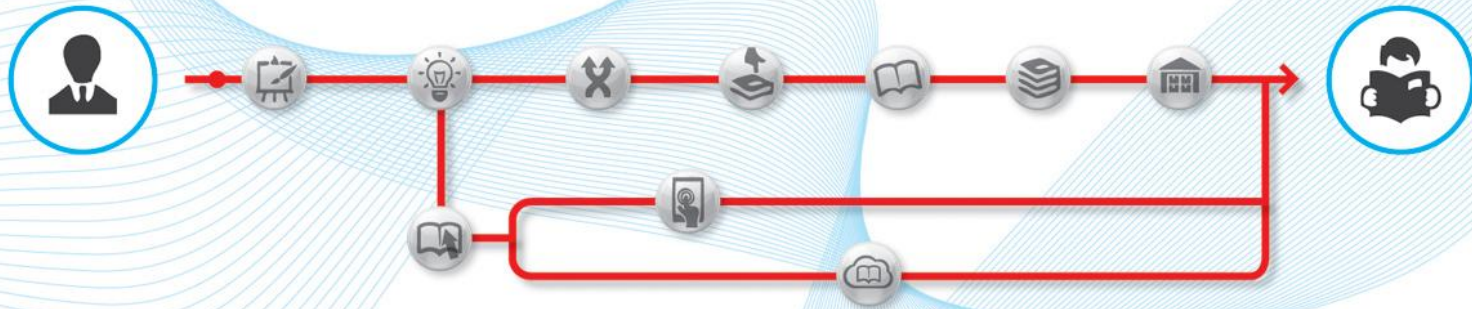
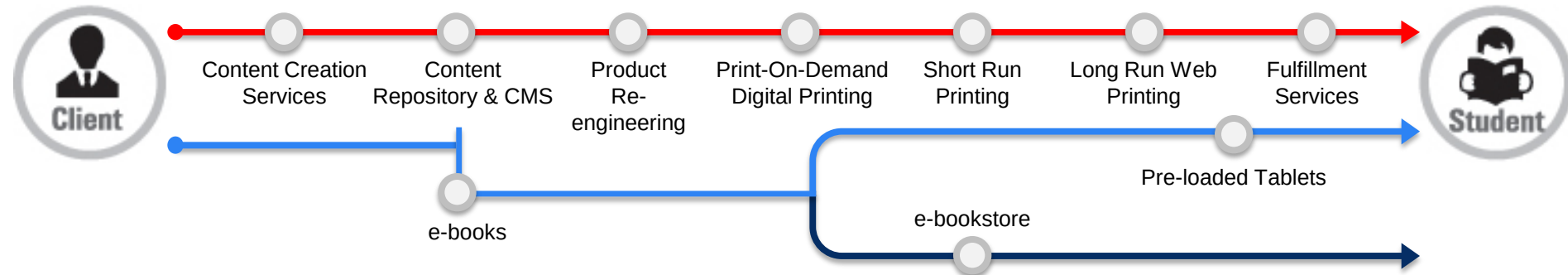




Repro India : Strategic Results Q3 and Nine Months: 2014-15

Repro's Educational Value Chain

Repro : Educational Content Management to Delivery Solutions



The Strategic Direction.....

1. *Domestic Market : Strategy of Value Addition and Growth*
2. *Exports : Strategy of Large Volume Fulfillment, Higher Cashflow and Realisation*
3. *New Initiatives : The exciting e-tailing opportunity*
4. *New Initiatives : Rapples, enhancing digital education*
5. *Finance Strategy : Reduction of Debt and consolidation*

Progress Update - On course with the strategic direction...



FY 2014-15 : The emerging strategic path

Focus on New Initiatives : The Investment Strategy : Update for Q3 2014-15

Existing Businesses : Services for large Global publishers in India and Africa

Creating Infrastructure to meet
demand:

- From 1 to a million copies!
- Focus on **Government tenders** and reaching **millions of books** to Africa, Afghanistan etc.
- Meet the needs of **large MNC Publishers globally**

E-Fulfillment for e-tailers:

Creating the pipelines to
meet demand :

- From B2C customers
- create warehouses and **fulfillment infrastructure** for large clients
- Create the **e-fulfillment infrastructure** with the **POD + Logistics solution** for the industry

Rapples – Pre-loaded textbooks on tablets :

Creating the pipelines to
meet demand :

- From **Schools** and to tie-up **Publishers**
- tie-up with **Publishers for Content**
- **Create special customised solutions** for different school segments



The Strategic Direction..... The strategy for Existing Domestic Businesses



Existing Businesses : Services for large Global publishers in India

Q3 : The Impact of the Strategy set in motion

Domestic Business :

Focus on exponential growth and better margins by Publishers adopting the value added full service offering from Repro

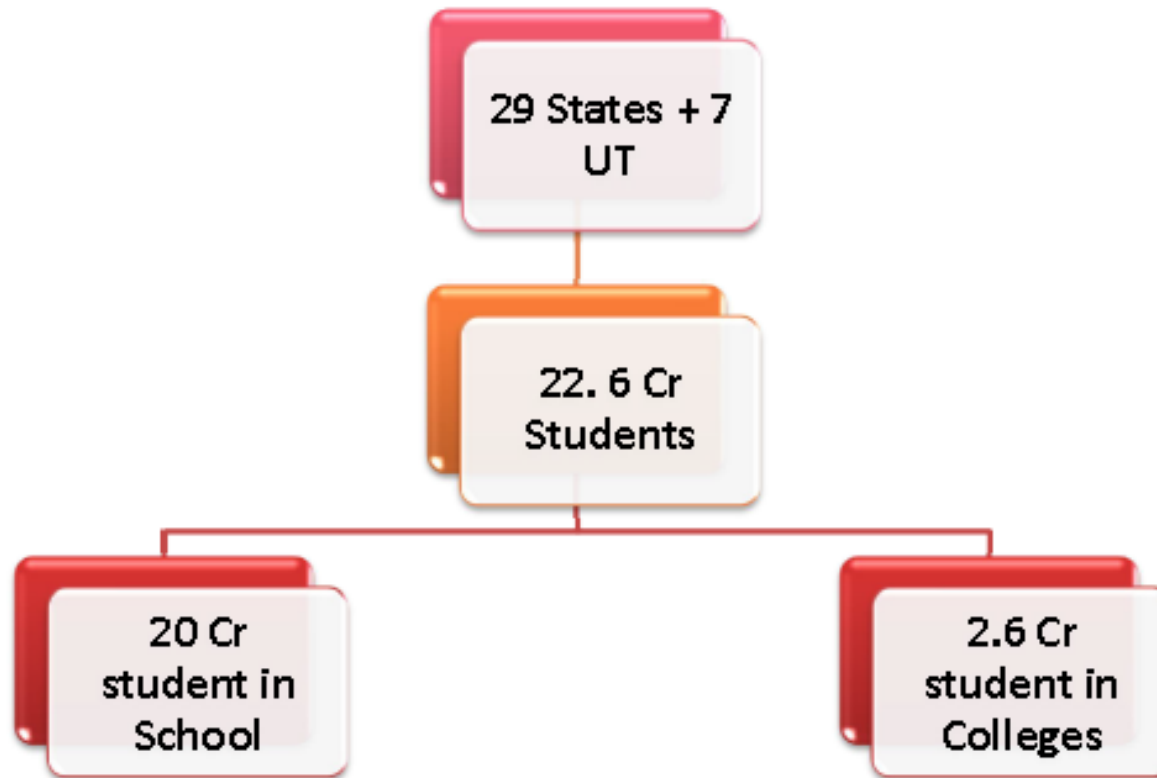
Deep penetration into newer markets : expanded client width and added new clients

Quarter over quarter increase : **21%** growth – Q3 over Q2 2014-15

*9 months over 9 months increase – **46%** growth*



Domestic Market : Indian Education Scenario

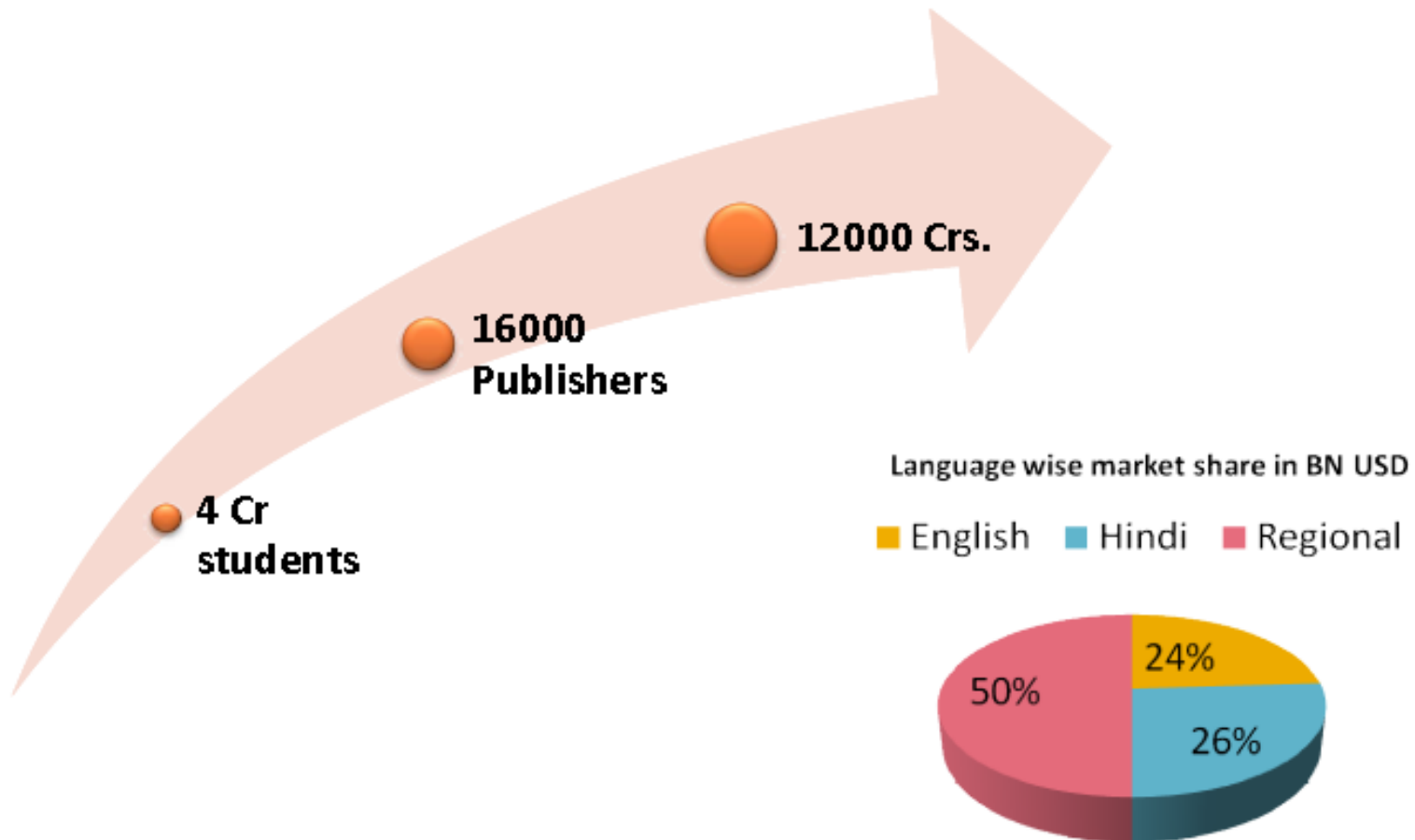


India Literacy : 74.04%

References: Ministry of HRD, GOI



Domestic Market : Private Publishing market size



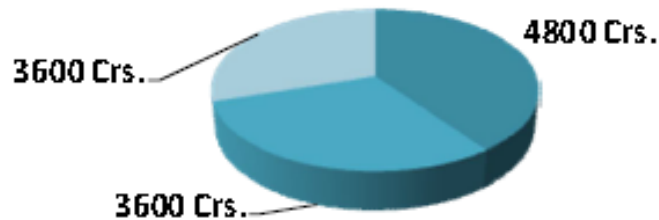
References: German Book Office



Domestic Market : Segmentwise potential – Rs. 12000 crore

SEGMENT WISE POTENTIAL (in Crs.)

■ Curriculum ■ Children ■ Trade



APEX BODIES

- National Book Trust (NBT)
- Independent Publishers Group (IPG)
- Federation of Indian Publishers (FIP)
- Federation of Booksellers and Publishers Association
- Federation of Educational Publishers

Excerpts from an internal report at FICCI

“One thing is clear – Indian publishing is on the ascendency. It’s an industry that is evolving at blinding speeds, as a result of a growing population of young people who are increasingly educated and literate, as well as the rising income of an affluent urban market. So it’s a market of huge opportunity, but it’s also complex and in no way homogenous.”

References: German Book Office, Business world & FICCI



Repro Strategy : Focus on Core Business



Repro : The comprehensive solution

Phase 1 : Proof of Concept

Content Creation
Services



Content Repository
& CMS



Product Re-
engineering



Print On-Demand
Digital Printing



Short Run Printing



Long Run Web
Printing



Fulfillment Services



Phase 2 : Adding Services

Content Creation
Services



Content Repository
& CMS



Product Re-engineering



Print On-Demand
Digital Printing



Short Run Printing



Long Run Web
Printing



Fulfillment Services



Phase 3 : Full service

Content Creation
Services

Content Repository
& CMS

Product Re-
engineering

Print On-Demand
Digital Printing

Short Run Printing

Long Run Web
Printing

Fulfillment Services

Publishing
House

The Repro
Potential :

Full Service
Model x
multiple MNC
Global
Publishers

Result :
Exponential
growth



Repro Strategy : Focus on Core Business



Repro : The comprehensive solution

Shifting the Business Paradigm : Creating a new business model

1. Partnership rather than transactional business
2. Understanding of business – so more value added services as per the clients needs
3. Loyalty and tied in to relationship – long-term view and planning
4. Predictable Annual business
5. More value for services – better realisation
6. Entry barriers extremely high – model difficult to replicate

The Repro Potential : Full Service Model x multiple MNC Global Publishers

Result : Exponential growth for Repro

The Potential? – to create the business and create the market!



Domestic Market : Strategy of Value Addition & Focussed Growth

The Quarterly Performance.....



- Domestic Publishing : Grown by **21%** over the previous quarter and **46%** 9 months over 9 months
- Focus on **strategic customer tie-ups** – achieved **80%** of quarter sales
- **PAN India strategy** continues to be successful with an even **higher penetration** with new customers in the
 - Punjab, Odisha, Chhattisgarh, Madhya Pradesh, Jharkhand
 - **18% of sales** in the quarter from **new** clients
- Focus on **contractual tie up with large publishers** for continued and **sustained** business continues in North and West
 - Ongoing research and value addition to clients
 - Strengthening of relationships at all levels of the organization
- **Offering – end to end solution** – a huge strength and draw for customers – allowing them to focus on their core competence



Domestic Market : Strategy of Value Addition & Focussed Growth

- **Margin growth** due to the following Strategies :
 - **Contractual** tie-ups with **strategic** clients
 - **Increasing the basket of services** with **existing** clients
- **Content** - additional revenues and greater tie-in with the customer.... Leading to **margin improvement** and **creation of a better product**.
- **Content Management** : Strategic clients using **ECM** as the **content Repository**
- **Value Engineering** –better planning, sourcing and deliveries
- **POD** – Clients benefitting due to value added service and for Repro a higher margin business
- **Production Efficiency** – Products structured for smooth and optimum production
- **Repro as a Brand** – established and associated with trust and meeting needs innovatively
- **Consistent visibility** through targeted **marketing promotions**



The Strategic Direction..... The strategy for Existing International Businesses



Existing Businesses : Services for large Global publishers in Africa

Q3 : The Impact of the Strategy set in motion

International Business :

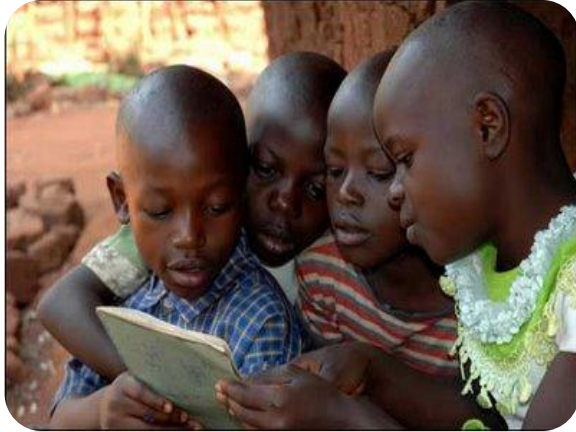
Openings and closings for large tenders in developing countries

Focussed strategy for Cashflow and Realisations



International Markets : Focus on Large orders

The Quarterly Performance.....



Large Tenders won in Malawi, And even Afghanistan

New countries – penetration into Kenya market

Presence in 22 countries – deepened relationships and established business

- Previous performance record
- Transformed the market through value added services
- Volume deliveries – in time

Focus on Government tenders – Funded by Financial Organizations - Full service fulfillment across the world

- Understanding of :
 - the Government requirements and bid process
 - Strong Relationships with local publishers to partner with (if required)
- **Value Addition** : Content : Redesign, Re-creating and Re-layout of books
 - Other : Anti Piracy measures, holograms, cover formats etc.

Focus on Strategy of Higher Cashflow and Realisation continues



The Strategic Direction..... The strategy for **e-Fulfillment**



e-Fulfillment for e-tailers: e-Stores need e-delivery solutions

Q3 : The Impact of the Strategy set in motion

Recognising the need and Creating the pipelines to meet demand:

- From the B2C customers
- Create warehouses and **fulfillment infrastructure** for large clients
- Create the **e-fulfillment infrastructure** with the **POD + Logistics solution** for the industry
- **And most importantly - tie-ups with e-Retailers in India and Abroad**



e-Fulfillment Services : the critical component for e-tailers

▪ Capturing the Billion dollar+ e-tailing Potential

- The e-tailing Industry is booming
- Last mile deliveries is a key pain area – with huge non-core investments for the e-tailer
- **THE SOLUTION** – tie-up the **critical part** of the **value chain** with a **partner like Repro!**

- **e-Fulfillment** : Repro provides the **Logistics Solution for the Industry** – by supplying **physical books** and by setting up a platform for **e-books**

1. Supplying physical books for e-tailers :

- Time to market – quick turnaround post order placement by customer
- Just in time deliveries – across geographies
- Cost effective and efficient part of the supply chain – taking into account single copy production cost effectively

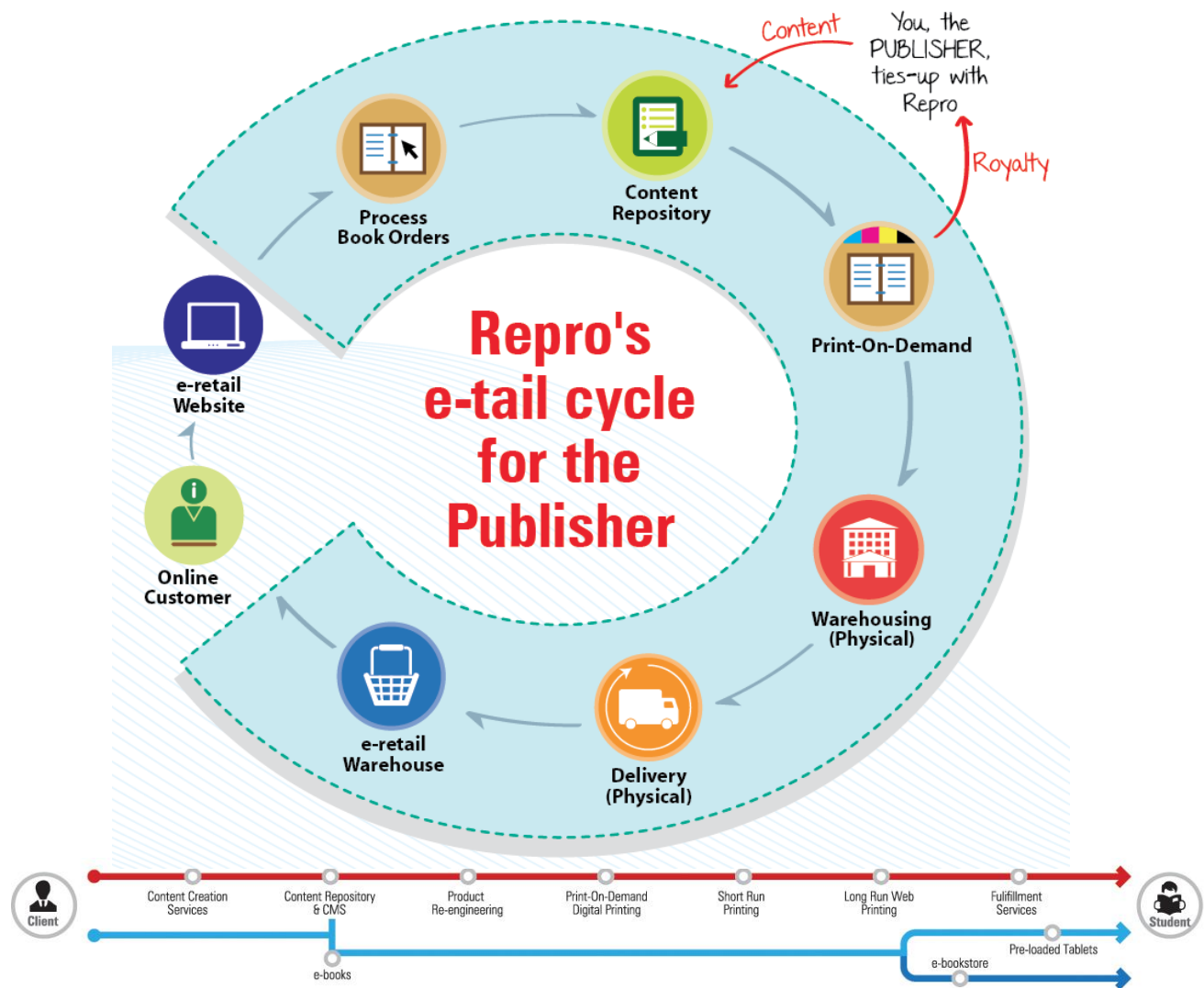
2. Supplying e-books – setting up “e-tail” Platforms such as Cloudstore

- **e-Fulfillment** : Repro - converting **millions of tonnes of paper to finished books with warehousing and logistics set-ups in multiple cities**



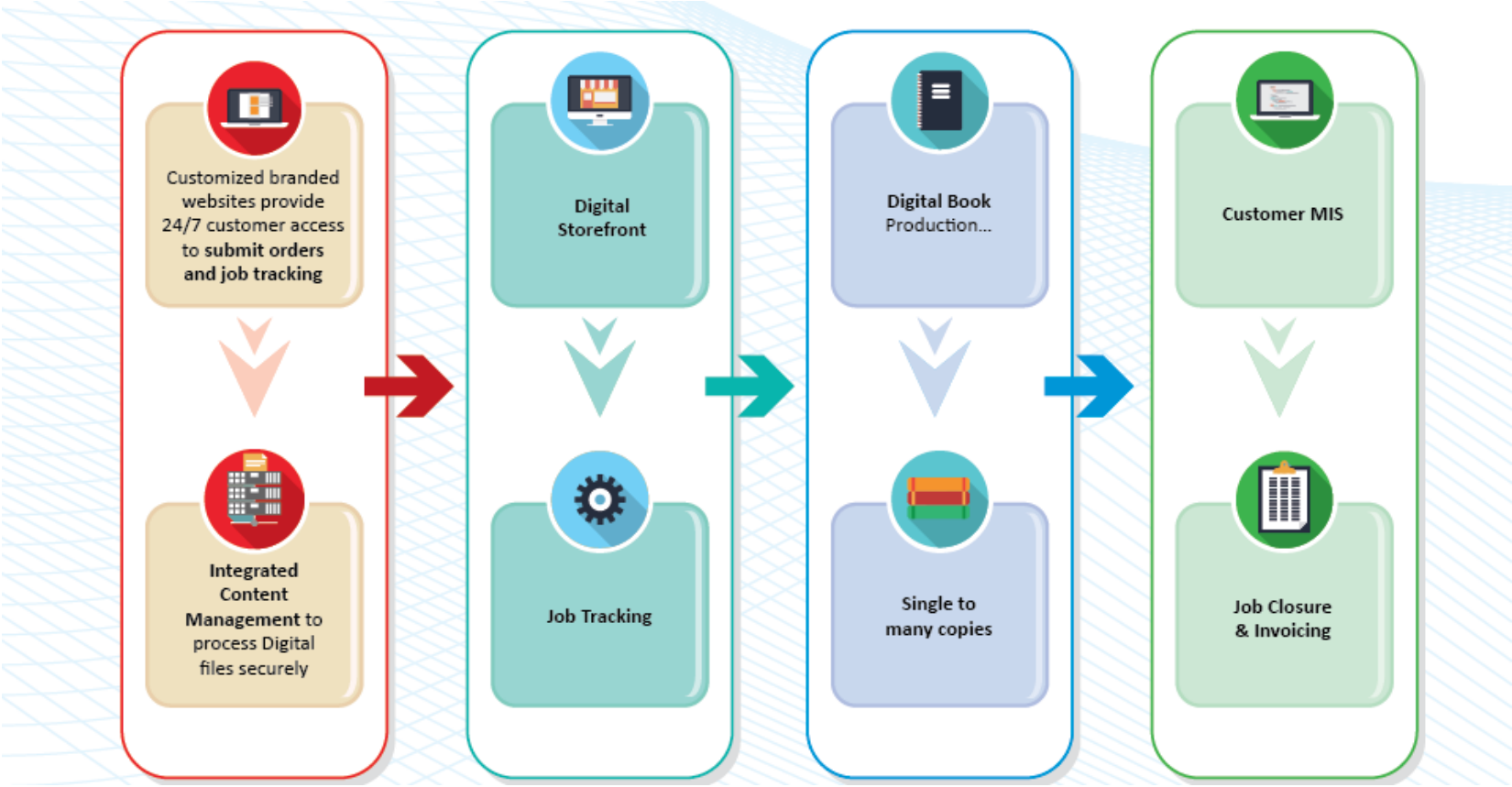
E-Fulfillment : e-Stores need e-delivery solutions

e-Stores need e-delivery solutions : e-Fulfillment Services: critical component

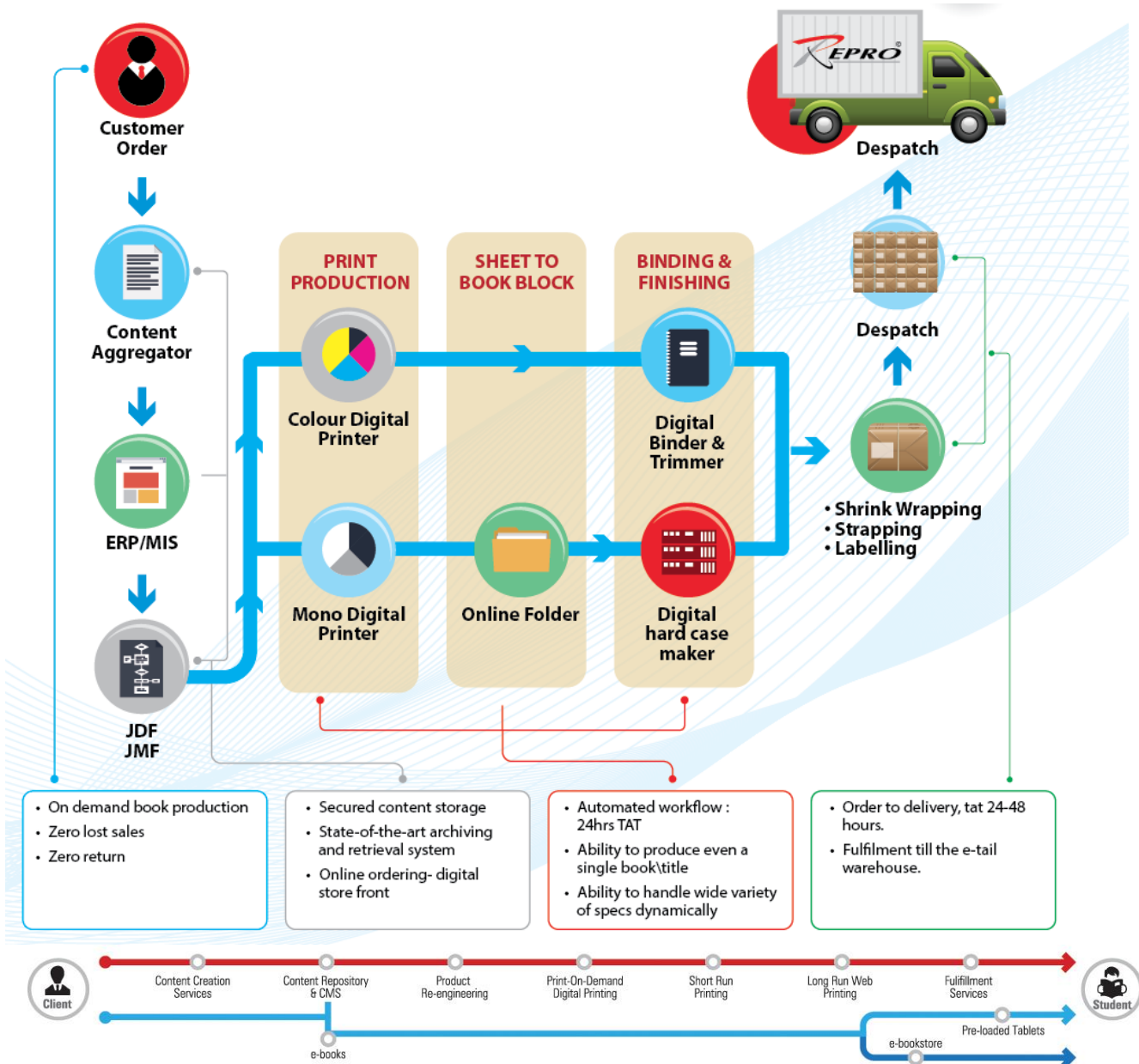


E-Fulfillment : e-Stores need e-delivery solutions

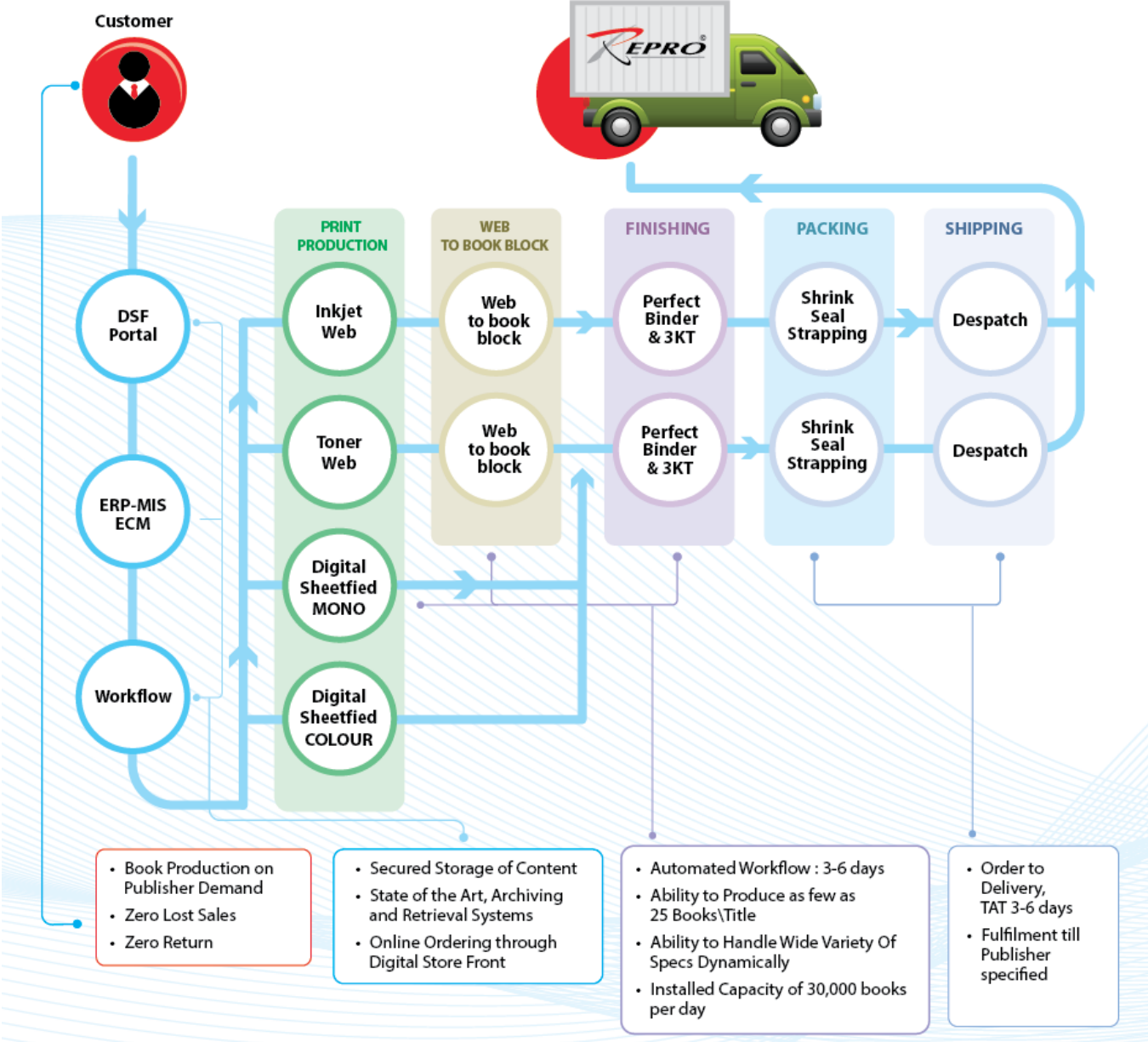
An integrated workflow : *Order management and order tracking to closure*



E-Fulfillment : A single book Factory



E-Fulfillment : An integrated book Factory



E-Fulfillment : e-Stores need e-delivery solutions

e-Stores need e-delivery solutions : *Warehousing and Fulfillment*

- Repro will store 5 to 10 books i.e minimum required number of books per title.
- This will enable the implementation of just-in-time inventory management.
- Thereby eliminating the need for large scale warehousing.
- And fulfilling the requirement by delivering to the e-retailer.



The Strategic Direction.....

The strategy for

Rapples



Rapples – Pre-loaded textbooks on tablets :

Q3 : The Impact of the Strategy set in motion

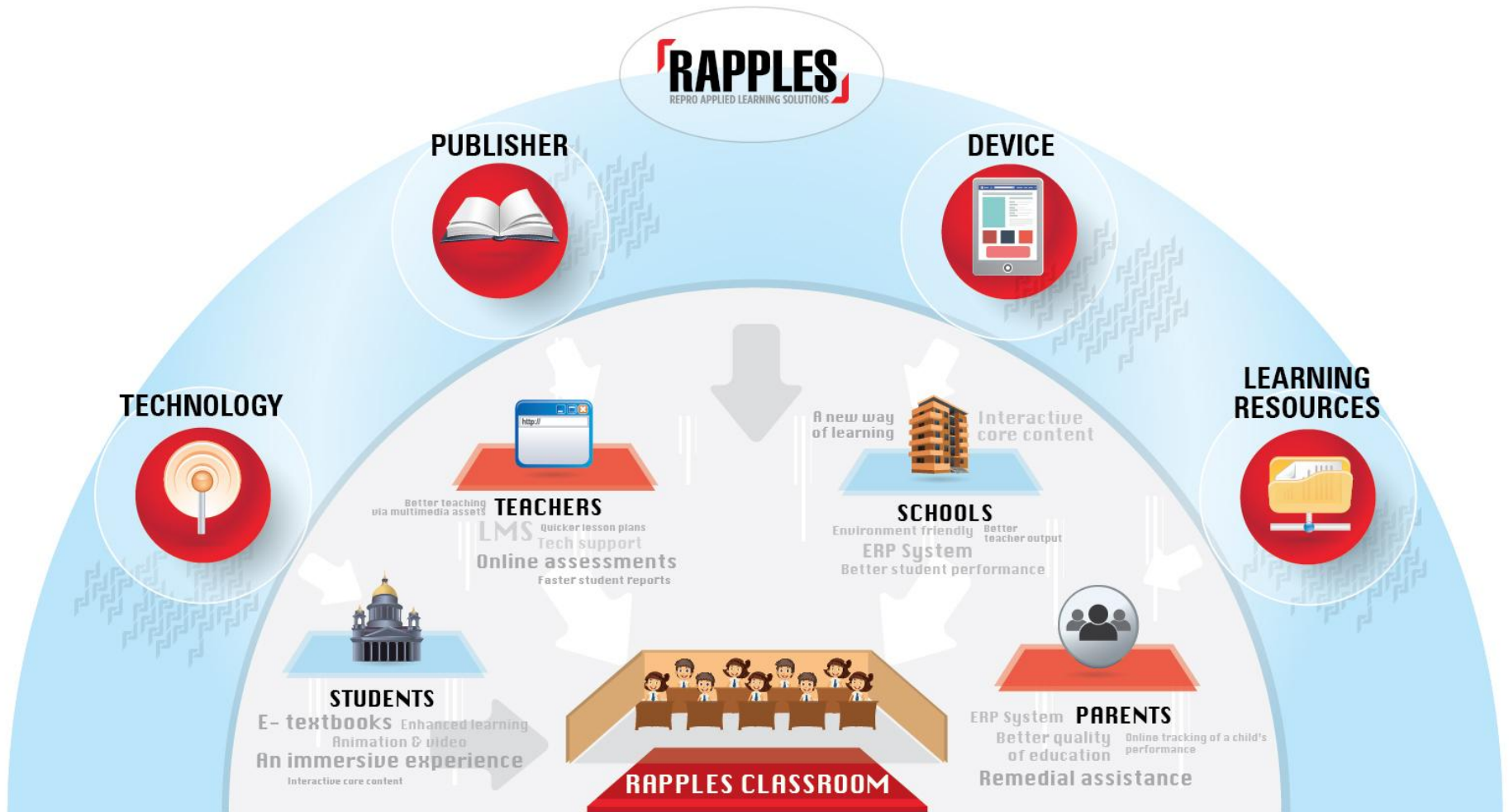
Creating the pipelines to meet demand :

- Focus on Prospecting and School conversions (run up to Q4)
- Focus on tie-up with **Publishers for Content** : tied up 40 agreements
- Creating special customised solutions for different school segments



New Initiatives : Rapples : The Investment Strategy

The Rapples Ecosystem : converting it to reality in Schools and with publishers



Rapples : The Investment Strategy

Q3 : The Exam quarter : strategy to prospect new schools for closure and implementation in Q4



- **Rapples – making in-roads into conversion and adoption**
 - Schools signed up starting up in Q4 and FY 2015-16
 - Signed up a school promoted by the Zee Goup – Mount Litera
 - Prospecting and tie-ing up schools for Q4
 - New pilots started in the North and East and for select schools in the west and south
- Guided adoption for schools
 - Technology support
 - Hand-holding and training of teachers in the use of technology – a key focus
 - Enabling schools to go on cloud support
- Rapples already has on board content from over 40 publishers - 5 added on in the quarter



The Strategic Direction.....

The strategy for

Finance



Strategy and Results for Finance

Q3 : The Impact of the Strategy set in motion

Finance Cost : Reduction from **Rs. 3.65 cr** (Q3 '14) to **Rs. 2.23 cr** (Q3 '15)

- A **39%** reduction Q over Q

Interest to Sales Ratio : Reduction from **3.30%** (Q3) to **2.40%** (Q3 '15)

-A **27%** reduction Q over Q

Inventory Reduction : Reduction from **Rs. 46 cr** (December '13) to **Rs. 27 cr** (Q3 '14)

-A **41%** reduction Q over Q

Operating Margin growth : 13% growth : **Rs. 12.53 cr** (Q2 '14) to **Rs. 14.13 cr** (Q3 '14)



EDUCATION! EDUCATION! EDUCATION!

- Leverage our **understanding** and our **industry leadership status** to capitalize on the one Billion dollar, addressable **India education opportunity**
- Leverage our **relationships**, our **understanding** and our **leaderships status** to capitalize on the half-a-billion dollar **Africa education opportunity**
- - Leverage our strengths - **digital content management, publishers' relationships, & overall experience in education** - to pioneer a 'one-to-one', 'multi-sensory' digital learning experience

..... AND



..... Make a difference!!!

A look at the numbers.....



Q3 2014 – 15 Financials

Particulars	3 Months ended 31st December 2014 (Unaudited)	3 Months ended 30th September 2014 (Unaudited)	3 Months ended 31st December 2013 (Unaudited)	9 Months ended 31st December 2014 (Unaudited)	9 Months ended 31st December 2013 (Unaudited)	Year ended 31st March 2014 (Audited)
Net Sales	9,469	9,227	11,197	27,927	30,728	41,136
Operating Income	199	151	256	613	763	934
Total Income	9,669	9,378	11,453	28,541	31,492	42,070
Expenditure						
Cost of Materials consumed	5,312	4,674	6,666	14,933	17,004	21,423
Changes in inventories of finished goods, work-in-progress & stock-in-trade	(38)	27	(1,092)	363	(2,104)	(507)
Employee benefits expense	1,132	1,060	1,044	3,249	3,025	4,020
Other expenses	2,238	2,516	3,241	7,111	8,714	10,472
Total Expenditure	8,644	8,277	9,859	25,656	26,639	35,407
Other Income	388	152	114	1,246	351	509
Gross Profit Before Interest, Depreciation and Tax (PBDIT)	1,413	1,253	1,709	4,131	5,204	7,171
Depreciation	454	445	438	1,362	1,264	1,714
Interest	223	122	365	549	879	1,750
Profit Before tax	736	686	906	2,219	3,060	3,707
Tax Expenses	113	120	261	448	557	737
Net profit after all taxes	623	566	645	1,771	2,504	2,971



Q3 14-15 over Q2 14-15

- 3% Growth in Revenue : 93.78crs → 96.69crs
- Operating Profit before rapples expense : 14.99crs → 17.09crs
- Operating Profit after rapples expense : 12.53crs → 14.13crs
- PBT before Rapples expense : 9.32crs → 10.33crs
- PBT after Rapples expense : 6.86crs → 7.36crs
- PAT before Rapples expense 7.63crs → 8.60crs
- PAT after Rapples expense 5.66crs → 6.23crs



Thank You

