

## BANZAI: BOARD OF DIRECTORS APPROVES PRELIMINARY 9M 2015 REVENUES

- **+ 34.4% revenue growth in 3Q15 (Euro 52.5 million vs Euro 39.1 million in 3Q14) accelerating significantly against previous quarters (25.4% in 2Q15 and 20.5% in 1Q15) as a result of the performance of all business lines and the peak in sales of air conditioners**
  - +35.8% e-Commerce revenues accelerating strongly versus +25%YoY in 1H15, driven by core categories<sup>1</sup> (+42.2%YoY in 3Q15 versus +30% YoY in 1H15)
  - +46.5% revenue growth of GMV<sup>2</sup> driven by the development of the 3P marketplace;
  - +22.0% revenue growth of *Vertical Content* versus +8% YoY in 1H15
- **+26.6% revenue growth in 9M15 versus 9M14 (Euro 152.3 million vs Euro 120.3 million in 9M14)**
  - +38.7% e-Commerce revenue growth (Euro 136.2 million vs Euro 105.8 million in 9M14), +34.1% of which from e-Commerce core categories<sup>1</sup>
  - +11.5% *Vertical Content* revenue growth (Euro 16.1 million vs Euro 14.4 million in 9M14)
- **Outlook FY2015 confirmed: revenue growth by about 25% in line with consensus<sup>3</sup>**

Milan, 29 October 2015

Today, the Board of Directors of Banzai, Italy's first domestic e-Commerce platform and one of the leading Italian digital publishers, listed on the STAR segment of the Italian Stock Exchange, has approved the preliminary revenues as at 30 September 2015.

**Paolo Ainio**, Chairman and Chief Executive Officer at Banzai said: "Also in the third quarter, Banzai outperforms the market and expands its market share in the e-Commerce business thanks to the development of high-ticket categories (domestic appliances and electronic goods), the "3P Marketplace" and the distribution network of Pick & Pay and Lockers. Indeed, the revenue trend shows an extraordinary growth, above the average expected for this year, also taking into account the one-off effect related to the sales of air conditioners. The growth target is therefore confirmed in line with consensus<sup>3</sup>.

I am glad to welcome Pietro Scott Jovane: Banzai can count on the input of this excellent and highly regarded manager who has always been familiar with the digital world and has covered some outstanding professional roles in the last few years. I am sure that Pietro will contribute significantly to further developing Banzai and enhancing our ability to meet the targets announced at the time of the IPO. His appointment is going to strengthen the management team. This will allow me to be focused on the development strategy and product evolution. As main shareholder and Executive Chairman, I will remain highly involved, as well as committed to long-term growth of the Company.

### Preliminary 3Q15 revenues

<i>(Eu mn)</i>	3Q15	3Q14	% Ch	9M15	9M14	% Ch
e-Commerce	47.9	35.3	35.8%	136.2	105.8	28.7%
Vertical Content	4.7	3.8	22.0%	16.1	14.4	11.5%
<b>Revenues</b>	<b>52.5</b>	<b>39.1</b>	<b>34.4%</b>	<b>152.3</b>	<b>120.3</b>	<b>26.6%</b>

The 3Q15 confirms the positive effects of the growth strategy announced at the IPO: revenues amount to Euro 52.5 million with a +34.4% versus Euro 39.1 million in 3Q14. Particularly relevant is the 42.2% growth YoY in the e-Commerce core categories<sup>1</sup>, which show a further acceleration compared with the previous quarters (+33.7% in 2Q15 and +26.4% in 1Q15), also driven by the stronger-than-expected demand for air conditioners during the summer. During the quarter, we also experienced a continued development of the 3P marketplace, which contributed to a further increase in GMV<sup>2</sup> growth equal to Euro 59.7 million, up 46.5% over 3Q14.

<sup>1</sup> Include product revenues excluding revenues from deliveries and other services

<sup>2</sup> Gross Merchandise Volume: includes revenue from the sale of products, deliveries and the volume generated by the 3PMarketplace, net of returns and VAT included

<sup>3</sup> Source: S&P Capital IQ

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### Preliminary revenues as at 30 September 2015

In **9M15 revenues** were Euro 152.3 million, +26.6% compared to Euro 120.3 million in 9M14.

<i>(Eu mn)</i>	<b>9M15</b>	<b>9M14</b>	<b>% Ch</b>
e-Commerce	136.2	105.8	28.7%
Vertical Content	16.1	14.4	11.5%
<b>Revenues</b>	<b>152.3</b>	<b>120.3</b>	<b>26.6%</b>

With revenues of Euro 136.2 million in 9M15, growing by 28.7% versus 9M14, the e-Commerce division is the main growth driver of the Group, also driven by the core categories<sup>1</sup>. The *Vertical Content* with revenues of 16.1 million euro sales grew 11.5% in 9M15 over 9M14, accelerating in 3Q15 compared with the previous quarters (+22% against 3Q14). As a whole, Banzai reported a better performance compared with its direct competitors on both the e-commerce and the digital advertising domestic markets, therefore further expanding its market share.

*e-Commerce (revenues by product and key performance indicators)*<sup>4</sup>

<i>(Eu mn)</i>	<b>9M15</b>	<b>9M14</b>	<b>% Ch</b>
Electronic Goods and Domestic Appliances	94.2	67.6	39.3%
Apparel & Other	32.0	26.5	20.6%
Services	10.0	11.7	-14.4%
<b>e-Commerce Revenues</b>	<b>136.2</b>	<b>105.8</b>	<b>28.7%</b>
<b>Revenues from core<sup>1</sup> categories</b>	<b>126.1</b>	<b>94.1</b>	<b>34.1%</b>

#### Key performance indicators<sup>4</sup>

	<b>9M15</b>	<b>9M14</b>	<b>% Ch</b>
GMV (Eu mn) <sup>2</sup>	167.3	121.6	37.6%
# of Orders ('000)	1,004	778	29.0%
AOV (Eu) <sup>5</sup>	137	129	6.2%
Buyers ('000) <sup>6</sup>	509	398	27.9%
Items per Order (#)	2.1	2.3	-8.7%

<i>(Eu mn)</i>	<b>3Q15</b>	<b>3Q14</b>	<b>% Ch</b>
Electronic Goods and Domestic Appliances	36.1	24.4	48.1%
Apparel & Other	8.8	7.2	22.2%
Services	2.9	3.6	-20.0%
<b>e-Commerce Revenues</b>	<b>47.9</b>	<b>35.3</b>	<b>35.8%</b>
<b>Revenues from core<sup>1</sup> categories</b>	<b>45.0</b>	<b>31.6</b>	<b>42.2%</b>

#### Key performance indicators<sup>4</sup>

	<b>3Q15</b>	<b>3Q14</b>	<b>% Ch</b>
GMV (Eu mn) <sup>2</sup>	59.7	40.8	46.5%
# of Orders ('000)	323	238	35.7%
AOV (Eu) <sup>5</sup>	152	141	7.8%
Buyers ('000) <sup>6</sup>	222	168	32.1%
Items per Order (#)	2.0	2.3	-13.0%

In 9M15 the e-Commerce division reported a revenue growth of 34.1% in the core categories<sup>1</sup> (Electronic Goods, Domestic Appliances, Apparel/other) compared with 9M14, with a strong acceleration in 3Q15 (+42.2%YoY over 3Q14). In particular, revenues from the "*Electronic Goods and Domestic Appliances*" category amounting to Euro 94.2 million in 9M15 show a 39.3% growth, mainly attributable to the expansion of the product range and to the development of "premium" services (delivery, installation and used goods pick-up), in addition to the expansion of the Pick&Pay and Lockers networks, which stand at 87 and 280 as at 30 September 2015 (80 and 162 as at 30 June 2015).

In 3Q15, the "*Electronic Goods and Domestic Appliances*" category also benefited from an exceptionally hot summer, which boosted sales of air conditioners beyond expectations, thus pushing growth in this quarter up to 48% versus 3Q14. Among the main highlights of the quarter, it is worth mentioning the achievement of 1 million downloads of the SaldiPrivati App, which in September alone accounted for 66% of all visits.

<sup>4</sup> Include the 3P marketplace

<sup>5</sup> Average value of each purchase order (excluding VAT)

<sup>6</sup> Buyers who have placed at least 1 order in the reference period.

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The Key Performance Indicators are also improving: GMV<sup>2</sup> (Gross Merchandise Volume) reported a 37.6% growth in 9M15 over 9M14 (+46.5% in 3Q15) thanks to the good performance of 3P marketplace volumes generated in the period. Orders exceeded the one million milestone in 9M15 growing by 29% against 9M14 (+35.7% in 3Q15); the Average Order Value (AOV<sup>5</sup>) is 137 euros, up 6% compared with 9M14 (+7.8% at 152 euros in 3Q15); lastly, the number of buyers grew to 509 thousands, up 28% over 9M14 (+32% in 3Q15). Yet the number of items per order decreased (-8.7% YoY in 9M15) as a result of a different mix more oriented towards Electronic Goods and Domestic Appliances.

### *Vertical Content Key Performance Indicators*

#### **Key Performance Indicators (average monthly data)<sup>7</sup>**

	Jan-Aug 2015	Jan-Aug 2014	% Ch
Unique Monthly Visitors ('000)	17,461	17,161	1.6%
Time Spent per Unique Monthly Visitor (minutes, '000) <sup>8</sup>	24.3	21.4	13.6%
Active Reach <sup>9</sup>	60.9%	60.3%	1.0%

According to Audioweb data, the Vertical Content division attracted an average 17.5 million Unique Monthly Visitors in January-August 2015 increase of 1.6%; the Time Spent per Unique Monthly Visitor<sup>8</sup> was 24.3 minutes, +13.6%; lastly, the Active Reach<sup>9</sup> was 60.9% .

### **3Q15 Other events**

- **Strengthen Mobile Strategy: AdKaora Acquisition**

On 6 October Banzai Media acquired 100% of AdKaora Srl, a fast-growing company in the the market of mobile advertising and multi-device marketing solutions. With this transaction Banzai completes its digital advertising offer.

- **SaldiPrivati App hits the 1-million download milestone**

On 8 October SaldiPrivati announced that it had reached 1 million downloads of its App. In September, the share of visits from the SaldiPrivati App was 66% of the total, while in terms of number of pages visited it reached 77%.

- **GialloZafferano Shop Beta launch**

At the beginning of October, GialloZafferano launched its online store "GZ Shop", dedicated to cooking enthusiasts.

GZ Shop can be found in the Giallozafferano website and leverages ePRICE infrastructure to offer cooking enthusiasts a one stop cooking equipment solution: from cookware to ovens, from mixers to juicers for a total of over 17,000 available products.

- **Construction Works have begun for the new Fulfillment Center near Milan**

*The Executive Officer Responsible for the preparation of the corporate accounting documents, Emanuele Romussi, declares, in compliance with Article 154-bis, paragraph 2 of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the underlying accounting documents, records, and accounting entries.*

<sup>7</sup> The source for Individual Monthly Visitors, Time Spent and Active Reach is Audioweb s.r.l., powered by Nielsen; the source for Page Views is Google Analytics.

<sup>8</sup> Time spent by each user on a particular web page

<sup>9</sup> Percentage of active users that visited a site or used an application out of the total No. of internet users in Italy



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### **CALL OF SHAREHOLDERS' MEETING**

The Ordinary Shareholders' Meeting is convened on 25 November 2015. The documents concerning the items on the agenda pursuant to the regulations in force is available to the public at the Company's registered office, on its website [www.banzai.it](http://www.banzai.it) (Governance section) and on the 1Info authorised storage mechanism ([www.1info.it](http://www.1info.it)).

### **CONFERENCE CALL**

A conference call will be held at 18.00 (CET) today during which Banzai management will present preliminary revenues as at 30 September 2015 and 2015 outlook. To take part in the conference call, please call one of the following numbers:

#### Analysts and Investors

- Italy: +39 02 802 09 11
- UK: +44 1 212818004
- USA (local international number): +1 718 7058796
- USA (toll-free number): 1 855 2656958

#### Journalists

- +39 02 8020927

If you are unable to participate in the conference call, a Replay Service will be available until November 6th, on:

- ITALY: +39 02 72495
- UK: +44 1 212 818 005
- USA: +1 718 705 8797  
code: 935#

The presentation can be downloaded prior to the start of the conference call from the Investor Relations / Results and Presentations section of the website [www.banzai.it](http://www.banzai.it).

This Press Release is available on the Company's website [www.banzai.it](http://www.banzai.it) and [www.1info.it](http://www.1info.it)

**Banzai** is the number 1 Italian e-Commerce platform and one of the largest digital publishers in Italy. Founded by Paolo Ainio, one of the Internet pioneers in Italy, Banzai has over 470 employees and associates. It is one of the leading Internet companies in Italy with revenues of €185 million in 2014. Every month, 17.5 million unique users visit Banzai's e-Commerce and media websites including, among others, ePRICE, SaldiPrivati, Giallo Zafferano, Pianeta Donna, Studenti, ilPost and Liquida. ePRICE is one of the major Italian online stores specialized in high-tech products (electronic goods) and large domestic appliances. With over two million registered users, SaldiPrivati is one of the most important online outlets selling clothing, footwear, accessories and household products. The two brands share a network of 87 Pick&Pay sites in 77 cities. These are pick-up and payment points that combine the advantages of online shopping with the convenience and security of a proximity store. Due to its unique and innovative product range, Banzai is a distribution channel for thousands of brands and a communication channel for over 450 advertising investors. The company is expanding rapidly and is fully focused on the development of the digital business in Italy.

#### **For more information:**

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