

Date: 30.05.2016

To,

BSE Limited
P. J. Towers, Dalal Street,
MUMBAI – 400 001.

National Stock Exchange Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai-400051.

Scrip Code: BSE: 532368 & NSE: LYCOS

Dear Sir,

Sub: - Press Release

Please take note of the attached Press Release going to be published.

Thanking you, Yours faithfully,

For LYCOS INTERNET LIMITED

M. Suresh Kumar Reddy Chairman & Managing Director





Simplify your Digital Life

LYCOS Reports Stellar Fiscal 2016

Hyderabad, May 30, 2016

Annual consolidated revenue at Rs.2255 Crores
Annual consolidated EBIDTA at Rs.679 Crores and PAT of Rs.405 Crores
Digital segment revenues grew by 21.8% from last year.

LYCOS (NSE: LYCOS BSE: 532368), the global Internet brand, today announced its audited financial results for the year ended March 31st, 2016.

The company posted an annual revenue of Rs. 2255.89 crores and net profit of Rs. 405.05 crores against the previous year revenue of Rs.1957.00 crores and net profit of Rs. 342.22 crores respectively. The digital segment revenues grew by 21.8% and overall revenue growth is 15.3% compared to last year.

The details of the results can be viewed at the company's website <u>www.lycos.com</u> in the Investors' section.

"Our strong revenue growth during the year reflects the vibrancy of our business, driven by video, mobile and programmatic advertising. Our team executed extremely well in the face of challenging macroeconomic headwinds. This was also an year of new beginnings, be it LYCOS LIFE, Brightcom or APLY. We are excited about the opportunities these bring to the franchise." Said Suresh Reddy, Chairman and CEO of LYCOS.

"We delivered a solid year, with 15% top line growth and 22% growth in digital segment alone." said Ramesh Reddy, LYCOS' Executive Director and group CFO. "We are happy to report that we were able to convince the board to recommend a token dividend of 5% to benefit the shareholders while balancing the outstanding commitments this year."



Business highlights:

LYCOS Advertising

Technology

- Our technology platform Compass added a new VAST engine to sell video traffic to DSPs (Demand Side Platforms) via RTB (Ringback Tone Advertising).
- A header bidding solution to manage publishers' auctions and pre-bid partner participation was developed.
- Enhancements were made to data management and optimization tools.

Media Buying (Publishers)

- Started Microsoft Ad operations for the Latin American Pan Regional Market.
- Started operating inventory of Medula, a 100% publisher owned and operated, and one of the largest editorial houses in Latin America.
- Two products were introduced to the publishers anti-ad blockers solution and search in-site engaging solutions.

Mobile

• The team participated at the Mobile World Conference in Barcelona, which is one of the greatest shows in the mobile industry.

LYCOS Media

- Partnered with Ezoic as part of the global Google relationship.
- Renewed the agreement with Yahoo for contextual advertising.
- Launched additional local ad feed with Dex Media.

LYCOS LIFE

- The bands are now available on all leading online shopping portals Amazon,
 Flipkart and Snapdeal,
- There has been a significant progress in the development of the marketing messaging for the brand 'LIFE' and the products.
- New products underway.



Apollo LYCOS NetCommerce (APLY)

- Increased the team size by adding front-end sales and marketing resources.
- Participated in the India Logistics Expo at Mumbai as a VIP partner.

Corporate highlights:

New Initiatives launched:

- LYCOS LIFE was launched.
- Brightcom, Powered by LYCOS was launched.
- The Apollo LYCOS JV Aply was launched.

Appointments:

- Mr. Ramesh Reddy came in as Executive Director (Finance) and Group CFO.
- Dr. Jayalakshmi Kumari was appointed as an Independent Director.
- Ms. Gali Arnon was announced as the CEO of Brightcom Media.

Settlement Discussions:

 Reached an agreement on final payment on LYCOS Inc., acquisition. Working out the legal and financial formalities to close.

Conference Call Details:

LYCOS will host a conference call on Wednesday, June 01, 2016 at 4.00 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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1. 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

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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.

For LYCOS INTERNET LIMITED

M. Suresh Kumar Reddy Chairman & Managing Director

