

**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) **January 12, 2016**

**Digital Turbine, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation)

**001-35958**  
(Commission File Number)

**22-2267658**  
(IRS Employer Identification No.)

**1300 Guadalupe Street Suite # 302, Austin TX**  
(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))
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**Item 2.02 Results of Operations and Financial Condition.**

On January 12, 2016, Digital Turbine, Inc. (the "Company") presented investor information at the Needham & Company Annual Growth Conference which included financial highlights for fiscal year 2016 as well as business outlook for the fourth quarter 2016 and fiscal year 2017. The investor presentation slides are attached hereto as Exhibit 99.1.

The information in the investor presentation is incorporated herein by reference.

**Item 7.01 Regulation FD Disclosure.**

A copy of the Company's 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](http://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.

The information being reported in under Items 2.02, which is incorporated herein by reference, and 7.01 in this Current Report on Form 8-K (including Exhibit 99.1 attached hereto) is being "furnished" and shall not be deemed "filed" for any purpose, including 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, nor incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
99.1	Investor Presentation Slides.

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**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.

Dated: January 12, 2016

Digital Turbine, Inc.

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

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**EXHIBIT INDEX**

**Exhibit No.**

**Description**

99.1

Investor Presentation Slides.

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# Needham & Company Annual Growth Conference

January 12, 2016



#### Safe Harbor Statements.

This presentation includes "forward-looking statements" within the meanings of the U.S. federal securities laws. Statements in this presentation 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, new customers 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 include risks associated with DT Ignite adoption among existing customers (including the impact of possible delays with major carriers and OEM partners in the roll out for mobile phones deploying DT Ignite); actual mobile device sales and sell-through where DT 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 DT Ignite slots across US carrier partners; required customization and technical integration which may slow down time to revenue notwithstanding the existence of a distribution agreement; 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; challenges to realize anticipated operational efficiencies, revenue (including projected revenue) and cost synergies and resulting revenue growth, EBITDA and free cash flow conversion from the Appia merger; the impact of currency exchange rate fluctuations on our reported GAAP financial statements, particularly in regard to the Australian dollar; ability as a smaller company to manage international operations; 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; pricing risks associated with potential commoditization of the Appia Core as competition increases and new technologies add pricing pressure; 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 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 historical financial statements and/or forward looking financials presented in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), Digital Turbine uses non-GAAP measures of certain components of financial performance. These non-GAAP measures include non-GAAP adjusted EBITDA. Furthermore, the expected GAAP and non-GAAP results for the twelve month period ended March 31, 2016 presented, if any, are subject to completion of the Company's year-end accounting processes, which include the finalization of the Company's provision for income taxes. Final results could also be affected by certain subsequent events. 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 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, if any, 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 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, and fees and expenses related to acquisitions. 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.

## Agenda



## Current market trends driving opportunity



Carriers and OEM's look for new sources of revenue from both advertising and data



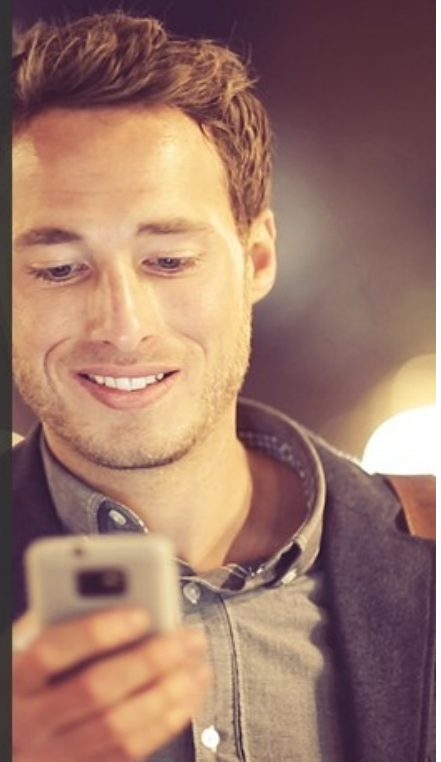
Carriers search for relevance from a subscriber perspective (avoid the dumb pipe)



App economy is here to stay – 80%+ of content consumed on smartphones through apps  
App discovery continues to be an issue for the ecosystem



Content is king but distribution is the emperor  
Mobile advertising is in it's infancy  
Media spend over-indexed on traditional formats and significantly under-indexed on mobile





# facebook. Parallel

Facebook is currently driving approximately **\$3.3 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 1.2B downloads with ~1.4 billion mobile monthly active users



Source: Facebook Third Quarter 2015 Results



# Our Mission: Right App. Right Person. Right Time.

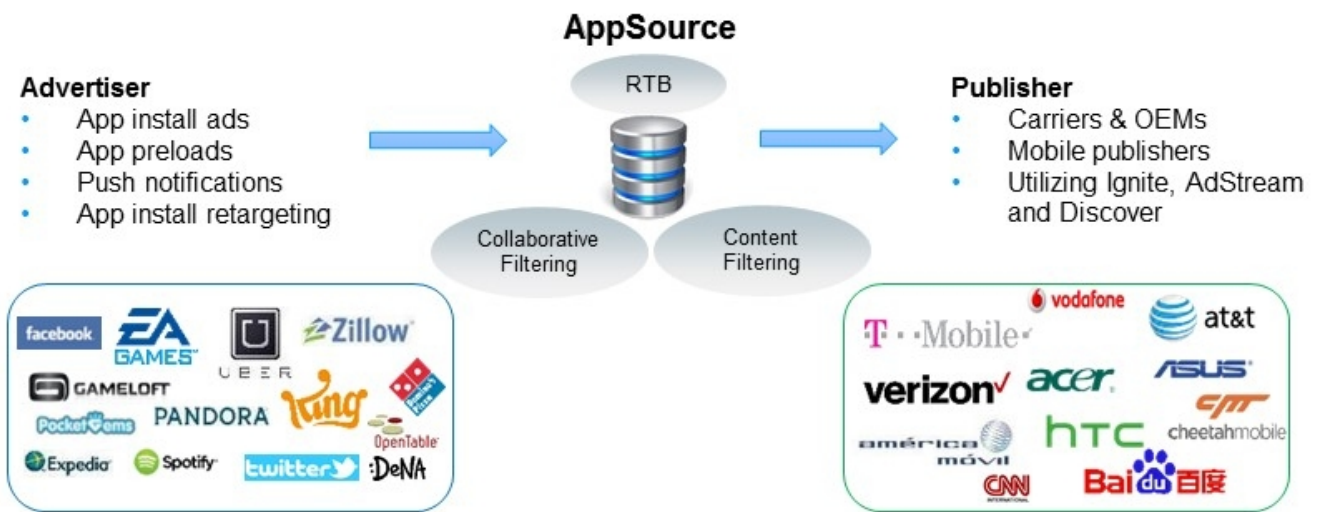
Every day millions of android devices activate. Digital Turbine helps developers, advertisers, mobile operators and OEMs make the most of these new opportunities.



## Five Products Across Our Two Operating Segments



*AppSource is the engine and data science that enables app install recommendations, tracking, and optimization*



## Multiple Ad Types for AdStream User Acquisition Solution



**App Wall**

*A simple, customizable and unobtrusive user experience*



**Native Ads**

*Fully customizable and seamlessly integrated*



**Display Ads**

*In-app or on mobile websites*



**Interstitials**

*Engage users with a full screen experience*

## Evolution of Ignite App Delivery – *Multiple Go to Market Approaches*



Additional demand beyond traditional carrier partners

*While capitalizing on current opportunities we are working to leverage our products to meet marketplace trends*

- Continued deployment with OEMs
- BYOD Ignite development for SIM cards
- Other connected devices including wearables, automobiles, and television



Signed contracts with major global players



- ✓ Partnered with 25+ mobile operators and OEM's
- ✓ Major anchor tenants in key geographies



## Roadmap for deployment of new major distributor partners



**Millicom**  
February 2016

Ignite  
License Fee per Device  
59M total subscribers

**Cricket**  
March 2016

Ignite  
Silent Install  
5M total subscribers

**MTS**  
March 2016

Ignite  
Silent Install  
100M total subscribers

**América Móvil**  
Q1 FY17































Ignite  
SDK  
289M total subscribers

**AT&T**  
Q1 FY17

Ignite  
Setup Wizard  
123M total subscribers

### Strong Demand for DT Media Advertising Inventory

*Digital Turbine works with top tier Advertisers & Advertising Agencies including the top grossing apps on the App Store and Google Play*

Travel				Retail			
Social				Music			
Real Estate				Entertainment			
Finance				Gaming			
Shopping				Agency			

## Recognizing device revenue over time



Day 1

### Device Sold Ignite Activated

CPP campaign @ \$0.40  
Immediate revenue recognition  
on CPP campaign of \$0.40

CPI campaign @ \$2.00  
Revenue recognition on CPI  
campaign of \$0.00 at device sale

Day 60

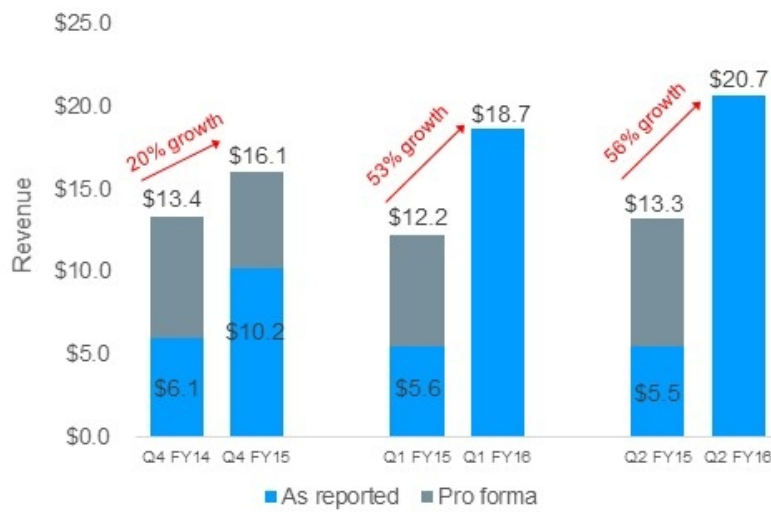
### Attribution Complete

No additional revenue recognition on  
CPP over attribution window

20% CPI conversion rate over  
attribution window  
Revenue recognition on CPI of \$0.40  
over attribution window

### Step change in quarterly revenue – meaningful sequential growth

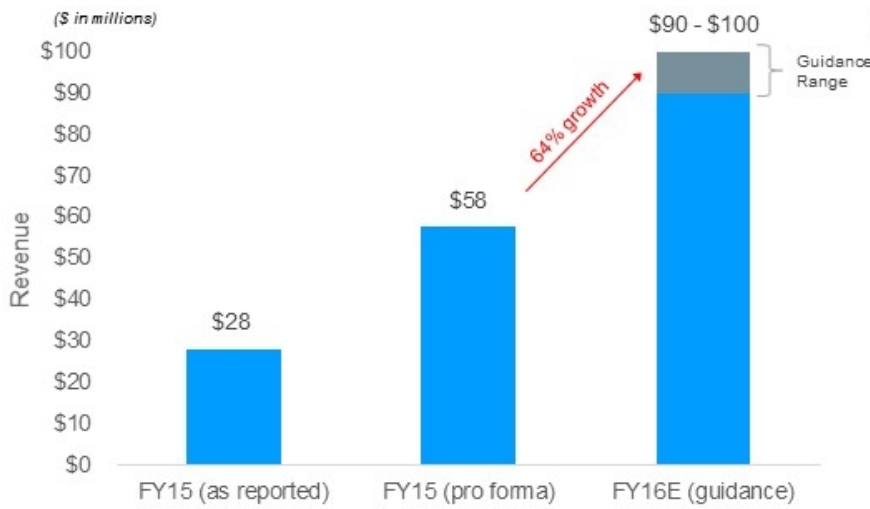
(\$ in millions)



### FY16 highlights:

- DT Media revenue growing from \$1M pro forma in Q4 FY15 to \$3.2M and \$4.1M respectively in Q1 and Q2 FY16
- Highest ad stream revenue in history in Q2 FY16
- Consistent contribution from Content business

## FY 2016 Full Year Guidance



### FY16 Guidance:

- Revenue to be in the range of: \$90M - \$100M
- Positive Non-GAAP adjusted EBITDA for fiscal Q4
- Revenue growth approximately 40% in Second Half versus First Half FY16
- DT Media revenue to grow up to approximately 200% in Second Half versus First Half FY16

## Business Outlook – Q4 FY16

### **Fiscal 2016 outlook over the remainder of Q4**

- Continued organic DT Media growth in Q4 FY16 driven by:
  - Full quarter of 8 slots on US Carrier partners
  - Continued accretion in yield per device to over \$2 per device
  - Launch of announced new customers
  - Potential launch of new material devices on existing distribution partners
- Revenue supported by a stable, predictable base from AdStream and Content
- Stable cash operating expenses driving profitability on an Adjusted EBITDA basis for Q4 FY16

## Business Outlook – FY 2017

### Looking to FY 2017

- Positive quarter over prior year quarter results from large US distribution partners through higher device penetration
- Onboarding of new distribution partners including América Móvil, AT&T and a more meaningful contribution from MTS, Millicom and Cricket
- Growth in Appia Core driven by increased focus and effort internationally as well as RTB
- Growth in DT Content driven by continued penetration of DT Pay customers in the pacific rim and Australia and new Content business opportunities in SE Asia

# Thank You

