



# Digital Turbine Reports Fiscal 2026 Third Quarter Financial Results

*Third Quarter Revenue Taled \$151.4 Million, Representing Year-over-Year Growth of 12%*

*Third Quarter GAAP Net Income of \$5.1 Million and GAAP EPS of \$0.03; Third Quarter Non-GAAP Adjusted Net Income<sup>1</sup> of \$21.7 Million and Non-GAAP Adjusted EPS<sup>1</sup> of \$0.18*

*Third Quarter Non-GAAP Adjusted EBITDA<sup>2</sup> Taled \$38.8 Million, Representing Year-over-Year Growth of 76%*

AUSTIN, Texas, Feb. 3, 2026 /PRNewswire/ -- Digital Turbine, Inc. (Nasdaq: APPS) announced financial results for the fiscal third quarter ended December 31, 2025.

## **Recent Financial Highlights:**

- Fiscal third quarter of 2026 revenue totaled \$151.4 million, representing an increase of 12% year-over-year as compared to the fiscal third quarter of 2025.
- GAAP net income for the fiscal third quarter of 2026 was \$5.1 million, or \$0.03 per share, as compared to GAAP net loss for the fiscal third quarter of 2025 of \$23.1 million, or (\$0.22) per share. Non-GAAP adjusted net income<sup>1</sup> for the fiscal third quarter of 2026 was \$21.7 million, or \$0.18 per share, as compared to Non-GAAP adjusted net income<sup>1</sup> of \$14.2 million, or \$0.13 per share, in the fiscal third quarter of 2025.
- Non-GAAP adjusted EBITDA<sup>2</sup> for the fiscal third quarter of 2026 was \$38.8 million, representing an increase of 76% year-over-year as compared to Non-GAAP adjusted EBITDA<sup>2</sup> of \$22.0 million in the fiscal third quarter of 2025.
- Non-GAAP free cash flow<sup>3</sup> totaled \$6.4 million in the fiscal third quarter of 2026.

"Our December quarter results reflected a continuance of our positive business momentum," said Bill Stone, CEO. "I was particularly pleased with the breadth and diversity of our results, which were driven by strong demand, expanding global supply, and great execution by our team. Collectively, it enabled us to once again deliver upside results and raise our full-year fiscal 2026 outlook. The market opportunity in front of us is expanding quickly, as mobile app publishers and advertisers look to capitalize on newly available ways to promote app usage and profitability. Provided that we continue to execute and align our resources effectively to facilitate the evolving demand trends, we are well positioned to capitalize on the wealth of opportunities that lie ahead."

## **Fiscal 2026 Third Quarter Financial Results**

Total revenue for the third quarter of fiscal 2026 was \$151.4 million, representing year-over-year growth of 12% as compared to revenue of \$134.6 million for the third quarter of fiscal 2025. Total On Device Solutions revenue before intercompany eliminations was \$99.6 million. Total App Growth Platform revenue before intercompany eliminations was \$52.6 million.

GAAP net income for the third quarter of fiscal 2026 was \$5.1 million, or \$0.03 per share, as compared to GAAP net loss for the third quarter of fiscal 2025 of \$23.1 million, or (\$0.22) per share.

Non-GAAP adjusted net income<sup>1</sup> for the third quarter of fiscal 2026 was \$21.7 million, or \$0.18 per share, as compared to Non-GAAP adjusted net income<sup>1</sup> of \$14.2 million, or \$0.13 per share, in the third quarter of fiscal 2025.

Non-GAAP adjusted EBITDA<sup>2</sup> for the third quarter of fiscal 2026 was \$38.8 million, representing year-over-year growth of 76% as compared to Non-GAAP adjusted EBITDA<sup>2</sup> for the third quarter of fiscal 2025 of \$22.0 million.

## **Business Outlook**

Based on information available as of February 3, 2026, the Company is raising its expectations for fiscal year 2026 to the following:

- Revenue of between \$553 million and \$558 million
- Non-GAAP adjusted EBITDA<sup>2</sup> of between \$114 million and \$117 million

It is not reasonably practicable to provide a business outlook for GAAP net income because the Company cannot reasonably estimate the changes in stock-based compensation expense, which is directly impacted by changes in the Company's stock price, or other items that are difficult to predict with precision.

## **About Digital Turbine, Inc.**

Digital Turbine empowers superior mobile consumer experiences and results for the world's leading telcos, advertisers, and publishers. Its end-to-end platform uniquely simplifies its partners' abilities to supercharge awareness, acquisition, and monetization – connecting them with more consumers, in more ways, across more devices. Digital Turbine is headquartered in North America, with offices around the world. For additional information visit [www.digitalturbine.com](http://www.digitalturbine.com).

## **Conference Call**

Management will host a conference call and webcast today at 4:30p.m. ET to discuss its fiscal 2026 third quarter financial results and provide operational updates on the business. The conference call will discuss forward guidance and other material information. The call can be accessed via webcast link: <https://app.webinar.net/0Z1gnza8ImQ>. The call can also be accessed by dialing 888-317-6003 in the United States (or 412-317-6061 from international locations) and entering access code 8758955. A live and archived webcast of the call can be accessed via the Investor Relations section of Digital Turbine's website. The webcast will be archived for a period of one year and is available via the Investor Relations

section of Digital Turbine's website.

For those unable to join the live call, a playback will be available through February 10th, 2026. The replay can be accessed by dialing 877-344-7529 in the United States or 412-317-0088 from international locations, passcode 6108249.

An online webcast will be archived for a period of one year and is available via the Investor Relations section of Digital Turbine's website.

### **Use of Non-GAAP Financial Measures**

To supplement the Company's consolidated financial statements presented in accordance with GAAP, Digital Turbine uses non-GAAP measures of certain components of financial performance. These non-GAAP measures include non-GAAP adjusted net income and earnings per share ("EPS"), non-GAAP adjusted EBITDA, non-GAAP free cash flow and non-GAAP gross profit. Reconciliations to the nearest GAAP measures of all non-GAAP measures included in this press release can be found in the tables below.

Non-GAAP measures are provided to enhance investors' overall understanding of the Company's current financial performance, prospects for the future and as a means to evaluate period-to-period comparisons. The Company believes that these non-GAAP measures provide meaningful supplemental information regarding financial performance by excluding certain expenses and benefits that may not be indicative of recurring core business operating results. The Company believes the non-GAAP measures that exclude such items when viewed in conjunction with GAAP results and the accompanying reconciliations enhance the comparability of results against prior periods and allow for greater transparency of financial results. The Company believes non-GAAP measures facilitate management's internal comparison of its financial performance to that of prior periods as well as trend analysis for budgeting and planning purposes. The presentation of non-GAAP measures is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

<sup>1</sup>Non-GAAP adjusted net income and EPS are defined as GAAP net income and EPS adjusted to exclude the effect of the following, if any: stock-based compensation expense, amortization of intangibles, business transformation costs, transaction-related expenses, severance costs, changes in fair value of contingent consideration, contract settlement fees, impairment of goodwill, tax adjustments, (gain)/loss on extinguishment of debt, amortization of debt discount, issuance costs, and unrealized (gain)/loss on derivatives. The Company added (gain)/loss on extinguishment, the amortization of debt discount and issuance costs, and unrealized (gain)/loss on derivatives due to their unusual nature and association with the Company's specific September 2, 2025 debt refinance transaction and related issuance of warrants. Readers are cautioned that non-GAAP adjusted net income and EPS should not be construed as an alternative to comparable GAAP net income figures determined in accordance with U.S. GAAP as an indicator of profitability or performance, which is the most comparable measure under GAAP.

<sup>2</sup>Non-GAAP adjusted EBITDA is calculated as GAAP net income excluding the following cash and non-cash expenses, if any: stock-based compensation expense, depreciation and amortization, net interest income (expense), net other income (expense), business transformation costs, foreign exchange transaction gains (losses), income tax (benefit)

provision, transaction-related expenses, contract settlement fees, changes in fair value of contingent consideration, impairment of goodwill, severance costs, (gain)/loss on extinguishment of debt, amortization of debt discount and issuance costs, and unrealized (gain)/loss on derivatives. The Company added (gain)/loss on extinguishment, the amortization of debt discount, issuance costs, and unrealized (gain)/loss on derivatives due to their unusual nature and association with the Company's specific September 2, 2025 debt refinance transaction and related issuance of warrants. Non-GAAP adjusted EBITDA margin is calculated as non-GAAP adjusted EBITDA as a percentage of total revenue. Readers are cautioned that non-GAAP adjusted EBITDA should not be construed as an alternative to net income determined in accordance with U.S. GAAP as an indicator of performance, which is the most comparable measure under GAAP.

<sup>3</sup>Non-GAAP free cash flow, which is a non-GAAP financial measure, is defined as net cash provided by operating activities (as stated in our Consolidated Statements of Cash Flows), excluding the following, if any: transaction-related expenses, severance costs and business transformation costs, reduced by capital expenditures. Readers are cautioned that free cash flow should not be construed as an alternative to net cash provided by operating activities determined in accordance with U.S. GAAP as an indicator of profitability, performance or liquidity, which is the most comparable measure under GAAP.

<sup>4</sup>Non-GAAP gross profit is defined as GAAP income from operations adjusted to exclude the effect of the following, if any: product development costs, sales and marketing costs, general and administrative costs, contract settlement fees, impairment of goodwill and depreciation of software included in other direct costs of revenue. Readers are cautioned that non-GAAP gross profit should not be construed as an alternative to income from operations determined in accordance with U.S. GAAP as an indicator of profitability or performance, which is the most comparable measure under GAAP.

Non-GAAP adjusted EBITDA, non-GAAP adjusted net income and EPS, non-GAAP free cash flow and non-GAAP gross profit are used by management as internal measures of profitability and performance. They have been included because the Company believes that the measures are used by certain investors to assess the Company's financial performance before non-cash charges and certain costs that the Company does not believe are reflective of its underlying business.

## **Forward-Looking Statements**

This news release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements in this news release that are not statements of historical fact and that concern future results from operations, financial position, economic conditions, product releases and any other statement that may be construed as a prediction of future performance or events, including financial projections and growth in various products are forward-looking statements that speak only as of the date made and which involve known and unknown risks, uncertainties and other factors which may, should one or more of these risks uncertainties or other factors materialize, cause actual results to differ materially from those expressed or implied by such statements. These factors and risks include:

### *Risks Specific to our Business*

- Our transformation activities and reduction in force may not adequately reduce our operating costs or improve our operating margins or cash flows, may lead to additional workforce attrition and may cause operational disruptions.
- We have a history of net losses.
- We have a limited operating history for our current portfolio of assets.
- Our operations are global in scope, and we face added business, political, regulatory, legal, operational, financial and economic risks as a result of our international operations.
- Our financial results could vary significantly from quarter-to-quarter and are difficult to predict.
- A significant portion of our revenue is derived from a limited number of wireless carriers and customers.
- The risk of impairment of our goodwill.
- The effects of the current and any future general downturns in the U.S. and the global economy, including financial market disruptions.
- Our products, services and systems rely on software that is highly technical, and if it contains errors or viruses, our business could be adversely affected.
- Our business may involve the use, transmission and storage of confidential information and personally identifiable information, and the failure to properly safeguard such information could result in significant reputational harm and monetary damages.
- Our business and reputation could be impacted by information technology system failures and network disruptions
- System security risks and cyber-attacks could disrupt our internal operations or information technology services provided to customers.
- Our business and growth may suffer if we are unable to hire and retain key talent.
- Our corporate culture has contributed to our success, and if we cannot maintain this culture, we could lose the innovation, creativity, passion, and teamwork that we believe contribute to our success and our business may be harmed.
- If we make future acquisitions, this could require significant management attention and disrupt our business.
- Adverse effects of negative developments affecting the financial services industry, including events or concerns involving liquidity, defaults, or non-performance by financial institutions.
- Entry into new lines of business, and our offering of new products and services, resulting from our investments may result in exposure to new risks.
- Litigation may harm our business.

#### *Risks Related to the Mobile Advertising Industry*

- The mobile advertising business is an intensely competitive industry, and we may not be able to compete successfully.
- The markets for our products and services are rapidly evolving and may decline or experience limited growth.
- Our business is dependent on the continued growth in usage of smartphones and other mobile connected devices.
- Wireless technologies are changing rapidly, and we may not be successful in working with these new technologies.
- The complexity of and incompatibilities among mobile devices may require us to use additional resources for the development of our products and services.

- If wireless subscribers do not continue to use their mobile devices to access mobile content and other applications, our business growth and future revenue may be adversely affected.
- A shift of technology platform by wireless carriers and mobile device manufacturers could lengthen the development period for our offerings, increase our costs, and cause our offerings to be published later than anticipated.
- Actual or perceived security vulnerabilities in devices or wireless networks could adversely affect our revenue.
- We may be subject to legal liability associated with providing mobile and online services.
- Risks of public health issues, such as a major epidemic or pandemic.
- Risk related to geopolitical conditions and the global economy, including conflicts, financial markets, inflation, global supply chain, and tariffs.
- Risk related to the geopolitical relationship between the U.S. and China or changes in China's economic and regulatory landscape, including recent tariff increases and trade tensions.

#### *Industry Regulatory Risks*

- We are subject to rapidly changing and increasingly stringent laws, regulations and contractual requirements related to privacy, data security, and protection of children.
- We are subject to anti-corruption, import/export, government sanction, and similar laws, especially related to our international operations.
- Government regulation of our marketing methods could restrict or prevent our ability to adequately advertise and promote our content, products and services available in certain jurisdictions.
- Limitations may negatively affect our ability to use our net operating losses, credits, and certain other tax attributes to offset future taxable income.
- Regulatory requirements pertaining to the marketing, advertising, and promotion of our products and services.

#### *Risks Related to Our Intellectual Property and Potential Liability*

- Third parties may obtain and improperly use our intellectual property; and if so, our competitive position may be adversely affected, particularly if we do not, or are unable to, adequately protect our intellectual property rights
- Third parties may sue us for intellectual property infringement, which may prevent or limit our use of the intellectual property and disrupt our business and could require us to pay significant damage awards.
- Our platform contains open source software.
- Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement, damages caused by malicious software, and other losses.

#### *Risks Relating to Our Common Stock and Capital Structure*

- We have secured and unsecured indebtedness, which could limit our financial flexibility.
- To service our debt and fund our other obligations and capital requirements, we will require a significant amount of cash, and our ability to generate cash will depend on

many factors beyond our control.

- The market price of our common stock is likely to be highly volatile and subject to wide fluctuations, and you may be unable to resell your shares at or above the current price or the price at which you purchased your shares.
- Risk of not being able to raise capital to grow our business.
- Risk to trading volume of lack of securities or industry analysts research coverage.
- A material weakness in our internal control over financial reporting and disclosure controls and procedures could, if not remediated, result in material misstatements in our financial statements.
- Maintaining and improvising financial controls and being a public company may strain resources.
- Anti-takeover provisions in our charter documents could make an acquisition of our company more difficult.
- Our bylaws designate Delaware as the exclusive forum for certain disputes.
- Other risks described in the risk factors in Item 1A of our latest Annual Report on Form 10-K under the heading "Risk Factors" and subsequent Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission.

You should not place undue reliance on these forward-looking statements. The Company does not undertake to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

**Investor Relations Contact:**

Brian Bartholomew

Digital Turbine, Inc.

[brian.bartholomew@digitalturbine.com](mailto:brian.bartholomew@digitalturbine.com)

**Digital Turbine, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income**  
**(Unaudited)**  
(in thousands, except share and per share amounts)

	Three months ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>Net revenue</b>	\$ 151,399	\$ 134,637	\$ 422,702	\$ 371,354
<b>Costs of revenue and operating expenses</b>				
Revenue share	64,425	69,947	185,656	182,092
Other direct costs of revenue	12,205	8,954	34,251	25,182
Product development	9,892	10,203	31,018	30,350
Sales and marketing	14,326	15,494	42,361	47,628
General and administrative	28,897	42,792	105,889	128,485
Total costs of revenue and operating expenses	129,745	147,390	399,175	413,737
Income (loss) from operations	21,654	(12,753)	23,527	(42,383)
<b>Interest and other income (expense), net</b>				
Change in fair value of contingent consideration	(231)	(500)	(231)	(300)
Interest expense, net	(13,561)	(7,913)	(33,859)	(24,638)
Amortization of debt discount and issuance costs	(4,007)	(533)	(7,939)	(1,290)
Unrealized loss on derivatives	1,600	—	(735)	—
Foreign exchange transaction gain	2,815	1,037	3,037	879
Loss on extinguishment of debt	—	—	(9,795)	—
Other income (expense), net	74	(57)	(1,801)	21
Total interest and other expense, net	(13,310)	(7,966)	(51,323)	(25,328)
Income (loss) before income taxes	8,344	(20,719)	(27,796)	(67,711)
Income tax provision	3,237	2,412	2,596	5,562

Net income (loss)	5,107	(23,131)	(30,392)	(73,273)
Other comprehensive loss				
Foreign currency translation loss	(3,260)	(4,119)	(1,264)	(3,175)
Comprehensive income (loss)	1,847	(27,250)	(31,656)	(76,448)
Net income (loss) per common share				
Basic	\$ 0.04	\$ (0.22)	\$ (0.27)	\$ (0.71)
Diluted	\$ 0.03	\$ (0.22)	\$ (0.27)	\$ (0.71)
Weighted-average common shares outstanding				
Basic	115,921	104,148	110,593	103,201
Diluted	120,474	104,148	110,593	103,201

**Digital Turbine, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
(in thousands, except par value and share amounts)

	December 31, 2025	March 31, 2025		
	(Unaudited)			
<b>ASSETS</b>				
<b>Current assets</b>				
Cash, cash equivalents, and restricted cash	\$ 40,423	\$ 40,084		
Accounts receivable, net	245,324	181,770		
Prepaid expenses	7,529	6,923		
Value-added tax receivable	10,552	8,291		
Other current assets	14,246	5,711		
<b>Total current assets</b>	<b>318,074</b>	<b>242,779</b>		
Property and equipment, net	48,984	46,966		
Right-of-use assets	7,577	9,924		
Intangible assets, net	226,961	257,697		
Goodwill	223,788	221,741		
Other non-current assets	32,791	33,747		
<b>TOTAL ASSETS</b>	<b>\$ 858,175</b>	<b>\$ 812,854</b>		
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 127,538	\$ 139,944		
Accrued revenue share	94,123	35,264		
Accrued compensation	17,459	7,503		
Acquisition purchase price liabilities	540	1,697		
Short-term debt, net of debt discount and issuance costs	4,688	—		
Other current liabilities	43,801	38,118		
<b>Total current liabilities</b>	<b>288,149</b>	<b>222,526</b>		
Long-term debt, net of debt discount and issuance costs	350,280	408,687		
Derivative liabilities	4,402	—		
Deferred tax liabilities, net	11,698	16,308		
Other non-current liabilities	9,044	11,375		
<b>Total liabilities</b>	<b>663,573</b>	<b>658,896</b>		
<b>Commitments and contingencies</b>				
<b>Stockholders' equity</b>				
Preferred stock				
Series A convertible preferred stock at \$0.0001 par value; 2,000,000 shares authorized, 100,000 issued and outstanding (liquidation preference of \$1)	100	100		
Common stock				
\$0.0001 par value; 200,000,000 shares authorized; 120,372,292 issued and 119,614,167 outstanding at December 31, 2025; 106,735,767 issued and 105,977,642 outstanding at March 31, 2025	10	10		

Additional paid-in capital	964,965	892,665
Treasury stock (758,125 shares at December 31, 2025 and March 31, 2025)	(71)	(71)
Accumulated other comprehensive loss	(52,568)	(51,304)
Accumulated deficit	(717,834)	(687,442)
<b>Total stockholders' equity</b>	<b>194,602</b>	<b>153,958</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 858,175</b>	<b>\$ 812,854</b>

**Digital Turbine, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited)**  
**(in thousands)**

	<b>Three months ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Net (loss) income	\$ 5,107	\$ (23,131)
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	16,565	19,613
Amortization of debt discount and issuance costs	4,007	533
Allowance for credit losses	(653)	846
Unrealized loss on derivatives	(1,600)	—
Stock-based compensation expense	495	8,250
Change in estimate of remaining contingent consideration	231	500
Non-cash lease expense	860	811
Foreign exchange transaction gain	(2,815)	(1,037)
(Increase) decrease in assets:		
Accounts receivable, gross	(38,841)	(9,091)
Prepaid expenses	(1,413)	143
Value-added tax receivable	(860)	(661)
Other current assets	(6,286)	618
Right-of-use asset	26	(573)
Other non-current assets	353	284
Increase (decrease) in liabilities:		
Accounts payable	15,462	(7)
Accrued revenue share	13,690	5,022
Accrued compensation	4,323	1,244
Other current liabilities	8,028	9,719
Deferred income taxes	(4,927)	(2,243)
Other non-current liabilities	2,424	(397)
<b>Net cash provided by operating activities</b>	<b>14,176</b>	<b>10,443</b>
<b>Cash flows from investing activities</b>		
Capital expenditures	(7,786)	(7,125)
<b>Net cash used in investing activities</b>	<b>(7,786)</b>	<b>(7,125)</b>
<b>Cash flows from financing activities</b>		
Payment of debt issuance costs	(571)	(66)
Payment of deferred business acquisition consideration	(315)	—
Repayment of debt obligations	(44,908)	—
Proceeds from issuance of common stock in connection with at-the-market offering, net of issuance costs of \$1,337	43,236	—
Payment of withholding taxes for net share settlement of equity awards	(204)	(71)
Options exercised	662	10
<b>Net cash used in financing activities</b>	<b>(2,100)</b>	<b>(127)</b>
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(3,151)	(642)
<b>Net change in cash and cash equivalents and restricted cash</b>	<b>1,139</b>	<b>2,549</b>
Cash and cash equivalents and restricted cash, beginning of period	39,284	32,765
Cash and cash equivalents and restricted cash, end of period	\$ 40,423	\$ 35,314

**REVENUE BY SEGMENT**

(in thousands)

(Unaudited)

	Three months ended December 31,		
	2025	2024	% Change
On Device Solutions	\$ 99,556	\$ 91,736	9 %
App Growth Platform	52,616	44,241	19 %
Elimination	(773)	(1,340)	(42) %
Consolidated	<u>\$ 151,399</u>	<u>\$ 134,637</u>	<u>12 %</u>

**GAAP (LOSS) INCOME FROM OPERATIONS TO NON-GAAP GROSS PROFIT**

(in thousands)

(Unaudited)

	Three months ended December 31,	
	2025	2024
Net revenue	\$ 151,399	\$ 134,637
(Loss) income from operations	21,654	(12,753)
Add-back items:		
Product development	9,892	10,203
Sales and marketing	14,326	15,494
General and administrative	28,897	42,792
Depreciation of software included in other direct costs of revenue	—	17
Contract settlement fees	—	3,800
Non-GAAP gross profit	<u>\$ 74,769</u>	<u>\$ 59,553</u>
Non-GAAP gross profit percentage	<u>49 %</u>	<u>44 %</u>

**GAAP NET (LOSS) INCOME TO NON-GAAP ADJUSTED NET INCOME**

(in thousands)

(Unaudited)

	Three months ended December 31,	
	2025	2024
Net (loss) income	\$ 5,107	(23,131)
Add-back items:		
Stock-based compensation expense	495	8,250
Amortization of intangibles	8,868	13,474
Change in fair value of contingent consideration	231	500
Tax adjustment (1)	4,547	7,685
Business transformation costs	—	667
Transaction-related expenses	—	207
Severance costs	37	2,220
Contract settlement fees	—	3,800
Amortization of debt discount and issuance costs	4,007	533
Unrealized loss on derivatives	(1,600)	—
Non-GAAP adjusted net income	<u>\$ 21,692</u>	<u>\$ 14,205</u>
Non-GAAP adjusted net income per common share	<u>\$ 0.18</u>	<u>\$ 0.13</u>
Weighted-average common shares outstanding, diluted	<u>120,474</u>	<u>105,851</u>

(1) Valuation allowance

**GAAP NET (LOSS) INCOME TO NON-GAAP ADJUSTED EBITDA**  
 (in thousands)  
 (Unaudited)

	<b>Three months ended December 31,</b>	
	<b>2025</b>	
	<b>\$</b>	<b>2024</b>
Net income/(loss)	\$ 5,107	\$ (23,131)
Add-back items:		
Stock-based compensation expense	495	8,250
Depreciation and amortization	16,565	19,613
Interest expense, net	13,561	7,913
Amortization of debt discount and issuance costs	4,007	533
Other income (expense), net	(74)	57
Change in fair value of contingent consideration	231	500
Business transformation costs	—	667
Foreign exchange transaction gain	(2,815)	(1,037)
Income tax provision	3,237	2,412
Transaction-related expenses	—	207
Severance costs	37	2,220
Contract settlement fees	—	3,800
Unrealized loss on derivatives	(1,600)	—
Non-GAAP adjusted EBITDA	<b>\$ 38,751</b>	<b>\$ 22,004</b>

**GAAP CASH FLOW FROM OPERATING ACTIVITIES TO NON-GAAP FREE CASH FLOW**  
 (in thousands)  
 (Unaudited)

	<b>Three months ended December 31,</b>	
	<b>2025</b>	
	<b>\$</b>	<b>2024</b>
Net cash provided by operating activities	\$ 14,176	\$ 10,443
Capital expenditures	(7,786)	(7,125)
Transaction-related expenses	—	207
Severance costs	37	2,220
Business transformation costs	—	667
Non-GAAP free cash flow provided by operations	<b>\$ 6,427</b>	<b>\$ 6,412</b>



View original content to download multimedia <https://www.prnewswire.com/news-releases/digital-turbine-reports-fiscal-2026-third-quarter-financial-results-302678013.html>

SOURCE Digital Turbine, Inc.