



Buongiorno launches blinko - the first social network designed for mobile phones and the killer app that will see Buongiorno become a world leader in Mobile Social Networking

Buongiorno's goal is to become one of the top brands in the mobile social networking market in Europe, the US, Africa and South America by the end of 2009 - a market with a projected worth of more than €20bn by 2012

Milan, 30 October 2008 – Buongiorno SpA (MTA STAR, Borsa Italiana BNG) – the global leader in digital entertainment – announces its debut in the global Mobile Social Networking space (mSN) with **blinko**, a proprietary solution specifically designed for mobile use. With blinko's worldwide launch, the company aims to become one of the top 3 brands in at least 10 countries.

"The social network is the most important development in digital media of the past three years. It's here to stay," said Mauro Del Rio, Chairman and Founder of Buongiorno SpA.

"Up to now, it has only been available on the fixed internet, but clearly it is even more at home in the mobile phone context. At the heart of social networking is the desire to share interesting things with people we are close to - and interesting things don't tend to happen in front of a computer screen, but when we're out and about with our mobile phones. That is why Buongiorno wants to lead the uptake of mobile social networking", said Del Rio.

The market: One mobile user out of every five to be registered with an mSN by 2012

A social network is a group of people interconnected by ties, ranging from the casually acquainted (ie co-workers), all the way to members of the same family. Just like in real life, these people get to know each other, have discussions and communicate. This increases their need to bring their "network of friends" with them at all times and everywhere, to document whatever happens with pictures or messages, answer the various "what are you up to?" inquiries, and share their daily experiences.

Mobile social networking is no longer being used just by a few early adopters; it is fast becoming a mass phenomenon, with increasingly interesting growth trends. A study conducted by Informa, which analyzed and forecast the growth of social networking for 2007-2012, concluded it was a constantly evolving trend: 55m people registered with online communities in 2007 and projections, based on a current annual average growth trend of 50%, estimate there will be 428m users by 2012.

Informa also provided three possible scenarios for mobile user numbers: a conservative estimate of 428m users, a medium-level estimate of 562m, and a high estimate of 770m users. This means that approximately one mobile user out of five could belong to a mobile social network within just 4 years.

According to a white paper written by Informa exclusively for Buongiorno, the most successful mobile social network players long term will be the pure play companies – those like Buongiorno which embrace the communication and functionality of the mobile device to deliver four key needs - communication, location, immediacy and relevance.

blinko's business model

Buongiorno is perfectly poised to reap the benefits of the emerging mSN market, a market that has until now been dominated by pure web players. Its mobile credentials are impressive – with more than 10 years' experience in the field of mobile entertainment and the development of phone solutions.

"Buongiorno believes a revolution is underway – one driven by the mobile device and the desire to connect: closely; simply; flexibly; and immediately," Del Rio continued. "The environment is now right for an explosion in mobile social networking – the devices, network capabilities, and user understanding and



desire is all in place. Until now, what's been missing is a mobile-centric solution from a mobile expert. With blinko, from Buongiorno, the future is now clear. Buongiorno is ready to springboard from its current leadership in mobile entertainment to leadership of mobile content 2.0."

blinko's business model will be based on commercial mechanics that the company has successfully harnessed in the past for selling value-added content in the telephony market. It combines three main sources of revenue:

- *Revenue sharing with carriers.* Buongiorno has established worldwide strategic alliances with more than 100 telecommunications companies, offering potential access to more than 2bn mobile users.

- *Premium content sales* (such as music, videos, games, pictures). blinko will become an innovative sales channel for the vast range of products directly and indirectly sold by Buongiorno. This impressive catalogue is already sold to more than 100m users in more than 53 countries, and includes more than 1.5m selections - differentiated by region and specifically developed according to the cultural trends of each country.

- *Advertising on both web and WAP channels.* With the support of its Marketing Services division, blinko will offer companies consulting services for the design and implementation of digital marketing campaigns that cover the entire value chain, from concept to realization through its own dynamic "Ad serving" campaign management tools, well suited for fixed-line and mobile phones.

Andrea Casalini, CEO of the Buongiorno Group, added: "Operating on a global scale through agreements with more than 100 carriers like Optus in Australia, Bharti Airtel in India, Tim and Vodafone in Europe, Telefonica in Latin America and many others, Buongiorno's sales of Mobile Content 1.0 have exceeded €300m. We are now ready to multiply our opportunities for growth and create additional value for our stakeholders with mobile social networking, meaning Mobile Content 2.0."

Mobile social networking according to Buongiorno

blinko will fill the gap in the "connected lifestyle". Web social networking sites have become more than just a destination – they also provide a great activity framework, attracting millions of users interested in maintaining their relationships. The same will happen when social networking goes mobile – cell phones are not merely another platform, they add a huge ubiquity factor that makes mobile social networking a totally new experience. Surveys show that mobile users want to share emotions and experiences with friends instantaneously and at any moment. They seek the chance to do some of the things they normally do on their PCs and social networking is at the top of the list.

"Mobile Social Networking is, after SMS and pictures, the new killer application for mobile phones, which allows users to communicate and share the most interesting moments of their daily lives as they happen, from anywhere and any time they want," **Lucia Predolin, IR & Marketing Communications Manager of Buongiorno** commented.

"blinko allows the user's phone directory to 'come alive', transforming it into a community that is always nearby and interactive. Different 'tribes' of users are already beginning to form: the *Alpha users*, fans of novelty and always ready to try out new interfaces, the *Collectors*, who point out the most interesting content on the network, and the *Digital Natives*, who were born after the 80s, grew up with digital communities, normally use services like SMS, e-mail, web SMS and IM to communicate, and require a user experience that is as intuitive as possible and always on".

blinko goes to University

To further validate the unique characteristics of the project, blinko has been chosen by Milan Polytechnic as a case study for students on the "e-business" course at the Management Engineering and IT/Telecom department



blinko's advantages in Mobile Social Networking

Unlike competitor mobile offerings which are simply “adapted” and in some cases “shoe-horned” from existing web products, blinko has been **specifically designed and optimized for mobile phones**. This guarantees it's simple to operate and user friendly on almost all mobile devices – irrespective of manufacturer (including Apple), or model (smartphone and mass-market).

But blinko's mobile-centric nature goes deeper than just handset compatibility. Using its expert understanding of mobile products and behaviour, Buongiorno has looked at what a social network should deliver within the mobile environment. It's for this reason that blinko's core message is **real time, real people**.

blinko is not about being connected to everyone, however loose the bond of friendship may be. Unlike web interpretations, social networking on blinko is focused on seamless communication **with real friends** - those close friends you would text, rather than those distant acquaintances you might e-mail.

This **seamless communication** is delivered through a continuous and fluent experience, regardless of the device being used - a sort of mash up between web, WAP and client that means users can exploit the device and platform that most suits them and the environment they find themselves in.

blinko includes a portfolio of the most requested and popular mobile social networking applications - features like status updates using pictures from your mobile phone album; simultaneous chat across platforms; and even free SMS.

The key module of blinko is **users' status updates**. These can be in the form of short texts, photos, bookmarks, quotes and notes (video will come soon) – uploaded from either the pc or mobile and instantly viewable on either platform. These can be seen by either the entire community or alternatively only by their group of friends. Friends can then interact by sending comments – posts that can be made wherever and whenever, and not just from in front of a stationary pc. The same will soon be true of whole photo albums.

Free SMS is one of the most popular features of blinko, allowing users to send free text SMS from both the web and also from handsets (via WAP). Users can send SMS directly from the platform without disconnecting, and the receiver will find a normal SMS in their regular inbox - complete with the sender's real name with the option to reply.

Other important and innovative features of the product include: instant messaging (cross platform); java client; automatic mobile number identification (being rolled out) and optimized friends search that allows loading of contacts directly from the telephone directory.

blinko is offered to users free of charge: they only pay what their mobile carrier charges for internet access under their data plan.

The service is currently available in three languages – Italian, English and Spanish – and will be expanded soon to include Portuguese, French and German. Registration to blinko is 'by invitation only' - by accessing the www.blinko.com, website or opening a mobile internet session and inputting the link <http://m.blinko.com> and an invitation code.

A demo of the product can be seen at www.realtimerealpeople.com
For further information: www.buongiorno.com/mobileSN



About Buongiorno Group

Buongiorno (Italy, MTA STAR: BNG) is a multinational leader in digital entertainment. With the acquisition of its competitor iTouch in 2007, Buongiorno has become the world's #1 in mobile content: music, video, games, social networking, mobile and interactive TV. The company counts on an unparalleled international presence with 38 offices and business in 53 countries, direct connections with 100+ telcos and access to more than 2bn mobile customers. Buongiorno is the market leader in Europe, and is one of the top 3 players in 8 of the world's most important geographies.

Buongiorno is present in Russia and Pacific Asia (India, China, Indonesia, Vietnam and the Philippines) through a joint venture with the Japanese group Mitsui & Co., Ltd. The company operates with two business lines: mobile value-added services (Consumer Services) — distributed through the global brand BLINKO as well as through partnerships with leading telcos and media groups — and digital marketing services also referred to as sponsored content (Marketing Services).

ICIS

UK Financial Press and Financial Analysts

Fiona Conroy

Tel: +44 207 651 8688

Email: fiona.conroy@icisnet.com

BUONGIORNO

Eleonora Villanova

Global PR & IR Executive

Tel. +39 02 582131

Email: eleonora.villanova@buongiorno.com