

March 7, 2014



Mandalay Digital Group, Inc. Closes \$20 Million Underwritten Offering

-- Full Exercise of Over-Allotment Option --

LOS ANGELES, March 7, 2014 /PRNewswire/ --**Mandalay Digital Group, Inc.** and its subsidiaries (Nasdaq: MNDL) (the "Company"), a leading provider of mobile technology solutions, today announced the closing of its previously announced underwritten public offering of common stock. The Company received net proceeds of approximately \$18.6 million after deducting underwriting discounts and commissions and offering expenses.

A total of 4,881,750 shares of common stock were issued, including 636,750 shares issued in connection with the underwriters' full exercise of their over-allotment option. All shares were issued at the closing at a public offering price of \$4.10 per share.

Ladenburg Thalmann & Co. Inc., a subsidiary of Ladenburg Thalmann Financial Services Inc. (NYSE MKT: LTS), acted as the sole book-running manager in connection with the offering. Craig-Hallum Capital Group acted as co-manager for the offering.

The offering was made pursuant to a shelf registration statement that Mandalay Digital filed with the Securities and Exchange Commission ("SEC") and which is effective. A prospectus supplement relating to the offering was filed with the SEC. Copies of the prospectus supplement and the accompanying prospectus relating to these securities may be obtained by contacting either Ladenburg Thalmann & Co., Inc., at 4400 Biscayne Blvd., 14th Floor, Miami, Florida 33137, phone number 305.572.4200, or Craig-Hallum Capital Group LLC at 222 South Ninth Street, Suite 350, Minneapolis, Minnesota 55402, phone number 612.334.6300. Electronic copies of the prospectus supplement and accompanying prospectus are available on the website of the SEC at <http://www.sec.gov/>.

This press release does not constitute an offer to sell, or the solicitation of an offer to buy, these securities, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale is not permitted

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 and any other statement that may be construed as a prediction of future performance or events, including as to the timing and status of the offering described above, 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 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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SOURCE Mandalay Digital Group, Inc.