



## PRESS RELEASE

### **ePRICE: OUTPERFORMS GUIDANCE AND CLOSES 2016 WITH GMV<sup>1</sup> AT EURO 254 MILLION (+23%) AND REVENUES AT 198 MILLION (+18%)**

- **GMV<sup>1</sup> up by 22.7% YoY in 2016 (Euro 254.4 million vs. Euro 207.3 million in 2015):**
  - Revenues at Euro 197.9 million, +18.0% vs. 2015
  - Sharp growth in market share of large domestic appliances, supported by the Home Service customised delivery and installation service.
- **GMV<sup>1</sup> up by approximately 20.7% YoY in 4Q16 (Euro 91.2 million vs. Euro 75.6 million in 2015):**
  - Revenues at Euro 70.7 million, +15.4% vs. 4Q15
  - Black Friday highly successful, also supported by the TV campaign
- **Expected profit for 2016 confirmed.**

Milan, 31 January 2017

Today, the Board of Directors of ePRICE (named BANZAI up to 30 January), Italy's first national e-Commerce platform, listed on the STAR segment of the Italian Stock Exchange, has approved the preliminary revenues as at 31 December 2016.

*"Our company had a very strong year in 2016: we focused fully on ePRICE, and as of today have also aligned the naming of the company. We innovated our offering by launching Home Service, more than doubled the size of the marketplace and enhanced our brand through the "ePRICE Ti Serve" TV campaign," stated **Pietro Scott Jovane, ePRICE Chief Executive Officer**. "As a result, we have achieved a relevant growth in 2016 GMV<sup>1</sup> outperforming the reference market and guidance provided last November, thanks to our leadership in online sales of large domestic appliances. Specifically, the pace picked up in the fourth quarter as compared to the previous quarter and this, coupled with early evidence on January 2017 sales trend, is indeed positive. We are therefore confident in meeting the 2016 guidance also with reference to gross margin improvement and a solid positive net cash position in the range of Euro 50-55 million. As a result of the disposal of Banzai Media and Saldiprivati, we also confirm that we expect to end 2016 with a net profit."*

### **2016 Preliminary Revenues**

In 2016, ePRICE (formerly Banzai) reported revenues of Euro 197.9 million, net of the Vertical Content and Saldiprivati divisions, which were sold last year. Therefore, 2016 revenues grew by 18.0% compared to 2016 pro-forma revenues, driven by the electronics and household electrical appliances categories.

The GMV<sup>1</sup> – which represents customers' spending on our e-Commerce sites and on the marketplace - grew by 22.7% compared to the previous year, amounting to Euro 254.4 million compared to Euro 207.3 million for pro-forma 2015, primarily due to the significant contribution from the marketplace, which grew by +123% compared to 2015. The weight of the Marketplace, launched in 2Q15, almost doubled over the year, to exceed 10% of the GMV<sup>1</sup> compared to 5.6% in 2015.

<i>(Euro million)</i>	2016	2015 Pro-forma	% Change	2015	% Change
<b>ePRICE:</b>	<b>197.9</b>	<b>167.7</b>	<b>18.0%</b>	<b>167.7</b>	<b>18.0%</b>
Other divisions disposed of during the year	n.a.	n.a.	n.m.	67.7	n.m.
<b>Revenues</b>	<b>197.9</b>	<b>167.7</b>	<b>18.0%</b>	<b>234.8</b>	<b>-15.8%</b>
<b>Overall GMV<sup>1</sup></b>	<b>254.4</b>	<b>207.3</b>	<b>22.7%</b>	<b>259.6</b>	<b>-2.0%</b>

<sup>1</sup> 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 Infocommerce or B2B.



### Revenues and GMV by product type<sup>3</sup>

Revenues (Euro million)	4Q16	4Q15	% Change	GMV <sup>2</sup> (Euro million)	4Q16	4Q15	% Change
Electronic Goods and Domestic Appliances & Other Products	64.6	56.8	13.8%	Electronic Goods and Domestic Appliances & Other Products	88.3	73.8	19.8%
Services/Other revenues <sup>3</sup>	6.0	4.5	35.6%	Services/Other revenues <sup>3</sup>	2.9	1.8	57.9%
<b>Revenues</b>	<b>70.7</b>	<b>61.2</b>	<b>15.4%</b>	<b>GMV</b>	<b>91.3</b>	<b>75.6</b>	<b>20.7%</b>

  

Revenues (Euro million)	2016	2015	% Change	GMV <sup>2</sup> (Euro million)	2016	2015	% Change
Electronic Goods and Domestic Appliances & Other Products	180.8	155.2	16.5%	Electronic Goods and Domestic Appliances & Other Products	246.5	200.1	22.7%
Services/Other revenues <sup>3</sup>	17.1	12.5	36.3%	Services/Other revenues <sup>3</sup>	8.0	6.3	25.5%
<b>Revenues</b>	<b>197.9</b>	<b>167.7</b>	<b>18.0%</b>	<b>GMV</b>	<b>254.4</b>	<b>207.3</b>	<b>22.7%</b>

In 2016 ePRICE posted Euro 181 million in revenues from product sales. The growth of 16.5% on 2015 is mainly attributable to the “Electronic Goods and Domestic Appliances” category alone, which grew by more than 24% YoY, due to the expansion of the product range and to the development of “premium” services (delivery, installation and recycling).

In 4Q16 alone, total revenues grew by 15.4% on 4Q15, also as a result of the great success of Black Friday, which saw growth of 81% in orders compared to the previous year, also due to the support of the TV campaign. In the quarter, revenues from product sales grew by 13.8%. “Electronic Goods and Domestic Appliances” product alone grew by 22%.

Revenues from the sale of Services and Other grew sharply in 2016 (+36.3% on 2015). As previously announced in January 2016, ePRICE 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 Home Service was also the focus of a TV campaign that started on 23 September 2016 and contributed to the increased rate of use of that service.

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 Home Service, with a Net Promoter Score (NPS)<sup>4</sup> of around 70. In 2016 the number of installations of domestic appliances grew by 100% on 2015.

In addition to developing the Home Service, in 2016 **ePRICE completed and optimised the Pick&Pay and Lockers network**, the only network of its kind on the Italian market which totalled 133 Pick&Pay locations and 309 Lockers as at 31 December 2016 (100 and 300 as at 31 December 2015). Delivery services to Pick&Pay locations have an NPS<sup>5</sup> greater than 80 and since December they have also been opened to Marketplace merchants.

**The GMV grew by 22.7% in 2016, driven by the performance of the Marketplace, which reached 877 merchants** and grew by 123% over the year, boosted by the electronics. Note that the GMV does not include Infocommerce or B2B services.

<sup>2</sup> 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.

<sup>3</sup> Revenues from services include transportation services, warranties, B2B revenues and other revenues. The GMV of services does not include B2B, advertising/Infocommerce. Revenues from warranties were reclassified under revenues from services for the entire year 2015 and 2016.

<sup>4</sup> The Net Promoter Score is calculated by subtracting the percentage of detractors from the percentage of promoters obtained.



## Key Performance Indicators

Key Performance Indicators <sup>5</sup>	4Q16	4Q15	% Change	Key Performance Indicators <sup>5</sup>	2016	2015	% Change
Orders (thousand)	332	293	13%	Orders (thousand)	962	817	18%
AOV (Euro) <sup>6</sup>	225	211	7%	AOV (Euro)	217	208	4%
Buyers (thousand) <sup>7</sup>	242	218	11%	Buyers (thousand)	563	481	17%

In 2016 we managed 962 thousand orders, +18% compared with 2015, with an average value (AOV<sup>5</sup>) of Euro 217, up 4% 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 563 thousand, up by 17% compared to 2015.

## Other Events

- **New “ePRICE Ti Serve” TV campaign**

The “ePRICE Ti Serve” TV campaign started on 23 September 2016. Investments in increasing brand awareness and brand equity include a TV advertising campaign with a total value of Euro 10 million to be invested over 3 years starting from 2016. In 2016 8 million people in the 35 to 54 age range were reached.

- **Black Friday 2016: orders +81% YoY**

Black Friday recorded +81% in the value of orders compared to 2015, +89% if the Thursday night advance orders are included, whilst the marketplace alone performed over 4x Black Friday 2015. ePRICE also tripled the number of installation services sold and doubled sales of domestic appliances as compared to Black Friday 2015. Lastly, ePRICE also beat the record of visits in a single day, with peaks of Mobile Traffic at 70%.

- **Buy Back Programme**

Banzai (now ePRICE) launched a Buy Back programme in 2016. Treasury shares held totalled 863,512 as at 31 January 2017, representing 2.1041% of the share capital.

- **2016-2021 Strategic Guidelines Presentation**

On 10 November 2016, Banzai (now ePRICE) presented its Strategic Guidelines for the next 5 years. In brief, based on these guidelines, GMV 2021 to triple on the GMV TTM 3Q16 (Euro 240 million), EBITDA margin to amount to 4-6% and cash generation to begin in 2019.

- **Change of company name from Banzai to ePRICE and new Ticker**

On 30 January 2017 the register of companies confirmed the taking effect of the change of company name from Banzai S.p.A. to ePRICE S.p.A., a change approved by the Shareholders' Meeting of 20 December 2016. Subsequently, Borsa Italiana will change the company's ticker from BANZ.MI to EPR.MI from February 1<sup>st</sup>.

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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.

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<sup>5</sup> Including the 3P marketplace.

<sup>6</sup> Average value of each purchase order (excluding VAT).

<sup>7</sup> Buyers who placed at least 1 order in the reference period.



## CORPORATE EVENTS 2017 CALENDAR

ePRICE S.p.A. announces the annual calendar of corporate events for 2017, as shown below. The calendar is also available to the public on the Company's website [corporate.eprice.it](http://corporate.eprice.it) and [www.banzai.it](http://www.banzai.it).

### **15 March 2017 - BOARD OF DIRECTORS**

*Approval of Draft Financial Statements and Consolidated Financial Statements as of Dec. 31st, 2016*

### **27 April 2017 - ORDINARY SHAREHOLDERS MEETING**

*Approval of 2016 Financial Statements*

### **27 April 2017 - BOARD OF DIRECTORS**

*Approval of Preliminary Revenues as of March 31st, 2017*

### **10 May 2017 - BOARD OF DIRECTORS**

*Approval of Interim Financial Report as of March 31st, 2017*

### **25 July 2017 - BOARD OF DIRECTORS**

*Approval of Preliminary Revenues as of June 30th, 2017*

### **13 September 2017 - BOARD OF DIRECTORS**

*Approval of Half-Yearly Financial Report as at June 30th, 2017*

### **17 October 2017 - BOARD OF DIRECTORS**

*Approval of Preliminary Revenues as of September 30th, 2017*

### **8 November 2017 - BOARD OF DIRECTORS**

*Approval of 9M Financial Report as of September 30th, 2017*

The Company will also avail of the option not to draw up the report on 4Q16, and therefore, will only approve the draft financial statements for 2016.

Legislative Decree no. 25 of 15 February 2016, which endorsed Directive 2013/50/EU (amending Directive 2004/109/EC, known as the Transparency Directive), eliminated the obligation to publish interim management statements for listed issuers whose home state is Italy and attributed to CONSOB the right to require that said issuers publish "additional periodic financial information".

In that sense, CONSOB issued the new article 82-ter of the Issuer's Regulation, in force from 2 January 2017, which expressly allows issuers to continue to notify the public – exclusively on a voluntary basis – of "additional periodic financial information" with regard to the annual and interim financial reporting, in compliance with the principles and application criteria of the provision in question. Specifically regarding issuers with shares traded



on the STAR segment of the MTA market managed by Borsa Italiana (which include ePRICE S.p.A.), the Stock Exchange Regulations set out specific additional requirements for information transparency, liquidity and corporate governance, to guarantee high standards of quality and ease of access to information. Specifically, article 2.2.3., paragraph 3 of the Stock Exchange Regulations sets out the obligation for STAR issuers to provide their interim management statements to the public within forty-five days from the end of the first, third and fourth quarters of the year, without prejudice to the fact that said issuers are not required to publish the fourth statement if they provide the public with the annual financial report along with all the other documents pursuant to article 154-ter, paragraph 1 of Legislative Decree no. 58 of 24 February 1998 (Consolidated Finance Act - TUF), within ninety days from the end of the financial year.

With notice no. 7587 of 21 April 2016, Borsa Italiana S.p.A. clarified that article 2.2.3, paragraph 3 will continue to be applied to STAR issuers.

Therefore, in light of all of the above, ePRICE S.p.A. announces that it intends to continue publishing quarterly periodic financial information in line with its actions to date, to provide the market with continuous significant information on the Company's performance.

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The press release is available on the websites [corporate.eprice.it](http://corporate.eprice.it) , [www.banzai.it](http://www.banzai.it) and [www.1info.it](http://www.1info.it)



## 2016 PRELIMINARY REVENUES CONFERENCE CALL

Banzai informs that conference call will be held today - January 31st - at 15.00 (CET) - during which Banzai management will present preliminary revenues 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 February,9th on:

- ITALY: +39 02 72495
- UK: +44 1 212 818 005
- USA: +1 718 705 8797
- code: 915#

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

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ePRICE (previously 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, it changed its name from BANZA to ePRICE on 30 January, 2017. ePRICE is one of the leading Internet companies in Italy with revenues of Euro 198 million and a GMV<sup>8</sup> (Gross Merchandise Volume) of Euro 254 million in 2016, up 23% YoY in the 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. ePRICE launched in 2016 the Home Service Mobile Platform to manage premium delivery and installation services, which covers around 14 million Italians. ePRICE has a network of 133 Pick&Pay locations in 109 cities, which combine the advantages of buying online and the convenience and security of a proximity shop.

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<sup>8</sup>Gross Merchandise Volume: it includes revenues from the sale of products, deliveries and the volume generated by the 3PMarketplace, net of returns and VAT included.