ENDURANCE
International Group

Investor Overview Presentation

February 13, 2018

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 2018; expectations regarding our planned investment initiatives during 2018 and beyond; the ability of these planned investments to strengthen our brands over time, improve lifetime revenue, drive future stakeholder value, and support our long-term growth; the growth opportunities in our addressable markets; our ability to generate growth in our business, provide value to our customers, carry out our operating plan, simplify our business and operate our assets effectively at scale; our plans to de-emphasize our non-strategic brands; expectations regarding payment of cash taxes in 2018; expectations regarding declines in our total subscribers; our planned uses of cash in the future; our plans to pay down debt during 2018 and reduce our leverage over the medium-term; 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," "feels," "seeks," "future," "strive," "see," "estimates," "should," "may," "continue," "confident," "positions," "committed," "looking to," "scheduled," "long-term," 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 financial guidance may differ from expectations (including due to our payment of potential settlements of pending legal proceedings); the possibility that our planned investment initiatives will not result in the anticipated benefits to our business; the possibility that we will continue to experience decreases in our subscriber base; an adverse impact on our business from litigation or regulatory proceedings; an adverse impact on our business from our substantial indebtedness and the cost of servicing our debt; the rate of growth of the Small and Medium Business ("SMB") market for our solutions; our inability to grow our subscriber base, increase sales to our existing subscribers, or retain our existing subscribers; system or Internet failures; our inability to maintain or improve our competitive position or market share; and other risks and uncertainties discussed in our filings with the SEC, including the "Risk Factors" section of our most recent Quarterly Report on Form 10-Q for the quarter ended September 30, 2017 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 into, or part of, this presentation.

***Non-GAAP Financial Measures**: this presentation contains non-GAAP financial measures as defined by the SEC in Regulation G, including adjusted EBITDA, free cash flow, and bank adjusted EBITDA. Definitions of these non-GAAP financial measures and reconciliations to their comparable GAAP measures are included in our 2017 fourth quarter and full year earnings release and in this presentation, each dated February 13, 2018, and available in the investor relations section of our website at www.endurance.com.*

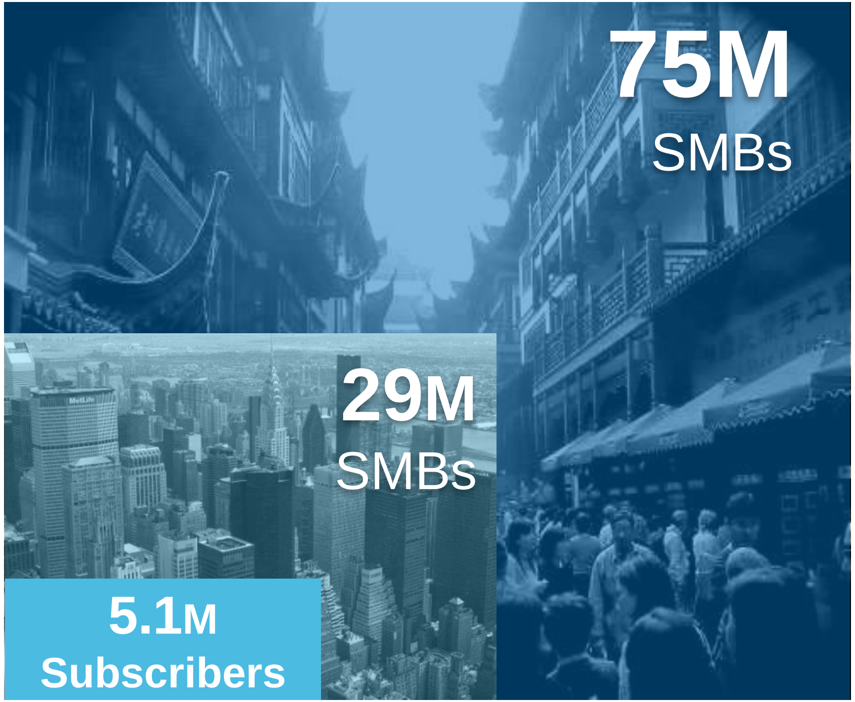
BUSINESS OVERVIEW

LARGE MARKET OPPORTUNITY

GLOBAL

CURRENT CORE GEOGRAPHY

TODAY



- ✓ *Almost 50% of SMBs do not have a website**
- ✓ *~ 60% of SMBs do not use email to promote their business***
- ✓ *Significant market opportunity for Endurance as SMBs continue to expand their online presence*

Sources: 29M SMBs from U.S. Small Business Administration (2013 data); includes firms <500 employees; approximately 23M of these are non-employer firms.
75M SMBs is from Access Markets International (AMI) Partners, as of February 12, 2014, and includes SMBs located worldwide expected by end of 2014.
** Clutch.co, "Small Business Websites in 2016: A Survey". Based on a survey of U.S. SMBs in which the majority of respondents were businesses with 1-10 employees.*
*** BIA Kelsey Local Commerce Monitor™ (LCM) Wave 20, Q3/2016. Based on a survey of U.S. SMBs with 100 or fewer employees.*

HELPING SMBS GET ONLINE

PRODUCT LIFECYCLE

Become the premier online platform for small business globally

We get SMBs ONLINE

- Hosting / site builder / CMS / mobile
- Domains
- Security services
- Site back-up

We help them get FOUND

- SEO / SEM services
- Adwords
- Social media
- Directories
- Analytics
- Mobile enhancements

We help them GROW

- Managed hosting
- E-commerce
- E-mail marketing
- Productivity suites
- Professional services

Get Online

Drive Traffic

Increase Productivity

Growing Business

2018 FOCUS AREAS

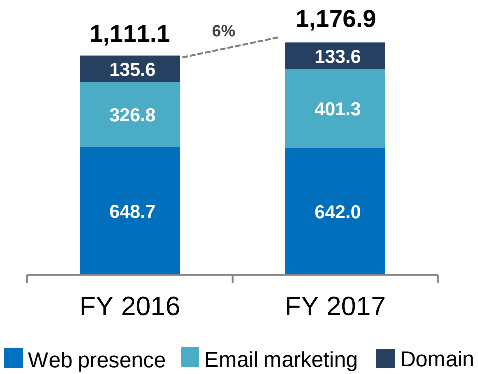
E-mail Marketing	Web Presence	Domain
Constant Contact, singleplatform	bluehost, HostGator, SiteBuilder.com	DOMAIN.COM, BuyDomains, resellerclub

Long-term view
Building position as a scale operator
Creating stakeholder value

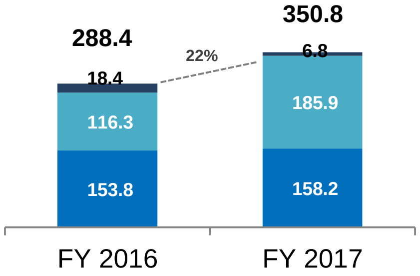
FINANCIAL AND OPERATING METRICS

FY2017 KEY FINANCIAL METRICS

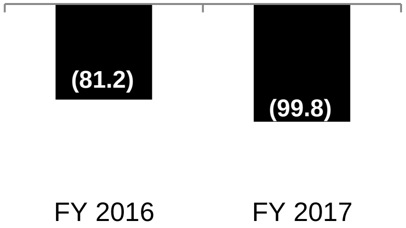
GAAP Revenue ($M)



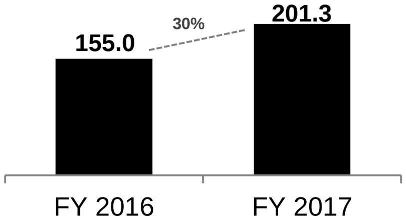
Adjusted EBITDA ($M)



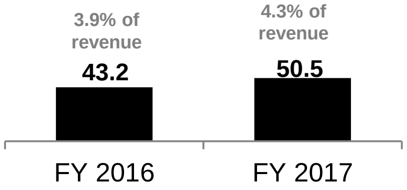
Net Loss ($M)



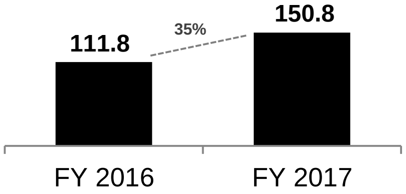
Cash Flow from Operations(1) ($M)



Capital Expenditures (incl. Capitalized Leases) ($M)



Free Cash Flow (1)(2) ($M)

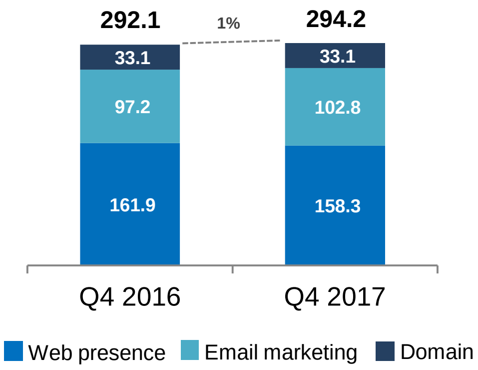


(1) Fiscal 2017 cash from operations was impacted by approximately $17 million in cash restructuring charges.
(2) Free cash flow defined as cash flow from operations, less capital expenditures and capitalized leases.

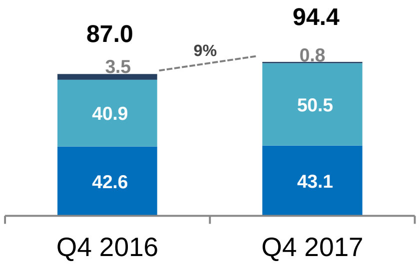
** Individual numbers may not add to 100% due to rounding.*

Q4 2017 KEY FINANCIAL METRICS

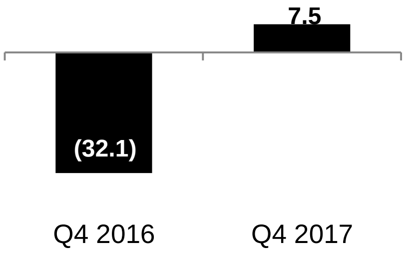
GAAP Revenue ($M)



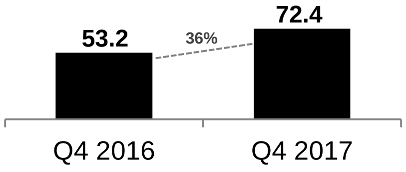
Adjusted EBITDA ($M)



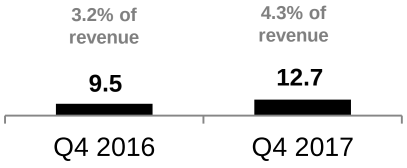
Net Income (Loss) ($M)



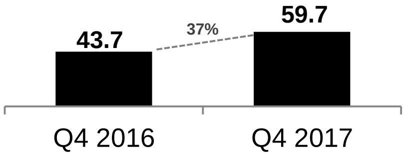
Cash Flow from Operations[(1)] ($M)



Capital Expenditures (incl. Capitalized Leases) ($M)



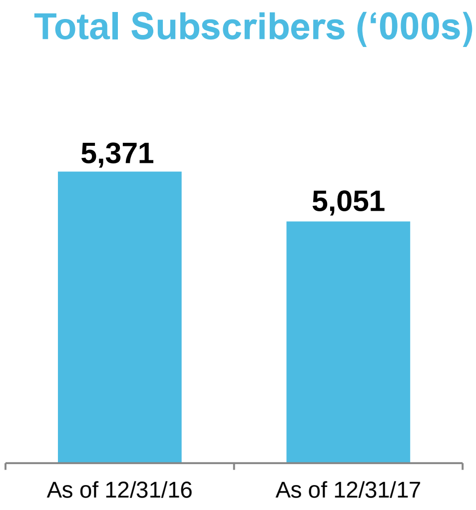
Free Cash Flow [(1)(2)] ($M)

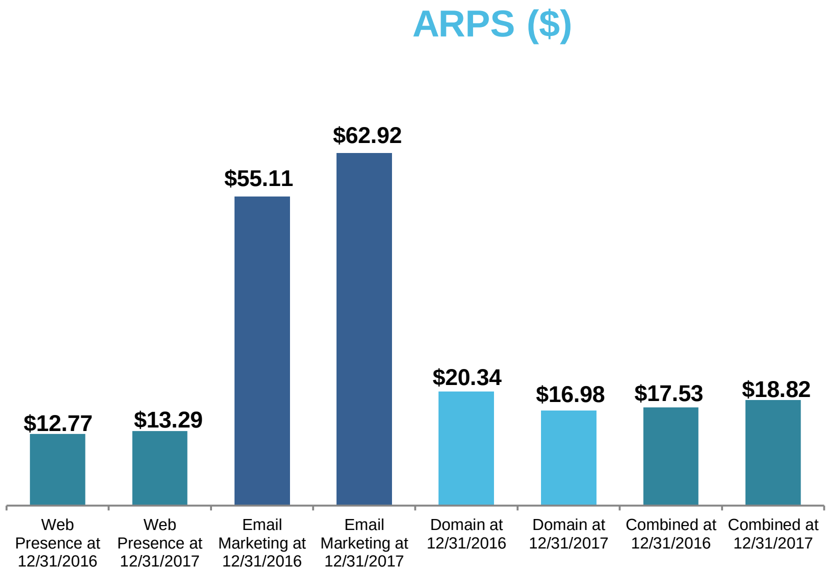


(1) *Q4 2017 cash from operations was impacted by approximately $4.1 million in cash restructuring charges.*
(2) *Free cash flow defined as cash flow from operations, less capital expenditures and capitalized leases.*

* *Individual numbers may not add to 100% due to rounding.*

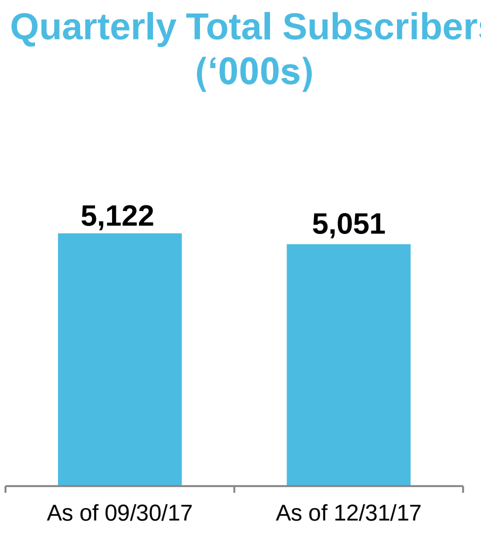
FY2017 KEY OPERATING METRICS

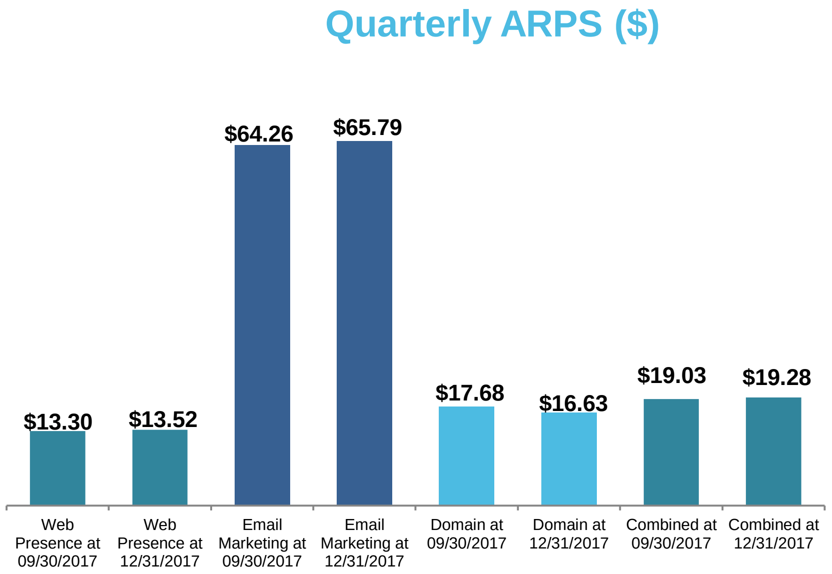




Note: Please refer to Non-GAAP and Other Supplementary Information slides for definitions and other important information about total subscribers and ARPS. Individual numbers may not add to 100% due to rounding.

Q4 2017 KEY OPERATING METRICS





Note: Please refer to Non-GAAP and Other Supplementary Information slides for definitions and other important information about total subscribers and ARPS.
Individual numbers may not add to 100% due to rounding.

BALANCE SHEET KEY METRICS

Total Debt (in $MM)	12/31/2016	03/31/2017	06/30/2017	09/30/2017	12/31/2017
Revised Incremental Term Loan	$ --	$ --	$1,689	$1,670	$1,606
Existing Term Loan	*986*	*981*	--	--	--
Incremental Term Loan	*720*	*717*	--	--	--
Unsecured Notes	350	350	350	350	350
Revolving Credit Facility	--	--	--	--	--
Total Senior Debt	**$ 2,056**	**$ 2,047**	**$ 2,039**	**$ 2,020**	**$ 1,956**
Deferred Purchase Obligations	$ 13	$ 12	$ 8	$ 8	$ 8
Capital Lease	7	5	6	5	15
Total Debt	**$ 2,076**	**$ 2,064**	**$2,053**	**$2,033**	**$1,979**
Total Ending Cash	$ 57	$ 73	$ 85	$ 73	$ 69
Net Debt(1)	**$ 2,019**	**$1,991**	**$1,968**	**$1,960**	**$1,910**

Maturity	Coupon
February 2023	L+400
November 2019	*L+548*
February 2023	*L+500*
February 2024	10.875%
February 2021	

	LTM 12/31/2017	Max. allowed
LTM bank adjusted EBITDA as defined in credit agreement	**$366.8 million**	n/a
Total secured debt(2) to LTM bank adjusted EBITDA as defined in the credit agreement	**4.24x**	6.25x

Q4 FY17

- Interest payments $23 million
- Principal term loan debt payment $64.5 million (included $8.5 million in scheduled amortization and $56.0 million additional payment)
- No deferred consideration and related payments

FY2017

- Interest payments $141 million
- Principal term loan debt payment $100.4 million (included $34.4 million in scheduled amortization and $66.0 million additional payment)
- Deferred consideration and related payments of $30.4 million

(1) Total net debt equals total debt less cash, cash equivalents, and restricted cash.
(2) Total secured debt as defined in the credit agreement.
Individual numbers may not add to totals shown due to rounding.

NON-GAAP AND OTHER SUPPLEMENTAL INFORMATION

SUPPLEMENTAL INFORMATION

CALCULATION OF AVERAGE REVENUE PER SUBSCRIBER (ARPS)

The following table presents the calculation of ARPS, on a consolidated basis and by segment (all data in thousands, except ARPS data):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2016	2017	2016	2017
Consolidated revenue	$ 292,123	$ 294,250	$ 1,111,142	$ 1,176,867
Consolidated total subscribers	5,371	5,051	5,371	5,051
Consolidated average subscribers	5,405	5,087	5,283	5,211
Consolidated average revenue per subscriber (ARPS)	$ 18.02	$ 19.28	$ 17.53	$ 18.82
Web presence revenue	161,878	$ 158,332	648,732	$ 641,993
Web presence subscribers	4,198	3,849	4,198	3,849
Web presence average subscribers	4,240	3,903	4,233	4,024
Web presence ARPS	$ 12.73	$ 13.52	$ 12.77	$ 13.29
Email marketing revenue	97,153	$ 102,849	326,808	$ 401,250
Email marketing subscribers	544	519	544	519
Email marketing average subscribers	545	521	494	531
Email marketing ARPS	$ 59.43	$ 65.79	$ 55.11	$ 62.92
Domain revenue	33,092	$ 33,069	135,602	$ 133,624
Domain subscribers	629	683	629	683
Domain average subscribers	621	663	556	656
Domain ARPS	$ 17.77	$ 16.63	$ 20.34	$ 16.98

GAAP TO NON-GAAP RECONCILIATION

REVENUE AND ADJUSTED EBITDA BY SEGMENT

The following table presents revenue, gross profit, and a reconciliation by segment of net income (loss) calculated in accordance with GAAP to adjusted EBITDA (all data in thousands):

	Three Months Ending December 31, 2016				Three Months Ending December 31, 2017			
	Web Presence	Domain	Email Marketing	Consolidated	Web Presence	Domain	Email Marketing	Consolidated
Revenue	**$ 161,877**	**$ 33,093**	**$ 97,153**	**$ 292,123**	**$ 158,332**	**$ 33,069**	**$ 102,849**	**$ 294,250**
Gross profit	77,622	10,756	58,734	147,112	74,387	3,370	66,760	144,517
Net income (loss)	**$ (27,825)**	**$ (334)**	**$ (3,923)**	**$ (32,082)**	**$ 2,971**	**$ 7,091**	**$ (2,589)**	**$ 7,473**
Interest expense, net(1)	16,866	640	22,671	40,177	16,614	574	18,702	35,890
Income tax expense (benefit)	13,555	164	(2,357)	11,362	(11,304)	(27,334)	9,973	(28,665)
Depreciation	8,580	785	4,053	13,418	10,233	939	3,280	14,452
Amortization of other intangible assets	18,057	1,574	18,252	37,883	15,846	1,184	18,770	35,800
Stock-based compensation	7,411	674	1,964	10,049	8,618	1,092	1,542	11,252
Restructuring expenses	344	-	238	582	187	201	838	1,226
Transaction expenses and charges	27	-	-	27	-	-	-	-
(Gain) loss of unconsolidated entities(2)	4,803	-	-	4,803	(38)	-	-	(38)
Impairment of other long-lived assets	754	-	-	754	-	17,012	-	17,012
SEC investigations reserve	-	-	-	-	-	-	-	-
Adjusted EBITDA	**$ 42,572**	**$ 3,503**	**$ 40,898**	**$ 86,973**	**$ 43,127**	**$ 759**	**$ 50,516**	**$ 94,402**

(1) Interest expense includes impact of amortization of deferred financing costs, original issue discounts and interest income.

(2) The (gain) loss of unconsolidated entities includes our proportionate share of net (gains) losses from unconsolidated entities, (gains) losses from revaluation of our existing investments to their implied fair values if and when we obtain control of the equity investee, and impairment charges, if any.

Individual numbers may not add due to rounding.

GAAP TO NON-GAAP RECONCILIATION

REVENUE AND ADJUSTED EBITDA BY SEGMENT

The following table presents revenue, gross profit, and a reconciliation by segment of net income (loss) calculated in accordance with GAAP to adjusted EBITDA (all data in thousands):

	Twelve Months Ending December 31, 2015				Twelve Months Ending December 31, 2016				Twelve Months Ending December 31, 2017			
	Web Presence	Domain	Email Marketing	Consolidated	Web Presence	Domain	Email Marketing	Consolidated	Web Presence	Domain	Email Marketing	Consolidated
Revenue	**$ 596,687**	**$ 144,628**	**$ -**	**$ 741,315**	**$ 648,732**	**$ 135,602**	**$ 326,808**	**$ 1,111,142**	**$ 641,993**	**$ 133,624**	**$ 401,250**	**$ 1,176,867**
Gross profit	267,946	48,334	-	316,280	309,116	44,872	173,163	527,151	298,687	19,309	254,941	572,937
Net income (loss)	$ (34,049)	$ 8,279	$ -	$ (25,770)	$ (24,382)	$ (990)	$ (55,857)	$ (81,229)	$ (70,375)	$ (18,794)	$ (10,615)	$ (99,784)
Interest expense, net(1)	56,663	1,751	-	58,414	68,617	2,226	81,469	152,312	67,491	2,001	86,914	156,406
Income tax expense (benefit)	12,756	(1,414)	-	11,342	(79,632)	3,317	(33,543)	(109,858)	2,575	(25,008)	5,152	(17,281)
Depreciation	31,947	2,063	-	34,010	33,590	3,023	23,747	60,360	37,634	3,639	13,912	55,185
Amortization of other intangible assets	83,106	7,951	-	91,057	72,733	6,150	64,679	143,562	60,277	5,610	74,467	140,354
Stock-based compensation	25,513	4,412	-	29,925	41,481	4,383	12,403	58,267	46,641	6,426	6,934	60,001
Restructuring expenses	1,210	279	-	1,489	1,625	220	22,379	24,224	9,131	1,098	5,581	15,810
Transaction expenses and charges	8,265	1,317	-	9,582	31,260	40	984	32,284	-	-	773	773
(Gain) loss of unconsolidated entities(2)	9,200	-	-	9,200	(565)	-	-	(565)	(110)	-	-	(110)
Impairment of other long-lived assets	-	-	-	-	9,039	-	-	9,039	600	30,860	-	31,460
SEC investigations reserve	-	-	-	-	-	-	-	-	4,323	926	2,751	8,000
Adjusted EBITDA	**$ 194,611**	**$ 24,638**	**$ -**	**$ 219,249**	**$ 153,766**	**$ 18,369**	**$ 116,261**	**$ 288,396**	**$ 158,187**	**$ 6,758**	**$ 185,869**	**$ 350,814**

(1) Interest expense includes impact of amortization of deferred financing costs, original issue discounts and interest income.

(2) The (gain) loss of unconsolidated entities includes our proportionate share of net (gains) losses from unconsolidated entities, (gains) losses from revaluation of our existing investments to their implied fair values if and when we obtain control of the equity investee, and impairment charges, if any.

Individual numbers may not add due to rounding.

GAAP TO NON-GAAP RECONCILIATION

FREE CASH FLOW

The following table reflects the reconciliation of cash flow from operations to free cash flow ("FCF") (all data in thousands):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2016	**2017**	**2016**	**2017**
Cash flow from operations	**$ 53,157**	**$ 72,407**	**$ 154,961**	**$ 201,273**
Less:				
Capital expenditures and capital lease obligations (1)	(9,462)	(12,678)	(43,151)	(50,452)
Free cash flow	**$ 43,695**	**$ 59,729**	**$ 111,810**	**$ 150,821**

(1) Capital expenditures during the three and twelve months ended December 31, 2016 includes $1.5 million and $5.9 million of principal payments under a three year capital lease for software. Capital expenditures during the three and twelve months ended December 31, 2017 includes $1.7 million and $7.4 million of principal payments under a two year capital lease for software. The remaining balance on the capital lease is $15.3 million as of December 31, 2017.

GAAP TO NON-GAAP RECONCILIATION

BANK ADJUSTED EBITDA

The following table presents a reconciliation of net income (loss) calculated in accordance with GAAP to bank adjusted EBITDA (all data in thousands except compliance and coverage ratio):

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	TTM
Net income (loss)	**$ (31,578)**	**$ (35,415)**	**$ (40,264)**	**$ 7,473**	**$ (99,784)**
Interest expense	39,516	45,658	35,849	36,119	157,142
Income tax expense (benefit)	5,774	2,628	2,982	(28,665)	(17,281)
Depreciation	13,111	14,051	13,572	14,451	55,185
Amortization of other intangible assets	34,267	34,940	35,347	35,800	140,354
Stock-based compensation	12,924	16,245	19,580	11,252	60,001
Integration and restructuring costs	5,627	4,476	4,488	1,228	15,819
Transaction expenses and charges	580	193	-	-	773
(Gain) loss of unconsolidated entities	-	(39)	(33)	(38)	(110)
Impairment of long-lived assets	-	-	14,448	17,012	31,460
(Gain) loss on assets, not ordinary course	-	-	-	-	-
Legal advisory expenses	2,111	1,842	9,220	1,994	15,167
Billed revenue to GAAP revenue adjustment	15,130	1,123	(1,778)	(7,528)	6,947
Domain registration cost cash to GAAP adjustment	(2,177)	857	191	2,220	1,091
Currency translation	16	(63)	21	19	(7)
Adjustment for acquisitions on a pro forma basis	-	-	-	-	-
Bank Adjusted EBITDA	**$ 95,301**	**$ 86,496**	**$ 93,623**	**$ 91,338**	**$ 366,757**
Current portion of notes payable					$ 33,945
Current portion of capital lease obligations					7,630
Notes payable - long term					1,858,300
Capital lease obligations - long term					7,719
Certain deferred consideration amounts					-
Original issue discounts and deferred financing costs					63,547
Less:					
Unsecured notes					(350,000)
Cash					(66,493)
Certain permitted restricted cash					(153)
Net Senior Secured Indebtedness					$ 1,554,495
Debt coverage compliance ratio					**4.24**
Required maximum coverage ratio					6.25

SUPPLEMENTAL INFORMATION

GAAP LINE ITEM DETAIL

The following tables provide the details of depreciation, amortization, stock-based compensation, restructuring expenses, transaction expenses and charges, impairment of other long-lived assets, and SEC investigations reserve included in the Company's Consolidated Statements of Operations and Comprehensive Income (Loss) and the line items in which these amounts are reported.

$ in thousands	Three months ended				Three months ended			
	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017
Depreciation								
Cost of Revenue	$11,069	$13,308	$12,513	$11,231	$10,947	$11,951	$11,603	$11,735
Sales & Marketing	929	2,206	1,960	892	952	902	746	702
Engineering & Development	607	1,546	1,546	758	730	733	791	1,526
General & Administrative	568	(300)	991	537	482	465	431	489
Total Depreciation	**$13,172**	**$16,760**	**$17,010**	$13,418	**$13,111**	**$14,051**	**$13,571**	$14,452
Amortization								
Cost of Revenue	$29,874	$37,823	$37,982	$37,883	$34,267	$34,940	$35,347	35,800
Sales & Marketing	—	—	—	—	—	—	—	—
Engineering & Development	—	—	—	—	—	—	—	—
General & Administrative	—	—	—	—	—	—	—	—
Total Amortization	**$29,874**	**$37,823**	**$37,982**	$37,883	**$34,267**	**$34,940**	**$35,347**	$35,800
Stock-Based Compensation								
Cost of Revenue	$770	$1,703	$1,642	$1,734	$1,506	$1,661	$ 1,553	1,415
Sales & Marketing	1,722	2,677	1,850	2,471	1,854	2,911	2,263	1,631
Engineering & Development	764	1,442	4,164	(378)	1,170	1,728	1,808	1,383
General & Administrative	15,132	9,203	7,150	6,222	8,394	9,945	13,957	6,822
Total Stock-Based Compensation	**$18,388**	**$15,024**	**$14,806**	10,049	**$12,924**	**$16,245**	**$19,581**	$11,251
Restructuring Expenses								
Cost of Revenue	$3,465	$2,137	$3,127	$257	$2,743	$700	$449	208
Sales & Marketing	3,901	1,267	1,189	193	1,374	875	1,011	327
Engineering & Development	2,018	1,224	1,014	32	652	426	271	121
General & Administrative	2,218	1,035	1,047	100	858	2,467	2,758	570
Total Restructuring Expenses	**$11,602**	**$5,663**	**$6,377**	$582	**$5,627**	**$4,468**	**$ 4,489**	$1,226
Transaction Expenses and Charges	**$31,120**	**$978**	**$159**	$27	**$580**	**$193**	—	—
Impairment of Other Long-Lived Assets								
Cost of Revenue	—	—	—		—	—	$13,848	$17,012
SEC Investigations Reserve								
General & Administrative	—	—	—		—	—	$8,000	—

Individual numbers may not add to the totals shown due to rounding.

SUPPLEMENTAL INFORMATION
NON-GAAP & KEY OPERATING MEASURES

In addition to our financial information presented in accordance with GAAP, we use adjusted EBITDA, free cash flow, net debt, and bank adjusted EBITDA, which are non-GAAP financial measures, to evaluate the operating and financial performance of our business, identify trends affecting our business, develop projections, make strategic business decisions, evaluate our capital structure, and monitor our liquidity and compliance with the financial covenant in our credit agreement. A non-GAAP financial measure is a numerical measure of a company's operating performance, financial position or cash flow that excludes amounts that are included from the most directly comparable measure calculated and presented in accordance with GAAP, or includes amounts that are excluded from the most directly comparable measure calculated and presented in accordance with GAAP.

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. In addition, there are limitations in using non-GAAP financial measures because they are not prepared in accordance with GAAP and exclude expenses that may have a material impact on our reported financial results. For example, adjusted EBITDA excludes interest expense, which has been 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 from, or as a substitute for, the most directly comparable financial measures prepared in accordance with GAAP. We urge you to review the reconciliations of our non-GAAP financial measures to their comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business.

Adjusted EBITDA is a non-GAAP financial measure that we calculate as net (loss) income, excluding the impact of interest expense (net), income tax expense (benefit), depreciation, amortization of other intangible assets, stock-based compensation, restructuring expenses, transaction expenses and charges, (gain) loss of unconsolidated entities, impairment of other long-lived assets, and SEC investigations reserve. We view adjusted EBITDA as a performance measure and believe it helps investors evaluate and compare our core operating performance from period to 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. 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 (including capital lease obligations).

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, cash equivalents, and restricted cash. We use net debt to evaluate our capital structure.

SUPPLEMENTAL INFORMATION
NON-GAAP & KEY OPERATING MEASURES

Bank Adjusted EBITDA is a non-GAAP financial measure defined in our credit agreement as net income (loss) adjusted to exclude interest expense, income tax expense (benefit), depreciation and amortization. Bank Adjusted EBITDA also adjusts net income (loss) by excluding certain non-cash foreign exchange gains (losses), certain gains (losses) from sale of assets, stock-based compensation, unusual and non-recurring expenses (including acquisition related costs, gains or losses on early extinguishment of debt, and loss on impairment of tangible or intangible assets). It also adjusts net income (loss) for revenue on a billed basis, changes in deferred domain costs, share of loss (profit) of unconsolidated entities, and certain integration related costs. Finally, it adjusts net income (loss) for pro forma adjusted EBITDA on a twelve-month lookback period for acquisitions made in any given quarter. We use bank adjusted EBITDA to monitor our liquidity and compliance with the financial covenant in our credit agreement.

Key Operating Metrics

Total Subscribers - We define total subscribers as the approximate number of subscribers 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. Subscribers of more than one brand, and subscribers with more than one distinct billing relationship or subscription 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. In the fourth quarter of 2017, these adjustments had a net negative impact of approximately 700 subscribers on our total subscriber count.

Average Revenue Per Subscriber (ARPS) - We calculate ARPS as the amount of 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, divided by the number of months in the period. See definition of “Total Subscribers” 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.