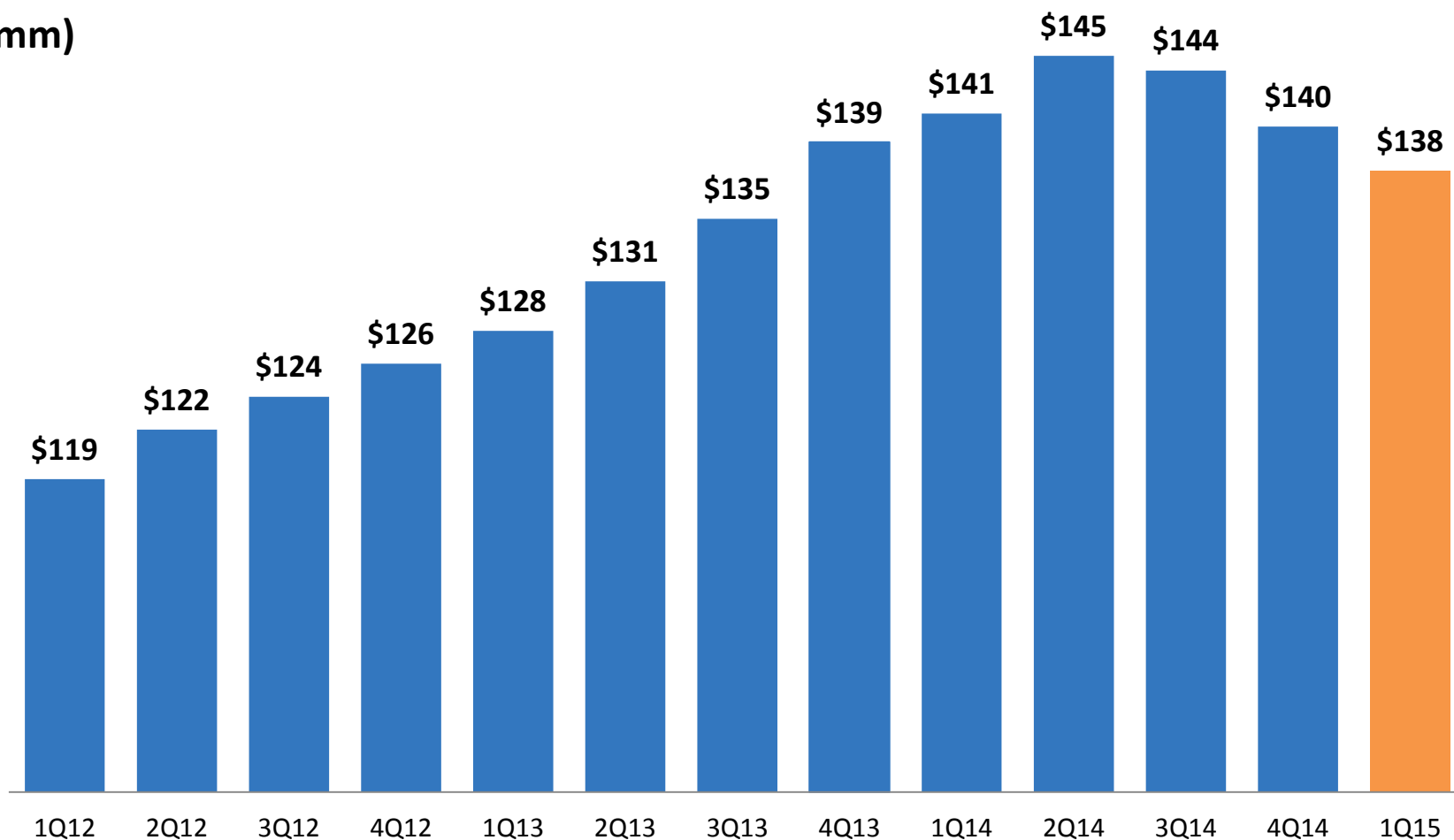


1Q 2015 Operating Highlights

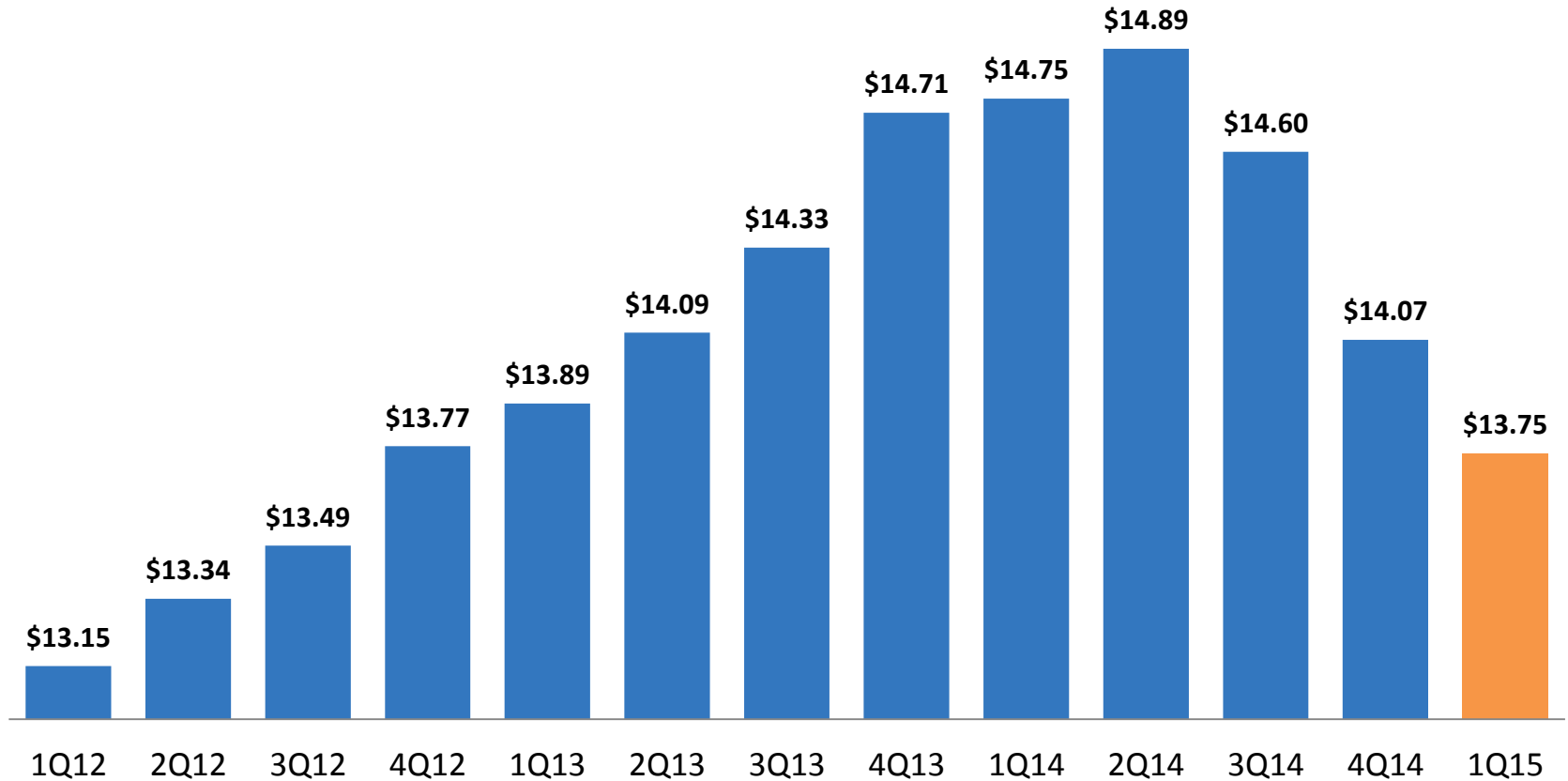


Non-GAAP Revenue

(\$mm)



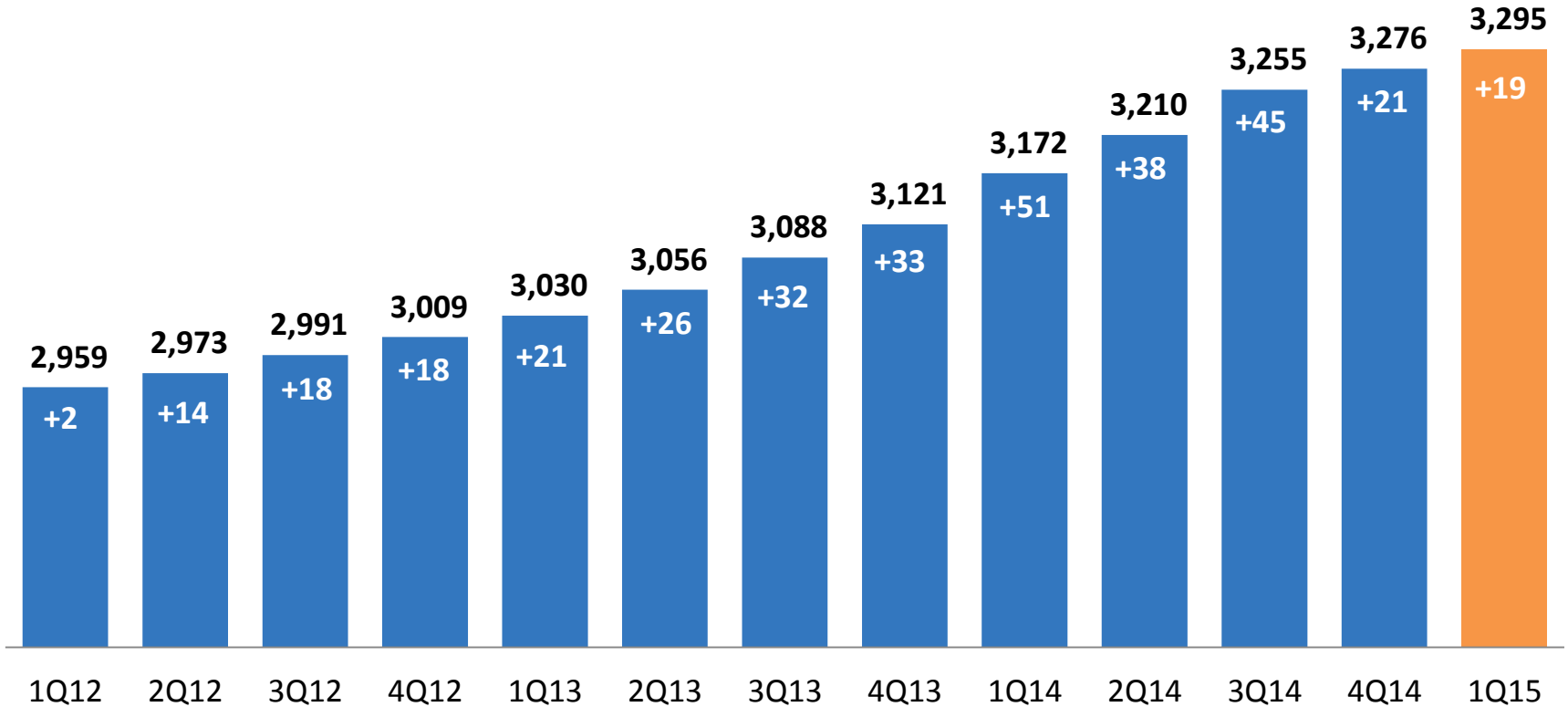
ARPU



Note: ARPU is calculated as Non-GAAP subscription revenue divided by the average number of subscribers for the period divided into a monthly average. Our 3Q14 and 4Q14 ARPU reflect the impact the of the elimination of National Accounts and non-core domain related revenue.

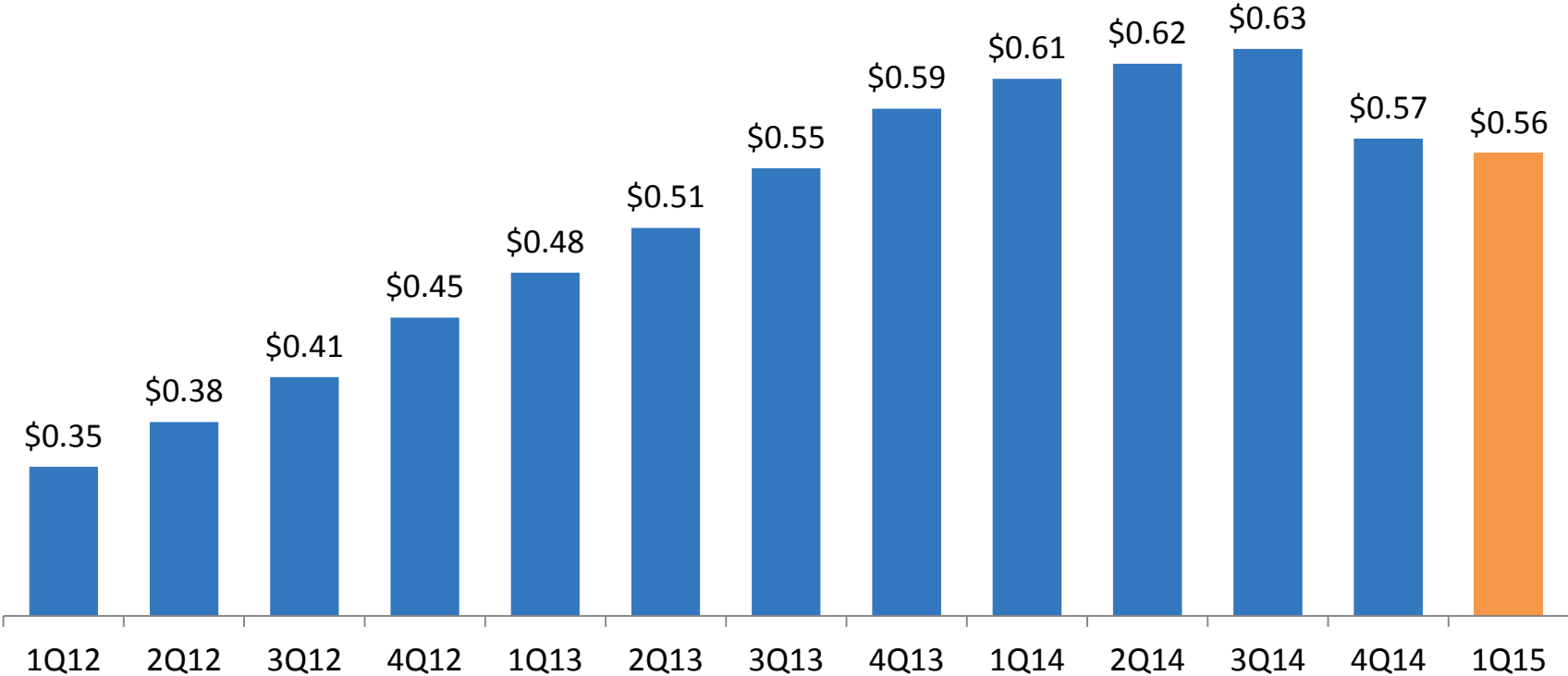
Net Subscriber Growth

(000s)

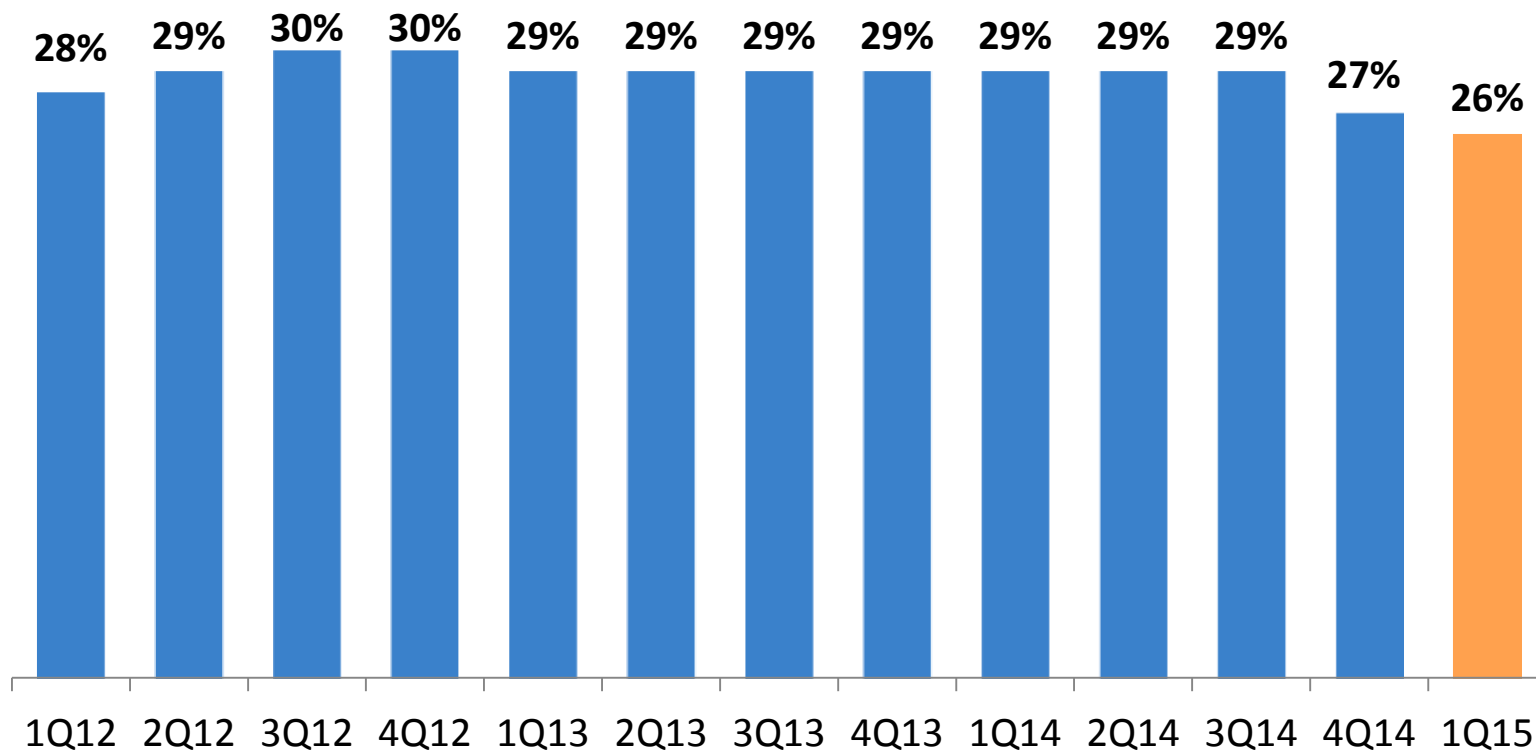


Note: 3Q14 net subscriber adds includes approximately 11,000 customers acquired as part of the Scoot acquisition

Non-GAAP EPS



Adjusted EBITDA Margin

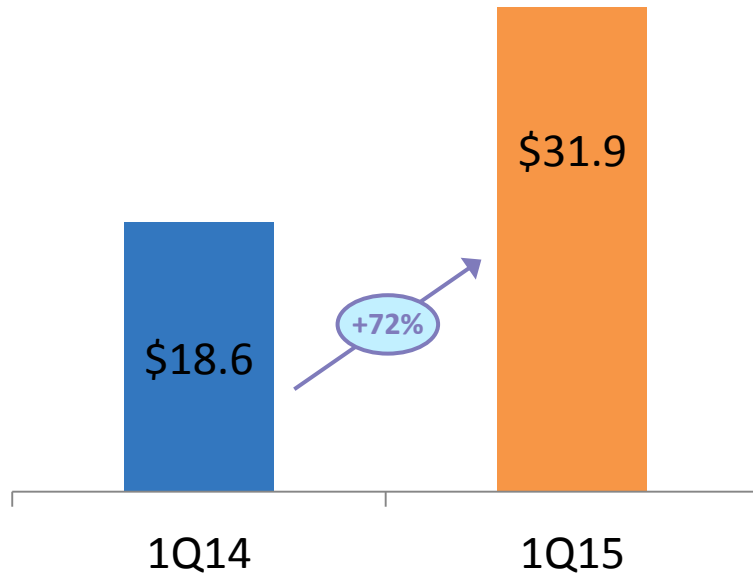


1Q 2015 GAAP Results

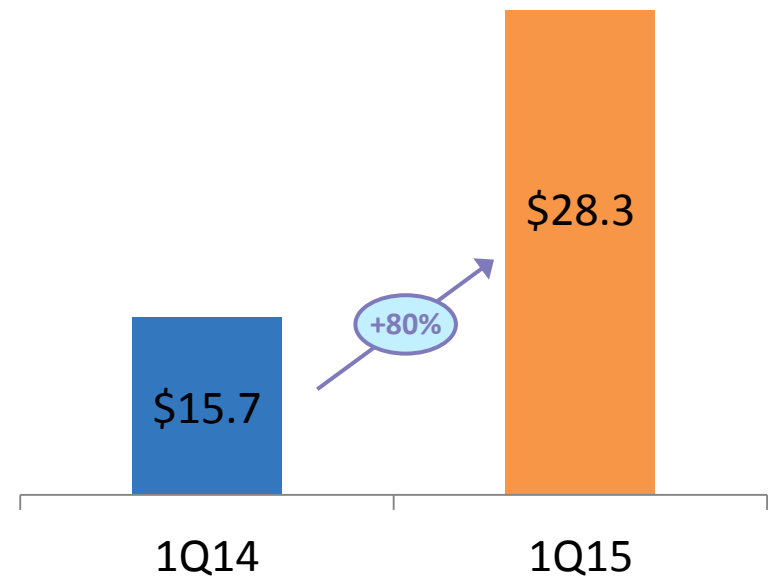
Revenue	\$132.6 mm
Gross Profit	\$83.9 mm
Income from Operations	\$11.1 mm
Net Income	\$2.3 mm
Diluted Net Income Per Share	\$0.04

Cash Flow Generation

Cash from Operations (\$mm)



Free Cash Flow (\$mm)



Summary Balance Sheet

(\$mm)

	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15
Cash	\$15.2	\$14.6	\$15.9	\$22.5	\$16.7
Accounts Receivable, net	\$20.6	\$19.6	\$20.6	\$16.9	\$17.2
Deferred Expenses	\$120.3	\$122.6	\$121.2	\$113.7	\$118.0
Debt (current & long-term)					
Term Loan	\$340.8	\$305.8	\$200.0	\$198.7	\$197.5
Revolver	\$9.0	\$9.0	\$109.0	\$94.0	\$77.7
Convertible Debt	\$258.8	\$258.8	\$258.8	\$258.8	\$258.8
Total Debt (Gross)	\$608.6	\$573.6	\$567.8	\$551.5	\$534.0
Less: Debt Discount (OID)	(\$49.0)	(\$46.4)	(\$47.0)	(\$44.2)	(\$41.5)
Total Debt (Net)	\$559.6	\$527.2	\$520.8	\$507.3	\$492.5
Deferred Revenue	\$407.7	\$406.8	\$405.4	\$402.7	\$413.4
Stockholders' Equity	\$174.2	\$180.9	\$189.6	\$174.1	\$164.7



1Q 2015 Financial Results

April 30, 2015

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Appendix

Reconciliation of GAAP to Non-GAAP Results

(in thousands, except for per share data) (unaudited)

Reconciliation of GAAP revenue to non-GAAP revenue	Three months ended March 31,	
	2015	2014
GAAP revenue	\$ 132,600	\$ 133,843
Fair value adjustment to deferred revenue	5,093	7,391
Non-GAAP revenue	\$ 137,693	\$ 141,234

Reconciliation of GAAP gross profit to non-GAAP gross profit	Three months ended March 31,	
	2015	2014
Gross profit	\$ 83,898	\$ 87,257
Fair value adjustment to deferred revenue	5,093	7,391
Fair value adjustment to deferred expense	191	301
Stock based compensation	509	488
Non-GAAP gross profit	\$ 89,691	\$ 95,437
Non-GAAP gross margin	65%	68%

Reconciliation of GAAP to Non-GAAP Results

(in thousands, except for per share data) (unaudited)

Reconciliation of GAAP operating income to non-GAAP operating income	Three months ended March 31,	
	2015	2014
GAAP operating income	\$ 11,149	\$ 9,545
Amortization of intangibles	9,816	16,184
Stock based compensation	5,047	4,504
Restructuring expense	313	—
Corporate development	597	40
Fair value adjustment to deferred revenue	5,093	7,391
Fair value adjustment to deferred expense	191	301
Non-GAAP operating income	\$ 32,206	\$ 37,965
Reconciliation of GAAP operating margin to non-GAAP operating margin		
GAAP operating margin	8 %	7 %
Amortization of intangibles	7	11
Stock based compensation	4	3
Restructuring expense	—	—
Corporate development	—	—
Fair value adjustment to deferred revenue	4	6
Fair value adjustment to deferred expense	—	—
Non-GAAP operating margin	23 %	27 %

Reconciliation of GAAP to Non-GAAP Results

(in thousands, except for per share data) (unaudited)

Reconciliation of GAAP net income to non-GAAP net income	Three months ended March 31,	
	2015	2014
GAAP net income	\$ 2,339	\$ 490
Amortization of intangibles	9,816	16,184
Stock based compensation	5,047	4,504
Income tax expense	3,561	1,563
Restructuring expense	313	—
Corporate development	597	40
Amortization of debt discounts and fees	2,798	2,718
Cash income tax expense	(267)	(132)
Fair value adjustment to deferred revenue	5,093	7,391
Fair value adjustment to deferred expense	191	301
Non-GAAP net income	\$ 29,488	\$ 33,059

Reconciliation of GAAP to Non-GAAP Results

(in thousands, except for per share data) (unaudited)

Reconciliation of GAAP diluted net income per share to non-GAAP diluted net income per share	Three months ended March 31,	
	2015	2014
Diluted shares:		
Basic weighted average common shares	50,872	50,334
Diluted stock options	1,354	3,546
Diluted restricted stock	266	703
Total diluted weighted average common shares	52,492	54,583
Diluted GAAP net income per share	\$ 0.04	\$ 0.01
Amortization of intangibles	0.19	0.29
Stock based compensation	0.10	0.08
Income tax expense	0.07	0.03
Restructuring expense	0.01	—
Corporate development	0.01	—
Amortization of debt discounts and fees	0.05	0.05
Cash income tax expense	(0.01)	—
Fair value adjustment to deferred revenue	0.10	0.14
Fair value adjustment to deferred expense	—	0.01
Diluted Non-GAAP net income per share	\$ 0.56	\$ 0.61

Reconciliation of GAAP to Non-GAAP Results

(in thousands, except for per share data) (unaudited)

Reconciliation of GAAP operating income to adjusted EBITDA	Three months ended March 31,	
	2015	2014
GAAP operating income	\$ 11,149	\$ 9,545
Depreciation and amortization	13,744	19,239
Stock based compensation	5,047	4,504
Restructuring expense	313	—
Corporate development	597	40
Fair value adjustment to deferred revenue	5,093	7,391
Fair value adjustment to deferred expense	191	301
Adjusted EBITDA	\$ 36,134	\$ 41,020
Reconciliation of GAAP operating margin to adjusted EBITDA margin		
GAAP operating margin	8 %	7 %
Depreciation and amortization	10	13
Stock based compensation	4	3
Restructuring expense	—	—
Corporate development	—	—
Fair value adjustment to deferred revenue	4	6
Fair value adjustment to deferred expense	—	—
Adjusted EBITDA margin	26 %	29 %

Reconciliation of GAAP to Non-GAAP Results

(in thousands, except for per share data) (unaudited)

Reconciliation of Operating Cash Flow to Free Cash Flow	Three months ended March 31,	
	2015	2014
Operating cash flow	\$ 31,923	\$ 18,606
Less: Capital expenditures	(3,604)	(2,921)
Free cash flow	\$ 28,319	\$ 15,685

	Three months ended March 31,	
	2015	2014
Revenue		
Subscription	\$ 130,461	\$ 131,784
Professional services and other	2,139	2,059
Total	\$ 132,600	\$ 133,843
Stock based compensation		
Cost of revenue	\$ 509	\$ 488
Sales and marketing	1,235	1,148
Research and development	763	737
General and administrative	2,540	2,131
Total	\$ 5,047	\$ 4,504