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Mandalay Digital Signs Ad Network and Advertising Partnerships

-- Ad Networks Appia, AppLift, Mobile Fuse and Taptica, Among Others, to Distribute Mobile Advertising and Media through Digital Turbine Products --

-- Direct Advertiser Agreements with Grab Games, GSN, Kaboom and PokerStars --

LOS ANGELES, March 3, 2014 /PRNewswire/ -- Mandalay Digital Group, Inc. (Nasdaq: MNDL), a leading provider of mobile technology solutions, announced today that it has partnered with several leading ad networks and direct advertisers to manage advertising inventory and distribute media to its global mobile carrier customers.

Nearly 1.0 billion smartphones were shipped in 2013, up more than 42% from last year according to information technology research company, Gartner. As the market for smartphones continues to expand, spending on mobile advertising is also rising as advertisers seek new ways to reach a fast growing consumer audience. Gartner expects global mobile advertising spending to reach \$18.0 billion in 2014 and \$42.0 billion in 2017, up from the estimated \$13.1 billion spent in 2013.

"The global carrier community is increasingly realizing that it needs to participate more meaningfully in a huge and growing market opportunity, and that our products offer the best and most efficient way to participate. Operators have been searching for a way to get back into the mobile content ecosystem, while still providing a compelling experience for their subscribers, and Digital Turbine is the only company that can provide a seamless, end-to-end solution," said Peter Adderton, Chief Executive Officer of Mandalay Digital. "As we continue to expand in the mobile advertising space, our carrier customers will benefit from a previously under-monetized opportunity, while Digital Turbine will benefit from a greater number of mobile advertising agreements and the ability to drive a greater number of CPI (cost per install) agreements, and future product and revenue growth.

"Digital Turbine offers a complete suite of mobile ad solutions, including CPI, which is one of the fastest growing revenue streams in the mobile space right now. We expect our Ignite product to be deployed on 10 million devices by this time next year, providing us with a tremendous opportunity to generate substantial growth in the years ahead," Adderton said.

Digital Turbine's products include Content, IQ, Ignite, Marketplace and Pay. These products are currently being distributed to customers including Avea (Turkey), Cellcom (Israel), Cricket (U.S.), MSAI (India), SingTel (Singapore), Telstra (Australia) and Vodafone (Australia).

and Italy), among others, as well as to six additional carrier partners in the coming months, including a new tier one partner in the United States. Through the company's numerous carrier relationships, more than 31 million consumers each month have access to greater flexibility and control at each stage of the mobile user experience, from better app management to a smarter way to search and shop.

Digital Turbine's newest ad networks partners are:

- **Millennial Media**, the leading independent mobile advertising platform, connects consumers with relevant messages across screens and allows the world's top brands and advertisers to better reach and engage with consumers;
- **Appia**, the leading app install network that has delivered more than 70 million app installs across 200 countries, and is focused on maximizing the lifetime value of mobile app users and delivering significant results to its advertisers;
- **Applift**, a mobile games marketing platform that partners with 200+ quality game publishers such as King, Wooga and EA, and with 1500+ media partners to deliver high-quality traffic;
- **Mobile Fuse**, a mobile ad network that simplifies the process for mobile advertisers; and
- **Taptica**, a mobile user acquisition platform working with 150 advertisers and more than 1,000 supply and publishing partners.

Digital Turbine's newest direct advertisers are:

- **Grab Games**, a provider of social games, including Gold Miner and Penguin Patrol, across all major interactive platforms;
- **GSN**, a multimedia entertainment company that offers original and classic game programming and competitive entertainment via 80-million television subscribers and online game sites, whose apps include Deal or No Deal Slots and Wheel of Fortune Slots;
- **Kaboom**, an independent publisher of mobile games and entertainment content for feature phones and smartphones, whose portfolio includes top-rated games titles from Glu Mobile, THQ Wireless and IPlay; and
- **PokerStars**, the world's largest poker site and home of the World Championship Of Online Poker.

"By successfully expanding our reach into the mobile advertising sector, we are creating a significant growth opportunity for Mandalay Digital," said Bill Stone, President and COO of Mandalay Digital. "These relationships will enhance our ongoing efforts to help our carrier partners capitalize on the substantial market for mobile advertising. By aligning with some of the world's best and brightest ad networks and direct advertisers, we're helping bring greater efficiency and monetization to mobile operators around the world."

About Mandalay Digital Group

Mandalay Digital Group, Inc., through its wholly owned subsidiary, Digital Turbine, provides mobile solutions for wireless carriers globally to enable them to better monetize mobile content. The Company's products include mobile application management through DT Ignite, user experience and discovery through DT IQ, application stores and content through DT Marketplace, and content management and mobile payments through DT Pay. With global headquarters in Los Angeles, and offices throughout the U.S., Asia Pacific and

EMEA, Mandalay Digital's solutions are used by more than 31 million consumers each month across more than 20 global operators. For additional information, visit www.mandalaydigital.com.

Forward-Looking Statements

Statements in this news release concerning future results from operations, financial position, economic conditions, product releases, new customers and any other statement that may be construed as a prediction of future performance or events, including that Digital Turbine will benefit from a greater number of mobile advertising agreements and the ability to drive a greater number of CPI (cost per install) agreements, and future product and revenue growth and that Mandalay Digital's Ignite product will be deployed on 10 million devices by this time next year, providing the company with a tremendous opportunity to generate substantial growth in the years ahead and that expanding its reach into the mobile advertising sector will create a significant growth opportunity for the company, are forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements.

These factors include the inherent and deal specific challenges in converting discussions with carriers into actual contractual relationships, product acceptance of a new product such as DT Ignite in a competitive marketplace, the potential for unforeseen or underestimated cash requirements or liabilities, risks intrinsic to dispositions such as successor liability claims, the impact of currency exchange rate fluctuations on the company's reported GAAP financial statements, the company's ability as a smaller company to manage international operations, its ability given its limited resources to identify and consummate acquisitions, varying and often unpredictable levels of orders, the challenges inherent in technology development necessary to maintain the company's competitive advantage such as adherence to release schedules and the costs and time required for finalization and gaining market acceptance of new products, changes in economic conditions and market demand, rapid and complex changes occurring in the mobile marketplace, pricing and other activities by competitors, and other risks including those described from time to time in Mandalay Digital Group's filings on Forms 10-K and 10-Q with the Securities and Exchange Commission (SEC), press releases and other communications.

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