

Repro India - Strategic Results : FY 2014-15

27 May 2015

The Annual Strategic Direction...

- 1. Content Aggregation**
- 2. New Initiatives : Rapples, enhancing digital education**
- 3. New Initiatives : The exciting e-tailing opportunity**
- 4. Exports : Strategy of Large Volume Fulfillment and Cross-selling**
- 5. Domestic Market : Strategy of Value Addition and Margin Growth**

1. Content Aggregation

Content Creation –

the core competence of content owners ie. Publishers

The last mile is Content Delivery -

*to the customer ie. students or readers (e-books and p-books),
on any media – book, computer, tablet or mobile*

Publishers strive to increase revenues by maximising the reach of their content

In the required time

At the required price

To Students

to Readers

All over the world, physically or digitally!

1. Content Aggregation (cont.)

Repro: *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

***To pioneer Digital and "Bagless" Educational opportunity
(multimedia textbooks on tablets)***

To participate and enhance the burgeoning e-retail markets – India and Global

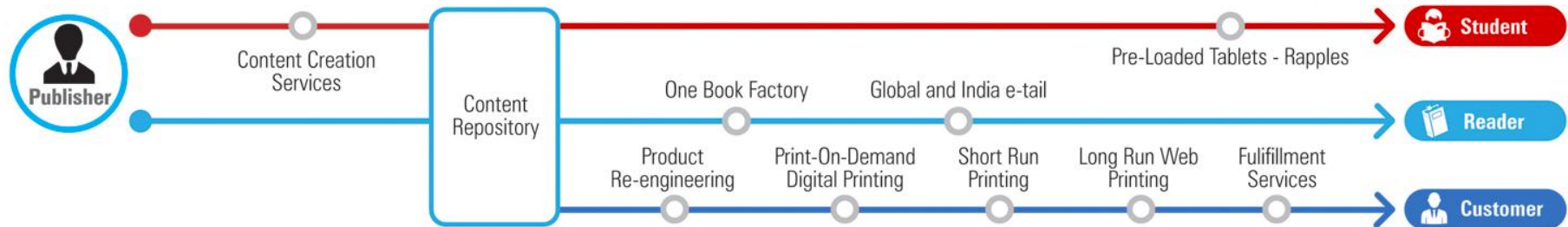
Leveraging Repro's strong relationships with publishers over last 2 decades to become the largest aggregator of content, which gives Repro significant competitive advantage

Strategic Results : Annual 2014-15

1. Content Aggregation (cont.)

Repro : “The In-Between Miles”

Content Aggregation to Effective Dissemination



1. Content Aggregation (cont.)

Repro : Offering multiple opportunities for revenue multiplication to the Publishers with the same content



Content Aggregation and Effective Dissemination

2. New Initiatives : Rapples, enhancing digital education

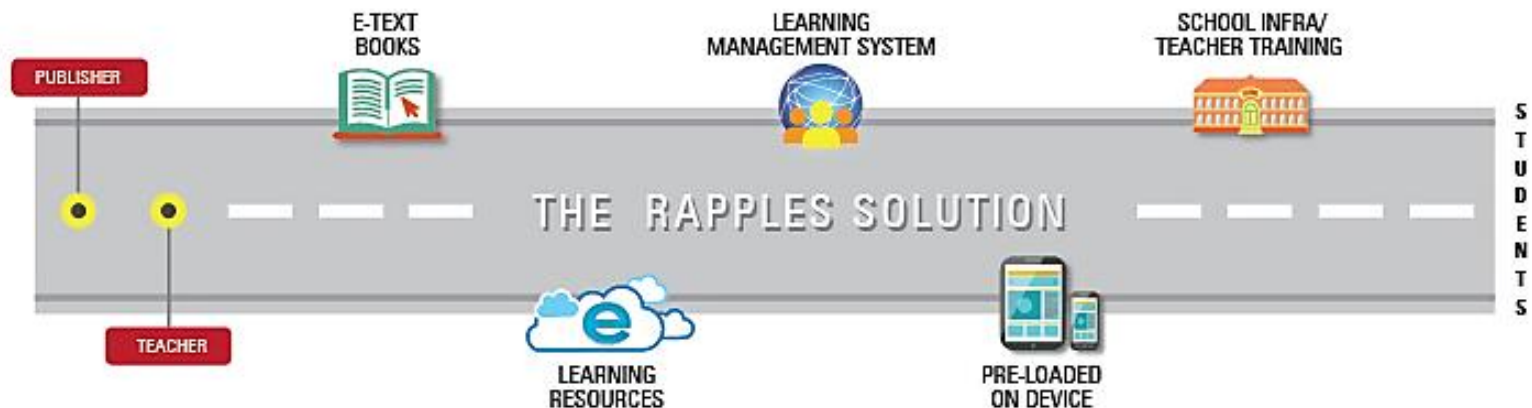
Rapples : changing the course of educational experience and outcome in India



- **State of Digital Education** : A Digital revolution is underway and this is changing the way Education is imparted
 - Customised Educational solutions are possible
 - Increased penetration of Mobile devices in schools
 - Digital Content and Personalised Learning is increasing
- **The Future Classroom : Blended Technology to augment Teacher capability**

2. New Initiatives : Rapples, enhancing digital education (cont.)

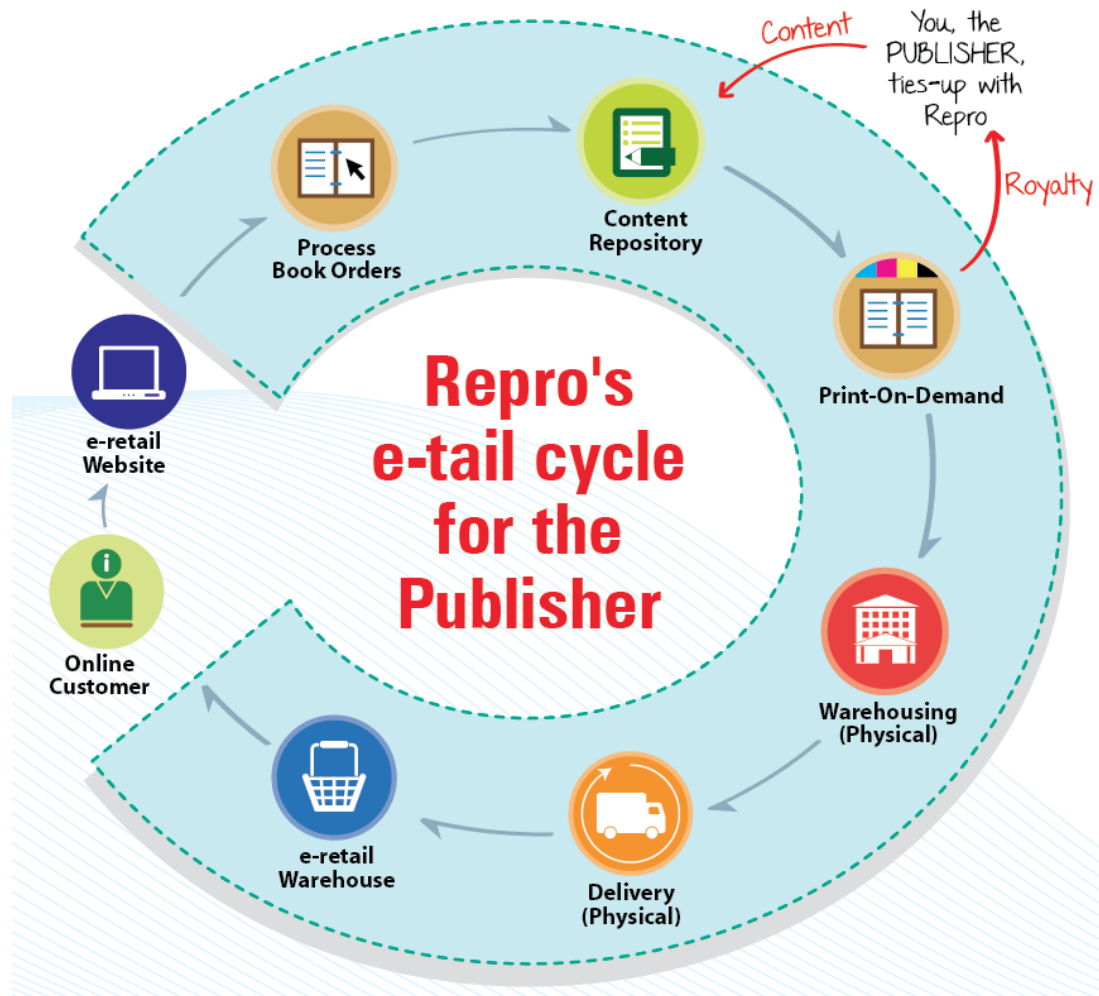
- Repro has created a customised solution **RAPPLES** : The **360 degree multi-sensory learning** experience with **pre-loaded textbooks delivered on tablet**



- Repro enables Publishers to create, store digitally, produce and reach their books to millions of children
- For students, the solution promotes “bagless” learning with the benefits of multimedia and interactive learning
- Repro has already invested Rs. 22 crores over the last 2 years in Rapples, all of which has been written off as expenses.

3. New Initiatives : The exciting e-tailing opportunity

e-Fulfillment Services: The Critical component



3. New Initiatives : The exciting e-tailing opportunity (cont.)

e-Fulfillment : E-Tail – The “carts”“deals” ... etc.



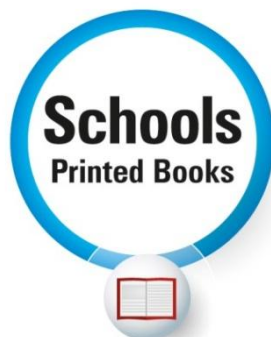
- Repro has tie-ups with international and Indian e-tailers enabling the listing of publishers titles on the e-tail site, giving the customers access to global titles with significantly reduced lead times and price
- Repro enables **publishers to increase their revenues and reach their e-tail customer** by providing a complete solution thereby improving efficiencies of the supply chain and reducing costs
- The solution includes offering the publisher a **state of the art technology content repository**, to **printing on Demand** – even a single book for the end customer – to **disbursing the royalties** back to the publisher

4. Exports : Strategy of Large Volume Fulfillment and Cross-selling



- 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
- Repro complements the Publishers by planning and mass producing the **right** product, at the **right** price, in the required time – **reaching it anywhere** in Africa
- **With the experience and the relationships, Repro opens additional revenue opportunities** to Indian and African publishers
- By offering them access to each other markets thus capitalising on their respective IPRs

5. Domestic Market : Strategy of Value Addition and Margin Growth



- Providing **integrated services and end to end solution** to content owners like educational publishers in India and globally
- Offering full services has improved the margins that Repro realises from the domestic market
- Repro complements the Publishers by planning and mass producing the **right** product, at the **right** price, in the required time – **reaching it anywhere** in India
- Repro has customised offerings based on Clients requirements and also the experience and expertise to fulfill demand effectively whether it is for
 - 1 million books (web based production)
 - Or 1 book (POD based production)

The Financial Highlights

Consolidated Financials FY2014-15

Particulars	3 Months ended 31st March 2015 (Audited)	3 Months ended 31st December 2014 (Unaudited)	3 Months ended 31st March 2014 (Audited)	Year ended 31st March 2015 (Audited)	Year ended 31st March 2014 (Audited)
Net Sales	10,709	9,469	10,408	38,649	41,136
Operating Income	257	199	171	915	973
Total Income	10,966	9,669	10,578	39,565	42,109
Expenditure					
Cost of Materials consumed	6,274	5,312	4,419	21,476	21,567
Changes in inventories of finished goods, work-in-progress & stock-in-trade	(333)	(38)	1,597	31	(507)
Employee benefits expense	1,285	1,132	995	4,930	4,455
Other expenses	2,535	1,988	2,656	8,444	9,837
Total Expenditure	9,761	8,394	9,666	34,881	35,351
Other Income	127	318	504	1,127	444
Gross Profit Before Interest, Depreciation and Tax (PBDIT)	1,332	1,592	1,416	5,810	7,202
Depreciation	503	454	450	2,006	1,840
Interest	423	402	319	1,238	1,931
Profit Before tax	406	736	647	2,567	3,431
Tax Expenses	203	113	180	663	793
Net profit after all taxes	203	623	467	1,904	2,637



Year 14-15 over Year 13-14 - Consolidated

- 6% reduction in Revenue : 421.09 crs → 395.65crs
 - Exports reduced from 197 crores to 114 crores
 - Exports to West Africa reduced by 50% due to Ebola, Elections and Import duty scare
 - 26% Growth in Domestic (223 crores to 282 crores)
- PBT reduction from 34.31crs → 25.67crs
- PBT before Rapples & E-TAIL expense : 44.43crs → 40.17crs
 - Additional expense of 4.38 crores in New Initiatives (14.50 crores vs 10.12 crores)
- Reduction in margins due to reduced exports
 - Exports: Domestic Ratio = 29%:71% (CY) vs. 47%:53% (PY)
- Reduction in margins partially offset by growth in EBIDTA margins for domestic
 - Domestic EBIDTA improved from 9.14% to 14.2%
 - Export EBIDTA reduced from 31.2% to 17.2% (Reduction due to more government tenders, and allocation of fixed costs on lower volumes)



2014 – 15 Key Business Parameters

Debtors:

SEGMENT	SALES	DEBTORS	NO OF DAYS	No of days after ECGC
Domestic Print	260.31	95.00	133	133
Export	113.61	72.59	233	120
Digital	21.15	4.32	75	75
Total	395.07	171.91	158	126

Opening Order Book:

SEGMENT	ORDER BOOK 1.4.2015	ORDER BOOK 1.4.2014
DOMESTIC	33.52	33.18
EXPORT	26.22	1.24
TOTAL	59.74	34.42

Capex:

Rs 19.3 crores (12.29 crores- Maintenance Capex and Balance New Equipment)



Thank You

