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Cloud Computing Company IntraLinks Holdings, Inc. Is Solving The Problem Of Securely Exchanging Information Outside The Firewall In A Compliant And Auditable Way For Companies In Numerous Industries, Including Financial Services And Life Sciences, When Email And Fax Is Not Secure Enough And Fedex Is Too Slow

**Technology
Security Software & Services
(IL-NYSE)**

IntraLinks Holdings, Inc.

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**J. Andrew Damico
President, CEO and Director**

BIO:
Andrew was appointed President, Chief Executive Officer and Director in February 2008 after serving as acting President and CEO since August 2007.

Company Profile:
IntraLinks is a leading global provider of Software-as-a-Service solutions for securely managing content, exchanging critical business information and collaborating within and among organizations. More than 1 million professionals in industries including financial services, pharmaceutical, biotechnology, consumer, energy, industrial, legal, insurance, real estate and technology, as well

as government agencies, have utilized IntraLinks' easy-to-use, cloud-based solutions. IntraLinks users can accelerate information-intensive business processes and workflows, meet regulatory and risk management requirements and collaborate with customers, partners and counterparties in a secure, auditable and compliant manner. Professionals at more than 800 of the Fortune 1000 companies have used IntraLinks' solutions.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFOinterviews.com**

CEOCFO: Mr. Damico, how has IntraLinks changed under your leadership?

Mr. Damico: IntraLinks in terms of its business model and what it is that we do for our customers really hasn't changed all that much during my leadership over the last three years. I would say what has changed is the number of ways in which customers adopt our platform and use us to improve productivity and efficiency and reduce cost has grown in terms of numbers. When I joined the company back in early 2001, IntraLinks really had one use type and that was in the debt capital markets community, helping our customers distribute material non-public information to debt investors. We now have nearly 100 different use types and have been adopted in many different industries and in many different geographies across those 100 or so use types.

CEOCFO: Are there any particular industries you focus on or different geographies?

Mr. Damico: One of the newer industries that we have been focusing intensely on is in the life sciences community where IntraLinks is being used in supporting clinical operations and clinical trials. Clinical trials are where large pharmaceutical and biotech companies are looking to bring new drugs to market and they

need to recruit investigator sites. Those are physicians who in turn recruit patients to take the investigative drugs to prove whether or not they have the efficacy that is desired. During those clinical studies a lot of data is captured and a lot of huge documents are exchanged between the pharmaceutical company, the investigator sites, teams called investigative review boards (independent doctors that oversee clinical studies) and contract research organizations that are sort of like the systems integrators of the clinical trial space. They provide human resources and tools and systems to help automate and drive efficiency around the process. Our life sciences business grew 110% through the first nine months of 2010 versus the first nine months of 2009. That is part of our enterprise revenue segment, which is now our largest revenue segment for the company. That portion of our revenue has been growing at 50% year-over-year and so the life sciences component of our enterprise segment is growing about two times faster than our overall enterprise segment. Therefore, our focus on life sciences is turning into real revenues and real growth for the company.

CEOCFO: Let's stick with life sciences for the moment; is it that you have a better solution, is it that life science companies are realizing the need for something better now or a little of both?

Mr. Damico: Back to one of the key things in terms of how we help our customers. We are really helping our customers exchange critical and sensitive information outside the firewall in a secure, compliant and auditable fashion. Most companies today buy software and systems, which are predominantly purchased and implemented within the four walls of the company to help improve productivity and efficiency and reduce cost. IntraLink is uniquely looking at solving those problems that happen between companies as they try to get work done.

What we find is that most of our customers who are trying to exchange sensitive and critical information outside the firewall still do it the old way, which is Fedex, fax, email, thumbdrive, DVD drives, hard drives. Why? Because email is not a secure way of exchanging information outside the firewall. As you know once you send an email with some file attachments, you have lost control of those file attachments; you really can't track where they go from there. When you have sensitive information, emailing just doesn't work. In addition, there are regulatory requirements in many industries where email is precluded from being used and life science is a good example there where email is not 21 CFR Part 11 compliant, which is an FDA regulation that is imposed on all pharmaceutical companies when they conduct clinical studies. They couldn't even use email if they wanted to. Therefore, fax and Fedex is the way they do it and it is inefficient, very costly, and doesn't give them a lot of insight as to what happens with the information once it leaves the pharmaceutical company. IntraLinks provides an enormous amount of value for customers in addressing that business problem.

CEO CFO: With regard to security, how can people trust your system?

Mr. Damico: That is one of the five pillars that differentiates IntraLinks versus other ways of going about what we do. For thirteen years, we have worked in the financial services space and have facilitated some of the most sensitive transactions in the market. I would say the kinds of information that gets put up into our cloud based platform are the secret sauce of many of these companies. We have never had a security breach and as a result we have built a trusted brand over the years. All the banks, law firms, and all the corporation clients who have used our services over the years view us as sort of the Fort Knox of document in the cloud. That is one of the fundamental elements of what we focus on each and every day. Security is not just in terms of the way we built software, but it is what our customer service people can do and have access to, our sales people, and our finance people. We recognize that our customers are putting very sensitive information up into our service and we need to respect that.

CEO CFO: What about your five pillars?

Mr. Damico: There are five things that differentiate us. One is that trusted brand that we have built over our thirteen years.

Our customers trust IntraLinks to put their most sensitive information up in the cloud when they need to exchange it with those outside the four walls of their company. The second is our unique technology platform. IntraLinks has been built from the ground up to help our customers focus on those business processes that happen between companies, not within the company. You might look at an IBM, Microsoft or an EMC with Documentum or an OpenText; all of those document management platforms have been designed, architected, and built to help people predominantly inside the firewall. However, the way we have architected our service is outside the firewall. Let me give you an example of why that is important. Calpers is the largest pension fund in the United States. When they log on to IntraLinks, they can see over 250 different funds that they have invested in with just one username and password. Why is that? Because we have one global user directory for all of our customers and what that means is it makes it a lot simpler, easier, and faster for the recipients of that information to be able to log in

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with one set of credentials to get access to this information, as opposed to each of those companies building their own website to report to Calpers and Calpers needing 250 different usernames and passwords and going through 250 different user experiences on each of those unique websites. The way we have architected it outside the firewall also supports what we call this community or network effect where people like to do the same thing over-and-over again in a common way within a community.

The third point I would make is around time to value, so our customers get immediate value from IntraLinks because IntraLinks is already configured and set up for the specific business process that they are going to use this for. There is little or no configuration that they need to do before they can open up a new exchange, put information up into that exchange and start sharing it with those

individuals or groups of users outside the firewall. As a result, they don't need to buy any hardware or software. In addition, they don't have to go through an enormous amount of training, so they can get up and running and use their service and get immediate benefit, which is really important. The fourth is reliability and scalability. Our customers expect IntraLinks to be up 99.95% of the time and that is what we deliver. They expect IntraLinks to work like the dial tone on your telephone, 24/7/365. People are trying to get work done with those companies outside of their firewall and they expect the service to be up and running and that is what we provide. Then the fifth and final point is that we service our customers' customers, vendors, partners and advisors. Most software companies only support the customer that buys the software. In the case of IntraLinks, we recognize that our customers' customers, vendors, partners, and advisors are also using our software in order for our customers to get benefit out of it. Because most of those users are outside the firewall, they don't have the IT infrastructure in place to be able to support non-employees. Therefore, we do that for them. In essence, we take the support burden away from our customers as their customers, vendors, advisors and partners are logging into IntraLinks to get access to documents that they have been permissioned and privileged to.

CEO CFO: Do you often hear from the outside people for help?

Mr. Damico: Yes all the time.

As a matter of fact, most of the phone calls that we get are not from our customers, but from our customers' customers, vendors, partners and advisors. That is because they are infrequent users of our service for most of the time. For example, a client might be using IntraLinks to support the audit management process with PWC, so the CFO of a public company is managing an audit process four times a year with individuals that don't work for the company. Using our own audit process as an example, as we do our quarterly audits with PWC, all of the documentation and materials that PWC needs to review as part of the audit process are all up in IntraLinks. Well PWC is only doing an audit four times a year, so once they complete the audit, it can be several months before they are logging back on to IntraLinks to start the next quarters work. During that time they may forget their username and password or they may forget how to

may forget how to download documents from the service, so that PWC person will call the IntraLinks customer service line or open up a chat session and within a very short period of time will have that business user, that infrequent user of IntraLinks, on their way to helping them get their work done.

CEOCFO: You recently won an M&A Technology award; would you tell us about that?

Mr. Damico: We actually won three. We won one in North America, another one in Europe and also in Asia. IntraLinks has been in the M&A community as a standard Virtual Data Room platform now for more than eight years. During that time, we continued to understand the needs and the requirements of the M&A community, which consists of the bankers, lawyers, and the corporations that are involved in M&A. We continue to invest in our platform in terms of new capabilities to help make their lives simpler and easier and faster as they conduct M&A due diligence. One example is we have added a question and answer capability to our IntraLinks Virtual Data Room platform, which makes it easier for buyers to ask questions about materials that are in the Data Room. It also makes it easier for the bankers, lawyers and their clients to respond to those questions in a timely fashion. We continue, as most software companies do, to invest in the platform to add additional value for our customers. The second component is really our service organization. It is the service level that we provide that wraps around our software that give us a great reputation as well and it helped us earn those top marks in those three geographies and the awards that we received.

CEOCFO: Why was 2010 the year for your IPO?

Mr. Damico: There were two other times that we looked to take the company public; one was back in 2000. There were a lot of dot.coms going public at that time, and many of them probably shouldn't have. I think it was a saving grace for us that we actually didn't go public then because it gave us an opportunity to stay private and continue to build the company. In 2005, we looked to go public and we learned three things that we needed to work on. One was revenue diversification outside of financial services, two was revenue diversification outside of the U.S., and three was demonstrating that we could be profitable. We were just really starting to do those three things in 2005. Between 2005 and 2010, we made meaningful progress across all three of

those. We diversified revenue outside of the U.S., and a little more than a third of our revenues today come from outside the United States. We have diversified our revenue outside of our financial services use types. Today, our enterprise principle market is now our largest revenue stream for the company. It is also our fastest growing, as it grew at 50% year over a year through the downturn. I don't know of any software company that grew any portion of their business 50% during the downturn. Lastly, IntraLinks is one of the most profitable SAAS companies in the market today. We had built an enormous amount of momentum over those five years. As you know SAAS has become an area that investors are very interested in and so 2010 turned out to be a great opportunity for us to take everything that we had done over our thirteen years and take that story to the public market and I think we have had a very successful IPO. Investors have been very excited about the story. It is great for our customers to have visibilities into how the business is doing and as we continue to sell into the enterprise, being a public company will help us continue to accelerate our growth into that enterprise principle market, which is our largest and fastest growing market.

CEOCFO: What is ahead?

Mr. Damico: One is more of what we have always been doing, which is identifying new industries and new business processes in those industries that happened between companies outside the firewall. We will continue to make investments in new industries like energy and utilities, insurance, and the government. Then as we go forward, we will identify the unique business processes in those industries that are still being done the old way where IntraLinks can step in as a trusted neutral third party and take them from the old way to the IntraLinks way. All along, we will help to increase productivity, improve efficiency and provide cost reduction. The second point I would say is that we want to continue to build a platform that can be leverageable by a third-party partner. Therefore, you will see as we exit 2011 and go into 2012, we will enable our platform so that third-party partners can take our platform and enter into new industries and new use types, helping them exchange critical information again in a secure, compliant and audible fashion outside of the firewall. Instead of us just identifying every industry and use type ourselves, we can get some leverage in the marketplace by enabling partners to do that and certainly to make money doing that. The third thing that we will continue to focus on is further diversi-

fication of revenue outside of the U.S. We believe in our long-term model that 50% of our revenues should come from outside the U.S., so we still have opportunities to bring IntraLinks to China in a bigger way, in Japan in a bigger way, into some of the eastern block countries and into Russia in a bigger way. We are just starting some early initiatives in India, so geographic expansion is a third topic that you will hear us talk a lot more about as we go forward.

CEOCFO: What might people not understand about IntraLinks that they should recognize?

Mr. Damico: That is an interesting question. A lot of people think that the way people exchange information outside the firewall today is commonplace, and that there are many different tools and ways for people to exchange critical information outside the firewall in a secure, compliant and audible fashion. They often think of IBM, Microsoft, EMC and some of the other vendors as already playing in the space. However, they are surprised to hear that there are so many unique differences when it comes to exchanging critical information outside the firewall versus inside the firewall. So that is one aspect of what we do that really is unique. Sometimes we talk to people that intuitively just understand those differences and others who sort of scratch their head and say, "I don't know why I shouldn't just do this in email". Then you get into their specific industries and business processes and they have that "aha" moment and they say, "Ok now I understand why I wouldn't use email".

CEOCFO: Final thoughts; what should people remember most about IntraLinks?

Mr. Damico: The only thing that I would say is that IntraLinks is in a very exciting space as SAAS is being adopted more and more. Because of our trusted brand we see more and more of our corporate clients looking to use IntraLinks in many different ways. The market opportunity for us is very large. If you think of all the things that companies stuff into Fedex envelopes or include in emails, and send outside the firewall, it is a great opportunity for us to change from the old way to the IntraLinks way, to help them do it in a more efficient, more productive, and more cost effective manner. My view is that IntraLinks over time will become a pervasive service helping our customers exchange critical information everyday with our cloud based platform with those outside the firewall in a secure, compliant and audible fashion.



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