



Vringo Announces Second Quarter Results and Recent Highlights

08/14/12

Investor Conference Call Scheduled for 5:00pm Eastern Today

NEW YORK--(BUSINESS WIRE)--Aug. 14, 2012-- Vringo, Inc. (NYSE MKT: VRNG), a company engaged in the innovation, development, and monetization of mobile technologies and intellectual property, today announced operating results for the second quarter of 2012 and subsequent events.

"With a strengthened team, balance sheet and capital structure, we believe that we are well positioned to continue executing on our business plan. The completion of our merger with Innovate/Protect on July 19th was an exciting milestone for the company. We have demonstrated the strength and ability of our management to execute with our recent acquisition of over 500 patents and applications from Nokia. We appreciate the strong support we have received from our shareholders, and look forward to continuing to build value," said Andrew Perlman, Vringo's Chief Executive Officer.

Second Quarter Highlights and Subsequent Events

- June 15: Received *Markman* Memorandum Opinion & Order ruling in wholly-owned subsidiary I/P Engine's case against Google, AOL, IAC, Target and Gannett; jury trial scheduled to begin on October 16 in the U.S. District Court in the Eastern District of Virginia.
- June 15: Signed agreement to develop Facetones™ for Nokia Asha Touch mobile phones.
- June 25: Added to the Russell Microcap Index.
- July 19: Completed merger with Innovate/Protect.
- July 20: ZTE began shipping handsets to Europe preloaded with Facetones™.
- August 10: Completed financing of \$31.2 million, with approximately 90% placed with three institutional investors.
- August 10: Acquired over 500 patents and patent applications from Nokia covering telecom infrastructure.

Operating Results

- As of the close of business on August 13, Vringo had \$15.3 million of cash on hand. After giving effect to the repayment of approximately \$3.2 million of debt, Vringo will have \$12.1 million of cash on hand.
- Net loss was \$5.17 million, mainly attributed to a non-cash, non-operating expense which totaled approximately \$3.1 million, recorded in connection with a periodic valuation of warrants, classified as long term derivative instruments, as well as \$600 thousand in one-time expenses related to the merger with Innovate/Protect.
- Mobile application revenue remained relatively flat at approximately \$100 thousand for the two first consecutive quarters of 2012. For the six months ended June 30, 2012, revenue decreased approximately 45% to \$206 thousand compared to \$374 thousand for the six months ended June 30, 2011. This decrease was primarily due to regulatory changes in Malaysia and the lack of one-time fee revenue in the first half of the year.
- Operating loss for the second quarter decreased by 26% to \$2.0 million for the three months ended June 30, 2012 as compared to \$2.7 million in the previous quarter. This reflects primarily a combination of operational cost synergies, partly offset by M&A expenses related to completing the transaction with Innovate/Protect.
- On a per share basis, net loss fell by 22% to a loss of \$0.36 per basic and diluted share in the second quarter of 2012 compared to the loss of \$0.46 per basic and diluted share for the previous quarter, mostly as an increase in the weighted average number of shares, and decrease in operating loss.

Conference Call Information

Date: Tuesday, August 14, 2012

Time: 5:00 p.m. Eastern (Vringo recommends dialing in ten minutes in advance)

Domestic: (888) 882-8678

International: (706) 645-4500

Replay (available shortly after conclusion): (855) 859-2056

Confirmation Code: 20623594

About Vringo, Inc.

Vringo, Inc. is engaged in the innovation, development and monetization of mobile technologies and intellectual property. Vringo's intellectual property portfolio consists of over 500 patents and patent applications covering telecom infrastructure, internet search, and mobile technologies. The patents and patent applications have been developed internally, and acquired from Lycos, Inc. and Nokia Corporation. Vringo operates a global platform for the distribution of mobile social applications and services including Facetones™ and Video Ringtones which transform the basic act of making and receiving mobile phone calls into a highly visual, social experience.

Forward-Looking Statements

This press release includes forward-looking statements, which may be identified by words such as "believes," "expects," "anticipates," "estimates," "projects," "intends," "should," "seeks," "future," "continue," or the negative of such terms, or other comparable terminology. 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 materially from the forward-looking statements contained herein. Factors that could cause actual results to differ materially include, but are not limited to: the inability to realize the potential value created by the merger with Innovate/Protect for our stockholders; our inability to raise additional capital to fund our combined operations and business plan; our inability to monetize and recoup our investment with respect to patent assets that we acquire; our inability to maintain the listing of our securities on the NYSE MKT; the potential lack of market acceptance of our products; our inability to protect our intellectual property rights; potential competition from other providers and products; our inability to license and monetize the patents owned by Innovate/Protect, including the outcome of the litigation against online search firms and other companies; our inability to monetize and recoup our investment with respect to patent assets that we acquire; and other risks and uncertainties and other factors discussed from time to time in our filings with the Securities and Exchange Commission ("SEC"), including our quarterly report on Form 10-Q filed with the SEC on August 14, 2012. 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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