



PRESS RELEASE

BANZAI: 2014 PRELIMINARY RESULTS

- **Strong revenue growth**
 - +21% group revenue growth in 2014 (€185.0 million vs. €153.0 million in 2013)
 - +21% group revenue growth in Q414 (€ 64.7 million vs. €53.5 million in Q413)
 - +23% e-Commerce revenue growth both in 2014 and in Q414
- **2014 gross profit¹ of € 41.7 million (22.5% margin), including €13.6m in Q414**
- **2014 EBITDA of €3.8 million, up +53% yoy**
- **Complementary acquisition of My-personaltrainer.it in *Vertical Content***

Milan, February 26, 2015

The Board of Directors of Banzai, the #1 Italian e-Commerce platform and one of the largest digital publishers in Italy, listed on the STAR segment of the Italian Stock Market, today approved the 2014 preliminary consolidated results².

Paolo Ainio, Chairman and CEO of Banzai, stated: “Banzai is continuing to grow strongly on the ecommerce and digital publishing markets. The increase in profitability highlights, in addition, the scalability of the business model. These 2014 results lay the perfect foundation for Banzai’s next phase of development, during which we will employ the capital raised at IPO to accelerate topline growth and strengthen our leadership.”

The group generated €185.0 million in revenues in 2014, up +21% yoy vs. €153.0 million in 2013 (vs. Estimated Preliminary Results range of €183.8-184.8 million provided in the IPO prospectus); with +23% yoy growth in 2014, the e-Commerce division continues to be the primary growth driver of Banzai, while the *Vertical Content* division, with +8% yoy growth has performed strongly in the context of an unfavorable advertising market in Italy.

(€million)	Q414	Q413	Q4 growth%	2014	2013	Yoy growth %
<i>e-Commerce</i>	58.0	47.2	+23%	163.9	133.1	+23%
<i>Vertical Content</i>	6.6	6.2	+8%	21.1	19.5	+8%
Revenues	64.7	53.5	+21%	185.0	153.0³	+21%

e-Commerce (revenues breakdown and KPI)

(€million)	2014	2013	Yoy growth %	Key Performance Indicators	2014	2013	Yoy growth %
<i>Electronics</i>	75.7	61.1	+24%	<i>Orders (thousands)</i>	1,161	1,003	+16%
<i>Appliances</i>	31.3	20.7	+51%	<i>AOV (Euro)⁴</i>	135	127	+6%
<i>Apparel & Other</i>	40.5	37.1	+9%	<i>Buyers (thousands)⁵</i>	545	472	+15%
<i>Services</i>	16.3	14.2	+15%	<i>Items per order (#)</i>	2.3	2.3	-
Revenues	163.9	133.1	+23%				

In 2014 the *e-Commerce* division experienced a significant growth in orders across all product categories. Specifically, *Electronics* revenues of €75.7 million rose +24%, while *Appliances*, reporting €31.3 million, grew +51% following the extension of the product range and the development of the “premium” delivery,

¹ Gross Profit is a management accounts indicator, not identified as an accounting measure within the IFRS framework

² Data not audited

³ Includes “*Consultancy and other*” revenues of €0.4 million in 2013, of which € 0.1 in Q413.

⁴ Average order value (exc. VAT)

⁵ Customers with at least 1 order in the period

installation and used goods collection services, as well as the continued deployment of Pick&Pay points and Lockers, which reached 66 and 90 respectively by the end of the year.

The division's *Key Performance Indicators* also improved: total number of orders were 1.2 million, with an increase of 16%; Average Order Value was €135, up 6%; and number of buyers reached 545,000, up 15%.

Vertical Content (KPI)

Key Performance Indicators (average monthly data)⁶	2014	2013	Growth %
<i>Unique Monthly Visitors (000's)</i>	17,523	13,770	+27%
<i>Page Views (millions)⁷</i>	467.2	308.3	+52%
<i>Time Spent per Unique Monthly Visitor (minutes, 000's)⁸</i>	23.1	16.7	+39%
<i>Active Reach⁹</i>	62.1%	49.0%	+27%

In 2014, the *Vertical Content* division also significantly improved its *Key Performance Indicators*: Audiweb reported 17.5 million *Unique Monthly Visitors*, with an increase of 27% on 2013; *Page Views* totaled 5.6 billion in 2014, with a monthly average of 467.2 million, +52% on 2013; *Time Spent per UMV* was 23.1 minutes, +39%, with an *Active Reach* of 62.1% (49.0% in 2013). In December 2014 *Unique Monthly Visitors* totaled 18.3 million, +34% compared to December 2013.

Gross margin for the year was €41.7 million, +15% compared to € 36.4 million in 2013, corresponding to a decrease in gross margin from 23.8% to 22.5%, driven as expected by the change in product mix and the strong outperformance of appliances and consumer electronics vs. apparel and others in particular.

EBITDA for the year was €3.8 million, +53% compared to €2.5 million in 2013 (at the top end of the range of Estimated Preliminary Results provided in the IPO prospectus of €3.1-3.9 million), corresponding to an increase in EBITDA margin from 1.6% to 2.0%, mainly driven by economies of scale. EBITDA for Q414 was € 2.5 million, +12% compared to € 2.3 million in Q413.

Net loss for the year was €2.1 million (+€0.8 million vs. net loss of €2.9 million in 2013).

As of December 31, 2014, the Group reported a **Net Cash Position** of €0.8 million. The change vs. December 31, 2013 (Net Cash Position of €4.2 million) is related to the €9.5 million absorbed by investments, €1.4 million of stock market listing costs, with €7.3 million generated by the undertaking of the 2011-2014 Warrants under the share capital increase. Investments were mainly related to the launch of the *marketplace* platform, the roll out of the Locker distribution systems, the installation of the consolidation software and the introduction of the new ERP accounting and operating system.

Other events occurred after the end of 2014

On January 20, 2015, the subsidiary Banzai Media Srl completed the acquisition of MyTrainerCommunity Srl, which owns the www.my-personaltrainer.it, www.vivaifitness.it and www.abodybuliding.it websites and is considered a strategic and complementary asset for the Banzai Group. The transaction value, fully paid in cash on acquisition, amounted to €1.7 million. The agreement includes an earn-out to be settled by March 31, 2017.

In January 2015, My Personal Trainer (www.my-personaltrainer.it), the leading Italian health and well-being website with 3.9 million Unique Monthly Visitors (Audiweb View – Total Audience figures November 2014), hit a new record with over 37 million monthly page views, up 98% on January 2014 (Google Analytics). My Personal Trainer is part of the Pianeta Donna portal, the female market leader with over 10 million Unique Monthly Visitors and 920,000 daily users (Audiweb View – Total Audience figures November 2014).

The Executive Officer Responsible for the preparation of the corporate accounting documents, Mr. Emanuele Romussi, declares, in accordance with Article 154-bis, paragraph 2 of the Consolidated Finance Act that the

⁶ Audiweb Srl, powered by Nielsen, is the source of *Unique Monthly Visitors*, *Time Spent* and *Active Reach*; Google Analytics is the source of *Page Views*.

⁷ Total views of sites managed by the *Vertical Content* division.

⁸ Time spent by each user on a specific web page.

⁹ % of active users who visited a site or used an application on total internet users in Italy.

accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

The updated Articles of association are available at www.banzai.it, in the Governance section.

This Press Release is available on the Company's website www.banzai.it and on www.1info.it

Banzai is the #1 Italian e-Commerce platform and one of the largest digital publishers in Italy. Founded by Paolo Ainio, one of the pioneers of Internet in Italy, Banzai today employs more than 440 professionals and is one of the leading Internet companies in Italy with revenues of €185 million in 2014. Every month, 18 million unique users visit the group's e-Commerce and content websites, which include, among the others, ePRICE, SaldiPrivati, Giallo Zafferano, Pianeta Donna, Studenti.it, ilPost and Liquidia. ePRICE is one of the leading Italian online marketplaces with leading positions in major domestic appliances and consumer electronics in particular. SaldiPrivati, with more than two million registered customers, is one of the largest online destinations for apparel, footwear, accessories and products for home and family. The two brands share a network of 66]Pick&Pay distributed in 54 cities, collection and payment, combining the advantages of buying online with the convenience and safety of the "neighbourhood store". Thanks to a unique and innovative offer, Banzai is a distribution channel for thousands of brands and a communication channel for more than 450 advertisers. It is a rapidly growing Company and fully focused on the digital development of our country.

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