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Endurance Announces CEO Transition Plan

Board Initiates Search for Successor; Hari Ravichandran to Remain CEO Until Successor is Appointed

Company Confirms GAAP Revenue, Adjusted EBITDA, and Free Cash Flow Guidance for 2017

BURLINGTON, Mass., April 17, 2017 (GLOBE NEWSWIRE) -- Endurance International Group (NASDAQ:EIGI) ("Endurance" or the "Company"), a leading provider of cloud based platform solutions, today announced that its Board of Directors and its Chief Executive Officer Hari Ravichandran have adopted a CEO transition plan. Mr. Ravichandran will remain CEO and serve as a Board member while the Company conducts a search to identify his successor.

As a founder of the Company, Mr. Ravichandran has led the Company to many milestones, including the Company's IPO in 2013 and last year's acquisition of Constant Contact. Endurance generated over \$1 billion of revenue in 2016 under Mr. Ravichandran's leadership.

"The Board thanks Hari for his vision and the entrepreneurial spirit that led to Endurance's growth into the global family of web service providers it is today," said James C. Neary, Chairman of the Board of Directors, Endurance International Group. "The Board and Hari have been engaged in a dialogue over an extended period of time about an eventual transition of his leadership, and will work together to bring on a CEO who can take Endurance to the next level."

Given the significant expansion of the business, the substantial focus on free cash flow generation and risk management, and the previously disclosed SEC investigation regarding non-GAAP metrics, the Board decided, and Mr. Ravichandran agreed, to accelerate the succession planning. They believe that finding a CEO with a breadth of experience growing complex organizations will enable Endurance to reach its next set of milestones. The Board has retained Heidrick & Struggles, an international executive search firm, to assist with the search process for a new CEO.

"When I started Endurance over 20 years ago, I never imagined the joys, challenges, and learnings that would come from travelling the entrepreneurial road. Today, I'm proud to say we have more than 4,000 talented employees working on behalf of five million subscribers to our services around the world who rely on Endurance for their online presence," said Ravichandran. "My number one priority has always been to do what is best for Endurance, our employees and our shareholders, and I am pleased that the Board and I are aligned on the qualities our next CEO needs. I look forward to working with my fellow Board members to identify a successor who can continue to drive growth by powering small businesses worldwide."

Business Outlook

The Company also announced today that it is confirming its previously announced 2017 GAAP revenue, adjusted EBITDA and free cash flow guidance.

The Company's expectations for the full year 2017 are as follows:

	2016 Actual	Fiscal 2017 Guidance
	As reported	
GAAP revenue	\$1.111 billion	4 — 5% increase
Adjusted EBITDA	\$288 million	12 — 14% increase
Free cash flow	\$112 million	~35% increase

Adjusted EBITDA and free cash flow are non-GAAP financial measures. A reconciliation of these non-GAAP financial measures to their most comparable measure calculated in accordance with GAAP is provided in the financial statement tables included at the end of this press release.

* Percentage increases shown in the "Guidance" column represent percentage increases over 2016 figures shown in the adjacent column.

Non-GAAP Financial Measures

In addition to our financial information presented in accordance with GAAP, we use adjusted EBITDA and free cash flow, which are non-GAAP financial measures, to evaluate the operating and financial performance of our business, identify trends affecting our business, develop projections and make strategic business decisions. A non-GAAP financial measure is a numerical measure of a company's operating performance, financial position or cash flow that includes or excludes amounts that are included or 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 additional information about adjusted EBITDA and free cash flow shown below, including the reconciliations of these 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, and impairment of other long-lived assets. 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).

Forward-Looking Statements

This press release 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 the CEO transition plan and the Company's financial guidance for the fiscal year 2017. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts, and statements identified by words such as "expects," "intends," "will," "may," 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: our ability to identify, attract, engage and transition to a new CEO; that we may be unable to successfully enhance the customer product and service experience and improve customer satisfaction and retention through operational and infrastructure improvements; that we may encounter difficulties or delays in our efforts to build brand awareness of our key brands; that we may be unable to drive revenue growth by increasing ARPS through cross-selling and other product-related initiatives; that we may 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; that we may be unable to increase sales to our existing subscribers, or retain our existing subscribers; system or Internet failures; that we may be unable to maintain or improve our competitive position or market share; and other risks set forth under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016 filed with the SEC on February 24, 2017 and other reports we file with the SEC. We assume no obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

About Endurance International Group

Endurance International Group Holdings, Inc. (NASDAQ:EIGI) (em)Powers millions of small businesses worldwide with products and technology to vitalize their online web presence, email marketing, mobile business solutions, and more. The Endurance family of brands includes: Constant Contact, Bluehost, HostGator, iPage, Domain.com, BigRock, SiteBuilder and SinglePlatform, among others. Headquartered in Burlington, Massachusetts, Endurance employs more than 4,000 people across the United States, Brazil, India and the Netherlands. For more information, visit: www.endurance.com.

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GAAP to Non-GAAP Reconciliation of Fiscal Year 2017 Guidance - Adjusted EBITDA

The following table reflects the reconciliation of fiscal year 2017 estimated net loss calculated in accordance with GAAP to fiscal year 2017 guidance for adjusted EBITDA at the high end of the guidance range (i.e. assuming a 12% increase over 2016 adjusted EBITDA as reported). All figures shown are approximate.

(\$ in millions)	Twelve Months Ending December 31, 2017	
Estimated net loss	\$	(91)
Estimated interest expense (net)		148
Estimated income tax expense (benefit)		10
Estimated depreciation		56
Estimated amortization of acquired intangible assets		137
Estimated stock-based compensation		57
Estimated restructuring expenses		8
Estimated transaction expenses and charges		—
Estimated (gain) loss of unconsolidated entities		—
Estimated impairment of other long-lived assets		—
Adjusted EBITDA guidance	\$	325

GAAP to Non-GAAP Reconciliation of Fiscal Year 2017 Guidance - Free Cash Flow

The following table reflects the reconciliation of fiscal year 2017 estimated cash flow from operations calculated in accordance with GAAP to fiscal year 2017 guidance for free cash flow. All figures shown are approximate.

(\$ in millions)	Twelve Months Ending December 31, 2017	
Estimated cash flow from operations	\$	205
Estimated capital expenditures and capital lease obligations		(55)
Free cash flow guidance	\$	150

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