

## PRESS RELEASE

### **Kennet leads €14.9 million investment into BuyVIP**

*Largest pan-European shopping community will use funding for continued European expansion*

London, Madrid, Frankfurt. April 2, 2009 – BuyVIP has announced the completion of a €14.9 million financing round led by Kennet Partners, a leading technology growth investor. Kennet will invest up to €11.1 million in the financing and joins existing investors Bertelsmann Digital Media Investments (BDMI), 3i Group and Molins Capital inversión, advised by Active Capital Partners, which also participated in this round. David Carratt, Managing Director of Kennet will join the board of BuyVIP.

Private buying clubs are showing tremendous growth in many European countries as fashion-conscious consumers are flocking to the web to save both time and money by participating in short duration sales. As a result, the online channel is becoming an integral part of many brands' international distribution strategy. The overall European market opportunity is estimated to exceed €1 billion in 2009.

BuyVIP is the leading European private buyers' club with more than 400 brand relationships across the region. With an online community of more than 3.5 million members and operations in Spain, Germany and Italy, the company offers a unique and efficient direct marketing channel to its brand partners.

The company operates an online marketplace which invites its members to private sale events, offering discounts of between 30 to 70% on branded goods that are either end-of-line or not available through retail outlets. Products are sourced from leading brand partners in each of its markets. BuyVIP already has effective operations in three European countries and will use the capital to expand into additional geographies in the region, building on both its brand relationships and its member acquisition program.

Every day its members are invited to more than 10 sales events, offering discounts of up to 70% on branded goods. Products are sourced directly from leading brand partners in each of its operating markets.

“The overall shift from offline stores to the Internet continues and there are substantial opportunities within this trend” said Kennet Managing Director David Carratt. “Within e-commerce, fashion is the fastest growing sub-segment, with 34% growth year-over-year. BuyVIP has been growing at more than 300% per year and we believe that the company has the team and processes in place to build a significant European business.”

Gustavo Garcia Brusilovsky, the CEO of BuyVIP said “Kennet is the ideal investor for BuyVIP because of its expertise in developing international businesses and willingness to support the extreme pace at which we operate. We are delighted to have David on board, with his hands-on experience in building international business operations. We already have effective operations in three European countries

and will use the capital to expand into additional geographies, building on both our strong brand relationships and our member acquisition program.”

The round was legally supported by: Gómez-Acebo & Pombo; Cuatrecasas, Gonçalves Pereira; Araoz&Rueda; Landwell PwC and Salans.

#### **About Kennet Partners**

Kennet is a leading international private equity firm that invests in growth companies in Europe and North America. Kennet supports entrepreneurial technology businesses with expansion capital to accelerate growth and build exceptional shareholder value. Kennet is an experienced investor with more than \$500 million in funds under management.

For more information: [www.kennet.com](http://www.kennet.com) or contact Su Johnston ([sjohnston@kennet.com](mailto:sjohnston@kennet.com)) T: +44 (0)20 7839 8020. Kennet Partners Limited is authorized and regulated in the U.K. by the Financial Services Authority

#### **About BuyVIP ([www.buyvip.com](http://www.buyvip.com))**

BuyVIP is an exclusive, invitation-only online destination where invited members discover premier brands in time limited campaigns. Products are either end of season or are not yet available thus making BuyVIP a unique platform for great deals usually 30-70% off the original retail price.

With more than 3.5 million members (Dec 2008) and more than 10 new sales campaigns every day, throughout Europe, BuyVIP is a leader in the private sales segment. Partner brands include companies such as Calvin Klein, Ed Hardy, Diesel, Adidas, Puma, Nudie, Gucci or Fendi. Investors include Bertelsmann and 3i group.

The company was founded in 2006 simultaneously in Spain and Germany by a two serial entrepreneurs Gustavo Garcia und Gerald Heydenreich. Today BuyVIP is a truly European company with more than 120 employees with subsidiaries in Spain, Germany, Italy, Portugal and Austria. BuyVIP recently won the acclaimed Red Herring Top 100 award and has been selected by European Tech Tour.

For further information please go to [www.buyvip.com/presse](http://www.buyvip.com/presse)

#### **About Bertelsmann Digital Media Investments (BDMI)**

Bertelsmann Digital Media Investments, based in Luxembourg, is the Venture Capital subsidiary of the international media company Bertelsmann AG. BDMI investments focus on new trends and business models in the area of digital media. BDMI expects to support the success of portfolio companies through a close working relationship with Bertelsmann divisions (RTL Group, Random House, Gruner + Jahr, Arvato, Direct Group), enhancing their leading and innovative positioning in the media industry. BDMI is managed by an international team based in US and Germany. For further information: [www.bdmifund.com](http://www.bdmifund.com).

#### **About 3i**

3i is an international leader in private equity. We focus on Buyouts, Growth Capital, Infrastructure and Quoted Private Equity (“QPE”) and invest across Europe, North America and Asia. Our competitive advantage comes from our international network and the strength and breadth of our business relationships. These underpin the value that we deliver to our portfolio and to our shareholders. For further information: [www.3i.com](http://www.3i.com) or contact Rachel Richards ([Rachel.Richards@3i.com](mailto:Rachel.Richards@3i.com))

#### **About Active Capital Partners ([www.acpvc.com](http://www.acpvc.com)).**

Active Capital Partners, advisor to MCI (Molins Capital inversión S.C.R. S.A.), makes minority investments in European technology companies requiring startup or expansion capital. Active invests between €500,000 and €3,000,000 per transaction and also co-invests in larger opportunities. Active’s investment style is characterised by its independent and entrepreneurial management team and its

international network of Venturepreneurs, advisers, specialists, who enable them to add considerable value to its investments. Some of the principal investments are Telemedicine Clinic, Polymita Technologies, Xperience Consulting and Golden Gekko. For further information: Christopher Pommerening, Tlf: +34 93 487 6666.