



13 July 2015

PRESS RELEASE

Strata advises the shareholders of Fits.me Holdings Limited on its sale to Rakuten, Inc.

Strata Partners is pleased to announce that it has acted as exclusive financial adviser to the shareholders of Fits.me Holdings Limited on the sale of the company to Rakuten, Inc. (TOKYO: 4755), a global leader in e-commerce.

Rakuten expects the innovative tech startup to further strengthen its e-commerce offerings and marketing solutions by providing a greater personalization of the retail experience for shoppers while driving operational insights and efficiencies for retailers. Fits.me will operate as a stand-alone business within Rakuten, Inc. and continue to support and grow current and future clients.

Since its founding in 2010, Fits.me's pioneering virtual fitting room technology has been changing how top brands such as Thomas Pink, QVC and Pretty Green sell clothing online. The virtual fitting room helps shoppers better understand what clothes fit and suit them before they make purchase decisions. It also provides valuable insights to brands as they aim to better understand their customers, reduce the number of product returns and enhance loyalty.

"Fits.me represents both the fun and functionality of shopping online and is a natural complement to our growing portfolio of e-commerce and marketing services," commented Rakuten founder and CEO Hiroshi Mikitani. "Not only does the virtual fitting room provide customers with a more realistic shopping experience, it also empowers merchants with the valuable data they need to continually improve their service."

Fits.me CEO James B. Gambrell added, "Rakuten built its business by empowering merchants and brands to deliver authentic and engaging shopping experiences, which is exactly the vision of Fits.me. Many fashion retailers are still using basic segmentation techniques, but our fit preference insights help them deliver genuine personalization, which improves customer loyalty and lifetime value. We are excited to join Rakuten, with its leading e-commerce marketplaces and cutting edge marketing services platform Rakuten Marketing, as we build out our ambitious product plans and accelerate our planned growth in Europe, the USA and now Asia."

Brian Farrelly, Director of Media Operations at QVC UK, a long-term client of Fits.me, said: "Deriving insight from customer data that can be used to address challenges throughout the business is the next big frontier for apparel retailers. We're excited by Fits.me's direction and potential to help us meet our challenges in this regard, while the backing and experience of the Rakuten Group promises additional big data expertise, technical resources and massive scalability."

Fits.me was founded in Estonia by Heikki Haldre and Paul Pällin and VC-backed by institutional investors Conor Venture Partners, Entrepreneurs Fund, SmartCap, Contour Venture Partners and Primary Venture Partners, as well as CEO James B. Gambrell and several angel investors.



Strata Partners started advising Fits.me in 2011, when the company was a pre-revenue start up based in Estonia. With Strata's support throughout several rounds of fundraising, Fits.me became a leader in sizing and fit solutions for the fashion industry with offices in London, New York, Tartu and Tallinn. The sale of Fits.me to Rakuten was the fourth transaction Strata has successfully acted on for Fits.me.

Terms of the transaction were not disclosed.

About Fits.me

Fits.me enables leading apparel brands, retailers and merchants to engage with their shoppers, personalize their purchase journey and enjoy valuable operational insight through a portfolio of solutions centred on Fits.me's expertise in fit preferences. The company employs over 60 operations and commercial staff in London, New York and at three sites in Estonia, which provide its development, research and support operations. www.fits.me.

For more information please contact:

Robert Lees
Strata Partners
M: +44 (0) 7771 755 773