



PRESS RELEASE

BANZAI: BOARD OF DIRECTORS APPROVES PRELIMINARY REVENUES AS AT 30 JUNE 2016

BANZAI closed 1H16 with GMV¹ (Gross Merchandise Volume) at +25%

- **GMV¹ up by 25.1% YoY in 1H16 (Euro 134.7 million vs. Euro 107.6 million in 1H15):**
 - +19.9% total e-Commerce revenue growth to Euro 105.9 million
 - +27.8% Revenues from Electronic Goods and Domestic Appliances and +34% for GMV¹
 - Sharp growth in the ePRICE market share of large domestic appliances, supported by the Home Service customised delivery and installation service.
- **GMV¹ up by 21.6% YoY in 2Q16 (Euro 67.7 million vs. Euro 55.7 million in 2Q15):**
 - +20.1% total e-Commerce revenue growth to Euro 52.4 million
 - +27.9% Revenues from Electronic Goods and Domestic Appliances and +29% for GMV¹
- **GMV¹ expected to grow by 25-30% in 2016**
- **Net profit expected for 2016, including the capital gain from the disposal of Banzai Media**

Milan, 21 July 2016

Today, the Board of Directors of Banzai, Italy's first national e-Commerce platform, listed on the STAR segment of the Italian Stock Exchange, has approved the preliminary revenues as at 30 June 2016.

*"In the first half of 2016 Banzai confirmed sharp growth in the Gross Merchandise Volume¹, which represents the current trend in the value of the goods purchased by our customers, including on the third party marketplace, hence consolidating our market share in the Electronic Goods and Domestic Appliances segment", commented **Pietro Scott Jovane, CEO of Banzai**. "The initial months of operation of the Home Service platform are showing significant customer appreciation, in terms of Customer Satisfaction (measured using NPS²) and growth in market share in the cities and regions we already cover with the service. We expect the growth trend to continue in the second half of the year, in line with the guidance of 25-30% in terms of GMV¹, due to a further increase in the number of partners operating through the marketplace, the expansion of Home Service's coverage and together with an innovative TV advertising campaign to support the ePrice brand and services. I can also confirm the focus on improving the margin and operating CF, as indicated in the targets set for 2016. As a result of the disposal of Banzai Media, 2016 is expected to close with a net profit."*

1H2016 Preliminary Revenues

In 1H16, Banzai revenues came to Euro 105.9 million, net of the Vertical Content division, whose disposal was finalised on 8 June 2016 and which has been booked under assets held for sale since 1 January 2016. The growth in 1H16 revenues thus came to 19.9% compared to *pro-forma* 1H15, driven by Electronic Goods and Domestic Appliances.

The GMV¹ – which represents customers' spending on our e-Commerce sites and on the marketplace - grew by 25.1% compared to the previous year, amounting to Euro 134.7 million compared to Euro 107.6 million in 2015. The weight of the Marketplace, launched in 2Q15, grew significantly, and represented approximately 8% of the GMV¹ in 1H16.

<i>(Euro million)</i>	1H16	1H15 Pro-forma	% Change	1H15	% Change
e-Commerce	105.9	88.3	19.9%	88.3	19.9%
Vertical Content	n.a.	n.a.	n.m.	11.4	n.m.
Revenues	105.9	88.3	19.9%	99.7	6.2%
GMV¹	134.7	107.6	25.1%	107.6	25.1%

¹ GMV Gross Merchandise Volume: includes revenues from the sale of products, deliveries and the volume generated by the 3PMarketplace, net of returns and VAT included. It does not include Vertical Content.

² Net Promoter Score: measures the proportion of "promoters" of a product, brand or service, as compared to "detractors". The number can range from -100 (all detractors) to +100 (all promoters).

e-Commerce (Revenues and GMV by product type)³

Revenues (Euro million)	2Q16	2Q15	% Change	GMV ³ (Euro million)	2Q16	2Q15	% Change
Electronic Goods and Domestic Appliances	37.0	28.9	27.9%	Electronic Goods and Domestic Appliances	51.0	39.4	29.3%
Apparel/Other categories	11.7	11.5	2.3%	Apparel/Other categories	14.6	14.2	2.7%
Services/Other revenues	3.7	3.3	13.9%	Services ⁴	2.1	2.0	5.9%
Revenues	52.4	43.4	20.1%	GMV	67.7	55.6	21.6%

Revenues (Euro million)	1H16	1H15	% Change	GMV ³ (Euro million)	1H16	1H15	% Change
Electronic Goods and Domestic Appliances	74.3	58.1	27.8%	Electronic Goods and Domestic Appliances	100.7	75.1	34.1%
Apparel/Other categories	23.9	23.1	3.6%	Apparel/Other categories	29.6	28.4	4.3%
Services/Other revenues	7.7	7.1	8.1%	Services ⁴	4.3	4.2	3.2%
Revenues	105.9	88.3	19.9%	GMV	134.8	107.6	25.1%

In 1H16, the e-Commerce Division recorded revenues in the category “**Electronic Goods and Domestic Appliances**” of Euro 74.3 million. The growth of 27.8% in 1H16 is mainly attributable to the expansion of the product range and to the development of “premium” services (delivery, installation and recycling), in addition to the expansion and improvement in efficiency of the Pick&Pay and Lockers network, which as at 30 June 2016 stood at 117 and 290 respectively (100 and 300 as at 31 December 2015). In the segment of Domestic Appliances sold online alone, where ePRICE is the market leader, the increase was far greater in the areas covered by the new installation and delivery services, which recorded an NPS² higher than 70.

As previously announced in January, Banzai launched the new generation of customised services for delivery (Home Service), installation and recycling, integrated with a proprietary mobile platform, accessible via app from smartphones, which enables our customers to have a continuous interaction with ePRICE from the purchase phase through to installation in their homes.

The GMV grew by 25.1% in 1H, driven by the performance of the Marketplace, which reached the record level of 616 merchants. The GMV for the category Electronic Goods and Domestic Appliances showed growth of more than 34% compared to 1H15.

Key Performance Indicators

Key Performance Indicators ⁵	2Q16	2Q15	% Change	Key Performance Indicators	1H16	1H15	% Change
Orders (thousand)	379	343	11%	Orders (thousand)	775	681	14%
AOV (Euro) ⁶	146	129	14%	AOV (Euro)	142	130	9%
Buyers (thousand) ⁷	250	222	13%	Buyers (thousand)	435	372	17%

In 1H16 we managed 775 thousand orders, up 14% compared with 1H15, with an average value (AOV⁵) of Euro 142, up 9% YoY, mainly driven by the ongoing shift of the growth mix towards Electronic Goods and Domestic Appliances, which are high-ticket categories. Finally, the number of buyers totalled 435 thousands, up by 17% compared to 2015.

³ Gross Merchandise Volume: includes revenues from the sale of products, deliveries and the volume generated by the 3P Marketplace, net of returns and VAT included. It does not include Vertical Content.

⁴ The GMV of services does not include B2B, advertising/Infocommerce

⁵ Including the 3P marketplace.

⁶ Average value of each purchase order (excluding VAT).

⁷ Buyers who placed at least 1 order in the reference period.

Other Events

- **Disposal of the Vertical Content Division finalised**

On 10 May 2016, Banzai announced the disposal of the Banzai Media Holding (Vertical Content Division), to Arnoldo Mondadori Editore S.p.A. at a price of Euro 45 million (Enterprise Value) including earn-out. Therefore, the disposal price equals 11.3x EV/EBITDA 2015. The disposal of Banzai Media Holding was finalised on 8 June 2016. This resulted in an estimated net capital gain of approximately Euro 17.5 million at consolidated level. Banzai announced that, as a result, it will close 2016 with a net profit at consolidated level. On closing, Banzai collected a fixed component of approximately Euro 32 million, before non-recurring costs relating to the sale.

- **Three-year agreement to purchase advertising on Mediaset Group TV channels signed**

On 10 May, Banzai announced that it signed a three-year agreement for the purchase of advertising time on the Mediaset group's TV channels, in support of the ePRICE brand, with an expected positive impact in terms of increased brand awareness, also based on the findings of the ePRICE TV campaign aired in late 2015, and in terms of revenue growth. The advertising contract should generate an estimated Euro 7 million benefit on marketing costs in the three-year period.

- **Buy Back Programme**

Banzai has launched a Buy Back programme. Treasury shares held totalled 560,641 as at 20 July 2016, equal to approximately 1.36% of the share capital.

The Executive Officer in charge of preparing the corporate accounting documents, Emanuele Romussi, declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Finance Act, that the accounting information contained in this press release is in keeping with the underlying accounting documents, records and accounting entries.



1H16 PRELIMINARY REVENUES CONFERENCE CALL

Banzai informs that a conference call will be held on July 22nd - at 12.00 (CET) - during which Banzai management will present preliminary revenues as of 30th June 2016. To join the conference call, please dial 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

Media

- +39 02 8020927

A Replay Service will be available until July,31st:

- ITALY: +39 02 72495
- UK: +44 1 212 818 005
- USA: +1 718 705 8797
- code: 940#

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.

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 GMV⁸ (Gross Merchandise Volume) of Euro 260 million in 2015, up 25%YoY in the first semester 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 117 Pick&Pay locations in 93 cities, which combine the advantages of buying online and the convenience and security of a proximity shop.

For more information:

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⁸ Gross Merchandise Volume: it includes revenues from the sale of products, deliveries and the volume generated by the 3P Marketplace, net of returns and VAT included. It does not include the Vertical Content.