



## **Buongiorno strengthens its presence in South America with the acquisition of Argentinian By-Cycle**

*Buongiorno finalizes the agreement for the acquisition of By-Cycle, leader in digital entertainment and mobile marketing in Argentina, Uruguay and Peru.*

*Buongiorno will pay By-Cycle 5,5 million USD in cash\*.*

*The acquisition is part of the Group's strategy to accelerate its growth in South America, where it is already operating in Mexico, Brazil, Chile, Ecuador and Bolivia.*

Milan, October 24, 2007 - Buongiorno SpA (MTAX STAR, Italian Stock Exchange: BNG), which last July signed the agreement for the acquisition of iTouch becoming the world's No.1 provider of mobile entertainment, information, messaging and marketing services, announces today the acquisition of 100% of the share capital of By-Cycle (Axis Mundi S.A.), leading Group in Argentina, Uruguay and Peru in the digital entertainment market and mobile marketing, with headquarters in Buenos Aires and Lima. Buongiorno will pay By-Cycle 5,5 million USD in cash\*.

By-Cycle, active since 2002, operates with two business lines: mobile marketing services and **mobile value added services under hugely successful BIPPIE brand** ([www.bippie.com](http://www.bippie.com)), leader in Argentina. Bippie's offer includes value added services as ringtones, wallpapers, videos, java games, news, chat and communities, reaching a potential customer audience of 31 million clients.

By-Cycle has been the first to collaborate with the 3 main telephone operators, it conceived and promoted the first interactive TV (cable as well) voting action, the first interactive txt game and the first mms soap opera (*FanTESStic*) for its consumers. Since its inception, By-Cycle realized more than 300 voting activities in Argentina, Ecuador, Mexico, Colombia, Uruguay and Peru.

In addition, By-Cycle generated a unique range of **Mobile Marketing** services to develop creative mobile marketing concepts and solutions, such as instant wins, chats, promotions for its clients: Disney and Nokia, among others; it also collaborated with the most relevant communication agencies as Ogilvy, JWT and big media companies like Endemol.

Buongiorno started cooperating with By-Cycle in April 2007 for designing and promoting the **"Superconcurso Blinko Argentina"** in collaboration with Telefónica Móviles: a contest which allowed to win up to 500.000 pesos, simply sending an sms. The operation had an enormous and immediate success, collecting more than 16 million sms (900,000 unique users).

"The mobile market in Argentina is rapidly growing, counting over 31 million mobile phones on 40 million people population. We are delighted for the acquisition of By-Cycle; our aim is to create and deliver high quality products and services to partners and final consumers" comments Andrea Casalini, Chief Executive Officer of Buongiorno.

The acquisition of By-Cycle is another step in Buongiorno's global growth and presence in the South American market, where, thanks to the recent acquisition of iTouch, the combination of the two enterprises (which operate through Blinko and Movilisto brands), is market leader in Argentina and Mexico and co-leader in Brazil, counting on connections with the 15 top mobile operators of Central and South America.

Buongiorno has been present in Mexico since 2004 and has a solid partnership with **Televisa – Esmas**, the main media group in Central and South American countries and it is leader in the US Hispanic mobile entertainment market. In 2007 Buongiorno opened its headquarters in San Paulo, Brazil, and it signed an agreement with TIM Brasil, the second mobile operator of the country (with over 24 million clients), for the

\* plus a possible earn out of up to 4 million USD based on EBITDA estimates for 2008-2009.  
[www.buongiorno.com](http://www.buongiorno.com)



production and distribution of **TIM Music Store**, the new virtual music shop which will allow its users to listen and buy entire songs and audio/video content of the most known Brazilian and international music artists.

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#### **About Buongiorno Group**

Buongiorno (Italy, MTAX STAR: BNG) is a multinational leader in digital entertainment. After the acquisition of iTouch, a market player in the distribution of mobile entertainment products and services, Buongiorno became the world's No.1 provider of mobile entertainment, information, messaging and marketing services. As a matter of fact the Group is market leader in Europe and in 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). Moreover Buongiorno is partner of NCL (National Consumer League), the oldest American association for the consumer's protection, on developing an educational campaign for mobile entertainment users.

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

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