

Roth Investor Conference

March 2019

Safe Harbor Statement

This presentation includes "forward-looking statements" within the meaning of the U.S. federal securities laws. 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 associated with Ignite adoption among existing customers (including the impact of possible delays with major carrier and OEM partners in the roll out for mobile phones deploying Ignite); actual mobile device sales and sell-through where Ignite is deployed is out of our control; new customer adoption and time to revenue with new carrier and OEM partners is subject to delays and factors out of our control; risks associated with fluctuations in the number of Ignite slots across US carrier partners; the challenges, given the Company's comparatively small size, to expand the combined Company's global reach, accelerate growth and create a scalable, low-capex business model that drives EBITDA (as well as Adjusted EBITDA); 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; derivative and warrant liabilities on our balance sheet will fluctuate as our stock price moves and will also produce changes in our income statement; these fluctuations and changes might materially impact our reported GAAP financials in an adverse manner, particularly if our stock price were to rise; technology management risk as the Company needs to adapt to complex specifications of different carriers and the management of a complex technology platform given the Company's relatively limited resources; and other risks including those described from time to time in Digital Turbine's filings on Forms 10-K and 10-Q with the Securities and Exchange Commission (SEC), press releases and other communications. You should not place undue reliance on these forward-looking statements. 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.



Agenda

Company Overview

Market Dynamics

Mobile Delivery Platform

Operational & Financial Update

Q&A



Rapid and Efficient Growth



^{*}Adjusted EBITDA is is calculated as GAAP net income/(loss) excluding the following cash and non-cash expenses: interest expense, foreign exchange transaction loss/(gain), income tax Provision/(benefit), depreciation and amortization, stock-based compensation expense, the change in fair value of derivatives and warrants that are recorded related to the September 2016 convertible notes offering, other income / (expense), and a loss on extinguishment of debt.



Company Operating at Global Scale

30+

Partnerships with mobile operators and OEMs

+2.1B

Apps preloaded globally across devices

250M+

Devices installed with Digital Turbine software

150⁺

Countries with active campaign

+8M

Additional new devices per month

70%

Of the top grossing apps on Google Play work with us

Austin, TX

Digital Turbine headquarters

Durham, Mumbai, Singapore, Tel Aviv

Global offices

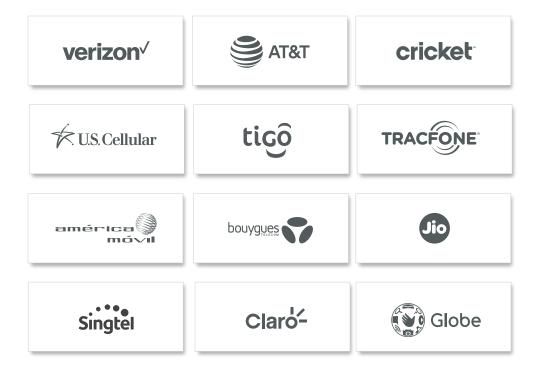
Publicly Traded

NASDAQ Ticker - APPS

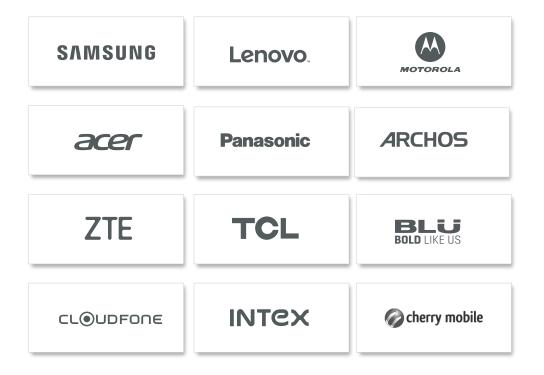


Platform Validated by Market Leaders

Operators



OEMs





Market Dynamics



Apps are Ingrained in our Lives

3.5 M apps in Google Play Store while average user has 30 apps on device using 10 per day



Rise of Fraud

The rising cost of fraud per quarter for mobile app marketers is estimated \$700-\$800M per quarter



Time Spent in Apps

Users in the US averaged 2+ hours per day in time spent in apps (or over one month per year)



Duopoly

The 'duopoly' of FB/Google saw digital advertising market share drop for first time in 2018



App Install Market

Global App Install Market estimated to be between \$15B today with App Store revenue forecasted to be \$100B by 2020



Operators & OEMs

Despite control over the homescreen, Operators and OEM's a small fraction of Global App Install Market today



Mobile Delivery **PLATFORM**

Install Recommend **Notify Engage**

Advertise

Monetize



Digital Turbine Platform













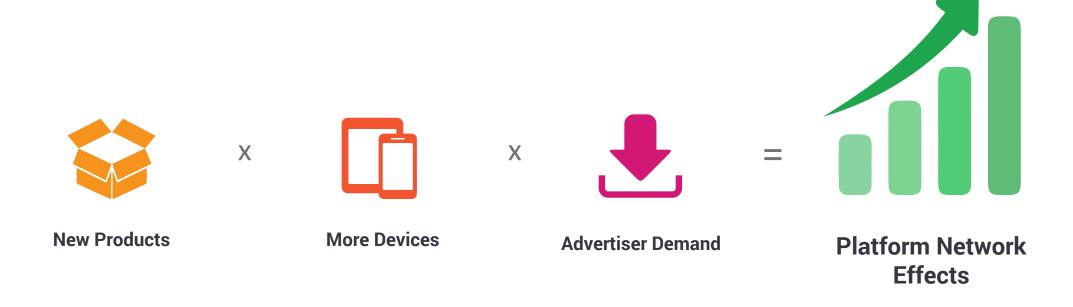






Growth Drivers

Multiple levers to drive accelerated growth





Expansion of Product Portfolio Driving New Revenue Streams



OOBE WIZARD

SINGLE TAP

SMART FOLDER

NOTIFICATIONS

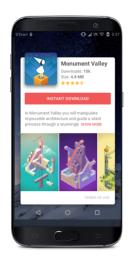
Recurring Revenue with Engagement Opportunities - Device Life (~2 Years)

BYOD

MEDIA HUB



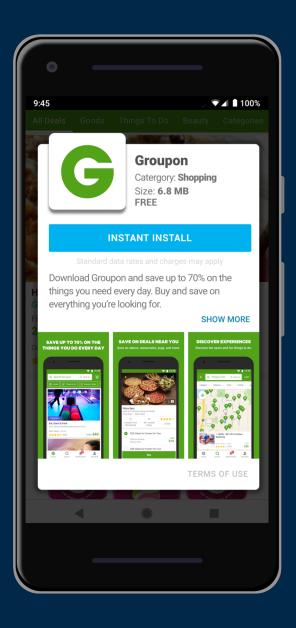
Device Activation (Day 1)











PRODUCTS

Single Tap Installs™

Frictionlessly install apps from mobile ads.

Better User Experience

Users stay in the mobile web experience and are not redirected. With Single Tap Installs, users are notified of the app install progress.

Comprehensive & Customizable Solution

Unlike other ad solutions, Single Tap Installs work on all browsers including OEM defaults (Samsung). A customizable module provides flexibility to A/B test screenshots, descriptions, and two user flows.

Improved Conversions

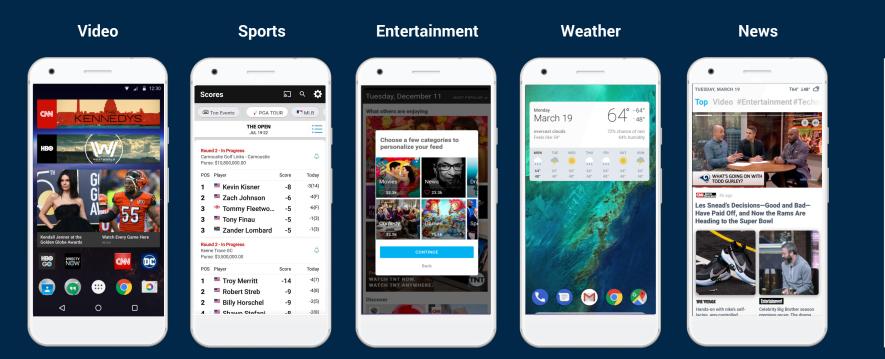
Single Tap Installs reduce friction and improve web to app conversion rates by up to 30%. Multiple gateways, such as notifications and homescreen/app tray icons ensure app engagement.

Easy to Implement

Plugs natively into any call-to-action. Simply place Single Tap deeplink where you include a tracking link. Installs are server to server. Digital Turbine's technology supports existing MMP attribution methods.

Mobile Media Hub

Rich, personalized media content for a valuable and engaging user experience



Revenue generation with each click

Branded and whitelabel options available

Reach new users and your existing base

Light weight and configurable



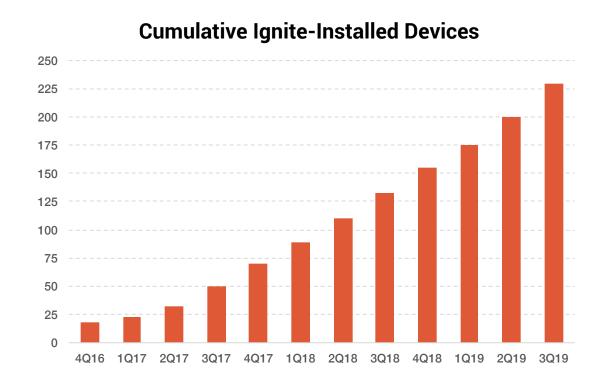
MORE DEVICES

Growing Installed Base

Our Mobile Delivery Platform has been **installed on more than 230 million total devices** to date and was installed on approximately 28 million new devices in the December quarter

Device Growth Drivers

- Market Share Expanding, but Still <10%
 Total Smartphone Penetration
- OEM Opportunity
 - OEM Benefit & Business Model
- Breakout of Underpenetrated Opportunity
- OEM vs. Carrier Distribution
- Growth of International Markets



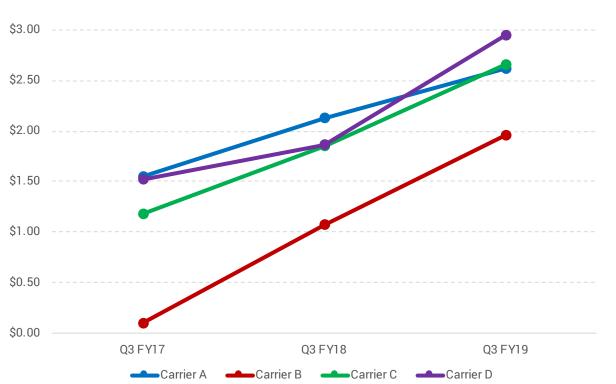


ADVERTISER DEMAND

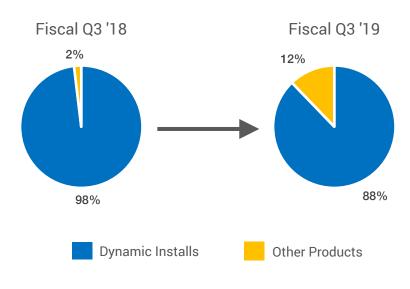
Strong RPD Trajectory With Strategic Partners

Robust advertiser demand, along with increased contribution from new products, drove a greater than 40% Y/Y increase in the average revenue-per-device with U.S.-based partners in Q3 of fiscal 2019

Revenue-Per-Device Trends with Leading U.S. Carrier Partners



Revenue Breakdown By Product



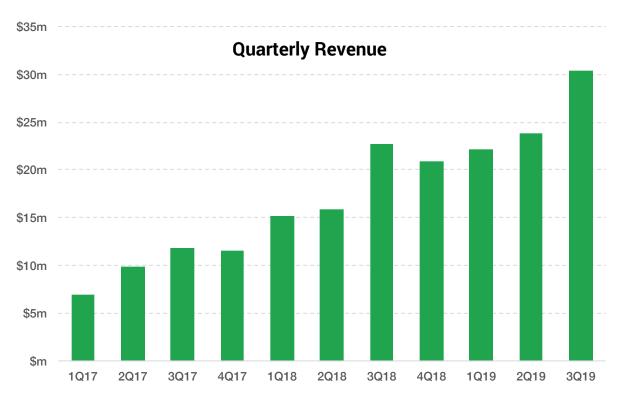
700%+ Growth in Other Product Revenue Y/Y

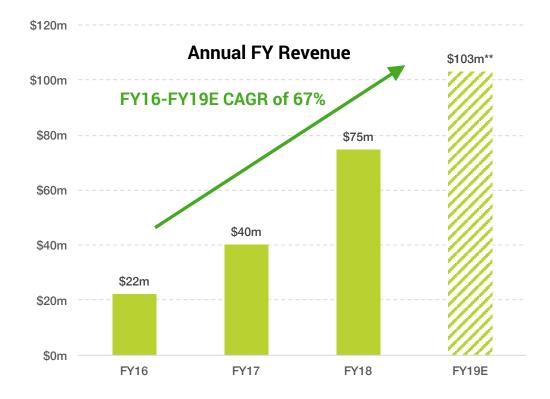


PLATFORM NETWORK EFFECTS

Strong Revenue Growth

Mobile Delivery Platform* revenue growth of 34% year-over-year in the just-reported December quarter and an expected compounded annual growth rate of 67% over the past 3 years





^{**} Based on the midpoint of the Company's guidance for FY19



[•] Formerly referred to as Operators & OEMs ("O&O") revenue

PLATFORM NETWORK EFFECTS

Operating Model Leverage

Strong cash flow growth in Q3 of fiscal 2019 on revenue growth of 34% and cash operating expense decline of 5%, highlighting the inherent operating leverage in the model

	FQ318	FQ319	% Change Y/Y
Revenue	\$22.7	\$30.4	34%
Non-GAAP Gross Profit ¹	\$7.8	\$11.2	43%
Cash Operating Expenses ²	\$7.8	\$7.4	-5%
Adjusted EBITDA ³	\$0.0	\$3.8	N/M
Free Cash Flow ⁴	(\$0.8)	\$2.0	N/A

Non-GAAP Gross Profit is defined as GAAP gross profit adjusted to exclude the effect of the amortization of intangibles and depreciation of software.

⁴Free Cash Flow is defined as net cash provided by operating activities reduced by capital expenditures.



²Cash operating expenses are defined as GAAP operating expenses less stock-based compensation and depreciation.

³Adjusted EBITDA is is calculated as GAAP net income/(loss) excluding the following cash and non-cash expenses: interest expense, foreign exchange transaction loss/(gain), income tax benefit, depreciation and amortization, stock-based compensation expense, the change in fair value of derivatives and warrants that are recorded related to the September 2016 convertible notes offering, other income / (expense), and a loss on extinguishment of debt.

Strengthened Balance Sheet

Positive free cash flow generation and conversion of convertible notes has resulted in a vastly improved balance sheet approaching debt-free by the end of the quarter

(in millions)	Dec. 31, 2017	Dec. 31, 2018
Cash & Cash Equivalents	\$6.9	\$10.1
Convertible Notes O/S (Face Value)	\$8.6	\$4.7
Other Debt (Face Value)	\$1.9	\$1.6
Net Cash/(Debt) Position	(\$3.6)	\$3.8



Operational Update – Key Recent Developments

Enhanced DT Mobile Delivery Platform Is Gaining Momentum with New Functionalities and New Partner Adoption

Platform Performance & Development

- Reported record revenue of \$30.4m, representing 34% Y/Y growth, in the just-reported December quarter, and exceeded Street consensus estimates for revenue, gross profit, non-GAAP net income and Adjusted EBITDA
- Strong advertiser demand and added product functionalities are driving greater revenue-perdevice ("RPD") with U.S.-based partners – Y/Y RPD was up more than 40% in the US in the most recent quarter
- □ Live and generating >10% of total revenue with New Products, including Single-Tap, Smart Folder and Notifications

Momentum with New Partnerships & Advertisers

- Commercially launched with Samsung on multiple continents
- ☐ In contract phase with numerous tier-one OEMs and global operators
- Recently launched demand on Sprint platform via InMobi partnership
- □ Seeing increased interest and spend from Fortune 100 brands on Digital Turbine Platform



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- Highly-scalable platform business model uniquely positioned in high growth, \$100 billion mobile advertising market
- 30+ long-term agreements with top-tier global partners including Verizon, AT&T, Samsung, America Movil and Reliance Jio
- Powered >2 billion app preloads for thousands of advertisers and access to more than one billion mobile subscribers globally

- >80% revenue growth Y/Y in FY18 led to positive free cash flow of >\$5 million and strengthened balance sheet
- Increasingly diverse revenue mix rapidly shifting to higher margin revenue streams amid expanding market opportunity
- Several impending high-profile partner launches and promising business development pipeline

Experienced management team and board with a track record of outstanding business growth at various carriers and technology companies including Verizon, AT&T, Sprint, Nextel, Yahoo, First Data and Sony

