

Simplify your Digital Life

LYCOS Announces Q3 Results

Hyderabad, February 03, 2015: <u>LYCOS</u> (formerly Ybrant Digital Limited, BSE: 532368, 'YBRANTDIGI' or the company), the digital media conglomerate today announced its unaudited financial results for the quarter ending 31st December, 2014.

The Highlights:

- Q3 consolidated revenue of Rs.595.67 crores
- Q3 consolidated EBIDTA of Rs. 163.42 crores, up 66.72% year-over-year
- Q3 profit after tax of Rs. 98.87 crores
- Q3 consolidated earnings per share (EPS) of Rs 2.08.

Revenue for Q3 FY2014-15 was Rs. 595.67 crores, an increase of 29.44% Q-o-Q and 28.83% Y-o-Y. EBIDTA for Q3 FY2014-15 was Rs. 163.42 crores, an Increase of 16.27% Q-o-Q and increase of 66.72% Y-o-Y. PAT for Q3 FY2014-15 was Rs. 98.87 crores, an increase of 19.88% Q-o-Q and increase of 49.14% Y-o-Y.

Revenue from Digital Marketing Segment for Q3 FY2014-15 was Rs. 493.09 crores, an increase of 43.12% Q-o-Q and an increase of 38.74% Y-o-Y. PBT from Digital Marketing Segment for Q3 FY2014-15 was Rs. 142.02 crores, an increase of 10.38% Q-o-Q and an increase of 90.91% Y-o-Y. Revenue from Software Development Segment for Q3 FY2014-15 was Rs.102.58 crores, a decrease of 11.31% Q-o-Q and a decrease of 4.11% Y-o-Y.

<u>Suresh Reddy</u>, Chairman of LYCOS said, "We have ended this quarter on a high which has renewed our position of strength. All of our businesses have delivered an excellent performance on the back of strong revenues for the quarter. The year 2014 was a year of reinvention, and we see 2015 as a year of opportunity. We are moving fast, sharpening our strategic focus on our deliverables with special attention to our organic growth."

The details of the results can be viewed at the company's website <u>www.lycos.com</u> in the Investors' section.

Financial Highlights

	Q3 2014-15	Q2 2014-15	Q3 2013-14	QOQ	YOY	Year Ended
						31st March 2014
Revenue	595.67	460.19	462.38	29.44%	28.83%	1673.37
EBITDA	163.42	140.55	98.02	16.27%	66.72%	368.65
PAT	98.87	82.48	66.29	19.88%	49.14%	220.96

All in Rupees Crores

Business Update:

LYCOS Media

Local Services - We have signed a deal with Goodzer – The leader in hyper-local service and retail content. The agreement is twofold: First, Lycos will utilize Goodzer's enhanced local services data across thousands of business categories on its wholly owned local search property www.whowhere.com. Second, Lycos has partnered with Goodzer to build out and enhance Lycos's local product search functionality on www.lycos.com.

This deal will help generate more traffic to Lycos's owned and operated properties by providing users granular detail on local business that helps them make informed decisions.

Automotive Listings - Also during Q3, we have signed a deal with "Autoweb, Inc." — the first vertical search engine which combines engaging and informative content with social sharing features . This enhanced functionality will help car shoppers make informed decisions with access to granular search criteria such as monthly payment, vehicle type, make and model, MSRP and even MPG range. More than 64% of consumers use online search engines to find a car and this experience needs to be as convenient and intuitive as possible.

Both of the above deals will help generate more traffic to Lycos's owned and operated properties by providing users granular detail and functionality which helps them make informed decisions. Both these will be launched in Q4.

Products & Deals on the Pipeline:

Lycos Messenger iOS/Android development is in progress.

Also talks are in progress towards closing deals with some of the top search engines of the world for enhanced search advertising.

Ybrant Digital

During Q3 Ybrant Digital's Advertising Division continued to add new Demand and Media partners to its customer base, while continuing the development of advanced technology

tools to support all business units and moving to the programmatic media buy & sell arena. This included strong presence in the 'Private Market Place' arena.

Video Advertising - We signed deals with new Video Ad Network partners and kept our successful cooperation with top North American video advertisers. Main players include BrightRoll, Tremor Video, SpotXchange, AOL and LiveRail (acquired by Facebook). In addition, our mobile video activity generated more scale and we will keep developing our efforts on this growing segment according to market trends.

Media Buying (Publishers) - The Media Buy division continued to add publishers, including premium publishers such as 'Hearst' which is one of the biggest magazines and newspaper group in the US and 'Hearst Core Audience' - a division of Hearst focusing on reaching the right audience while accessing premium inventory, 'Detroit Media Partnership' (Michigan.com since Oct 2014) - Michigan's largest local media company, 'The Inquisitor' which is one of the top news websites in the US and Nextstep - a big media house that manages traffic for big portals with Spanish content. In addition to the new partners we kept the development and successful cooperation with our main publishers.

Technology Update

Compass Technology - We finalized the specifications of Real Time Bidding integration, new automated optimization techniques and the ability to generate deeper and smarter reports.

Business Intelligence & Big Data – We successfully integrated our BI platform for Display activity enabling in depth analyses and pulling data form multiple tech platforms and developed new insights on all of our programmatic activities.

Conference Call Details:

LYCOS will host a conference call on 04th of February, 2015, at 2.00pm Indian Standard Time to discuss the financial results. Call-in details will be available from the Investor Relations page of the company's website at: http://corp.lycos.com/investors/financials/

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About LYCOS:

LYCOS is one of the original and most widely known Internet brands in the world, evolving from one of the first search engines on the web, into a comprehensive digital media destination for consumers across the world.

LYCOS has been a pioneer in intelligent spidering search technology, combining its proprietary technology with other best-in-class services to provide a simple yet a powerful internet experience to its users and clients.

Times change, and LYCOS has changed with them, evolving into a digital media powerhouse with two major divisions.

LYCOS Media, is a network of easy-to-use community and social sites. LYCOS' award-winning products and services include tools for blogging, web publishing and hosting, online games, e-mail, and search. The LYCOS Network of sites and services include Lycos.com, Tripod, Angelfire, HotBot, Gamesville, WhoWhere, and LYCOS Mail. Integrated, these sites help in bringing people together to interact, conduct commerce, have fun, and experience the best the Internet has to offer, is in our DNA. We offer 40 Local Sites in 120 Languages with a community spanning across 177 Countries.

Ybrant Digital, services businesses, agencies, and online publishers worldwide in meeting their Digital marketing needs. Our clients include leading blue chip advertisers includingMTV, Samsung, Viacom, Maruti Suzuki, Airtel, Sony, Coco Cola, Star India, Vodafone, Samsung Electronics, Lenovo, ING, British Airways, Qatar Airways, Titan, Unilever, P&G, Hyundai Motors, ICICI Bank, LIC, and ITC. We partner with top global publishers such as Facebook, Twitter, LinkedIn, MSN and Yahoo! besides proprietary media such as LYCOS, Gamesville, getMedia in Latin America and several travel websites in Australia. We serve between 35 to 40 billion impressions every month across the Web.

Lycos employs over 500 people working out of 24 offices worldwide, including the US, Argentina, Brazil, Chile, Uruguay, Mexico, the UK, France, Germany, Italy, Ukraine, Sweden, Serbia, Israel, China, Thailand, Panama, India, Emirates, Russia and Australia, and with representatives or partners in Spain, South Africa, and The Netherlands.

www.lycos.com www.ybrantdigital.com

Disclaimer

This press release contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward–looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behavior of financial and digital marketing industry, and fluctuations in exchange rates; from future integration of businesses; and from numerous other matters of national, regional and global scale, including those of a political,

economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different from those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.