

## OnMobile Reports Second Quarter Fiscal 2015 Results

**BANGALORE, India – October 30, 2014:** OnMobile Global (“OnMobile”) today announced the results for the Second Quarter FY2015 ended September 30, 2014. Adjusted for the sale of Voxmobili in Q2 FY2015, revenue increased by 13.0% q-o-q and 1.9% y-o-y. EBITDA increased significantly by 77.5% q-o-q to Rs. 278 million at 13.4% margin (up 552 bps compared with Q1 FY2015).

Cash & cash equivalents position improved from Rs. 1,463 million in the last quarter to Rs. 2,898 million in Q2 FY2015. This was primarily due to cash proceeds from the sale of Voxmobili, improved collections and better working capital management.

### Consolidated financials

(₹ million)	Q2 FY2015	Q2 FY2014	% Y-o-Y	Q1 FY2015	% Q-o-Q	H1 FY2015	H1 FY2014	% Y-o-Y
Revenue	2,075	2,250	(7.8)%	1,988	4.4%	4,062	4,147	(2.0)%
Adjusted Revenue <sup>1</sup>	2,075	2,035	1.9%	1,836	13.0%	3,910	3,769	3.7%
EBITDA	278	335	(17.2)%	156	77.5%	434	754	(42.4)%
% Margin	13.4%	14.9%		7.9%		10.7%	18.2%	
Net Profit	(12)	15	nm	(239)	nm	(251)	156	nm
% Margin	(0.6)%	0.7%		(12.0)%		(6.2)%	3.8%	
Basic EPS (₹)	(0.11)	0.13	nm	(2.09)	nm	(2.20)	1.36	nm

Note:

1 Adjusted Revenue: Revenues adjusted for the sale of Voxmobili in Q2 FY2015

2 Other Income

a. Q2 FY2014 included forex gain of Rs. 89 million

b. Q2 FY2015 included profit on sale of Voxmobili Rs. 67 million and forex gain of Rs. 30 million

### Q2 FY2015 Business highlights

- **India:** Robust revenues with growth of 24.3% q-o-q and 13.8% y-o-y to Rs. 576 million
  - Continue to increase penetration with key operators
  - Renewed contract for SMS, WAP and USSD services with a leading operator
  - Became the exclusive caller ring back tone partner to Tata Teleservices

- **International business** (72% of the revenues): Revenues grew 9.2% q-o-q to Rs. 1,499 million and remained relatively flat y-o-y after normalizing for Voxmobili revenue which was sold at the beginning of the quarter
  - Developed Markets: Voxmobili revenue was mainly derived from the developed markets and hence Q2 FY2015 numbers are not comparable with the historical quarters. Adjusted for the sale of Voxmobili, revenues increased 17.7% q-o-q to Rs. 630 million and 6.5% y-o-y
  - Other Emerging Markets: Revenues increased 7.6% q-o-q to Rs. 350 million and declined (8.5)% y-o-y
    - Launch of cRBT service in Nigeria
    - Achieved 10% paid RBT penetration with an operator in Qatar. It was a green field deployment and was achieved within 12 months of go live
    - Went live with four more countries in MTN taking total deployments in MTN to five countries
  - Latin America: Revenue up 1.4% q-o-q to Rs. 519 million

#### Q2 FY2015 Financial performance

- Adjusted for sale of Voxmobili in Q2 FY2015, revenue increased by 13.0% q-o-q and 1.9% y-o-y to Rs. 2,075 million
- EBITDA increased significantly by 77.5% q-o-q to Rs. 278 million at 13.4% margin (up 552 bps compared with Q1 FY2015)
  - EBITDA growth is despite a one-time impact of the minimum guarantee of Rs. 78 million in Q2 FY2015, for a contract in Europe. FY2015 is the second year of the two year minimum guarantee obligation. The first year's impact was accounted in Q3 FY2014
  - Efforts to rationalize manpower and operating expenses initiated in Q2 FY2015 have started yielding results. Both manpower cost and other operating expenses have declined sequentially by around 15% which has resulted in a significant EBITDA margin expansion
- Net Profit was Rs. (12) million, as compared Rs. (239) million in Q1 FY2015 and to Rs. 15 million in Q2 FY2014

#### Other highlights

- Appointed Mr. Francois-Charles Sirois as Non-Executive Chairman. Mr. Sirois was named on the Board earlier this year and replaces Mr. H.H. Haight who served as the Company's Chairman for the period, December 2011 – August 2014
- Appointed Mr. Praveen Kumar as the Chief Financial Officer. Mr. Kumar is an OnMobile veteran and has been with the Company since 2006. He has been an integral part of the Company's various growth phases and transitions

**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 59 countries on 5 continents. Thanks to established relationships with more than 92 leading mobile operators, OnMobile is steadily enlarging its global footprint. For further information, please visit [www.onmobile.com](http://www.onmobile.com).

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