



IntraSoft Technologies Limited

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Corp. Office : Suite 301, 145 Rash Behari Avenue, Kolkata - 700 029. **Tel:** +91-33-4023-1234 **Fax:** +91-33-2464-6584

May 28, 2019

Corporate Relationship Department

BSE Limited
P.J.Towers, Dalal Street,
Fort, Mumbai

Listing Department

National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex
Mumbai

Scrip code: 533181 / ISFT

Dear Sir,

Sub: Press Release on Financial Results

Ref: Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to captioned matter, please find enclosed herewith a copy of press release proposed to be released by the Company on Financial Results for the quarter and year ended on March 31, 2019.

This is for your information and records.

Thanking You,

Yours faithfully,
For IntraSoft Technologies Limited

Pranvesh Tripathi
Company Secretary & Compliance Officer



Encl: as above

PRESS RELEASE



Mumbai, 28 May 2019

INTRASOFT TECHNOLOGIES LIMITED REPORTS **RESULTS FOR Q4 & FY 2018-19**

IntraSoft Technologies Ltd. (BSE: 533181, NSE: ISFT) today announced its Results for the Quarter and Financial Year ended 31 March 2019.

Q4 FY2018-19 HIGHLIGHTS: (All comparisons are with Q4 FY2017-18 figures)

- Operating Cash Flow of the E-Commerce business for the quarter was \$0.71 million, which after accounting for \$0.80 million tax paid in this quarter came to \$(0.09) million. This is against a negative cash flow of \$(3.22) million during the same quarter last year, and a cash flow of \$1.43 million in the previous quarter.
- Consolidated Revenue from operations was ₹171.14 Cr as compared to ₹284.45 Cr.

FY2018-19 HIGHLIGHTS: (All comparisons are with FY2017-18 figures)

- Operating Cash Flow was \$2.72 million as against a negative cash flow of \$(8.23) million.
- Consolidated Revenue from operations was ₹836.55 Cr as compared to ₹1,169.87 Cr.

MANAGEMENT'S STATEMENT ON THE E-COMMERCE BUSINESS

"We continue to deliver strong cash flow performance. In each of the last four quarters, and over the year as a whole, we outperformed YoY with respect to operating cash flow generation, even at lower levels of revenue," said Arvind Kajaria, Managing Director.

"Our revenue has improved qualitatively by becoming more working capital efficient. At the same time, our ranking of #232 in Internet Retailer's Top 1000 Report vis-à-vis #231 of last year, a mere slippage of one rank given the lower levels of revenue, solidifies our position among the industry leaders.

Long-term debt now stands at \$10.03 million as compared to \$12.19 million at the start of the year, a cumulative reduction of \$2.16 million.

We are pleased to report that as we conclude this financial year, we also concluded the consolidation of our learnings, the process which began with the year. As we enter FY20 with the learnings in place, our focus will be to bring more and more brand-partners on-board to report simultaneous growth in cash flow and topline.”

Revenue

Revenue from operations for the quarter was \$23.83 million as compared to \$43.71 million in the comparable quarter. For FY19, it was \$118.16 million as compared to \$179.40 million in FY18.

“The lower level of revenue is the consequence of a conscious decision to reduce purchases from brand-partners that make us working capital intensive. Thus, even though revenue saw de-growth in quantitative terms, in qualitative terms the translation of revenue into cash flow has increased.”

Operating Margin

Operating Margin was +1.13% in Q4FY19 as compared to +0.94% in Q4FY18. For FY19, it was +0.87% as compared to +1.88% in FY18.

“Our focus is on cash flow generation rather than operating margin so as to ensure that we have the ability to grow in the future without requirement of external capital.”

Accounts Payable

Accounts Payable at the end of 31 March was \$4.18 million, as compared to \$3.91 million last quarter, and \$6.24 million same time last year, reflecting 15.30, 14.70 and 12.90 Accounts Payable Days on an annualized basis respectively.

“The increase in Accounts Payable Days this quarter, both in relation to the previous quarter and the corresponding quarter last year, is an indication of increasing confidence of brand-partners in the value we bring to their business, and we see this trend continuing in the quarters to come.”

Inventories

Inventories at the end of 31 March was \$14.33 million, reflecting 5.70 turns on an annualized basis.

Of the \$14.33 million, \$7.23 million worth of inventories were at the fulfillment centers and \$7.10 million worth of inventories were in transit, consisting of the total of goods in transit from suppliers to the fulfillment centers & goods in transit to the customers.

Accounts Receivable

Accounts Receivable at the end of 31 March was \$1.57 million, reflecting approximately 4.80 Accounts Receivable Days on an annualized basis.

Notes

1. The Company's primary business is in the area of E-Commerce, carried out by its wholly owned subsidiary, 123Stores, Inc. in the United States of America. Accordingly, the updates for E-Commerce reflect the consolidated performance of 123Stores, Inc. only, and not the consolidated operations of IntraSoft Technologies Ltd.
2. Accounts Payable reflects amounts due to our suppliers, carriers, fulfillment partners & payment services. This is not strictly comparable to our previous releases on account of reclassification. Comparable Numbers are updated in the fact sheet released with this press release.
3. Inventories number reflects the total of goods in transit from suppliers to the fulfillment centers, inventories at the fulfillment centers & goods in transit to the customers (as the company recognizes revenue on delivery).
4. Net Working Capital numbers reflect updated numbers based on Accounts Payable & Inventories as per Note 2 & 3 above. Comparable Numbers are updated in the fact sheet released with this press release.

CONFERENCE CALL

IntraSoft Technologies Limited will host a conference call to discuss the Financial Performance for the Quarter and Financial Year ended 31 March 2019 on **Wednesday, 29 May 2019 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 6280 1195 +91 22 7115 8096
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 #232 on the Internet Retailer's 2019 Top 1000 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:

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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.