

## Intellect Q1 FY 18 revenues grow 22%

*EBITDA stood at Rs. 16 Cr registering positive growth*

*Healthy Collections for two quarters in a row*

**Chennai (India), August 11, 2017:** Intellect Design Arena Ltd, a digital technology product solutions provider across banking, financial services and insurance industry, announced its first quarter results for FY 2017-18 today.

### I. Executive Summary

#### Q1 FY 18 Financial Highlights:

- Intellect revenue grew 22% in dollar terms over last year same quarter. Revenues stood at \$ 37.41 mn (in INR Rs. 241.2 Cr) as compared to \$30.74 mn (in INR Rs. 205.8 cr) in the same quarter last year
- Gross Margin stood at Rs. 119 Cr in Q1 FY 18 as against Rs. 105 Cr in the same quarter last year
- The company registered positive EBITDA which stood at Rs. 16.15 Cr and positive Net Profit
- For two quarters in a row, collections are above operating revenues. Collections for Q1FY 18 stood at Rs. 258.5 Cr.
- Days of Sales Outstanding (DSO) improved by 24 days and stood at 158 days in Q1 FY 18 as against 182 days in the same quarter last year
- License and AMC revenue for Q1 FY 18 LTM grew by 27% as against the LTM of the same quarter last year
- Revenue from Advanced Markets stood at Rs. 110.63 Cr and revenue from Emerging Markets stood at Rs. 130.54 Cr

*Average USD – INR Conversion rate for the quarter (1<sup>st</sup> Apr 2017 – 30<sup>th</sup> Jun 2017) stands at Rs. 64.46*

### II. Acclaimed by Experts

IBS Intelligence Annual Sales League Table 2017, ranked Intellect as **#1 best selling Digital Core in Retail Banking Systems, #1 best selling Payment System and #2 best selling Digital Banking Exchange.**

Independent Research Firm, Forrester Research Inc. recognised Intellect as ‘Global Pursuer’ and a ‘Global Player’ in its 2017 Forrester Global Banking Platform Deals Survey.

### III. Management Statement

**Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited** said, *“We are consistently winning deals with financial institutions worldwide and this is a validation of our technology, delivery and customer engagement. Our proactive investments in building next generation technologies like Digital on Native Cloud, Artificial Intelligence on Big Data have placed Intellect in a premium position. Intellect being rated #2 in Digital Banking by IBS Intelligence globally is yet another endorsement of the customer experience provided by us among crowded competition.”*

**S. Swaminathan, Chief Financial Officer, Intellect Design Arena Limited, said,** *“We are happy to observe for the second consecutive quarter, the cost and cash management initiatives have been sustained in delivering positive EBITDA as well as reduction in DSO days.”*

### IV. Fund Raising Plan:

Our Company’s issue of equity shares to its shareholders, of INR Rs. 198.97 crores, (**Issue**) opened for subscription on July 26, 2017 and closed on August 9, 2017. The equity shares to be issued pursuant to the Issue are, on finalisation of the basis of allotment and subject to receipt of final approvals, expected to be listed within the timeframe prescribed by applicable regulations.

## Financial Results for the First Quarter Ended June 30, 2017

### Function wise classification of statement of Profit and Loss Account (Consolidated Unaudited)

Particulars	QUARTER ENDED			YEAR ENDED
	June 30, 2017 (Q1 FY 18)	March 31, 2017 (Q4FY17)	June 30, 2016 (Q1 FY17)	March 31, 2017 (FY17)
<b>Rs. In Lakhs</b>				
<b>INCOME</b>				
Revenue from Operations	<b>24,116.80</b>	<b>25,035.15</b>	<b>20,580.25</b>	<b>91,357.50</b>
<b>EXPENDITURE</b>				
Software development expenses	12,255.40	12,465.39	10,122.64	46,326.00
Selling & marketing and General & Administrative expenses	8,627.22	8,559.52	10,127.20	39,102.94
Research & Engineering expenses	1,424.27	1,673.69	1,429.35	7,192.08
Provision for Debts and Write offs	195.00	772.14	126.00	1,233.16
<b>Total Expenditure</b>	<b>22,501.89</b>	<b>23,470.74</b>	<b>21,805.19</b>	<b>93,854.18</b>
<b>EBITDA</b>	<b>1,614.91</b>	<b>1,564.41</b>	<b>(1,224.94)</b>	<b>(2,496.68)</b>
Depreciation/Amortisation	588.80	600.58	591.13	2,413.99
Finance Charges	418.39	402.50	161.09	1,130.24
<b>Profits / (Loss) before other income / minority interest</b>	<b>607.72</b>	<b>561.33</b>	<b>(1,977.16)</b>	<b>(6,040.91)</b>
Other Income including exceptional items	298.64	177.98	1,572.97	3,429.72
Minority Interest/ Share of profit/(loss ) of Associate Companies	(469.32)	31.98	125.28	656.24
<b>Profit / (Loss) before tax</b>	<b>437.04</b>	<b>771.29</b>	<b>(278.91)</b>	<b>(1,954.95)</b>
Provision for taxation	363.24	(705.87)	350.00	283.63
<b>Profit / (Loss) after tax</b>	<b>73.80</b>	<b>1,477.16</b>	<b>(628.91)</b>	<b>(2,238.58)</b>

### Investor Conference Call

Intellect Design Arena Ltd. will not host an Investors Conference Call on the financial results of the Company for the quarter ended 30th June, 2017 after the Board Meeting on 11th August 2017 in view of the company going through the process of the Rights Issue.

Intimation on the new date of the Investor Conference Call for Q1 Results will be communicated as soon as the listing and trading approval of the Rights Shares gets completed.

### About Intellect Design Arena Limited

Intellect Design Arena Ltd, a digital technology product solutions provider to the Banking, financial services and Insurance industry, across Global Consumer Banking (iGCB), Central Banking, Global Transaction Banking (iGTB), Risk, Treasury & Markets (iRTM) and Insurance (Intellect SEEC). Intellect has created digital products & solutions for Banking and Insurance. FinTech 8012, a design centre for financial technology, reflects Intellect's commitment to continuous and impactful innovation, addressing the growing need for digital transformation. With over 200 implementations, the company's performance is driven by over 4,000 Intellect solution architects, functional and technology experts, with a presence in global financial hubs around the world and supported by design centres in multiple geographies. Please visit <http://www.intellectdesign.com/>

### Disclaimer:

'Intellect Design Arena Limited is in the process of rights issue of its equity shares which is subject to receipt of requisite approvals, market conditions and other considerations, and has filed the letter of offer with the stock exchanges. The Issue opened for subscription on July 26, 2017 and closed on August 9, 2017. The letter of offer is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the website of the lead manager at [www.sparkcapital.in](http://www.sparkcapital.in).

<b>For Media related info, please contact:</b> Nachu Nagappan Intellect Design Arena Ltd Mob: +91 89396 19676 Email: <a href="mailto:nachu.nagappan@intellectdesign.com">nachu.nagappan@intellectdesign.com</a>	<b>For Investor related info, please contact:</b> Praveen Malik Intellect Design Arena Limited Mob: +91 89397 82837 Email: <a href="mailto:Praveen.malik@intellectdesign.com">Praveen.malik@intellectdesign.com</a>
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