



The Board of Directors of Buongiorno S.p.A. today approved the Draft Annual Report for 2008

**Buongiorno FY 2008: Revenues Amounted to Euro 316 Million and  
EBITDA for 2008 to Euro 39.8 Million.  
Net Financial Position at December 31, 2008 Amounted to Euro -66.7 Million.**

- Revenues amounted to Euro 316 million in 2008 (Euro 175 million in 2007), with a positive consolidated **normalized EBITDA** of approximately Euro 39.8 million, up by 84% from Euro 21.6 million in 2007.
- Net debt at December 31, 2008 was Euro 66.7 million.
- **Consolidated Profit** for 2008 totaled approximately Euro 8.4 million (Euro 13.7 million in 2007).
- The Board of Directors puts forward a proposal to the forthcoming General Shareholders' Meeting to authorize buy back for 10,000,000 ordinary shares.

Milan, March 16, 2009 – The Board of Directors of Buongiorno S.p.A. (MTA STAR, Borsa Italiana: BNG), a leading multinational in digital entertainment, approved today the draft financial statements for 2008, prepared in accordance with the IAS/IFRS.

Buongiorno's FY 2008 results points a rapid growth compared to accounting results for 2007, when the company reported Euro 175 million in revenues and an EBITDA of Euro 21.6 million, and in line with last year's pro-forma data, on the basis of the aggregated results of the Buongiorno and iTouch groups (Euro 319 million in aggregated revenues and EBITDA of Euro 40 million). In particular, the last quarter of 2008 was the best in Buongiorno's history, with revenues of Euro 83 million (compared to Euro 46 million in Q4 2007) and an EBITDA before extraordinary expenses of Euro 13.1 million (compared to Euro 7 million in the fourth quarter of 2007). The results for the quarter were also substantially in line with the pro-forma data for Q4 2007, with a slight improvement in profitability: revenues amounted to Euro 83.8 million and EBITDA to Euro 12.7 million.

At year-end 2008, the **Value of Production** was Euro 318.9 million (up 80% compared to Euro 177.3 million at December 31, 2007). **Core revenues** also rose by approximately 81% from Euro 174.9 million in 2007 to Euro 316 million in 2008. Consolidated **normalized EBITDA** was positive at approximately Euro 39.8 million in 2008, up by 84% from Euro 21.6 million in 2007.

The decline in Net Income from Euro 13.7 million in 2007 to Euro 8.4 million in 2008 was primarily due to the extraordinary charges associated with the integration with iTouch and increased financial charges arising from the loan contracted for the acquisition of the iTouch Group.

**Breakdown of Revenues and EBITDA by Geographical Area**

<b>REVENUES BY GEOGRAPHICAL AREA</b> (in thousands of Euro)	<b>2008</b>	<b>2007</b>	<b>VARIATION</b>	<b>Var. %</b>
ITALY & MED	40,171	41,365	-1,194	(2.9%)
FRANCE	24,500	10,268	14,232	138.6%
IBERIA	107,979	54,982	52,997	96.4%
GSA	11,425	4,738	6,687	141.1%
LATAM	22,518	5,285	17,233	326.1%
UK & INTERNATIONAL	90,223	25,204	65,019	258.0%
NORTH AMERICA	18,878	32,618	-13,740	(42.1%)
OTHER	254	422	-168	(39.8%)
<b>REVENUES</b>	<b>315,948</b>	<b>174,882</b>	<b>141,066</b>	<b>81%</b>

As reported in the above table, in 2008, Buongiorno significantly expanded its presence in markets already served and it also expanded in markets previously not covered, the most important of which are South Africa, Australia (part of Uk Int'l),

and Argentina.

In detail, in *France*, consolidated revenues amounted to Euro 24.5 million in 2008 (Euro 10.3 million in 2007). The growth was attributable to the consolidation of Mobivillage SA, a French iTouch company specializing in the B2O sector, and Movilisto France operating in the B2C segment. Revenues in the *Iberia* region increased 96.4% in 2008 (from Euro 55.0 million in 2007 to Euro 108.0 million in 2008), mainly attributable to the consolidation of the B2C business developed by the Movilisto companies in Spain and Portugal and the B2B businesses of the Llama TV group of companies, call TV services in particular. The *GSA area* increased its turnover from Euro 4.7 million in 2007 to Euro 11.4 million in 2008, mainly attributable to SMS.at GmbH, an Austrian company active in the B2C sector acquired through the iTouch transaction. In *South America (Latam)*, turnover amounted to Euro 22.5 million (Euro 5.3 million in 2007), mainly attributable to the acquisition of the ByCycle group in Argentina, consolidated as of October 1, 2007, the integration of iTouch's Brazilian and Mexican operations and the organic growth resulting from an agreement with Telefónica for managing its "Super Contests" in Latin America.

In the *UK International* area, the change in the scope of consolidation was the main driver behind the increase in turnover compared to the previous year (from Euro 25.2 million in 2007 to Euro 90.2 million in 2008). Effective from January 1, 2008, Buongiorno expanded its markets of operation through the consolidation of iTouch's B2O activities in Australia and B2C activities in South Africa. .

REVENUES BY GEOGRAPHICAL AREA									
(in thousands of Euro)	Italy & Med	France	Iberia	GSA	LATAM	UK & International	North America	Other	Total
Total value of production	40,171	24,500	107,979	11,425	22,518	90,223	18,878	254	315,948
Total operative costs	(29,073)	(19,198)	(87,927)	(10,106)	(18,836)	(74,578)	(18,696)	(17,710)	(276,124)
<b>TOTAL GROSS OPERATING MARGIN AT 12.31.2008</b>	<b>11,098</b>	<b>5,302</b>	<b>20,052</b>	<b>1,319</b>	<b>3,682</b>	<b>15,645</b>	<b>182</b>	<b>(17,456)</b>	<b>39,824</b>
Gross Operating Margin %	27.9%	13.3%	50.4%	3.3%	9.2%	39.3%	0.5%	-43.8%	100.0%
<b>TOTAL GROSS OPERATING MARGIN AT 12.31.2007</b>	<b>11,419</b>	<b>4,234</b>	<b>7,768</b>	<b>69</b>	<b>1,245</b>	<b>6,573</b>	<b>2,797</b>	<b>(12,485)</b>	<b>21,620</b>
Gross Operating Margin %	52.8%	4.9%	9.1%	0.1%	1.5%	7.7%	3.3%	-14.6%	25.2%

EBITDA increased to Euro 5.3 million in France (from Euro 4.2 million at 31 December 2007), primarily due to the B2C operations under the Movilisto brand and Mobivillage B2O contracts. In the Iberian Peninsula, the Group achieved a margin of Euro 20.1 million (Euro 7.8 million in 2007), due to the inclusion of Movilisto in the consolidation area and the different mix of services offered in the area. The increase in the margin in the GSA, and in the Latin America region is primarily due to the expansion of the consolidation area. The increase in the margin contributed by the UK International area (Euro 15.6 million as of December 31, 2008 compared to Euro 6.6 million in 2007) derives primarily from the expansion of the consolidation area, and, in particular, operations in South Africa and Australia, as well as the important success of a "Super Contest" in Nigeria during the last quarter of the year.

#### Breakdown of Revenues / EBITDA by Business Line

BUSINESS LINE	2008	2007	VARIATION	Var. %
(in thousands of Euro)				
CONSUMER SERVICES	299,908	161,275	138,633	86%
MARKETING SERVICES	16,040	13,607	2,433	18%
<b>REVENUES</b>	<b>315,948</b>	<b>174,882</b>	<b>141,066</b>	<b>81%</b>

In terms of *business lines*, the largest share of core-business revenues was earned by Consumer Services, with Group revenues for the segment reaching Euro 299.9 million (95% of the Group total) in 2008. The share of the total accounted for by revenues from Marketing Services amounted to Euro 16.0 million, or 5%. The increase in the total revenues of the Consumer Services business line was primarily driven by the expansion of the scope of consolidation. *Marketing Services* sales improved from Euro 13.6 million in 2007 to Euro 16.0 million in 2008, a 18% increase. The growth in revenues was due to a number of important sales successes with high-standing customers, including Citibank and Coca Cola in Spain, Orange in the UK and Mondadori, L'Oreal and Renault in Italy, as well as the contributions of the newly acquired companies (FlyTXT, currently Buongiorno Marketing Services U) and in the Netherlands, Hot.sms) Consumer Services posted EBITDA of Euro 38.0 million in absolute terms, representing approximately 96% of the total (94% in 2007), whereas the Marketing Services division reported GOM of Euro 1.8 million, or 4% of the total (6% in 2007).



In 2008, **costs for services and use of third-party assets** amounted to Euro 226.1 million, up 91% compared to Euro 118.5 million in 2007. Costs for services stood at 71.5% of revenue, up slightly on 2007 (67.8%). The increase, which was due to a change in the mix of services sold, mainly in the B2O area, was partially offset by infrastructural cost synergies achieved through the integration of iTouch, which led to the closing of a number of offices and data centers and the optimization of external consulting services.

As a percentage of revenues, **personnel costs** were down on 2007 (16.8% in 2008, compared to 21.3% in 2007) due to the integration plan with the iTouch Group. The average number of employees decreased from 1,160 at December 31, 2007 to 1,045 at the end of the reporting period.

The Buongiorno Group had **consolidated net financial indebtedness** of Euro 66.7 million at December 31, 2008, exactly in line with the Group's net indebtedness figure at December 31, 2007. As may be seen in the Cash Flow Statement, net financial indebtedness remained stable despite investments made during the year to acquire minority-interest stakes in iTouch Group companies in 2007, a majority interest in Llama TV, and investments related to business initiatives in South America and South Africa. Working capital, despite increasing pressure due to the liquidity crisis affecting capital markets, which has led to a lengthening of collection times from telephone carriers, did not suffer any particular negative consequences.

The Board of Directors of Buongiorno S.p.A. during today's meeting resolved to put forward a proposal to the forthcoming General Shareholders' Meeting to authorize the Board of Directors to buy back or sell company's shares.

The proposal aims at enabling the Company to: offer shares to operators who might be interested in M&A transactions with Buongiorno, without the need for capital increases, intervene through trading, hedging and arbitrage transactions so as to use this tool during abnormal fluctuations on the stock market and to invest liquidity balances.

The proposal envisages that the Board be empowered to acquire up to 10,000,000 own ordinary shares of a nominal value of Euro 0.26 each (equivalent in total to 9.4% of the current share capital), in one or more tranches, and on a rotational basis through to the approval of the financial statements for the year ending December 31, 2009, and in any event, within a period of no more than 18 months following the date of the related General Meeting resolution. Pursuant to Section 2357 of the Italian Civil Code, it must be pointed out that the company's share capital currently stands at euro 27,651,955.50 divided into 106,353,675 ordinary shares of a nominal value of Euro 0.26 each.

The acquisitions shall be made on the stock market in accordance with the provisions of Sections 2357 et seq. of the Italian Civil Code, article 132 of Legislative Decree no. 58/98 and any and all other applicable regulations, pursuant to the operating procedures set forth in article 144-bis(b) of the Rules for Issuers, at a price not exceeding 10% and not less than 10% of the reference share price during the three trading days prior to each transaction. These guidelines are deemed adequate to identify the limits within which the purchase would be in the Company's interest. The formula for determining the maximum price for each transaction does not allow for a quantification of the maximum overall outlay required for buyback of shares: on the basis of the current stock price trends, it is highlighted that the aforesaid amount would be covered by available reserves carried in the financial statements to be submitted for approval at the next General Meeting of Shareholders.

The General Meeting will also be requested to give authorization, within the meaning of Section 2357-ter of the Italian Civil Code, for the Board to dispose of the shareholdings acquired from time to time pursuant to this resolution, through cash, exchange, swap, capital contribution or other transactions, as part of exceptional industrial or financing transactions. In the case of cash transactions, the sales shall be effected on the Stock Market of listing, at a price equivalent to no less than 90% of the reference price for the stock during the three trading days prior to each transaction. In the case of other disposals, the applicable economic terms and conditions, including the valuation of the shares transferred, shall be determined with the assistance of independent experts, in light of the nature and features of the transaction, as well as fluctuations in the price of Buongiorno's stock. As of today Buongiorno holds 1,488 treasury stock.

Lastly, on March 24 of this year, Buongiorno will participate in the STAR Conference organized by Borsa Italiana in Milan to discuss the results achieved by the Group in 2008 and the outlook for 2009.



Pursuant to paragraph 2 of Article 154-bis of the Italian Consolidated Financial Law (TUF), Carlo Frigato, in his capacity as the Executive responsible for preparing the Company's accounting documents, declares that the information contained herein corresponds to documented results and accounting books and records.

The annexes provide more details on Parent Company data. The Profit and Loss Account, Balance Sheet, and Cash Flow Statements of the Group and the reclassified statements of Buongiorno S.p.A are reported below.

### **About Buongiorno Group**

Buongiorno (Italy, MTA STAR: BNG) is the multinational leader in mobile content and digital entertainment. The Company counts on an unparalleled international presence with 38 offices and business in 57 countries in 5 continents, 200 direct connections with +120 telcos and access to over 2 billion mobile customers. Buongiorno is market leader in Europe and is one of the top 3 players in 8 of the world's most important geographies. Buongiorno is also present in Russia and Pacific Asia (India, Vietnam and Philippines) through the Joint Venture with the Japanese group Mitsui & Co., Ltd.. The Company operates with two business lines: mobile value-added services distributed directly - through its brand BlinkoGold for Mobile Content services and through its Mobile Social Networking brand blinko - as well as through partnerships with leading telcos and media groups (Consumer Services) - and digital marketing services referred to as sponsored content (Marketing Services).

For more information about Buongiorno, please visit their website, [www.buongiorno.com](http://www.buongiorno.com).

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