



## Vringo Releases Annual Letter to Stockholders

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### Letter Updates Shareholders, Speaks to Opportunities and Growth Potential in the Mobile Video Industry

NEW YORK, Jun 27, 2011 (BUSINESS WIRE) --

Vringo, Inc. (NYSE Amex: VRNG), a provider of software platforms for mobile video applications and video ringtones, released the following letter to stockholders, which was read aloud during its Annual Stockholder Meeting in June.

Dear Stockholders:

2010 was a successful year for Vringo and represented a period of significant transformation for our organization. We raised over \$11 million in our initial public offering and listed our securities on the NYSE Amex. We began to monetize our software platforms with partners around the world. We also developed and launched additional software platforms in addition to our original video ringtone flagship product.

Vringo is delighted to be at the forefront of the fast growing mobile video applications arena. In 2010, Vringo entered into an agreement with Everything Everywhere, which operates the T-Mobile UK and Orange UK mobile services, to launch a service initially with Orange UK. We also signed an agreement with StarHub to launch a service in Singapore. Our customer base for our video ringtone service continued to grow and we had more than 200,000 paid subscribers at the end of 2010. Moreover, we have leveraged our technology to develop new product platforms such as Video ReMix, Fan Loyalty and Facetones™ which we are also starting to monetize.

We share your disappointment in the decline of our stock price since our initial public offering. We believe the significant progress we are making in expanding our operations and launching new services in markets around the world will help enhance our image and build shareholder value. We are also taking proactive measures to increase awareness of our activities in the capital markets, including hiring a new investor relations firm, and increasing our news and information flow to keep both potential investors and loyal stockholders apprised of our progress.

As we move forward into 2011, we continue to see strong consumer demand for our service. In particular we are gratified with our initial successes in Malaysia, where our approximately 250,000 subscribers represent approximately 5% penetration of our partner's data-connected subscriber base. We view this as a spectacular case study and we are eager to replicate these results elsewhere.

To that end, as we continue to penetrate the mobile video market in the UK, we have built an eco-system to maximize our chances for success in this critical market going forward. We have recently partnered with The Carphone Warehouse to embed our video ringtone platform in the 'INQ Cloud Touch' social smart phone in the UK. We believe this agreement with the UK's largest independent mobile phone retailer will introduce Vringo's video ringtone platform to a wider audience.

We believe one of our most significant future growth drivers involves the launch of our service in India, one of the world's fastest-growing mobile markets with over 750 million mobile subscribers. Our partner in this market, Hungama, is the largest source of digitally available Bollywood and South-Asian entertainment content in the world. Our service with Hungama is available to a potential 500 million mobile subscribers on 15 different Indian mobile carriers including Reliance, BhartiAirtel and Tata. We will also make Hungama content available on our existing services in the UK, UAE and Malaysia.

Building on the launch of our services in the UK and India, we plan additional launches in other European, North American and Asian markets in the near future. We believe we will be able to further scale our business. For example, we are looking to significantly expand our service in the United States. The U.S. mobile market continues to be one of the largest and most important commercial markets in the world. We have recently begun monetizing our services through app stores in the United States and we hope to cooperate with Verizon, in particular, on a wider basis soon.

On the topic of new announcements, just in the last few weeks we have made tremendous new progress with several new deals. We announced our entrance into a strategic cooperation agreement with m-Wise, Inc., whom we have been in negotiations with over the past several months. m-Wise provides a platform used by leading content owners and service providers to manage, deliver and monetize mobile entertainment, content and applications. m-Wise's platform has been utilized in over 300 applications across more than 50 mobile networks by more than 50 international content and media providers. The agreement allows Vringo and m-Wise to cooperate on projects and expand joint sales and marketing opportunities, while retaining our respective intellectual property and independent operations. By formalizing our cooperation, we will be able to utilize m-Wise's rich back-end server technology in conjunction with our significant video application capabilities.

Vringo also recently launched the first application of our new Fan Loyalty platform via an ad-supported service tailored for Nokia mobile devices through Nokia's Ovi Store and in partnership with Rotana, a diversified media company and the world's largest producer of music and music television in the Middle East. The application features exclusive content and fully integrated live

voting capabilities for the blockbuster "Star Academy" reality music show, which reaches over 300 million viewers in over 10 countries in the region. Our launch of the "Star Academy" product represents an important new business model for Vringo as we hope to integrate our Fan Loyalty platform into various products with content partners around the world.

And earlier this month, we announced that Vringo had entered into a Settlement Agreement with its primary lenders, pursuant to which the lenders will forgive approximately \$1.4 million of their outstanding loans to Vringo, representing 50% of the outstanding balance. We anticipate that the debt forgiveness will strengthen Vringo's balance sheet for its second quarter, subject to review by Vringo's accountants and auditors. We believe this agreement strengthens our financial position and provides additional flexibility as we continue to grow our business.

We anticipate that our top-line revenue in 2011 will continue to build on our progress in 2010 due to our organic growth and increased consumer uptake, new launches with new partners, new product introductions as well as potential acquisitions. We intend to hold the line on operating expenses, as we drive to achieve breakeven and ultimately profitability.

I am proud of our performance in fiscal 2010, and I want to thank Vringo's loyal stockholders for their continued support and dedication. Vringo is emerging as a leader in providing software platforms to the mobile video market and I believe we are better positioned than ever for growth and continued market leadership. As we continue to achieve new operational milestones, we remain highly focused on improving our financial metrics, with an unequivocal commitment to building shareholder value.

For more information, please visit our website at [www.vringo.com](http://www.vringo.com). For access to our latest Investor Fact Sheet, interviews and industry information, go to [www.trilogy-capital.com/autoir/vrng\\_autoir.html](http://www.trilogy-capital.com/autoir/vrng_autoir.html).

I look forward to communicating with you again soon.

Best Regards,

Jon Medved  
Chief Executive Officer  
Vringo, Inc.

### **About Vringo**

Vringo (NYSE Amex: VRNG) is a leading provider of software platforms for mobile video services and video ringtones. With its award-winning video ringtone application and other mobile software platforms, Vringo transforms the basic act of making and receiving mobile phone calls into a highly visual, social experience. Vringo's core mobile application, which is compatible with more than 400 handsets, enables users to create or take video, images and slideshows from virtually anywhere and turn it into their visual call signature. In a first for the mobile industry, Vringo has introduced its patented VringForward technology, which allows users to share video clips with friends with a simple call. Vringo has been heralded by The New York Times as "the next big thing in ringtones" and USA Today said Vringo's application has "to be seen to be believed." Vringo has launched its service with various international mobile operators, holds licensing deals with over 40 major content partners and maintains a library of more than 12,000 video ringtones for users in various territories. For more information, visit: <http://ir.vringo.com>.

For more information about how video ringtones work, visit: [www.vringo.com](http://www.vringo.com).

### **Forward-Looking Statements**

This press release includes forward-looking statements that involve risks and uncertainties. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from the forward-looking statements. Vringo expressly disclaims any obligation to publicly update any forward-looking statements contained herein, whether as a result of new information, future events or otherwise, except as required by law.



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