



Q1 FY2015 Earnings Presentation

July 31, 2014

Cautionary statement

Forward Looking Statements

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to OnMobile Global Limited’s (OnMobile Global or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

OnMobile Global undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

Q1 FY2015 Business highlights

- **International business:** Recorded a growth of 21.7% y-o-y, however declined 5.3% q-o-q to ₹1,525 million and constituted 77% of the revenues
 - Latin America: Revenue remained steady y-o-y and increased 4.9% q-o-q to ₹512 million
 - Other Emerging Markets: Revenues declined 4.6% y-o-y and 4.7% q-o-q to ₹325 million
 - Went live for RBT services in Rwanda for the MTN contract and SMS subscription services going live with an operator in Qatar
 - Signed a contract for RBT, Music and CVAS services with an operator in Malaysia; went live for RBT services with an operator in Bangladesh and migrated around 1 million subscribers
 - Developed Markets: Showed robust growth of 72.3% y-o-y, however declined 12.0% q-o-q to ₹687 million
 - Europe: Continued to show robust growth with revenues increasing 53.9% y-o-y to ₹464 million; revenues were flat q-o-q
 - OnMobile Live (OLI): Recorded revenue of ₹168 million, a decline of 22.2% q-o-q

Q1 FY2015 Business highlights

- **India:** Revenues recorded reduction of 28.1% y-o-y and 27.8% q-o-q to ₹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
 - Migrated the RBT services for a major operator with ~240K subscribers

Other highlights

- **Voxmobili Sale:** Completed the sale of Voxmobili S. A. to Synchronoss Technologies Inc. for a consideration of USD 26 million
 - Divestiture is part of the Company's strategy to focus on its core businesses
- **Board Expansion:** Appointed additional directors to the Board:
 - Appointed Mr. Rajiv Pancholy as Managing Director in addition to the position of CEO
 - 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

Financial snapshot – excluding OLI

Consolidated financials excluding OLI

(₹ million)	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)%
<i>% Margin</i>	<i>11.3%</i>	<i>22.0%</i>		<i>16.6%</i>	
EBITDA (Excl. Forex)¹	244	418	(41.6)%	367	(33.5)%
<i>% Margin</i>	<i>13.4%</i>	<i>22.0%</i>		<i>18.0%</i>	
Net Profit	(121)	141	nm	(1,243)	nm
<i>% Margin</i>	<i>(6.7)%</i>	<i>7.4%</i>		<i>(61.1)%</i>	
Basic EPS (₹)	(1.06)	1.23	nm	(10.87)	nm
Exceptional Items ²	0	0	nm	1,034	nm
Normalized Net Profit³	(82)	83	nm	113	nm
<i>% Margin</i>	<i>(4.5)%</i>	<i>4.4%</i>		<i>5.5%</i>	

Notes:

- 1 EBITDA normalized for Forex loss of ₹39 million and ₹30 million in Q1 FY2015 and Q4 FY2014
- 2 Relate to IP settlement with Synchronoss regarding Voxmobili of ₹354 million and impairment for Telisma of ₹680 million in Q4 FY2014
- 3 Net Profit normalized for post tax impact of Forex loss of ₹39 million, ₹(99) million and ₹322 million in Q1 FY2015, Q1 FY2014 and Q4 FY2014 and other exceptional items

Q1 FY2015 Financial performance – excluding OLI

- Revenue remained flat y-o-y, while decreasing 10.6% q-o-q to ₹1,820 million
 - Domestic revenues recorded a reduction of 28.1% y-o-y and 27.8% q-o-q to ₹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 ₹1,357 million
- EBITDA declined 50.9% y-o-y and 39.2% q-o-q to ₹205 million at 11.3% margin
 - Impacted by increased content costs y-o-y in Europe and forex loss of ₹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 ₹(121) million, as compared to ₹141 million in Q1 FY2014 and ₹(1,243) million in Q4 FY2014. Normalized for forex, Net Profit was ₹(82) million

Financial snapshot – including OLI

Consolidated financials including OLI

(₹ million)	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)%
<i>% Margin</i>	<i>7.9%</i>	<i>22.0%</i>		<i>11.4%</i>	
EBITDA (Excl. Forex)¹	195	418	(53.2)%	286	(31.8)%
<i>% Margin</i>	<i>9.8%</i>	<i>22.0%</i>		<i>12.7%</i>	
Net Profit	(239)	141	nm	(1,393)	nm
<i>% Margin</i>	<i>(12.0)%</i>	<i>7.4%</i>		<i>(61.9)%</i>	
Basic EPS (₹)	(2.09)	1.23	nm	(12.18)	nm
Exceptional Items ²	0	0		1,034	
Normalized Net Profit³	(200)	83	nm	(37)	nm
<i>% Margin</i>	<i>(10.1)%</i>	<i>4.4%</i>		<i>(1.7)%</i>	

Notes:

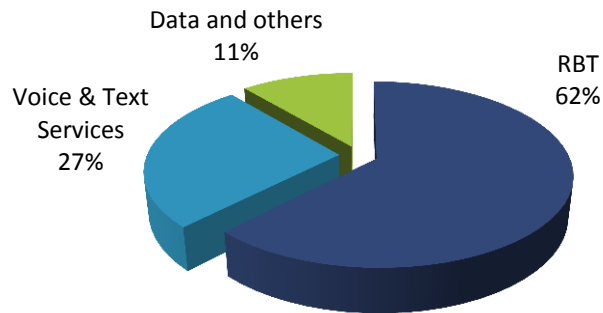
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- 2 Relate to IP settlement with Synchronoss regarding Voxmobili of ₹354 million and impairment for Telisma of ₹680 million in Q4 FY2014
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Operational performance – including OLI

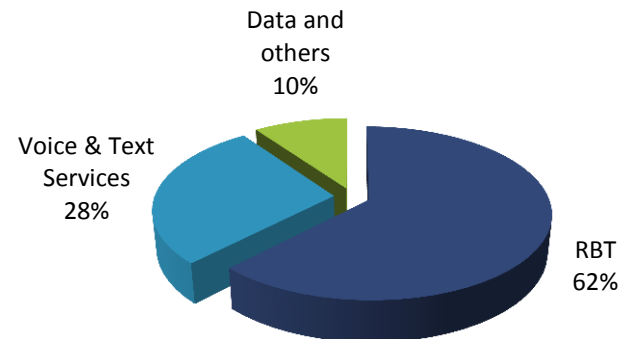
Diversified revenue sources

Revenues by Products

Q1 FY2014



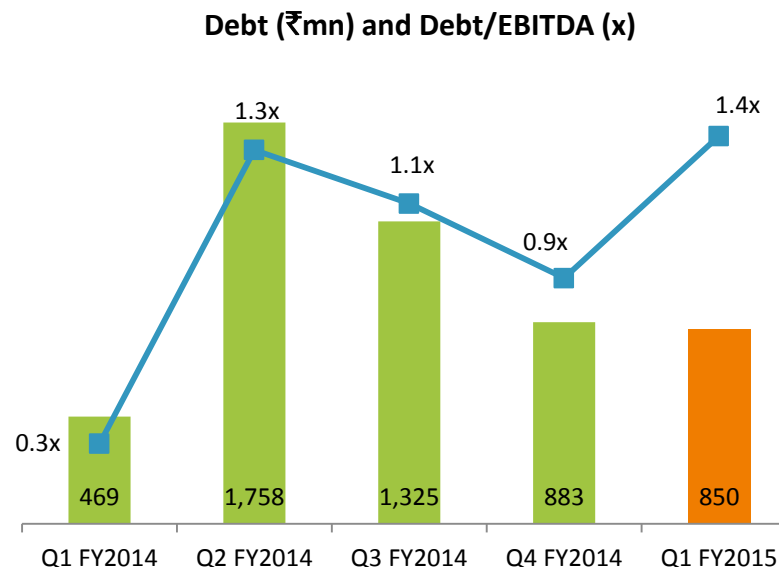
Q1 FY2015



Financial performance

Strong balance sheet with low leverage provides operational flexibility

(₹ million)	Jun 30, 2014	Mar 31, 2014
Long Term Borrowings	377	443
Short Term Borrowings	474	440
Total Debt	850	883
Cash & Cash Equivalents	1,463	1,240
Net Cash / (Net Debt)	613	357
Net Worth (excluding Goodwill)	6,062	6,303



- Higher cash balance due to improved collections and working capital

Financial Statements – Balance Sheet

(₹ million)	As at Jun 30, 2014	As at Mar 31, 2014
EQUITY AND LIABILITIES		
Shareholders' Funds	7,428	7,669
Long-term borrowings	377	443
Deferred tax liabilities (net)	7	7
Long-term provisions	93	88
Non-Current Liabilities	477	538
Short-term borrowings	470	434
Trade payables	1,902	2,014
Other current liabilities	912	925
Short-term provisions	442	411
Current Liabilities	3,726	3,783
Total	11,630	11,990

(₹ million)	As at Jun 30, 2014	As at Mar 31, 2014
ASSETS		
Deferred tax assets	152	121
Goodwill on Consolidation	1,367	1,367
Fixed assets	3,446	3,786
Non-current investments	0	0
Long-term loans & advances	1,493	1,462
Non-Current Assets	6,457	6,735
Current investments	306	406
Inventories	5	5
Trade receivables	1,686	2,030
Cash and cash equivalents	1,157	834
Short-term loans & advances	866	903
Other current assets	1,154	1,077
Current Assets	5,173	5,255
Total	11,630	11,990

Financial snapshot – OLI

(₹ million)	YTD FY2014 ¹	Q1 FY2015
Revenue	609	168
COGS	251	63
Gross Margin	358	105
<i>% Margin</i>	<i>58.8%</i>	<i>62.4%</i>
EBITDA	(147)	(49)
Net Profit	(336)	(118)

Notes:

1 YTD FY2014 represents financials from the closing date of acquisition i.e. July 19, 2013

- OLI expected to record improvement in margins in future quarters due to cost optimization underway

THANKS

for your attention

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