

30th October 2018

The National Stock Exchange of India Ltd
Exchange Plaza
Bandra-Kurla Complex
Bandra (E), Mumbai – 400051

Sub: Presentation to Investor/ Analyst

Dear Sir/Madam,

This is further to our letter dated 25th October 2018 on the Investor/ Analyst call scheduled today.

Pursuant to Regulation 30(2) and 46(2)(o) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we enclose herewith a copy of Investor Presentation that will be shared with the analyst/investors.

The same shall be uploaded on our website www.redingtonindia.com

We request you to kindly take the above information on record.

Thanking you,

Very truly yours,



M. Muthukumarasamy
Company Secretary

Cc : BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001



REDINGTON (INDIA) LIMITED

Q2FY19 Earnings Presentation

September 2018


Disclaimer

This presentation contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Redington India Limited’s future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Redington India Limited undertakes no obligation to periodically revise any forward looking statements to reflect future / likely events or circumstances.




Financial Highlights

- **Q2FY19** – On a consolidated basis, Revenue grew by 11%, EBITDA grew by 2% and PAT degrew by 7%
 - India – Revenue grew by 12%, EBITDA degrew by 18% and PAT degrew by 29%
 - Overseas – Revenue grew by 10%, EBITDA grew by 26% and PAT grew by 13%
 - **Overseas w/o Arena, Turkey – Revenue grew by 14%, EBITDA grew by 42% and PAT grew by 33%**
- **H1FY19** – On a consolidated basis, Revenue grew by 10%, EBITDA grew by 1% and PAT degrew by 8%
 - India – Revenue grew by 9%, EBITDA degrew by 19% and PAT degrew by 28%
 - Overseas – Revenue grew by 11%, EBITDA grew by 23% and PAT grew by 8%
 - **Overseas w/o Turkey – Revenue grew by 13%, EBITDA grew by 31% and PAT grew by 22%**
- On a consolidated basis, WC days for Q2FY19 is 42 days and H1FY19 is 41 days, with India reducing WC days by 9 days in Q2FY19 and by 7 days in H1FY19
- Net Debt Equity ratio is at 0.24
- Generated free cash flow of Rs. 221 crs for H1FY'19, majorly contributed by Overseas business
- Provision for bad debts at 0.14% for Q2FY'19

Financial Highlights

India business

- During the quarter, India business registered double digit growth in Revenue, with IT segment continuing its growth momentum at 19% YoY
 - Degrowth at Gross Margin level can be attributed to:
 - Selling inventory at deep discounts, pertaining to Enterprise Business
 - Substantial improvement in WC days to the tune of 9 days during Q2FY19 and 7 days during H1FY19
- 

Financial Highlights

Overseas business

- During the quarter, Overseas business continued its strong momentum, registering strong double digit growth across Revenue, EBITDA and PAT
- Generated positive free cash flow in H1'FY19

Turkey Update

- Turkish Lira has depreciated 32% against USD during the quarter, leading to effective income tax rate of 660% during the quarter. However, Arena business registered earnings growth in Lira terms
- During the quarter, we hosted on call on Aug 14th, 2018 regarding sharp depreciation of Turkish Lira against dollar

Call communication	Status Check
Target to reduce 10-12% of cost in Q2FY19, letting go of 25-30 people	Reduced employee cost by 16% yoy (No of FTE reduced – 26)
Reduce the working capital by ~\$35-40mn	Reduce the working capital by \$29mn
In Q2FY19, Turkey could negatively contribute to ~8% of consolidated profits	In Q2FY19, Turkey has negatively contributed to ~8.7% of consolidated profits



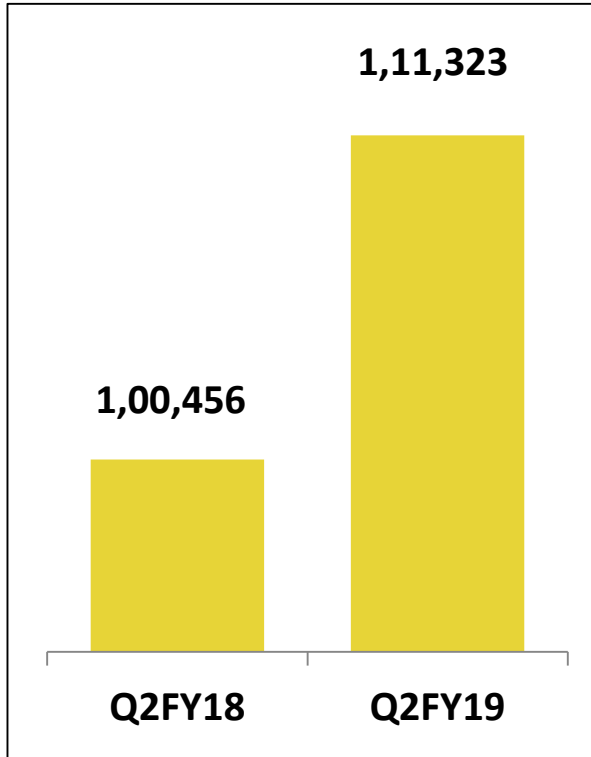
Q2FY19 Performance

Q2FY19- Consolidated Financials

₹ in million

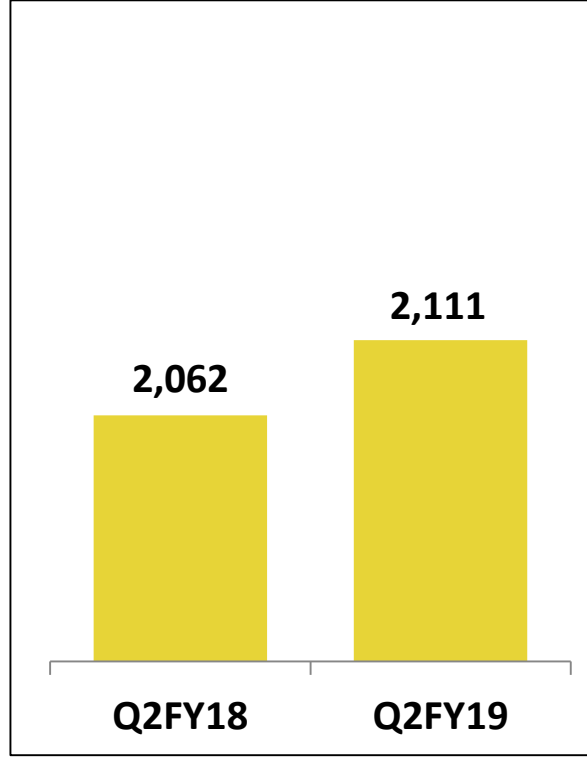
REVENUE

11% ▲



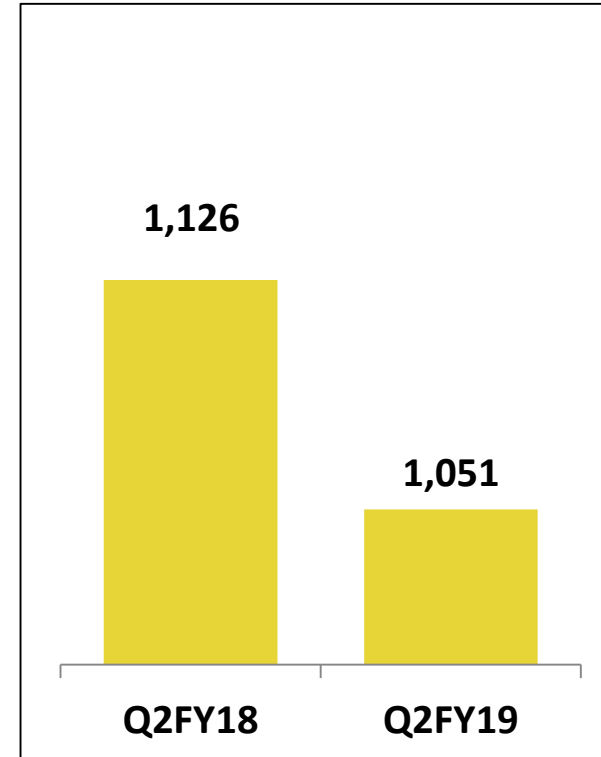
EBIDTA

2% ▲



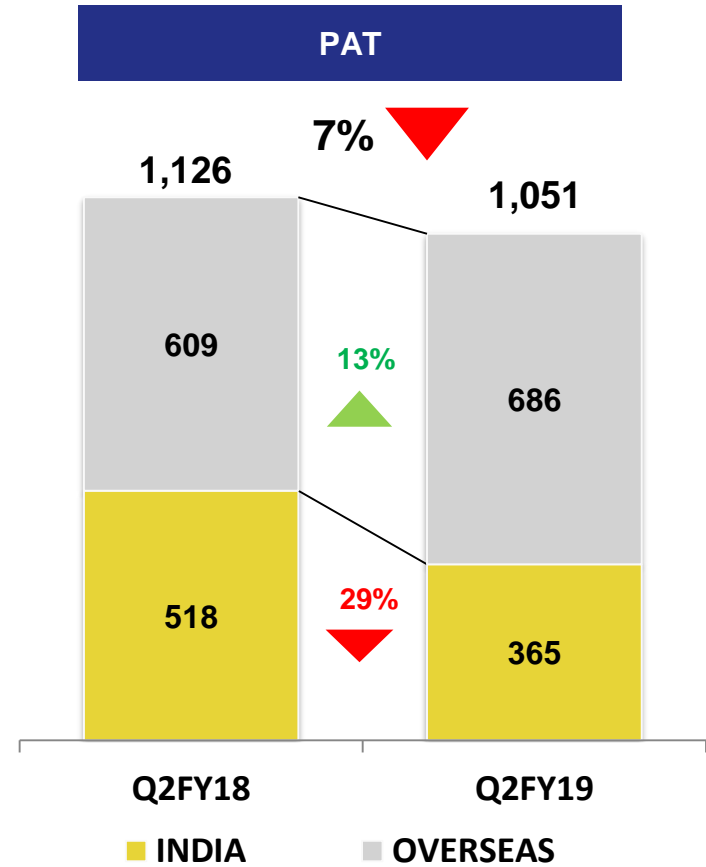
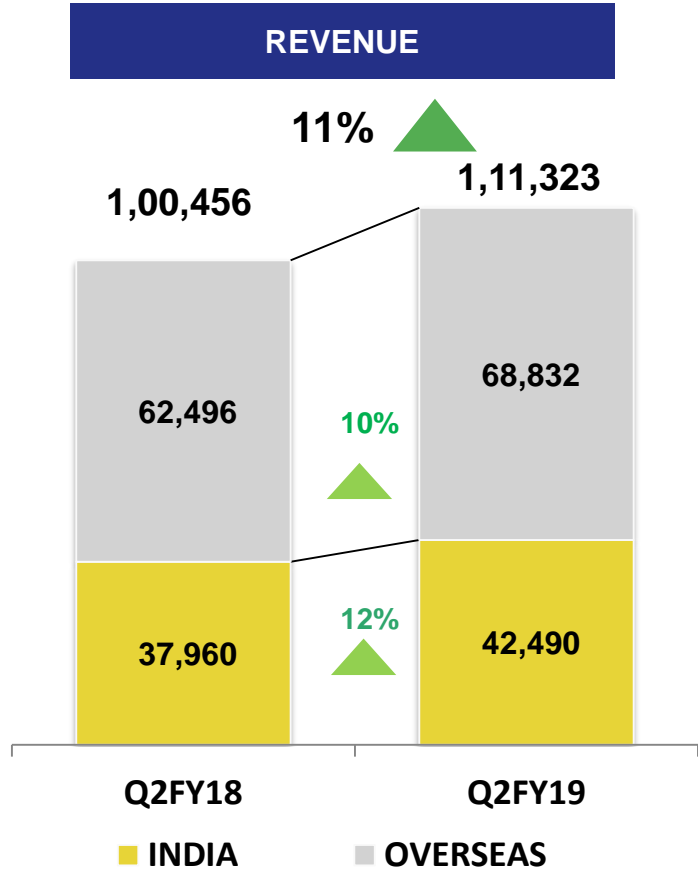
PAT

7% ▼



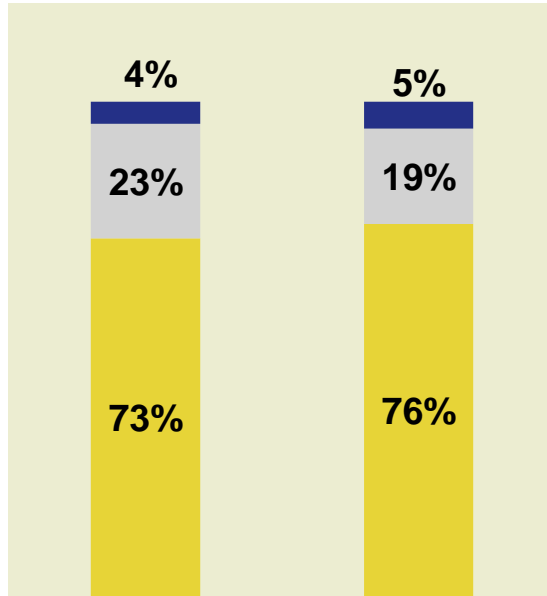
Q2FY19 Performance by Market

₹ in million



Q2FY19 Performance by Vertical

INDIA

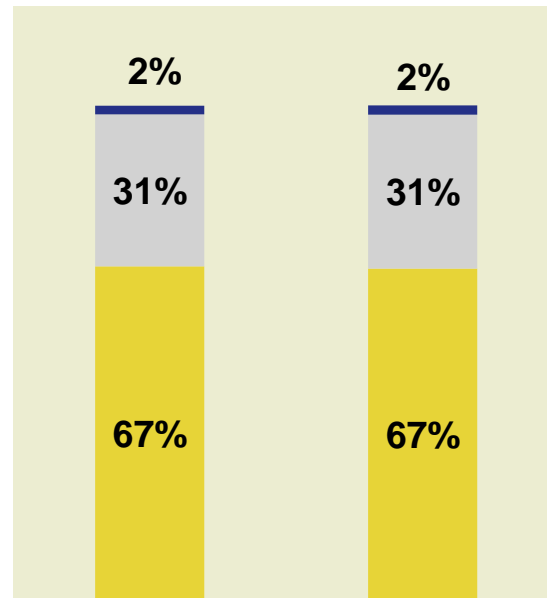


Q2FY18

Q2FY19

■ IT ■ Mobility ■ Services

OVERSEAS

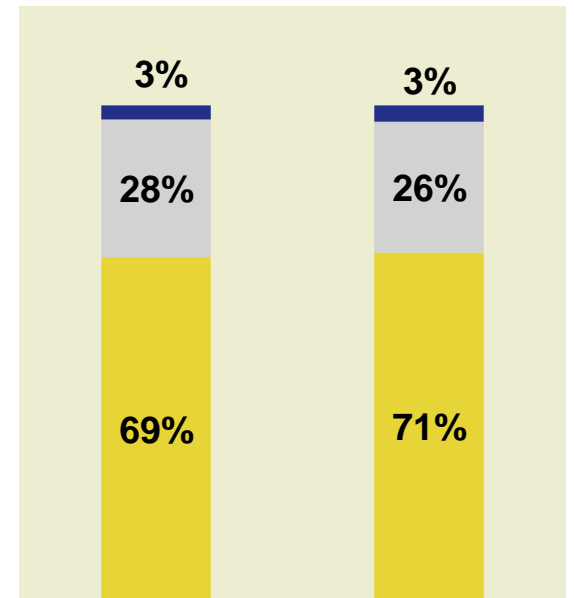


Q2FY18

Q2FY19

■ IT ■ Mobility ■ Services

CONSOLIDATED



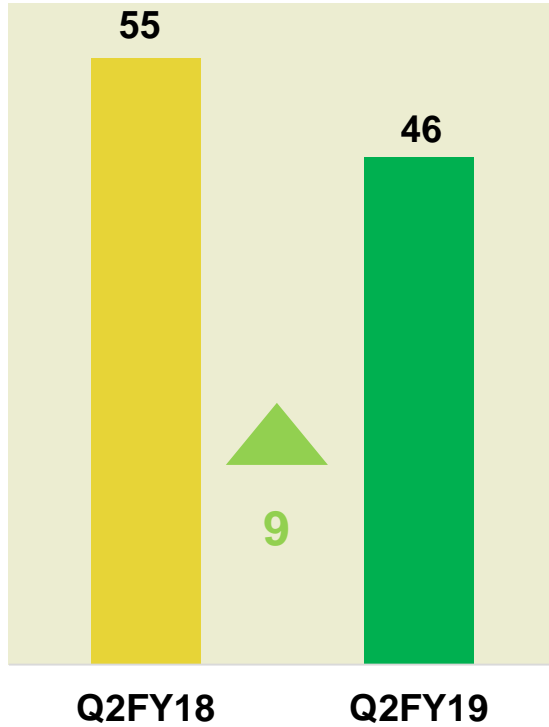
Q2FY18

Q2FY19

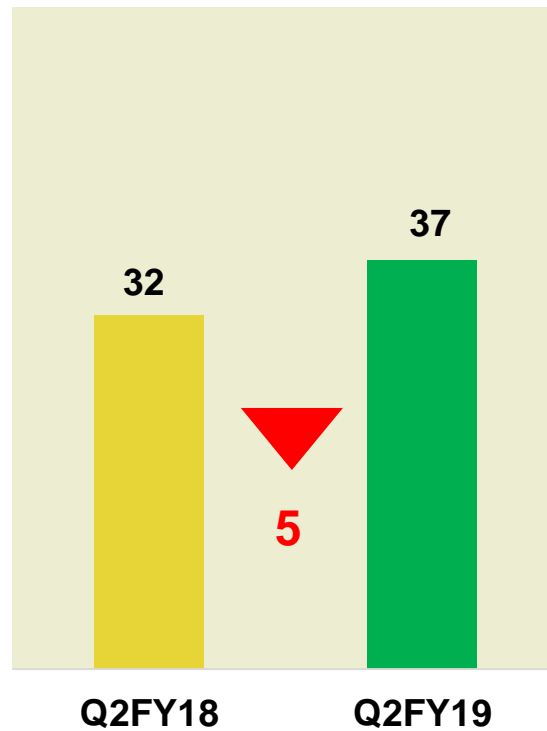
■ IT ■ Mobility ■ Services

Q2FY19 – Working Capital Days

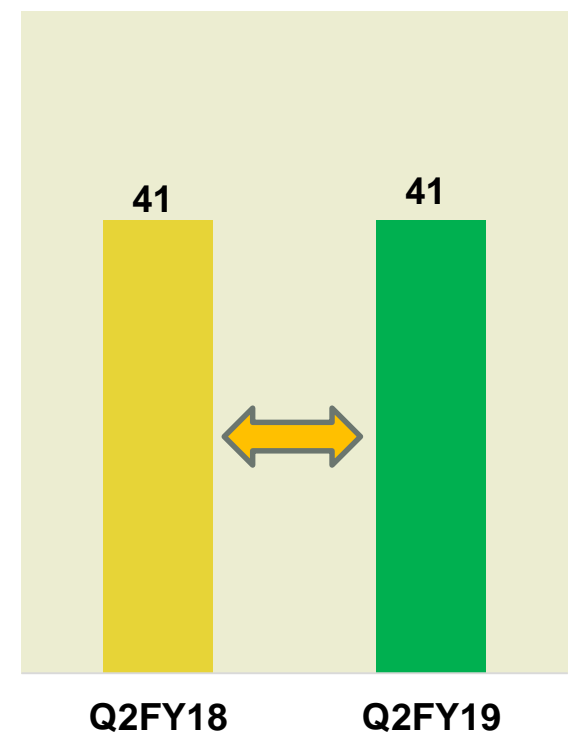
INDIA



OVERSEAS



CONSOLIDATED



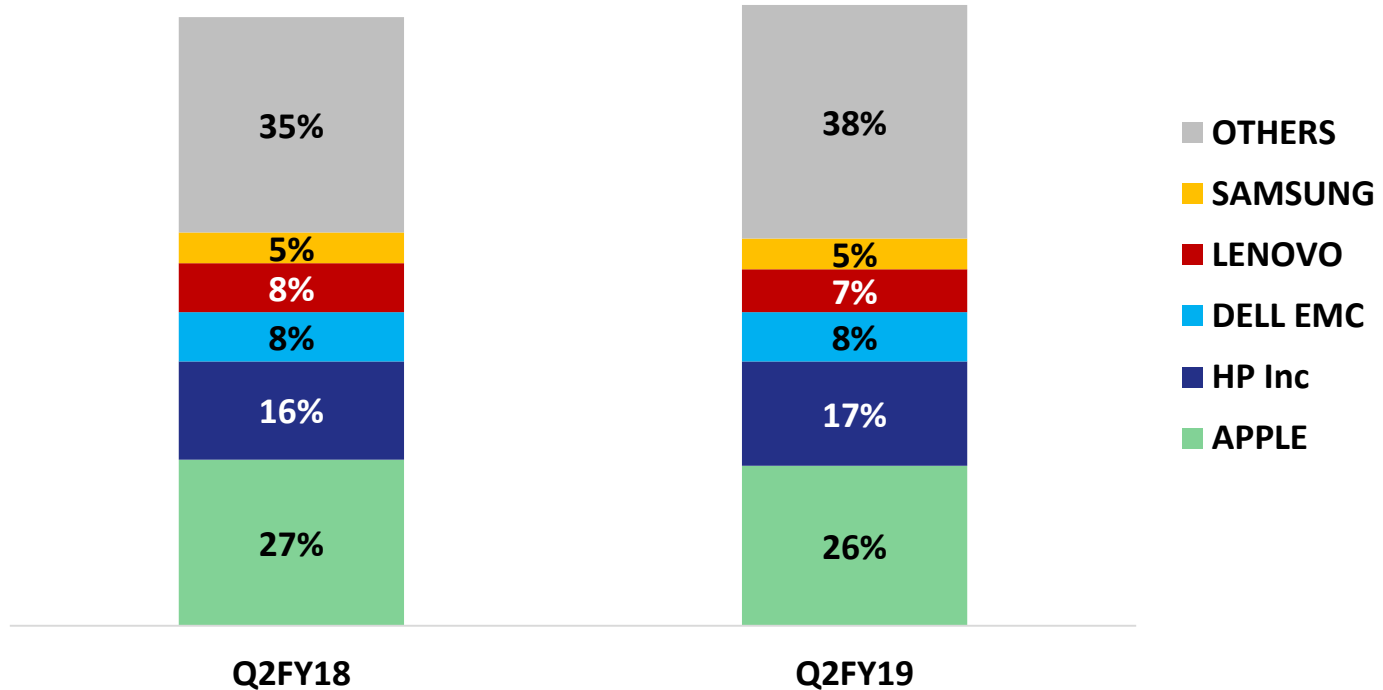
Free Cash Flow Statement

₹ in million

Particulars	Q2 FY19	Q2FY18
Profit Before Taxation	1,474	1,527
Non-cash items	294	149
Change in Working Capital	1,187	1,290
Direct Tax Paid	(489)	(449)
Outflow of Finance Cost	429	321
Net Cash Flow from Operations	2,895	2,838
Capex	(144)	(138)
Dividend	(1,137)	(1,062)
Outflow of Finance Cost	(482)	(363)
Free Cashflow	1,132	1,275

Q2FY19 – Top 5 Vendors Consolidated

REVENUE



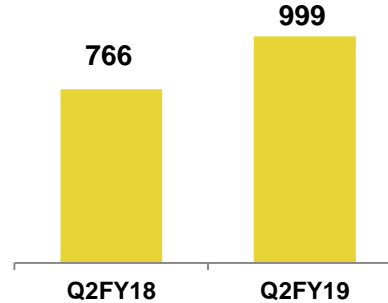
Q2FY19 Performance – ProConnect

- Revenue growth over Q2FY18 is 30%
- EBITDA growth over Q2FY18 is 24%

₹ in million

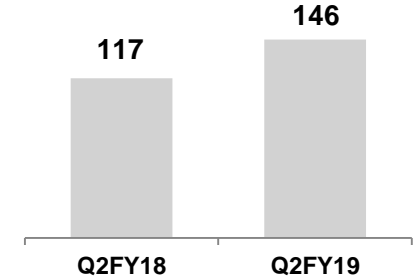
REVENUE

30% ▲



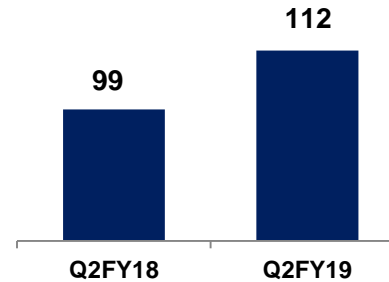
EBITDA

24% ▲



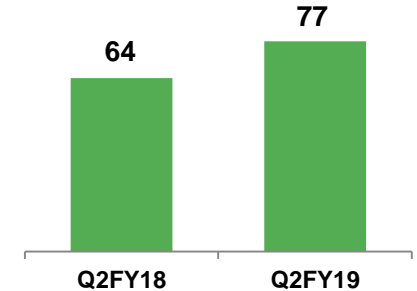
PBT

13% ▲



PAT

21% ▲





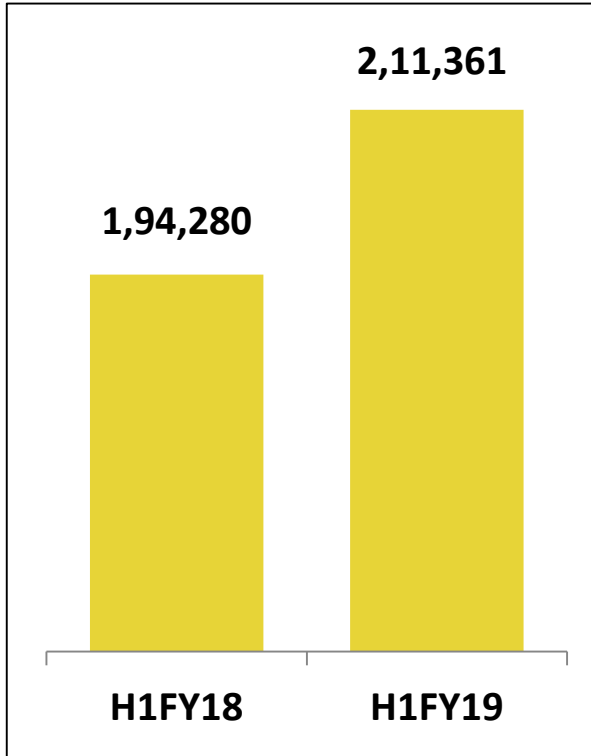
H1FY19 Performance

H1FY19- Consolidated Financials

₹ in million

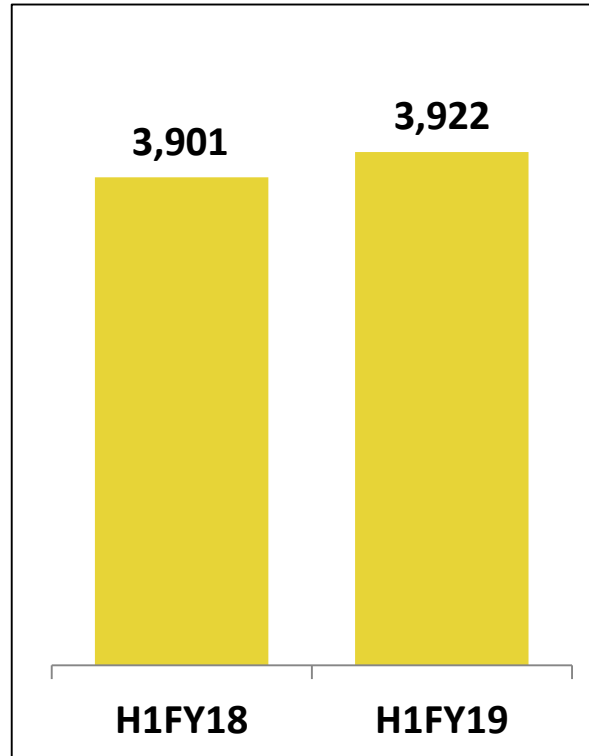
REVENUE

10%



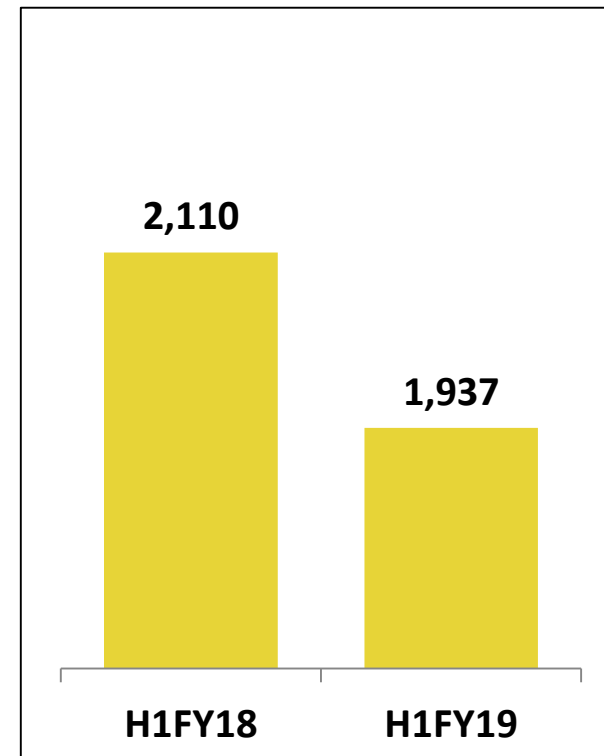
EBIDTA

1%



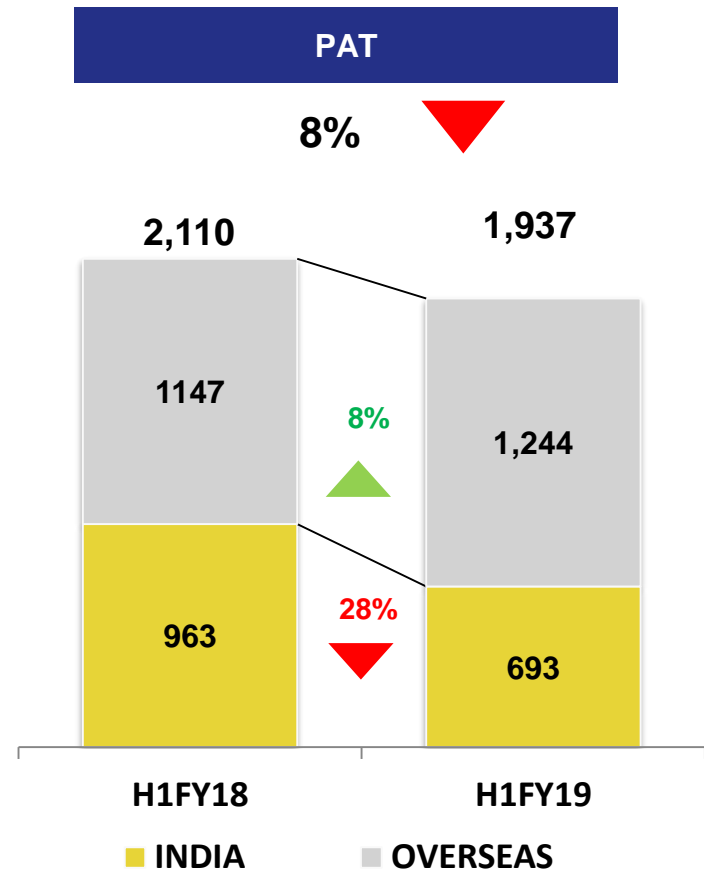
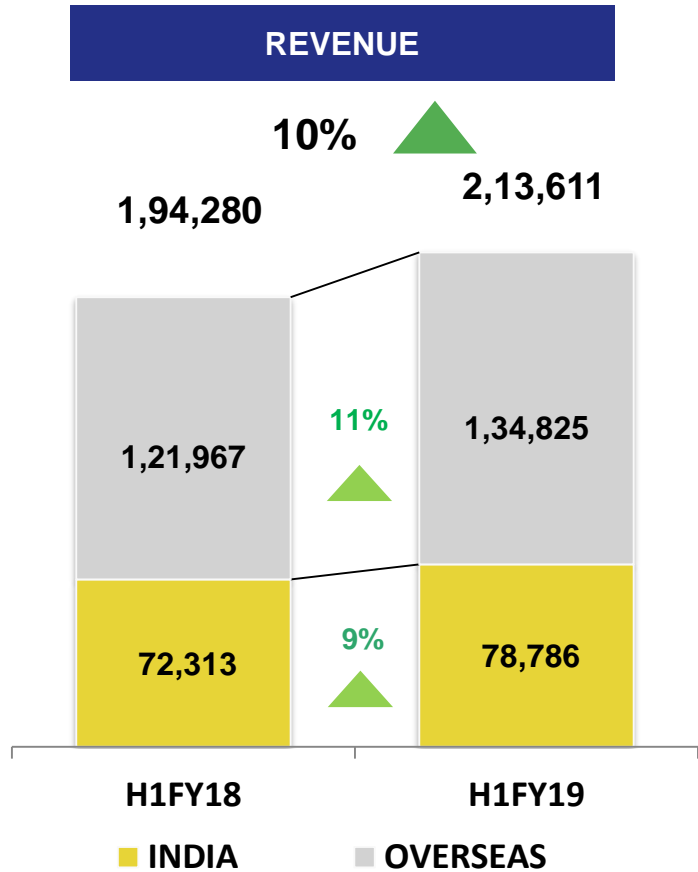
PAT

8%



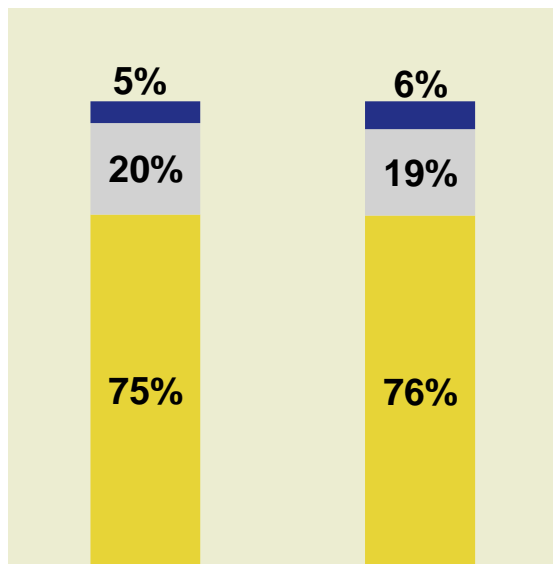
H1FY19 Performance by Market

₹ in million



H1FY19 Performance by Vertical

INDIA

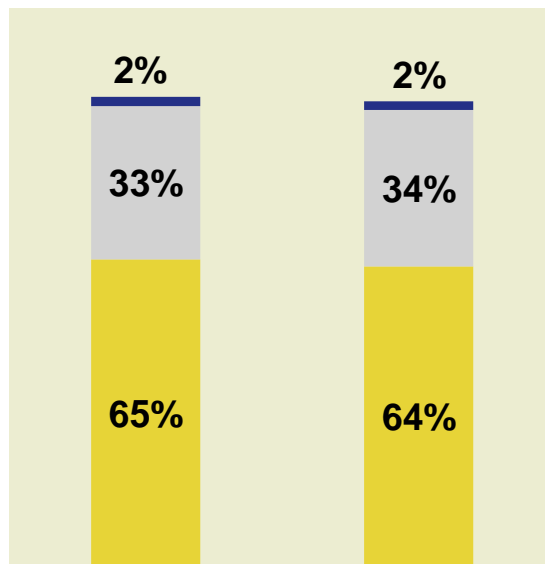


H1FY18

H1FY19

■ IT ■ Mobility ■ Services

OVERSEAS

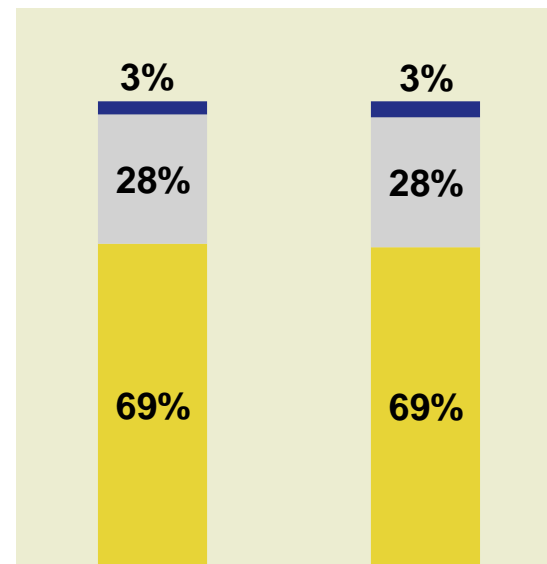


H1FY18

H1FY19

■ IT ■ Mobility ■ Services

CONSOLIDATED



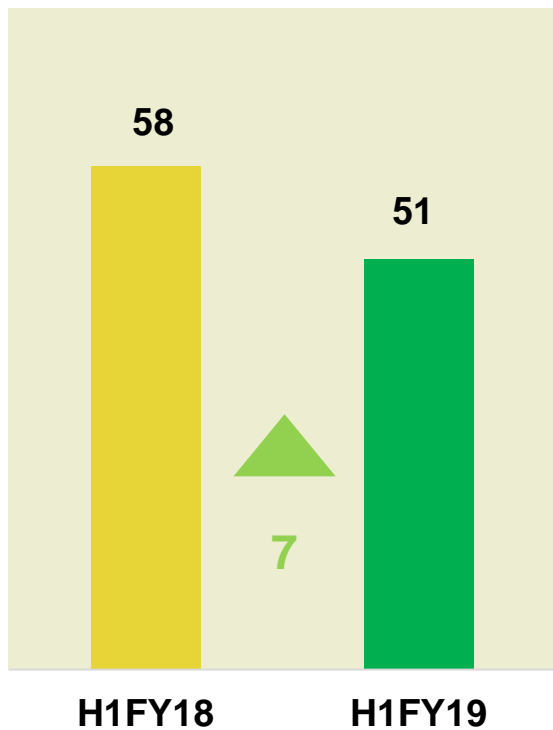
H1FY18

H1FY19

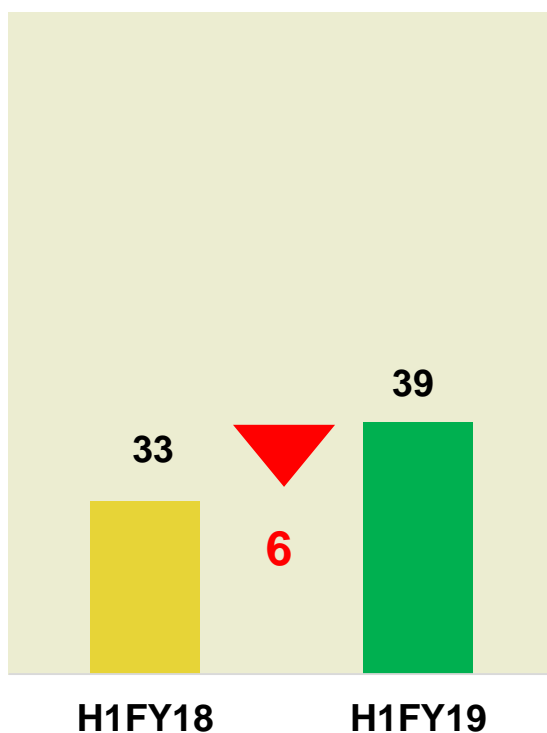
■ IT ■ Mobility ■ Services

H1FY19 – Working Capital Days

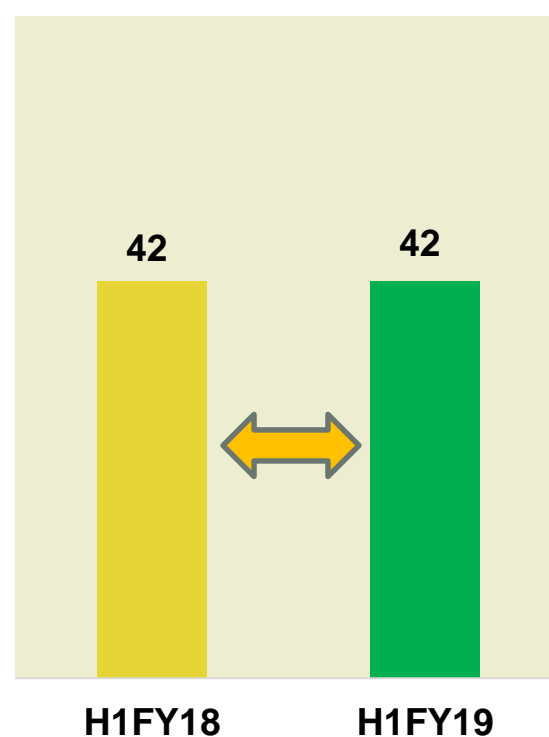
INDIA



OVERSEAS



CONSOLIDATED



Free Cash Flow Statement

₹ in million

Particulars	H1FY19	H1FY18
Profit Before Taxation	2,692	2,813
Non-cash items	950	584
Change in Working Capital	1,223	(319)
Direct Tax Paid	(1,098)	(579)
Outflow of Finance Cost	817	664
Net Cash Flow from Operations	4,584	3,163
Capex	(328)	(243)
Dividend	(1,138)	(1,093)
Outflow of Finance Cost	(913)	(705)
Free Cashflow	2,205	1,122

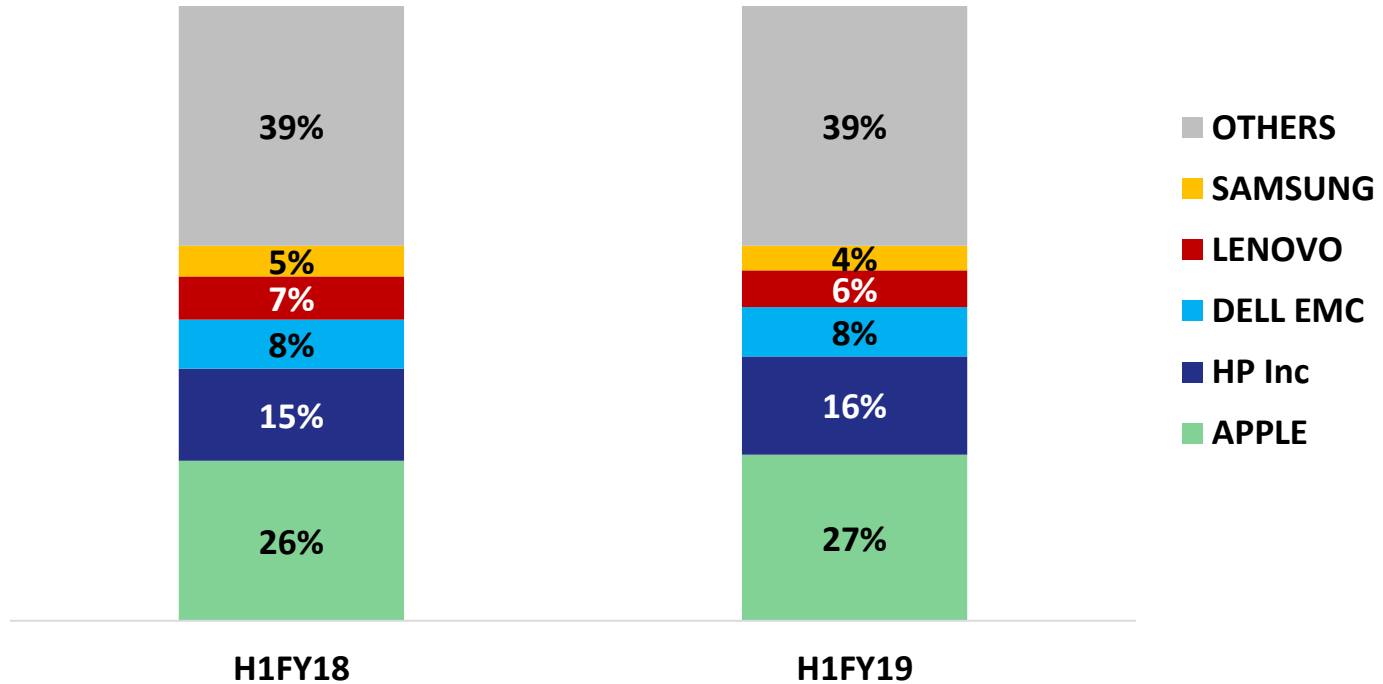
Consolidated Balance Sheet

₹ in million

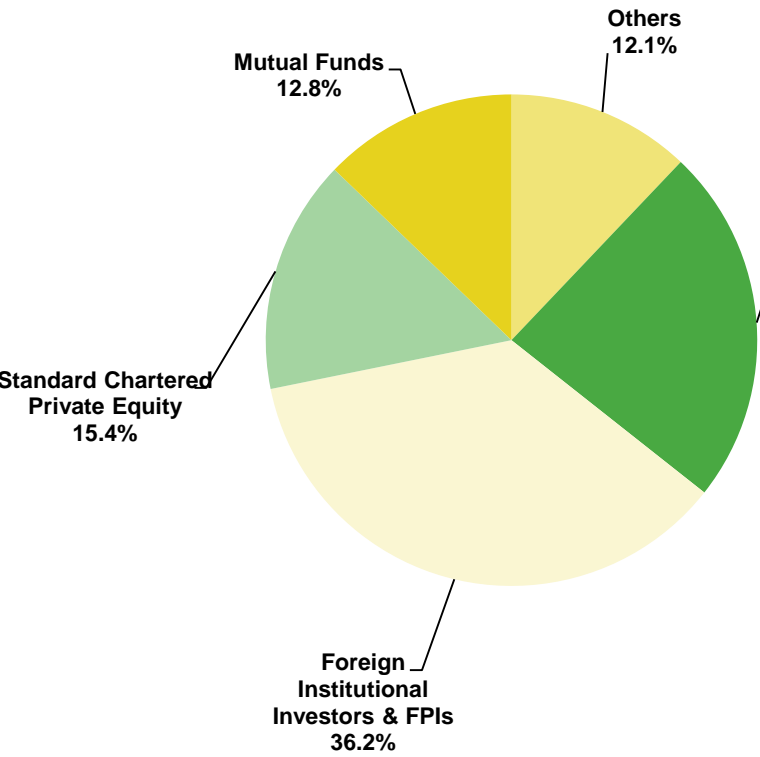
Particulars	30-SEP-19	30-SEP-18
Source:		
Networth	38,567	32,662
Net Debt	10,087	10,159
Minority Interest	3,753	3,615
Total	52,407	46,436
Application:		
Fixed Assets	5,088	4,554
Goodwill	238	213
Net Assets	47,081	41,669
Total	52,407	46,436

H1FY19 – Top 5 Vendors Consolidated

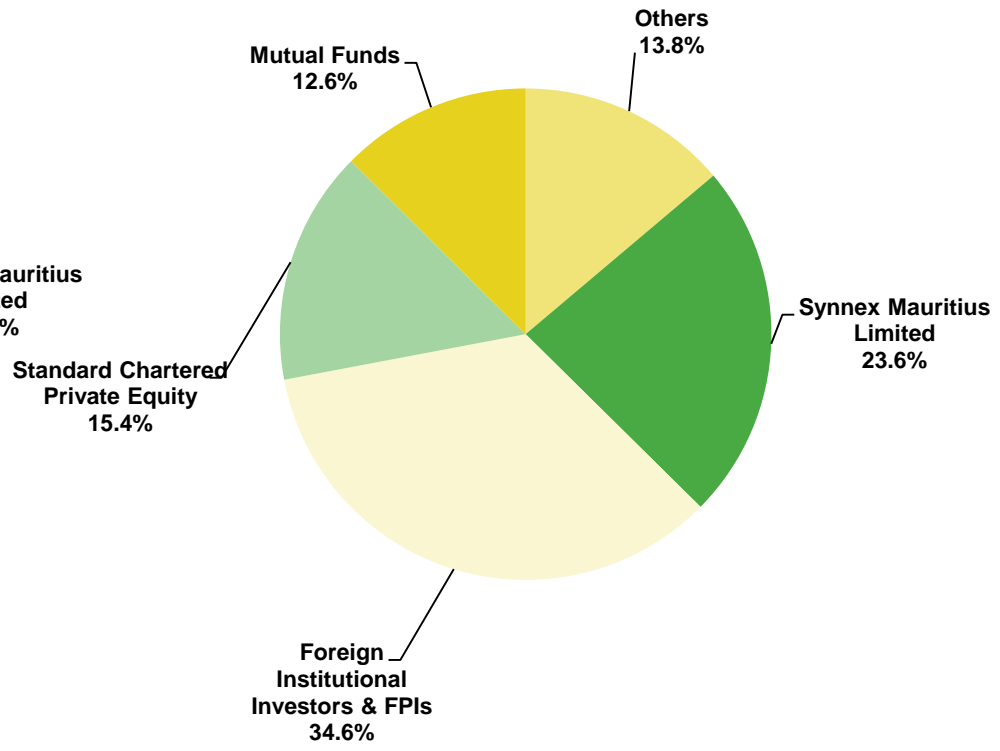
REVENUE



Shareholding Pattern



30-Jun-2018



30-Sep-2018





Investor Contacts

M. Muthukumarasamy

Compliance Officer

Redington (India) Limited

SPL Guindy House, 95 Mount Road,

Guindy, Chennai 600 032

<https://www.redingtonindia.com>

Sowmiya M

Manager – Investor Relations

sowmiya.manickam@redington.co.in

Corporate Presentation

<https://redingtonindia.com/images/RedingtoncorporatepresentationSep2018.pdf>

CIN - L52599TN1961PLC028758



Corporate Overview

September, 2018

About Us

Subsidiaries

Performance

Board and Management

COMPANY OVERVIEW



Leading Technology Distributor in Middle East & Africa
No.2 in India

Logistics and After Sales Support Services through **“ProConnect”** and **“Ensure”**

Recognized as a strong & solid partner by over **250+** brands

\$6.6bn+ revenue company
Double digit 10 year CAGR Growth
(Revenue, EBITDA, PAT)

*March closing rate of Rs.65.17 assumed

OUR JOURNEY

From 'Brand behind brands' to 'Seamless partnerships'

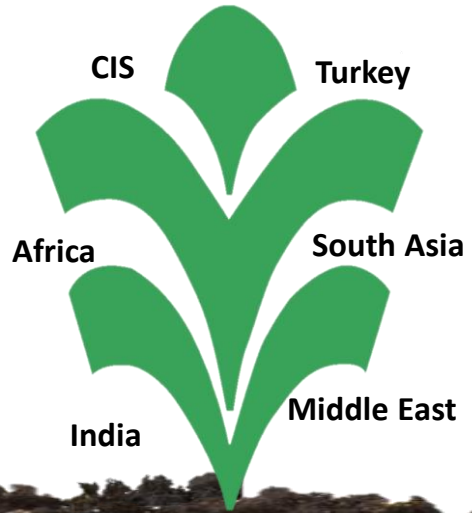
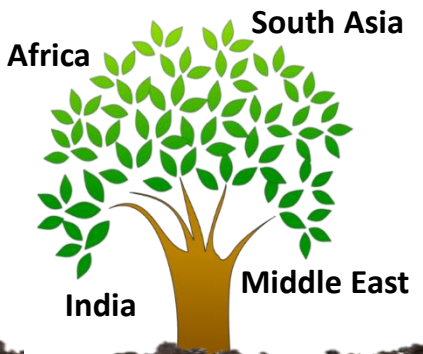


Multi product,
Multi brand,
Multi country
distributor

Emerging markets
regional Supply
Chain Solution
Provider

End-to-End
Services
Organization

Single product,
Single brand,
Single country
distributor

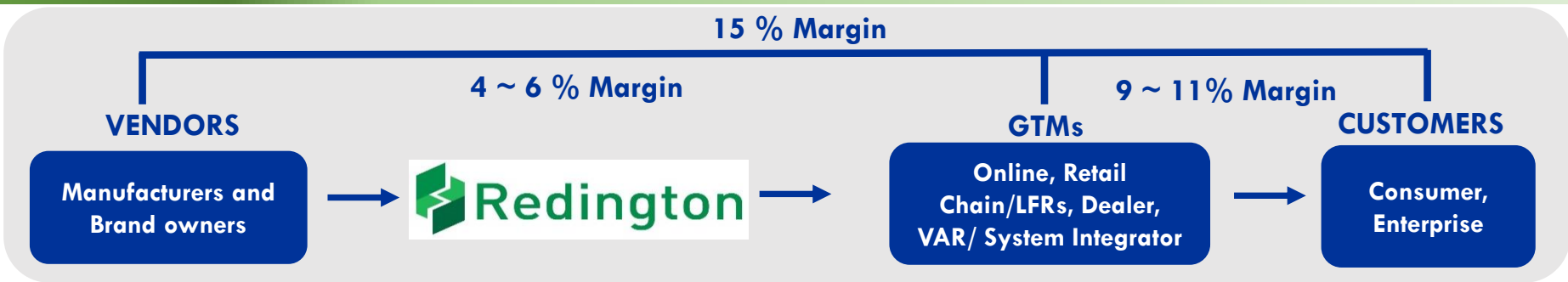


1993

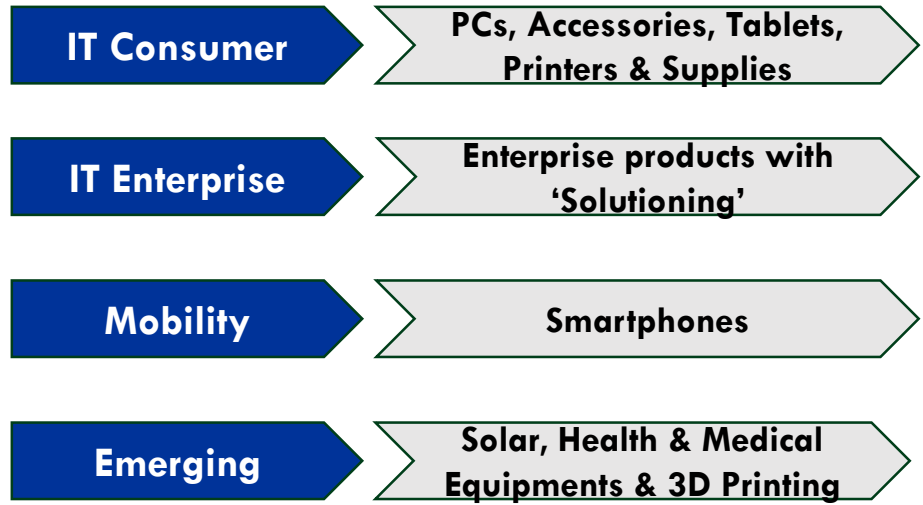
1994 - 2007

2008 - Present

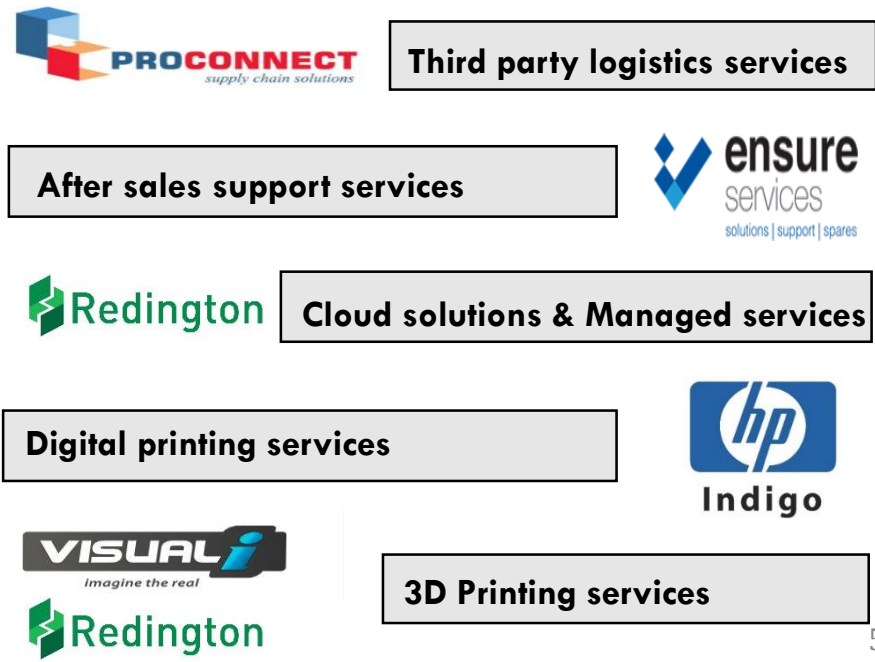
END-TO-END SUPPLY CHAIN SOLUTION PROVIDER



DISTRIBUTION



SERVICES



EXPANSIVE NETWORK

Active Channel Partners*
41,100+
Sales Offices
80+
Warehouses
200+
Service Centres
60+
Partner Service Centres
220+
Subsidiaries
59



**Transacted partners in the last 3 years*

STRONG PARTNERSHIPS



OVERSEAS SNAPSHOT

Presence in **30+** markets partnering with more than **180+** brands



DISTRIBUTION



Redington
arena
TÜRKİYE'NİN TEKNOLOJİ SAĞLAYICISI
LINK PLUS

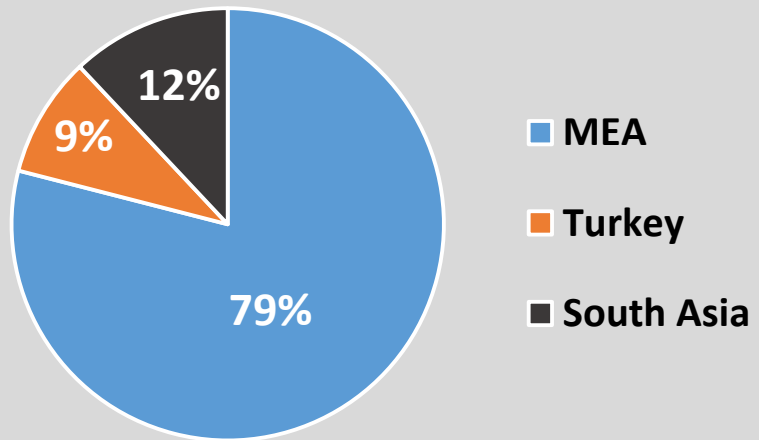


SERVICES



PROCONNECT
supply chain solutions
ensure
services

REVENUE CONTRIBUTION FROM MARKETS



FY18 figures

RECOGNITIONS



CHANNEL
MIDDLE EAST
"Redington MEA No.1"
14 consecutive years



Great
Place
To
Work



"Redington MEA ranked 23rd"

About Us

Subsidiaries

Performance

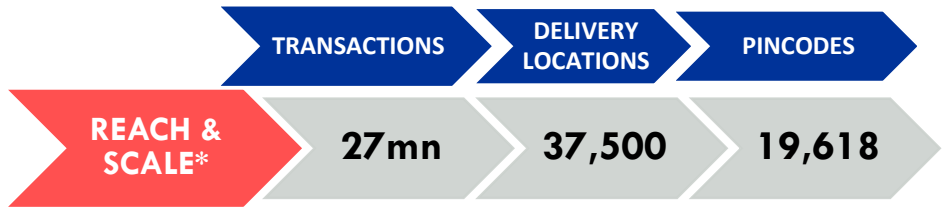
Board and Management

PROCONNECT INDIA - SNAPSHOT



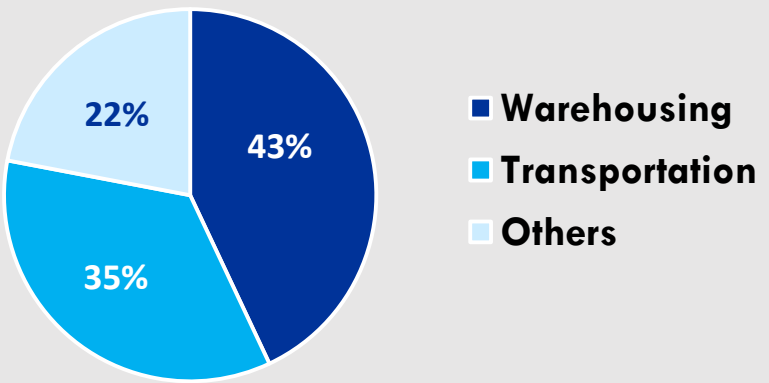
Wholly owned subsidiary of Redington, incorporated in **2012**

Integrated third party logistics partner to **180+** customers

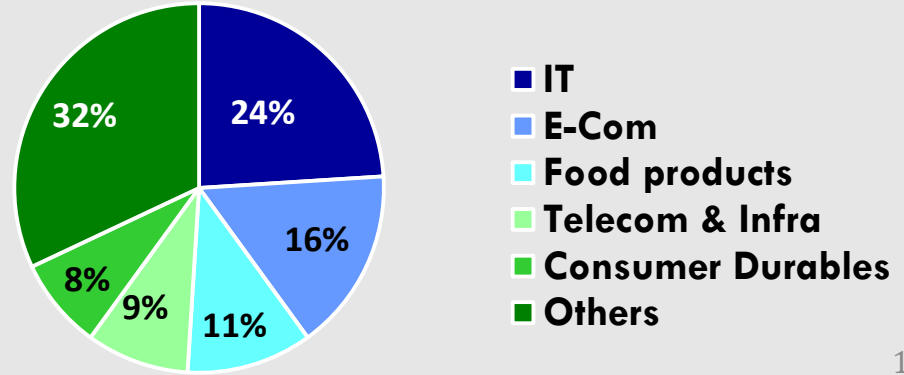


- **169** Warehouses (Leased)
- **2** ADCs – Chennai & Kolkata
- **6.4 mn sq ft** warehousing space

Revenue contribution from Services*



Revenue contribution from Industries*



AUTOMATED DISTRIBUTION CENTRES



Chennai

- Land Area – 11.56 acres
- Operational since July 2009
- Built in capacity – 375,000 sq. ft.
- Utilized capacity – 68%



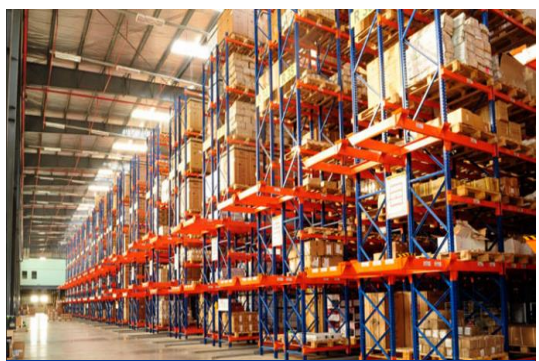
Kolkata

- Land Area – 13.76 acres
- Operational since February 2014
- Built in capacity – 150,000 sq. ft.
- Utilized capacity – 94%



Dubai

- Land Area* – 5.17 acres
- Operational since September 2010
- Built in capacity – 94,723 sq. ft.
- Utilized capacity – 100%



RACKING SYSTEM INSIDE ADC



MATERIAL HANDLING EQUIPMENTS



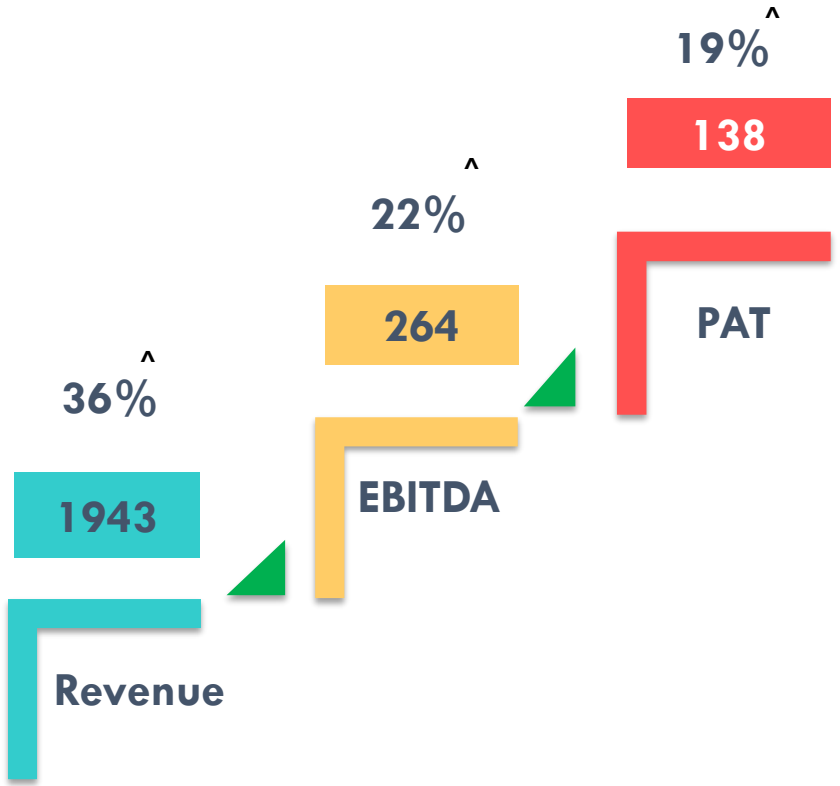
VALUE ADDED SERVICES

* Long Lease

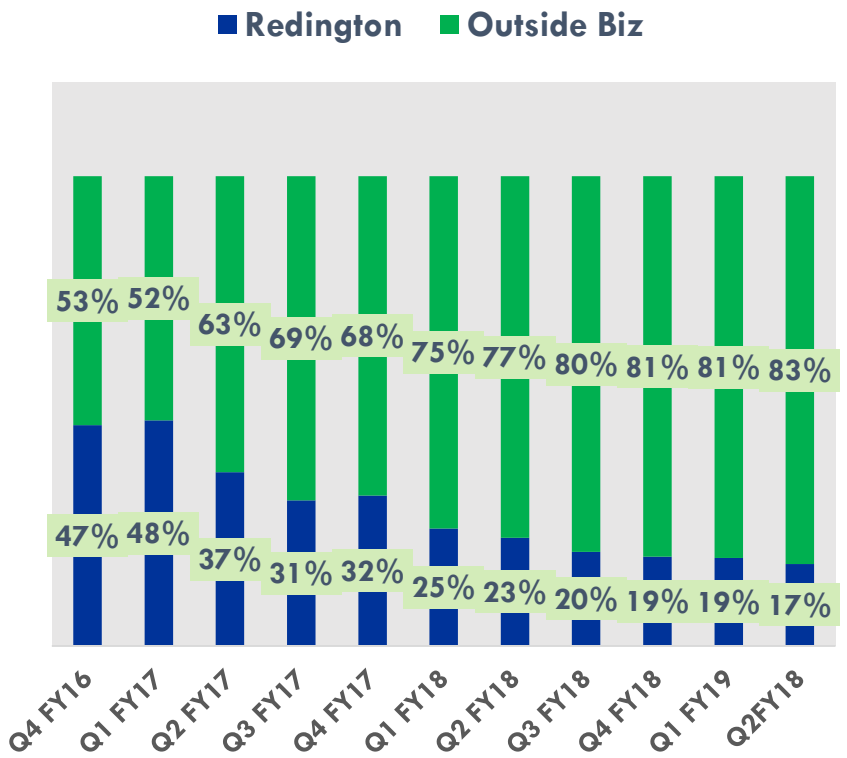


₹ in million

H1FY19 Performance



Revenue Mix



[^] growth over previous year

ENSURE INDIA – SUPPORT SERVICES

Wholly owned subsidiary of Redington

Preferred Service partner with Pan India presence



SERVICES OFFERED



Warranty & Post Warranty services



Infrastructure Management Services



Managed Services



Consulting#

Evolution from low end to high end segments

REACH

35+ Owned Service centres across India
190+ Partner Service centres across India

FINANCIALS*

Rs.123 crs
REVENUES

Rs.6 crs
PAT

*FY18 figures

CLIENTS



Illustrative list

About Us

Subsidiaries

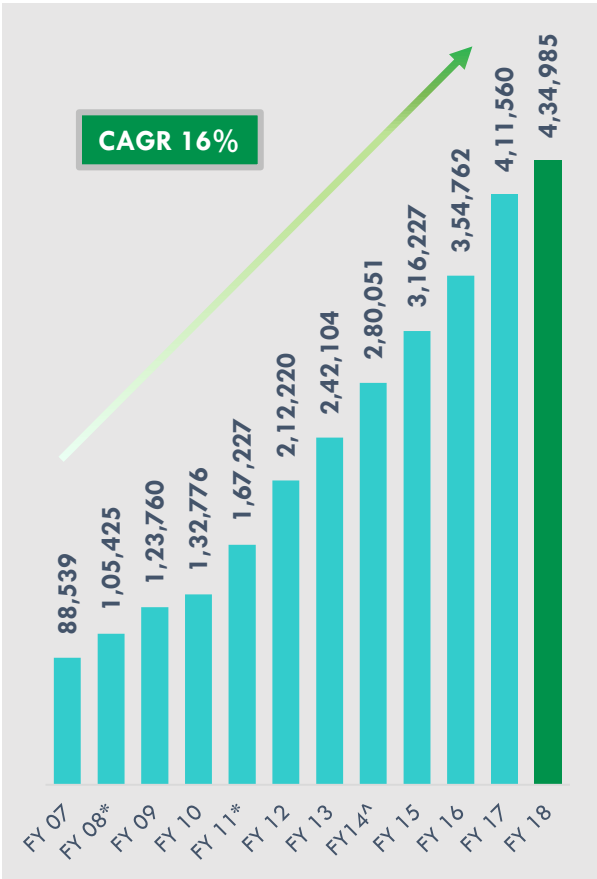
Performance

Board and Management

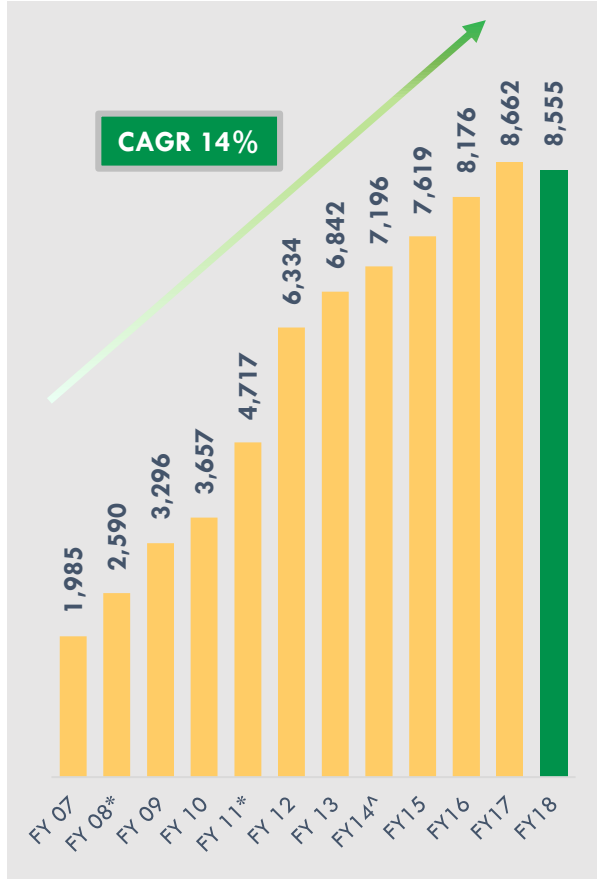
FINANCIAL PERFORMANCE

₹ in million

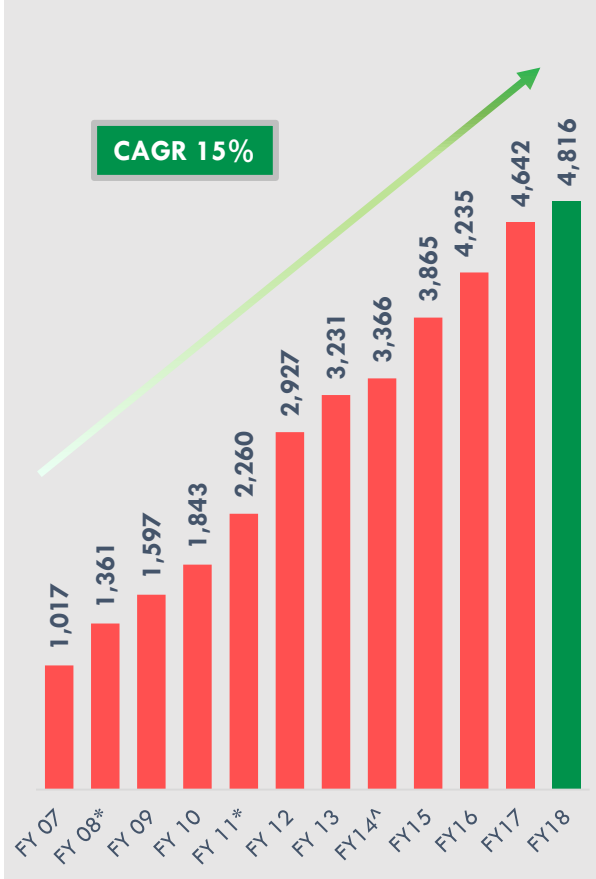
REVENUE



EBITDA



PAT

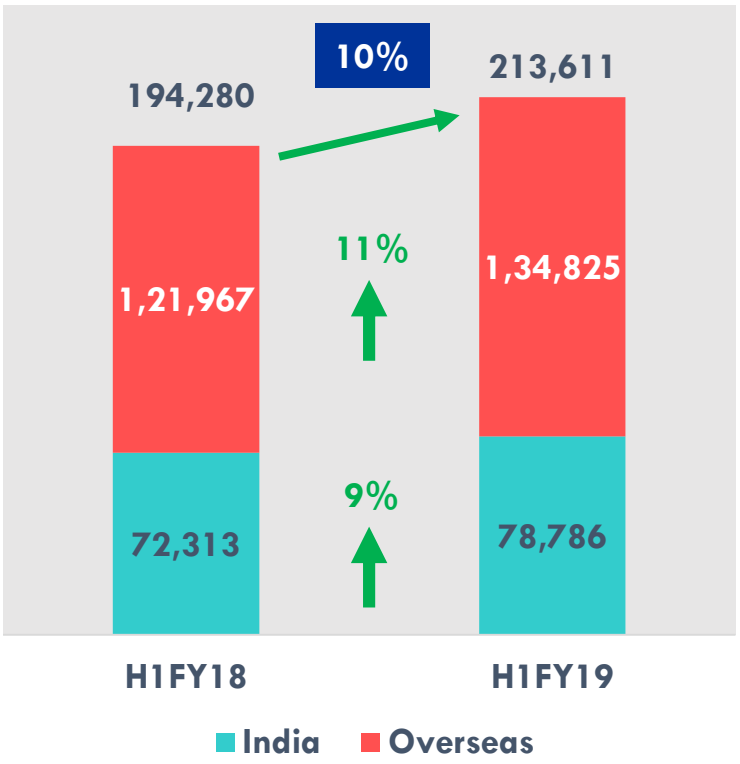


*Post acquisition of Easyaccess Financial Services in FY 08 and Arena in FY 11. ^ Post sale of Easyaccess Financial Services .
CAGR computed for full year

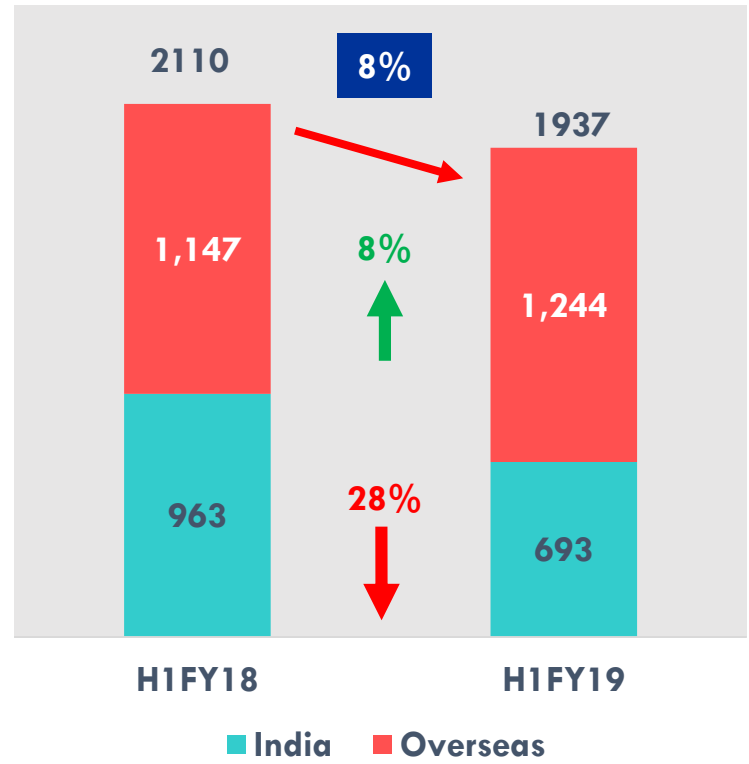
PERFORMANCE BY MARKET

₹ in million

REVENUE

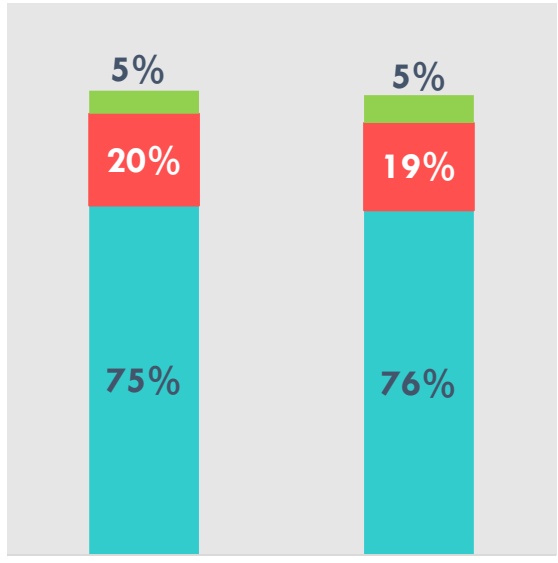


PAT



REVENUE BY VERTICAL

INDIA

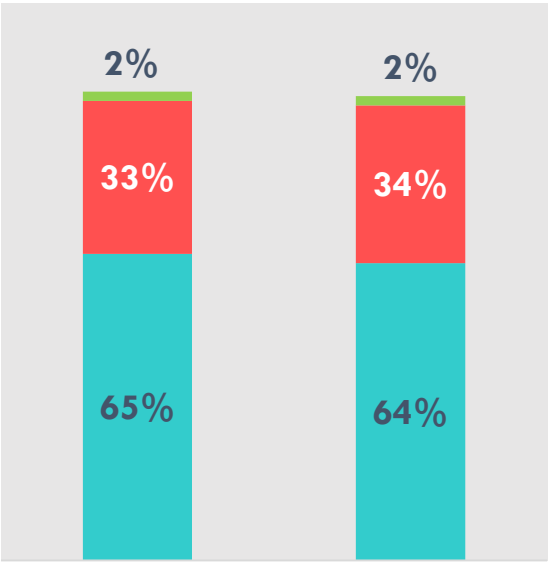


H1FY18

H1FY19

■ IT ■ Mobility ■ Services

OVERSEAS

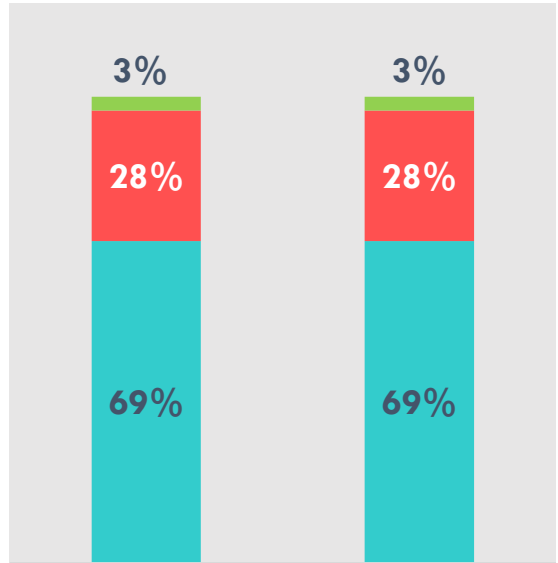


H1FY18

H1FY19

■ IT ■ Mobility ■ Services

CONSOLIDATED



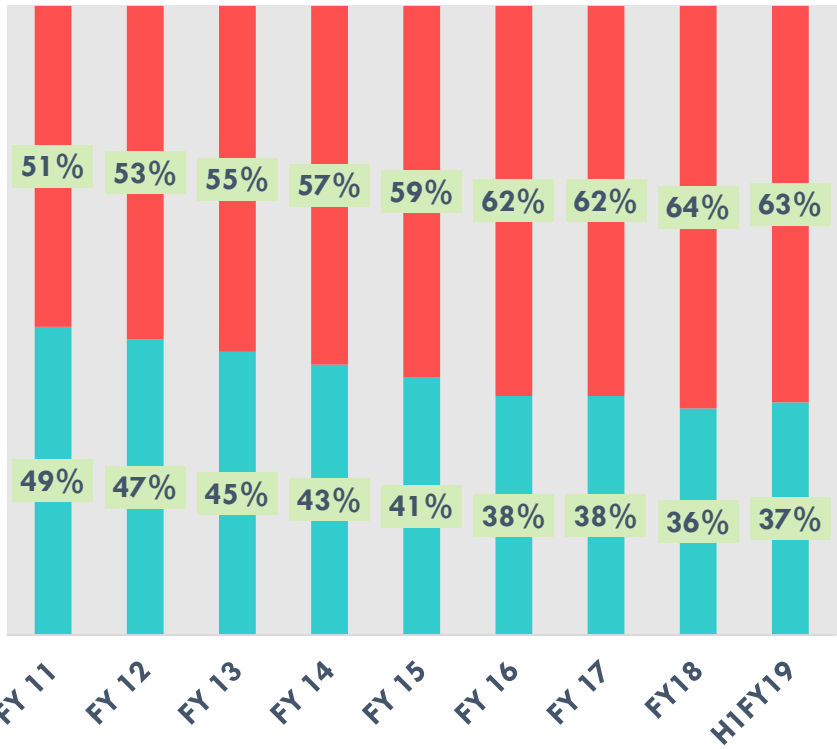
H1FY18

H1FY19

■ IT ■ Mobility ■ Services

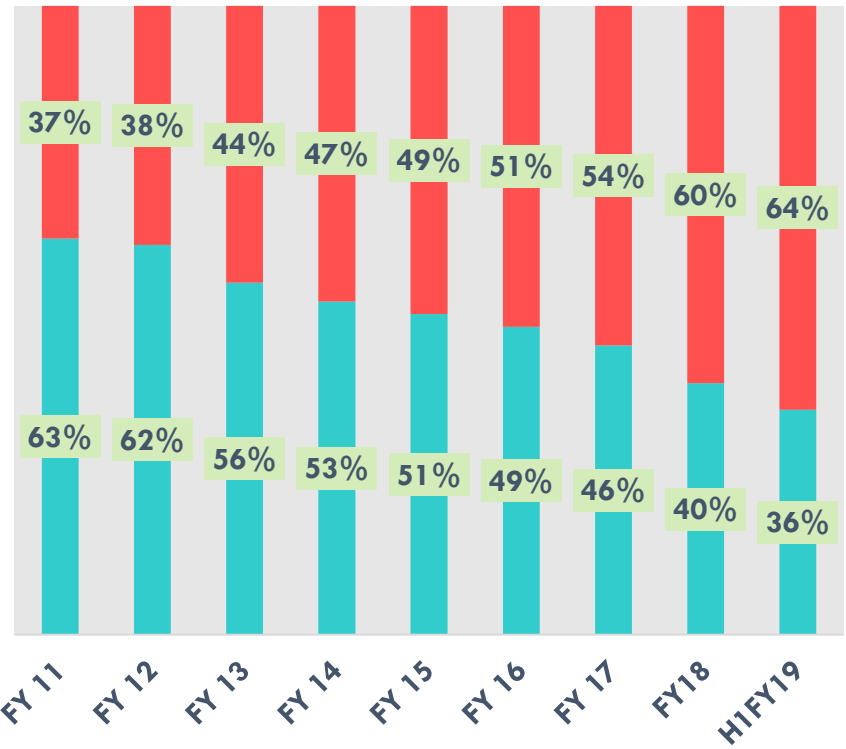
GEOGRAPHICAL CONTRIBUTION

REVENUE



■ India ■ Overseas

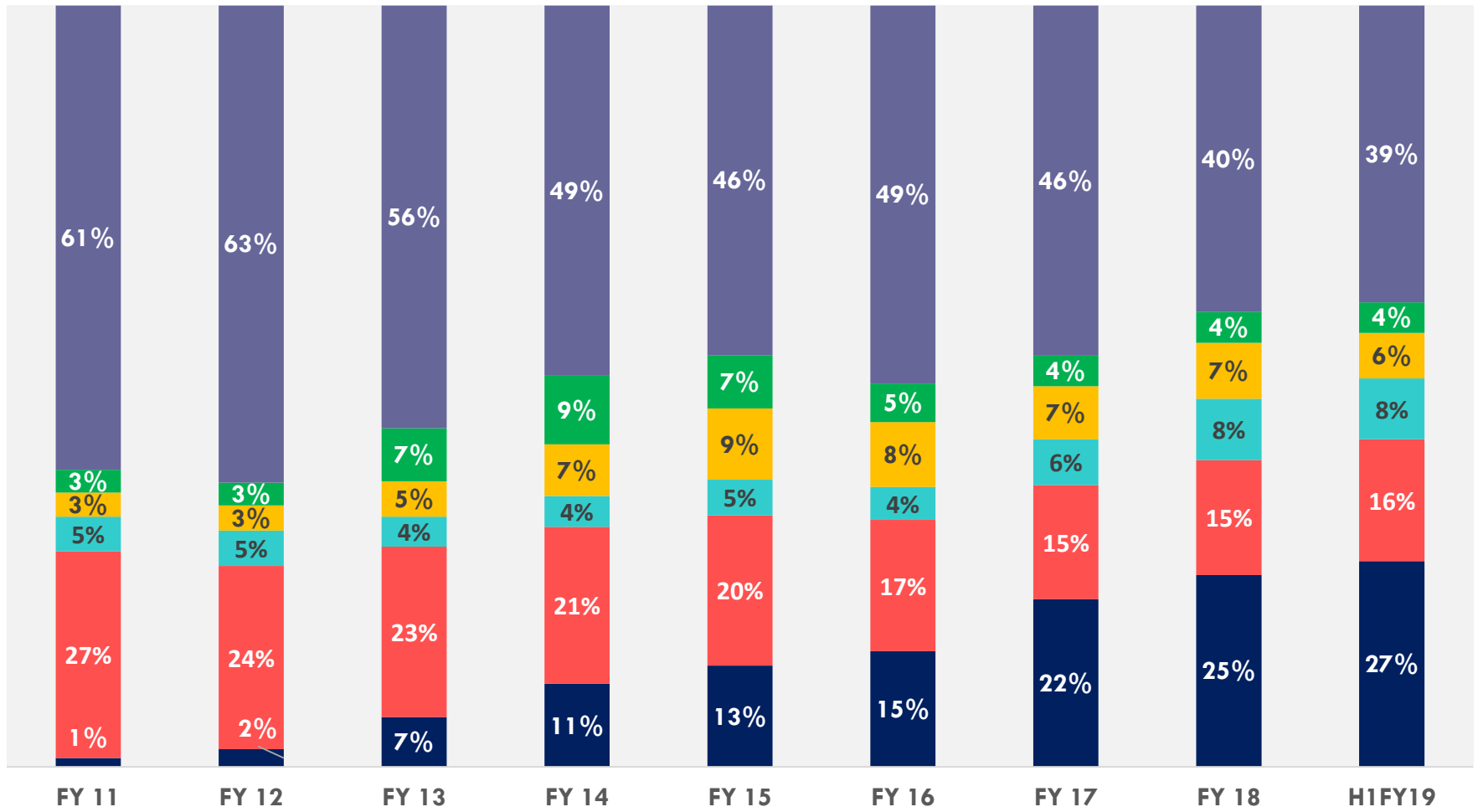
PAT



■ India ■ Overseas

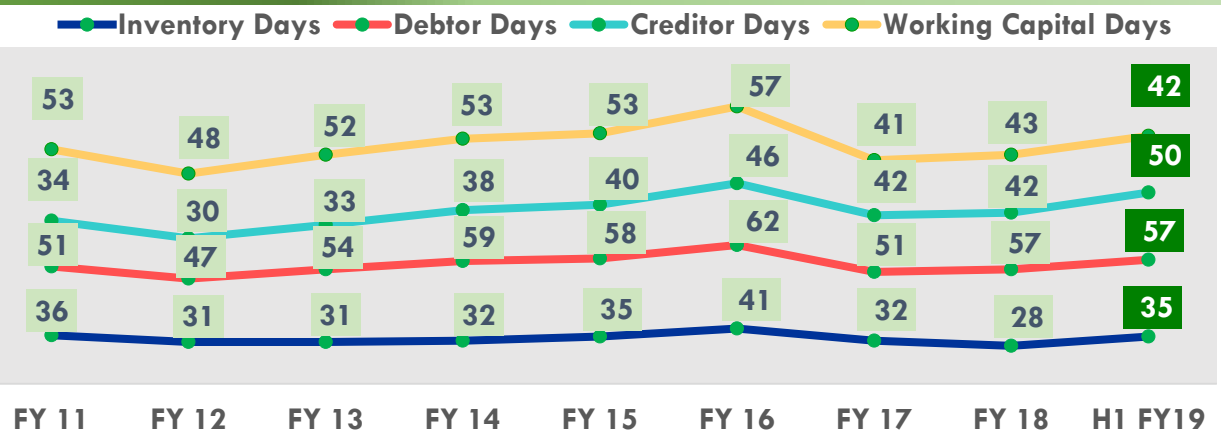
TOP FIVE VENDORS

■ APPLE ■ HP Inc ■ DELL EMC ■ LENOVO ■ SAMSUNG ■ OTHERS



Note: Effect of Dell EMC merger is shown partly in FY17 figures and fully in FY18 figures

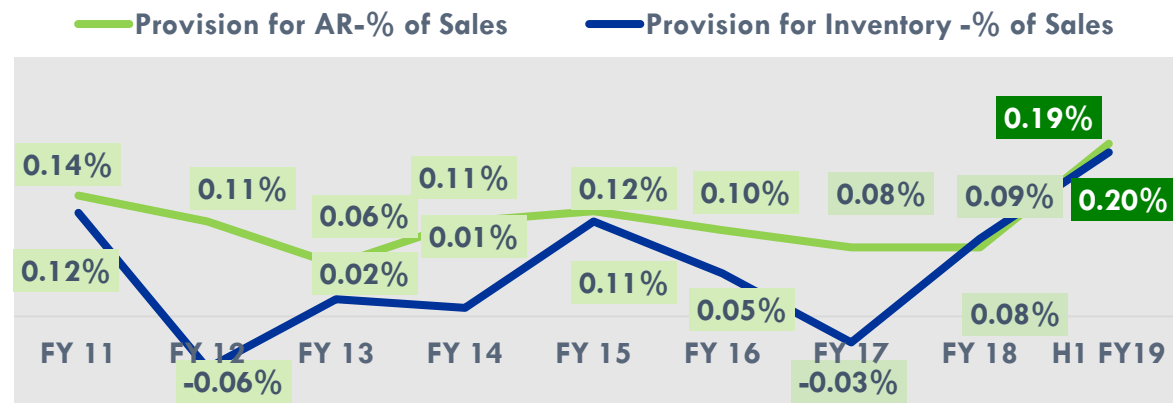
KEY OPERATING METRICS



Working Capital Days at sustainable levels

Particulars (Rs in million)	H1FY19	H1FY18
Net Cash Flow from Operations	4,584	3163
Free Cash Flow	2,205	1,122

Generated positive free cash flow



Ensuring Risk adjusted Returns

CONSOLIDATED FINANCIALS

₹ in million

Particulars	H1FY19	FY18	FY17	FY16	FY15	FY14 [^]	FY 13	FY 12	FY 11*
Total Revenue	2,13,611	4,34,985	4,11,560	3,54,762	3,16,227	2,80,051	2,42,104	2,12,220	1,67,227
EBITDA	3,922	8,555	8,662	8,176	7,619	7,196	6,842	6,334	4,717
PAT	1,937	4,816	4,642	4,235	3,865	3,367	3,231	2,927	2,260
Networth	38,567	35,306	31,479	29,494	23,742	20,213	16,407	13,225	12,553
Capital Employed	59,642	53,472	50,252	56,659	44,468	39,938	39,471	34,776	31,863
EBITDA Margins	1.84%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	3.0%	2.8%
PAT Margins	0.91%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.4%	1.4%
ROCE	12.7%	15.5%	15.2%	14.9%	17.2%	17.2%	17.7%	18.4%	16.0%
ROE	10.5%	14.5%	15.3%	15.6%	18.2%	19.1%	22.8%	23.9%	20.0%
EPS (₹)[^]	4.8	12.0	11.6	10.6	9.7	8.4	8.1	7.4	5.7
Book Value per share (₹)	95.8	87.7	78.2	73.2	57.6	48.8	39.5	33.2	31.7

*Post acquisition of following entities Arena in FY11.

[^]For EPS calculation - weighted average number of equity shares have been considered. For EPS & Book Value Calculation the post split number of shares (From Rs.10/- to Rs.2/- per share) has been considered . EPS is for the period and not annualised.

DIVIDEND DISTRIBUTION

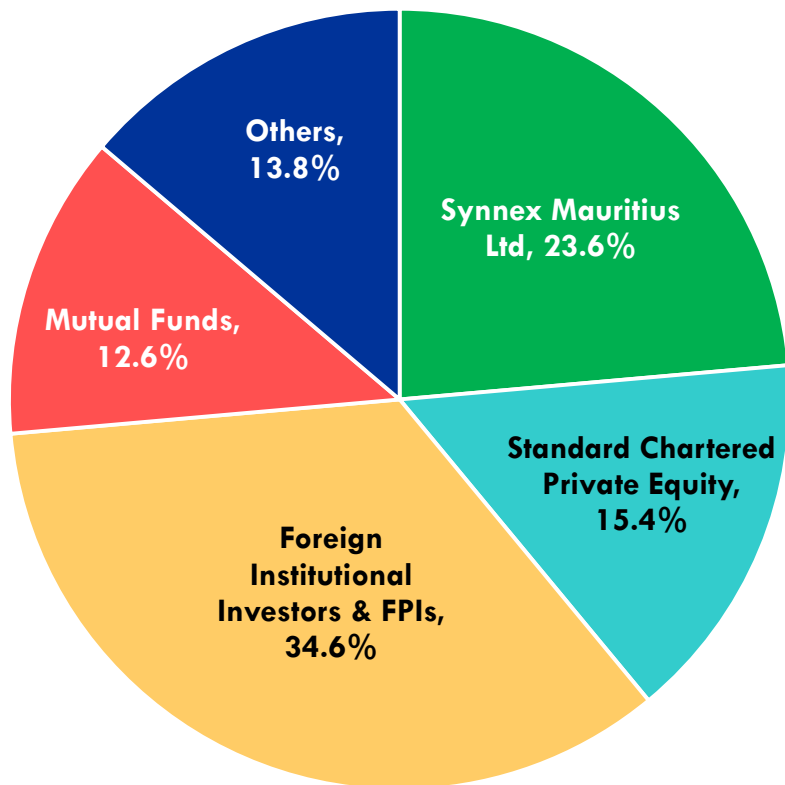
Dividend Payout : 20% on profits earned



— Dividend % on Face Value of shares

▲ Final dividend plus Special Interim Dividend declared

SHAREHOLDING PATTERN (As at Sep 30th, 2018)



Other prominent shareholders



Fidelity Management & Research



HDFC Mutual Fund



ICICI Prudential Life Insurance



Franklin Templeton



NORGES BANK Norges Bank



Fidelity International



Dimensional Fund Advisors



Morgan Stanley



Vanguard Mutual Fund

Note: Harrow Investment Holding Ltd. have divested their entire stake in the month of July'17

About Us

Subsidiaries

Performance

Board and Management

BOARD OF DIRECTORS

Independent Directors



Prof. Ramachandran
Chairman
Professor Corporate
Policy & Strategy IIM,
Bangalore



V. S. Hariharan
Ex. Vice President,
Hewlett-Packard,
Singapore



Keith WF Bradley
Ex. President,
Ingram Micro, North
America



B Ramaratnam
Professional Director



Raj Shankar
Managing Director



E H Kasturi Rangan
Whole time Director

Executive Directors

Non-Executive Directors



Tu, Shu-Chyuan
General Manager
Business Development
Synnex Tech, Taiwan



Chen, Yi-Ju
Senior Manager – Finance
Planning & Management
Synnex Tech, Taiwan



Udai Dhawan
Managing Director,
Standard Chartered
Private Equity, India

OUR EXPERIENCED EXECUTIVE TEAM



Raj Shankar
Managing Director



P S Neogi
Joint COO, IT
Division, India



**E H Kasturi
Rangan**
Joint COO, India



Ramesh Natarajan
Sr. President, India



Dr. R. Arunachalam
Sr. Vice President,
ProConnect Logistics, India



S V Krishnan
Chief Financial
Officer



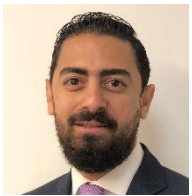
S V Rao
Vice President,
Ensure Services,
India



**Aloysius
Fernandes**
President,
IT Volume, Africa



Jitendra Berry,
Vice President,
IT Volume, Middle
East



Rawad Ayash,
Vice President,
Telecon, Middle East



B Ramkumar
President,
IT Value Added
Distribution, MEA



Jim Mathew
Sr. Vice President,
Telco Distribution,
Africa



S Chidambaram
Sr. Vice President,
Supply Chain
Management, MEACIS



Sriram Ganeshan
Director & Chief
Financial Officer,
ME & A



S Sethuraman
Sr. Vice President,
Support Services /
Ensure Services, MEA



Serkan Celik,
Chief Executive
Officer, Arena,
Turkey

This presentation contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Redington India Limited’s future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Redington India Limited undertakes no obligation to periodically revise any forward looking statements to reflect future / likely events or circumstances.

THANK YOU

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