

# INTRASOFT TECHNOLOGIES LIMITED ANNOUNCES 40% YoY INCOME GROWTH

**Mumbai, November 14, 2011:** IntraSoft Technologies Ltd. (BSE: 533181, NSE: ISFT), owners of one of the largest electronic greetings website <http://www.123greetings.com>, today announced its unaudited consolidated financial results for the second quarter ended September 30, 2011.

**Q2 FY2012 Highlights:** (All comparisons are with Q2 FY2011 figures)

- Total income at ₹ 1315 lacs up by 40% from ₹ 936 lacs
- PAT reported at ₹ 296 lacs up by 16% from ₹ 255 lacs

**H1 FY2012 Highlights:** (All comparisons are with H1 FY2011 figures)

- Total income at ₹ 2403 lacs up by 40% from ₹ 1714 lacs
- PAT reported at ₹ 449 lacs up by 27% from ₹ 353 lacs

On a quarterly consolidated basis, the company posted a robust income growth of 40.4% from ₹ 936.43 lacs in Q2 2010-11 to ₹ 1315.14 lacs in Q2 2011-12. Profit after tax (PAT) grew by 16.1% from ₹ 255.58 lacs in Q2 2010-11 to ₹ 296.74 lacs in Q2 2011-12.

Commenting on the numbers, **Mr. Arvind Kajaria, Managing Director, IntraSoft Technologies Ltd.** said, "It gives me immense pleasure to present our results for the Second Quarter driven by a steep climb in revenue growth. The investments in the E-Commerce business have begun to pay off. Also, the innovations and creative features introduced in the last fiscal year have received encouraging response from the users. As estimated, we are witnessing that the investments have started to contribute and add to our profits."

"The 27% YoY rise in H1 PAT reflects the inherent strength of the company and the model adopted by it. It validates the effectiveness of our key features including the focus on increasing

the scale of our businesses so as to deliver long term shareholder value and increase our presence across geographies,” he further adds.

**Operational Performance Highlights:**

- 123Greetings Store, the online gifting e-commerce business, witnessed tremendous growth. During the quarter, a total of 24,931 orders were shipped as compared to 14,340 orders in the last quarter, growth of 73.9%; averaging approx 277 orders / day, from an active base of 108 vendors.
- 123Greetings Connect was added in June 2010. The specialty about ‘Connect’ is that it gives users the facility to import and store unlimited contacts from their mail boxes and access their personal Address Book and set their contacts, birthdays from anywhere in the world. The website has received a great response with the registered users rising from 1,326,122 as on June 30, 2011 to 1,437,433 as on September 30, 2011, notching a growth of almost 8.5%
- 123Greetings Invites, a value added feature that enhances user experience, witnessed the creation of 575 new events as on September 30, 2011. During the same period, 4,002 invites were sent using this feature.
- 123Greetings Studio, a creative platform launched a year back, observed a remarkable 15% rise in users. The Studio users increased from 10,517 as on June 30, 2011 to 12,120 through the quarter
- 123Greetings Facebook application that helps people to connect and share greetings on the social media platform was used by 944,997 users in the quarter. About 591,825 cards were sent by 159,985 users during this period.

“Stepping into the next Quarter, we expect to maintain and increase the robust response that we have been receiving from our users year after year. We will continue to formulate and design inventive and exciting features which will better align us to the market trends and thereby enhance our growth in terms of profitability and efficiencies to serve our users worldwide”, concludes Mr. Kajaria.

**About 123Greetings:**

123Greetings is the world's leading online destination for human expressions reaching over 91 million unique users annually. Drawing from its tag line "Giving Life to your Expressions" the service inculcates a sense of personalization that relates to the users on an emotional level. Its offering of over 20,000 greeting cards covers a mix of 3,000 seasonal & everyday categories. Its applications & widgets for social networks & blogs allow users ubiquitous access across multiple devices and platforms.

**About IntraSoft Technologies Limited:**

IntraSoft Technologies Limited owns and operates <http://www.123greetings.com>, one of the most visited electronic greeting cards website in the world. The Company operates through its wholly owned subsidiaries in various geographies, which are 123Greetings.com, Inc. (USA), One Two Three Greetings (India) Pvt. Ltd. (India) & 123Greetings (Singapore) Pte Ltd. (Singapore).

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**INTRASOFT TECHNOLOGIES LIMITED**

**Un-Audited Consolidated Financial Results for the quarter and half year ended 30th September, 2011**

(₹ in Lacs)

Particulars	Quarter ended	Quarter ended	Half year	Half year ended	Year Ended
	30/09/2011	30/09/2010	ended	30/09/2010	31/03/2011
	Un-audited	Un-audited	Un-audited	Un-audited	Audited
1. Income					
(a) Income from Operations	1315.14	936.43	2403.22	1714.10	4275.04
(b) Other Operating Income	11.25	0.00	10.15	0.00	0.00
	1326.39	936.43	2413.37	1714.10	4275.04
2. Expenditure					
a. Product & Content Development	608.35	452.02	1088.07	865.04	1637.33
b. Sales and Marketing Expenses	189.57	99.15	342.37	209.66	803.77
c. General and Administrative Expenses	82.61	120.81	265.08	234.51	521.47
d. Employees cost	96.47	86.39	242.57	172.29	357.08
e. Depreciation	52.94	45.57	86.65	90.07	215.54
f. Total	1029.94	803.94	2024.74	1571.57	3535.19
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	296.45	132.49	388.63	142.53	739.85
4. Other Income	137.92	127.05	276.26	224.64	490.47
5. Profit before Interest & Exceptional Items (3+4)	434.37	259.54	664.89	367.17	1230.32
6. Interest	6.66	0.43	24.87	6.40	9.19
7. Profit after Interest but before Exceptional Items (5-6)	427.71	259.11	640.02	360.77	1221.13
8. Exceptional Items	0.00	0.00	0.00	0.00	0.00
9. Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	427.71	259.11	640.02	360.77	1221.13
10. Tax expense	130.97	3.53	190.53	7.01	213.44
11. Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)	296.74	255.58	449.49	353.76	1007.69
12. Extraordinary Item (net of tax expense)	0.00	0.00	0.00	0.00	0.00
13. Net Profit (+)/Loss(-) for the period (11-12)	296.74	255.58	449.49	353.76	1007.69
14. Paid-up Equity Share Capital of ₹ 10/- each	1473.17	1473.17	1473.17	1473.17	1473.17
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					8445.17
16. Earnings Per Share (EPS)					
(a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
- Basic (₹)	2.01	1.74	3.05	2.42	6.87
- Diluted (₹)	2.01	1.74	3.05	2.42	6.87
(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
- Basic (₹)	2.01	1.74	3.05	2.42	6.87
- Diluted (₹)	2.01	1.74	3.05	2.42	6.87
17. Public shareholding					
- Number of shares	5,981,664	5,981,664	5,981,664	5,981,664	5,981,664
- Percentage of shareholding	40.60	40.60	40.60	40.60	40.60
18. Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
- Number of shares	0	0	0	0	0
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00	0.00	0.00	0.00	0.00
- Percentage of shares (as a % of the total share capital of the company)	0.00	0.00	0.00	0.00	0.00
b) Non - encumbered					
- Number of shares	8750014	8750014	8750014	8750014	8750014
- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	59.40	59.40	59.40	59.40	59.40

**Statement of Assets and Liabilities**

(₹ in Lacs)

Particulars	As at		
	30.09.2011	30.09.2010	31.03.2011
	Un-audited	Un-audited	Audited
<b>SHAREHOLDERS' FUNDS:</b>			
(a) Capital	1,473.17	1,473.17	1,473.17
(b) Reserve and Surplus	8,799.29	8,472.38	8,445.17
<b>LOAN FUNDS</b>	1,762.38	15.84	1,084.47
<b>DEFERRED TAX LIABILITY (NET)</b>	301.97	45.37	147.90
<b>TOTAL</b>	<b>12,336.81</b>	<b>10,006.76</b>	<b>11,150.71</b>
<b>FIXED ASSETS</b>	4,191.24	1,986.85	3,218.66
<b>INVESTMENTS</b>	4,914.35	3,776.94	4,637.62
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
(a) Inventory	341.58	57.02	170.23
(b) Sundry Debtors	772.29	688.90	547.13
© Cash and Bank Balance	411.69	868.77	311.13
(d) Other Current Assets	107.74	90.69	186.84
(e) Loans and Advances	2,856.87	2,429.20	2,499.18
<b>Less : Current Liabilities and Provision:</b>			
(a) Liabilities	1,146.28	318.41	307.41
(b) Provisions	112.67	82.86	112.67
<b>Net Current Assets</b>	3,231.22	3,733.31	3,294.43
<b>MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR</b>	-	509.66	
<b>TOTAL</b>	<b>12,336.81</b>	<b>10,006.76</b>	<b>11,150.71</b>

## Standalone Information(Un-audited)

₹(in Lacs)

Particulars	Quarter ended	Quarter ended	Half year	Half year ended	Year ended
	30/09/2011	30/09/2010	ended	30/09/2010	31/03/2011
	Un-audited	Un-audited	Un-audited	Un-audited	Audited
Revenue	452.68	329.59	845.73	540.24	1,933.60
Profit before tax and exceptional items	405.01	248.01	612.43	353.72	1,213.41
Profit after tax and exceptional items	274.45	245.07	422.60	347.30	1,001.21

## Notes :

- The above results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on 14th November, 2011. The Statutory Auditors have carried out Limited Review of the Un-Audited Financial Results of the Company.
- As per the requirements of AS-17 issued as per Companies (Accounting Standards) Rules, 2006, no disclosure is required as the Company is operating in single business /geographical segment of Internet based delivery of services.
- The Consolidated Financial Results include the results of the Company's Wholly Owned Subsidiaries
  - 123Greetings.com, Inc. (USA)
  - 123Greetings (Singapore) Pte. Ltd. (Singapore)
  - One Two Three Greetings (India) Pvt. Ltd. (India)
- The position of IPO proceeds and utilisation there of vis-à-vis the 'Objects of Issue' as stated in Prospectus dated March 30, 2010 upto September 30, 2011 is as follows
  - a) Funds raised through IPO : ₹ 5365.00 Lakhs b) IPO Expenses : ₹ 524.04 Lakhs c) Net proceeds through IPO : ₹ 4840.96 Lakhs
  - d) Utilisation as per Objects of issue : ₹ 1820.89 Lakhs e) Balance funds unutilised : ₹ 3020.07 Lakhs
 The unutilised funds were invested in debt(income) funds, Mutual Funds,NCDs,ICDs and balance in Company's current bank account  
 The Company has obtained approval of Shareholders vide Special Resolution passed at the Annual General Meeting of the Company held on 29th September, 2011 for variation in utilisation of IPO proceeds as stated in the Prospectus.
- There were no investor complaints pending at the beginning of the quarter. Received during the quarter - 7, Settled during the quarter - 7, pending during at the end of the quarter -Nil
- The Standalone and Consolidated financial results of the Company for the quarter ended 30th September, 2011 are available on the Company's website [www.itlindia.com](http://www.itlindia.com)
- In order to present its financial statements in a more appropriate manner, beginning 01.04.2011, the depreciation method in respect of fixed assets, has been change from written down value (WDV)to straight line method (SLM) with retrospective effect as per schedule XIV of the Companies Act,1956. Accordingly, depreciation has been recalculated in accordance with SLM from the date the assets were put to use and cumulative effect is amounting to ₹ 2,12,30,996 in respect of earlier years. A pro rata amount of ₹ 53,07,478 has been adjusted with current quarter's depreciation for Q2-FY 2011-12. Due to the above, the depreciation charge for the Current quarter is lower by ₹12,34,872.
- Previous quarter's / year's figures have been regrouped / rearranged wherever considered necessary.

For IntraSoft Technologies Limited

Arvind Kajaria  
Managing DirectorPlace : Mumbai, India  
Dated : 14th November, 2011