

Repro India - Strategic Direction and Progress : Q3 2015-16

Content Aggregation to Effective Dissemination

February 12, 2015

Financial Year 2015-16 : The Annual Strategic Direction... A quick recap and progress in Q3

- 1. *Content Aggregation***
- 2. *New Initiatives : The exciting e-tailing opportunity***
- 3. *New Initiatives : Rapples, enhancing digital education***
- 4. *Print Business - Exports***
- 5. *Print Business - India***
- 6. *Financial Highlights***

Progress Update - On course with the strategic direction

1. Content Aggregation to Effective Dissemination

Repro : “The In-Between Miles”

Bridging the ‘in-between’ miles between the publisher and his reader

From Content Designing to Digital Warehousing.....

From Content Adaptation to Multimedia Enhancements

From producing millions of books for students

To Just One Book on Demand for the e-Commerce /e-Tailers’ customer

1. Content Aggregation (cont.)

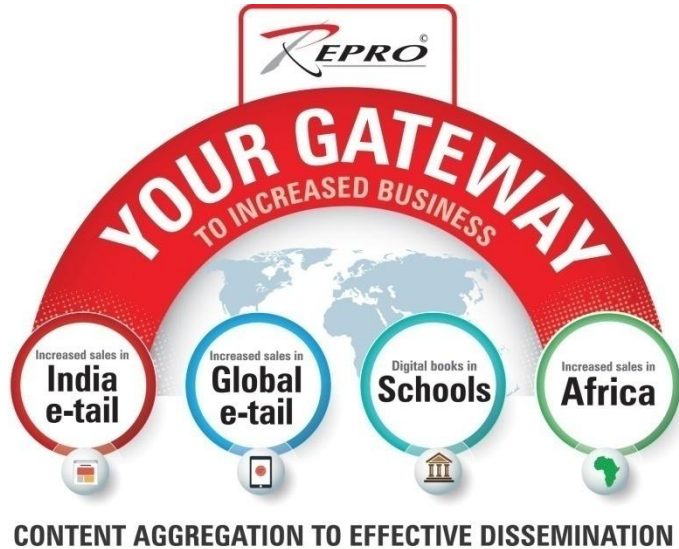
Repro's Value Offering : the “In Between Miles” to Content Owners ie Publishers



CONTENT AGGREGATION TO EFFECTIVE DISSEMINATION

2. New Initiatives : The exciting e-tailing opportunity

Content Aggregation to Dissemination of even *One Book to e-tail Customers*



Repro offers the following value propositions :

- Established relationships with major publishers, which has allowed Repro to build a large repository of book titles for print on demand use
- The ability to print on demand as low as 1 copy per title
- The ability to expand across the country as and when demand increases
- The ability to provide last mile delivery services to reduce overall turn around time
- The ability to provide international titles at competitive prices and at low SLA's through tie-ups with global aggregators

2. The Exciting e-tail opportunity

Disrupting the old..... Bringing in the new

A Paradigm Shift in the Publishing Industry

The Publishing Industry like the rest of the world is undergoing a paradigm shift

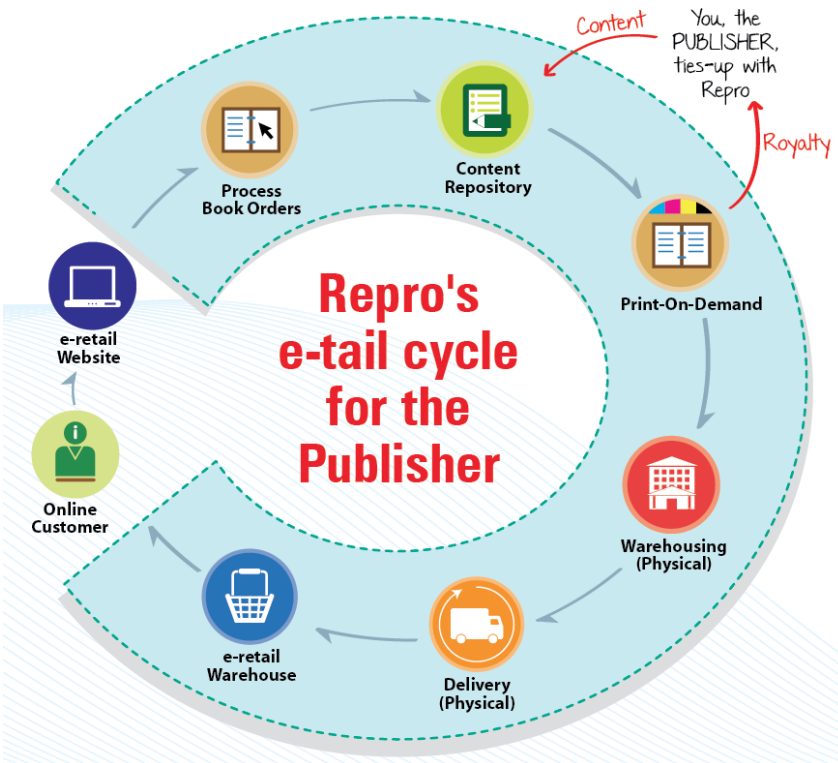
Technology is changing business models and challenging conventional ways of doing business

This disruption in the Publishing Industry is being channeled by Repro who is creating newer opportunities by creating :

- Newer Channels
- Newer markets
- Newer products.....

By reaching Publishers Books to Readers through

- Any Channel
- Any Outlet
- Any Place in the world!



2. The Exciting e-tail opportunity (cont.)

Content Aggregation to Effective Dissemination



The Dissemination Process

- Content Aggregation to Effective Dissemination through various Channels for Publishers :
- Ensuring that the **right books** reach the customers exactly **when and where** they are needed

The customers could be

- Individual Readers
 - Online Stores
 - E-book retailers
 - Local niche players
 - Big Chains
 - Independent bookstores
 - Schools
- The Repro solution **aggregates** the content, **produces** the book, **distributes** it to **reach** it to the customer

2. The Exciting e-tail opportunity (cont.)

Repro : A Unique Alliance

To harness the new opportunities in publishing that disruptive technologies are creating
Repro is proud to **announce an alliance**
with US based **Ingram Content Group**



2. The Exciting e-tail opportunity (cont.)

Repro : A Unique Alliance

INGRAM[®]



- **About Ingram : The US-based Ingram Content Group is one of the world's largest content aggregators and distributors for books.**
- Ingram is a textbook depository and has transformed into a comprehensive publishing industry services company that offers numerous solutions, including **physical book distribution, print-on-demand and digital services.**
- Repro will be Ingram's **Global Connect Partner**, giving publishers from across the world the ability to make content available through a facility in India.
- Ingram will leverage **Repro's existing capabilities in providing content, print and fulfillment solutions** to publishers, education institutions and corporations.
- Global Publishers will benefit from the Repro **advantage to reach their content to e-tail customers** all over India – cost efficiently and in double quick time!

FY 2015-16 – Q3 Strategic Results

2. The Exciting e-tail opportunity (cont.)

Repro : A Unique Alliance Delhi – World Book Fair



2. The Exciting e-tail opportunity (cont.)



Repro : Harnessing New Market opportunities through e-tail

- **Aggregation :**
 - Repro has long standing relationships with Publishers in India and across the world
 - Publishers share their titles with Repro which converts and stores them digitally
- **Dissemination**
 - With the strategic tie-ups with Indian and international e-tail companies, the books are made available to a global readership
- **Repro has built a solution that offers :**
 - A state of the art content Repository
 - Print on demand technology
 - Fulfillment services
 - Disbursing royalties to the publisher

3. New Initiatives : Rapples, enhancing digital education



Rapples Junior at SE International

- **Rapples - Providing an architecture for active learning** inside the classroom & self learning outside the classroom (employ the architecture of Flip delivery) using
 - School selected / teacher determined enriched text-book with teacher resources
 - Attached Ideal Questions and Answers, Teachers work, Practice Questions
 - Creating own content on book, Issue resolution and Practice through books
- **Rapples solution deployed for CBSE, ICSE, MSEB, IGCSE and IB Boards** in over 15 schools
- Rapples Solution for Higher Education ready for deployment



4. Exports : Strategy of consolidation and Secure Business

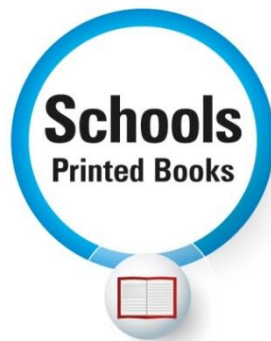
Africa : Over a 1 billion \$ opportunity



- Africa Publishing Industry : **Repro – Ideally positioned to fulfill the requirements with deliveries in certain cases directly to schools**
- Repro has **strong relationships with the key publishers in over 22 countries** – and a **first mover** advantage
- Deep understanding of the business environment, the model and the deliverables
- **Strong Headwinds currently being faced in African countries due to acute depreciation in their currencies**
- **Focus on recovery of Outstandings and acquiring secure business**

5. Domestic Market : Strategy of Value Addition and Growth

Multinationals sourcing print requirements from India



- India Publishing Industry : **Repro – providing value added services as a partner to publishers across the country – leading to growth in sales and margin enhancement due to services provided**
- Providing **integrated services and end to end solution** to content owners like educational publishers in India and globally
- Repro has strong relationships and partnerships with MNCs and large Indian publishing houses
- **Focus on tying up businesses with the MNC publishers for their India and Global Business – Good progress with 5 multinationals**

FINANCIAL HIGHLIGHTS Q3 2015-16

Q3 2015 – 16 Financials Consolidated

Particulars	3 Months ended 31st December 2015 (Unaudited)	3 Months ended 30st September 2015 (Unaudited)	3 Months ended 31st December 2014 (Unaudited)	9 Months ended 31st December 2015 (Unaudited)	9 Months ended 31st December 2014 (Unaudited)	Year ended 31st March 2015 (Audited)
Net Sales	8,905	9,285	9,469	29,449	27,928	38,649
Operating Income	168	306	205	896	652	915
Total Income	9,073	9,591	9,674	30,345	28,579	39,565
Expenditure						
Cost of Materials consumed	4,920	4,826	5,377	15,650	15,113	21,476
Changes in inventories of finished goods,work-in-progress &stock-in-trade	(77)	80	(38)	162	363	31
Employee benefits expense	1,241	1,318	1,253	3,846	3,550	4,930
Other expenses	2,014	2,444	1,741	7,549	6,122	8,444
Total Expenditure	8,098	8,668	8,333	27,206	25,148	34,881
Other Income	21	43	279	156	1,045	1,126
Gross Profit Before Interest,Depreciation and Tax(PBDIT)	996	966	1,621	3,294	4,476	5,810
Depreciation	516	512	488	1,545	1,466	2,006
Interest	366	376	415	1,206	796	1,237
Profit Before tax	113	78	717	543	2,214	2,567
Tax Expenses	46	31	116	188	457	663
Net profit after all taxes	67	47	601	355	1,757	1,904



Key Financial Highlights

- ❖ Over 6% growth in Revenues in 9 months compared to last year
 - Apr-Dec 2015: Rs.303.45 crores vs. Apr-Dec 2014: Rs.285.79 crores
- ❖ Debtors – Continued focus on recovery of debtors – especially exports
 - Debtor No. Of days reduced from 147 to 128
 - Lower Investment Expenditure for New Initiatives of Rapples and E-tail in Q3 compared to previous quarters
 - Q1: 4.24 crores, Q2: 4.27 crores, Q3: 2.99 crores
- ❖ Export: Domestic Proportion = 36% : 64% (Over 9 months)
 - In line with strategic objective of procuring secure exports business and growing domestic business
- ❖ EBIDTA before Investment Expenses and Other Income maintained at around 14% over last 3 quarters.
- ❖ Capex: Rs. 8.08 crores in 9 months
- ❖ Order Book as on 1.1.2016 – Rs. 45.37 crores (As on 1.10.2015 – 46.25 crores)



Thanks ...