GoDaddy

Q2 Earnings Results

August 2019

Elsie
Deluxe Screen Printing
DELUXESCREENPRINTING.NET

14455 N. Hayden Road Scottsdale, AZ 85260 480.505.8800 |

Forward–Looking Statements

This presentation contains forward–looking statements which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on estimates and information available to us at the time of this presentation and are not guarantees of future performance. Statements in this presentation involve risks, uncertainties and assumptions. If the risks or uncertainties materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward–looking statements. All statements other than statements of historical fact could be deemed forward–looking statements, including, but not limited to: launches of new or expansion of existing products or services, any projections of product or service availability, technology developments and innovation, customer growth, or other future events; any statements about historical results that may suggest future trends for our business; any statements regarding our plans, strategies or objectives with respect to future operations, including international expansion plans and marketing strategy; any statements regarding integration of recent or planned acquisitions, any statements regarding our future financial results; and any statements of assumptions underlying any of the foregoing.

Actual results could differ materially from our current expectations as a result of many factors, including, but not limited to: the unpredictable nature of our rapidly evolving market; fluctuations in our financial and operating results; our rate of growth; interruptions or delays in our service or our web hosting; breaches of our security measures; the impact of any previous or future acquisitions; our ability to continue to release, and gain customer acceptance of, our existing and future products and services; our ability to manage our growth; our ability to hire, retain and motivate employees; the effects of competition; technological, regulatory and legal developments; intellectual property litigation; developments in the economy, financial markets and credit markets; and execution of share repurchases.

Additional risks and uncertainties that could affect GoDaddy's financial results are included in the other filings we make with the SEC from time to time, including those described in "Risk Factors" in our Quarterly Report on Form 10–Q for the quarter ended March 31, 2019 as well as those described in "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our Annual Report on Form 10–K for the year ended December 31, 2018 and in our Quarterly Report on Form 10–Q for the quarter ended March 31, 2019, which are available on GoDaddy's website at https://investors.godaddy.net and on the SEC's website at www.sec.gov. Additional information will also be set forth in other filings that GoDaddy makes with the SEC from time to time. All forward–looking statements in this presentation are based on information available to GoDaddy as of the date hereof. GoDaddy does not assume any obligation to update the forward–looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

Non-GAAP Financial Measures

In addition to financial measures prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), this presentation includes certain non–GAAP financial measures and other operating metrics. We believe that these non–GAAP financial measures and other operating metrics are useful as a supplement in evaluating our ongoing operational performance and enhancing an overall understanding of our past financial performance. The non–GAAP financial measures included in this presentation should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. A reconciliation between each non–GAAP financial measure and its nearest GAAP equivalent is included on slides 12–14 of this presentation.

Empowering Entrepreneurs Everywhere

Making opportunity more inclusive for all.

Cubs
Cubs the Poet
CUBSTHEPOET.COM

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Strategy

Customer Experience

Invest in **how** customers engage with us at all our touch points.

Product Excellence

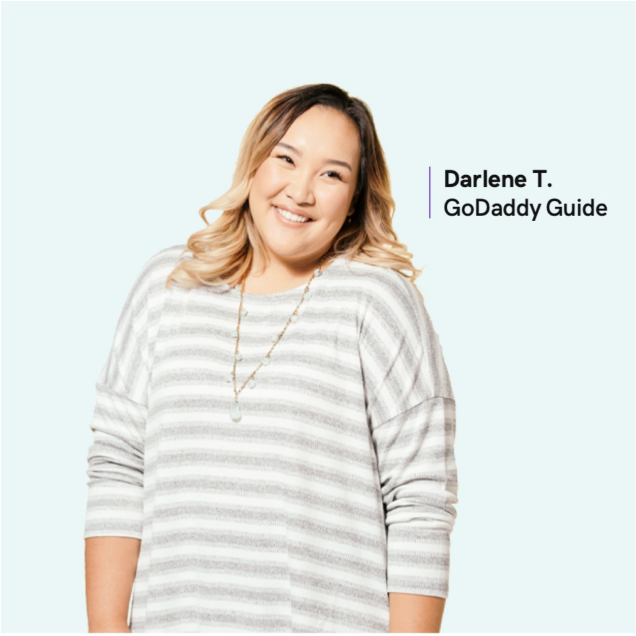
Continue to innovate **what** our customers currently do, and will do with us.

Global Go–to–Market

Where both new and existing customers will see us, extending our distinction by meeting our customers where they are in their journey.

Technology and Platform

Single global technology platform built around effective applications that collectively provide a highly performant, secure infrastructure and environment.



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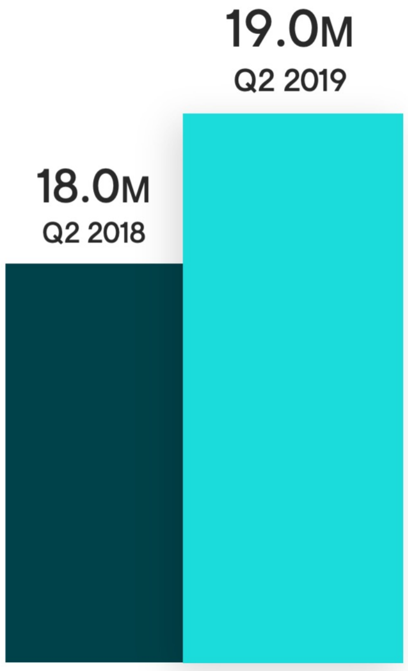
Q2 2019 Top Line

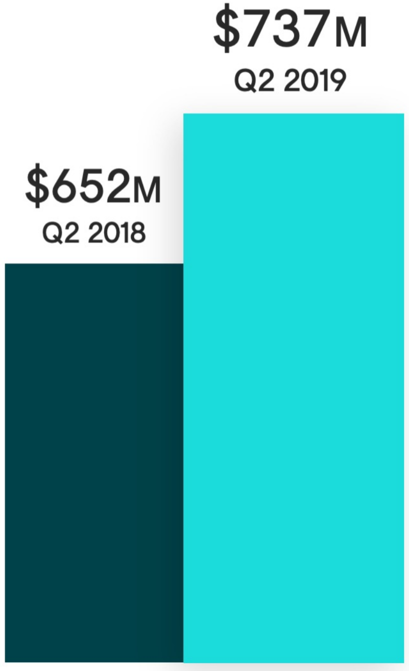
Bookings
12% Y/Y increase
14% Constant Currency

ARPU
8% Y/Y increase

Customers
5% Y/Y Growth



Revenue
13% Y/Y increase
15% Constant Currency



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Product Progress — GoCentral Website Builder

2017

- Facebook Content Sync
- Branded Browser Icons
- Open Table Integration
- Google Analytics
- Google Translate
- Chow Now Integration
- HTML customization
- Online Appointment Scheduling
- Google AdSense
- Google My Business
- Website Backup & Restore
- Square Payment Integration

2018

- Blog Tool
- Facebook Pixel Code to Site Capability
- Online / Offline Inventory Sync
- Promotional Banner Feature
- MLS Integration
- Facebook Page Insights
- Cookie Notification Pop-up
- Privacy Policy Creation
- Promo Offer Capabilities
- PayPal Integration
- Blog Post Organization by Categories
- Square Inventory Management
- Zillow Reviews
- Staff Scheduling for Online Appointments
- Members-Only Page
- Yelp Business Listings
- Pinterest Meta Tag
- Blog Subscription

2019

- Driving GoCentral Marketplaces Via Sellbrite
- 3rd Party Ratings & Reviews Sync
- Business Hours Syndication
- Houzz Integration
- E-commerce Digital Products
- reCAPTCHA Sign-in
- Blog Comment Capabilities
- Website Theme Gallery
- Consume Accounts for Online Store and Appointments
- Instagram Integration
- Social Media Image Publishing
- Black & White Image Conversion
- Amazon Partnership

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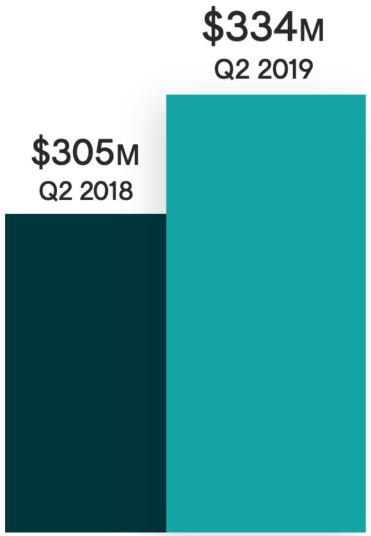
Partnerships

amazon	Pro tools for WordPress developers on Lightsail GoCentral / Smartline free trials included in Business Prime GoDaddy domains platform being integrated into AWS
Kabbage	Allowing GoDaddy customers to seamlessly apply for a business line of credit
PayPal	Expanding partnership allowing GoDaddy customers to use PayPal Commerce Platform for back-end processing for credit cards and other payment types

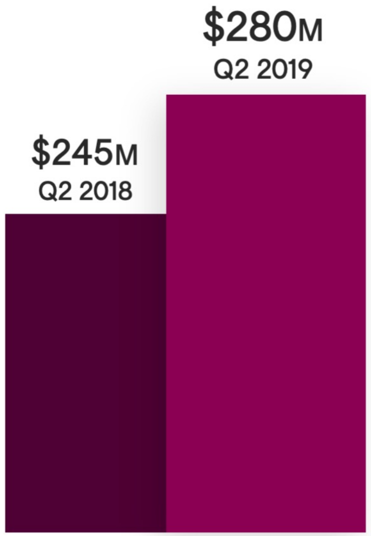
Product Excellence

Domains
10% Y/Y increase



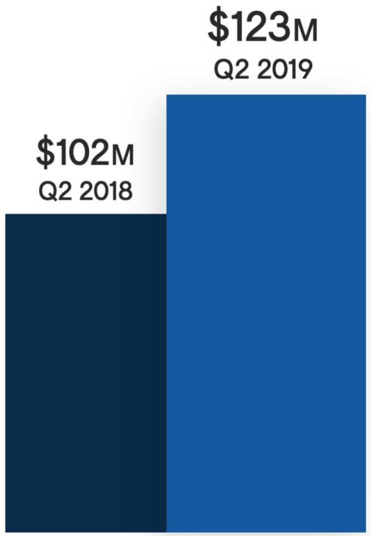
- Continued strong renewals
- Better and differentiated search across desktop and mobile devices
- Broadest and deepest domain aftermarket marketplace

Hosting & Presence
14% Y/Y Growth



- Expanding presence suite to help entrepreneurs be everywhere they need to be to meet their customers
- Broad integrations and partnerships
- Build and customize your site on any device
- Simplifying WordPress experiences with Managed WordPress

Business Application
20% Y/Y increase



- Open-Xchange in emerging markets
- Microsoft O365 continued strong adoption
- Strong Workspace renewals

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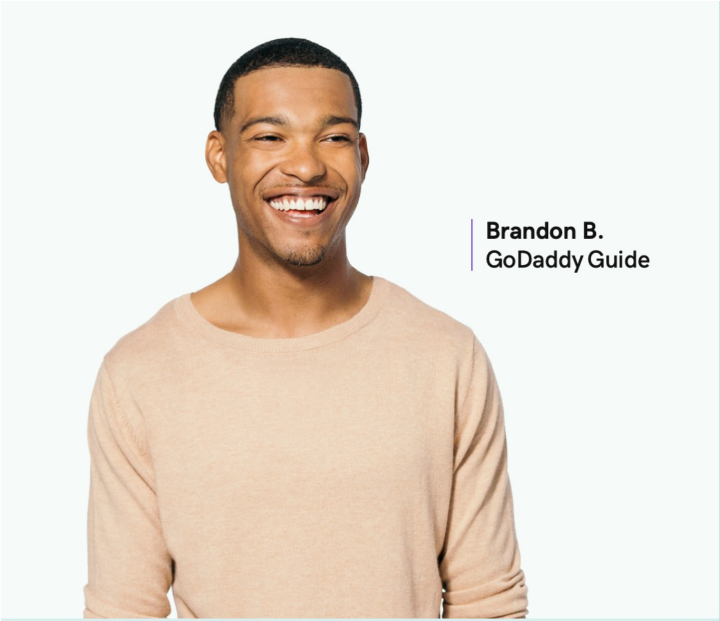
Global Footprint

Bold Expansion Globally

International Revenue — 6% Y/Y growth | 10% Constant Currency



8M+
Int'l Customers

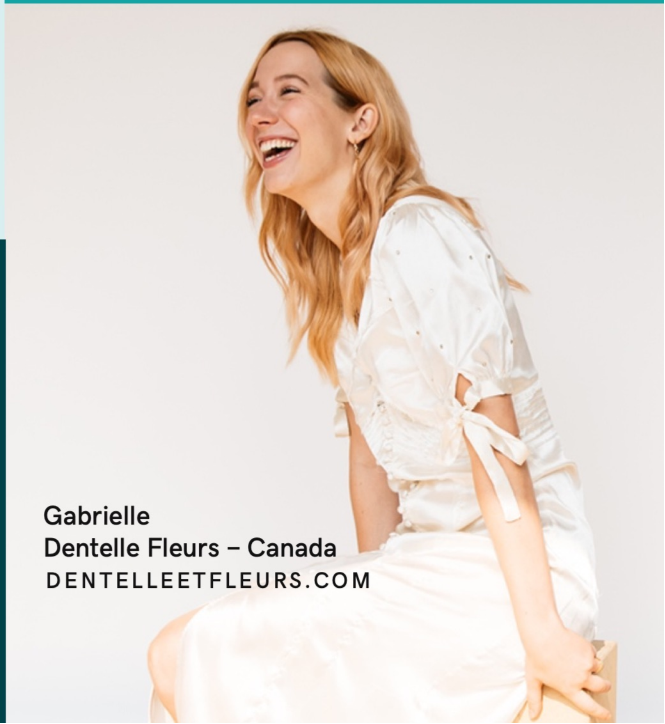
100+
Countries

$1B
Run Rate

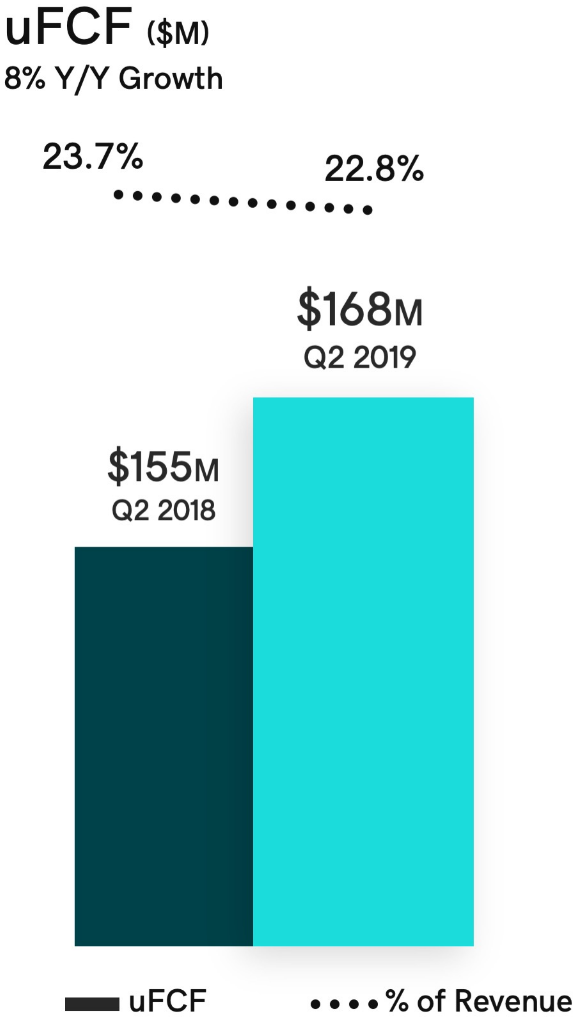
50+
Markets

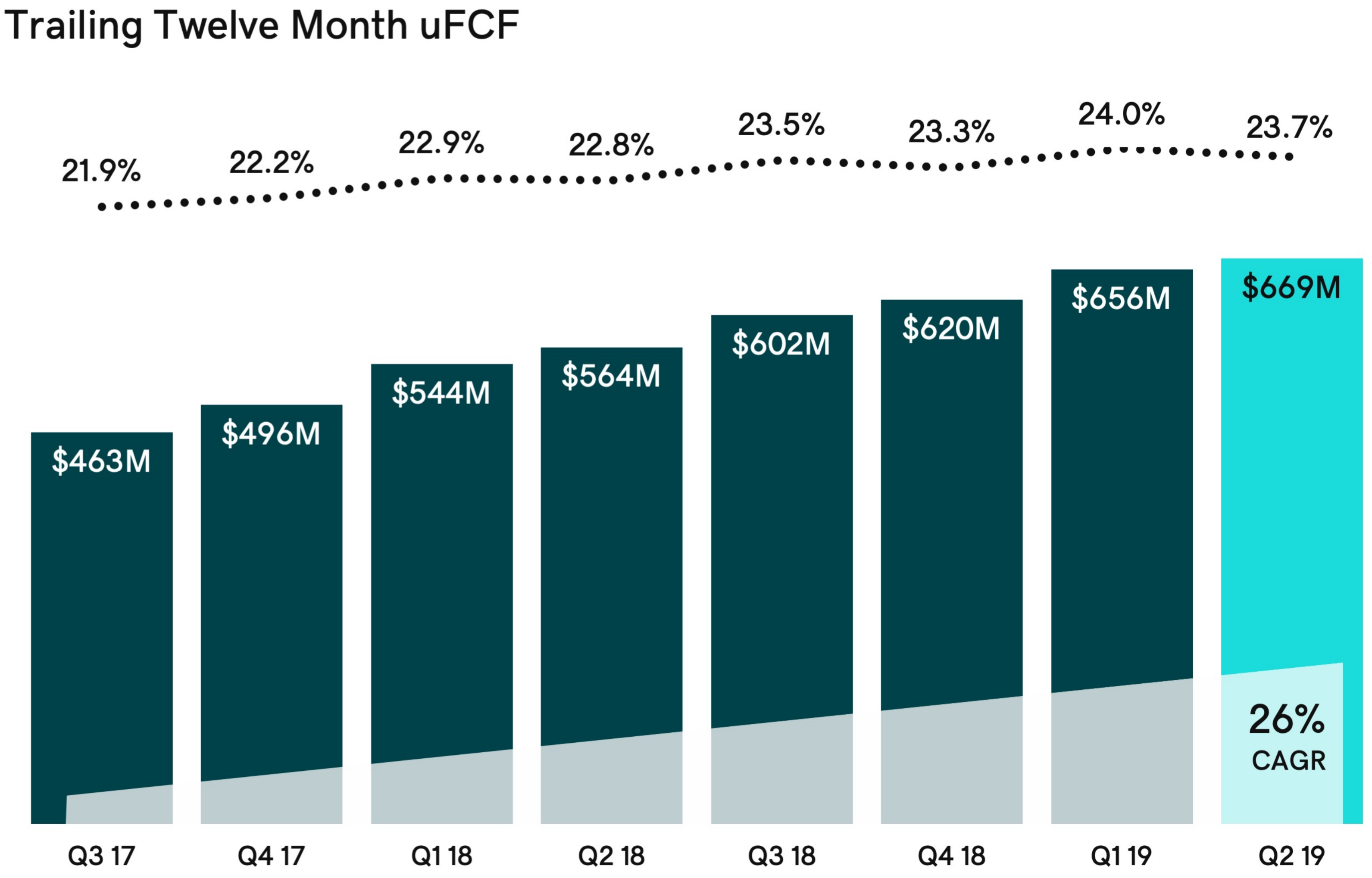
As of December 31, 2018

Expanding global care to create localized customer experiences



Exceptional Unlevered Free Cash Flow (uFCF)





A reconciliation table between uFCF and its nearest GAAP equivalent for the period presented can be found in the appendix section of this presentation.

Q3 & Full Year 2019 Outlook

	Q3 2019	Full Year 2019
Revenue	$755M–$765M ~11–13% growth	$2,970M–$3,000M ~12–13% growth
Unlevered Free Cash Flow		$730M–$745M ~18–20% growth

Non-GAAP Reconciliation: Bookings & uFCF

Reconciliation of Bookings ($M)

	Three Months Ended June 30		Six Months Ended June 30	
	2018	2019	2018	2019
Total revenue	$651.6	$737.2	$1,284.8	$1,447.2
Change in deferred revenue	52.2	52.0	154.5	157.3
Net refunds	50.0	56.9	99.9	112.1
Other	0.4	—	(1.9)	—
Total Bookings	$754.2	$846.1	$1,537.3	$1,716.6

Reconciliation of Unlevered Free Cash Flow ($M)

	Three Months Ended June 30		Six Months Ended June 30	
	2018	2019	2018	2019
Net cash provided by operating activities	$128.9	$161.3	$277.3	$361.0
Impact of discontinued operations	21.4	—	21.4	—
Cash paid for interest	20.0	18.4	40.5	39.8
Cash paid for acquisition and costs	4.2	4.6	13.8	11.7
Capital expenditures	(19.8)	(16.5)	(35.9)	(45.9)
Unlevered Free Cash Flow	$154.7	$167.8	$317.1	$366.6

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Non-GAAP Reconciliation: Net Debt

Reconciliation of Net Debt ($M)

	June 30, 2019
Current portion of long–term debt	$19.2
Long–term debt	$2,387.7
Unamortized original issue discount on long–term debt	12.4
Unamortized debt issuance costs	25.5
Total debt	$2,444.8
Less: Cash and cash equivalents	(1,198.8)
Less: Short–term investments	(23.6)
Net Debt	$1,222.4

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Non-GAAP Reconciliation: Trailing Twelve Months uFCF

Reconciliation of uFCF ($M)	Q3–17	Q4–17	Q1–18	Q2–18	Q3–18	Q4–18	Q1–19	Q2–19
Net cash provided by operating activities	$460.4	$475.6	$497.4	$513.0	$535.6	$559.8	$611.1	$643.5
Impact of discontinued operations	(3.5)	(3.5)	(3.5)	20.9	23.8	23.8	23.8	2.4
Cash paid for interest	70.8	80.8	92.5	86.6	83.3	84.1	85.0	83.4
Cash paid for acquisition-related costs	32.1	35.8	39.9	25.6	25.7	32.2	29.7	30.1
Capital expenditures	(78.9)	(83.2)	(79.5)	(82.6)	(72.5)	(87.7)	(101.0)	(97.7)
Cash paid for tax-related distributions	(18.0)	(10.0)	(3.0)	—	—	—	—	—
Cash paid for indirect taxes	—	—	—	—	6.0	7.3	7.3	7.3
Unlevered Free Cash Flow	$462.9	$495.5	$543.8	$563.5	$601.9	$619.5	$655.9	$669.0

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2019