

December 6, 2012



Mandalay Digital Group to Collaborate with Intel Capital on Strategic Opportunities

LOS ANGELES, Dec. 6, 2012 /PRNewswire/ -- Mandalay Digital Group, Inc. (OTC Markets: MNDL), a leading global mobile data services provider, today announced it will work with Intel Capital, Intel Corporation's global investment organization, on strategic opportunities. As part of the collaboration, Mandalay Digital Group has signed a definitive agreement to acquire the music label assets of mobile entertainment studio skyrocket, an Intel Capital portfolio company, and Intel Capital will become a shareholder of Mandalay Digital Group.

"Intel Capital has made a massive impact in the technology innovation landscape and we look forward to working with them on this deal and others to follow," stated Peter Adderton, chief executive officer of Mandalay Digital Group. "Acquiring the music label assets from skyrocket is a great opportunity for us as we continuously enhance Digital Turbine's content offerings creating a robust alternative content eco-system for our OEM and carrier partners."

"We are excited about Mandalay Digital Group and what they are doing in the mobile space and look forward to working with them on other strategic opportunities," states Marc Yi, managing director, Intel Capital.

Digital Turbine is an innovative, comprehensive and fully-integrated cross-platform user interface and multimedia management system for OEMs which sits atop each of the various operating systems to provide a consistent experience for the user. Digital Turbine allows users to find, consume and manage content like no other experience has before. With its unique ability to manage and find content, create brand pages and leverage its unique IQ search experience, Digital Turbine allows content to come to the consumer rather than the traditional way of the consumer having to find content.

At the close of this transaction, Mandalay Digital Group will become an Intel Capital portfolio company.

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, Israel and Latin America to support global sales and marketing. For additional information, visit www.mandalaydigital.com.

About skyrocket

skyrocket is an award-winning global mobile entertainment studio that delivers scalable, results-driven products, services and campaigns for carriers, handset manufacturers, brands and consumers that marry entertainment, advertising and technology. skyrocket is currently the only mobile entertainment studio that licenses and aggregates content to all four Tier 1 U.S. mobile carriers - AT&T Mobility, Sprint, T-Mobile, and Verizon Wireless. The company's portfolio of mobile products includes the award-winning Virtual Zippo Lighter, with more than 16 million users worldwide and ROMPLR, its patent-pending music remix platform. With more than 1.1 million users, ROMPLR is the number one music remix application across iPhone and Nokia handsets, and has been the centerpiece of massively successful campaigns for brands such as vitaminwater. To date, more than 25 million consumers have downloaded the company's applications since its founding in 2001. skyrocket has generated more than \$300 million in revenue for its partners and more than 100 million pieces of content have been consumed. Headquartered in San Francisco, CA, skyrocket is backed by Intel Capital, Asuka DBJ Partners, and individual investors. For more information, please visit the company web site at www.skyrocket.com.

About Intel Capital

Intel Capital, Intel's global investment and M&A organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital invests in a broad range of companies offering hardware, software, and services targeting enterprise, mobility, health, consumer Internet, digital media, semiconductor manufacturing and cleantech. Since 1991, Intel Capital has invested more than US\$10.7 billion in over 1,257 companies in 53 countries. In that timeframe, 201 portfolio companies have gone public on various exchanges around the world and 308 were acquired or participated in a merger. In 2011, Intel Capital invested US\$526 million in 158 investments with approximately 51 percent of funds invested outside the U.S. and Canada. For more information on Intel Capital and its differentiated advantages, visit www.intelcapital.com or follow @Intelcapital.

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 10-K and 10-Q with the Securities and Exchange Commission (SEC), press releases and other communications.

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