Ooyala Acquires Videoplaza to Expand into Fast-Growing Video Advertising Market

SANTA CLARA, Calif., LONDON and SYDNEY (October 20, 2014) - Ooyala, a Telstra subsidiary and the leading innovator in video streaming, personalization and analytics, today announced a definitive agreement to acquire Videoplaza, a leader in video advertising technology and monetization. Videoplaza operates one of the world's largest premium video ad serving platforms and programmatic trading solutions, delivering ads to viewers across all devices. It is used by the most successful broadcasters and media companies in Europe and the Asia Pacific region to maximize video monetization.

This acquisition allows Ooyala to tap into the fast-growing video ad market and build out a new business dimension in advertising. As more premium video viewing moves away from traditional TV to web and mobile consumption, major media agencies are recommending their clients move up to 25% of their TV ad budgets to digital. In the U.S. alone, digital video ad revenues will increase more than 40% this year, compared to just over three percent growth for TV advertising.

For Ooyala, this acquisition is the first step in a multi-step strategy aimed at establishing global leadership in personalized cloud TV and video, following Ooyala's acquisition by Telstra, the world's tenth largest telecommunications and information services company. For Videoplaza, joining forces with Ooyala enables a rapid expansion into the U.S. and helps address a broader range of customers around the world through Ooyala's global sales force.

With Videoplaza, Ooyala will offer an expanded product portfolio addressing a full range of customer needs. These include content acquisition and workflow, playback experience, ad serving, programmatic trading, personalized content recommendation, and real-time analytics for audience behavior as well as content and ad performance. Each company's individual offerings will remain in the market on a standalone basis. Over time, Ooyala will also offer a unified platform leveraging the strengths of both companies' technologies and expertise.

"Ooyala helps media companies build the largest possible audiences online, while Videoplaza helps them extract as much value as possible from that audience. Our combined platforms will offer a more holistic view of content and ad performance across a broadcaster's entire business, including granular data on not only what, how and where people are watching, but also where and how they can make the most money," said Ooyala Chief Executive Officer Jay Fulcher. "Videoplaza's team has clearly demonstrated strong leadership in the fast-growing video advertising market, and are closely aligned with our vision for growth and innovation in this new line of business."

Videoplaza Founder and Chief Executive Officer Sorosh Tavakoli said, "We are excited to join forces with Ooyala and Telstra. We share their vision and believe their strong appetite to invest for the long term in building a global market leader will set us apart. This acquisition will allow us to expand our mission in helping broadcasters and premium publishers build highly profitable and sustainable businesses."

Telstra Software Group's President, Charlotte Yarkoni, said, "The combination of Videoplaza and Ooyala establishes a leading global personalized cloud TV and video company. Telstra is pleased to be facilitating this combination and is excited by the prospects of what this means for Ooyala's market leadership. With Telstra's support, Ooyala will continue to look at investment opportunities to continue to build the leading personalized video company."

Tavakoli and his executive team will lead Ooyala's video advertising business line, as its ad serving solution, Karbon, and programmatic trading platform, Konnect, are added to the Ooyala product portfolio. These solutions will be sold both in conjunction with, and separately from, Ooyala's video platform.

Videoplaza already powers video advertising for some of the world's largest video publishers, including half of Europe's broadcasters and several tier-one media owners in the Asia Pacific region. Videoplaza's client base includes affiliates of the RTL Group such as M6 (France) and IP Deutschland (Germany), members of the Bonnier Group such as TV4 (Sweden), Mediaset (Spain), STV (UK), MediaCorp (Asia), Sony Entertainment India and Singapore's Mediacorp.

On its own, Ooyala powers video for hundreds of broadcasters and media companies. While many large customers such as ESPN and Univision are in the

U.S., over half of its business is international. Ooyala sees billions of analytics events on a daily basis from 150 million viewers each month using Ooyala technology in nearly every country in the world.

ABOUT OOYALA

Ooyala, a subsidiary of Telstra Corporation Limited, delivers personalized video experiences across all screens and is a leader in online video management, publishing, analytics and monetization. Ooyala's integrated suite of technologies and services gives content owners the power to expand audiences through deep insights that drive increased viewer engagement and revenue from video.

Companies using Ooyala technology include Univision, Foxtel, Comedy Central, NBC Universal, Telstra, ESPN, Telegraph Media Group, Telefonica, The North Face, Rolling Stone, Dell and Sephora. Headquartered in Silicon Valley, Ooyala has offices in New York City, London, Sydney, Tokyo and Guadalajara, Mexico. The company works with premier reseller and technology partners throughout the Americas, Europe, Africa, Japan and the Asia-Pacific region. For more information, visit <u>www.ooyala.com.</u>