



*Today, the Board of Directors of Buongiorno SpA has examined the preliminary figures for Q4 2006 and for the full year, and has approved the 2007 budget.*

## **Buongiorno: 2006 Preliminary Year-end Results.**

**Revenues at Euro 192 million and Ebitda at Euro 23.6 million.  
Strong Operating Cash Flow of approx. Euro 20 million for the year.  
Guidance for 2007 confirmed.**

*2006 preliminary consolidated revenues are approx. at Euro 192 million, up 41% versus 2005.*

*Industrial Added Value at approx. Euro 78 million, up 42% versus last year.*

*Ebitda at approx. Euro 23.6 million (after Euro 1.75 million of non-monetary costs for the stock option plans), up 93% versus 2005.*

*Strong Operating Cash Flow of approx. Euro 20 million.  
Year-end Net Financial Position positive at approx. Euro 6.5 million.*

Milan – January 23, 2007 – The Board of Directors of Buongiorno SpA (MTAX STAR, Italian Stock Exchange: BNG), a leading multinational operating in the market of digital entertainment, examined today the preliminary figures for Q4 2006 and for the full year, and approved the 2007 budget.

The figures released herein are preliminary and subject to change after the presentation of the final accounts for Q4 2006 and for 2006 full-year results, which is scheduled to take place on February 12, 2007.

Preliminary figures show 2006 fourth-quarter consolidated revenues at approximately Euro 47 million, with a 10% increase versus last year. 2006 full-year consolidated revenues amounted to about Euro 192 million, up 41% versus last year, and are slightly below (approx. -1.4%) the most recent Company's guidance of Euro 195-205 million and above (approx. +6.7%) the year-start target of Euro 170-180 million.

Fourth-quarter IAV was approximately Euro 22 million, with a 16% increase versus last year. 2006 full-year IAV reached about Euro 78 million, above the Company's forecast (Euro 73-75 million), with a 42% increase on last year, a growth rate which exceeds the revenue growth rate.

Ebitda for Q4 2006 was about Euro 6.6 million, with a 22% increase compared to Q4 2005. The 2006 full-year preliminary consolidated Ebitda amounted to about Euro 23.6 million, up 93% compared to last year, in the upper end of the guidance range (Euro 22-24 million). This figure is calculated after Euro 1.75 million of non-monetary costs related to the Stock Options currently outstanding.

FY 2006 showed a positive operating cash flow of about Euro 20 million. The Net Financial Position at December 31, 2006 was positive at about Euro 6.5 million, up about Euro 4 million from the end of September.

Today, the Board of Directors also approved the 2007 budget, based on which the Company confirmed its Guidance on 2007 results\*. Revenues are expected between Euro 230 million and Euro 250 million, Industrial Added Value between Euro 94 million and Euro 100 million, Ebitda between Euro 30 million and Euro 34 million, and EpS between Euro 0.25 and Euro 0.28. As for the quarterly outlook, the Company expects a strong sequential progression in 2007 both for revenues and profits, with higher growth rates compared to the second half of 2006.

\* Forecast statements shown in this document are based on the data currently available to B!



*"We are extremely pleased with our 2006 results. It has been a year of sustained growth in which we have been able to grow fast and materially increase our profitability while further expanding our geographical footprint. In its seventh year since its start-up, Buongiorno has approached the Euro 200 million revenue threshold and has generated material profits and cash flow. In this very positive picture, what is not fully up to our expectations is the revenue growth in the last part of the year, which has been slowed down by some issues that we faced on the US market. All the same, we emerged as one of the largest players on the US market and we are working to become even more competitive in the customer acquisition phase", stated Andrea Casalini, Chief Executive Officer of Buongiorno SpA. Andrea Casalini added: "Overall, we are confident to achieve both our 2007 and long-term ambitious goals through new products and services offering and even more innovative advertising and promotion techniques. We are truly excited about being one of the very few global companies in our industry, with a sustainable, well-balanced business portfolio and a very strong team of 700 professionals, committed to making Buongiorno the undisputed leader in bringing digital entertainment to consumers worldwide through a variety of networks, starting with the mobile ones."*

The revenue trend and the full-year revenues were 1.4% below the most recent guidance, due to the higher-than-expected revenue shortfall on the US market in the last part of the year. This shortfall has been triggered by the reduced marketing spending, decided by the management because of the lower returns seen in recent months, and by the decision of an important local mobile operator to suspend some of Buongiorno's services. This shortfall has been made worse by the Euro/USD exchange rate trend. Such a trend has not only affected the quarterly results in Euro, but has also provoked an accounting adjustment on previously reported quarters. This adjustment alone impacted Q4 results for almost Euro 1 million. The US market is now being addressed by introducing new services, improving the customer acquisition and retention processes, and diversifying the distribution channels. The management expects the US market to recover soon, and confirms the previous guidance for 2007.

Buongiorno's final fourth-quarter and full-year results are scheduled to be announced on February 12. Buongiorno will hold its quarterly conference call on February 12.

\*\*\*

#### **About Buongiorno Group**

Buongiorno (Italy, MTAX STAR: BNG) is a multinational leader in digital entertainment. One of the first groups worldwide in the mobile value added services area, Buongiorno is market leader in Europe and the United States and has recently opened operations in emerging markets such as Latin America, Middle East and Africa. Buongiorno operates in Russia and Pacific Asia through the Joint Venture with the Japanese group Mitsui & Co., Ltd.. Buongiorno operates with two business lines: value-added services for wireless and wired consumers (Consumer Services) - distributed through the brand BLINKO as well as through partnerships with leading telecom companies and the most important media groups -, and digital marketing services (Marketing Services).

**Additional information about Buongiorno S.p.A. is available on the website [www.buongiorno.com](http://www.buongiorno.com) or by contacting:**

Michaela M. Carboni  
Global Investor Relations Director  
Tel. +39 02 58213541  
Email: [michaela.carboni@buongiorno.com](mailto:michaela.carboni@buongiorno.com)

Eleonora Villanova  
Global PR & Events Executive  
Tel. +39 02 58213512  
Email: [eleonora.villanova@buongiorno.com](mailto:eleonora.villanova@buongiorno.com)

\* Forecast statements shown in this document are based on the data currently available to B!