



PRESS RELEASE



Mumbai, February 3, 2016

INTRASOFT TECHNOLOGIES LIMITED REPORTS **REVENUES OF Rs. 259 Cr. FOR Q3 FY2015-16**

IntraSoft Technologies Ltd. (BSE: 533181, NSE: ISFT) today announced its Unaudited Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2015.

Q3 FY2015-16 HIGHLIGHTS: (All comparisons are with Q3 FY2014-15 figures)

- Total Income at Rs. 258.54 Cr. up by 111% from Rs. 122.63 Cr.
- Profit after Tax (PAT) at Rs 5.17 Cr. up by 25% from Rs 4.15 Cr.

Nine Months FY2015-16 HIGHLIGHTS: (All comparisons are with Nine Months FY2014-15 figures)

- Total Income at Rs. 530.80 Cr. up by 119% from Rs. 242.05 Cr.
- Profit after Tax (PAT) at Rs 8.06 Cr. up by 36% from Rs 5.91 Cr.

Trailing Twelve Months ended 31st December, 2015 HIGHLIGHTS:

- Total Income at Rs. 632.08 Cr.
- Profit after Tax (PAT) at Rs 8.11 Cr.

MANAGEMENT'S STATEMENT

Commenting on the results, **Mr. Arvind Kajaria**, Managing Director said, "It was a water shed quarter for us. The highlight was the harmonious collaboration of all the internal teams which came together and delivered impressive topline growth. The quarter also saw the system develop a high level of maturity as it passed the stress test of the holiday season. This gives further confidence as we embark on a journey of continuous growth."



Highlights

E-COMMERCE BUSINESS

During the quarter the E-Commerce business saw impressive performance growth and improvement in all parameters.

We reported record sales of over \$4.4 million from Thanksgiving Day to Cyber Monday, a 122% percent increase over last year. Thanksgiving sales were up 144% , Black Friday sales were up 124%, Cyber Monday broke all records with the highest sales in a single day with 120% up Y-o-Y. 123Stores sold more than 85,000 units during the 5 day period, as compared to approx. 32,000 units last year, a growth of 160% Y-o-Y.

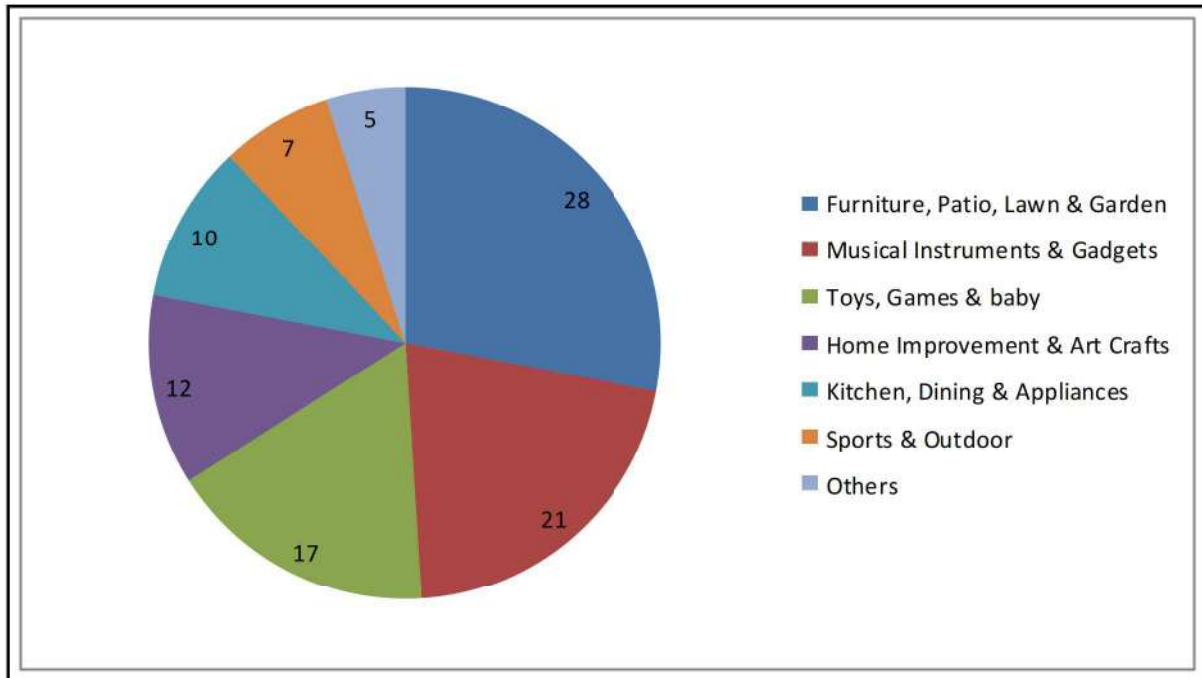
During the quarter, the Company expanded it's catalogue and is now partnered with more than 1500 Suppliers and is selling more than 3,10,000 unique products on its website and partnered marketplaces.

Revenue:

Particulars	Q3 FY 2015-16	Q3 FY 2014-15	Growth (%)
E-Commerce Revenue	252.65 Cr.	117.56 Cr.	115%

E-Commerce Revenues increased from Rs 117.56 Cr. to Rs 252.65 Cr. during the quarter, a growth of 115% Y-o-Y. This growth was across all product categories, with Furniture, Patio, Lawn & Garden being the largest category.

The Top Product Categories by Revenues during Q3 FY2015-16 were



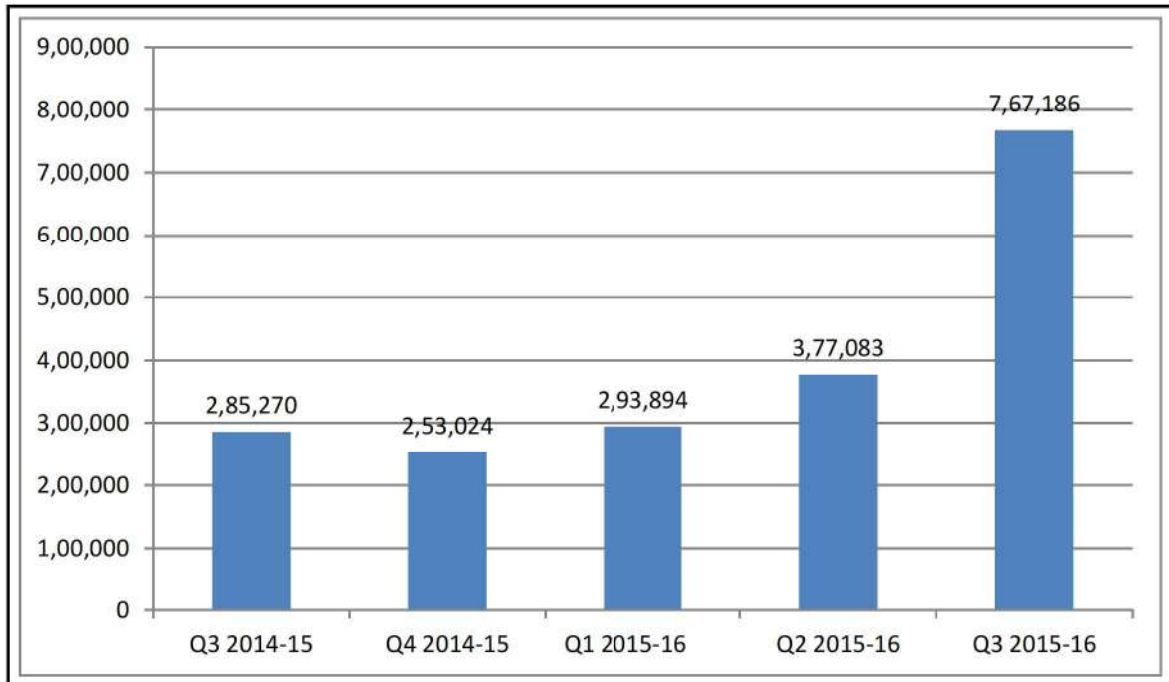
Product Categories	% of Sales
Furniture, Patio, Lawn & Garden	28%
Musical Instruments & Gadgets	21%
Toys, Games & Baby	17%
Home Improvement & Art Crafts	12%
Kitchen, Dining & Appliances	10%
Sports & Outdoor	7%
Others	5%

Orders Shipped:

Particulars	Q3 FY 2015-16	Q3 FY 2014-15	Growth (%)
Orders Shipped	767,186	285,270	169%

The Number of Orders Shipped grew tremendously over the quarter from 285,270 to 767,186, a growth of 169% Y-o-Y. Our proprietary technology platform allows us to scale order volumes with minimal human intervention, enabling cost savings as we grow volumes.

The Number of Orders Shipped during the last 5 quarters were



Quarter	Orders Shipped
Q3 2015-16	767,186
Q2 2015-16	377,083
Q1 2015-16	293,894
Q4 2014-15	253,024
Q3 2014-15	285,270

Gross Margin:

Particulars	Q3 FY 2015-16	Q2 FY 2015-16	Improvement (%)
Cost of Goods Sold (Inc. Shipping)	80.7%	82.0%	1.3%
Gross Margin	19.3%	18.0%	

As the sales momentum continues to improve, we are continuing to see an improvement in Gross Margins from our existing products and suppliers, evidenced in our margin improvement from 18.0% in Q2 2015-16 to 19.3% in Q3 2015-16. Gross Margin Y-o-Y was not comparable because of the addition of newer suppliers and products to the catalog and also because of the slight shift in the sales mix.



Inventory:

As on December 31st 2015, Inventory at our warehouses was Rs. 42.33 Cr.

E-GREETINGS BUSINESS

123Greetings.com continued to see increased Mobile Application usage Y-o-Y with 4.46 Lakhs cards sent during Q3 FY2015-16. Mobile application downloads reached 9.10 Lakhs as on 31st December, 2015. E-Greetings business revenue for Q3 FY2015-16 was Rs. 5.89 Crs.

CHANGE IN AUDITORS

During the quarter we appointed M/s Walker Chandiok & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of M/s K. N. Gutgutia & Co., Chartered Accountants. The said appointment was also approved by shareholders during the quarter through Postal Ballot.

We believe, the new Auditors will add value in adapting to the International Accounting Standards and Financial Reporting as the Company mainly operates in the global markets through its subsidiaries.

We are also pleased to report that our subsidiary 123Stores, Inc. has appointed Grant Thornton, as its auditors.

CONFERENCE CALL

IntraSoft Technologies Limited will host a conference call to discuss the Quarterly Financial Performance for Q3 FY2015-16 on **Thursday, February 4th, 2016 at 12.30 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 0711
Secondary Number:	+91 22 6746 8311
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 Kalaria (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 & 123Greetings.com, an online greeting cards Company.

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 #392 on the Internet Retailers 2015 Top 500 list and is ranked #1,641 in Inc. 5,000 list of fastest growing private US companies.

123Greetings.com is the world's leading online destination for human expressions reaching 95 million visitors annually. Its offering of over 42,000 ecards across multiple languages covers a mix of 3,000 seasonal & everyday categories.

FOR MORE INFORMATION PLEASE CONTACT:

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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

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UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

**E-Commerce Q3 Revenue up by 115% to ₹ 253 Cr.
from ₹ 118 Cr. Y-o-Y**

123 Stores **E-Commerce Q3 Order Volume** **123 Greetings**
up by 169% to 767,186 orders from 285,270 orders Y-o-Y

PARTICULARS	Three Months Ended			Nine Months Ended		Year Ended
	31/12/2015	30/09/2015	31/12/2014	31/12/2015	31/12/2014	31/03/2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income						
a. Income from Operations	25854.60	15397.67	12254.91	53025.61	24175.20	34291.03
b. Other Operating Income	0.00	70.77	8.35	54.63	29.95	41.77
Total Income from Operations	25854.60	15468.44	12263.26	53080.24	24205.15	34332.80
2. Expenditure						
a. Product & Content Development	20489.34	12396.15	9391.82	42304.89	18261.20	26248.55
b. Sales and Marketing Expenses	3678.68	2100.17	1840.61	7410.42	3545.13	5004.17
c. General and Administrative Expenses	258.78	307.82	156.94	692.35	548.69	801.10
d. Employees Benefit Expenses	629.01	490.13	459.05	1604.59	1300.88	1782.43
e. Depreciation	42.25	37.75	34.58	114.27	105.29	146.59
Total Expenditure	25098.06	15332.02	11883.00	52126.52	23761.19	33982.84
3. Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	756.54	136.42	380.26	953.72	443.96	349.96
4. Other Income	38.88	44.21	91.95	198.47	278.20	410.56
5. Profit before Finance Cost and Exceptional Items (3+4)	795.42	180.63	472.21	1152.19	722.16	760.52
6. Finance Costs	69.33	45.89	21.68	150.38	55.46	75.99
7. Profit before Exceptional Items (5-6)	726.09	134.74	450.53	1001.81	666.70	684.53
8. Exceptional items (Net) (Refer Note 4 below)	0.00	61.33	0.00	61.33	0.00	0.00
9. Profit from Ordinary Activities (7+8)	726.09	196.07	450.53	1063.14	666.70	684.53
10. Tax expense	208.68	29.68	35.44	257.05	75.93	88.44
11. Net Profit from Ordinary Activities after Tax (9-10)	517.41	166.39	415.09	806.09	590.77	596.09
12. Extraordinary Items (net of Tax Expenses)	0.00	0.00	0.00	0.00	0.00	0.00
13. Net Profit for the period (11 +/- 12)	517.41	166.39	415.09	806.09	590.77	596.09
14. Paid-up Equity Share Capital of ₹ 10 each	1473.17	1473.17	1473.17	1473.17	1473.17	1473.17
15. Reserve excluding Revaluation Reserves as per Balance Sheet of previous Accounting Year						6477.76
16. Earnings per Share (EPS) (₹)						
Basic and diluted EPS before and after Extraordinary Items	3.51	1.13	2.82	5.47	4.01	4.05

STANDALONE INFORMATION

PARTICULARS	Three Months Ended			Nine Months Ended		Year Ended
	31/12/2015	30/09/2015	31/12/2014	31/12/2015	31/12/2014	31/03/2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue	612.39	983.62	772.33	2521.71	2085.73	3062.89
Profit before Tax and Exceptional Items	44.00	286.28	155.94	613.02	303.82	579.50
Profit after Tax and Exceptional Items	24.67	317.44	140.54	606.18	247.94	501.47

NOTES :

- The above results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on 3rd February, 2016. The Statutory Auditors have carried out a limited review of the aforesaid results.
- 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 Standalone and Consolidated financial results of the Company for the quarter ended 31st December, 2015 are available on the Company's website www.itindia.com
- Exceptional Items (Net) includes a net gain amounting to ₹ 61.33 Lacs in the previous quarter. During that quarter, the Company sold 5,50,000 shares held by IntraSoft Beneficiary Trust, whose sole beneficiary is the Company, at a rate of ₹ 510 per share resulting in a Net Gain after expenses of ₹ 2696 Lakhs. The funds raised were used to expand our E-Commerce Business. Additionally, the Company completed the review of the software assets that have been under development for some time. These software assets were related to different features of the E-Commerce Business that were yet to be launched. Management decided to write off these software assets under development amounting to ₹ 2635 Lakhs as an exceptional item as these software resources would not be contributing to future revenues. This write off completes the review process of all the software assets of the Company. Since April 2013, all software development expenses are expensed in the same year as and when they are incurred.
- Foreign Exchange Gain on export sale is shown separately under Other Operating Income.
- Previous quarters' / year's figures have been regrouped / rearranged wherever considered necessary.

For IntraSoft Technologies Ltd.
Sd/-
Arvind Kajaria
Managing Director



Scan this QR code to download Un-Audited Financial Results for the Quarter and Nine Months Ended 31st December, 2015.

Place: Kolkata
Date: 3rd February, 2016