glu™

Glu Mobile Inc.
2015 Analyst Day

May 14, 2015

Forward-Looking Statements and Non-GAAP Information

The presentations and discussions that you will see and hear today will contain "forward-looking" statements. Forward-looking statements include all statements that are not historical facts and which can often be identified by terms such as "anticipates," "expects," "believes," "plans," "intends," "may," "might," "will," "could," "estimate," "continue" and similar expressions or variations. Forward-looking statements in today's presentation include statements about Glu's expected and potential operating and financial performance, Glu's expected product and business strategies, industry trends, Glu's competitive position, Glu's potential growth opportunities, Glu's product roadmap, and the expected use of proceeds from the Tencent investment.

These forward-looking statements are subject to material risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. These material risks and uncertainties include: consumer demand for smartphones and tablets does not grow as significantly as we anticipate or that we will be unable to capitalize on any such growth; the risk that we do not maintain our good relationships with Apple and Google; the risk that our development expenses are greater than we anticipate; the risk that complying with Apple's requirement that our games support 64-bit development will negatively impact our operating results; the risk that the games we newly launch are less popular than anticipated; the risk that the mobile games market, particularly with respect to social, free-to-play gaming, is smaller than anticipated; and other risks detailed under the caption "Risk Factors" in our Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings. You can locate these reports through our website at http://www.glu.com/investors.

These "forward-looking" statements are based on information available to us on May 14, 2015 and we are under no obligation, and expressly disclaim any obligation, to update or alter our forward-looking statements whether as a result of new information, future events or otherwise.

The presentations and discussions that you will see and hear today also contain certain non-GAAP financial measures as defined by SEC rules, such as non-GAAP revenue, non-GAAP smartphone revenue, EBITDA and EBITDA margin. EBITDA is defined as non-GAAP operating income/(loss) excluding depreciation. EBITDA margin is defined as EBITDA divided by non-GAAP revenue.

The presentation of these non-GAAP financial measures is not intended to be considered in isolation from, as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with Glu's results of operations as determined in accordance with GAAP. Glu believes that these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provide meaningful supplemental information regarding Glu's performance by excluding certain items that may not be indicative of Glu's core business, operating results or future outlook. Glu's management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing Glu's operating results, as well as when planning, forecasting and analyzing future periods. These non-GAAP financial measures also facilitate comparisons of Glu's performance to prior periods. For a reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, please refer to the tables at the tables at the end of this presentation.

Presenting Team

Niccolo de Masi
Chairman & CEO
22 Quarters

Eric R. Ludwig
COO & CFO
42 Quarters

Chris Akhavan
Pres. of Publishing
9 Quarters

Matt Nutt
VP & GM, Glu L.B.
4 Quarters

Science Behind Our Growth

2:00 – 2:30pm	Niccolo	Glu: A Gaming Platform
2:30 – 3:00pm	Matt	Driving Social
3:00 – 3:30pm	Chris	User Acquisition & Monetization Trends
3:30 – 4:00pm	Niccolo	The Growth Opportunity
4:00 – 4:30pm	Eric	Financial Overview & Long Term Model
4:30 – 5:00pm	Q&A	
5:00 –	Niccolo	Wrap Up & Cocktails

Glu: A Gaming Platform

A System, Not One Game

1. Built a diversified gaming platform that positions us for predictable annual growth

2. Product focus now on building community + brand power

3. Hollywood platform opportunity creates strong barriers to entry

Agenda

1. Our Culture

2. Our Track Record

3. Building Game Communities

4. Tencent Strategic Relationship

5. 2015 Roadmap

1. Our Culture

Our Purpose

Unmissable Entertainment.

Anywhere.

Our Mission

To create instantly recognizable,
lasting game franchises
by combining star talent and social power

FROM **FASHION** to **FIREPOWER**
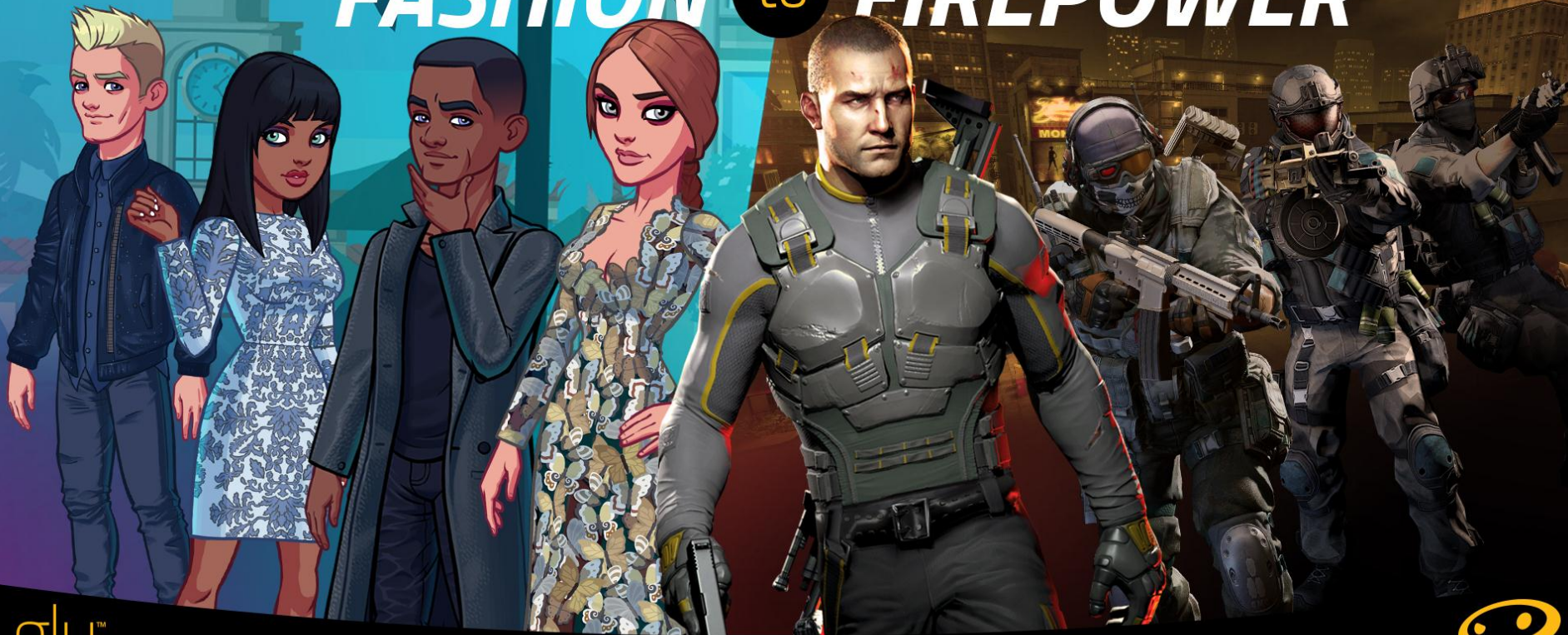
#MobileGamesForEveryone

FROM **TURF WARS** to **WARFARE**

#MobileGamesForEveryone

glu™

© Glu Mobile Inc. – Proprietary

SLASHING
DEMONS
to
SLINGING
DISHES

#MobileGamesForEveryone

glu™

2. Our Track Record

37.9% 4-Year Topline CAGR
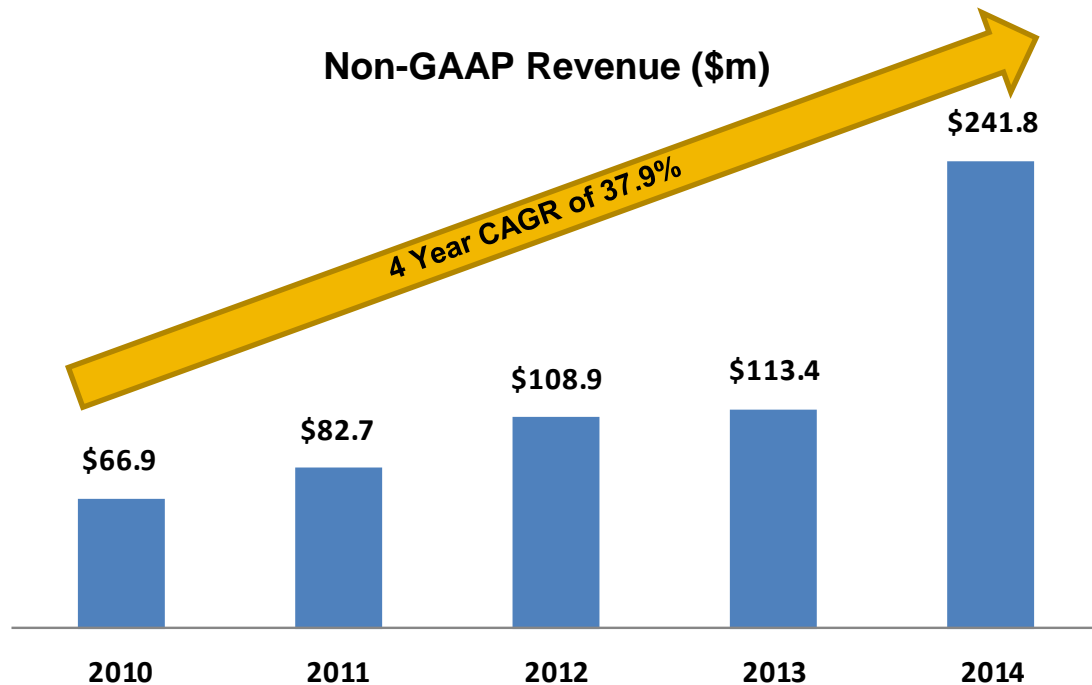
Non-GAAP Revenue ($m)

4 Year CAGR of 37.9%

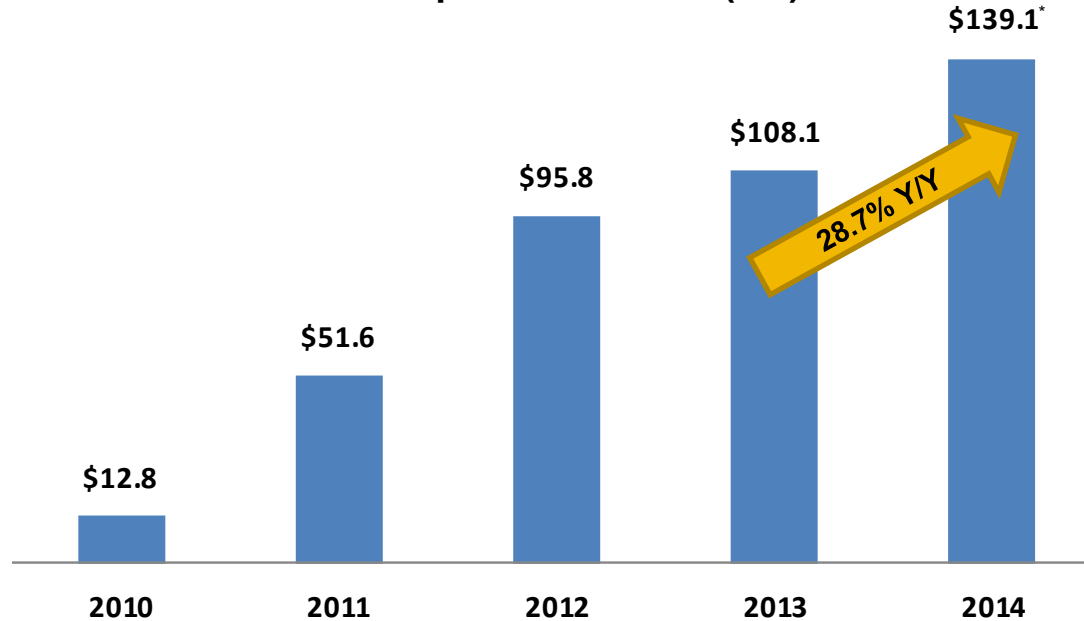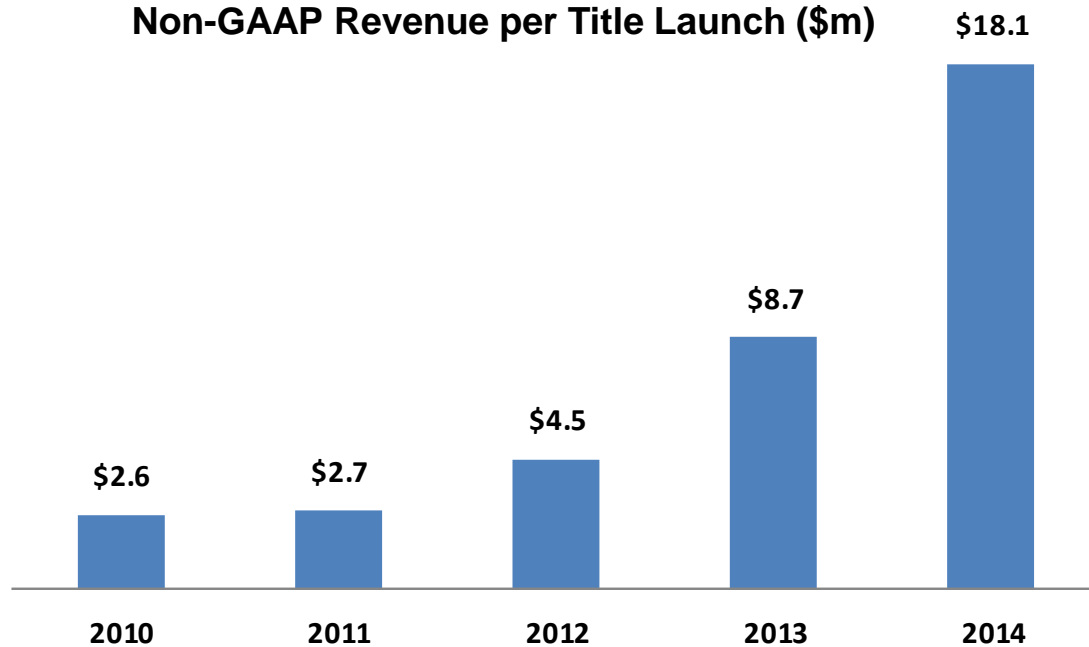| Year	Revenue
2010	$66.9
2011	$82.7
2012	$108.9
2013	$113.4
2014	$241.8

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

Featurephone Replacement Drag Over
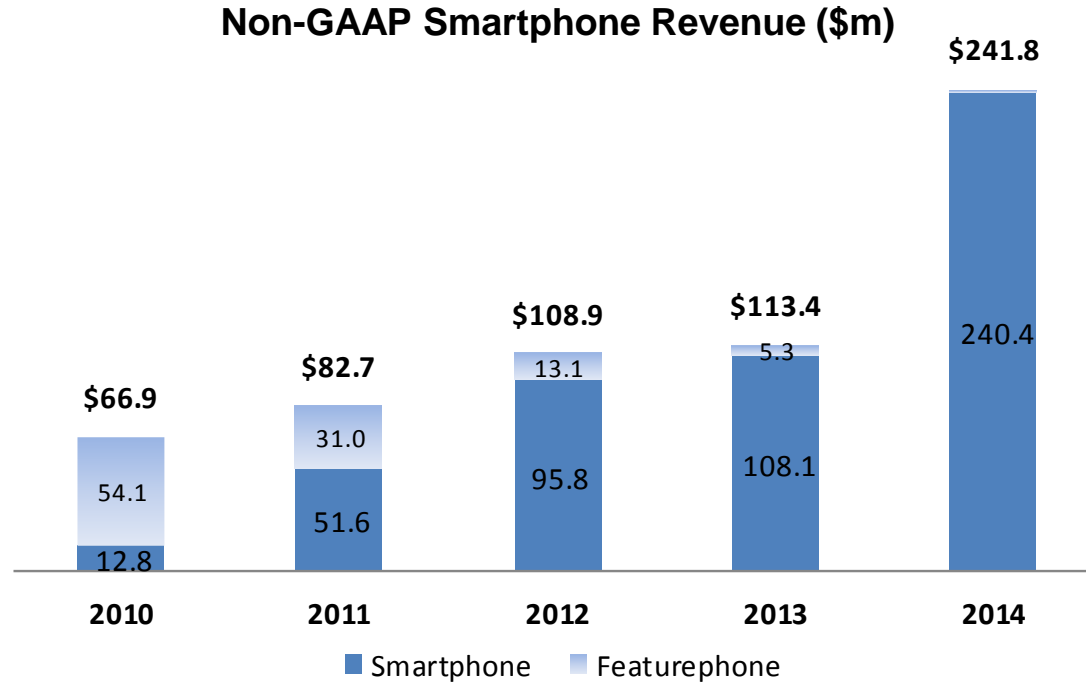
Non-GAAP Smartphone Revenue ($m)

Year	Featurephone	Smartphone	Total
2010	54.1	12.8	$66.9
2011	31.0	51.6	$82.7
2012	13.1	95.8	$108.9
2013	5.3	108.1	$113.4
2014		240.4	$241.8

■ Smartphone ■ Featurephone

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

108% Smartphone CAGR
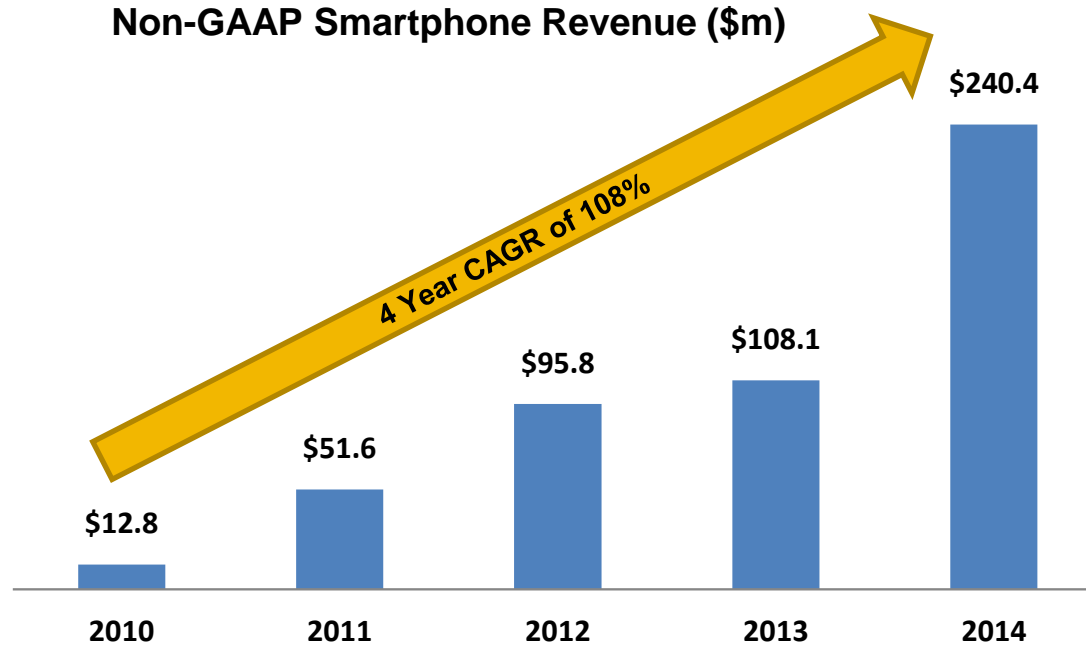
Non-GAAP Smartphone Revenue ($m)

4 Year CAGR of 108%

Year	Value
2010	$12.8
2011	$51.6
2012	$95.8
2013	$108.1
2014	$240.4

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

Removing KKH & Acquisitions from 2014

Non-GAAP Smartphone Revenue ($m)

|				
$12.8	$51.6	$95.8	$108.1	$139.1[*]
2010	2011	2012	2013	2014

28.7% Y/Y

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

*2014 Non-GAAP smartphone revenue excludes revenue derived from Kim Kardashian: Hollywood and all titles developed by studios acquired through our acquisitions of PlayFirst, Inc. and Cie Games, Inc. in 2014.

'Batting Average' Improving*

Non-GAAP Revenue per Title Launch ($m)

Year	Value
2010	$2.6
2011	$2.7
2012	$4.5
2013	$8.7
2014	$18.1

Computed based on the respective year's total non-GAAP smartphone revenue from games internally developed by Glu, except that Racing Rivals is included in revenue for 2014, divided by the # of internally developed games launched by Glu in that year, including Racing Rivals for 2014. Certain games that were launched in one year, may contribute significantly to revenues in a subsequent year, such as Deer Hunter 2014, which was launched in 2013, but also contributes to the "batting average" for 2014.

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

Hits Getting Bigger

First 12 Months of Non-GAAP Revenue for Biggest Title Launched Each Year* ($m)

	$8.8	$13.8	$11.0	$71.7	$100+
Year	2010	2011	2012	2013	2014
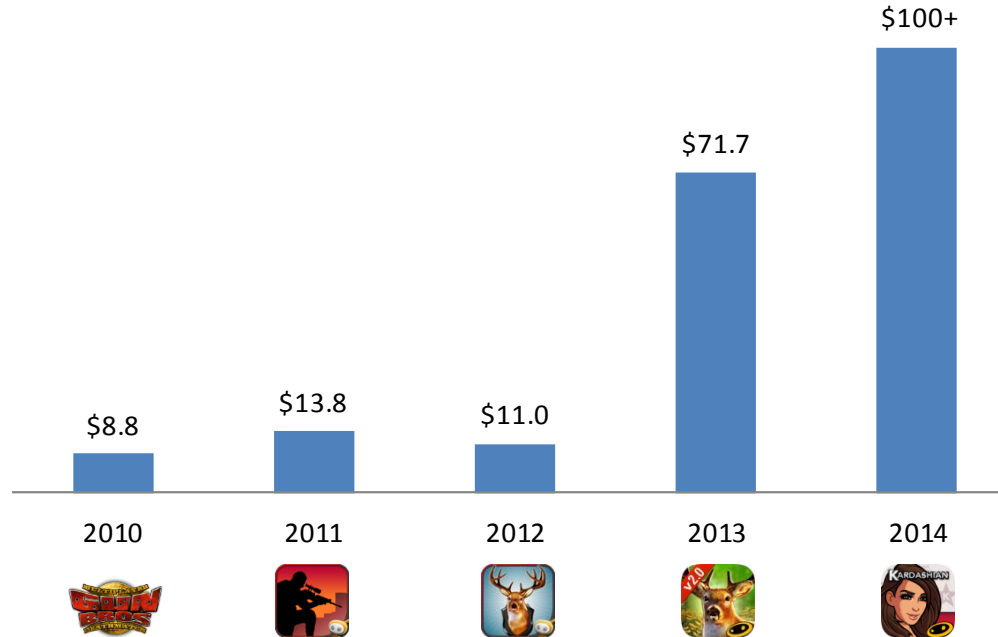
*Computed based on the first full twelve months of non-GAAP revenue from global launch but also including any Beta testing period revenue. Includes estimates for KKH non-GAAP revenues for Q215.

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

Consistent & Improving 'Hit Ratio'

- % of new Glu launches reaching Top 25 grossing games
- % of new Glu launches reaching Top 50 grossing games
- % of new Glu launches reaching Top 100 grossing games
- Total # of Glu game launches
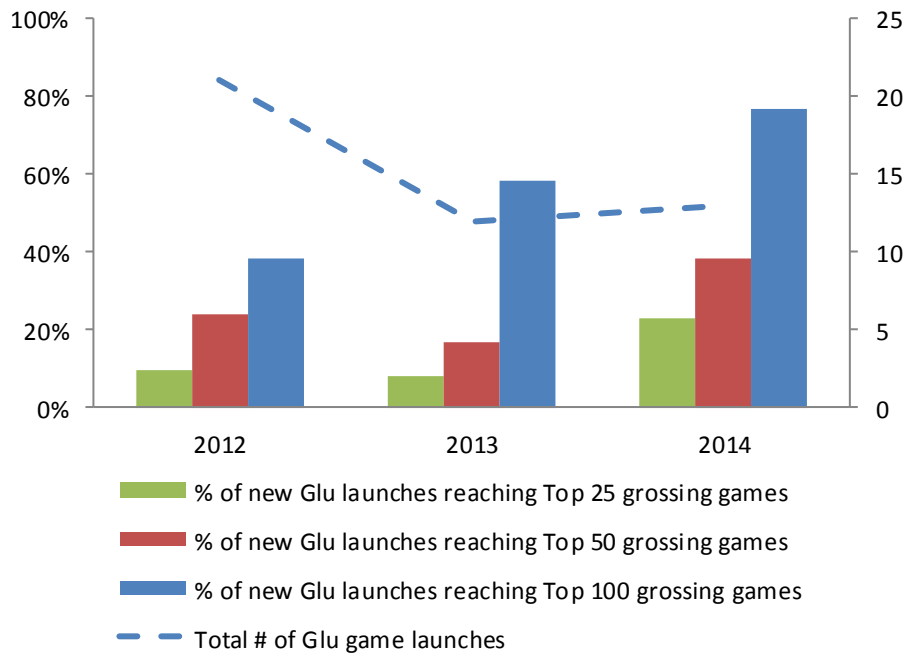
Based on top grossing ranking for all games on the US App Store for iPhone through December 31, 2014; Racing Rivals has been considered a 2014 launch in the above analysis

Hits Persisting Longer

Days in Top Grossing US Games

2013 | 2014 | Q1 2015

■ Top 25 grossing games   ■ Top 50 grossing games   ■ Top 100 grossing games
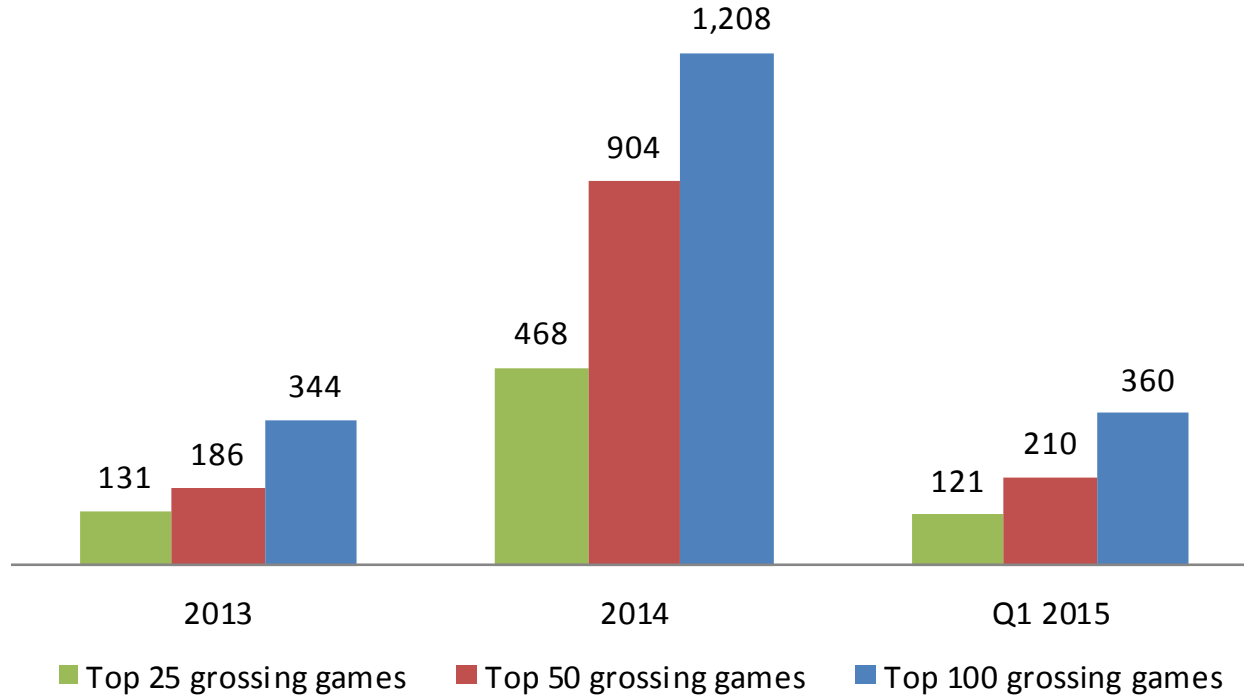
Cumulative sum of days for all Glu games in the respective top grossing game rankings on the US App Store for iPhone.

Improving Batting Average & Consistency

First 6 Months Non-GAAP Revenue ($m)

- 2014 Average: $11.2M

- 2013 Average: $6.3M
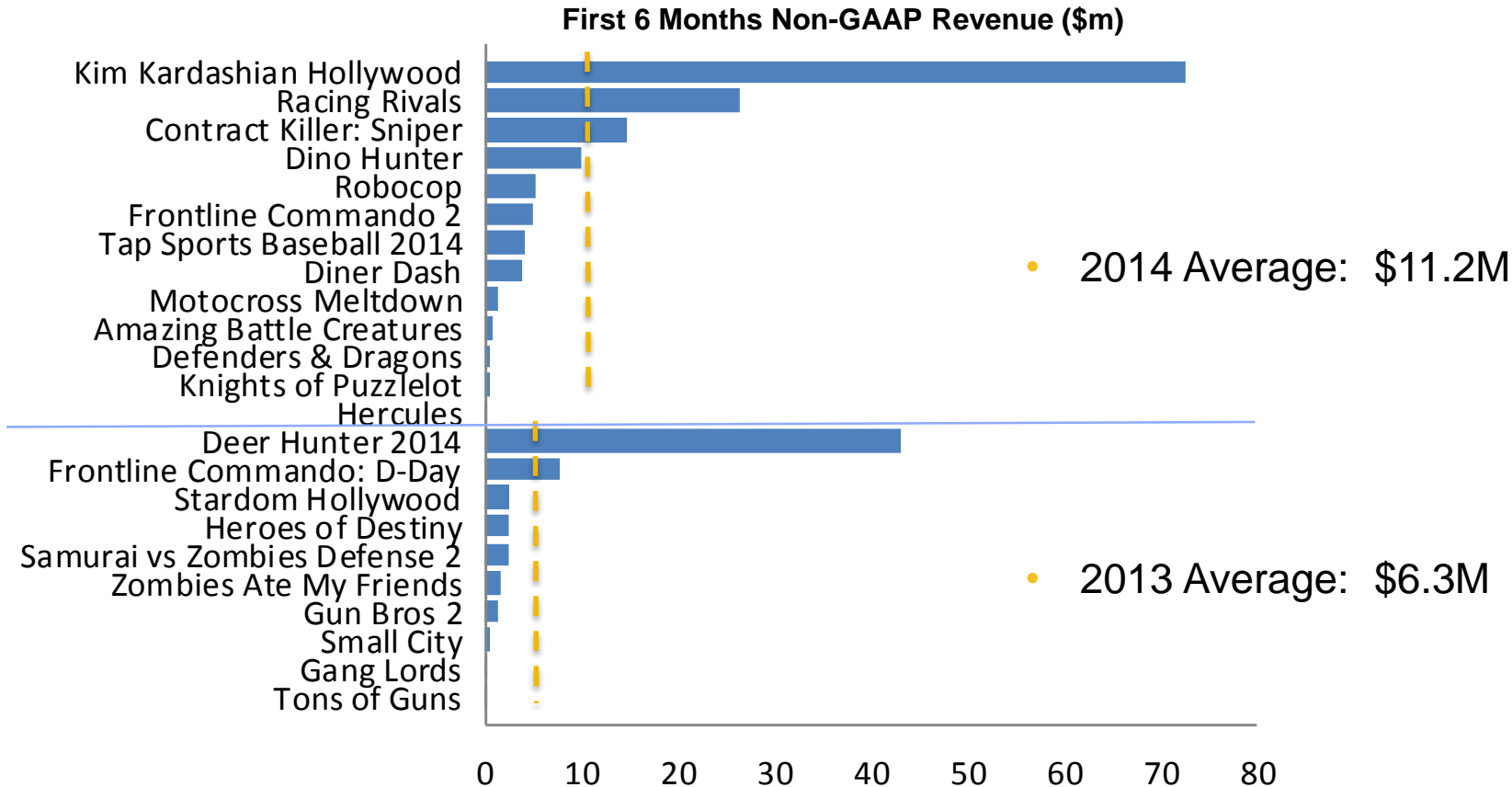
Leader in 6 Key Gamer Demographics

Franchise	Releases	Next
CONTRACT KILLER		Next CK
FRONTLINE COMMANDO		Next FLC
ETERNITY WARRIORS		ETERNITY WARRIORS HERO'S CALL
DEER HUNTER		DEER HUNTER 2016
RACING RIVALS		MX RIVALS / CAR TOWN RIVALS
DINER DASH		
STARDOM		Katy Perry
TAPSPORTS		TAP SPORTS FOOTBALL 2015

Organic

Acquired

Combination

- FPS
- ARPG
- Time Management
- Racing
- Narrative RPG
- Sports

Building Annuities

Game*	Total months in US top 30 grossing games**	Game*	Total months in US top 30 grossing games**
1. Clash of Clans	27 months	16. SimCity BuildIt	0 months
2. Game of War - Fire Age	17 months	17. Boom Beach	9 months
3. Candy Crush Saga	25 months	18. Pet Rescue Saga	18 months
4. Candy Crush Soda Saga	2 months	19. The Simpsons: Tapped Out	27 months
5. Big Fish Casino	27 months	20. Trivia Crack	0 months
6. Madden NFL Mobile	3 months	21. Bubble Witch 2 Saga	6 months
7. Kim Kardashian: Hollywood	**7 months**	22. Cookie Jam	6 months
8. Minecraft Pocket Edition	26 months	**23. Racing Rivals**	**8 months**
9. Farm Heroes Saga	12 months	24. The Sims: FreePlay	20 months
10. Hay Day	27 months	25. myVEGAS Slots	12 months
11. MARVEL Contest of Champions	1 month	26. Jackpot Party Casino - Slots	16 months
12. DoubleDown Casino	22 months	27. GSN Casino	16 months
13. Modern War	25 months	**28. Deer Hunter 2014**	**8 months**
14. Slotomania	27 months	29. Trivia Crack (Ad Free)	0 months
15. Family Guy: The Quest for Stuff	8 months	30. Castle Clash by IGG	0 months

*Based on top grossing ranking for all games on the US App Store for iPhone taken on December 21st 2014, AppAnnie.com
**Based on total number of full calendar months between October 2012 – December 2014 the respective game ranked as a top 30 grossing iPhone game on aggregate in the United States, App Annie Intelligence

'Moneyball' Studio Strategy

- Systematic inculcation of team-talent-studio-product alignment

- Specialization of talent on each game engine – expertise, experience, passion, tech & tools

- Only enter new genres where can be top two – either in the category or are the category

- Long term focus on being the best in the world in given genre

Scaling Smartphone Revenue Per R&D Head

Non-GAAP Revenue (in thousands)

4 Year CAGR of 91%

$34.8 — 2010
$110.6 — 2011
$221.2 — 2012
$258.6 — 2013
$462.2 — 2014
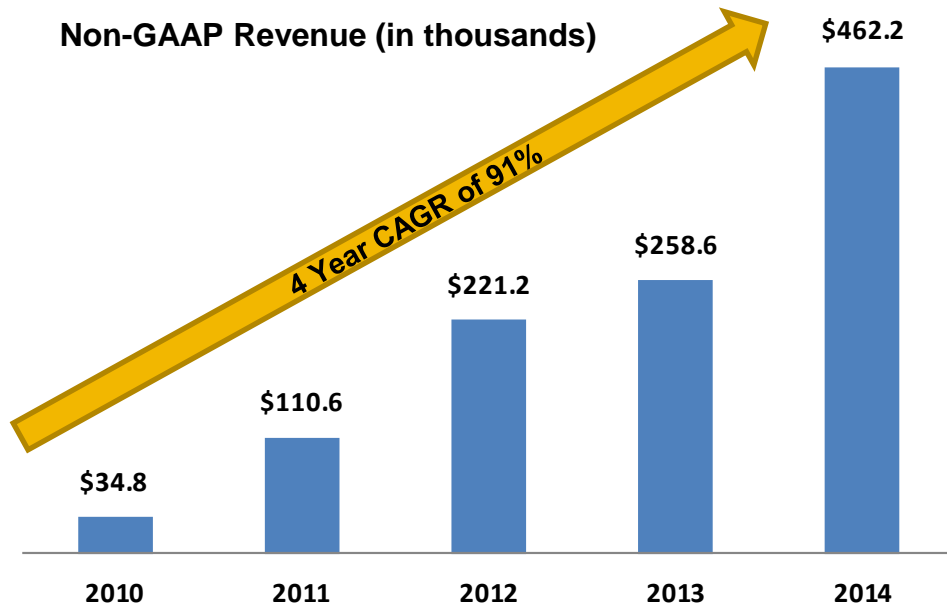
- Patient capital allocation

- Resources added where ROI greatest

- Focus on talent density

- Digestible expansion

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

3. Building Game Communities

© Glu Mobile Inc. – Proprietary
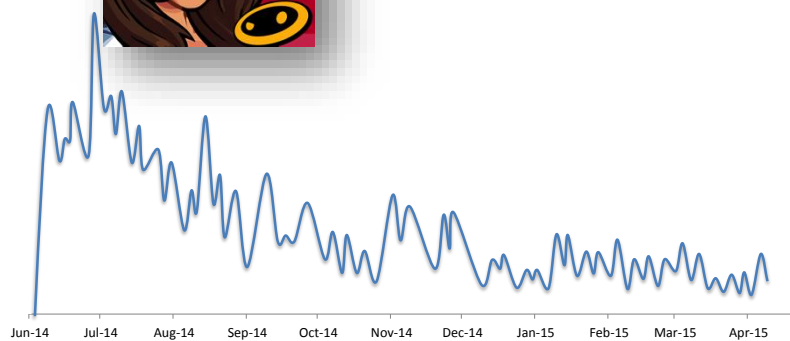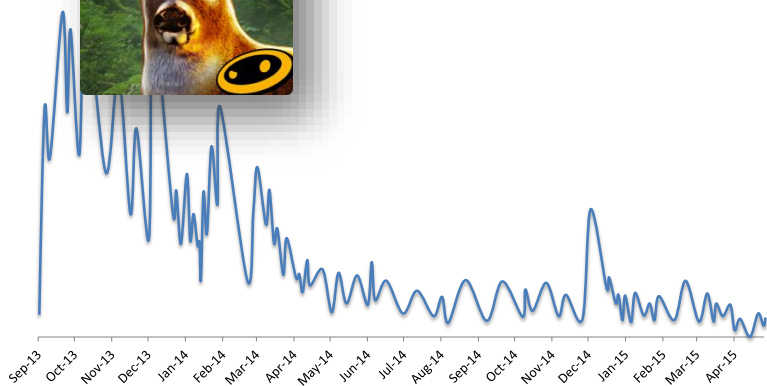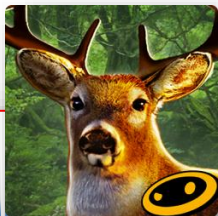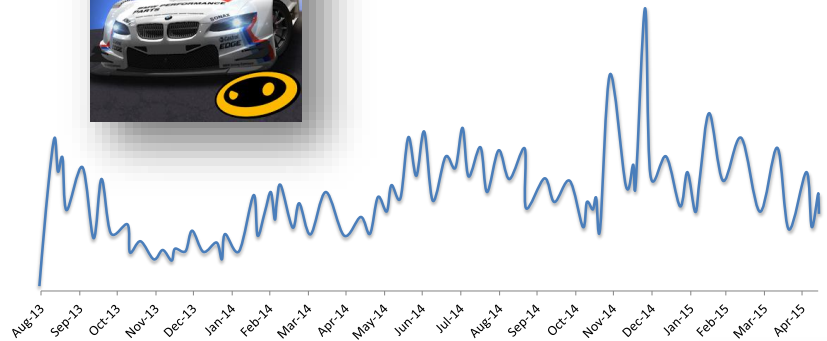
% Non-GAAP Revenue From Users Who Spend >$100(Gross)
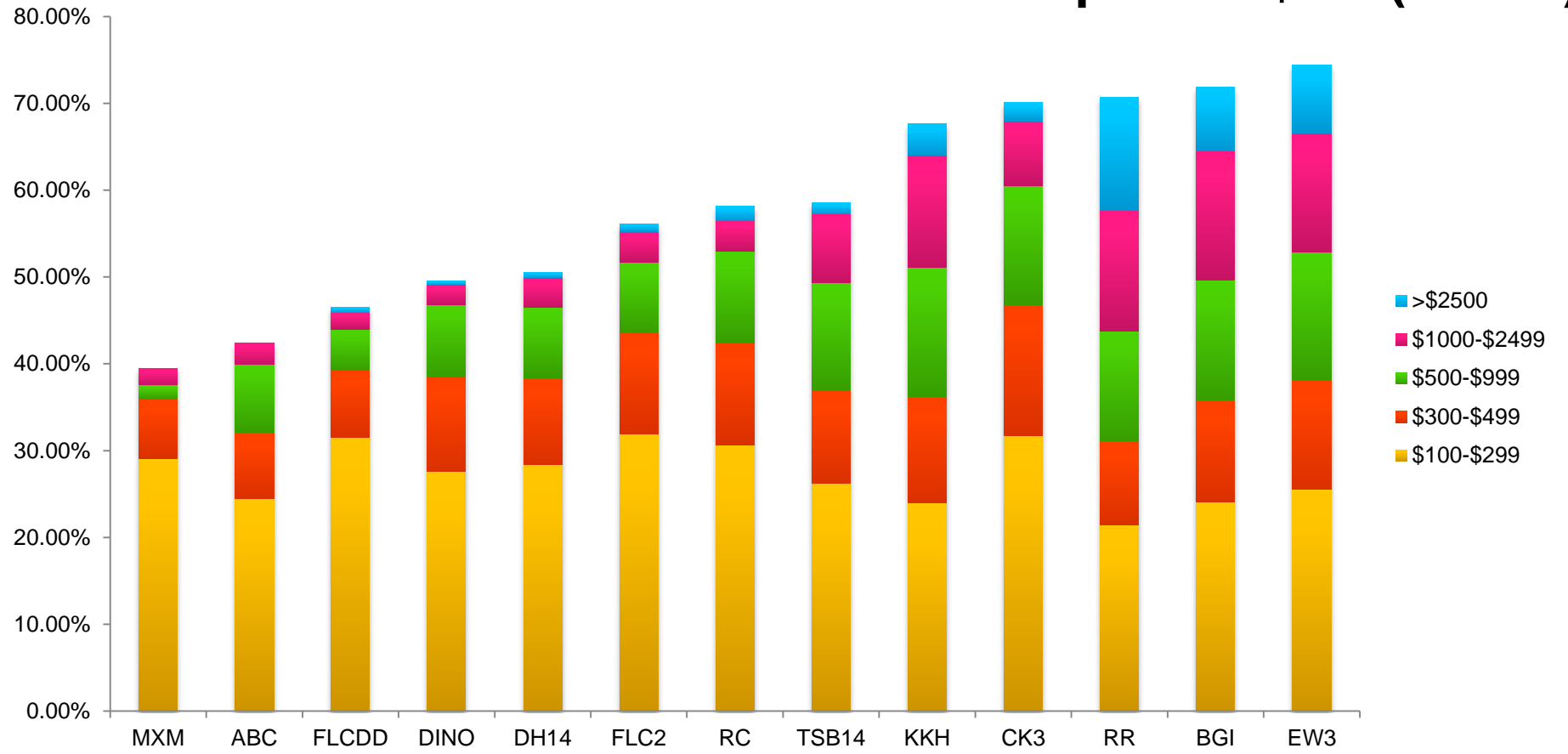
*Represents iOS and Android in-app-purchase spend from individual users from August 1, 2013 to May 5, 2015

Legend:
- >$2500
- $1000-$2499
- $500-$999
- $300-$499
- $100-$299

% Non-GAAP Revenue From Users Who Spend >$300(Gross)
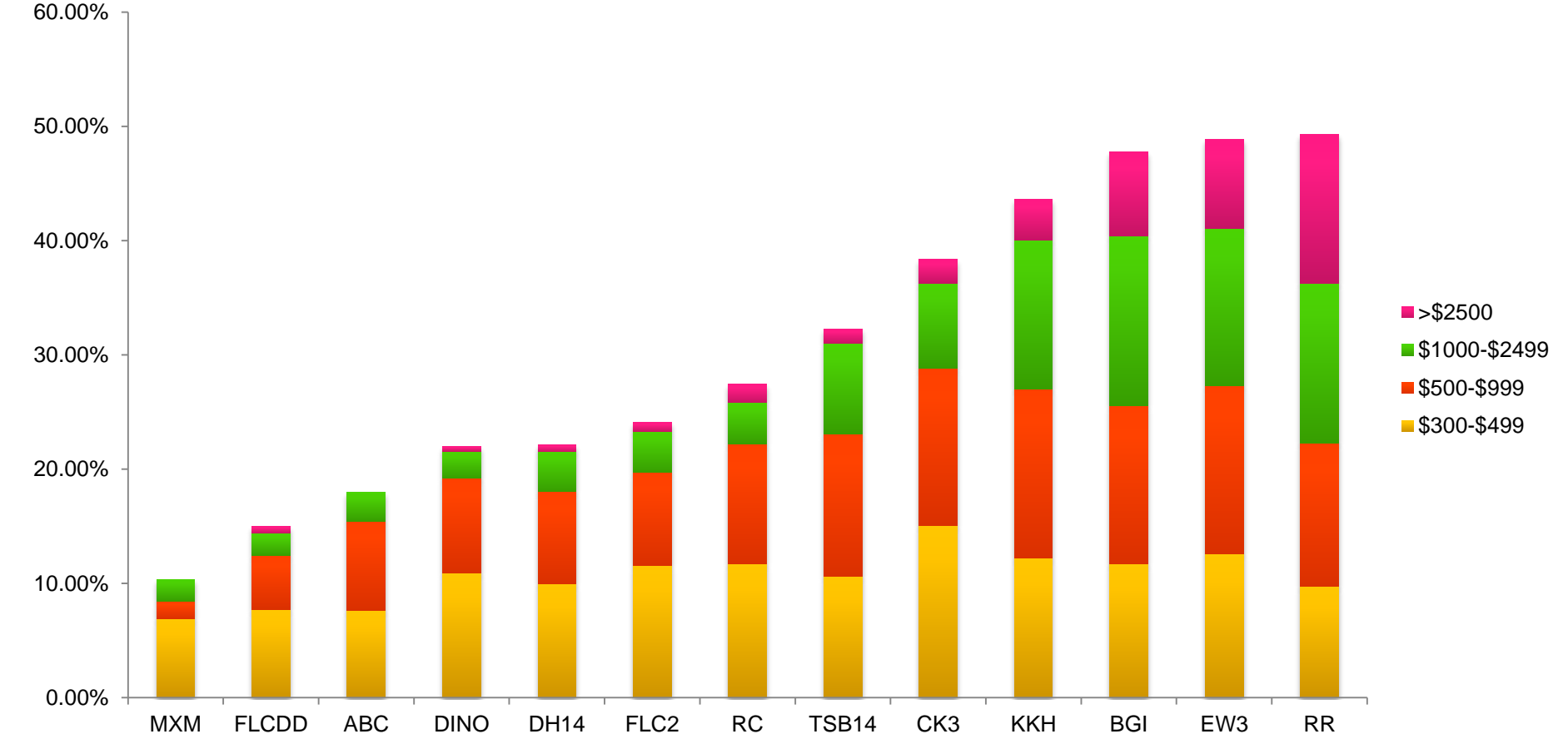
Legend:
- >$2500
- $1000-$2499
- $500-$999
- $300-$499

Represents iOS and Android in-app-purchase spend from individual users from August 1, 2013 to May 5, 2015

Categories: MXM, FLCDD, ABC, DINO, DH14, FLC2, RC, TSB14, CK3, KKH, BGI, EW3, RR

Same Approach as Monetization

100%

Proportion of
our portfolio

0%

One full product + thought cycle

- Deeper Monetization
- Business-minded product leadership
- Studio specialization

2013   2014

100%

Proportion of
our portfolio

0%

One full product + thought cycle

- Genre-appropriate social
- User participation
- Weigh social-feature impact

**Deeply
Social**

2015   2016   2017
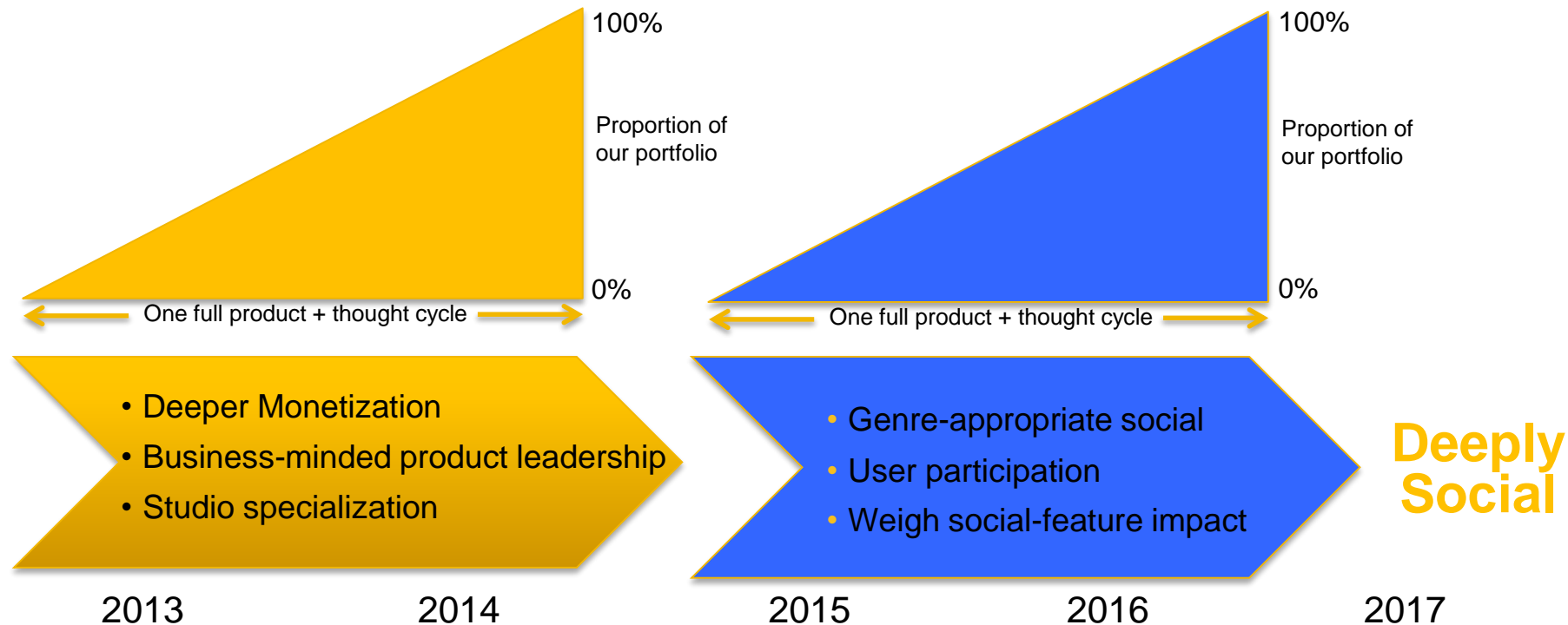
No 'golden hammer'

4. Strategic Relationship

Top 10 Public Companies by Game Revenues

Comparison of FY 2014 and FY 2013 Revenues ($Bn)

FY 2013   FY 2014

© Newzoo, April 2015

Company	FY 2013	FY 2014	YoY
Tencent	$5.3	$7.2	+37% YoY
Sony	$4.7 e	$6.0 e	+27% YoY
Microsoft	$4.9 e	$5.0 e	+3% YoY
EA	$3.7	$4.5	+22% YoY
Activision Blizzard	$4.6	$4.4	-4% YoY
Apple	$2.4 e	$3.2 e	+35% YoY
Google	$1.4 e	$2.6 e	+89% YoY
King	$1.9	$2.3	+20% YoY
Nintendo	$2.4	$2.1	-13% YoY
Ubisoft	$1.4	$1.8	+33% YoY
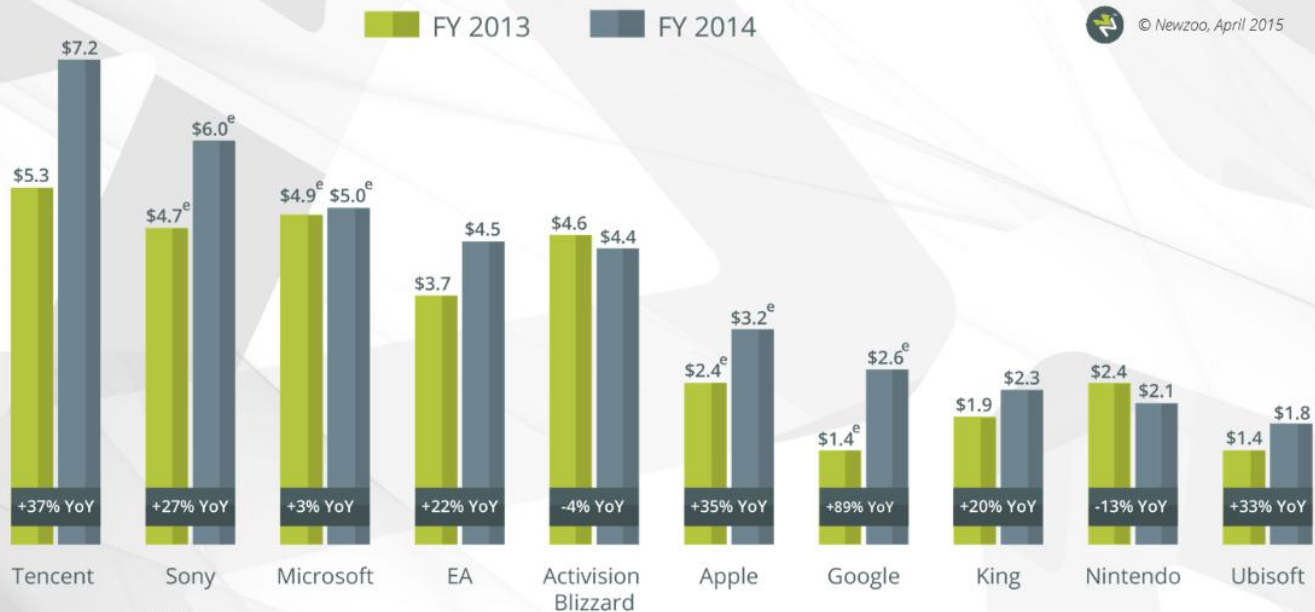
Notes
1. Based on US GAAP revenues in Calendar year 2014 and IFRS for Tencent
2. Based on exchange rates as per 31/12/2014
3. e: Estimates of game revenues using quarterly earning reports in which these are not specifically segmented out.

newzoo
games market research

Newzoo's *Top 25 Public Companies by Game Revenues* Ranking:
www.newzoo.com/companyrankings

High Level Deal Structure

- Agreed to purchase 21 million shares of GLUU at $6.00 per share

- Restrictions on owning more than 25% of Glu's outstanding shares

- 18 month lock-up

- Steven Ma, SVP of Tencent IEG, elected to Glu's Board of Directors

Expected Use of Proceeds

- Expanding and solidifying global celebrity gaming leadership

- Acqui-hires of proven studio teams

- Acquisitions of select game companies

Why Glu?

- Unique, systematic, diversified studio growth platform

- Turnaround with consistent learning/evolution

- Management quality

- Cultural fit

- Growth potential

5. 2015 Roadmap

16 Launches in 2015

Q1	Q2	Q3	Q4
BLOOD & GLORY IMMORTALS	TAP SPORTS BASEBALL 2015	COOKING DASH 2016	MX MOTOCROSS RIVALS
	FRONTLINE COMMANDO WWII	M:I-5	KATY PERRY
	TERMINATOR GENISYS REVOLUTION	ETERNITY WARRIORS HERO'S CALL	CAR TOWN RIVALS
	Kim Kardashian SLOTS **	SNIPER X KILL CONFIRMED	KENDALL & KYLIE
		TAP SPORTS FOOTBALL 2015	
		DEER HUNTER 2016	
**Experimental pending results of testing metrics*		007	

Hollywood Power

Trailer

Matt Nutt

VP & GM, Glu Long Beach

Social Play in Racing Rivals

May 14, 2015

Matt Nutt

VP and GM, Glu Long Beach
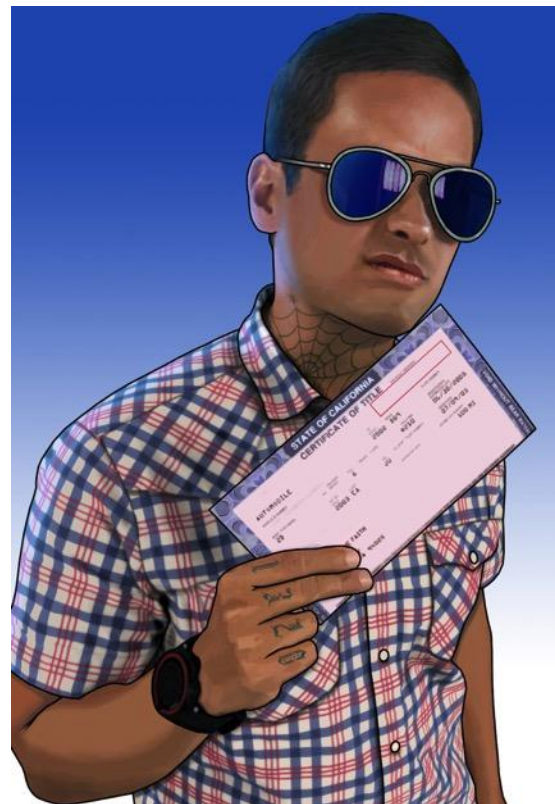
Today's Discussion

- #1 status driven by social/PvP

- Emergent play and community create long tail

- Social in upcoming titles

1. Racing Rivals and Social Play

© Glu Mobile Inc. – Proprietary

#1 Racing Game on Mobile

- 44MM + installs

- Currently ~300k DAU

- Top Grossing Racing game for 15 months*

*Became top grossing racing title on U.S. App Store in February 2014. Solidified leadership position with Android launch in June 2014.

Racing Rivals' Unique Social Features

	![Racing Rivals]	![CSR]	![Real Racing]	![Fast & Furious Legacy]	![8]
Live-synchronous multiplayer	✓				
Challenge lobbies	✓				
In-game betting	✓				
Cross-platform live synch play	✓				

14 Years of Specialization

2001

2003

2007

2013

- Free to play

- OEM licenses
- Community mgmt.

- Live synch PvP
- Live ops.
- Betting economy
- Anti-hack, anti-cheat

- Server-enabled cross-platform play

© Glu Mobile Inc. – Proprietary
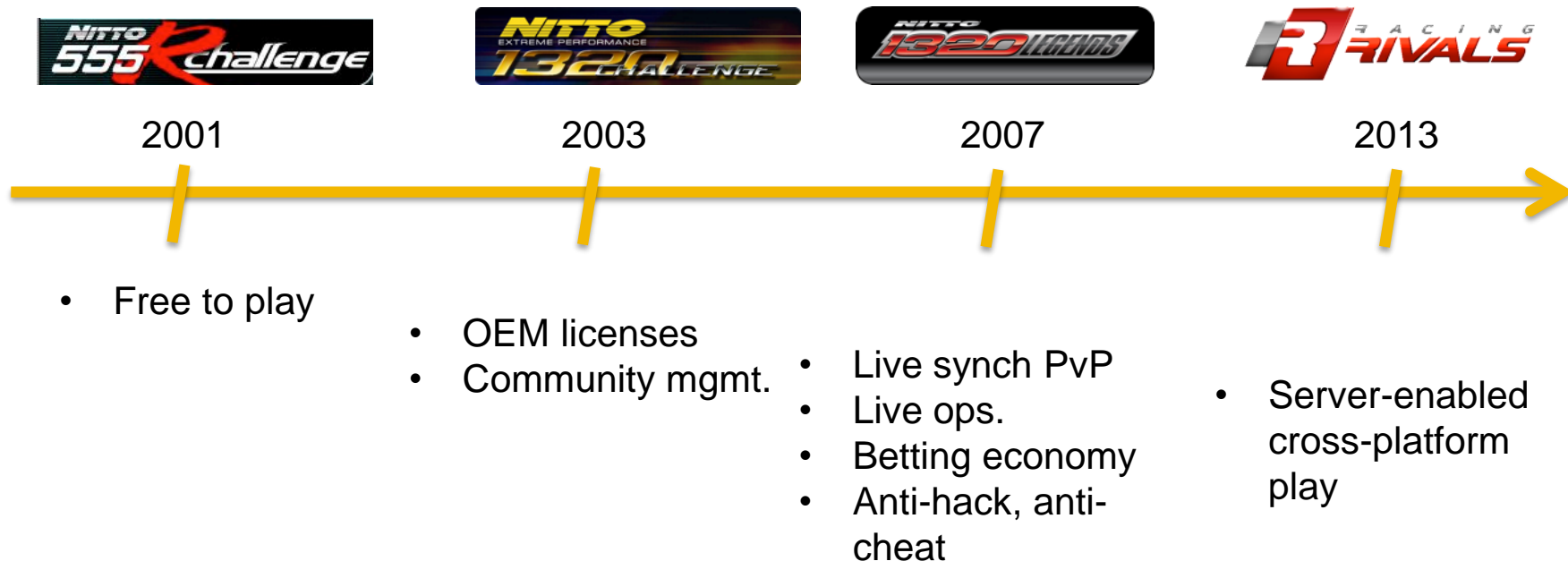
TEAM MANAGER

"Ouch, you lost your car! You'll need to choose a car from your garage or buy a replacement for the one you lost.

OK

Cross-Platform Raises All Ships

Net Revenue

1/1/2014 2/1/2014 3/1/2014 4/1/2014 5/1/2014 6/1/2014 7/1/2014 8/1/2014 9/1/2014

— iOS Racing Rivals   — Android Racing Rivals
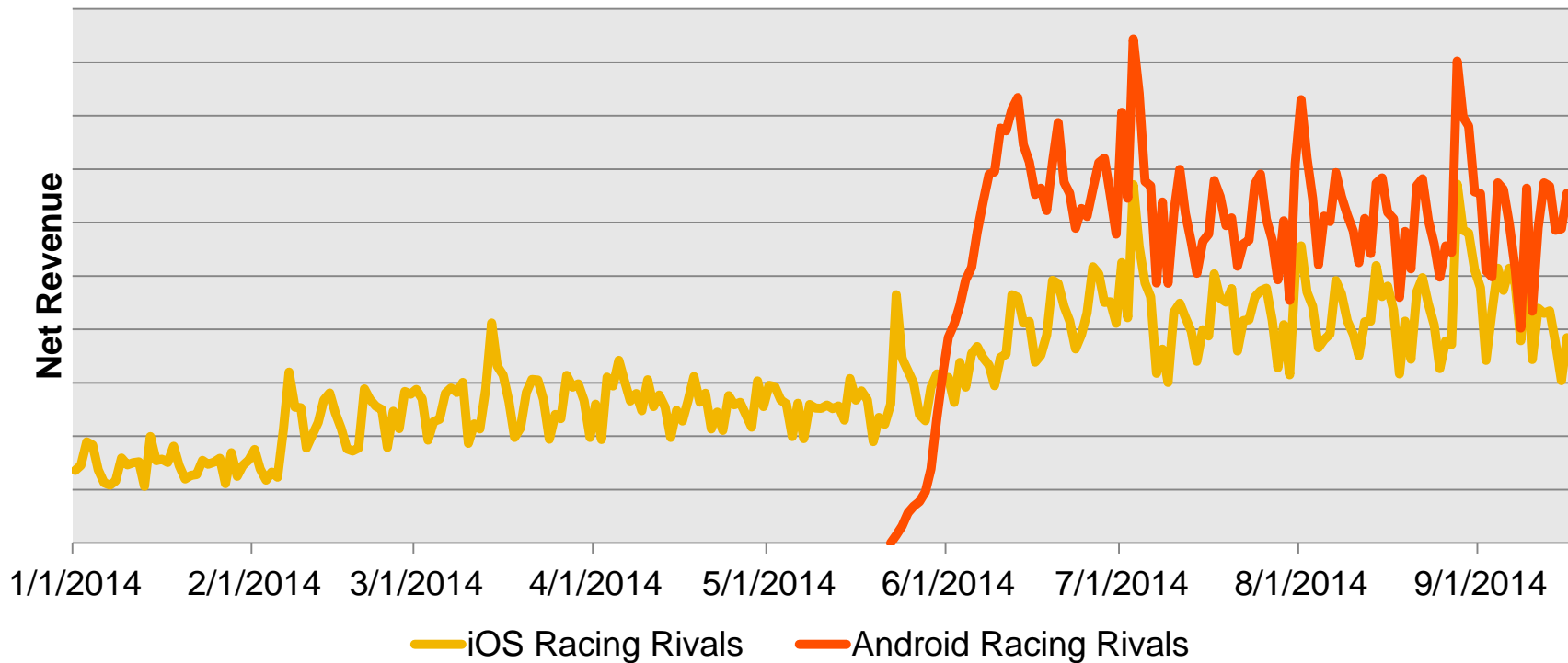
2. Emergent Play and Community

Emergent Play

- Skill matters, but "race" itself is simple, repetitive

- Like "League of Legends" or "Call of Duty", PvP fuels community

- Much of the "game" happens outside of racing loop

Chevrolet Corvette C6R

1. Turbocharger (+45)
2. Downpipe (+26.9)+25
3. UpPipe (+7.8)+8.
4. TurboPiping (+1)+5.
5. Intercooler (+18.8)+5
6. BlowoffValve (+1.9)+23
7. IntakeKit (0)+23.4hp
8. Throttle (+0.8)+21.5
9. Manifold (+16.3)+27.9
10. CatalyticConverter (+1)
11. Headers (-15.5)+20.7hp
12. ExhaustPipe (+2.9)+42.
13. Valves/Springs (-13)+6.7
14. Pistons (+3.5)+33.4hp
15. FuelSystem (+2.3)+26.9
16. EngineHead (+5.3)+32.3hp
17. Displacement (+19)+34.9
18. Crankshaft (+3.1)+12.1hp
19. ConnectingRods (+2.3)+14.5h
20. Camshaft (+1)+7.8hp
21. Camgear (+1.2)+8.9hp

Tuned
Unit Modified
...rock Deluxe
...Sports Sport
...Lloyd Motorsports Dynamic
...aR: BigBoss Modified
...: Winning DuraMade
727 Tuning Lightweight
...Sports Performance
...AutoTrack
...torsports Elite ✓
...ock DuraMade
...ning Dynamic

2.99...
2.9783
2.9818
2.97414
2.9791

883.2hp
MP712G

$ 1,374

◆ 95

RPM

19/20 Members

Turf rewards: 1st $20 iTunes! 2nd $10 iTunes! 3rd $5 iTunes! From Jason 😜!!! Again? (1st-Rami, 2nd-ZR1, 3rd Ford GT.... Jami)

LEADER

CO-LEADER

YO' MAMA IS SO FAT

WHEN SHE WALKED BY THE TV
I MISSED 3 EPISODES!

CO

jen_jen032185

Level 250

HOPPY58

Level 250

tunde5036

Level 166

SELL RR CAR

Nama	Warna	Ratting	Best Time	Power	Weight	Grip	Shift	Price
Mazda Furai	Hijau Hulk	1654	8.100	451	1,538	303	0.250s	BELI
Mazda Furai	Pink	1654	8.100	451	1,538	303	0.250s	BELI
Mazda Furai	Merah	1671	6.308	632	1,602	303	0.130s	BELI
Mazda Furai	Putih	1671	-	598	1,543	303	0.130s	BELI
Mazda Furai	Hijau Muda	1671	7.892	597	1,542	303	0.130s	BELI
BMW Z4 GT3	Putih	1652	10.697	508	2,624	136	0.350s	BELI
RWB Ramintra 993	Coklat	1678	9.898	765	1,867	188	0.130s	BELI
RWB Ramintra 993	Biru Muda	1671	10.164	711	2,043	125	0.190s	BELI
RWB Ramintra 993	Merah	1678	-	761	1,857	207	0.130s	BELI
RWB Ramintra 993	Biru	1678	-	762	1.867	207	0.130s	BELI
RWB Ramintra 993	Orange	1678	7.512	764	1.866	207	0.130s	BELI
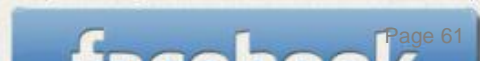
Community Management is Key

- Community is extension of our studio; we are active part of dialogue

- Deputized moderators supplement team, also evangelize products

- Customer Service & Community tip of the spear; enable Live Operations to act quickly (or not)

Hack Cheat

2015 Racing Rivals Player Council

"I am very much appreciative for GLU for blessing me with this opportunity and can't wait to see the massive onslaught of awesome stuff they have down the pike for the Racing Rivals game. With the great team that is behind this game this franchise has many years left behind it to grow and continue on."

- Brian G., webmaster of RacingRivalsUnderground.com

Deeply Engaged Community

$3.2 Trillion Cash traded

56M Pink Slips traded

Average 73.4 minutes/day

When Community = Game Content

- Permits a light/cheap content pipeline

- Permits focus on new feature development

© Glu Mobile Inc. – Proprietary

© Glu Mobile Inc. – Proprietary

Strong Social = Long Tail Revenues

Typical mobile game

Peak at launch, then declining curve

vs.

Flat to increasing curve, peak revenue 16 months post launch
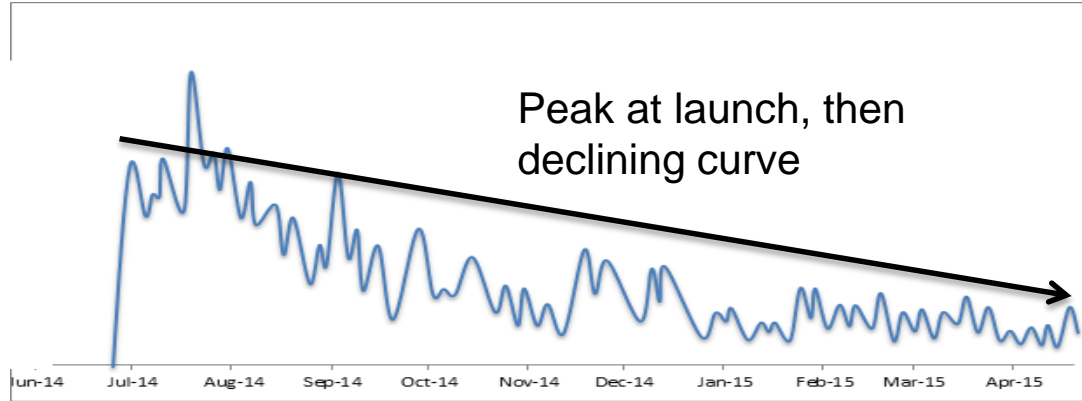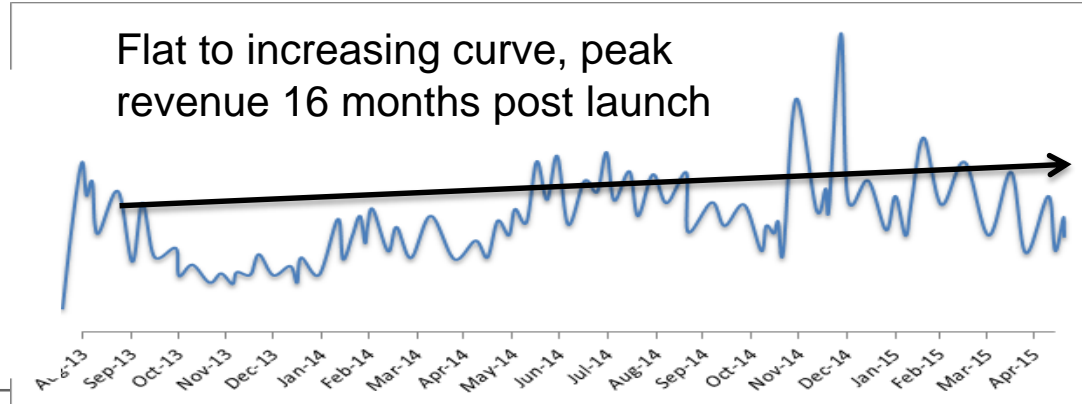
Staying Power: Top Grossing in Racing for 15 Months

1. Racing Rivals vs. Zynga's CSR Racing Top Grossing iPhone Apps

Source: SensorTower

Foundation for Staying Power in Top Grossing

= Long Tail Revenues

3. Social in Upcoming Titles

- Same social features as Racing Rivals, with

- More arcade-style racing = broader audience

© Glu Mobile Inc. – Proprietary

<Working Title>

© Glu Mobile Inc. – Proprietary

85M installs

10M installs

© Glu Mobile Inc. – Proprietary

© Glu Mobile Inc. – Proprietary

Sort by: Top Speed

Search

★★★

★★★★★

★★★★
OWNED: 3

★★★★
OWNED: 1

★
OWNED: 24

★★★★★

★★
OWNED: 5

★★★
OWNED: 2

★★★★★★
OWNED: 1

active

★

★★★★★★

★★

★★
OWNED: 8

★★★★
OWNED: 2

active
★★★★★★
OWNED: 1

★★★★★
OWNED: 1

★★
OWNED: 12

★★★
OWNED: 2

★
OWNED: 8

★★★
OWNED: 2

Thank you

© Glu Mobile Inc. – Proprietary
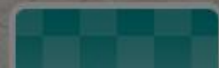
Chris Akhavan

President of Publishing

User Acquisition & Monetization Trends

Chris Akhavan, President of Publishing

Agenda

1. Total ARPMAU Growth

2. Low User Acquisition Cost

3. Advertising ARPMAU Growth
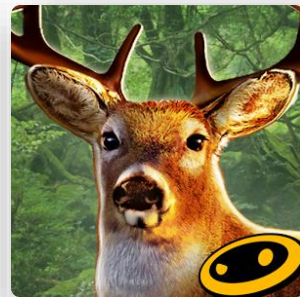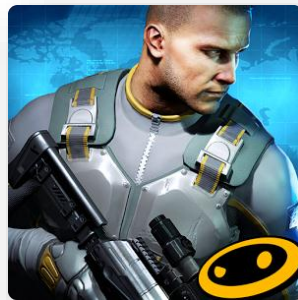
1. Total ARPMAU Growth

AUDIENCE

SYSTEMS

VISUALIZATION

ACTIONABLE OUTPUTS

ORGANIC INSTALLS

Featuring
Chart Positioning
Search

PAID INSTALLS

50+ Channels
Facebook
AdColony
Etc

GLU GAMES

G.U.T.S.

Game Analytics

Real-time

UA

PM

LIVE

Smart marketing spend
Lower CPIs
Maximize ROI

Higher engagement
Increased conversion
Higher LTVs
Insights for future titles

Installs, DAU, Revenue
Game uptime
Live events

Glu Analytics Capabilities

- 70 million events / second scale

- 2 trillion events for on-demand analysis

- Unlimited permanent capacity

- Ingesting 2 billion events / day
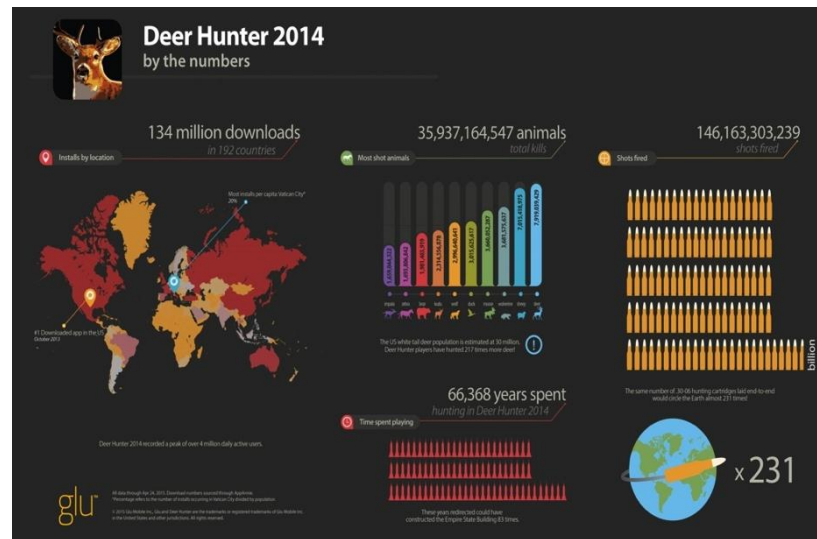
Funnel Analysis
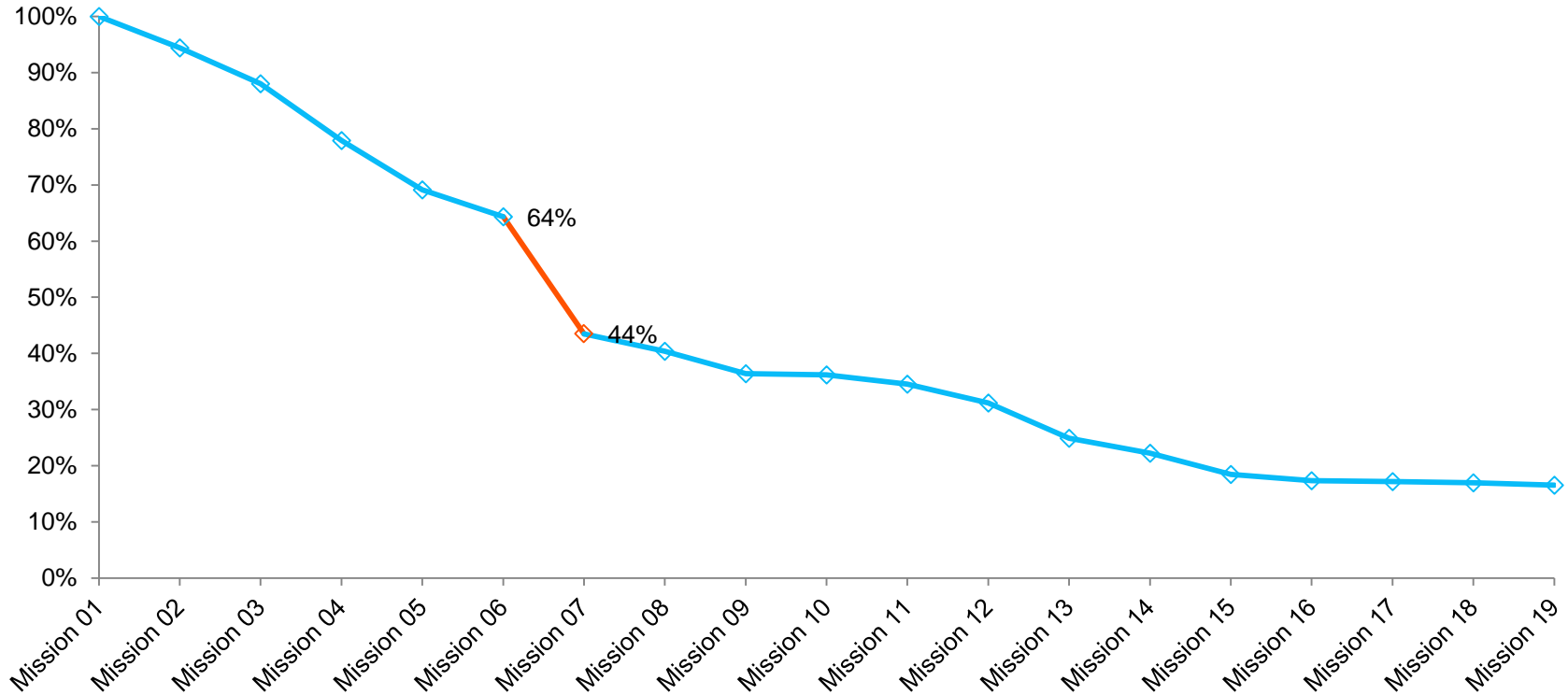
Economy Distribution
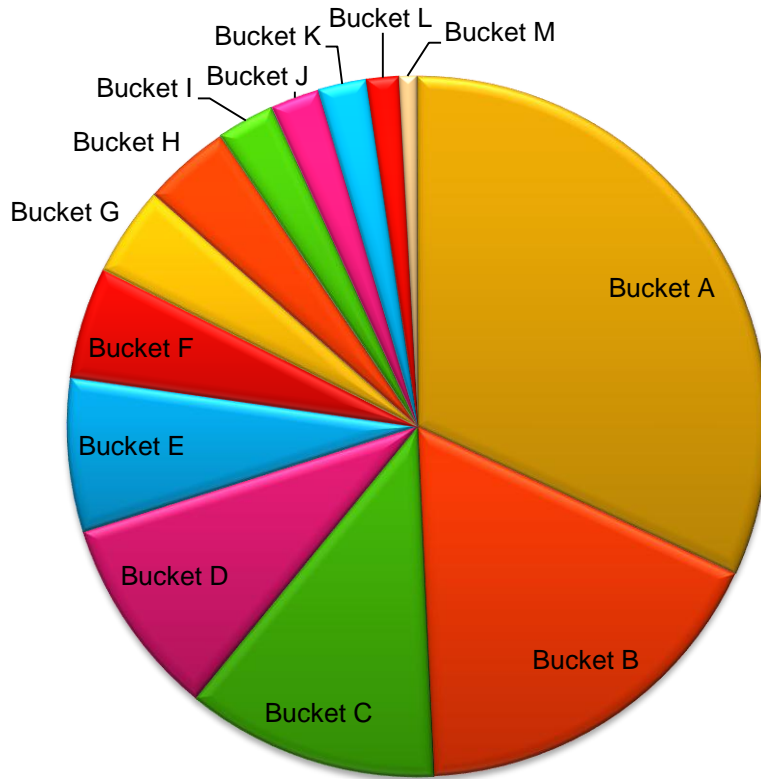
Cross Portfolio Analysis

Segmentation

© Glu Mobile Inc. – Proprietary
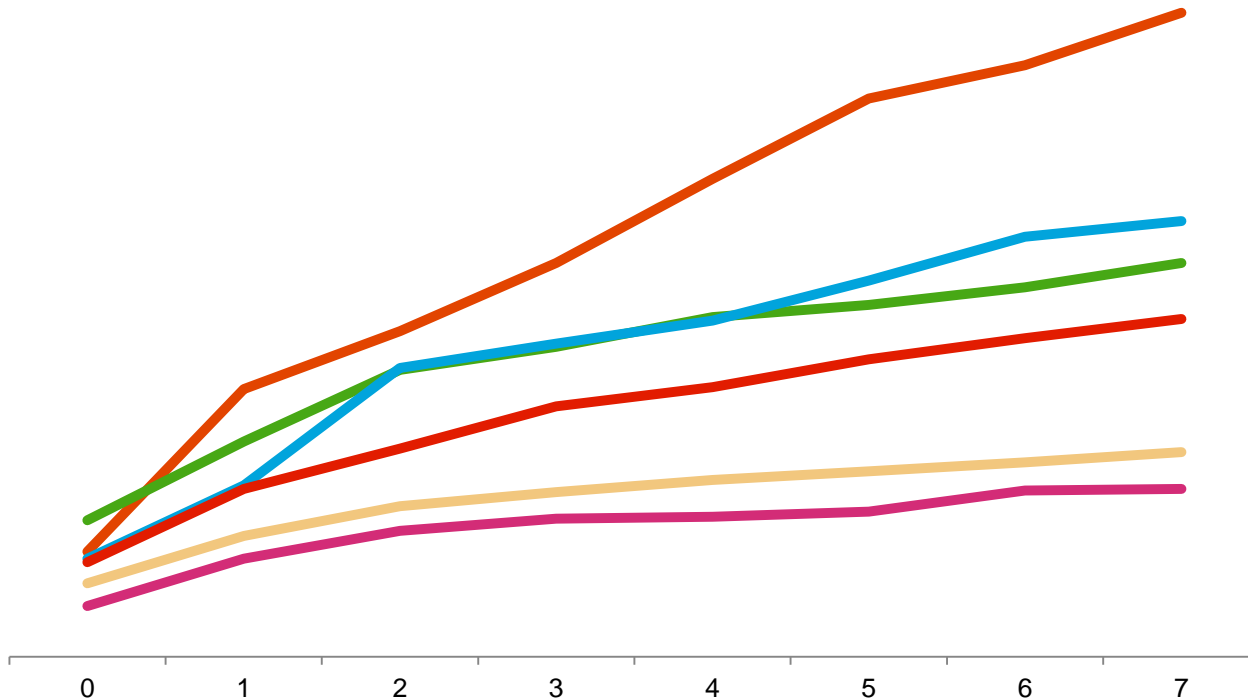
Total Glu ARPMAU
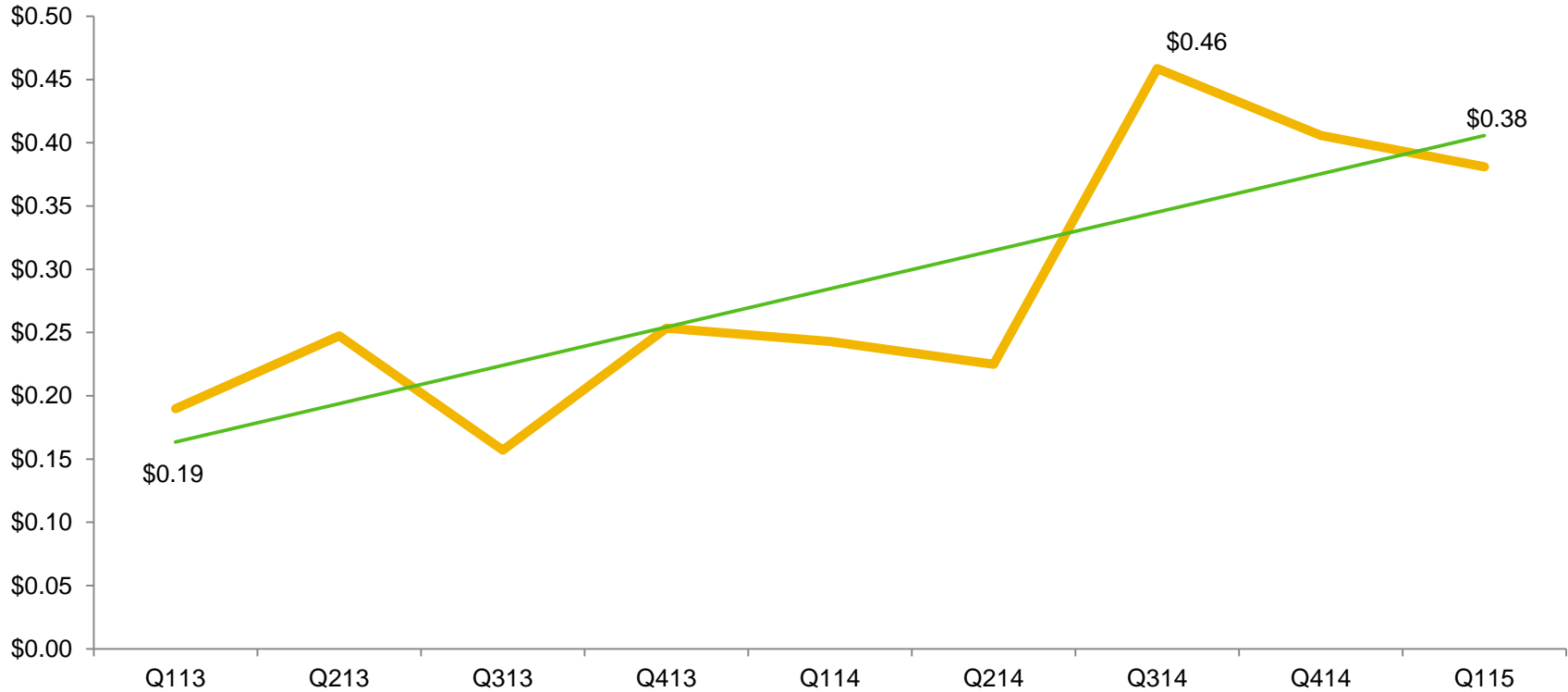
MAU & ARPMAU
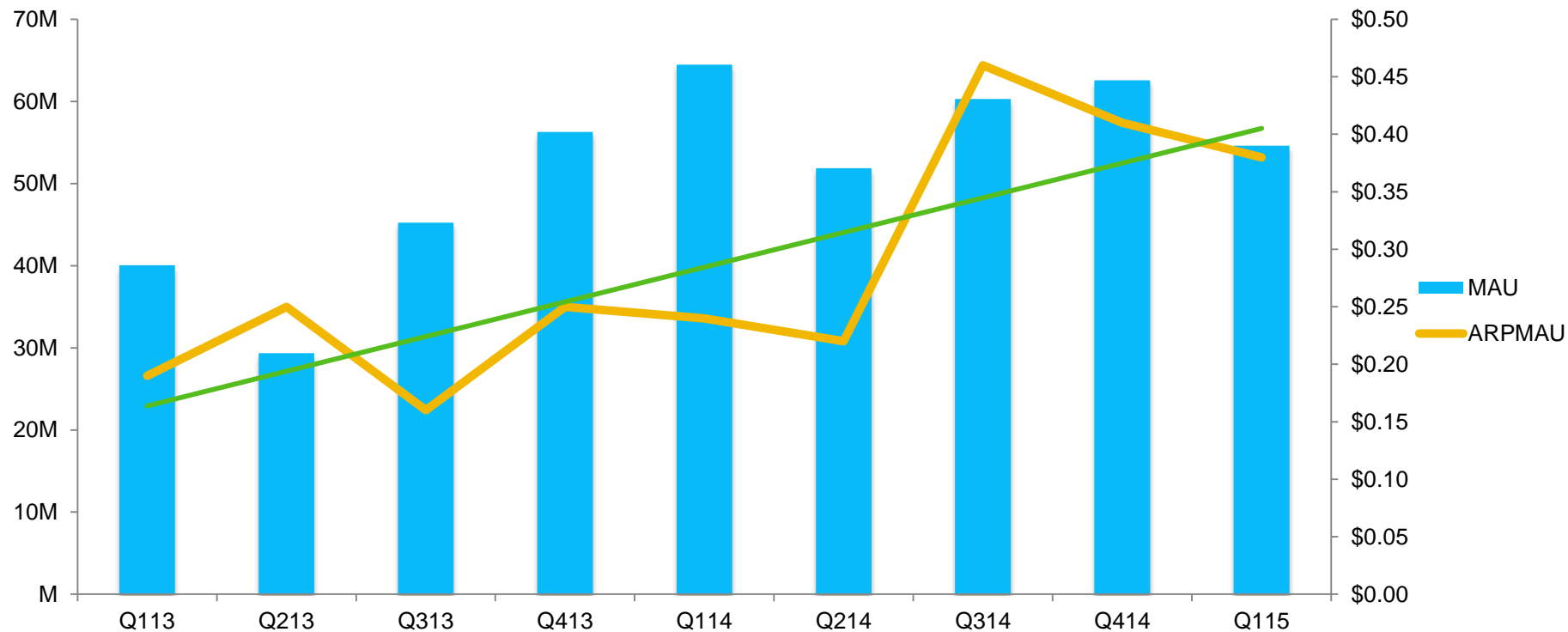
2. Low User Acquisition Cost

G.U.T.S. System Overview

Cost Data

Glu Analytics

User Attribution

Attribution Tech

On-Demand Campaign Performance Data
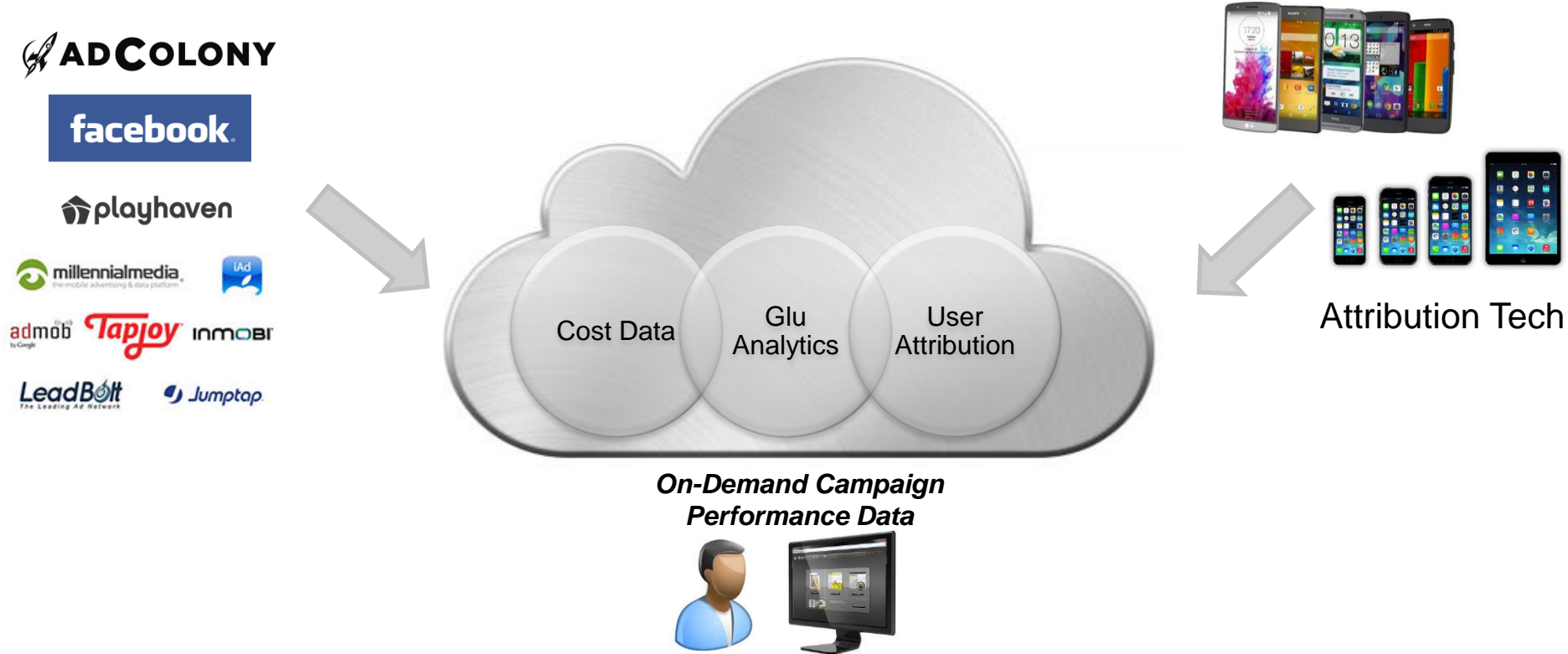
App Creative – Data (not opinions) pick the winner
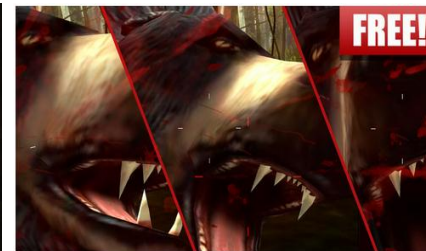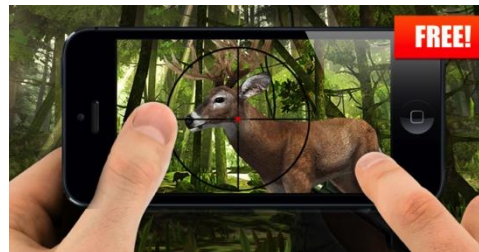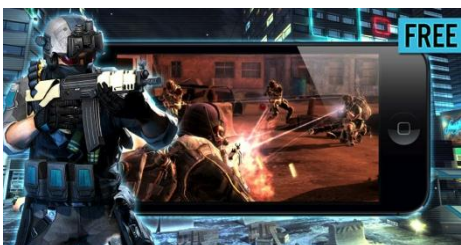
App Store Optimization (ASO)

Test, Measure, Optimize, Repeat

- App Icon
- App Title
- Screenshots & Video Trailer
- Description & Keywords
- App Store Category
- Ratings & Reviews
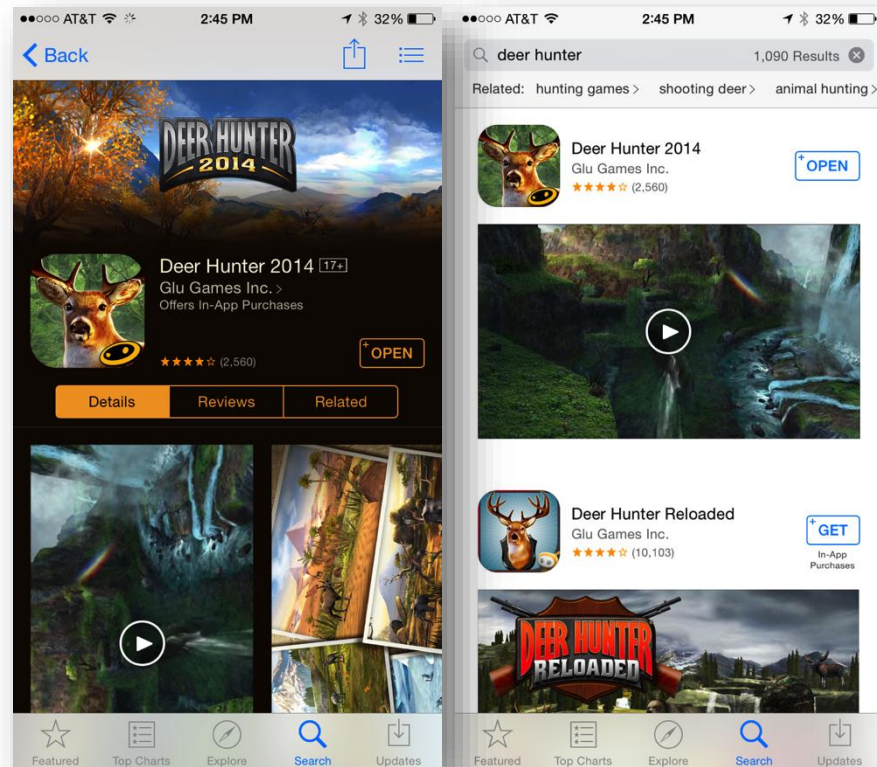
Cross-Promotion

**1 Billion+
Total Installs of
All Glu Games**

© Glu Mobile Inc. – Proprietary
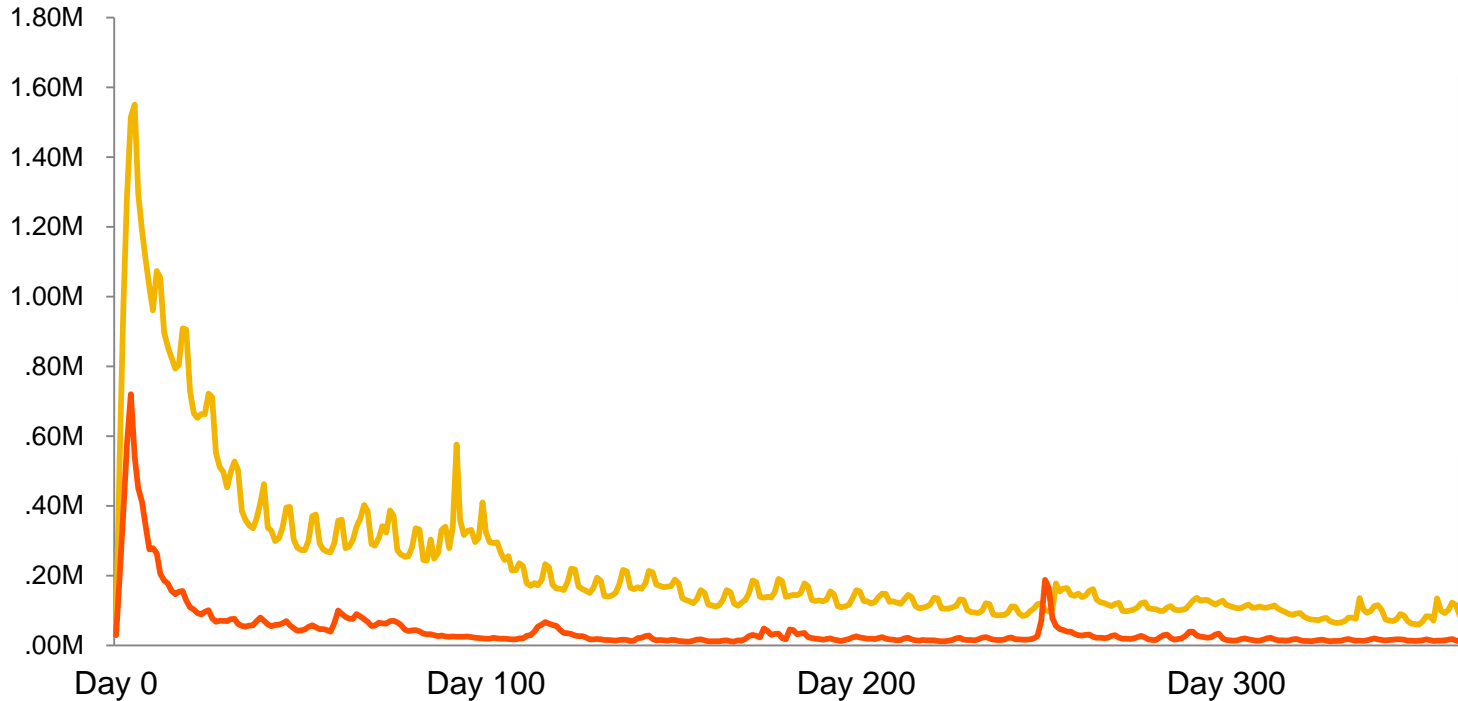
DH14 vs. DHR – Installs

News   Video   Events   Crunchbase

Search

app-store

Apps

Mobile

Apps

Popular Posts

Sponsored   Why This App is Quickly Replacing Human Financial Advisors

W3i
iOS,

Posted Jul

684
SHARES

released n

Fiksu sees mobile CPI increas

By Dan Pearson

Recommend   0

FRI 19 SEP 2014 1:45PM GMT / 9:45AM EDT / 6:45AM PDT

MOBILE   INSIGHTS

Incentivised installations still important for Apple platforms

New data from mobile ad platform Fiksu indicates that the cost per install (CPI) of both Android and iOS games is increasing, with Android costs still well above those on Apple's mobiles.

That discrepancy, says Fiksu, is at least partly down to the impact of incentivised installations - a major factor on iOS, but far less important on Android. With CPI for Android games at around $1.50, they remain around $.50 more expensive than those for iOS - a significant margin, especially when working with free-to-play.

"Fiksu's Cost per Install Index measures the cost per app install directly attributed to advertising," says the firm. "For the month of August, CPI for Android games rose 4 per cent to $1.55, while CPI for iOS games rose 16 per cent to $1.15. It's important to note that this index includes low-cost incentivized downloads, which are important on iOS but not significant on Android. As a result, overall CPI on iOS is lower in this metric.

VB   NEWS   EVENTS   INSIGHT

Channels   Newsletters   Got news? Tell us!

MOBILE WALLET SECRETS
THINK YOU KNOW MOBILE WALLET? THINK AGAIN!   FRE

Mobile

Mobile app developers get whipsawed by rising marketing costs in April

Above: The agony of the costs of mobile user acquisition.
Image Credit: Shutterstock

May 30, 2014 5:00 AM
Dean Takahashi

215   71   18   70   0

Oh, the agony of mobile marketing costs. App marketing costs rose in April as mobile app developers poured more money into acquiring new users on mobile devices, according to a report by mobile marketing firm Fiksu.

Ampush CPI Index

Chart data points:
- Q114: $2.84
- Q214: $3.13
- Q314: $4.80
- Q414: $6.74
- Q115: $6.41
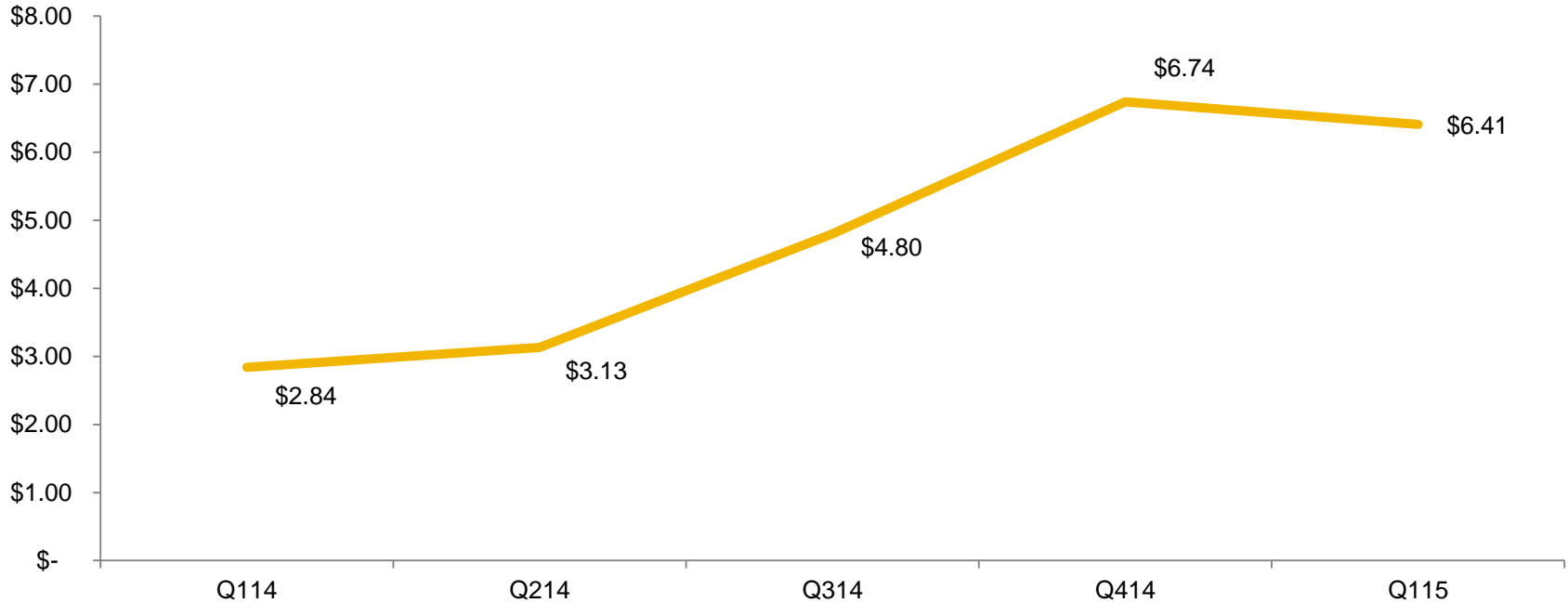
Ampush - The State of Mobile Social Advertising - Q1 2015 http://download.ampush.com/state-mobile-social-advertising-q1-2015

Glu eCPI

(Total Spend / Total Installs)
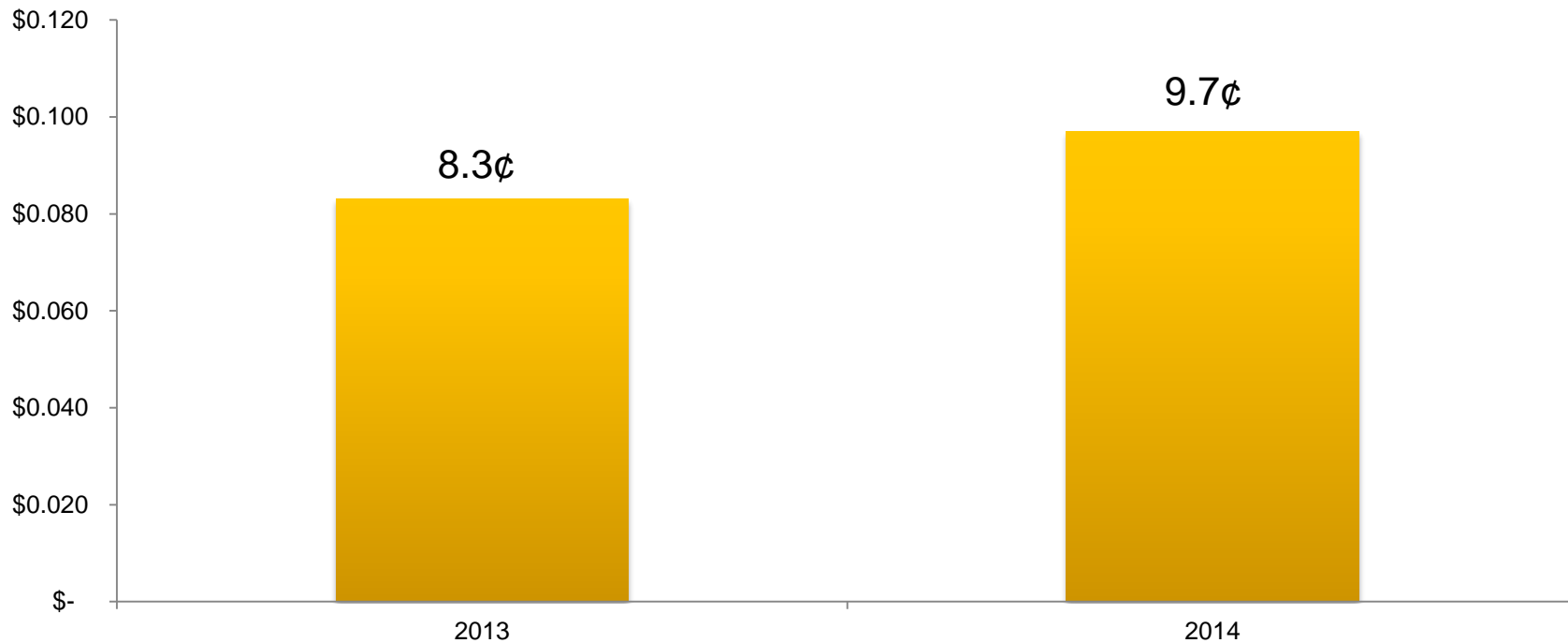
Glu eCPI & Ad RPI

(Total Spend / Total Installs & Total Ad Rev / Total Installs)
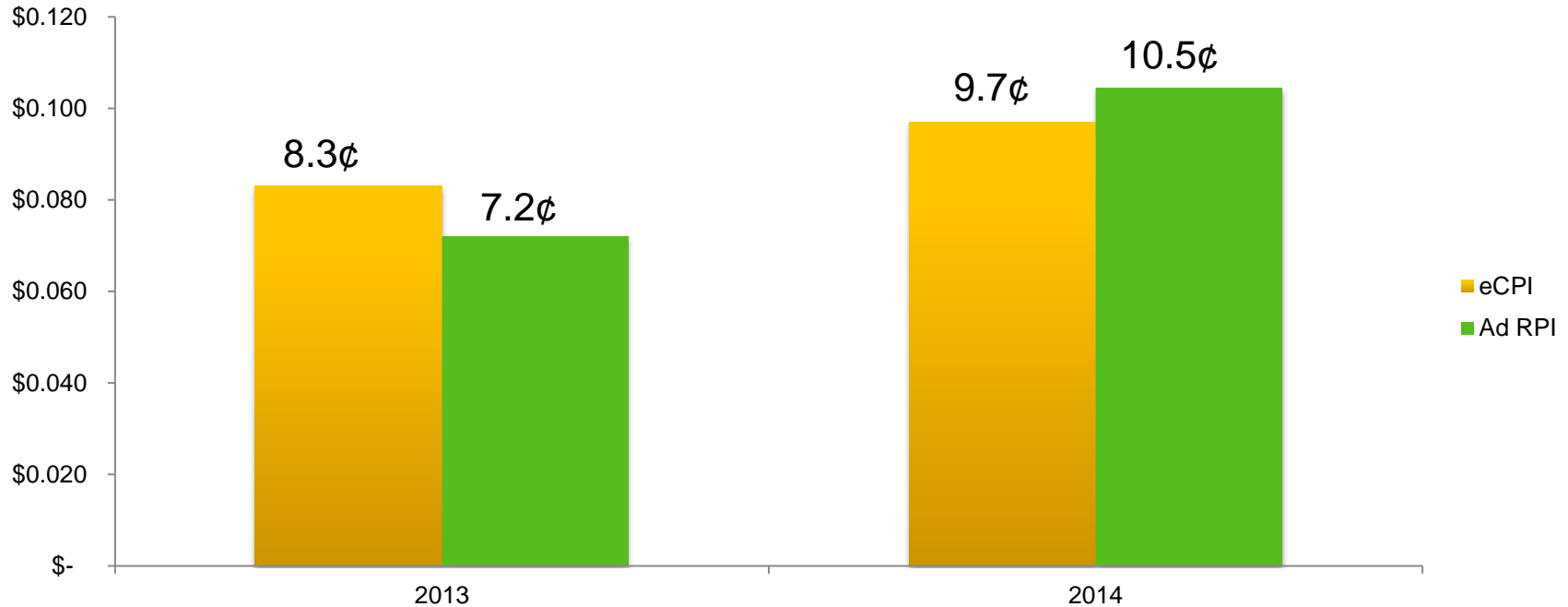
KK:H - May Campaign

Ongoing UA

TV Ad

Social Influencer Campaign

May 8th – May 24th

SUPERMARYFACE

BIO

SuperMaryFace, or Mary, is an Australian influencer living in LA. She posts a wide variety of videos featuring everything from product reviews to cosplay. She enjoys anime, dressing up in costume as different characters, and vlogging to her fans.

(Click icon to link)

YOUTUBE SUBSCRIBERS	129K+
YOUTUBE VIEWS (LIFETIME)	8MM+
FACEBOOK PAGE LIKES	9.5K+
TWITTER FOLLOWERS	25.6K+
INSTAGRAM FOLLOWERS	40.7K+

JASMINE BAKER

BIO

Jouelzy is out to remind you about the other side of natural hair, while inflecting insights of culture and intelligence into conversations on beauty and hair care. Always honest and with a good dash of wit, Jouelzy has cultivated a steadfast following on YouTube of women who enjoy her fresh personality, well-read snark and cultured confidence. With a diverse base of women of color who span from 18 – 60+ years old, Jouelzy connects with a wide range and pushes the conversation past beauty to spark

(Click icon to link)

YOUTUBE SUBSCRIBERS	131.9K+
YOUTUBE VIEWS (LIFETIME)	7.2M+
FACEBOOK PAGE LIKES	35.4K+
TWITTER FOLLOWERS	6.8K+
INSTAGRAM FOLLOWERS	29.7K+

MAKERSTUDIOS.COM

FARAH DHU

BIO

Farah is a beauty guru from Toronto, Ontario. She posts amazing makeup tutorials and DIY hair tips. She also features and reviews beauty products. Her subscribers especially enjoy her celebrity inspired beauty tutorials with Taylor Swift and Beyonce as a few examples of note.

PEWDIEPIE

BIO

PewDiePie aka Felix Kjellberg has the most subscribed channel on YouTube. Though originally from Sweden, Felix commands a global audience based primarily in the United States, a passionate fanbase composed of both gamers and non-gamers alike. PewDiePie is known for the shrieks of fear and joy that characterize his imaginative gameplay, normally of horror games. Additionally, PewDiePie occasionally vlogs - much to the delight of his female viewers.

(Click icon to link)

YOUTUBE SUBSCRIBERS	34.4M+
YOUTUBE VIEWS (LIFETIME)	7.8B+
FACEBOOK PAGE LIKES	5.86M+
TWITTER FOLLOWERS	5.2M+
INSTAGRAM FOLLOWERS	3.5M+
VINE FOLLOWERS	1.1M+

MAKERSTUDIOS.COM

JESSICA HARLOW

BIO

Jessica Harlow enjoys helping viewers look and feel their best. In her everyday life, she likes to keep things simple but every now and then she experiments with different looks and styles. Her favorite looks are timeless. She enjoys making motivational videos weekly where she shares advice she has found helpful. That being said, her primary focuses are beauty tutorials, fashion advice, and shopping hauls.

YOUTUBE SUBSCRIBERS	655.7K+
YOUTUBE VIEWS (LIFETIME)	79.9M+
FACEBOOK PAGE LIKES	518K+
TWITTER FOLLOWERS	40.8K+
INSTAGRAM FOLLOWERS	112K+

17

BIO
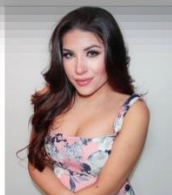
Straburry17 is a YouTuber, blogger, comedian, gamer, singer-songwriter, and internet personality. Her channel LifeBurry was started in 2010 as a place for her to post her daily blogs.

(Click icon to link)

YOUTUBE SUBSCRIBERS	866K+
YOUTUBE VIEWS (LIFETIME)	83.5M+
TWITTER FOLLOWERS	195K+
INSTAGRAM FOLLOWERS	383K+

© Glu Mobile Inc. – Proprietary

3. Advertising ARPMAU Growth

Ad Revenue Growth

- Video

- Mediation

- Segmentation

- Preferential Terms

Ad Revenue Growth
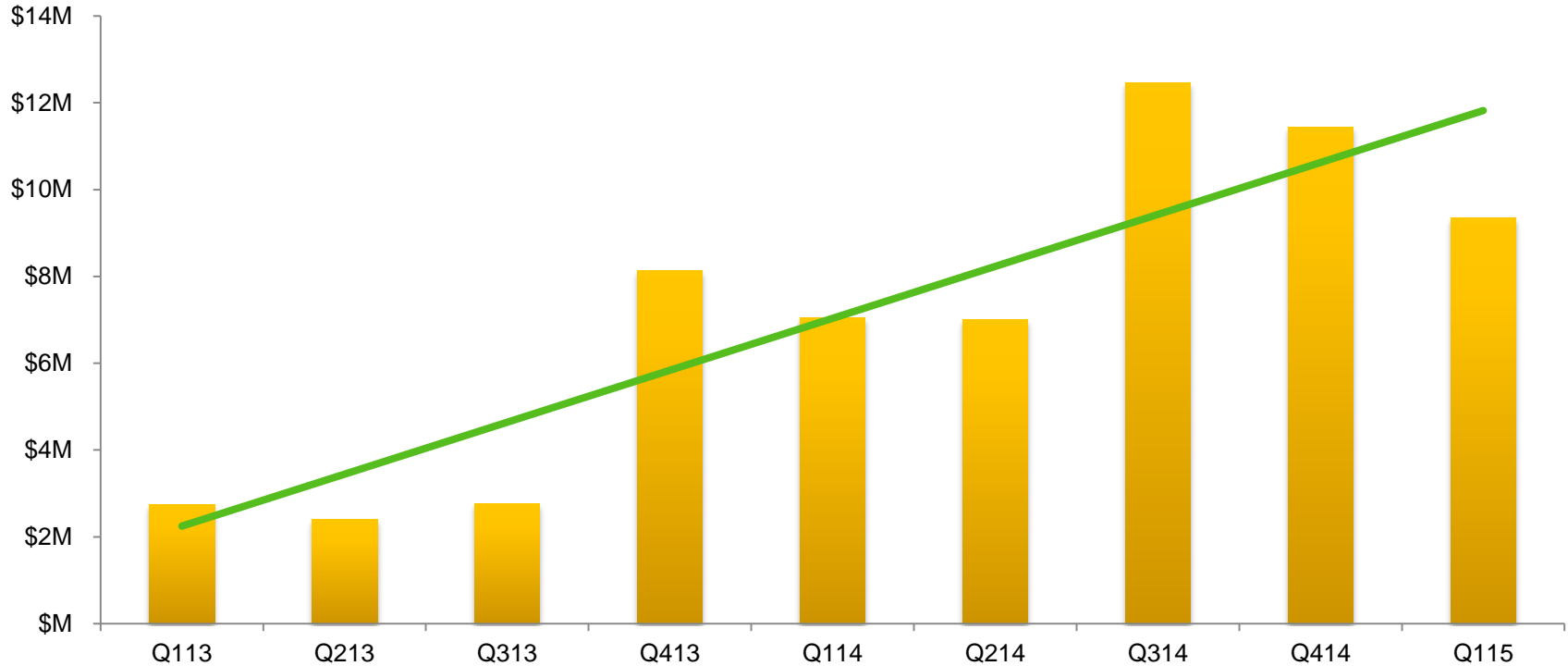
Advertising ARPMAU
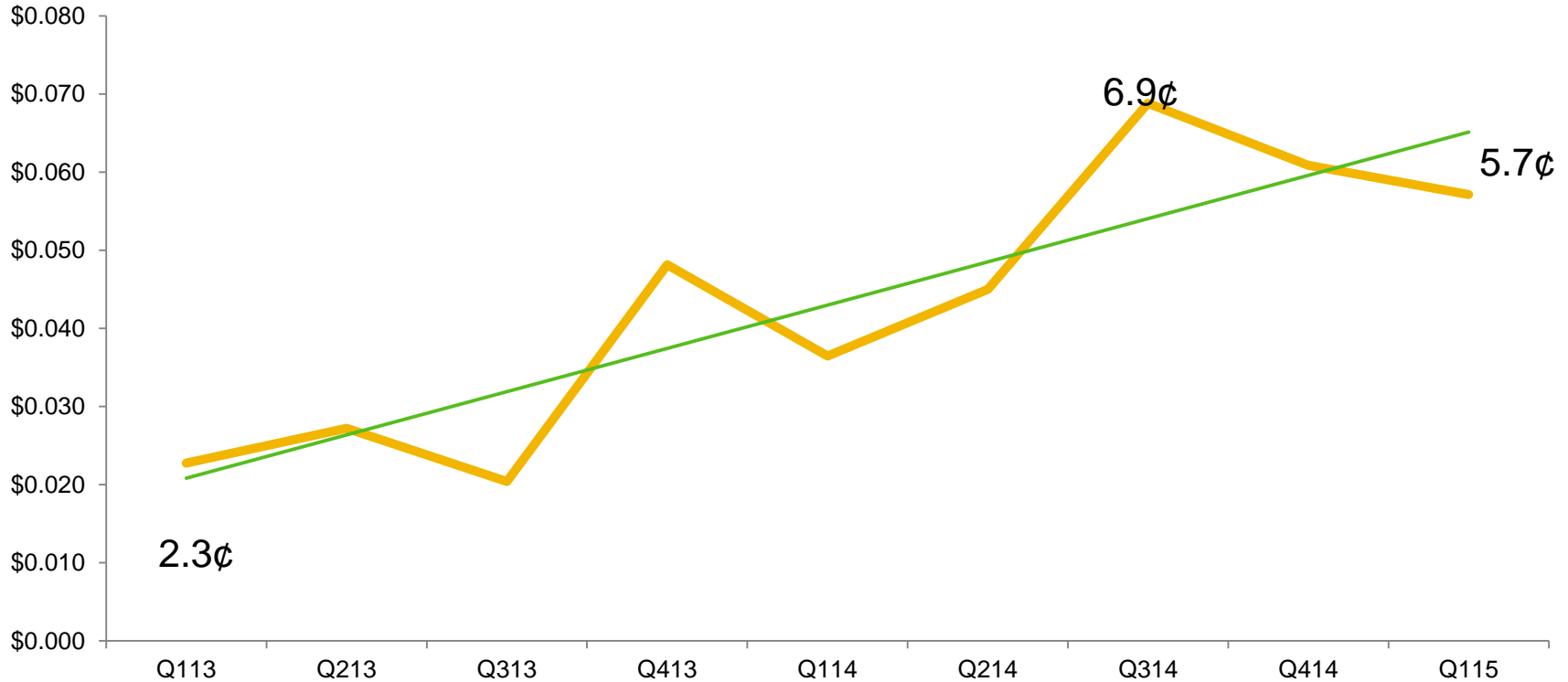
MAU & Ads ARPMAU
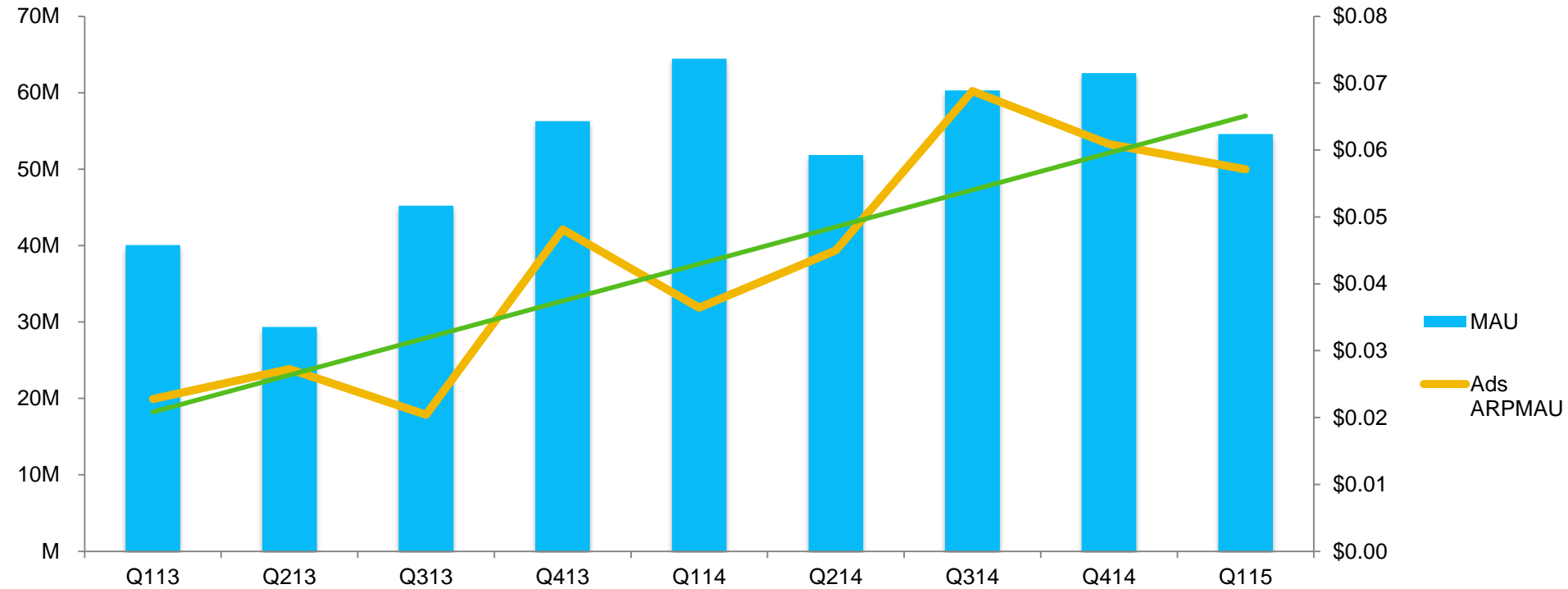
Ad Revenues Hedge Against UA Cost
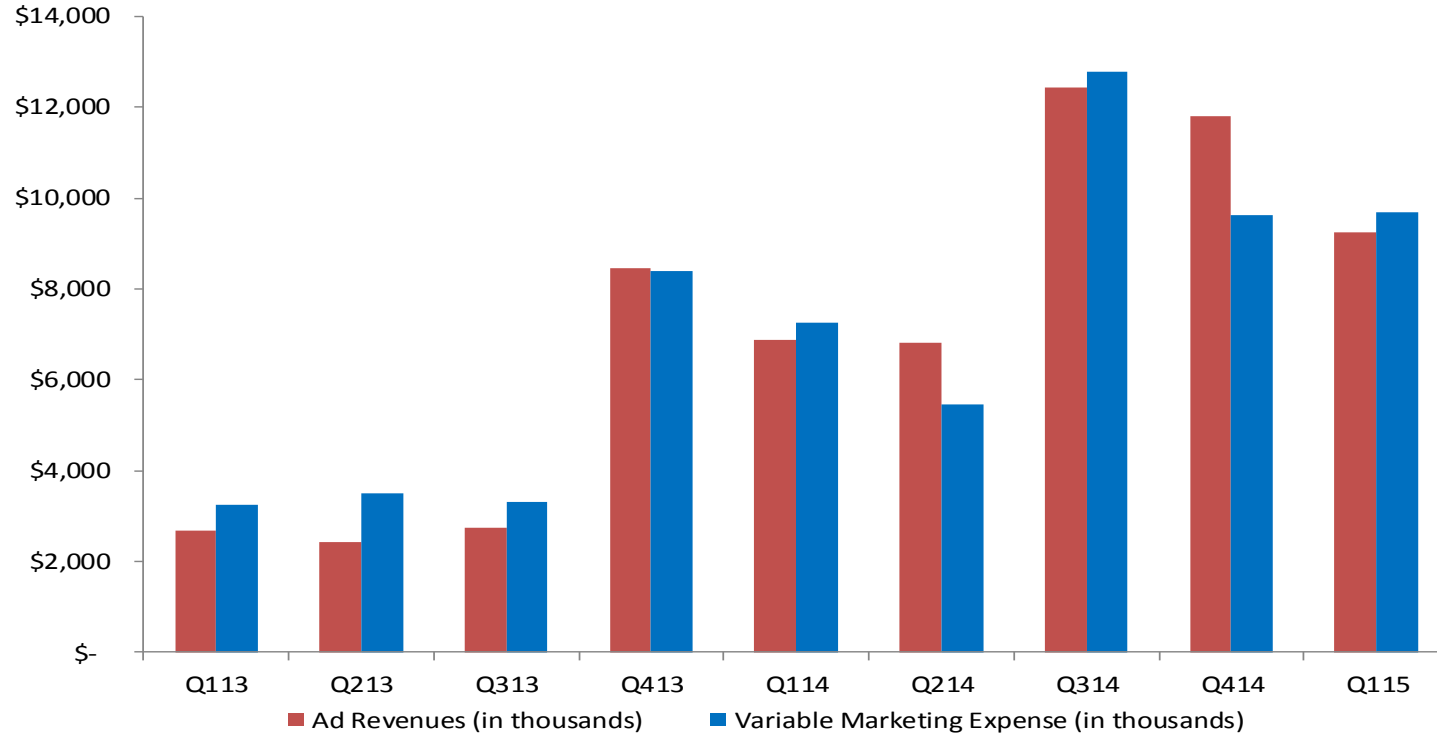
Summary

Pillars of growth

- ✓ MAU Growth

- ✓ Low User Acquisition Cost

- ✓ Consistent Advertising ARPMAU Growth

- ✓ Consistent Total ARPMAU Growth

Partner Testimonials

The Growth Opportunity

Disclaimer

The purpose of this presentation is to share with you our thinking on potential growth opportunities. We put numbers next to these outlooks to illustrate what we believe we can achieve if we are able to execute successfully. This presentation should not be treated as a forecast, projection or financial guidance. These are structural scenarios. We cannot assure you that we will be able to accomplish any of these opportunities, plans or metrics, all of which are subject to risks and uncertainties, known and unknown, including, but not limited to risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.

Agenda

1. Strong Macro

2. Core Franchises

3. Celebrity Platform

1. Strong Macro

Smartphone Adoption Continues Apace

Total Smartphone Connections

2009: ~0.6B
2014: ~2.3B

~4x Growth in installed base

By 2020 expect ~4B smartphones
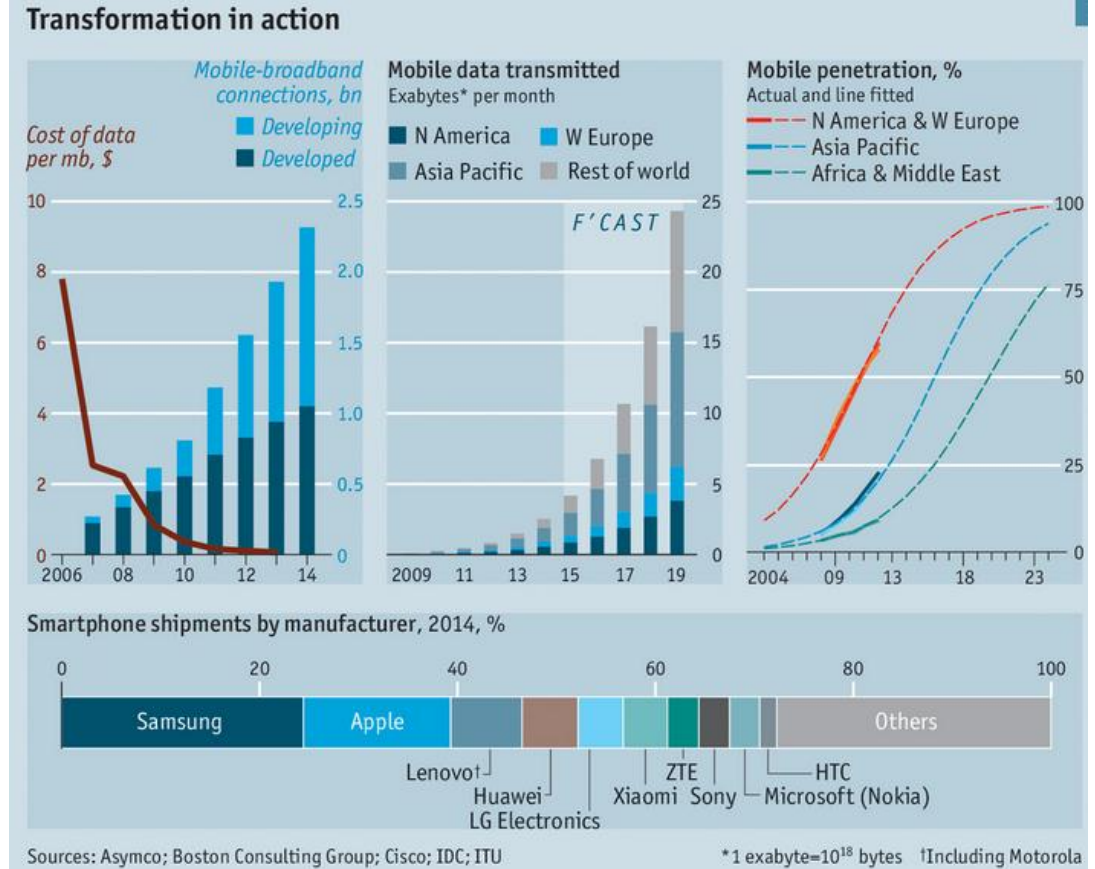
Source: <u>The Economist:</u> Week of Feb 28-Mar 6, 2015

Transformation in action

Smartphone Adoption Expected to Nearly Double by 2020

Non-GAAP Smartphone Revenue ($m)

108% CAGR

$12.8 — 2010
$51.6 — 2011
$95.8 — 2012
$108.1 — 2013
$240.4 — 2014
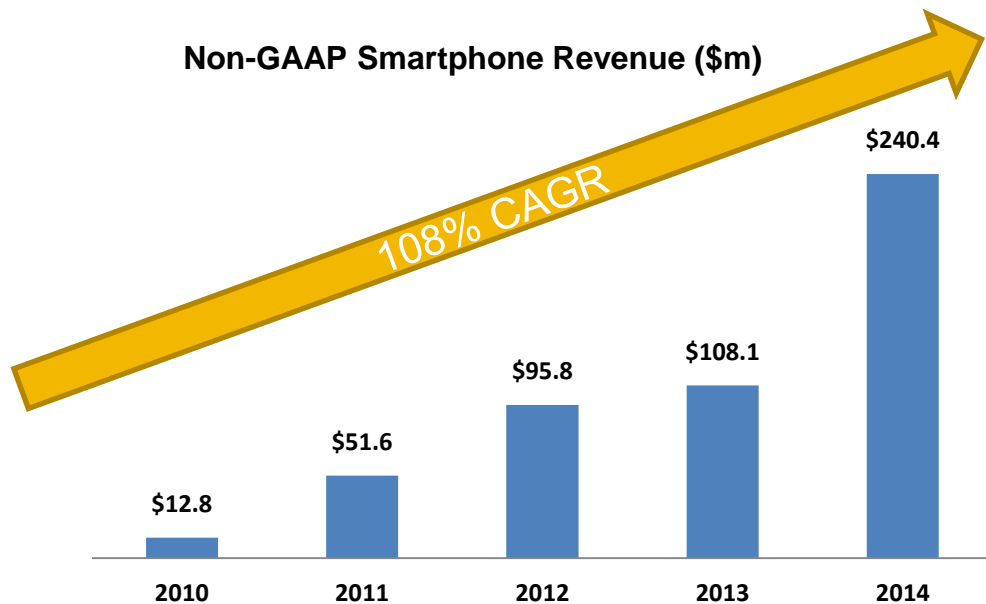
- Glu has grown non-GAAP smartphone revenue ~20x

- While overall market penetration grew ~4x

- By 2020 expect smartphone penetration ~2x today

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

Glu Specific Growth Pillars

1. Core Franchises

2. Celebrity Platform

Where Are We Today?

2014 Non-GAAP Revenue: $241.8 Million

Pie chart:
- $167.5 — Core
- $74.3 — Celebrity
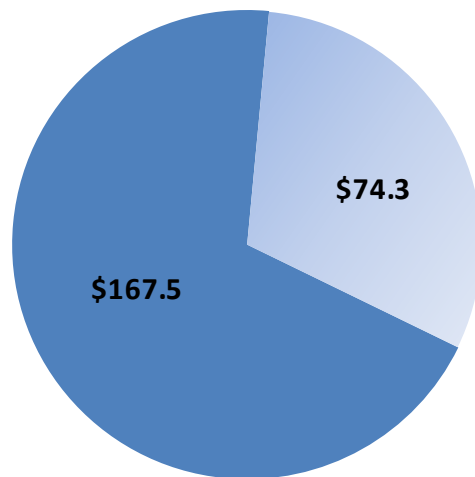
■ Core ■ Celebrity

2. Core Franchises

Franchise Growth

Non-GAAP Revenue ($m)

Chart data (stacked bar chart by year):
- 2009: $1.0
- 2010: $1.7
- 2011: $14.7
- 2012: $40.4
- 2013: $79.5
- 2014: $125.5
- 2015: $150.0

Legend:
- Eternity Warriors
- Deer Hunter
- Contract Killer
- Frontline Commando
- Racing Rivals
- Diner Dash
- Tap Sports
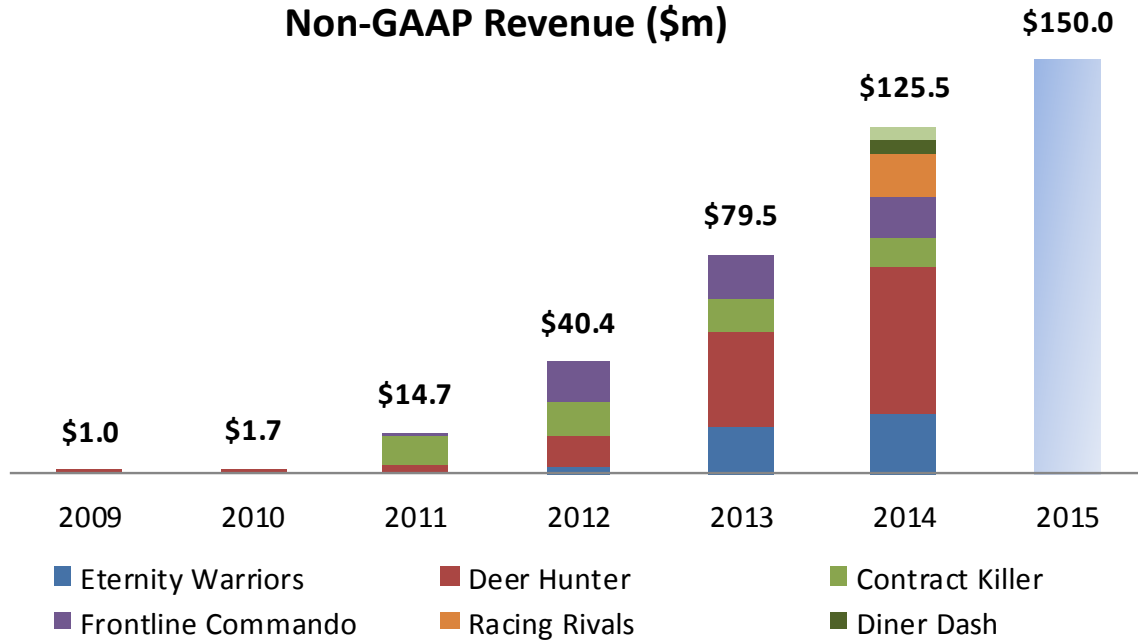
- Strong additions in 2014:
  - Racing Rivals
  - Tap Sports
  - Diner Dash

Non-GAAP revenues have been restated or revised, as appropriate, to reflect gross accounting for digital storefronts for 2010, 2011, 2012 and Q113 and prospectively, as outlined in the Company's 8/6/2013 Form 8-K and press release

Example Franchise Over Time

Cumulative lifetime non-GAAP revenue through March 31, 2015

$90.8M

$13.6M

$4.0M
$3.2M

Launch Year

2009   2010   2011   2012   2013
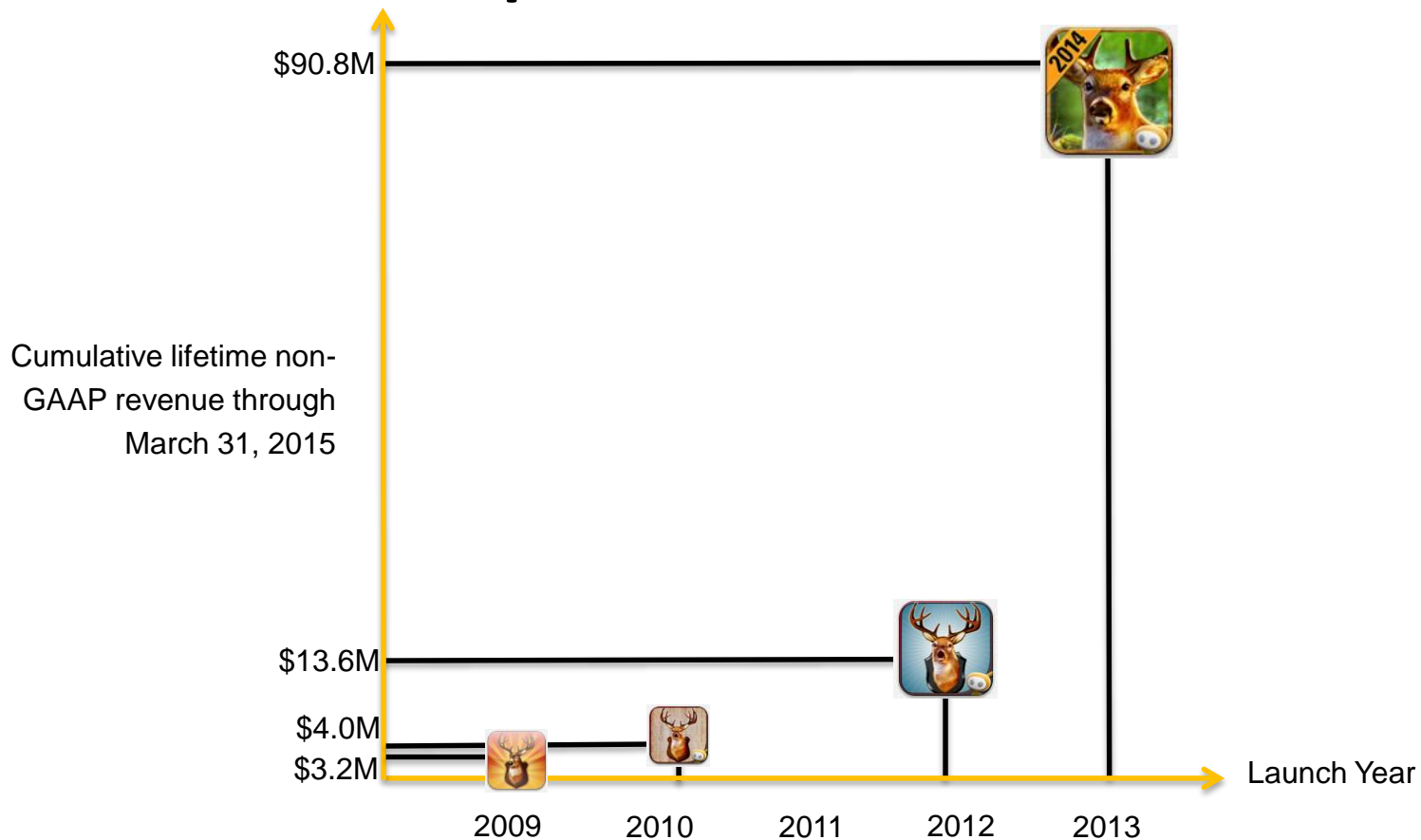
Deer Hunter Extrapolation
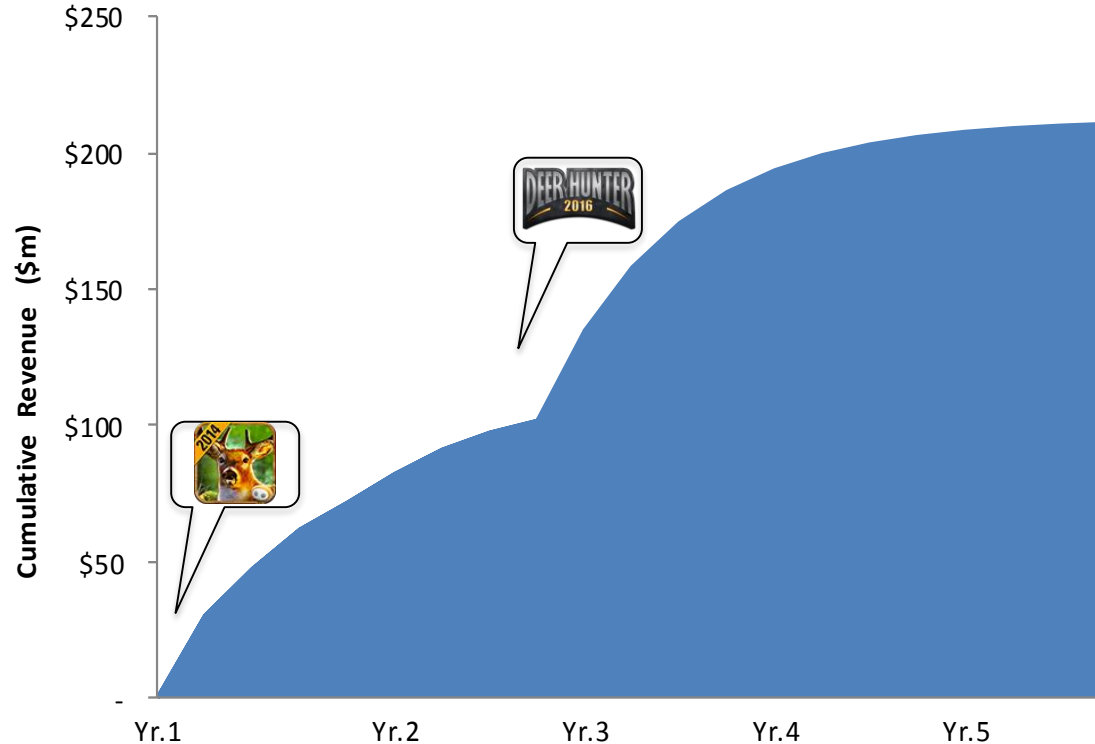
- ~$200m+ potential, cumulative non-GAAP revenue over five years for the franchise*

- ~$110m+ potential free cash flow over five years*

*This example scenario assumes that DH 2016 is flat to DH 2014. However, this scenario should not be treated as Glu's forecast or projection as to the actual performance of DH 2016 when it is launched later this year. The performance of DH 2016 is subject to many material risks and uncertainties that could cause its actual performance to fall short of this example scenario, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.

Potential Batting Average Growth

Non-GAAP Revenue per Title Launch ($m)

$58

4-Yr CAGR of 51.9%

5 Year CAGR of 29.5%*

$2.6 $2.7 $4.5 $8.7 $13.8** $16.0

2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

*The potential 5-year 29.5% CAGR represents a hypothetical scenario to illustrate a potential outcome if our business strategies are successful. This scenario should not be treated as a forecast, projection or financial guidance. We cannot assure you that we will achieve any particular growth rate and we may not grow at all. Our performance is subject to many material risks and uncertainties that could cause our actual performance to fall short of this example scenario, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.

**Computed based on the total non-GAAP smartphone revenue from games internally developed by Glu, including Racing Rivals but excluding Kim Kardashian: Hollywood, divided by the # of internally developed games launched by Glu, including Racing Rivals but excluding Kim Kardashian: Hollywood.

Core IP Non-GAAP Revenue

$700.0

Non-GAAP Revenue ($m)

5 CAGR of 27.4%*

- Potentially a $600M to $800M revenue opportunity in 2020

4-Yr CAGR of 89.7%

$12.8 $51.6 $95.8 $108.1 $166.1 $208.3

| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |

*The potential 5-year 27.4% CAGR represents a hypothetical scenario to illustrate a potential outcome if our business strategies are successful. This scenario should not be treated as a forecast, projection or financial guidance. We cannot assure you that we will achieve any particular growth rate and we may not grow at all. Our performance is subject to many material risks and uncertainties that could cause our actual performance to fall short of this example scenario, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.

3. Celebrity Platform

Social Power

CELEBRITY	REACH*	LAUNCH
Kim Kardashian West	87m	June 22, 2014
Katy Perry	176m	Q4 2015
Kylie & Kendall Jenner	82m	Q4 2015
Britney Spears	89m	Q1 2016

- 434m* total social followers inked

- Long term partnerships

- Annuity games

*Aggregate # of followers across Facebook + Twitter + Instagram + Vevo + Vine + Tumblr followers as of April 23, 2015. There is some overlap of these social audiences between channels and celebrities.

'5-Year Super Bowl Commercial'

- 118m viewers – all time record half time viewing

- Katy Perry herself – 176m total social followers*

- 5-year exclusive mobile gaming partnership

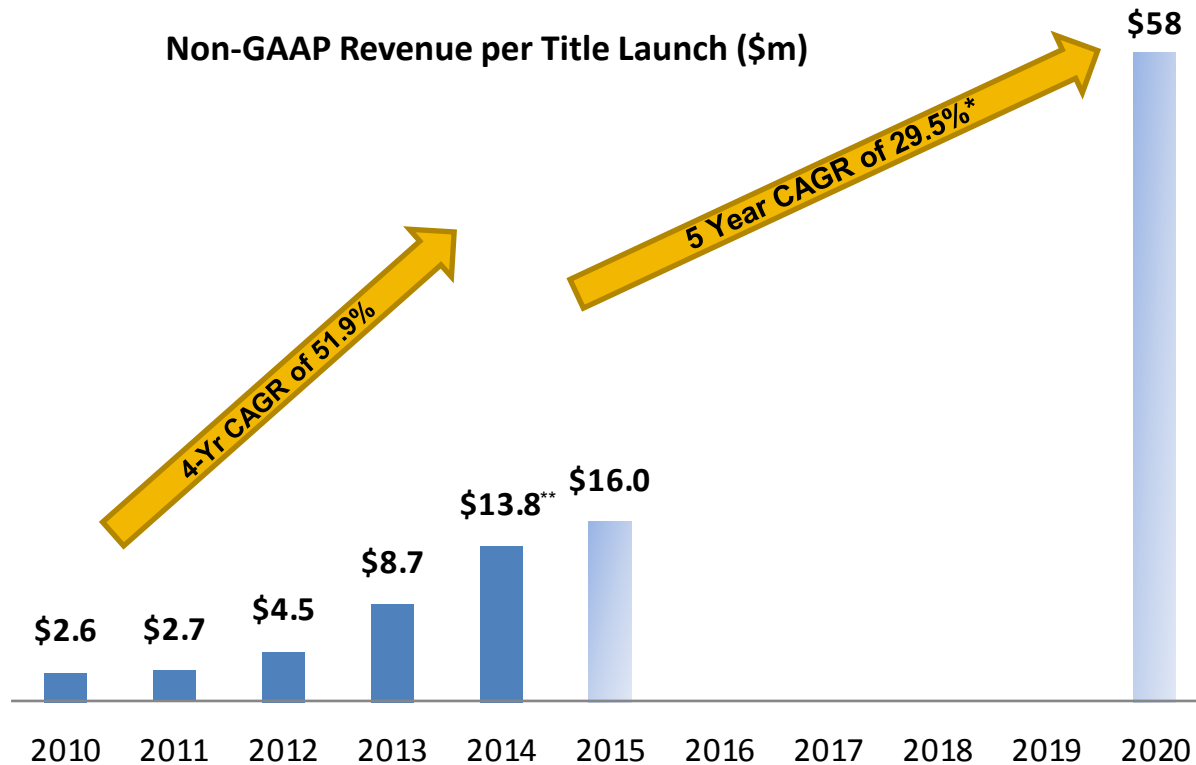- Dynamic and interactive promotion & engagement

Extrapolation

KK Next
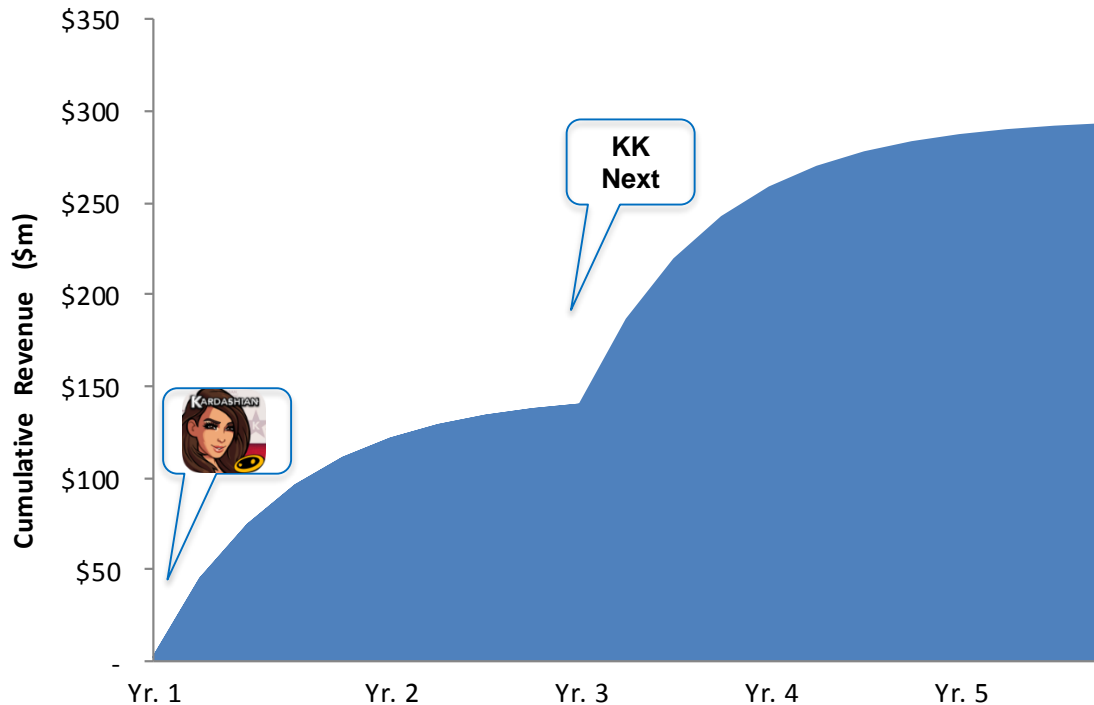
- ~$300m+ potential, cumulative non-GAAP revenue over five years for the franchise*

- ~$100m+ potential free cash flow over five years*

*This example scenario assumes that a sequel is flat to KK: Hollywood. However, this scenario should not be treated as Glu's forecast or projection as to the actual performance of a KK: Hollywood sequel. The performance of a KK: Hollywood sequel will be subject to many material risks and uncertainties that could cause its actual performance to fall short of this example scenario, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.
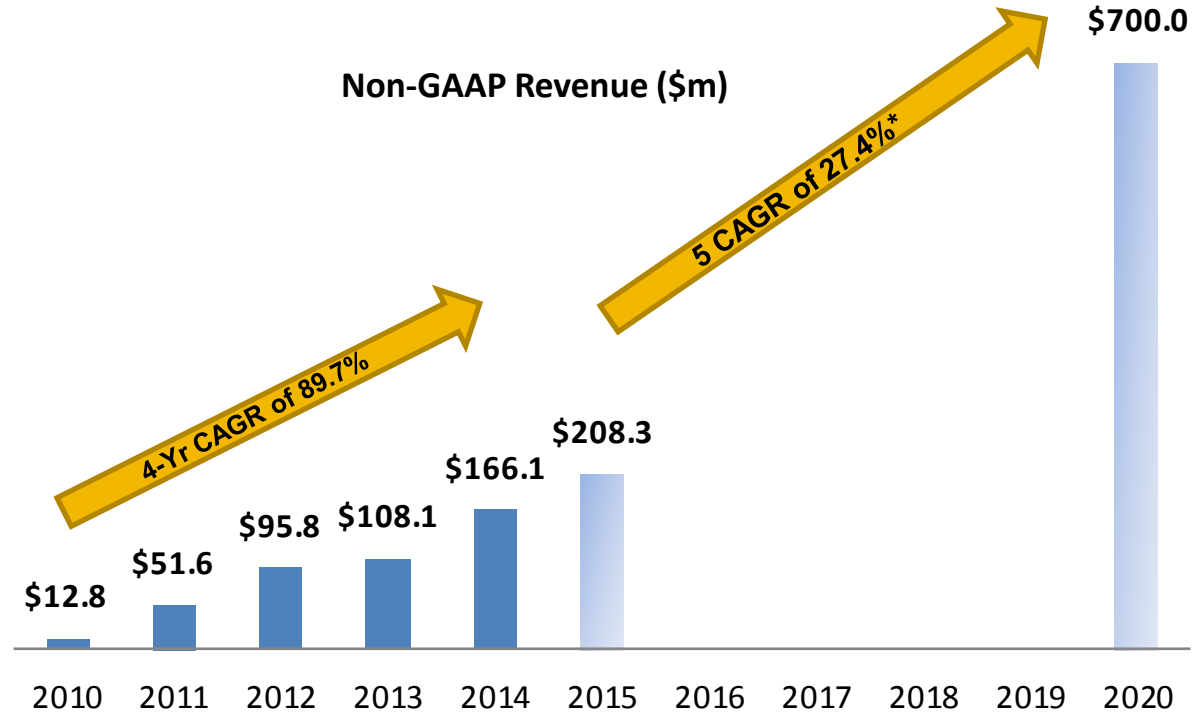
Strengthening Monetization of Social Followers

1B

78M

2014 Social Followers 2020 Potential Social Followers

$800M

$74M

2014 Celeb Revenue 2020 Potential Celeb Revenue
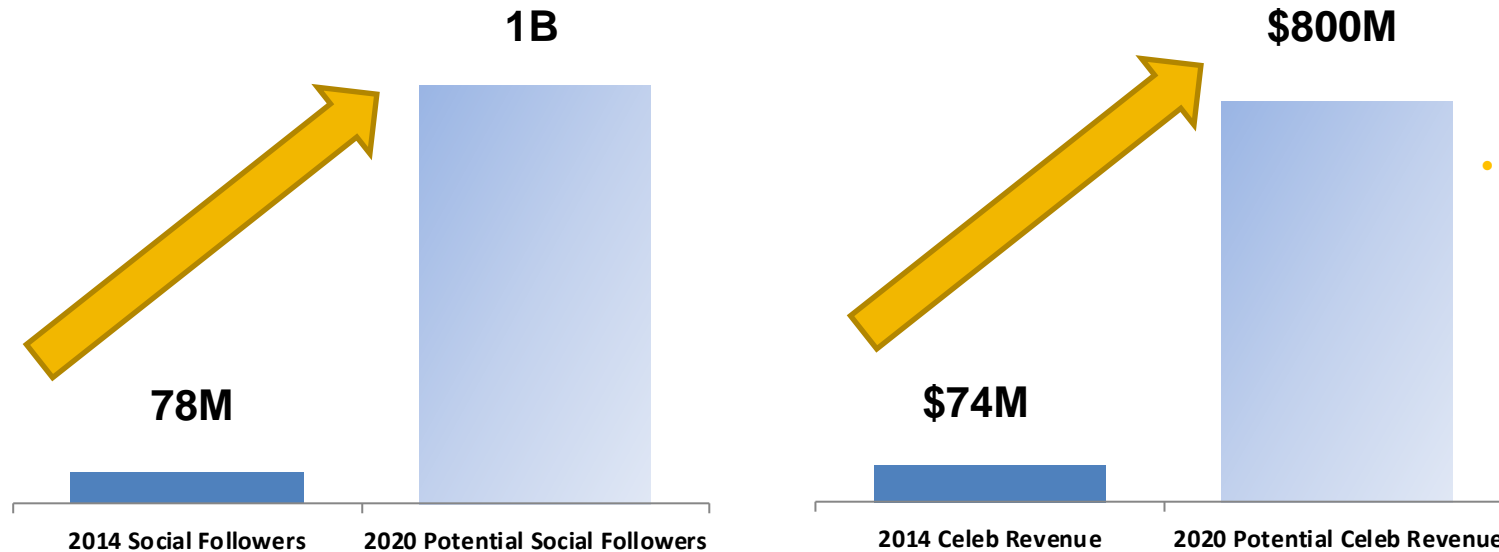
- Potentially a $700M to $900M opportunity in 2020

+ Katy + Kendall & Kylie + Britney → **Exclusivity = Contractual barrier to entry**

Live Celebrity Games

Celebrity Revenue ($m) axis: 0, 200, 400, 600, 800, 1,000, 1,200, 1,400

Celebrity Social Followers (m) axis: 0, 200, 400, 600, 800, 1,000, 1,200

Total Celebrity Game Social Followers

Social followers values: 78, 345, 500, 625, 750, 875, 1,000

Revenue values: $74.3, $78.7, $800.0

Years: 2014, 2015, 2016, 2017, 2018, 2019, 2020

Legend: Celebrity Revenue — Celebrity Social Followers

- Targeting 1B celebrity social followers

- Expect games supported by 500M social followers live by end of 2016

*The potential growth in social followers and celebrity revenues represents hypothetical scenarios to illustrate potential outcomes if our business strategies are successful. These scenarios should not be treated as forecasts, projections or financial guidance. We cannot assure you that we will achieve any particular growth rate and our revenues and social followers may not grow at all. Our performance is subject to many material risks and uncertainties that could cause our actual performance to fall short of these example scenarios, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings

4. Aggregate Growth Opportunity

2020 Non-GAAP Revenue Opportunity: $1.3B – $1.7B

$58M / Title

$14M / Title

$0.6B - $0.8B

$166M

2014 Core Revenue | **2020 Potential Core Revenue**

+

1B Followers

78M Followers

$0.7B - $0.9B

$74M

2014 Celeb Revenue | **2020 Potential Celeb Revenue**

=

$1.3B - $1.7B

2020 Total Revenue Potential
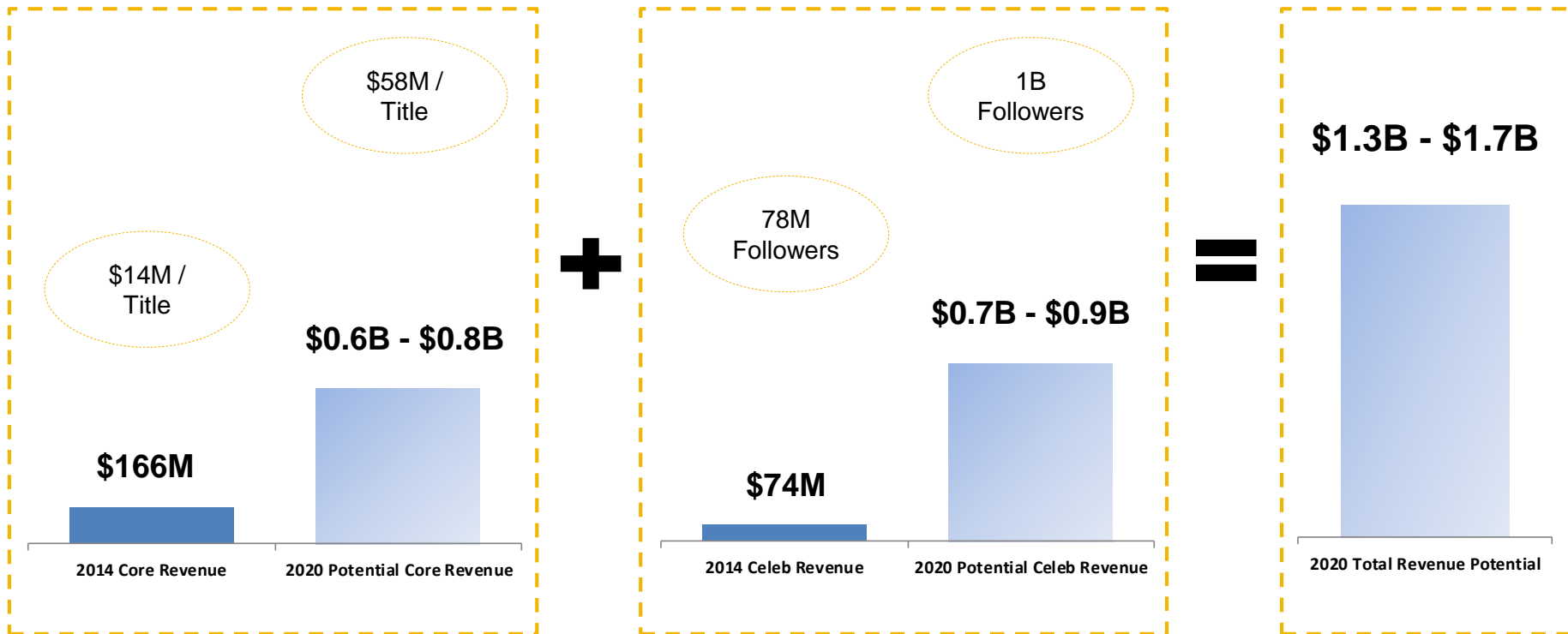
The potential 2020 revenue opportunity and growth in social followers represents hypothetical scenarios to illustrate potential outcomes if our business strategies are successful. These scenarios should not be treated as forecasts, projections or financial guidance. We cannot assure you that we will achieve any particular growth rate and our revenues and social followers may not grow at all. Our performance is subject to many material risks and uncertainties that could cause our actual performance to fall short of these example scenarios, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.

Eric R. Ludwig

COO & CFO

Financial Agenda

1. Guidance Backdrop

2. 2015 Guidance

3. Long Term Operating Model

1. Guidance Backdrop

Diversified Studio Infrastructure
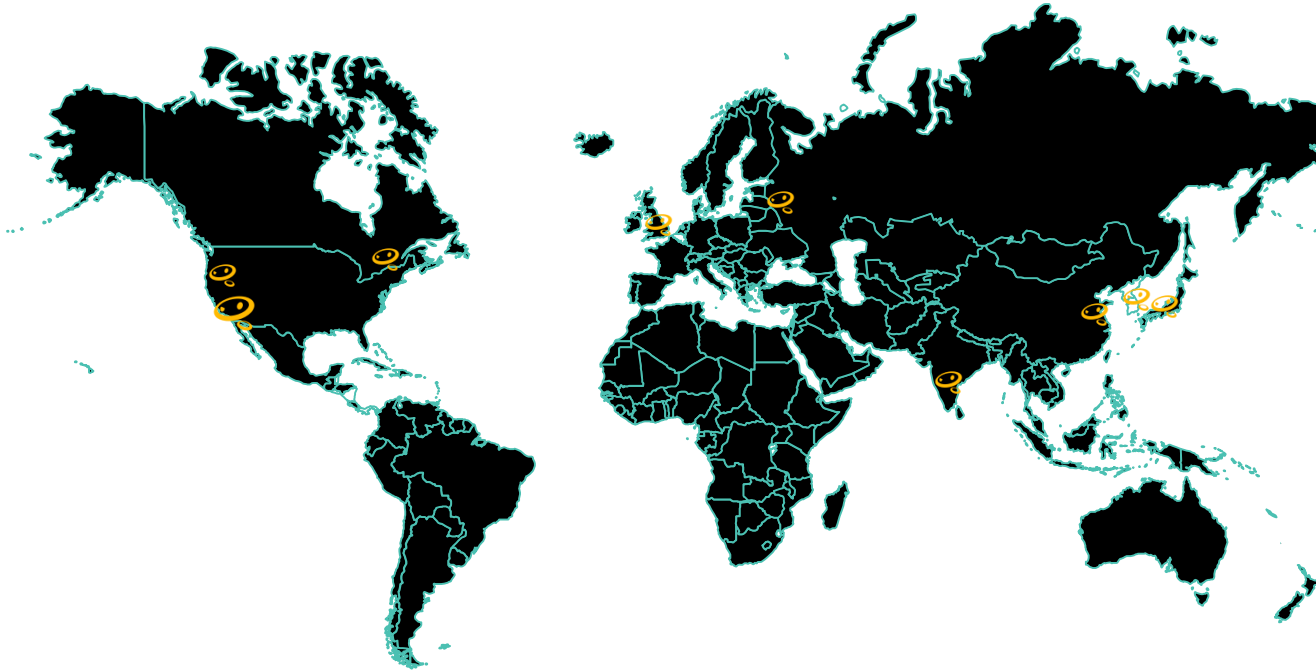
- 865 employees, 700 in R&D expected by end of 2015

- 24 Game Teams in Diverse, Cost Efficient Locations:
  - San Francisco, CA
  - Bellevue, WA,
  - Long Beach, CA
  - Toronto, Canada
  - Moscow, Russia
  - Beijing, China
  - Hyderabad, India

2014: Non-GAAP Revenue Delivery from a Broad Portfolio

Other catalog $36.9M — 15%

Contract Killer 2 $4.4M — 2%

Frontline Commando 2 $5.8M — 2%

Contract Killer: Sniper $6.2M — 2%

Robocop $6.5M — 3%

Frontline Commando: D-Day $6.6M — 3%

Dino Hunter: Deadly Shores $10.0M — 4%

Racing Rivals $18.3M — 8%

Eternity Warriors 3 $20.9M — 9%

Kim Kardashian: Hollywood $74.3M — 31%

Deer Hunter 2014 $52.0M — 21%
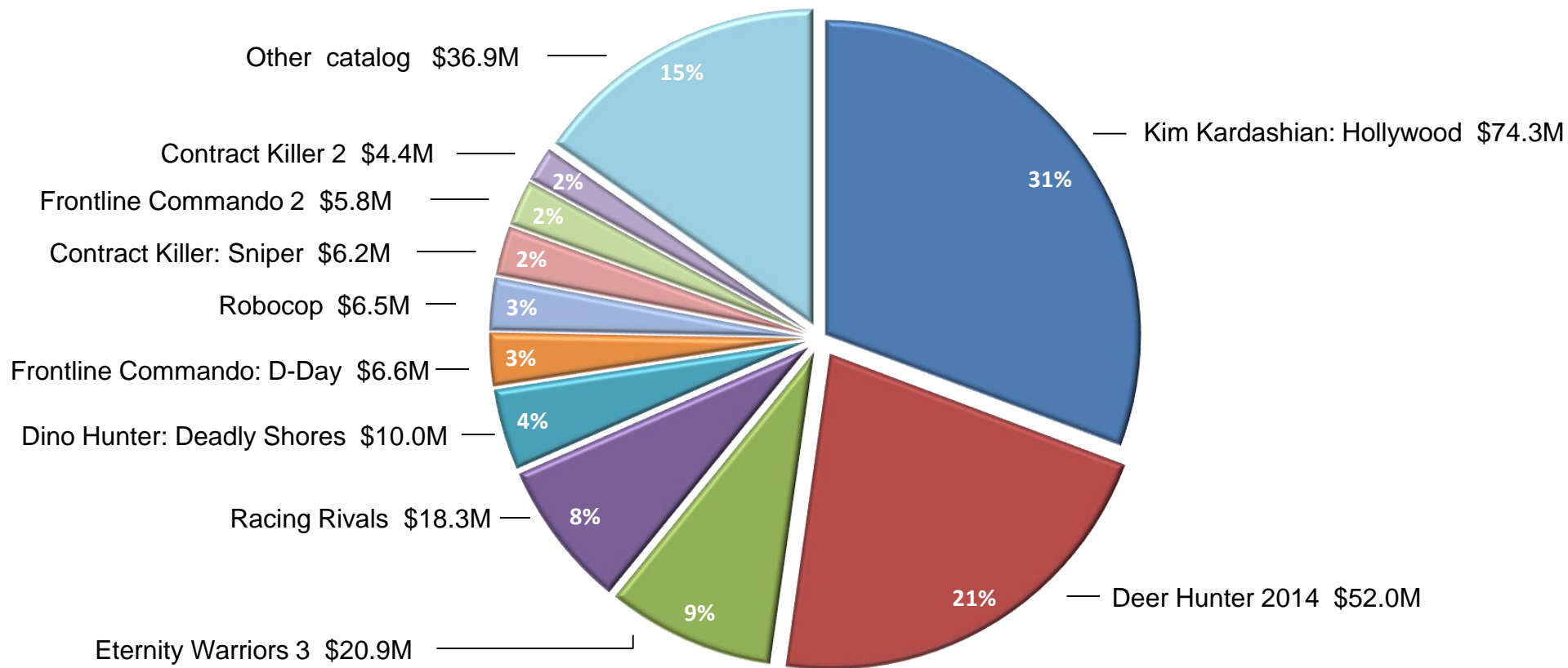
Greater Diversification Expected in 2015

- Top 2 titles in guidance contribute ~28% of non-GAAP revenue vs. 52% in 2014

- 2 of the other top 10 largest titles already live:

  - Deer Hunter 2014
  - Contract Killer: Sniper

$287M 2015 Non-GAAP Revenue Top Titles

KKH & RR 28%
New IP 9%
New IP 7%
New IP 7%
Live IP 7%
Live IP 6%
New IP 3%
New IP 3%
New IP 3%
Other Live IP 27%
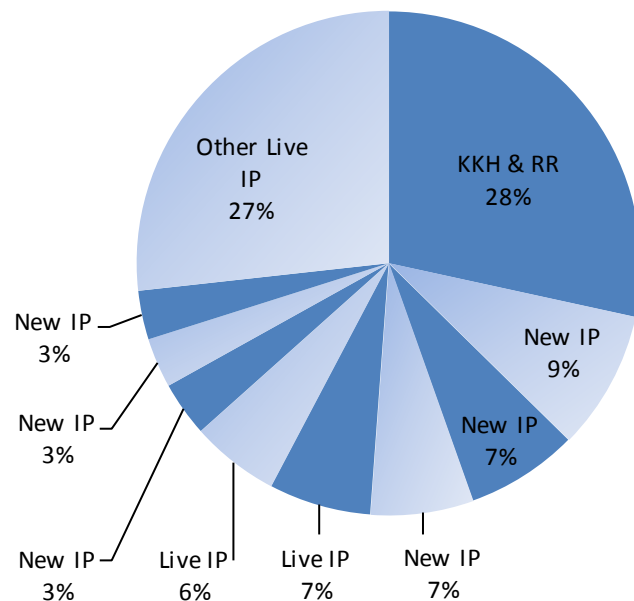
Strong Contribution Margin Flow Through

% of Gross Revenues	Original IP	Branded IP Royalty	
		Low	High
Gross Revenue	100.0%	100.0%	100.0%
Platform Fees	25.6%	25.6%	25.6%
Royalties	0.0%	6.9%	24.0%
Gross Margin	74.4%	67.5%	50.4%
User Acquisition	15.0%	15.0%	15.0%
Contribution Margin of Incremental $1.00 of Gross Revenue	59.4%	52.5%	35.4%

Increasing Studio Capacity Positions Glu for Bigger 2016

- Adding 2 incremental teams to 2015 costs since February earnings call

2015 Expected Studio Team Count

	Q314 Earnings	Q414 Earnings	Analyst Day
Total		22	24
New Teams		6	2
Teams at Year-End	16	16	22

■ Teams at Year-End ■ New Teams

2015 Expected R&D Headcount & Avg Size per Team

	Q314 Earnings	Q414 Earnings	Analyst Day
R&D Headcount	520	656	700
Headcount per Team	33	30	29

■ Headcount per Team ---- R&D Headcount
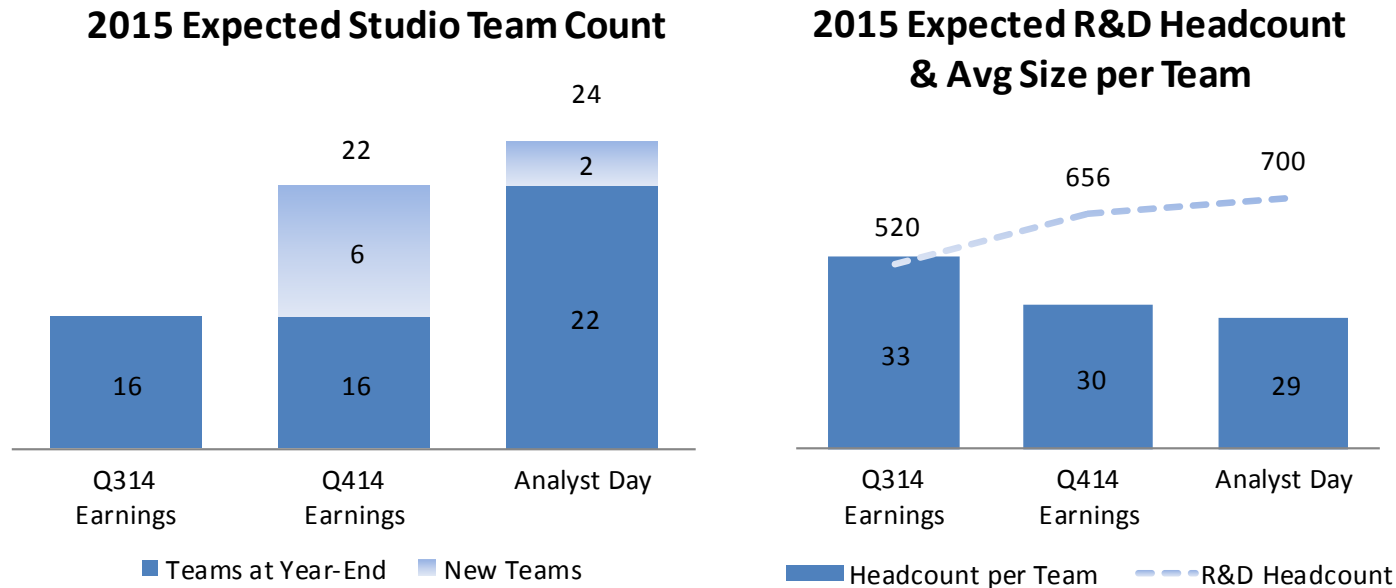
>2/3 of Launches in H2

Q1	Q2	Q3	Q4
BLOOD & GLORY IMMORTALS	TAP SPORTS BASEBALL 2015	COOKING DASH 2016	MX MOTOCROSS RIVALS
	FRONTLINE COMMANDO WWII	M:i:5	KATY PERRY
	TERMINATOR GENISYS REVOLUTION	ETERNITY WARRIORS HERO'S CALL	CAR TOWN RIVALS
	Kim Kardashian SLOTS **	SNIPER X KILL CONFIRMED	KENDALL & KYLIE
		TAP SPORTS FOOTBALL 2015	
		DEER HUNTER 2016	
**Experimental pending results of testing metrics*		007	

2. 2015 Guidance

Reiterating 2015 Non-GAAP Revenue Guidance

Non-GAAP Revenue ($m)
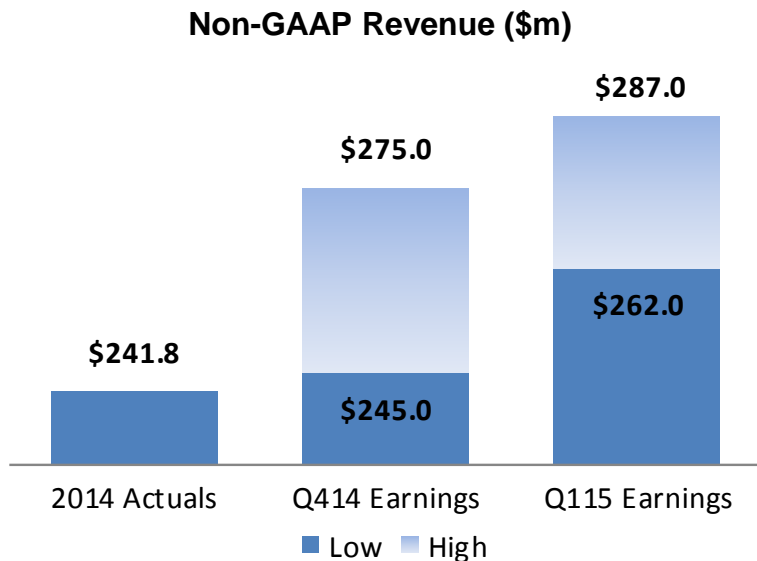
- 19% year over year growth

- Diversified revenue with 4 of top 10 titles already live as of today

Reiterating 2015 EBITDA Guidance
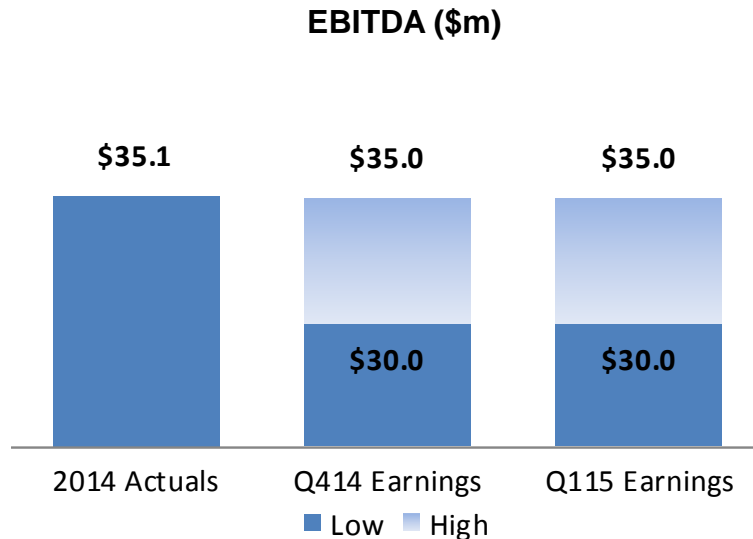
EBITDA ($m)

- $30M to $35M EBITDA

- Flat EBITDA guidance at high-end, despite investing in 180 new studio employees and 8 new teams

- 4 teams are OPEX only in 2015 with first revenue expected in 2016

2015 Guidance

- Guiding to low-end of long term targets

- No Kim Kardashian or Deer Hunter sized hits assumed

- Not increasing guidance further due to back-end release slate

3. Long Term Operating Model

Long Term Operating Model: Five Year Goals

- Annual Revenue Growth of 20% to 30%

- $1 Billion of Non-GAAP Revenue in 2020

- All Quarters Q315 Onward EBITDA Profitable

Potential Long Term Non-GAAP Revenue Growth
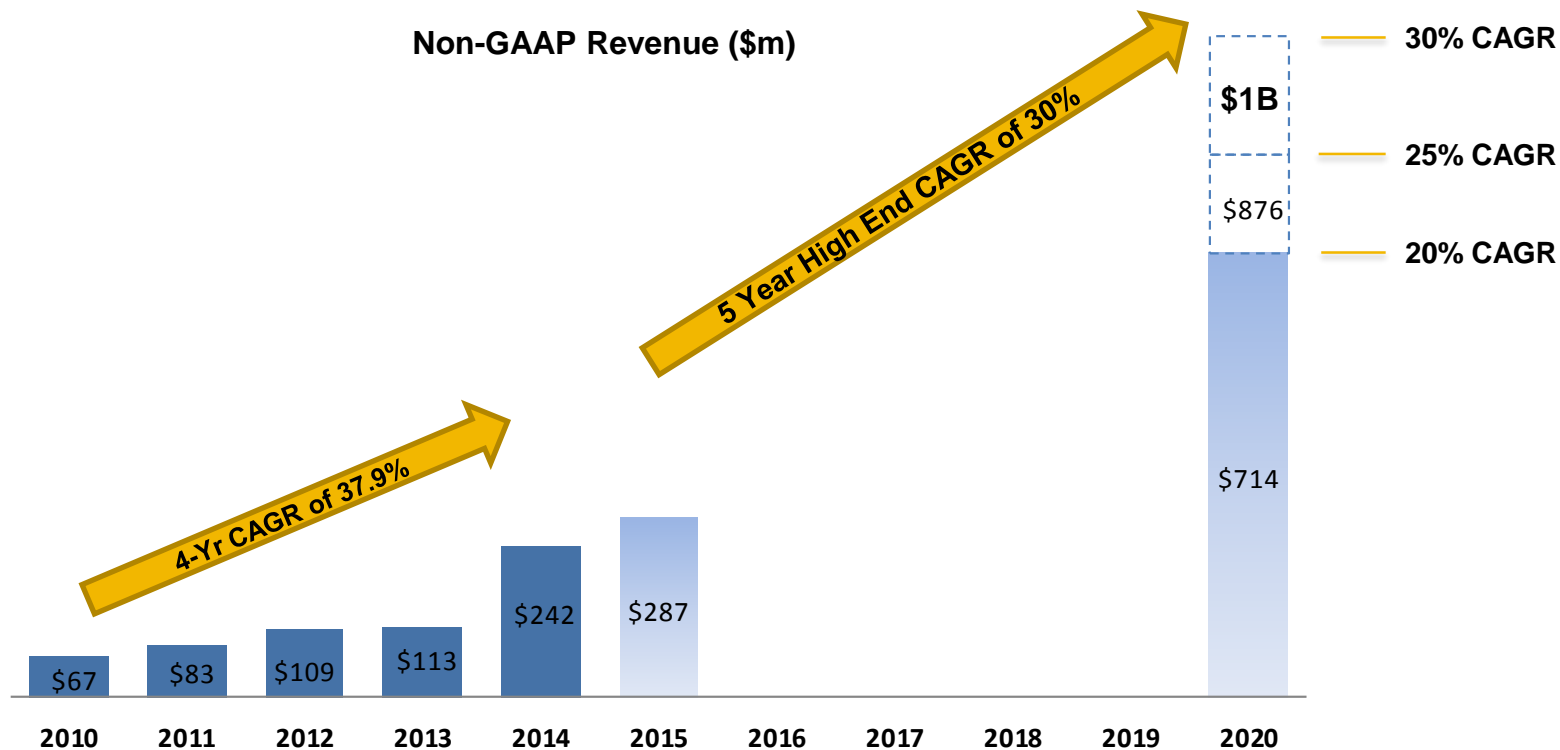
The potential CAGRs represents hypothetical scenarios to illustrate potential outcomes if our business strategies are successful. These scenarios should not be treated as forecasts, projections or financial guidance. We cannot assure you that we will achieve any particular growth rate and we may not grow at all. Our performance is subject to many material risks and uncertainties that could cause our actual performance to fall short of these example scenarios, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.

Long-Term EBITDA Margins of 20% to 25%

Long Term Margin Targets

% of Non-GAAP Revenue	LTM	Long Term Target Low	High
Revenue	100.0%	100.0%	100.0%
Platform Fees	25.3%	24.8%	24.0%
Royalties	10.3%	15.7%	14.0%
Hosting	2.4%	1.8%	1.8%
Gross Margin	62.0%	57.7%	60.2%
R&D	23.7%	15.9%	14.2%
S&M	3.7%	3.0%	2.5%
S&M: User Acquisition	14.6%	15.0%	15.0%
G&A	8.3%	4.8%	4.5%
Subtotal: Opex	50.3%	38.7%	36.2%
Depreciation/Amortization	1.0%	1.0%	1.0%
EBITDA Margin	**12.7%**	**20.0%**	**25.0%**

Potential Significant Free Cash Flow Generation

(in millions)

	2015	2020
Non-GAAP Revenue at 30% High-Growth Rate	$287	$1,000
Adjusted EBITDA	$35	$250
EBITDA Margin	12.2%	25.0%
Cash Flow Adjustments	($15)	($21)
Free Cash Flow	$20	$229

- $85.4m of Net Operating Loss Carry-Forwards*

  - $38.7m utilizable in 2015

  - $12m/year utilizable per year 2016 – 2017

  - $5.9m/year utilizable per year 2018 – 2020

  - $4.8m/year utilizable in 2021

The above NOLs may change based on the recent Tencent investment and any future ownership changes.

The potential 2020 financial results based on a potential 30% CAGR represents a hypothetical scenario to illustrate a potential outcome if our business strategies are successful. This scenario should not be treated as a forecast, projection or financial guidance. We cannot assure you that we will achieve any particular growth rate and we may not grow at all. Our performance is subject to many material risks and uncertainties that could cause our actual performance to fall short of this example scenario, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.

Wrap Up

© Glu Mobile Inc. – Proprietary

Glu Evolution

- Communities
- Socio-competitive
- Online-only

- Studio specialization
- Appeal broadening
- Content updates

- Organic coefficient
- Visuals
- Single player

Phase 1: Core Gameplay

Phase 2: Monetization

Phase 3: Social

Non-GAAP Revenue ($m)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
$67	$83	$109	$113	$242	$287					$714 / $876 / $1B

The potential 2020 revenues represents hypothetical scenarios to illustrate potential outcomes if our business strategies are successful. These scenarios should not be treated as forecasts, projections or financial guidance. We cannot assure you that we will achieve any particular growth rate and we may not grow at all. Our performance is subject to many material risks and uncertainties that could cause our actual performance to fall short of these example scenarios, including the risks discussed in our Quarterly Report on Form 10-Q filed with the SEC on May 11, 2015 and our other SEC filings.
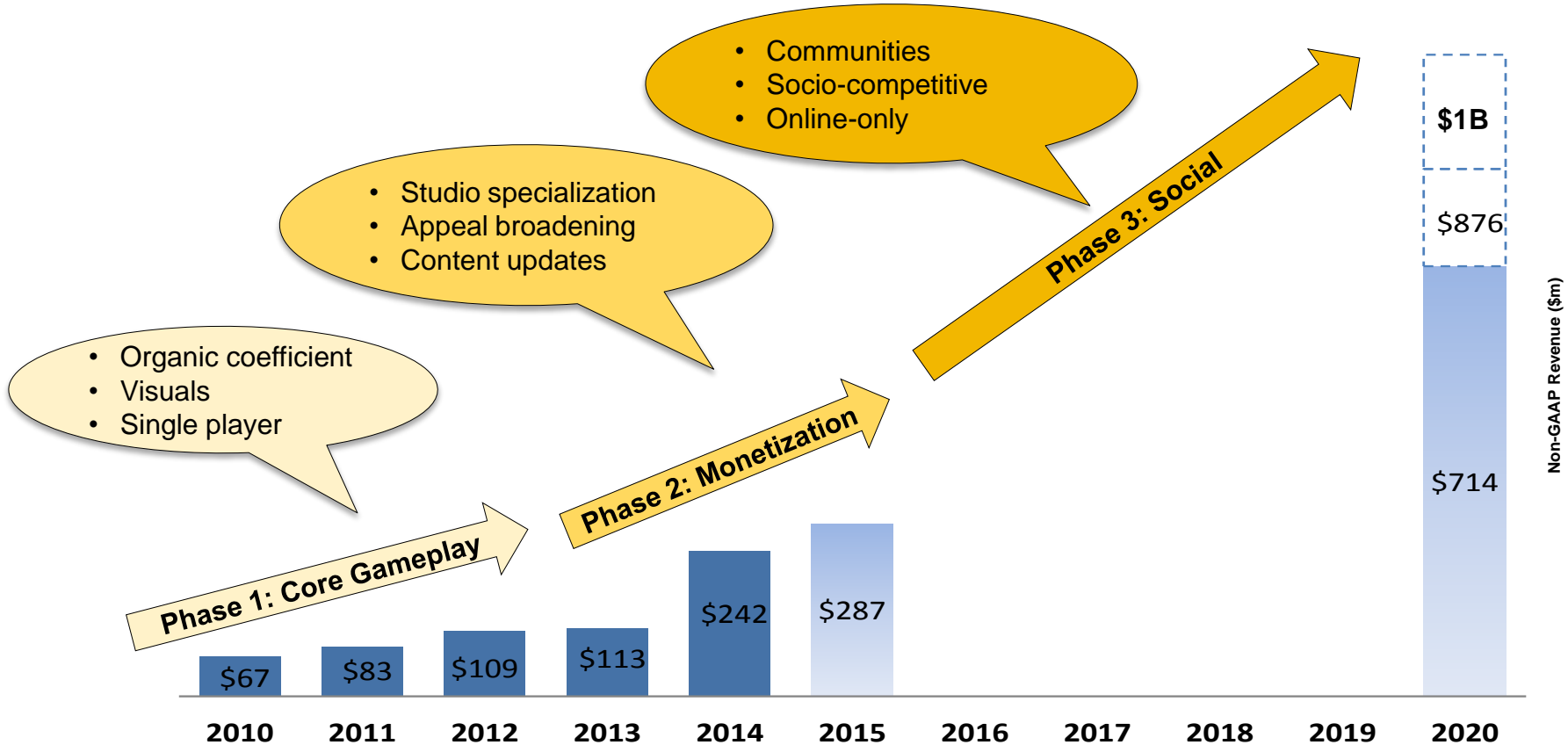
Q&A

glu™

Appendix

GAAP to Non-GAAP Revenue Reconciliation

Glu Mobile Inc.
GAAP to Non-GAAP Reconciliation
(in thousands)
(unaudited)

	For the Year Ended				
	Year Ended 2010	Year Ended 2011	Year Ended 2012	Year Ended 2013	Year Ended 2014
GAAP revenue	$ 66,804	$ 74,025	$ 108,183	$ 105,613	$ 223,146
Change in deferred revenue	79	8,631	739	7,751	18,628
Non-GAAP Revenue	**66,883**	**82,656**	**108,922**	**113,364**	**241,774**

Non-GAAP EBITDA Reconciliation

Glu Mobile Inc.
Non-GAAP EBITDA
(in thousands)
(unaudited)

	For the Year Ended				
	December 31, 2010	December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014
GAAP net income/(loss)	$ (13,423)	$ (21,101)	$ (20,459)	$ (19,909)	$ 8,148
Change in deferred revenue	79	8,631	739	7,751	18,627
Change in deferred platform commissions and royalty expense	13	(1,950)	(500)	(1,717)	(8,912)
Non-cash warrant expense	-	-	-	427	1,192
Amortization of intangible assets	4,431	6,272	5,763	5,574	5,275
Depreciation	1,975	1,846	2,368	2,707	2,514
Stock-based compensation	1,568	3,110	5,822	4,285	11,633
Change in fair value of Blammo earnout	-	(61)	167	7	835
Transitional costs	-	1,307	489	-	1,430
Restructuring charge	3,629	545	1,371	1,448	435
Foreign currency exchange loss	699	(789)	365	23	1,495
Interest and other expense	575	42	(18)	(33)	(23)
Income tax provision/(benefit)	709	614	(1,994)	(2,843)	(7,555)
Total Non-GAAP EBITDA	$ 255	$ (1,534)	$ (2,274)	$ (2,280)	$ 35,094