



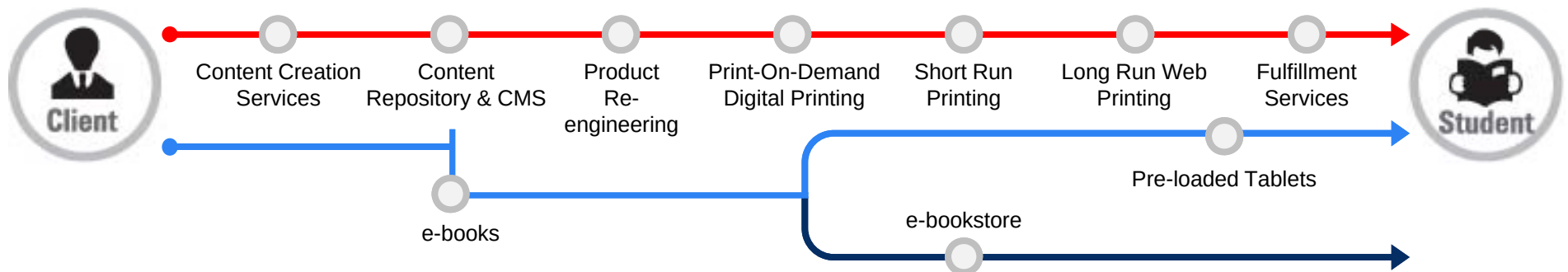
Repro India : Strategic Results Q1 2014-15

August 2014

Repro's Educational Value Chain



Repro : Educational Content Management to Delivery Solutions



The Strategic Direction..... A review

1. *New Initiatives : Rapples*
2. *Domestic Market : Strategy of Value Addition and Growth*
3. *Exports : Strategy of Higher Cashflow and Realisation*
4. *Finance Strategy : Reduction of Debt*
5. *Infrastructure Strategy : Improvement and Benchmarking*

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



FY 2013-14 : Strategic Results

New Initiatives : The Investment Strategy :

Progress to date: opening new markets, defining the product

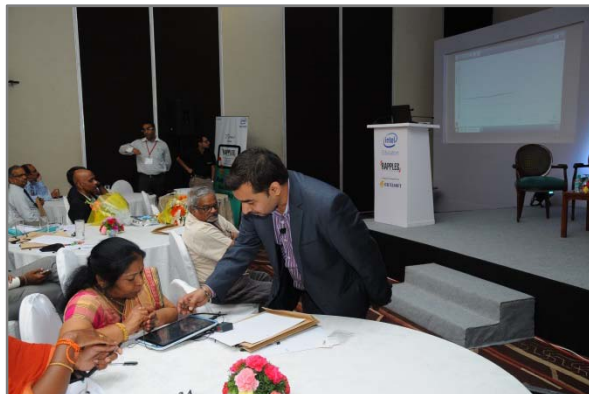


- Strategic Objective : **Investment and development of RAPPLES**
- Rapples : The **360 degree multi-sensory learning** experience with **pre-loaded textbooks delivered on tablet**
- Heralding “Bagless Education”
- **Enhanced learning experience** through the **Rapples Ecosystem** - 1 to 1 education for each child
- **Benefits of Multimedia and Interactive learning** - Animations, photos, videos and voice in lessons
- Rapples Key Differentiators :
 - ***Minimally Disruptive***
 - ***Teacher determined content***
 - ***A Teachers Assistant***
 - ***Independent of Technology***



Strategic Results Q1 2014-15

New Initiatives : The Investment Strategy : Progress to date : Opening New markets

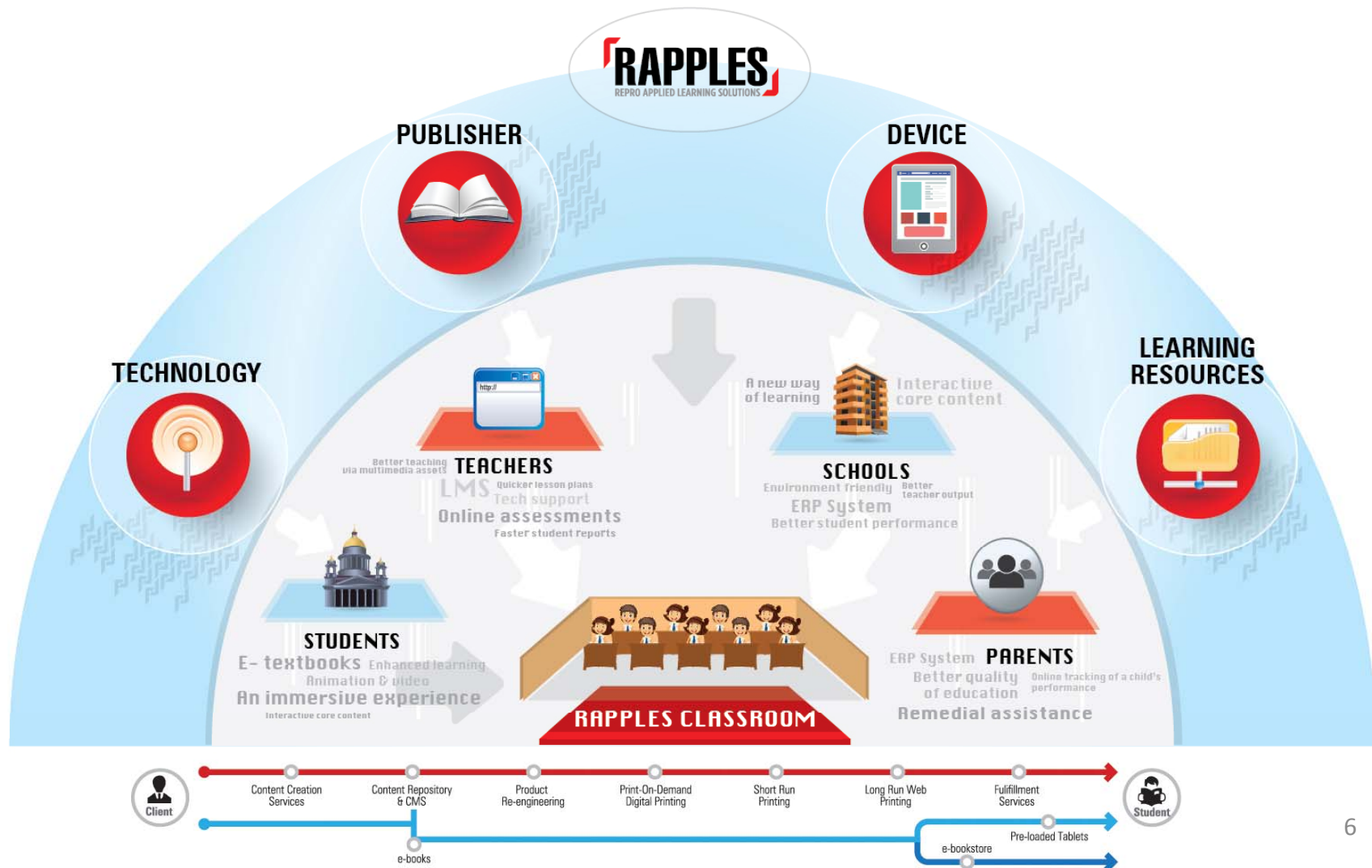


- After the launch in Delhi, Rapples now also launched in the **South**
- Held successful **Rapples events for Schools** with **Intel** in **Mysore** (25 schools attended) and **Bangalore** (75 schools attended)
- Pilots now in over **20 schools** in
 - Key cities in the **North** : **Delhi, Ludhiana, Jallandar, Ambala, Ghaziabad**
 - Key cities in the **South** : **Bangalore, Mysore, Hyderabad**
- Rapples now hosts content from over **35 publishers**
- Significant investments being made in the space keeping an eye on future.
 - Revenue expenditure of Rs.2.41 crs (written off in this quarter)



Strategic Results Q1 2014-15 - Rapples : The Eco-system

New Initiatives : The Investment Strategy : Progress to date : Establishing the product

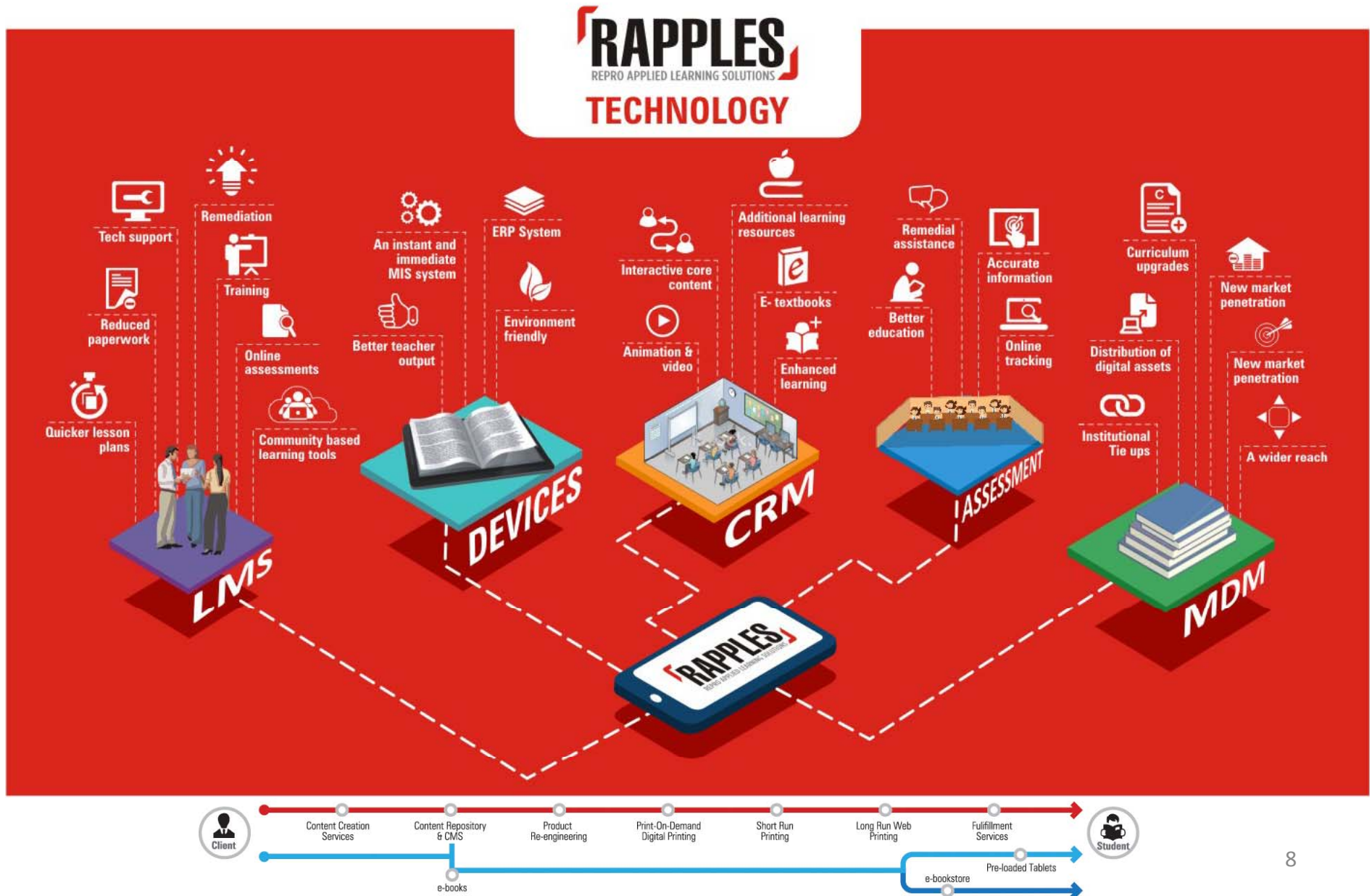


Strategic Results Q1 2014-15 - Rapples : The Solution

New Initiatives : The Investment Strategy :
Progress to date : Establishing the product



Strategic Results Q1 2014-15 - Rapples : Technology



Strategic Results Q1 2014-15

Domestic Market : Strategy of Value Addition and Growth : Progress to date : increased sales, pan India penetration



- India market continues to grow this quarter with a **marked revenue increase of 46.7% over Q1 13-14**
(Q1 revenue '14-15 at Rs. 5949 lakh as compared with Rs. 4055 lakh in '13-14)
- **PAN India strategy** continues to be successful with an even **higher penetration** with new customers in the
 - East (largely un-explored in this industry at any scale)
 - South (value addition strategy)
- Focus on **contractual tie up with large publishers** for continued and **sustained** business continues in North and West
- Focus and **increased revenues from the Coaching Segment** (POD Led solutions) with leading players like
 - Narayana
 - Akash
 - Vidyalankar



Strategic Results Q1 2014-15

Domestic Market : Strategy of Value Addition and Growth : Progress to date : increased sales, pan India penetration



- Margin growth continues due to the following Strategies :
 - **Content creation** – helped in adding new business acquisition
 - **Value Engineering** – leading to 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
 - **Educational Fulfillment** – End to end solutions for multi-centre customers



FY 2013-14 : Strategic Results

Exports Market : Strategy of Higher Cashflow and Realisation : Progress to date : realisation as well as growth



- With the focus objective on **collections and mitigating potential risks** on the financial terms, the collections reached **Rs. 100 crore over the last few months**
- Hence the quarter on quarter revenues has seen a **growth increase of 44.7% in the export markets**
- *(Q1 revenue '14-15 at Rs. 3546 lakh as compared with Rs. 2450 lakh in Q4 '13-14)*
- **Diligent selection of orders** from private publishers – continues.... Some breakthroughs include :
 - **Macmillan, Nigeria** for reprints
 - **11 new clients signed up** from West and East Africa
 - **New orders** from Kenya, Mozambique and Malawi



FY 2013-14 : Strategic Results

Exports Market : Strategy of Higher Cashflow and Realisation : Progress to date : realisation as well as growth



- **Promotions and intense marketing** with the target group lead to focused results :
- Sponsorship and participation in the **Nigeria Book Fair** : increased retention, client mining and penetration with existing clients
- Participation in **South Africa Book Fair**
 - Pearson Group – game changer with increased share of business
 - Content as a value addition to tie-up more and exclusive business
- Exposure from **London Book Fair** for African business (directed from the UK)
- **Focussed Customer** visits fruitful : Longhorn, Spotlight etc.



Repro – Focus for the Journey Ahead... Continues!



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!!!

Q1 14-15 over Q4 13-14

- 10% reduction in Revenue : 105.78 crs → 94.94 crs
- Operating Profit before rapples expense : 17.91 crs → 17.06 crs
- Operating Profit after rapples expense : 14.16 crs → 14.65 crs
- PBT before Rapples expense : 10.22 crs → 10.38 crs
- PBT after Rapples expense : 6.47 crs → 7.97 crs
- PAT before Rapples expense 7.67 crs → 7.75 crs
- PAT after Rapples expense 4.67 crs → 5.82 crs



Q1 : 2014 – 15

Quarter 1 14-15			Quarter 4 13-14	
	Rs.in Lacs	Contribution %	Rs.in Lacs	Contribution %
Revenue	9,494		10,578	
PBDIT before Rapples Expense	1,706	18%	1,791	17%
Profit before Depn& Interest-PBDIT	1,465	15%	1,416	13%
Profit Before Tax	797	8%	647	6%
Tax	215	2%	180	2%
Profit After Tax PAT	582	6%	467	4%



Segment wise Revenue Q1

	Q1 14-15 Sales	Q4 13-14 Sales
Domestic	5,949	8,127
Export	3,546	2,450
Total	9,494	10,578
Export	37%	23%
Domestic	63%	77%



Q1 14-15 over Q1 13-14

- 7% growth in revenue : 89.09 crs → 94.94 crs
- Operating Profit before Rapples expense : 18.30 crs → 17.06 crs
- Operating Profit after Rapples expense : 16.33 crs → 14.65 crs
- PBT before Rapples expense : 11.64 crs → 10.38 crs
- PBT after Rapples expense : 9.67 crs → 7.97 crs
- PAT before Rapples expense : 10.61 crs → 7.75 crs
- PAT after Rapples expense : 9.04 crs → 5.82 crs
(SEZ profits 50% taxable & Rapples Expense)



Q1: 2014 – 15

Quarter 1 14-15			Quarter 1 13-14	
	Rs.in Lacs	Contribution %	Rs.in Lacs	Contribution %
Revenue	9,494		8,909	
PBDIT before Rapples Expense	1,706	18%	1,830	21%
Profit before Depn& Interest-PBDIT	1,465	15%	1,633	18%
Profit Before Tax	797	8%	967	11%
Tax	215	2%	64	1%
Profit After Tax PAT	582	6%	904	10%



Segment wise Revenue Q1

	Q1 14-15 Sales		Q1 13-14 Sales
Domestic	5,949		4,055
Export	3,546		4,853
Total	9,494		8,909
Export	37%		54%
Domestic	63%		46%



Q1 2014 – 15 Financials

Particulars	3 Months ended 31st June 2014 (Unaudited)	3 Months ended 31st Mar 2014 (Audited)	3 Months ended 31st June 2013 (Unaudited)	Year ended 31st Mar 2014 (Audited)
Net Sales	9,232	10,408	8,706	41,136
Operating Income	263	171	203	934
Total Income	9,494	10,578	8,909	42,070
Expenditure				
Cost of Materials consumed	4,948	4,419	4,749	21,423
Changes in inventories of finished goods, work-in-progress & stock-in-trade	375	1,597	(192)	(507)
Employee benefits expense	1,057	995	920	4,020
Other expenses	2,357	2,656	1,976	10,472
Total Expenditure	8,736	9,666	7,454	35,407
Other Income	707	504	178	509
Gross Profit Before Interest, Depreciation and Tax (PBDIT)	1,465	1,416	1,633	7,171
Depreciation	464	450	413	1,714
Interest	205	319	253	1,750
Profit Before tax	797	647	967	3,707
Tax Expenses	215	180	64	737
Net profit after all taxes	582	467	904	2,971



Thank You

