

OnMobile Reports Third Quarter Fiscal 2016 Results

EBITDA margin at 19.4% in Q3 FY16 with a 2.2% growth Q-o-Q

- **Bangalore, India - 04 February, 2016:** OnMobile Global Limited (“OnMobile”) today announced the results for Third Quarter FY2016 ended December 31, 2015. Revenue remains flat quarter over quarter i.e. Rs.2,070 million in Q2 FY’16 to Rs.2,068 million in Q3 FY’16. Revenue has de-grown by 8.8% on a year on year comparison with Q3 FY’15. EBITDA grew by 2.2% quarter on quarter to Rs.402 million in Q3 FY’16.

Q3 FY2016 Business highlights:

International business (78% of total revenue):

- International revenue down by 1.0% q-o-q and 8.2% y-o-y.

Developed markets:

- Europe recorded a revenue decline of 1.8% q-o-q and 2.5% y-o-y. Excluding currency depreciation, revenue growth is 3.5% y-o-y.
- Successfully signed a CVAS contract with a major operator in Russia which will enable us to provide our CVAS services in Russia apart from laying a foundation for future opportunities in this region.

Other Emerging markets:

Revenue grew by 13.1% q-o-q and 14.3% y-o-y to Rs.422 million.

- In Asia revenue grew by 29.4% q-o-q and 39.6% y-o-y.
- Reached a significant milestone of 10 Million RBT Subscribers with a penetration of 18% with a major operator in Bangladesh.
- Launched RBT platform in Lesotho with a major operator in October which is currently at 33% penetration and 330K Users.

Latin America:

- Revenue down by 10.8% q-o-q and 27.7% y-o-y respectively essentially because of revenue share change, unstable economic outlook in continent and currency fluctuations.
- VIVO: Onmobile secured a one year extension for our Ring Back Tone offering with Vivo, Brazil for another year.

Domestic business (22 % of total revenue):

- India revenue was Rs.459 million in Q3 FY’16, a growth of 1.7 % q-o-q and reduction of 10.8% y-o-y.
- OnMobile secured a 3 years renewal for its Ring Back Tone offering with Bharat Sanchar Nigam Limited in South & East Zone with an option to extend for the 4th year.

Corporate Highlights:

- OnMobile has announced buyback of shares at a price not exceeding Rs. 150 per equity share payable in cash for an amount not exceeding Rs. 70 Crores subject to a maximum of 5,600,000 equity shares.
- In line with our plan to focus on strategic initiatives, we have closed the divestiture of our speech technology unit to Voicebox Technologies France S.A.S.

Q3 FY2016 Financial performance:

1. Revenue remains flat sequentially from Rs.2,070 million in Q2 FY'16 to Rs.2,068 million in Q3 FY'16. Revenue as compared to y-o-y Q3 FY'15 has declined by 8.8%.
2. Manpower cost remains lower due to operational efficiencies and rationalizations in select geographies.
3. EBITDA grew by 2.2% q-o-q from Rs.393 Mn in Q2 FY'16 to Rs.402 Mn in Q3 FY'16. Operating margin also remained stable q-o-q.
4. In December, the Argentinian government devalued Argentine Peso (ARS) and consequently, ARS weakened by 27% from Rs. 7.04 per ARS on 30 Sep 2015 to Rs. 5.11 per ARS on 31 Dec 2015. This has led to a forex loss of Rs. 65 Mn which is disclosed as an exceptional item in the financials.

About OnMobile

OnMobile [NSE India: ONMOBILE], headquartered in Bangalore, India, and with offices in all regions of the world, delivers over 500 million music plays daily to mobile customers worldwide. Based on current deployments, OnMobile has an addressable base of more than 1.5 billion mobile users across several geographies. For further information, please visit www.onmobile.com

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