



Simplify your Digital Life

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## LYCOS Posts Spectacular Q2 Numbers

Hyderabad, November 16, 2015

LYCOS (NSE & BSE: "LYCOS" or the "company"), one of the most widely known Internet brands in the world and one of the first search engines on the web, on 14<sup>th</sup> November 2015 announced its unaudited financial results for the quarter ended 30<sup>th</sup> September, 2015.

The Highlights:

- Q2 consolidated revenue of Rs. 565.08 Crores, up 22.79% year-over-year.
- Q2 consolidated EBITDA of Rs. 182.72 Crores.
- Q2 profit after tax (PAT) of Rs. 105.16 Crores
- Q2 consolidated earnings per share (EPS) of Rs. 2.21.

"Our teams across the globe are super excited about what we stand for and where we are headed. This quarter is a reflection of that enthusiasm. Big thank you to all the supporters, as we work our way towards the next level.", said Suresh Reddy, Chairman and CEO of LYCOS. "This quarter the digital division sales are up by 33% from last year."

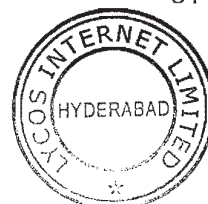
Revenue for Q2 FY2015-16 was Rs. 565.08 Crores, an increase of 13.33% Q-o-Q and 22.79% Y-o-Y. EBITDA for Q2 FY2015-16 was Rs. 182.72 Crores, an increase of 18.53% Q-o-Q and increase of 30% Y-o-Y. PAT for Q2 FY2015-16 was Rs. 105.16 Crores, an increase of 15.96% Q-o-Q and increase of 27.50% Y-o-Y.

Revenue from Digital Marketing Segment for Q2 FY2015-16 was Rs 458.38 Crores, an increase of 17.92 % Q-o-Q and an increase of 33.04% Y-o-Y. PBT from Digital Marketing Segment for Q2 FY2015-16 was Rs 162.32 Crores, an increase of 11.42% Q-o-Q and an increase of 26.16% Y-o-Y. Revenue from Software Development Segment for Q2 FY2015-16 was Rs 106.70 Crores, a decrease of 2.93% Q-o-Q and a decrease of 7.74% Y-o-Y.

### Business highlights:

LYCOS Advertising

- A new product, 'Vid-In' was launched that helps publishers monetize their inventory in unique ways by providing them a customizable large video player and tailor-made content.
- Recruited new publishers in the News and Travel verticals.
- A significant delegation participated in Dmexco, the biggest event in the ad-tech industry, This generated substantial new business opportunities and revitalized existing partnerships.



## Technology

- Compass: This quarter we focused on enhancing the system's key features by adding new UI functionalities, we developed API integrations to key demand partners in order to increase operational and yield efficiency. We also added 2 new RTB demand partners and enhanced with new reporting capabilities.
- Business Intelligence: We completed the development and QA of 2 essential data platforms for the small player and Media Buyers dashboards.
- Auto-tools development: particularly for mobile and programmatic buying.

## Video Advertising

- Started working together with a European SSP (Sell Side Platform) for European demand. In addition, one of our main and well-known demand partners approved our mobile supply.
- We integrated a new video player to our activity.
- The mobile apps video activity increased a lot this quarter. We believe it is only the beginning since In-app video advertising is growing exponentially.
- We had a roadshow in which we met all our main programmatic partners, following that trip we scaled our activity with those partners.

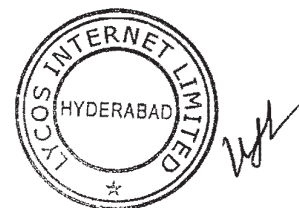
## LYCOS Media

- Rebranded and launched 10 new Search verticals including : Business, Economy, Money Matters, Show Biz, Entertainment, Health, Money, Sports, Technology and Travel. Users can now select Lycos and these verticals as their start pages which result in increased search traffic.
- Signed up with Indeed.com to build a job search vertical at [www.jobs.lycos.com](http://www.jobs.lycos.com), looking to launch the site before the end of Q4.
- Launched a new deal with Dex Online with a new Supermedia (local) feed. It is live on [whowhere.com](http://whowhere.com).
- Renewed the deal with Google for contextual advertising which increases our revenue share with them.
- The Boston team attended the 'Yahoo Partner Day' at Levis Stadium in San Jose, CA. The team is working on several new initiatives resulting from those meetings including LYCOS email platform and domain monetization ideas.
- Signed a deal with a content provider (Tinbu) whereby we will be launching 8 additional verticals of various topics including: lottery, horoscopes, celebrity, gas prices, weather, daily comics, 'today in history' and sudoku.

## LYCOS LIFE

- The team is developing a marketing strategy via a test market in one of the major metropolitan cities.
- There has been excellent response on the Smart Band, especially its 'tap to transfer' and sleep alert features.

## Conference Call Details:



LYCOS will host a conference call on Thursday, November 19, 2015, at 2.00 pm IST (Indian Standard Time) to discuss the financial results. Call-in details will be available from the Investor Relations page of the company's website at: <http://corp.lycos.com/investors/>

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**About LYCOS:**

LYCOS is one of the original and most widely known Internet brands in the world, evolving from pioneering search on the web, into a family of three business units covering digital media, marketing, and Internet of Things (IoT).

LYCOS Media is a network of easy-to-use community and social sites in 120 languages across 177 countries. LYCOS' award-winning products and services include tools for blogging, web publishing and hosting, online games, e-mail, and search. The LYCOS Network of sites and services include Lycos.com, Tripod, Angelfire, HotBot, Gamesville, WhoWhere, and LYCOS Mail.

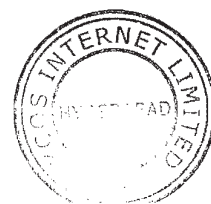
LYCOS Advertising enables businesses, agencies, and online publishers worldwide in meeting their digital marketing needs, serving 40 billion impressions every month. Clients include leading blue chip advertisers like Airtel, British Airways, Coca-Cola, Hyundai Motors, ICICI Bank, ITC, ING, Lenovo, LIC, Maruti Suzuki, MTV, P&G, Qatar Airways, Samsung, Viacom, Sony, Star India, Vodafone, Titan, and Unilever. Publishers include Facebook, LinkedIn, MSN, Twitter, and Yahoo! LYCOS works with agencies like Havas Digital, JWT, Mediacom, Mindshare, Neo@Ogilvy, OgilvyOne, OMD, Satchi&Satchi, TBWA, and ZenithOptiMedia, to name a few.

LYCOS Life is the new consumer products division focussed on IoT. LYCOS Life is dedicated to the future of communication and information management in which everyday objects will be connected to the internet, also known as the "Internet of Things" (IoT).

LYCOS employs around 450 people working out of 24 offices worldwide, across the US, Israel, India, Western Europe, Australia and Latin America. For more information please visit [www.lycos.com](http://www.lycos.com)

**Disclaimer**

This press release contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behavior of financial and digital marketing industry, and fluctuations in exchange rates; from future integration of businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different from those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.



A handwritten signature in black ink, appearing to be "RMS".