

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 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) **March 24, 2015**

Digital Turbine, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-10039

(Commission File Number)

22-2267658

(IRS Employer Identification No.)

1300 Guadalupe Street, Suite 302, Austin, Texas

(Address of Principal Executive Offices)

78701

(Zip Code)

(512) 387-7717

(Registrant's Telephone Number, Including Area Code)

(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))
-

Item 7.01 Regulation FD Disclosure.

A copy of the Company's updated investor presentation is attached to this Current Report on Form 8-K as Exhibit 99.1. These slides will be posted on the "Investor Relations" area of the Company's website at www.digitalturbine.com. From time to time, the Company may also use this presentation in conversations with investors and analysts.

The information reported in Item 7.01 shall not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information in Item 7.01, including Exhibit 99.1 attached hereto, shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|------------------------------|
| 99.1 | Investor Presentation Slides |

SIGNATURES

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 thereunto duly authorized.

Digital Turbine, Inc.

Dated: March 24, 2015

By: /s/ Andrew Schleimer
Andrew Schleimer
Executive Vice President and Chief Financial Officer

Digital Turbine, Inc.

Investor Presentation



Safe Harbor Statements.

Statements in this presentation that are not statements of historical fact and that concern future results from operations, financial position, economic conditions, product releases, revenue and product synergies, cost savings, product or competitive enhancements and any other statement that may be construed as a prediction of future performance or events, including that Appia's technology will enhance Digital Turbine's existing products or foster new technology innovation, perceived benefits from the business combination, that the acquisition will result in increased revenue, cost savings and better competitive position, or that Digital Turbine will successfully integrate Appia's technology, 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 include the effect of the Appia acquisition on relationships with customers, operating results and business generally; the ability to expand the combined company's global reach, accelerate growth and enhance a scalable, low-capex business model that drives EBITDA; failure to realize anticipated operational efficiencies, revenue (including projected revenue) and cost synergies and resulting revenue growth, EBITDA and free cash flow conversion; inability to refinance the assumed debt or to refinance the debt on favorable terms; unforeseen challenges related to relationships with operators, publishers and advertisers and expanding and maintaining those relationships; the ability to execute upon, and realize any benefits from, potential value creation opportunities through strategic relationships in the future or at all, including the ability to leverage advertising opportunities effectively and increase revenue streams for carriers; unforeseen difficulties preventing rapid integration of Appia's app-install infrastructure into Digital Turbine's existing platform; the inherent and deal specific challenges in converting discussions with carriers into actual contractual relationships; the Company's ability as a smaller company to manage international, and as a result of the proposed merger, larger operations; varying and often unpredictable levels of orders; the challenges inherent in technology development necessary to maintain the Company's competitive advantage; the potential for unforeseen or underestimated cash requirements necessary to enable the transaction synergies to be realized, and other risks including those described from time to time in Digital Turbine's filings on Forms 10-K and 10-Q with the SEC, press releases and other communications. 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.

Use of Non-GAAP Financial Measures.

To supplement the Company's condensed financial statements presented in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), Digital Turbine uses non-GAAP measures of certain components of financial performance, the exact amount of which are not currently determinable. These non-GAAP measures include non-GAAP adjusted gross profit and gross margin and non-GAAP adjusted EBITDA. Furthermore, the expected non-GAAP results are subject to completion of the Company's year-end accounting processes, which include the finalization of several items that could affect these results. These items include, among others, estimation of certain contingent liabilities and the finalization of the Company's provision for income taxes. Final results could also be affected by certain subsequent events in accordance with GAAP. 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. Non-GAAP Adjusted gross margin is defined as GAAP gross margin adjusted to exclude the effect of intangible amortization expense. Readers are cautioned that non-GAAP Adjusted gross margin should not be construed as an alternative to gross margin 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 is calculated as GAAP net loss excluding the following cash and non-cash expenses: interest expense, foreign transaction gains (losses), debt financing and non-cash related expenses, debt discount and non-cash debt settlement expense, gain or loss on extinguishment of debt, income taxes, asset impairment charges, depreciation and amortization, stock-based compensation expense, change in fair value of derivatives, fees and expenses related to acquisitions and discretionary bonus expenses. Because Adjusted EBITDA is a non-GAAP measure that does not have a standardized meaning, it may not be comparable to similar measures presented by other companies. Readers are cautioned that Non-GAAP Adjusted EBITDA should not be construed as an alternative to net income (loss) determined in accordance with U.S. GAAP as an indicator of performance, which is the most comparable measure under GAAP. Non-GAAP adjusted gross profit and gross margin and adjusted EBITDA 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.



Agenda

Market Opportunity

Digital Turbine's Solution

Distribution & Customers

Financial Overview

Team & Investors



Smartphones & apps are the technology platform of our time

1.4Bn

smartphones
shipped in 2014

+2Bn

smartphones
predicted to ship in
2015

1.3M

apps on both
Google Play
and the App
Store

+100k

new **apps**
each month



Smartphone shipments are predicted to exceed more than 2 billion devices in 2015, while application development across Google Play and iOS soars

86%

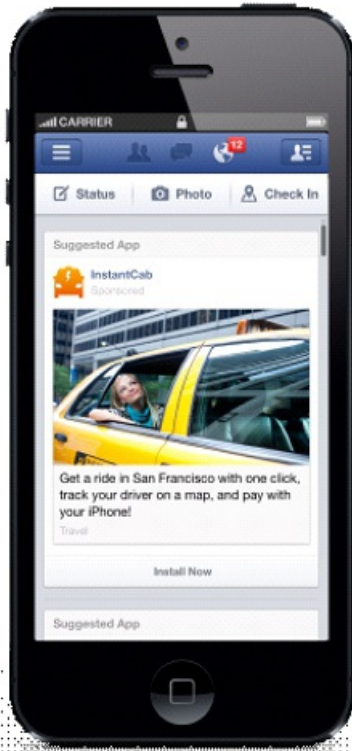
Of mobile time spent
on applications

Untapped
Monetization
Opportunity



- Apps continue to dominate mobile web
- Mobile is 20% of media time, but only 4% of advertising spend
- App discovery is a challenge with more than 2.6M+ apps
- Total mobile app revenue forecast to reach \$46B in 2016

Facebook Parallel



digital turbine 

Facebook is currently driving approximately *\$2.5 billion* in quarterly mobile ad revenue

- ✓ FB stock hits low of \$17.73 on September 4, 2012
- ✓ Launches app install ads on October 17, 2012
- ✓ Facebook now has generated over **700M downloads** with **1.2 billion** mobile monthly active users

Source: Facebook Fourth Quarter 2014 Results

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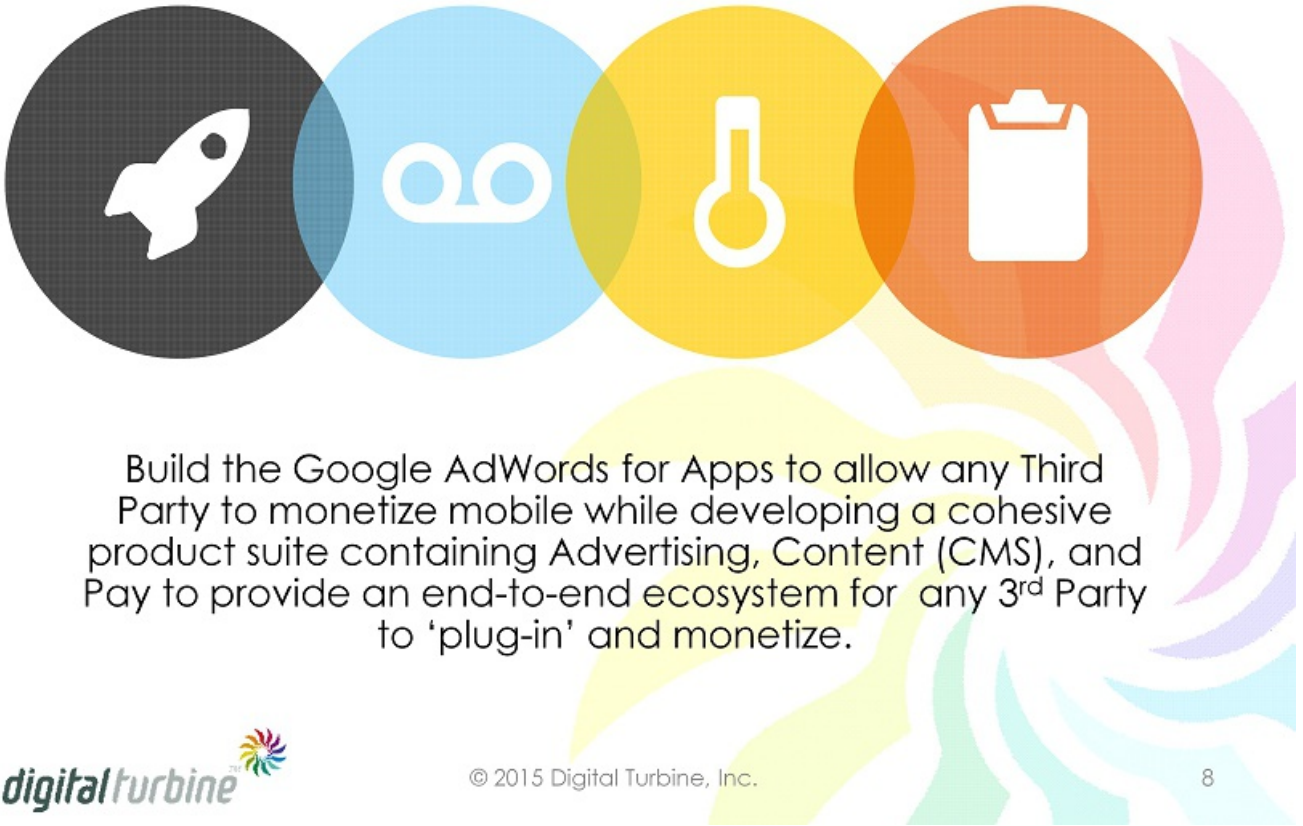
Our Mission

The 'App Economy' is exploding and redefining both industries and human lives. Our mission is to deliver the right app to the right customer at the right time...anywhere on the planet.



digital turbine 

The Strategy



Our Business

Sell Content

MarketPlace and Pay

Sell Advertising

Ignite and IQ

DT Media

Supply ongoing pipeline
for DT Media

Appia Network

Expand other
partners/supply sources



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Agenda

Market Opportunity

Digital Turbine's Solution

Distribution & Customers

Financial Overview

Team & Investors



Defining Appia Core vs. DT Media



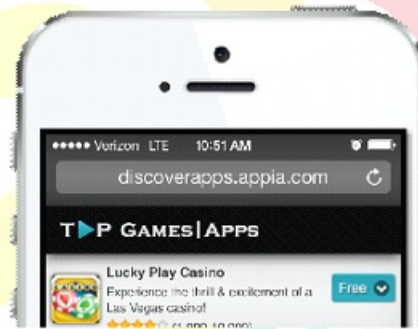
Digital Turbine Media

Digital Turbine Media will focus as an advertiser solution for unique and exclusive carrier inventory. The primary products will be DT Ignite & DT IQ.



Appia Core

Appia, will continue to scale as a leading worldwide mobile user acquisition network, focused on multiple demand and supply solutions that have sustainability in the market.



Sustainable Differentiation

What will make our businesses have sustainable differentiation?

- ① **Digital Turbine Media**
Digital Turbine Media – Unique Ad Units as the owner of the homescreen of the device
- ② **Appia Core**
Appia Core – Able to run a profitable performance app-install business while building an APK managed DSP and leveraging DT Ad Units for Publishers

Solution Overview



Digital Turbine Ignite
mobile device management solution with targeted app distribution capabilities

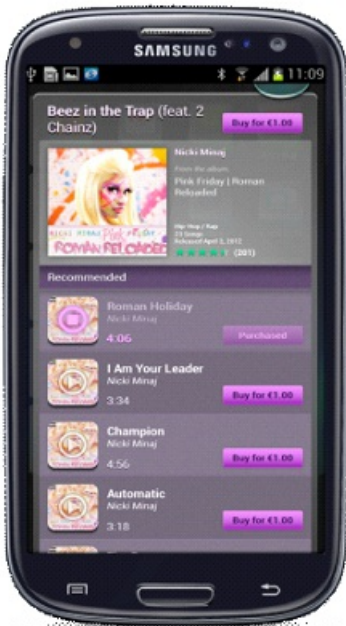
Digital Turbine IQ
customized user experience and app discovery tool

Digital Turbine Marketplace
an application and content store

Digital Turbine Pay
content management and mobile payment solution



DT Ignite



digital turbine 

- ✿ App management service that enables mobile operators to control, manage and monetize the applications that are installed (pre or post) on smartphone devices
- ✿ Controls the entire install process for internal third party apps
- ✿ Allows mobile operators to obtain a new advertising revenue stream from pre and post installs
- ✿ Offers personalized service packages and application bundles by segment and/or device type
- ✿ Provides tools for full analysis and reporting



Dynamic recommendations



Data-driven



Incremental revenue source



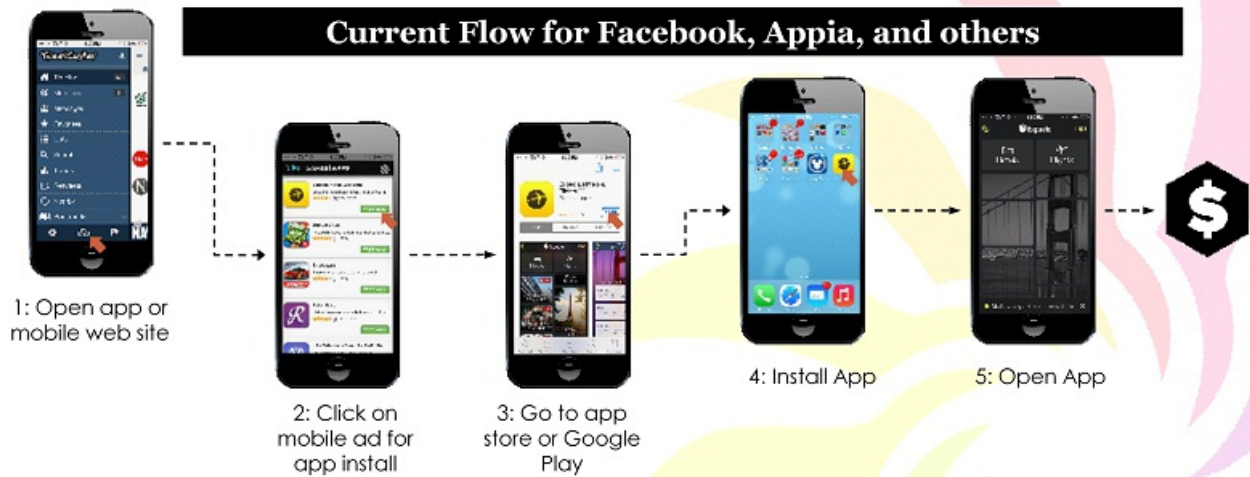
User focused

Right person, right app, right time

Multiple delivery channels but one set of intelligence and backend systems to enable delivering the correct app to the correct person.

Optimizing User Flow -- Increase Performance

Digital Turbine's Ignite simplifies the conversion flow for app installs from 6 steps to 2 steps, creating an order of magnitude increase in mobile monetization



Optimizing User Flow -- Increase Performance

Digital Turbine's Ignite simplifies the conversion flow for app installs from 6 steps to 2 steps, creating an order of magnitude increase in mobile monetization

Digital Turbine Ignite Flow



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Agenda

Market Opportunity

Digital Turbine's Solution

Distribution & Customers

Financial Overview

Team & Investors

Customers Leveraging the DT Media Platform



Publishers Leveraging Appia Core Platform



Appia partners with **250+ Publishers** to monetize their mobile traffic

App Install Advertisers

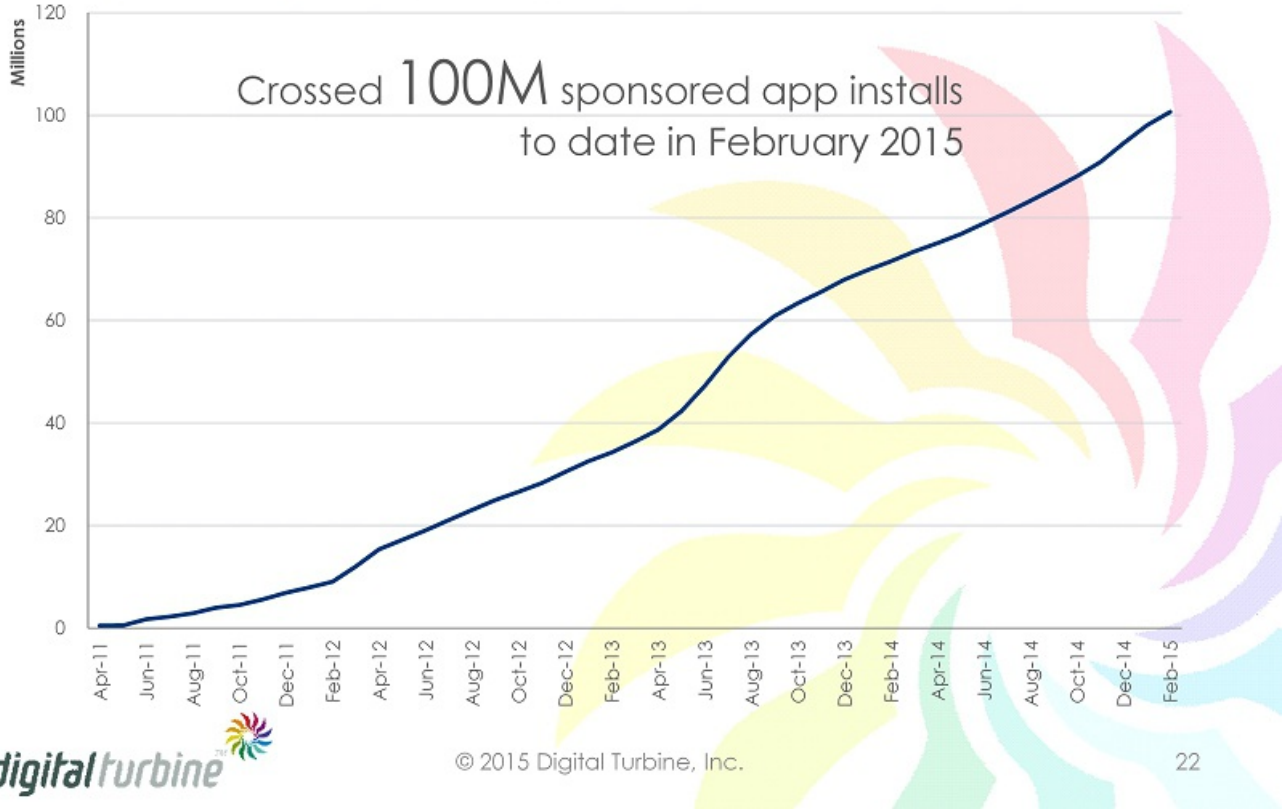


Appia works with **150+ Advertisers & Agencies**, including 60 of the top 100 grossing apps on the App Store and Google Play

#1 Independent App Install Network

100,266,987

sponsored app installs driven by **Appia**
as of February 24, 2015



Agenda

Market Opportunity

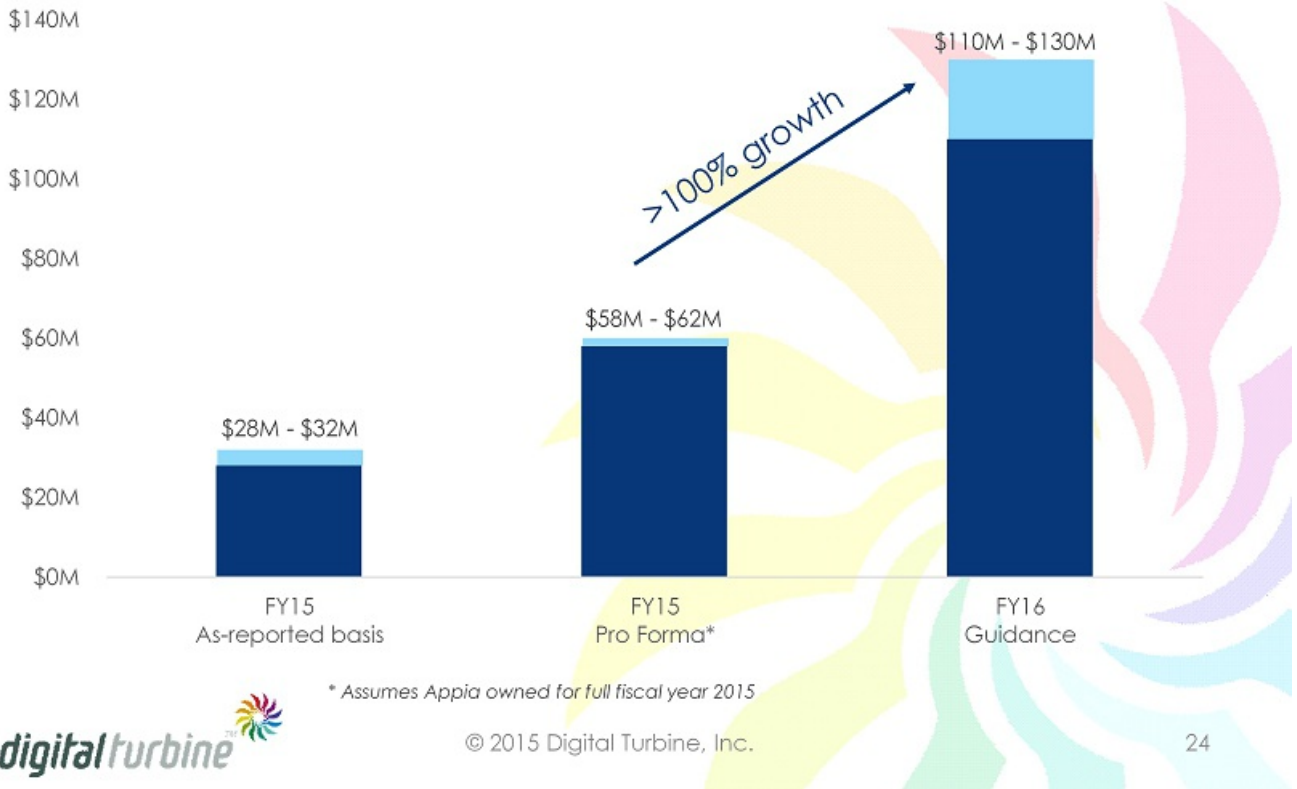
Digital Turbine's Solution

Distribution & Customers

Financial Overview

Team & Investors

Revenue Guidance – FY 15 and FY 16



FY 2016 Guidance Components

Total full year revenue for combined company in the range of \$110-130M

- Appia Core and DT Content businesses create a baseline of revenue at approximately 50+% of the midpoint
- Advertising business including DT Ignite and DT IQ represents remainder of revenue

DT Content

- Continued modest growth in the Content business
- Dec-14 revenue of ~\$2M AUD in DT APAC, provides strong base for Content business growth

Appia Core

- CY Q4 14 revenue \$9.1M, excluding DT up from \$6.7M and \$7.8M in CY Q2 and CYQ3 respectively

Advertising Business

- Continued momentum in the Advertising business, driven by the ramp in DT Ignite and DT IQ supported by expert resources acquired with Appia, as well as revenue synergies from the deal
- Focus on maximization of yield per device

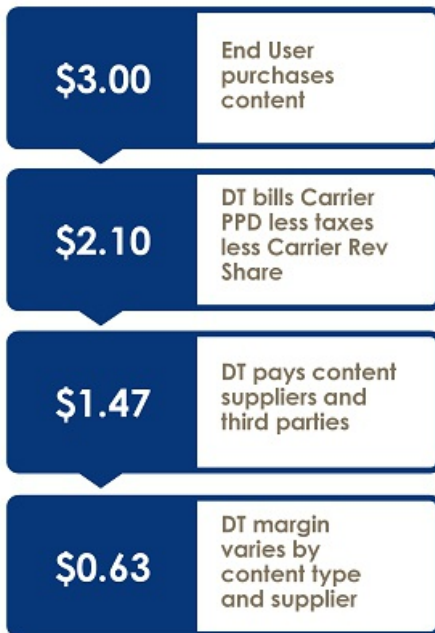
Full year Non-GAAP adjusted gross margin in mid-30% range

Positive full year Non-GAAP Adjusted EBITDA

Fiscal 2016 first quarter revenue to be in the range of \$17-19 million



Illustrative Content revenue model



- Traditional Carrier content services, transactional content sales for services built, hosted and managed by Digital Turbine
- API billing product enables third parties to monetize their services via direct carrier billing
- Revenue is recognized net of carrier revenue share
- DT manages the payment process for suppliers and third parties

Illustrative Advertising revenue model



- Pro forma for the Appia transaction, campaigns for **DT Ignite** and **DT IQ** will generally be sourced by Digital Turbine Media (formerly Appia)
- Digital Turbine Media "sells" the advertising to Digital Turbine Americas, EMEA, or APAC
- Overall Gross Profit to Digital Turbine Group to increase

Agenda

Market Opportunity

Digital Turbine's Solution

Distribution & Customers

Financial Overview

Team & Investors

Experienced Executive Team



Bill Stone – Chief Executive Officer

- 20+ years experience in carrier relations, wireless, content, media, technology, marketing and distribution
- Executive positions at Qualcomm, Verizon, and Vodafone



Experienced Executive Team

- **Andrew Schleimer** – Executive Vice President and Chief Financial Officer
 - President, Au Courant Capital Corp.; EVP of Strategic Development, Dick Clark Productions; EVP of Strategic Development, Six Flags; VP of M&A, UBS
- **James Alejandro** – Chief Accounting Officer and Controller
 - Dell, Inc. – Director of Accounting, North America & Global S&P Revenue
- **Nick Montes** Americas and EVP Global Business Development
 - President, Logia Mobile USA; President and CEO, Viva Vision; Director of Multicultural Marketing, Verizon Wireless
- **Jon Mooney**– EVP Group Product, Operations and Delivery
 - Chief Operating Officer, MIA; Content Acquisition & Strategy, Telstra; Product Manager, T-Mobile
- **Kirstie Brown** – EVP Global Finance Operations
 - Chief Financial Officer, MIA; Controller, MBlox
- **Harris Thurmond**– VP Product
 - Director of Mobile Software Development, Dell; Program Manager, Microsoft
- **Zoe Adamovicz** – Head of EMEA and EVP Group Technology Development
 - CEO, Xyo; Exec positions Deloitte, Jamster, Fox Mobile
- **Marcin Rudolf** – Head of Group Technology
 - Chief Technical Officer and Cofounder, Xyo; Chief Technical Officer, Vulevu

Experienced Executive Team; cont.

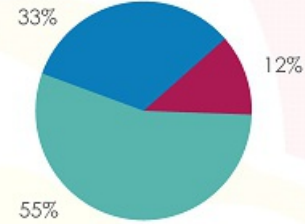
- **Jamie Fellows** - Chief Product Officer
 - SVP of Product, Millennial Media; VP of Product Management, AOL; Director of Product, Management Advertising.com
- **Jeff Henderson** – VP Engineering and IT Operations
 - Director of Engineering, Novarra; Director of Engineering, Motricity
- **Jim Harvey** – SVP Advertising Sales
 - VP of Client Strategy Brooks Bell, SVP of Consumer & Developer Services, Motricity
- **Matt Tubergen** – VP of Business Development and Supply
 - SVP & GM of USA, Taptica; Product Manager, Recharge Studios W3i; Co-Founder, Azomob; Director, THQ Wireless

Board of Directors and Shareholder Composition

| Board Composition |
|--------------------------|
| Rob Deutschman, Chairman |
| Peter Guber |
| Paul Schaeffer |
| Chris Rogers |
| Jeff Karish |
| Bill Stone |
| Jud Bowman |
| Craig Forman |

Equity Ownership Structure

% Shares Held



■ Former Appia ■ Insiders ■ Public Float

Shareholder base comprised of DT insiders, Appia VC investors*, and long-term strategic investors



* Trident Capital, Venrock, DCM, Noro-Moseley, Wakefield Group, Relay Ventures and Eric Schmidt's Tomorrow Ventures

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32