



SUBMARINO ANNOUNCES 50% GROWTH IN REVENUE FOR 2Q06

São Paulo, Brazil, July 6th, 2006 - Submarino S.A. [BOVESPA: SUBA3], announces today its sales performance for the second quarter 2006 (preliminary and unaudited). Information is denominated in Reais, in accordance with the Brazilian Corporate Law.

For the second quarter of 2006, gross sales totaled R\$ 191 million and the number of customer orders reached 859 thousand, representing a 50% and 43% growth, respectively, compared to the same period in 2005. The customer base grew approximately 51% over the second quarter last year. The average ticket was R\$ 222, representing a 4.8%-growth over 2Q05. These figures are for Submarino S.A., excluding its subsidiaries (Submarino Travel, Submarino Finance and Ingresso.com).

These results benefited from sales related to a third party's loyalty rewards program, which began in 1Q06. As expected, we improved the marginal contribution of such program and expect to run similar programs for the rest of the year.

Results were negatively impacted by four extended weekends and twenty-one World Cup days in 2Q06, compared with no extended weekends and no World Cup in 2Q05.

For additional information please contact Submarino's Investor Relations Area: ri@submarino.com.br.

Investor Relations Website: <http://www.submarino.com.br/ir/>

About Submarino

Submarino is the leading pure-play online retailer in Brazil. The Company built a strong brand and a premium customer base by offering a superior breadth and depth of product selection with best-in-class customer service. Through its website at www.submarino.com.br, the Company offers more than 700,000 items across 24 product categories that are sourced from more than 1,300 suppliers, in addition to e-commerce services, online travel and distribution of entertainment tickets. Submarino delivers in up to two days to the main cities in Brazil and on the same day for certain items to the Sao Paulo metropolitan area.

This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of Submarino. These are merely projections and, as such, are based exclusively on the expectations of Submarino's management concerning the future of the business and its continued access to capital to fund the Company's business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in Submarino's filed disclosure documents and are, therefore, subject to change without prior notice.