

OnMobile Reports First Quarter Fiscal 2015 Results

BANGALORE, India – July 31, 2014: OnMobile Global (“OnMobile”) today announced the results for the First Quarter FY2015 ended June 30, 2014. Revenue for Q1 FY2015 was Rs. 1,988 million, an increase of 4.8% y-o-y and a decline of 11.7% q-o-q. EBITDA was Rs. 156 million at 7.9% margin and Net Profit was Rs. (239) million.

Financials including OnMobile Live (OLI):

Rs. Mn	Q1 FY2015	Q1 FY2014	% Y-o-Y	Q4 FY2014	% Q-o-Q
Revenue	1,988	1,897	4.8%	2,251	(11.7)%
EBITDA	156	418	(62.6)%	256	(39.0)%
% Margin	7.9%	22.0%		11.4%	
EBITDA (Excl. Forex)	195	418	(53.2)%	286	(31.8)%
% Margin	9.8%	22.0%		12.7%	
Net Profit	(239)	141	nm	(1,393)	nm
% Margin	(12.0)%	7.4%		(61.9)%	
Normalized Net Profit	(200)	83	nm	(37)	nm
% Margin	(10.1)%	4.4%		(1.7)%	

Financials excluding OLI:

Rs. Mn	Q1 FY2015	Q1 FY2014	% Y-o-Y	Q4 FY2014	% Q-o-Q
Revenue	1,820	1,897	(4.1)%	2,035	(10.6)%
EBITDA	205	418	(50.9)%	337	(39.2)%
% Margin	11.3%	22.0%		16.6%	
EBITDA (Excl. Forex)	244	418	(41.6)%	367	(33.5)%
% Margin	13.4%	22.0%		18.0%	
Net Profit	(121)	141	nm	(1,243)	nm
% Margin	(6.7)%	7.4%		(61.1)%	
Normalized Net Profit	(82)	83	nm	113	nm
% Margin	(4.5)%	4.4%		5.5%	

Key Highlights

- International business: Revenue increased 21.7% y-o-y, however declined 5.3% q-o-q to Rs. 1,525 million and constituted 77% of the revenues during Q1 FY2015
 - Latin America: Revenue remained steady y-o-y, however increased 4.9% q-o-q to Rs. 512 million
 - Other Emerging Markets: Revenues decreased 4.6% y-o-y and 4.7% q-o-q to Rs. 325 million
 - Developed Markets: Showed robust growth of 72.3% y-o-y, however declined 12.0% q-o-q to Rs. 687 million
 - Europe: Continued to show robust growth with revenues increasing 53.9% y-o-y to Rs. 464 million; revenues were flat q-o-q
 - OLI recorded revenue of Rs. 168 million, a decline of 22.2% q-o-q
- India: Revenues recorded reduction of 28.1% y-o-y and 27.8% q-o-q to Rs. 463 million. Sequential decrease caused by one-time revenue in Q4 FY2014. On the basis of key performance indicators, India has been stable from the last quarter

Q1 FY2015 Financial Highlights (excluding OLI)

- Revenue remained flat y-o-y and decreased 10.6% q-o-q to Rs. 1,820 million
 - Domestic revenues declined 28.1% y-o-y and 27.8% q-o-q to Rs. 463 million. Sequential decrease caused by one-time revenues in Q4 FY2014
 - International revenues recorded an increase of 8.3% y-o-y majorly due to Europe and Asia businesses and were flat q-o-q at Rs. 1,357 million
- EBITDA declined 50.9% y-o-y and 39.2% q-o-q to Rs. 205 million at 11.3% margin
 - Impacted by increased content costs y-o-y in Europe and forex loss of Rs. 39 million; partly offset by savings in operating expenses
 - Normalized for forex impact, EBITDA decreased 41.6% y-o-y with 13.4% margin
- Net Profit was Rs. (121) million, as compared to Rs. 141 million in Q1 FY2014 and Rs. (1,243) million in Q4 FY2014
 - Normalized for forex, Net Profit was Rs. (82) million

Other Highlights

- Completed the sale of Voxmobili S. A. to Synchronoss Technologies Inc. for a consideration of USD 26 million. The divestiture is part of the Company's strategy to focus on its core businesses

- Appointed Mr. Rajiv Pancholy as Managing Director in addition to the position of CEO. Also appointed Mr. Francois-Charles Sirois as an Additional Director to the Board of Directors
- Appointed Ms. Nancy Cruickshank as an Independent Director to the Board of Directors. Ms. Nancy is a serial entrepreneur and the Founder and CEO of MyShowcase, an innovative online and direct beauty retailer. She is also the Founder of Handbag.com, a pioneering fashion and beauty portal and has held executive positions at Weve, VideoJug and Telegraph Media Group
- Appointed Mr. Bruno Ducharme as an Independent Director to the Board of Directors. Mr. Bruno is the Chairman of TIW Capital Partners, a private investment company. He is also the Founder of Telesystem International Wireless, a mobile operator with operations in several countries. Mr. Bruno has held executive positions at Vizada, Telesystem, Microcell Telecommunications and Teleglobe

About OnMobile

OnMobile [NSE India: ONMOBILE], is headquartered in Bangalore, India, and serves customers in 59 countries on 5 continents. Founded in 2000, it is a global leader in the delivery of high quality Mobile Services, which are used by many of the best known mobile operators to provide information, entertainment, and personalization services to their customers. In the past one year, OnMobile has steadily grown its global footprint with the addition of marquis customers in Africa and North America. For further information, please visit www.onmobile.com

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