



PRESS RELEASE

BANZAI MEDIA DISPOSAL COMPLETED

Banzai expects to close 2016 with a positive net result

- **Sale of Banzai Media Holding completed** (Vertical Content Division¹) to Mondadori, for Euro 45 million (Enterprise Value) including earn-out;
- **Signed three-year advertising agreement to purchase advertising on Mediaset channels**, with an estimated Eu 7 million benefit on marketing costs in the period;
- **Banzai expects to close 2016 with a positive net result, including the capital gain from the disposal**;
- **Proceeds will be used to further extend the customer base and the range of e-Commerce products and services.**

Milan, 8th June 2016

Banzai Sp.A., Italy's first e-Commerce platform, listed on the STAR segment of the Italian Stock Exchange, announces that the sale of Banzai Media Holding (Vertical Content division¹) to Arnoldo Mondadori Editore S.p.A. has been completed, executing the agreement communicated to the market on May 10th.

The transaction perimeter includes the entire stake (100%) owned by Banzai S.p.A in Banzai Media Holding (BMH), excluding the *news* segment. The Vertical Content division posted in 2015² revenues of Euro 24.2 million, an EBITDA of Euro 3.77 million, after one-offs.

The total sale price amounts to Euro 45 million (Enterprise Value), on a *debt-free and cash-free basis*, including a share of earn-out in favor of Banzai up to Euro 4 million, if certain conditions related to 2016-2018 results of the activities sold are fulfilled. The transaction multiples are respectively 1.9x EV/Sales 2015 and 11.3x EV/EBITDA 2015, including earn-out.

The disposal of Banzai Media Holding will result in an estimated capital gain of around Euro 17.5 million at the consolidated level, net of the costs related to the transaction. The result of BMH up until the closing date, will be booked as discontinued operation / asset held for sale, together with the capital gain and the costs related to the transaction. **It is expected that as a result of the positive effects of the disposal of BMH, Banzai will close 2016 with a net profit at consolidated level.**

The fixed amount of the transaction price is Euro 41 million, net of BMH's Net Financial Position and liabilities related to earn-outs, and has been settled in cash at the closing date, **with a positive cash effect of about Euro 32 million at the consolidated level**, prior to transaction related one-off costs. The disposal proceeds will be used to strengthen the group's presence and market share in e-Commerce, to enlarge the customer base and increase the range of e-Commerce services.

The agreement with Mondadori also provides the possibility to widen Banzai's network of Pick&Pay stores, which are 106 as of 31 march 2016, within the Mondadori Retail's network.

Furthermore, **Banzai has signed a three-year agreement for the purchase of advertising time on Mediaset's TV channels, to sustain the ePRICE brand**, with an expected positive impact in terms of increased brand awareness, also based on the findings of the recent ePRICE TV campaign aired in late 2015, and finally drive further revenue growth. **The advertising contract should generate in the three year period an estimated Eu 7 million benefit in terms of marketing costs.**

¹ Excluding the *News* area, which includes *Giornalettismo* and a 38.16% stake in IL POST S.r.l.

² 2015 results include the news segment, i.e. *Giornalettismo* and the equity stake held in IL POST.



The following advisors supported the company in the transaction: Clifford Chance for legal aspects, Norton Rose and Fulbright for fiscal ones and Vintage Capital as the financial advisor.

The press release is available on the websites www.banzai.it and www.1info.it

Banzai is the leading e-Commerce platform in Italy. Founded by Paolo Ainio and listed on the STAR segment of the Italian Stock Exchange since 2015, Banzai is one of the leading Internet companies in Italy with revenues of Euro 235 million and a GMV² (Gross Merchandise Volume) of Euro 260 million in 2015, up 29%YoY in the first quarter 2016. ePRICE is one of the main online stores in Italy specialized in high-tech products (electronic goods) and is the Italian e-Commerce leader in the segment of 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 106 Pick&Pay locations in 93 cities, which combine the advantages of buying online and the convenience and security of a proximity shop.

For additional information:

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