



PRESS RELEASE



Mumbai, November 9, 2017

INTRASOFT TECHNOLOGIES LIMITED REPORTS Q2 REVENUE UP 37% Y-o-Y

IntraSoft Technologies Ltd. (BSE: 533181, NSE: ISFT) today announced its unaudited Consolidated Financial Results according to Ind-AS for the Quarter ended 30th September 2017.

Q2 FY2017-18 HIGHLIGHTS: (All comparisons are with Q2 FY2016-17 figures)

- Revenues in Q2 grew by 37% in constant currency terms.
- Revenue in Q2 grew by 31% to Rs 286.99 Cr from Rs 218.96 Cr in INR terms.
- Income from Operations in Q2 grew by 28% to Rs 6.28 Cr from Rs 4.90 Cr

Trailing Twelve Months ended 30th September 2017 HIGHLIGHTS: (All comparisons are with TTM ended 30th September 2016 figures)

- Revenue grew by 18% to Rs 1045.01 Cr from Rs 886.32 Cr. in INR terms.
- Free Cash flow generation improved by Rs 25.26 Cr.

MANAGEMENT'S STATEMENT

Commenting on the results, Mr. Arvind Kajaria, Managing Director said, "We are pleased to report a revenue growth of 37% during the quarter, improving from our growth of 22% during the last quarter. We continue to build on the strong start we had this year and grow our relationships with our suppliers.

There was an improvement of Rs 25.26 Crore in free cash flow generation Y-o-Y (Trailing Twelve Months basis). Free cash flow generated during the Trailing Twelve Months stood at Rs 3.67 Crore in comparison to Rs -21.59 Crore last year as we continued our focus on reducing our requirement of additional capital whilst moving towards higher levels of growth in the future.

The Company continued to focus on improving its inventory performance using its proprietary technology. This enabled the Company to improve its Inventory Turnover, average (Trailing Twelve Months) to 18.0 from 15.5 in the previous quarter. This led to an improvement in inventory days from 24 days to 20 days.



The Company continued its focus on improving supplier credit. However, due to increased purchases on account of the upcoming holiday season towards the end of the quarter, we hit credit limits with some of our suppliers, resulting in a decrease of accounts payable days from 12 days to 10 days. This decrease was well covered by our improvement in inventory days. We expect accounts payable days to improve next year after the holiday season is over.

Our working capital requirement reduced to 14 days during TTM Q2-FY18 in comparison to 21 days during TTM Q2-FY17, an improvement of 33% Y-o-Y, whilst continuing to grow revenues.

During the quarter, we continued to work with marketplaces on special promotional offers to our customers. This resulted in us passing an extra discount to the customers, which was recovered from the marketplaces as a discounted sales & marketing fee. Accordingly, there was an increase in cost of goods sold as a percentage of sales which was offset by a decrease in sales & marketing expenses as a percentage of sales (approx. 1.5%). This had no financial impact on our margins.

123Stores was ranked #689 amongst the fastest growing private US companies by Inc. 5000 (2017) based on revenue growth from 2013 to 2016, a marked improvement from #1,641 in its 2014 list.

During the quarter, we continued to add new suppliers & products to our offering. The technology platform has been further strengthened to seamlessly manage the upcoming holiday sales. Overall, we are excited about our performance in the quarter and about the market opportunity ahead of us.

CONFERENCE CALL

IntraSoft Technologies Limited will host a conference call to discuss the Quarterly & Half Yearly Financial Performance for Q2 FY2017-18 on **Friday, November 10th, 2017 at 1.00 p.m. (IST)**. Investors and participants can access the call by dialing either of the following access numbers:

Access Numbers	
Primary Number:	+91 22 3960 0551
Toll Free Number:	USA: 1866 746 2133
	UK: 0 808 101 1573
	Singapore: 800 101 2045
	Hong Kong: 800 964 448

The Participants from IntraSoft Technologies Ltd would be **Mr. Arvind Kajaria (Managing Director)** and **Mr. Mohit Kumar Jha (Chief Financial Officer)**. An archive of the conference call transcript will be available at www.itlindia.com.



ABOUT INTRASOFT TECHNOLOGIES LIMITED:

IntraSoft Technologies Limited owns & operates 123Stores, an Online E-Commerce Retailer.

123Stores, Inc. is a multi-channel E-Commerce retailer with a strong technology backbone that combines supply chain logistics with real time customer data to create a compelling shopping experience. The Company is ranked #223 on the Internet Retailers 2017 Top 500 list and is ranked #689 in Inc. 5000 (2017) list of fastest growing private US companies.

IntraSoft Technologies Limited also owns & operates 123Greetings.com, the world's leading online destination for human expressions reaching 95 million visitors annually.

FOR MORE INFORMATION PLEASE CONTACT:

Pranvesh Tripathi
Company Secretary
IntraSoft Technologies Limited
A-502, Prathamesh,
Rahguvanshi Mills Compound,
Senapati Bapat Marg, Lower Parel.
Mumbai – 400 013

Phone: 91-22-2491-2123 | Fax: 91-22-2490-3123 | Email: intrasoft@itlindia.com

Ms. Purvangi Jain
Business Development Head
IntraSoft Technologies Limited

Phone: 91-22-2491-2123 | Fax: 91-22-2490-3123 | Email: purvangi.jain@itlindia.com

Mr. Anuj Sonpal
Investor Relations Advisors
Valorem Advisors

Phone: 91- 9930609010 | Email: anuj@valoremadvisors.com

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS:

This document includes certain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company operates in the future. IntraSoft Technologies Limited may make additional written and oral forward looking statements and is under no obligation to update or alter its forward-looking statements to reflect actual results, changed assumptions or other factors.



INTRASOFT TECHNOLOGIES LIMITED

Registered Office : 502A, Prathamesh, Raghuvanshi Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai 400 013.
Tel : 91-22-2491-2123. Fax : 91-22-2490-3123, Email : intrasoft@itindia.com,
Website : www.itindia.com CIN : L24133MH1996PLC197857

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2017

Revenue up by 37% in Y-o-Y (Constant Currency Terms)

Free Cash Flow Generation improved by ₹ 25 Cr. Y-o-Y (Trailing Twelve Months)

Income from Operations up by 28% to ₹ 6.28 Cr from ₹ 4.90 Cr in Y-o-Y

123 Stores

PARTICULARS	Quarter Ended			Half Year Ended	
	30/09/2017	30/06/2017	30/09/2016	30/09/2017	30/09/2016
	(Unaudited)	(Unaudited)	(Refer Note 2)	(Unaudited)	(Refer Note 2)
I Revenue from Operations	28698.83	26016.43	21896.14	54715.26	44113.24
II Other Income	134.35	187.15	200.29	321.50	352.21
III Total Income (I + II)	28833.18	26203.58	22096.43	55036.76	44465.45
IV Expenses					
(a) Cost of Goods Sold	19197.40	17157.64	14024.87	36355.04	28381.09
(b) Shipping & Handling Expenses	4260.10	4055.97	3223.29	8316.07	6496.25
(c) Sales and Marketing Expenses	3728.88	3487.33	3168.18	7216.21	6408.08
(d) Employee Benefits Expenses	535.24	556.79	597.44	1092.03	1161.11
(e) Finance Costs	46.52	31.91	85.77	78.43	157.84
(f) Depreciation and Amortisation Expense	49.78	50.23	46.40	100.01	91.64
(g) Other Expenses	348.98	364.82	391.96	713.80	716.75
Total Expenses	28166.90	25704.69	21537.91	53871.59	43412.76
V Profit before Tax (III - IV)	666.28	498.89	558.52	1165.17	1052.69
VI Tax expenses					
(a) Current Tax	242.96	178.29	224.76	421.25	408.33
(b) Deferred Tax	27.91	-39.97	-115.81	-12.06	-125.64
VII Profit for the Period (V - VI)	395.41	360.57	449.57	755.98	770.00
VIII Other Comprehensive Income					
(i) Items that will not be reclassified to Profit or Loss	-5.88	-5.88	0.81	-11.76	1.62
(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss	1.62	1.62	-0.28	3.24	-0.56
IX Total Comprehensive Income for the Period (VII + VIII)	391.15	356.31	450.10	747.46	771.06
(Comprising Profit and Other Comprehensive Income for the period)					
X Earnings per Share (of ₹ 10 each)					
Basic and diluted	2.68	2.45	3.05	5.13	5.23

STATEMENT OF ASSETS AND LIABILITIES		₹ In Lakhs
PARTICULARS	As at	
	30/09/2017	(Unaudited)
ASSETS		
Non-current Assets		
Property, Plant and Equipment		1886.29
Other Intangible Assets		41.86
Financial Assets		
Investments		499.26
Loans		10.90
Deferred Tax Assets (Net)		1615.55
Non-current Tax Assets (Net)		51.77
Other Non-current Assets		421.65
		4527.28
Current Assets		
Inventories		8760.13
Financial assets		
Investments		6449.17
Trade Receivables		1247.03
Cash and Cash Equivalents		1442.79
Bank Balances other than those above		353.12
Loans		188.52
Others		4.96
Current Tax Assets (net)		124.29
Other Current Assets		132.20
		18702.21
TOTAL ASSETS		23229.49
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital		1473.17
Other Equity		12082.06
		13555.23
Non-current Liabilities		
Financial Liabilities		
Borrowings		4511.58
Provisions		103.83
Deferred Tax Liabilities (Net)		20.66
Other Non-current Liabilities		106.48
		4742.55
Current Liabilities		
Financial Liabilities		
Trade Payables		2718.46
Other Financial Liabilities		1179.66
Other Current Liabilities		327.85
Provisions		5.69
Current Tax Liabilities (Net)		700.05
		4931.71
TOTAL EQUITY AND LIABILITIES		23229.49

- NOTES :
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 9 November 2017.
 - Statutory Auditors of the Company have carried out a limited review of the results for the quarter and half year ended 30 September 2017. An unqualified opinion has been issued and the same is being filed with the stock exchanges along with the above results. Ind AS compliant financial results, pertaining to the corresponding quarter and half year ended 30 September 2016 has not been subject to limited review or audit. Management has carried out necessary due diligence to ensure that such financial results provide a true and fair view of its affairs for comparison purpose.
 - Results for the quarter and half year ended 30 September 2017 are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs, which are applicable to the Company for the accounting period beginning on or after 01 April 2017. Consequently results for the corresponding quarter and half year ended 30 September 2016 has been restated as per requirements of the said notification, to comply with Ind AS to make them comparable.
 - As per the requirements of IND AS 108 as notified under Companies (Indian Accounting Standards) Rules 2015 as specified under Section 133 of the Companies Act no disclosure is required as the Company is operating in single business segment of Internet based delivery of products and services.
 - The Consolidated financial results of the Company for the quarter and half year ended 30 September 2017 are available on the Company's website www.itindia.com
 - Previous quarters' figures have been regrouped and re-arranged, wherever necessary to conform to the current period's classification.
 - Reconciliation of previously reported Net Profit (after tax) on account of transition from previous Indian GAAP to Ind AS for the quarter and half year ended 30 September 2016:

PARTICULARS	Quarter ended	Half year ended
	30.09.2016	30.09.2016
	Unaudited	Unaudited
	(Refer Note 2)	(Refer Note 2)
Net profit for the quarter and half year under previous Indian GAAP	540.18	804.83
Unrealised profit/ (loss) on fair value of current investments	-137.79	-51.68
Interest income using Effective interest rate on fair valuation of security deposits	0.08	0.16
Actuarial loss on defined benefit plan reclassified to Other Comprehensive Income	-0.69	-1.41
Amortisation of prepaid rent recognised on fair valuation of security deposits	-0.17	-0.34
Deferred tax impact on above GAAP adjustments (net)	47.96	18.44
Net profit for the quarter and half year under Ind AS	449.57	770.00

For IntraSoft Technologies Limited
Sd/-
Arvind Kajaria
Managing Director
DIN: 00106901

Scan this QR code to download Unaudited Financial Results for the Quarter Ended 30 September 2017.

Place: Kolkata
Date: 9 November, 2017