

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 14, 2012

Mandalay Digital Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware	000-10039	22-2267658
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

4751 Wilshire Boulevard, Third Floor Los Angeles, CA	90010
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (310) 601-2500

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On August 14, 2012, Mandalay Digital Group, Inc., a Delaware corporation (the "Company"), entered into a Share Purchase Agreement (the "Purchase Agreement") to acquire subsidiaries and assets of Logia Group, Ltd. ("Logia"), a leading mobile content development and management solutions provider of innovative mobile monetization solutions. As a part of the transaction, the Company, through an acquisition entity, will acquire all of the capital stock of three operating subsidiaries of Logia (Logia Content Development and Management Ltd., Volas Entertainment Ltd. and Mail Bit Logia (2008) Ltd. (collectively, the "Targets"). In addition, the Company will, by assignment to an acquisition entity, acquire from S.M.B.P. IGLOO Ltd. (an affiliate of Logia) ("Igloo") the assets comprising the "LogiaDeck" software, and certain operator and other contracts related to the business of the Targets that were entered into by Logia.

The Company has set up an Israeli acquisition/holding company, "MDG Logia Holdings LTD" to acquire the Targets and the LogiaDeck assets, which will be capitalized through a combination of intercompany debt and equity.

The purchase consideration for the transaction will be comprised of cash and common stock of the Company and two tranches of "earn out" payments of cash and stock, as follows: (1) At closing, \$3,750,000 in cash (subject to working capital adjustments) and a number of shares of Company common stock having a value of \$750,000 (based on a 30 day volume weighted average price (VWAP) look back from the issuance date) (the "Closing Shares") will be paid and issued, as applicable, to Logia and Igloo; and (2) Two tranches, each comprised of a cash payment of \$250,000 and a number of shares of Company common stock valued at \$250,000 (based on a 30 day VWAP look back from the issuance date) (the "Earn Out Shares"), will be paid and issued, as applicable, to Logia upon satisfaction of various milestones, and subject to the terms and conditions, as set forth in the Purchase Agreement, totaling up to a number of shares of common stock having a value of \$500,000 (valued as described) and \$500,000 of cash if all milestones are achieved.

All of the stock of the Company will be issued in a private offering under Section 4(2) of the Securities Act of 1933 or Regulation D or Regulation S thereunder, and will be subject to a 12 month lock-up. In addition, all of the stock of the Company that is issued will be subject to a Registration Rights Agreement that provides for piggy back rights for 3 years and inclusion on the Company's currently existing registration statement.

The transaction is expected to close in September 2012 and is subject to various closing conditions.

The foregoing description of the Purchase Agreement and Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement and the Registration Rights Agreement, copies of which shall be attached as exhibits to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 and, when filed, shall be incorporated into this Item 1.01 by reference.

ITEM 8.01 OTHER EVENTS

On August 14, 2012, we issued a press release announcing the entry into the Purchase Agreement. A copy of the press release is appended hereto as Exhibit 99.1 and is incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

99.1 Press release.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MANDALAY DIGITAL GROUP, INC.

Date: August 20, 2012

By: /s/ PETER ADDERTON
Name: Peter Adderton
Title: Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release.

MANDALAY DIGITAL GROUP, INC., TO ACQUIRE THE GLOBAL MOBILE ASSETS OF LOGIA GROUP

Acquisition Will Enhance Revenue and Cash Flow, Widen Distribution and Expand Content Offerings of Digital Turbine While Seamlessly Integrating with Its User Experience

Los Angeles, CA, August 14, 2012 – Mandalay Digital Group, Inc. (OTC Markets: MNDL), a global mobile content provider, today announced that it has signed a definitive purchase agreement to acquire the global mobile assets of Logia Group, a leading mobile content development and management solutions provider. Mandalay and Logia previously announced a signed a letter of intent (LOI) to explore this acquisition in May 2012. The transaction is expected to close in early September.

“Once closed, Logia Group’s mobile content and communication service offerings will immediately enhance Mandalay Digital’s top line, profitability and cash flow profile. This is an example of the kind of transactions we are pursuing as we build out the Mandalay product portfolio and follow our strategic vision to roll-up the mobile content space,” commented Peter Adderton, Chief Executive Officer of Mandalay Digital Group. “Logia’s mobile solutions, carrier relationships, and global distribution capabilities will be a superb fit with the Digital Turbine User Experience, and together they will provide a ‘best-in-class’, end-to-end solution for our carrier partners to fully monetize their own mobile content catalogs and third-party offerings.”

Logia Group has gained recognition as an expert in innovative, mobile monetization solutions. The company’s solutions are deployed in top-tier mobile operators and content providers worldwide and include white label app & media stores, in-app payment solutions, app-based value added services, device application management solutions, and mobile social music and TV offerings. Logia Group has close relationships with over 500 app developers and content vendors as well as pre-existing agreements with unique mobile platforms and service providers. Logia Group operates in more than 20 countries, providing services including in-app billing to more than 50 leading mobile carriers including Vodafone, Verizon, Telefonica, Turkcell, Deutsche Telekom among others reaching over 1.5 billion mobile subscribers. In addition, Logia Group has existing partnerships with industry leaders including Amdocs, Ericsson, and Alcatel-Lucent, among others.

Mandalay Digital is building a global media and communications company through the combination of strategic acquisitions and its current distribution network. Mandalay Digital is a comprehensive mobile content and service provider, and its many technology platforms including Digital Turbine (DT) allow media companies, mobile carriers, and their OEM handset partners to take advantage of multiple mobile operating systems across multiple networks, while maintaining individual branding and personalized, one-to-one relationships with each end-user.

About Logia Group

Founded in 2004, the Logia Group has gained recognition as an expert in innovative, mobile monetization solutions. The company's solutions are deployed in top-tier mobile operators and content providers worldwide. Privately-held, Logia Group is backed by prominent and experienced major international investment funds such as Ofer Media, Goldrock, and Plenus.

About Mandalay Digital Group

Mandalay Digital Group is at the convergence of internet media content and mobile communications. It delivers a mobile services platform that works with mobile operators and third-party publishers to provide portal management, user interface, content development and billing technology that enables the responsible distribution of mobile entertainment. Mandalay Digital is headquartered in Los Angeles and has offices in Europe and Latin America to support global sales and marketing. For additional information, visit www.mandalaydigital.com.

Forward Looking Statement

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 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 uncertainties as to levels of orders, ability to record revenues, release schedules, market acceptance of new products, changes in economic conditions and market demand, pricing and other activities by competitors, and other risks including those described from time to time in the Company's filings on Forms 10K and 10Q with the Securities and Exchange Commission (SEC), press releases and other communications.

Contacts

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