

OnMobile Reports Third Quarter Fiscal 2015 Results

Robust performance in Europe; positive trend in international business; overall strong sequential growth

Bangalore, India - 05 February, 2015: OnMobile Global Limited (“OnMobile”) today announced the results for Third Quarter FY2015 ended December 31, 2014. The revenues for the fiscal quarter increased by 9.3% q-o-q and 0.6% y-o-y. EBITDA increased significantly by 67.4% q-o-q to Rs. 465 million at 20.5% margin (increased by 711 bps compared to Q2 FY2015). Net cash position as on 31st Dec 2014 is INR 2,209 million.

Mr. Rajiv Pancholy, CEO & MD, OnMobile Global said, “We are pleased with our third quarter results, which clearly demonstrates our resolve to grow OnMobile to the next tier. I want to congratulate and thank all the employees and stakeholders of OnMobile, who have worked tirelessly and tenaciously to achieve this important milestone.”

“We have progressed tremendously this quarter and achieved positive operating profit. This turnaround was accomplished through solid revenue growth and aggressive emphasis on cost management.” said Mr. Praveen Kumar, CFO, OnMobile Global.

Q3 FY2015 Business highlights:

India (23% of total revenues):

- Revenues remained stable on a KPI basis, despite the conclusion of double confirmation implementation amongst Indian operators
- A key contract was renewed for 2 years with one of the major operators

International business (77% of total revenues):

- Revenues grew 17% q-o-q to INR 1,753 million. International revenue growth was 16.3% on a y-o-y basis, normalized for Voxmobili business

Developed markets:

- Europe recorded a revenue growth of 50.2% q-o-q and 39.6% y-o-y to INR 796 million

Other Emerging markets:

- Revenues increased 5.5% and 4.7% respectively for q-o-q and y-o-y to INR 369 million
- Achieved 10% paid RBT penetration with an operator in Qatar. This was a green field deployment and was achieved within 12 months of going live
- RBT deployments went live in 6 countries for MTN, Africa
- Asia witnessed significant growth of 28.8% q-o-q and 63.0% y-o-y. Active subscribers increased from 1 million to 5 million in a key operator

Latin America:

- Revenues decreased by (5.9)% q-o-q to INR 489 million and declined (1.7)% y-o-y primarily owing to currency fluctuations

Q3 FY2015 Financial performance:

1. Revenue increased by 9.3% q-o-q and 0.6% y-o-y to INR 2,268 million
2. EBITDA increased significantly by 67.4% q-o-q and y-o-y by 57.6% to INR 465 million at 20.5% margin (increased by 711 bps compared to Q2 FY2015)
3. Ongoing efforts to rationalize manpower and operating expenses continue to show results and have helped improve financial performance. Manpower cost declined by 14.6% and other operating expenses by 25.8% sequentially which has resulted in a significant EBITDA margin expansion
4. Operating profit was INR 116 million compared to a loss of INR 85 million in the last quarter and a loss of INR 48 million in Q3 FY2014
5. Net profit was INR 74 million compared to INR (12) million in Q2 FY2015 and INR (84) million in Q3 FY2014

About OnMobile

OnMobile [NSE India: ONMOBILE], headquartered in Bangalore, India, and with offices in all regions of the world, delivers more than 300 million music plays per day to mobile customers in 50 countries on 5 continents. Thanks to established relationships with more than 80 leading mobile operators, OnMobile is steadily enlarging its global footprint. For further information, please visit www.onmobile.com

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