

Intellect posts solid Q3 Results, grows 11.5%

Celent puts Intellect in Top position for Advanced Technology & Breadth of Functionality

Chennai (India), January, 30, 2015: Intellect Design Arena Ltd, the world's first Full spectrum Banking technology products company today announced solid results for Q3 FY 15. Intellect is built on truly next generation iDigital technologies, making it the Partner of Choice to accelerate digital transformation across four distinct lines of businesses. These are Global Consumer Banking (iGCB), Global Transaction Banking (iGTB), Risk & Treasury Management (iRTM) and Insurance (intellect SEEC).

Performance Highlights

For the quarter ended 31st December, 2014:

- Revenues stood at Rs. 159 crore, registering 11.5% Growth
- EBITDA stood at Rs. 11.4 Cr moving from Rs. 7.9 Cr
- Cash and Cash equivalents stood at Rs. 292 Cr

54% of Intellect revenues come from US & Europe regions and 46% comes from Rest of the World.

Management Statement

Arun Jain, Chairman and Managing Director, Intellect Design Arena Limited said, "Intellect Corporate Banking eXchange (CBX) has been chosen as the best product in the categories of Advanced Technology & Breadth of Functionality by the leading research and analyst firm, Celent. This is a resounding validation of our R&D and Product engineering capability where customer at the centre of the design. I must appreciate the intensity and depth of design from our Product and R&D engineers. ".

S Swaminathan, Chief Financial Officer, Intellect Design Arena Limited, said, "Intellect growth will come from 24 strategic accounts with asset size over \$100 billion and from driving our digital product strategy. We will continue our strategic investments in sales and marketing for creating the right capacity for scaling up and as outlined, the incremental margins earned are being ploughed back. Q3 has witnessed signs of growth in our revenue, supporting our investment program."

Q3 Results FY 2014-2015
INR



Financial Results for the Third Quarter Ended December 31, 2014

INTELLECT DESIGN ARENA LIMITED (a Polaris Group company)

Unaudited consolidated financial results for the third quarter ended December 31, 2014 prepared as per Indian GAAP

Rs. Lakhs

Particulars	QUARTER ENDED		NINE MONTHS ENDED
	December 31, 2014	September 30, 2014	December 31, 2014
INCOME			
Gross Income from software product license and related services	15,921.97	14,282.56	44,488.69
Income from Operations	15,921.97	14,282.56	44,488.69
EXPENDITURE			
Software development expenses	8,002.62	7,204.77	22,083.20
Selling & Marketing and General & Administrative expenses	6,779.83	6,286.10	19,033.96
Total Expenditure	14,782.45	13,490.87	41,117.16
Profit / (Loss) before interest, depreciation & amortisation	1,139.52	791.69	3,371.53
Research & Development expenses	3,325.60	2,955.15	8,855.97
Depreciation/ Amortisation	470.34	451.93	1,441.31
Finance Charges	23.67	20.05	57.70
Profit / (Loss) after interest, depreciation & amortisation	(2,680.09)	(2,635.44)	(6,983.45)
Forex impact on Hedge accounting (AS30)	81.78	100.64	260.68
Other Income including exceptional items	1,039.33	(136.24)	1,514.02
Minority Interest/ Share of profit/(loss) of Associate Companies	-	-	-
Profit/ (Loss) before tax	(1,558.98)	(2,671.04)	(5,208.75)
Provision for taxation	82.23	38.12	124.65
Profit/ (Loss) after tax	(1,641.21)	(2,709.16)	(5,333.40)

The company has commenced its operations during the current financial year (FY 2014-15), consequently financial results for the earlier years/periods are not applicable and hence have not been disclosed.

Business Highlights

1. The advanced functionality of Intellect is reflected in the revenue distribution, with 54% of the quarter revenues coming from US and Europe.
2. There were sixteen new clients added during the Quarter. Some of the significant wins are:
 - In a signal win establishing the power of Intellect as a payments leader, one of Canada's strongest banks chose iGTB's Payments Services Hub for pre-processing both SWIFT and local Canadian payments and handling file and transaction exceptions.
 - iGTB has also been selected to provide an Automated Credit Proposal System for a leading Middle Eastern Islamic bank using the Customer On-Boarding framework. This will handle credit proposals and so reduce risk, and improve turnaround time.
 - A global bank based in UK is live using the Funds Control Hub from Intellect's iGTB division. The new version will also cover 10 additional European countries.
 - Intellect Digital Treasury was chosen by a leading India based Micro-financing Institution.
 - A leading bank in Middle East, who is an existing customer of Intellect, has chosen Integrated Global Transaction Banking to provide a full coverage solution and especially thereby enriching their payments, collections and liquidity offerings as a one stop shop. The bank doubled its customer base within 9 months of offering this product to its target client base.
 - One of the largest private Mortgage Finance Company in Egypt chose Intellect's Lending product for their Retail Lending and Leasing businesses.
 - A leading bank headquartered in Qatar with extensive operations in Middle East and the North Africa regions has decided to roll out iGTB's Cash Management in Singapore and iGCB's Lending platform in two more countries of operations complementing their existing implementations.

Awards and Recognitions

In a landmark recognition, Intellect was awarded Top position for Advanced Technology as well as the Breadth of Functionality by Celent, a leading Research & Consulting firm.

In the Advanced Technology category, Intellect distinguished itself for its architecture layer, integration layer, user interface design and its mobile use case support.

For the breadth of functionality, Intellect distinguished itself for mobile support, multi country support, rich Portal functionality, broad Payments and remittance channel integration and the most capable analytics, reporting and alerts platform. This award positions Intellect as a Partner for digital transformation of banks & financial institutions.

Other major recognitions this quarter from leading Research and Analyst firms include:

- Gartner's Magic Quadrant Report for International Retail Core Banking 2014 named Intellect as the 'LEADER' for the 5th consecutive year.

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- Chartis Research reports Intellect - iRTM - Liquidity Risk Management amongst Global best Liquidity Risk Management Systems.
- CEB Tower Group, the world's leading member-based advisory company, published its research report on "Online Banking Solutions - Technology Analysis" which featured Intellect's Retail Banking Exchange amongst leading Global vendors.
- Intellect Claims lists in the Top 10 in Indian Life Insurance Market. Also cited amongst major Core Deals in the Indian Insurance Market by Celent, a leading research and consulting firm focused on the application of information technology in the global financial services industry
- CEB Tower Group's report on Financial Planning Solutions featured Intellect's Financial Need Analysis amongst leading global vendors.
- Intellect's One Treasury cited amongst "Usual Suspects" and "Most Popular" TMS vendors in APAC by Aite Group
- Intellect SEEC featured as a leading Global Mobile Insurance Technology Provider in Forrester's report titled 'Choose The Right Mobile Insurance'
- Intellect CARDS featured among the Top Global vendors in Celent's Report titled "The Market For Card Management And Transaction Processing Technologies"

Investor Conference Call

The Board of Directors of Intellect Design Arena Limited met on **30th January 2015**, to take on record the financial results of the company for the Third Quarter ended December 31, 2014.

Intellect Design Arena Ltd. will host an Investors Conference Call on **30th January 2015**, where the Senior Management of Intellect will comment on the company's performance during the Third Quarter ended December 31, 2014 and respond to questions from participants. **The conference call will take place at 17:00 Hrs IST on Friday, 30th January, 2015.**

The dial-in numbers to join the conference call:

Conference Name	:	Intellect Investor Earnings call for Q3 FY 2014-15	
Date	:	30th January, 2015	
Time	:	17:00 HRS IST	
Conference ID	:	76716553	
ACCESS NUMBERS			
MUMBAI	:	Primary Access Toll Number	: 02230360400
BANGALORE	:	Primary Access Toll Number	: 08030360400
DELHI	:	Primary Access Toll Number	: 01130360400
CHENNAI	:	Primary Access Toll Number	: 04430360400
INDIA	:	Primary Access Toll free Number	: 180030131313
HONG KONG	:	Primary Access Toll free Number	: 800901420
SINGAPORE	:	Primary Access Toll free Number	: 8001011906
US and Canada	:	Primary Access Toll free Number	: 18663944523
UK	:	Primary Access Toll free Number	: 08081681758
UAE	:	Primary Access Toll free Number	: 8000174397

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About Intellect Design Arena Ltd.

Intellect Design Arena Ltd, a Polaris Group company, is the world's first full-spectrum banking products company with rich Intellectual Property developed over 25 years of deep banking domain experience, and the FT 8012 Design Centre, the world's first design centre for financial technologies. Intellect's products are built on the iDigital Platform with a range of products across :

- Global Consumer Banking (IGCB) : Core Banking; Loan Servicing; Debt Management; Loan Origination; Collateral & Limit Management; Wealth; Financial Advisor; Cards; Omnichannel; Payments
- Risk & Treasury Management (IRTM) : One Treasury; Basel III with Zf Risk Visualisation; Brokerage; Mutual Fund Exchange; Custody
- Global Transaction Banking (IGTB) : Corporate Banking Exchange; Customer Onboarding; Payments Services Hub; Receivables Management; Cash Management; Liquidity Management; Funds Control; Trade Finance; Supply Chain Finance; Treasury
- Insurance (IntellectSEEC) : Distribution(Agent Workspace; Service & Distribution Exchange; Customer Distribution Exchange); Underwriting (Underwriting Workstation); Claims (Claims; Life Claims in the Cloud); Business Apps (Needs Analysis; Quote; e-App; Product Configurator); Business Component Software (Business Component)

The Intellect iDigital Platform and suite of specialist products addresses the needs of financial institutions in varying stages of technology adoption and intelligent integration of legacy systems. And enables progressive digital transformation of banks for ever greater operational efficiencies, while being relevant and available across all forms of engagement: whether mobile, tablets or laptops. At the heart of this digital transformation that Intellect enables are the Operations Hubs for banking processes, and the Apps Vault for customer engagement and experience.

Intellect generates annual revenues of over Rs.550 Crore from product installations in 30 countries across 200 customers. The company's performance is driven by over 3,000 Intellect solution architects, domain and technology experts, with a presence in major global financial hubs around the world. For further information on the organization and its solutions, please visit www.intellectdesign.com

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