

Q4 FY2015 Earnings Presentation

May 29, 2015

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.

Q4 FY2015 Business highlights

Stable revenue but volatile currencies

As highlighted in the earlier quarter earnings call, Q4 witnessed a significant depreciation in a few currencies, notably Euro and Brazilian Real (BRL). Euro depreciated by 12% from 77 at the end of Q3 to 67.5 at the end of Q4 and Brazilian Real depreciated by 19% from 23.76 at the end of Q3 to 19.3 at the end of Q4.

Excluding the impact of these currencies and normalizing for the Voxmobili revenue, the overall revenue degrew by (2.0)% q-o-q and grew by 11% y-o-y. But including the currency impact, the revenue was down (5.6)% q-o-q and (4.9)% y-o-y.

Q4 FY2015 Business highlights

Europe continues to drive our International revenue

International business (76% of total revenue):

International revenues down by (7.5)% q-o-q and grew by 13.6% y-o-y excluding Voxmobili business. The proforma growth in international business excluding the currency depreciation in Q4 is (2.8)% q-o-q and 5.8% y-o-y.

Developed Markets:

Europe recorded a revenue decline of (7.8)% q-o-q and grew 52.9% y-o-y (and 92% excluding Voxmobili business) to Rs. 734 million. Normalized for the euro depreciation in Q4, the revenue grew 0.1% q-o-q and 109% y-o-y excluding Voxmobili.

- Launched next generation Ringback Tone application in Spain that makes full use of smart phone capabilities.

Other Emerging Markets:

Revenues down by (4.0)% and grew 3.9% respectively for q-o-q and y-o-y to Rs. 355 million .

- We launched RBT and Football services in one of our customers in Mozambique.

Q4 FY2015 Business highlights

Latam – Increased market share in Brazil

Latam:

We have successfully launched RBT services at Oi, Brazil in January giving us close to 50% market coverage in the 4th largest mobile market in the world.

Revenues down by (9.0)% and (8.9)% respectively for q-o-q and y-o-y to Rs. 445 million. Normalized for the BRL depreciation in Q4, the revenue was down (4.9)% q-o-q and (4.8)% y-o-y.

Financial snapshot

Consolidated financials (Excluding MTM Fx loss and impact of Euro and BRL)

(Rs. million)	Q4 FY2015	Q3 FY2015	% Q-o-Q
Revenue	2,140	2,268	(5.6%)
Adjusted Revenue ¹	2,223	2,268	(2.0%)
EBITDA	471	465	1.3%
<i>% Margin</i>	21.2%	20.5%	
Net Profit	57	74	(23.0%)
<i>% Margin</i>	2.6%	3.3%	
Basic EPS (Rs.)	0.51	0.64	(20.3%)

¹ Adjusted revenue = Revenue excluding the forex impact of Euro and BRL in Quarter 4

Financial snapshot

Consolidated financials

(Rs. million)	Q4 FY2015	Q4 FY2014	% Y-o-Y	Q3 FY2015	% Q-o-Q	YTD FY2015	YTD FY2014	% Y-o-Y
Revenue	2,140	2,251	(4.9%)	2,268	(5.6%)	8,470	8,653	(2.1%)
Adjusted Revenue ¹	2,140	2,068	(3.5%)	2,268	(5.6%)	8,319	7,867	5.1%
EBITDA	327	257	27.2%	465	(29.6%)	1,227	1,307	(6.1%)
<i>% Margin</i>	15.3%	11.4%		20.5%		14.5%	15.1%	
Net Profit	(146)	(1,392)	Nm	74	Nm	(323)	(1,320)	Nm
<i>% Margin</i>	(6.8%)	(150.4%)		3.3%		(3.8%)	(15.2%)	
Basic EPS (Rs.)	(1.3)	(12.17)	Nm	0.64	Nm	(2.9)	(11.5)	Nm

¹ Adjusted revenue = Revenue excluding Voxmobili revenue (in Q4 FY2014 and FY2014)

Q4 FY2015 Financial performance

EBITDA margin @ 21% without the Fx impact

Revenue down by (5.6)% q-o-q and (4.9)% y-o-y to Rs. 2,140 million. Excluding Forex fluctuation and normalized for Voxmobili, revenue is down by (2.0)% q-o-q and grew by 11% y-o-y

Manpower cost has reduced by Rs. 32 million q-o-q representing the residual impact of cost rationalization undertaken in the earlier quarters and in Q4.

EBITDA margin is at 15.3% in Q4 as compared to 20.5% in Q3 and 11.4% in Q4 of FY 2014.

Other Opex includes the MTM impact of all foreign currency fluctuation amounting to Rs. 120 Mn and hence EBITDA is lower to this extent. Further, the impact of Euro and BRL on various line items of the Profit and Loss statement is Rs. 26 Mn on the EBITDA and Rs. 22 Mn on Earnings Before taxation. **The Proforma EBITDA without the FX impact mentioned above is Rs. 471 million at 21.2% and the Operating Profit is Rs 113 million at 5.1%.**

Other income also includes a part of the MTM impact amounting to Rs. 28 Mn. Excluding all the MTM and Forex impact mentioned above, the profit before tax would have been Rs. 149 Mn as against Rs. 134 Mn in Q3, representing a growth of 11%.

Tax expense includes a one time impact of Rs. 41 Mn relating to Forex movement in one of our European subsidiary.

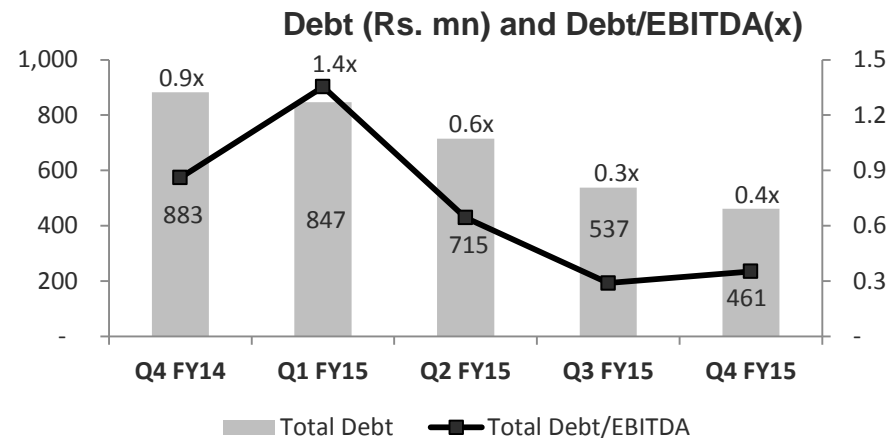
Financial performance

Strong balance sheet, low leverage and improving cash position

(Rs. million)	Mar 31, 2015	Dec 31, 2014	Mar 31, 2014
Long Term Borrowings	185	257	443
Short Term Borrowings**	277	280	440
Total Debt	461	537	883
Cash & Cash Equivalents	2,713*	2,746*	1,240
Net Cash / (Net Debt)	2,252	2,209	357
Net Worth (excluding Goodwill)	6,543	7,298	6,303

* Includes Escrow balance of Rs. 157 million

** Short term borrowings of Rs. 277million is classified as current liabilities in the Balance sheet



- Higher cash balance due to cash proceeds from the sale of Voxmobili, improved collections and working capital.
- Total long and short term loan repayment of Rs. 422 million
- Cash utilized for buyback Rs. 443 million

Financial Statements – Balance Sheet

(Rs. million)	As at Mar 31, 2015	As at Dec 31, 2014
EQUITY AND LIABILITIES		
Shareholders' Funds	6,569	7,323
Long-term borrowings	185	257
Deferred tax liabilities (net)	1	7
Long-term provisions	35	55
Non-Current Liabilities	221	319
Short-term borrowings	0	280
Trade payables	2,271	2,230
Other current liabilities*	911	750
Short-term provisions	426	190
Current Liabilities	3,608	3,451
Total	10,398	11,093

* Other current liabilities include short term borrowings of Rs. 277 million

(Rs. million)	As at Mar 31, 2015	As at Dec 31, 2014
ASSETS		
Deferred tax assets	211	180
Goodwill on Consolidation	26	26
Fixed assets	2,492	2,820
Long-term loans & advances	1,354	1,356
Non-Current Assets	4,083	4,381
Current investments	718	518
Inventories	5	5
Trade receivables	2,147	1,865
Cash and cash equivalents	1,996	2,228
Short-term loans & advances	605	923
Other current assets	844	1173
Current Assets	6,315	6,712
Total	10,398	11,093

THANK YOU

On Mobile Global Limited

(CIN: L64202KA2000PLC027860)

Tower # 1, 94/1 C & 94/2, Veerasandra Village, Attibele Hobli
Anekal Taluk, Electronic City Phase-1, Bangalore - 560100

Ph: +91 80 4009 6000

Fax: +91 80 4009 6009

www.onmobile.com

Radhika Venugopal
OnMobile Global
radhika.venugopal@onmobile.com
+91 80 4009 6728



www.onmobile.com