

CLOSING OF BANZAI MEDIA HOLDING ACQUISITION

Segrate, 8 June 2016 - Arnoldo Mondadori Editore S.p.A. announces that it has finalized the acquisition today of Banzai Media Holding S.r.l. (vertical content division of the Banzai Group)¹, in execution of the agreement previously disclosed to the market on 10 May 2016.

The transaction has a value of 24.6 million euro, based on an enterprise value (fixed component) of 41 million euro, and a net normalized financial debt of 16.4 million euro (including financial payables to the parent Banzai S.p.A. and 3.3 million euro for deferred price components related to previous acquisitions).

The price was settled in cash today through a dedicated credit line made available to the Group.

An earn-out of 4 million euro will be paid to Banzai S.p.A. if certain established results for the 2016-2018 three-year period are met.

In 2015, the acquired scope, which will be consolidated as from 1 June 2016, posted revenue of 24 million euro and EBITDA (before non-recurring items) of 4 million euro, and counted 17.1 million unique users.

In 1Q16, revenue grew by approximately 20% (6 million euro versus 5 million euro at 31 March 2015, also as a result of the consolidation of AdKaora, the mobile advertising platform acquired by Banzai in October 2015), while EBITDA before non-recurring items came to 0.7 million euro (0.5 million euro at 31 March 2015).

The transaction allows the Mondadori Group to become the top Italian digital publisher, boasting a strong leadership in key areas - women, food, health&wellness - that are complementary and synergistic with the brands held in its portfolio.

The combination of the innovative platform and skills of Banzai Media with Mondadori's outstanding content, will enable the Group to develop the positioning of its brands in the digital segment, based on a business model capable, on the one hand, of intercepting new users and audiences and, on the other, of expanding its range of digital marketing services, also leveraging on product innovation and brand extension initiatives.

¹ The acquired scope does not include the news segment, composed of Banzai's investment in *Il Post* S.r.l. and of the *Giornalettismo* website BU.