







MOOD: CORPORATE SCORECARD
MAY 2014

Ongoing MM Performance Scorecard

	Module	Status	Initiatives Underway	Next Steps
Leadership	Senior Leadership		<ul style="list-style-type: none"> Recruitment of senior leadership team complete Reorganized global organization structures Prioritized strategic plans & actions by each executive 	<ul style="list-style-type: none"> VP level recruitment underway
	Executive Scorecards		<ul style="list-style-type: none"> All senior leaders have accountability scorecards, with key operational & efficiency targets Scorecards are aligned with compensation Focus areas are tracked monthly, quarterly & annually 	<ul style="list-style-type: none"> Drive scorecards down through remaining organization
Revenue	Local Sales Development		<ul style="list-style-type: none"> Appointed Pres. MMNA & Pres. MMINT, EVP Local Sales, VP Local MMEU Increased MMNA salesforce to 75 vs. 65 in Q4/13 Launched Mood:Mix as streaming-plus, new music offering 	<ul style="list-style-type: none"> Local sales AE recruitment underway in MMNA to 100 in 2014 and 140 in 2015 Developing new Visual & Mobile solutions; new verticals MMINT Local recruitment underway
	Mobile Sales Development		<ul style="list-style-type: none"> Increased levels of Mood:Presence customer trials in MMNA & MMEU (Fashion, Food, Retail) Mood:Presence built into Top 5, 3rd party app partner solution Pursuing Mood:Presence Sales with App Partners Developing Mood:Hear for Local 	<ul style="list-style-type: none"> Continue build of Premier distribution channels (A, V, M Upselling) Develop A, V, M solutions for Local Pursue new Pilots & Roll Outs
	Visual Sales Development		<ul style="list-style-type: none"> Positive early returns for Mood:TV for QSR market Building new vertical solutions for Hospitality, Medical, Auto Larger multi-screen deployment via MMTM & MMBIS 	<ul style="list-style-type: none"> Expand number of vertical markets Further develop cross & bundled sales via MMTM & MMBIS
	BIS Revenue Initiatives		<ul style="list-style-type: none"> Pan European expansion is progressing Increased cross-selling successes Pursuing new verticals in Healthcare 	<ul style="list-style-type: none"> Continue gains in MM & MMBIS cross selling Continue Geo/ Vertical expansion
	Technomedia Revenue Initiatives		<ul style="list-style-type: none"> 2014 cross sells with Mood to Premier Clients Expansion of Geo/ Vertical sales focus 	<ul style="list-style-type: none"> New product development in Auto, Fashion, and commercial visuals; continued cross selling MM & MMTM
	Geographic Expansion		<ul style="list-style-type: none"> China expansion continues MMTM cross sales for Fashion & Retail Identified 27 Cities in Eastern Europe for expansion Targeting to expand via franchise & affiliate development 	<ul style="list-style-type: none"> Partnership trial successes Geo expansion for A, V, M

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		Initiatives Underway		
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Efficiency	Wave 1 Initiatives		<ul style="list-style-type: none"> Significant expense reductions via headcount, real estate, contractors & marketing redundancies Implemented annualized cost savings of \$8.7 million 	<ul style="list-style-type: none"> Transitioned to Wave 2,3
	Wave 2,3 Synergies & Consolidations		<ul style="list-style-type: none"> Wave 2 & 3 reductions focused on People, Process, Real Estate Consolidate ERPs Targeted gains/efficiencies of \$8m - \$12m annually 	<ul style="list-style-type: none"> Consolidate Europe Complete Wave 2 & 3 on time & on target Plan MMINT ERP consolidation for 2015 implementation
Finance	Shareholder Disclosures & Communications		<ul style="list-style-type: none"> Investor Roadshow in Nov. 2013 with detailed strategy for enhanced growth Revised KPI disclosures in Q1.14 2014 work plan, accountability and measured gains 	<ul style="list-style-type: none"> Refine & enhance KPI disclosures Increase frequency of investor communications
	1-Time Charge Eliminations		<ul style="list-style-type: none"> Substantially shut off new one time fees except for Waves Resolved/settled previous team one timers, held-over from 2013 	<ul style="list-style-type: none"> Spend only on productive eliminations and asset dispositions
	Balance Sheet Strengthening		<ul style="list-style-type: none"> Sold LatAm Resi for \$16m Concluded successful ReFi of secured debt (April/14) Restructured LatAm Commercial Identified future assets for disposition 	<ul style="list-style-type: none"> Resolve assets for disposition Develop plans for resolving converts & for de-leveraging
	Enhanced FCF		<ul style="list-style-type: none"> Implementation of Wave 1-3 cost reductions & synergies Established Sr. Exec. global WCM/ CF forecasting committee; ongoing review & efficiencies for A/R, A/P, inventory, CapEX Established global procurement group to negotiate all vendor agreements 	<ul style="list-style-type: none"> Implementing standardized contracts

Legend:  Complete  In progress

MM Pro Forma Financial Results

	Q1.12	Q2.12	Q3.12	Q4.12	2012	Q1.13	Q2.13	Q3.13	Q4.13	2013	Q1.14
Revenues	131,491	133,383	134,150	143,110	542,133	129,087	126,268	125,662	132,253	513,271	122,990
- y/y change	n.a.	n.a.	n.a.	n.a.	n.a.	-1.8%	-5.3%	-6.3%	-7.6%	-5.3%	-4.7%
Direct costs	58,234	54,614	58,096	68,552	239,495	58,688	54,475	57,471	63,243	233,878	57,422
- % of revenues	44.3%	40.9%	43.3%	47.9%	44.2%	45.5%	43.1%	45.7%	47.8%	45.6%	46.7%
- y/y change	n.a.	n.a.	n.a.	n.a.	n.a.	0.8%	-0.3%	-1.1%	-7.7%	-2.3%	-2.2%
Gross margin	73,257	78,769	76,054	74,558	302,638	70,400	71,792	68,191	69,010	279,393	65,568
- % of revenues	55.7%	59.1%	56.7%	52.1%	55.8%	54.5%	56.9%	54.3%	52.2%	54.4%	53.3%
- y/y change	n.a.	n.a.	n.a.	n.a.	n.a.	-3.9%	-8.9%	-10.3%	-7.4%	-7.7%	-6.9%
G&A expenses	45,906	45,764	41,291	44,518	177,480	44,438	44,134	42,274	45,048	175,893	42,218
- % of revenues	34.9%	34.3%	30.8%	31.1%	32.7%	34.4%	35.0%	33.6%	34.1%	34.3%	34.3%
- y/y change	n.a.	n.a.	n.a.	n.a.	n.a.	-3.2%	-3.6%	2.4%	1.2%	-0.9%	-5.0%
EBITDA	27,351	33,005	34,763	30,040	125,158	25,962	27,659	25,918	23,962	103,500	23,350
- % of revenues	20.8%	24.7%	25.9%	21.0%	23.1%	20.1%	21.9%	20.6%	18.1%	20.2%	19.0%
- y/y change	n.a.	n.a.	n.a.	n.a.	n.a.	-5.1%	-16.2%	-25.4%	-20.2%	-17.3%	-10.1%

MM Pro Forma Key Performance Indicators

	Q1.12	Q2.12	Q3.12	Q4.12	2012	Q1.13	Q2.13	Q3.13	Q4.13	2013	Q1.14
Audio sites	420,321	422,243	422,337	427,714	427,714	428,835	427,038	428,085	428,095	428,095	423,796
Visual sites	6,840	7,220	7,485	10,929	10,929	11,552	12,115	12,479	12,666	12,666	12,997
Total sites	427,161	429,463	429,822	438,643	438,643	440,387	439,153	440,564	440,761	440,761	436,793
Audio ARPU	\$ 50.00	\$ 48.98	\$ 48.29	\$ 48.94	\$ 49.20	\$ 47.19	\$ 46.25	\$ 45.65	\$ 45.62	\$ 46.17	\$ 45.35
Visual ARPU	\$ 135.16	\$ 152.31	\$ 114.53	\$ 102.64	\$ 115.39	\$ 89.78	\$ 83.42	\$ 89.21	\$ 81.27	\$ 84.30	\$ 84.59
Blended ARPU	\$ 51.31	\$ 50.67	\$ 49.42	\$ 50.08	\$ 50.45	\$ 48.28	\$ 47.25	\$ 46.87	\$ 46.64	\$ 47.23	\$ 46.50
Audio gross additions	12,071	11,490	10,138	13,789	47,488	11,599	9,960	9,208	9,765	40,532	10,112
Visual gross additions	671	496	381	3,632	5,180	1,092	699	497	1,219	3,507	478
Total gross additions	12,742	11,986	10,519	17,421	52,668	12,691	10,659	9,705	10,984	44,039	10,590
Audio monthly churn	1.0%	0.8%	0.8%	0.7%	0.8%	0.8%	0.9%	0.6%	0.8%	0.8%	1.1%
Visual monthly churn	0.8%	0.6%	0.5%	0.8%	0.8%	1.4%	0.4%	0.4%	2.8%	1.3%	0.4%
Total monthly churn	1.0%	0.8%	0.8%	0.7%	0.8%	0.8%	0.9%	0.6%	0.8%	0.8%	1.1%