

22nd May 2019

The National Stock Exchange of India
Exchange Plaza
Bandra-Kurla Complex,
Bandra (E), Mumbai-400 051.

Dear Sir/Madam,

Sub: Presentation to Investor/Analyst Meet

This is further to our letter dated 13th May 2019 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 Analysts/Investors.

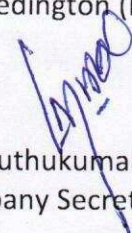
The same shall be uploaded on our website www.redingtongroup.com

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

Thanking you,

Very Truly Yours,

For Redington (India) Limited


M. Muthukumarasamy
Company Secretary

CC: The Bombay Stock Exchange Ltd.,
Floor 25, P.J Towers, Dalal Street,
Mumbai-400 001.



REDINGTON (INDIA) LIMITED

Q4FY19 Earnings Presentation

March 2019

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

- **Q4FY19** – On a consolidated basis, Revenue grew by 16%, EBITDA grew by 15% and PAT grew by 18%
 - India – Revenue grew by 24%, EBITDA grew by 17% and PAT grew by 6%
 - Overseas – Revenue grew by 11%, EBITDA grew by 13% and PAT grew by 23%
 - Overseas w/o Arena, Turkey – Revenue grew by 12%, EBITDA grew by 11% and PAT grew by 17%
- **FY19** – On a consolidated basis, Revenue grew by 12%, EBITDA grew by 12% and PAT grew by 5%
 - **Excluding impairment of Turkey biz undertaken in Q3FY19, consolidated PAT would have grown by 11%**
 - India – Revenue grew by 13%, EBITDA degrew by 4% and PAT degrew by 14%
 - Overseas – Revenue grew by 11%, EBITDA grew by 28% and PAT grew by 19%
 - Overseas w/o Arena, Turkey – Revenue grew by 14%, EBITDA grew by 32% and PAT grew by 18%
- On a consolidated basis, WC days for Q4FY19 is 33 days and FY19 is 37 days, signifying WC turns of over ~9.8x
- Generated positive free cash flow of Rs.1,142 crs in Q4FY19 and Rs. 732 crs in FY19
- On a consolidated basis, Net Debt Equity ratio is at 0.1
- For the quarter, consolidated ROCE improved to 18.1% and ROE improved to 17.9%

Financial Highlights

India business – Turnaround story sustains

- During the quarter,
 - India business registered strong double digit growth in Revenue, driven by all three business segments, viz a viz, IT, Mobility and Services
 - EBITDA growth of 17% YoY, on the back of Gross Margin growth
 - Significant improvement in WC days to the tune of 13 days
 - ProConnect registered revenue growth of 16% YoY, EBITDA growth of 8% but degrew PAT by 2% YoY. Adjusting for one-offs relating to M&A, EBITDA growth would have been 19% YoY and PAT growth of 9% YoY
- Generated positive free cash flow in both Q4FY19 and FY19

Financial Highlights

Overseas business – Momentum maintained

- During the quarter,
 - Overseas business continued its strong momentum, registering strong double digit growth across Revenue, EBITDA and PAT
 - All the three major geographies have contributed to the growth story
 - Overseas business continues to maintain WC efficiently with WC days for Q4FY19 at 30 days
- Generated positive free cash flow in both Q4FY19 and FY19

Turkey Update

- During the quarter, Arena biz had registered revenue growth of 6% YoY and EBITDA growth of 41% YoY, driven by Opex control

Commits & Delivery

“We have taken working capital management in India as a very clear mandate for the current year” – Q4FY18 Call

WC DAYS	Q4FY19	Q3FY19	Q2FY19	Q1FY19	Q4FY18
WC Days	40	60	46	52	53

“So, given all of this, we believe that, in FY19 the company will grow both revenue and profit better than what we did in FY18” – Q4FY18 call

Growth Rates	Consolidated (FY19 over FY18)	Consolidated (w/o impairment)	Consolidated (FY18 over FY17)
Revenues	12%	12%	5%
PAT	5%	11%	4%

“But H1 may tend to be a little slower in terms of the growth but we certainly see a strong rebound in H2” – Q4FY18 call

Growth Rates	Consolidated (H2FY19 vs H2FY18)	Consolidated (H2FY19 vs H1FY19)	Consolidated (H1FY19 vs H1FY18)
Revenues	14%	18%	10%
PAT	16%	62%	-8%



Q4FY19 Highlights

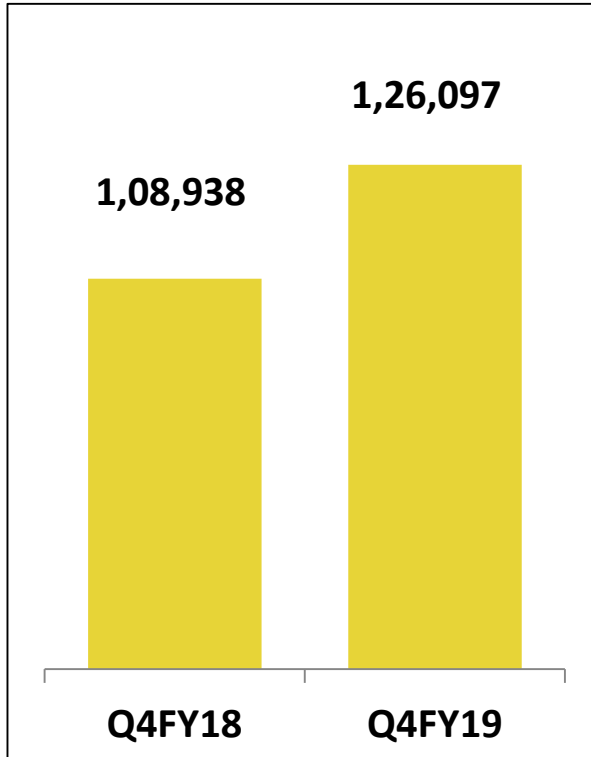


Q4FY19- Consolidated Financials

₹ in million

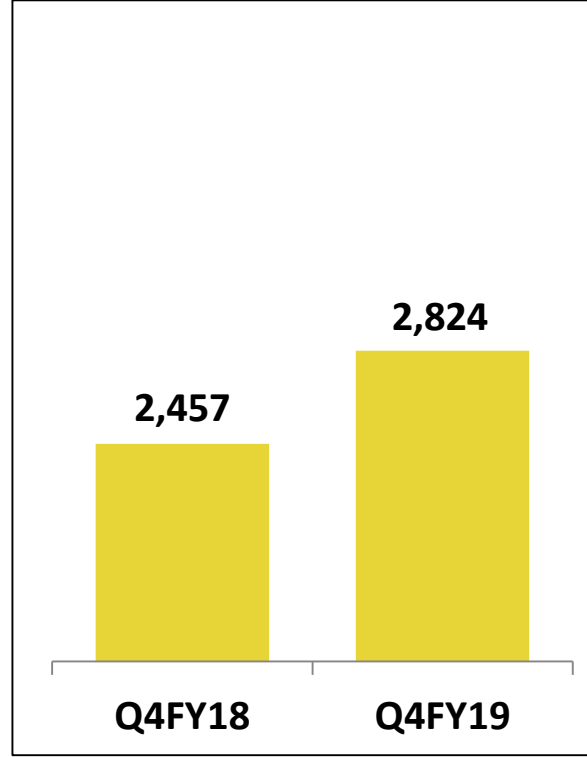
REVENUE

16% ▲



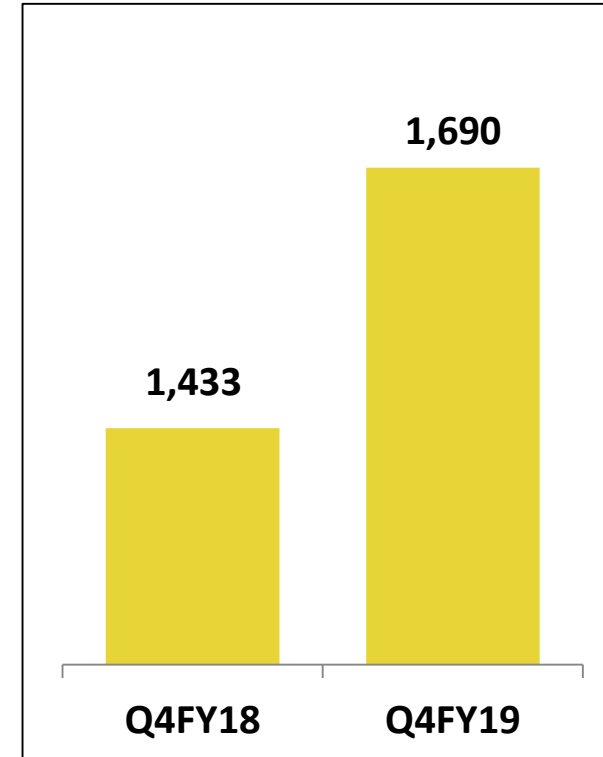
EBIDTA

15% ▲



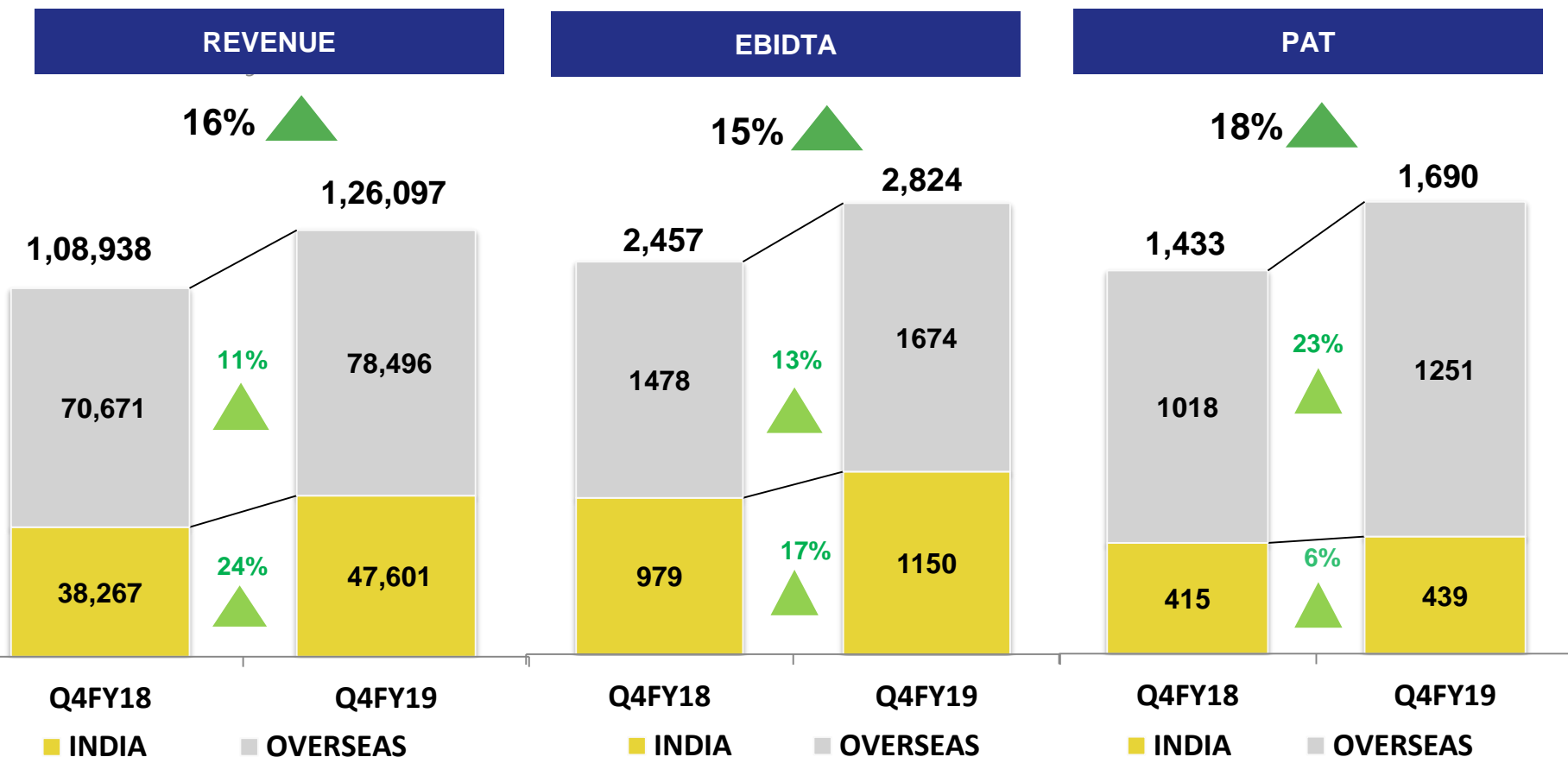
PAT

18% ▲



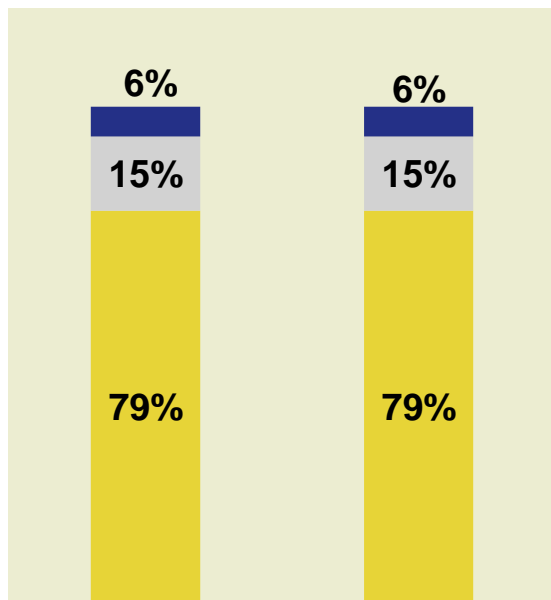
Q4FY19 Performance by Market

₹ in million



Q4FY19 Performance by Vertical

INDIA

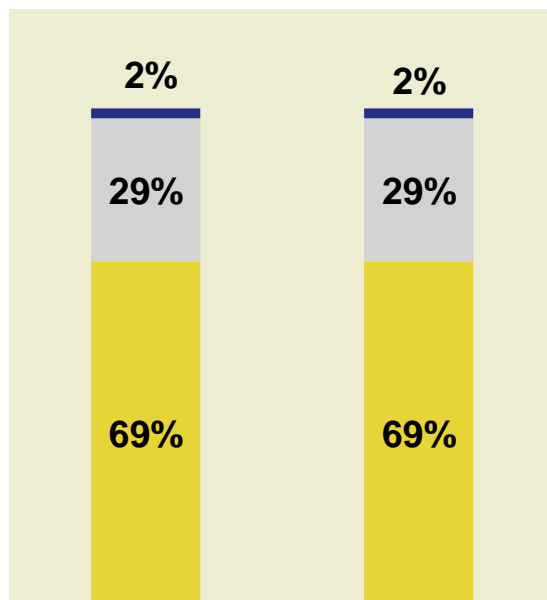


Q4FY18

Q4FY19

■ IT ■ Mobility ■ Services

OVERSEAS

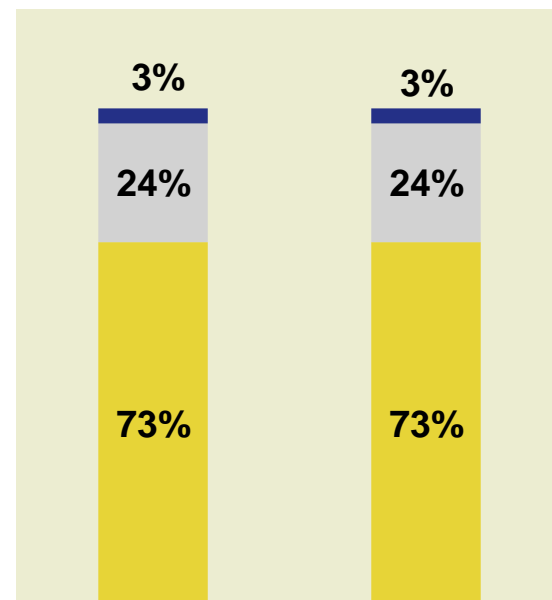


Q4FY18

Q4FY19

■ IT ■ Mobility ■ Services

CONSOLIDATED



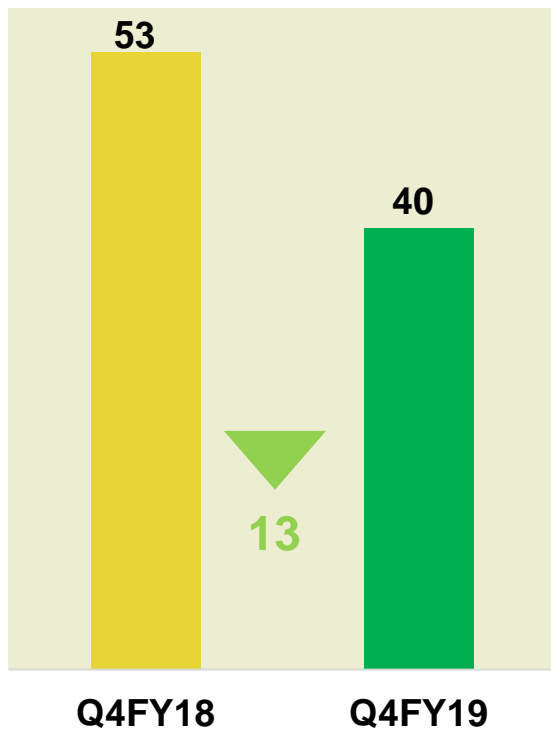
Q4FY18

Q4FY19

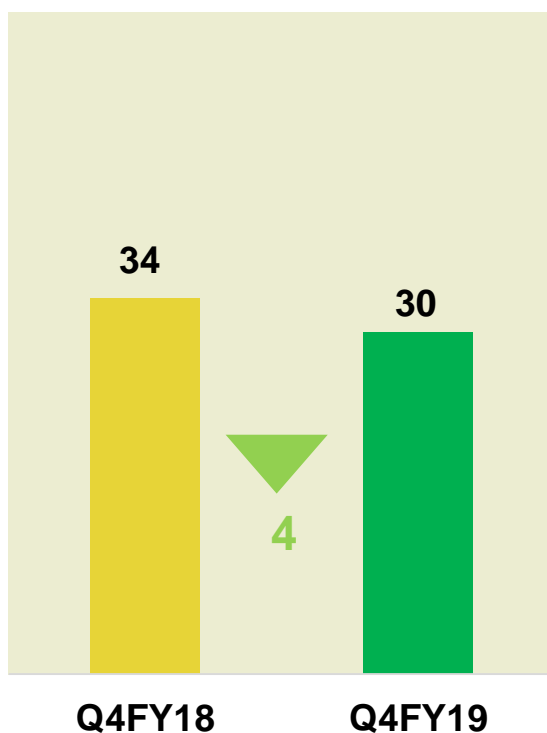
■ IT ■ Mobility ■ Services

Q4FY19 – Working Capital Days

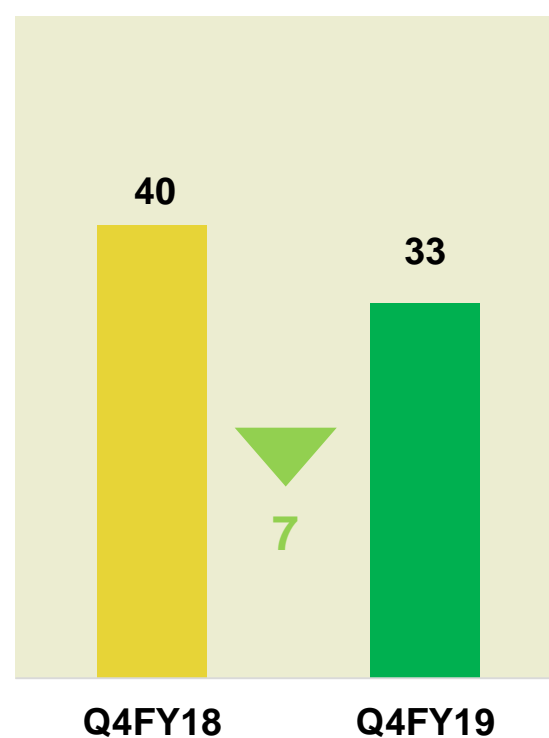
INDIA



OVERSEAS



CONSOLIDATED



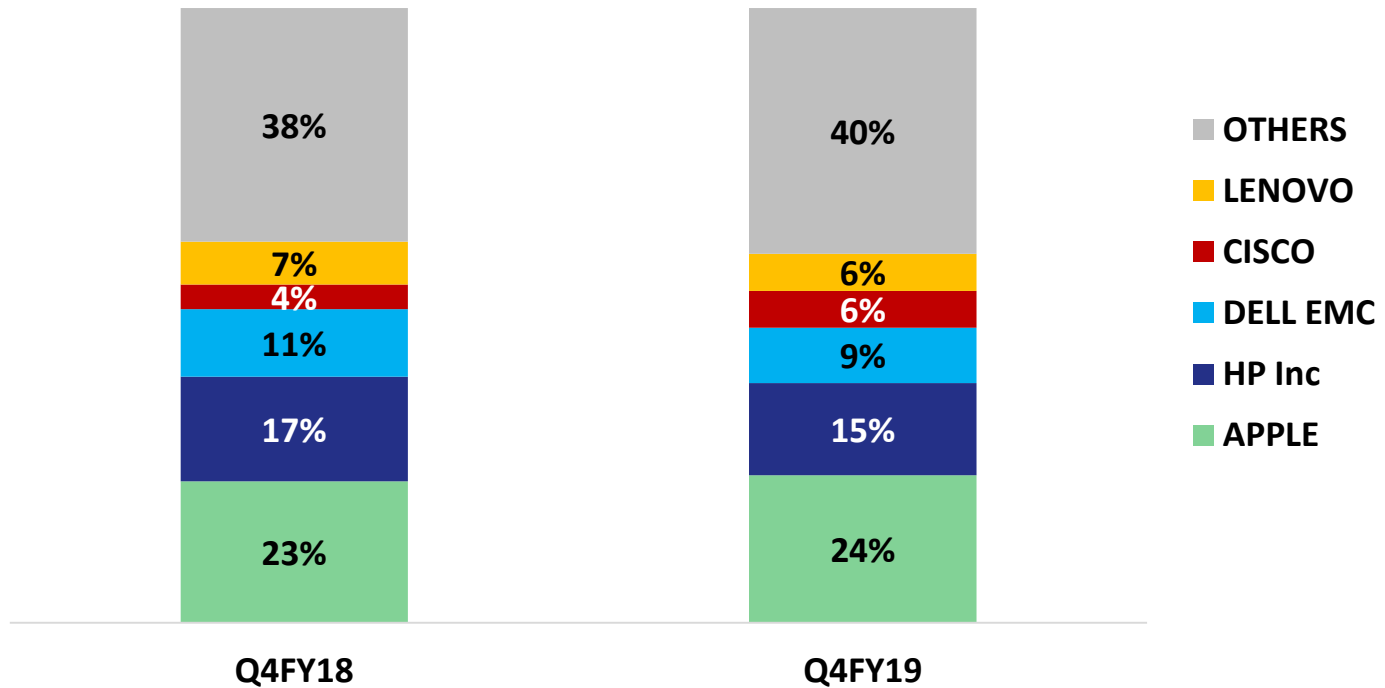
Free Cash Flow Statement

₹ in million

Particulars	Q4 FY19	Q4 FY18
Profit Before Taxation	2,099	1,831
Non-cash items	(426)	(31)
Outflow of Finance Cost	492	608
Changes in Working Capital	9,832	(4,503)
Direct Taxes Paid	37	(510)
Net Cash Flow from Operations	12,034	(2,605)
Capex	(220)	(214)
Dividend paid including DDT	0	196
Outflow of Finance Cost	(385)	(476)
Free Cashflow	11,423	(3,099)

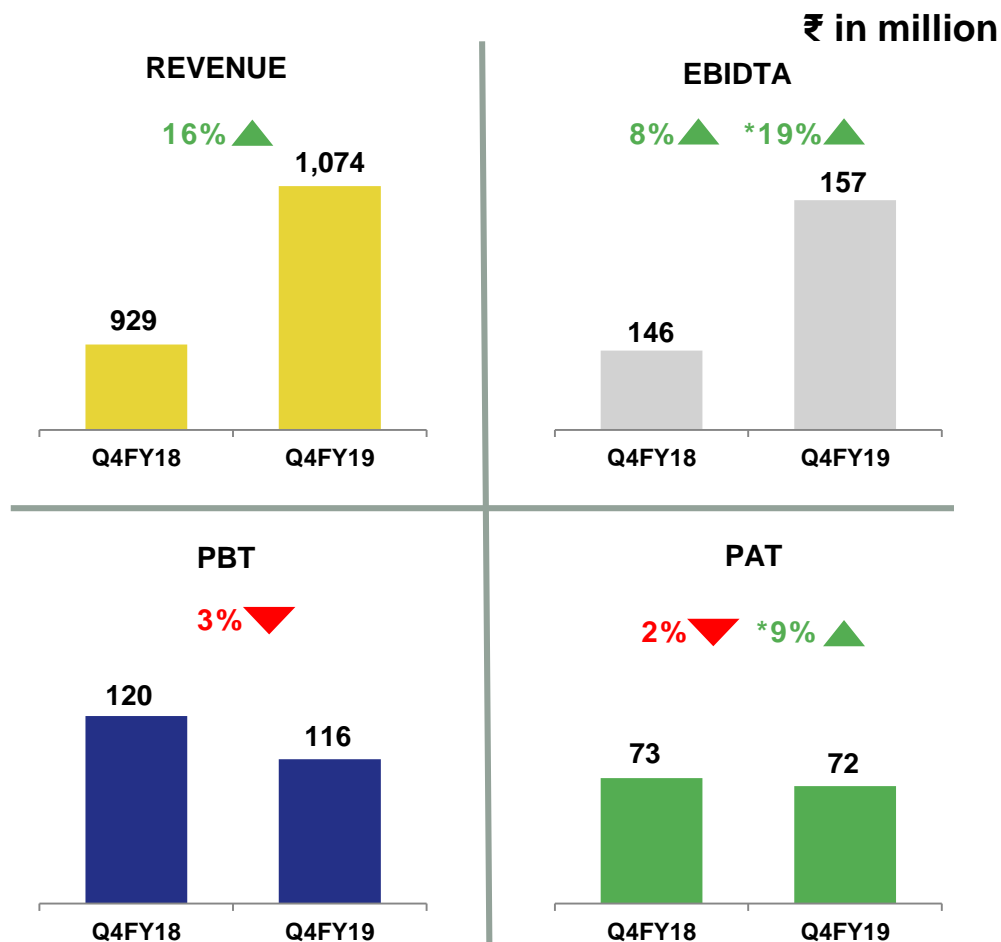
Q4FY19 – Top 5 Vendors Consolidated

REVENUE



Q4FY19 Performance – ProConnect

- Revenue growth over Q4FY18 is 16%
- EBITDA growth over Q4FY18 is 8%
- PAT degrowth over Q4FY18 is -2%
- *Adjusting for one-offs relating to M&A, EBITDA would have grown by 19% and PAT by 9%





FY19 Highlights

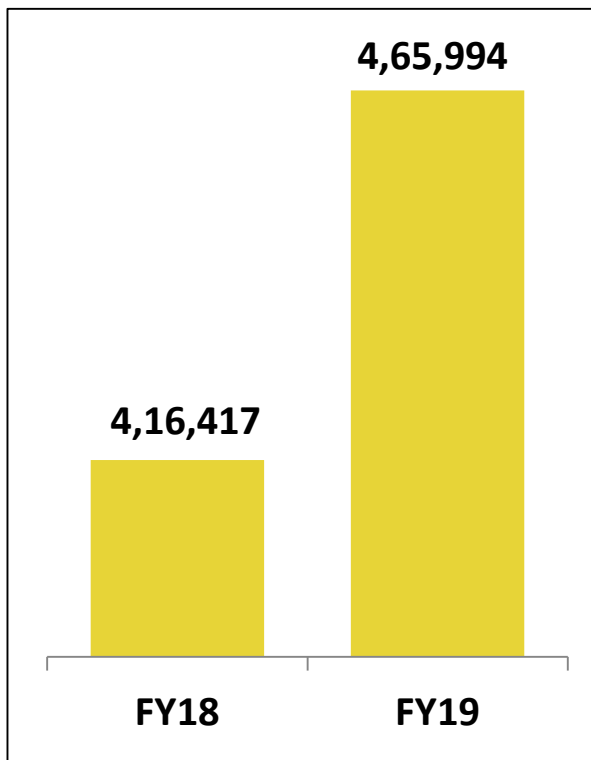


FY19- Consolidated Financials

₹ in million

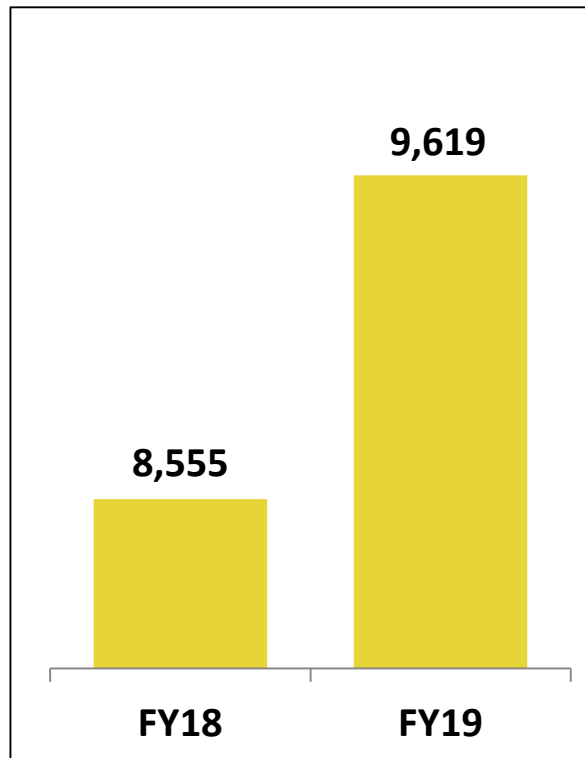
REVENUE

12% ▲



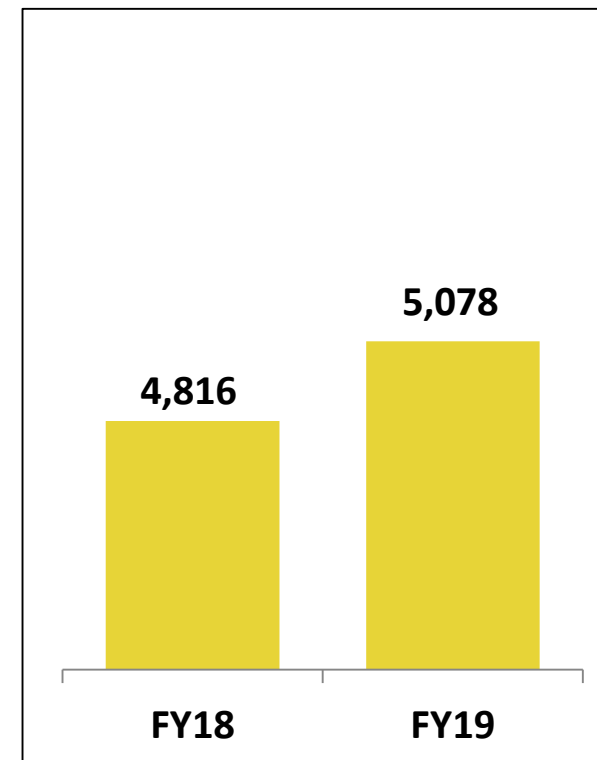
EBIDTA

12% ▲



PAT

5% ▲

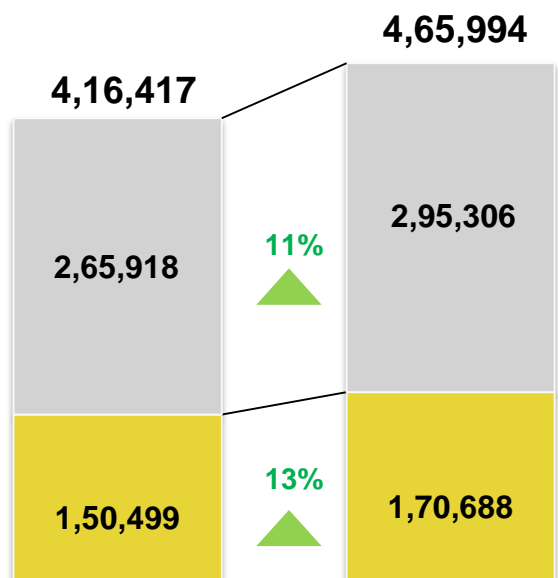


FY19 Performance by Market

₹ in million

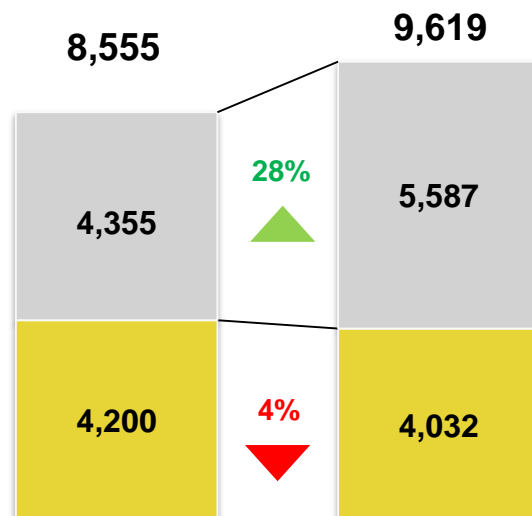
REVENUE

12% ▲



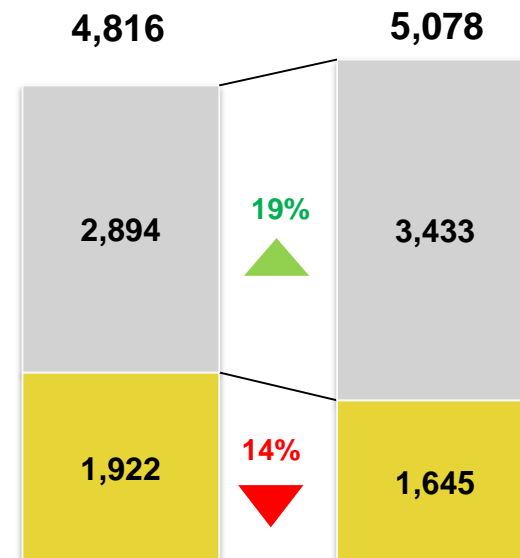
EBIDTA

12% ▲



PAT

5% ▲



FY18

FY19

FY18

FY19

FY18

FY19

■ India

■ Overseas

■ India

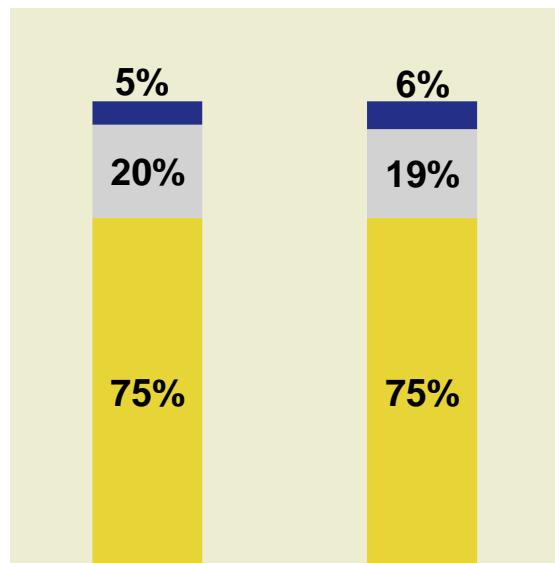
■ Overseas

■ India

■ Overseas

FY19 Performance by Vertical

INDIA

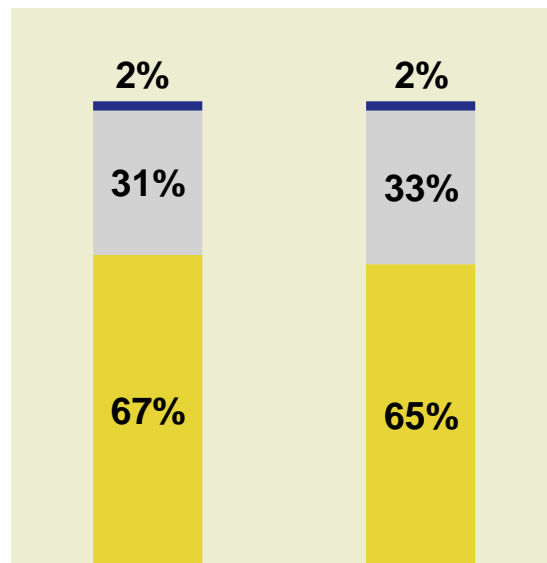


FY18

FY19

■ IT ■ Mobility ■ Services

OVERSEAS

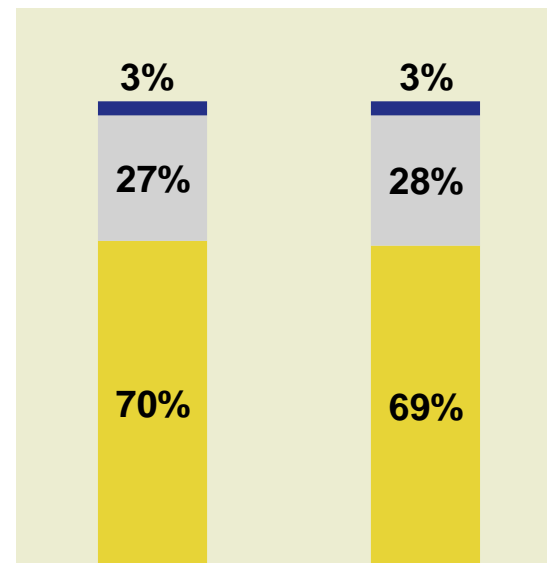


FY18

FY19

■ IT ■ Mobility ■ Services

CONSOLIDATED



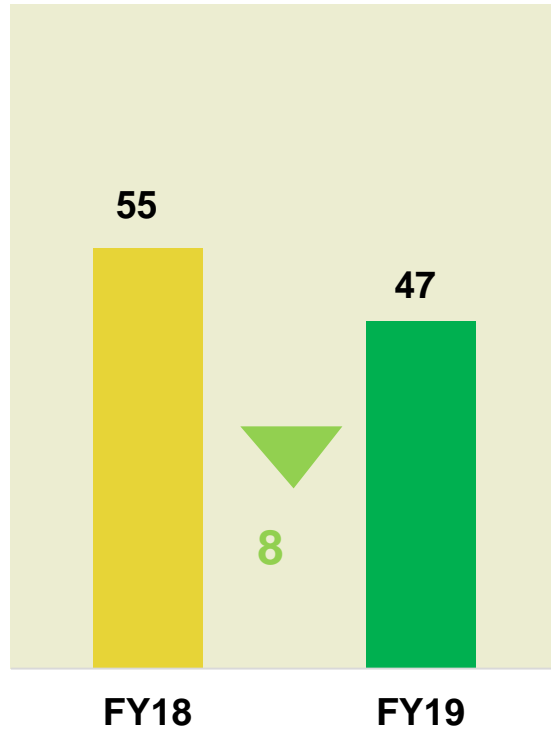
FY18

FY19

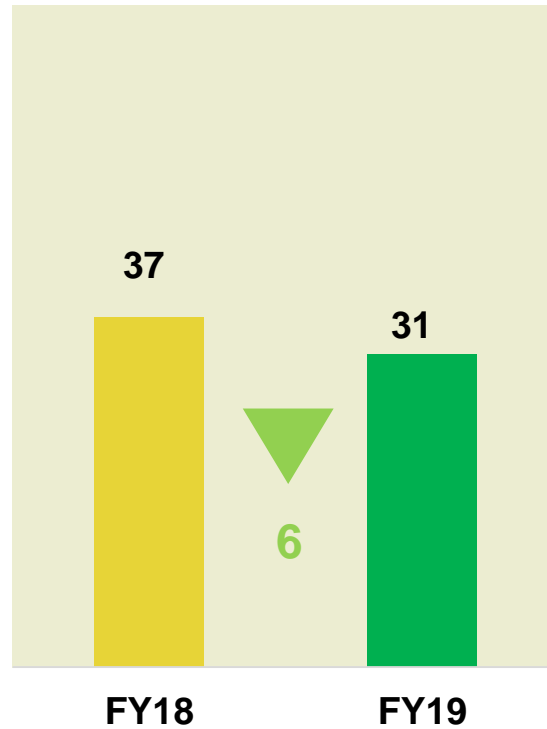
■ IT ■ Mobility ■ Services

FY19 – Working Capital Days

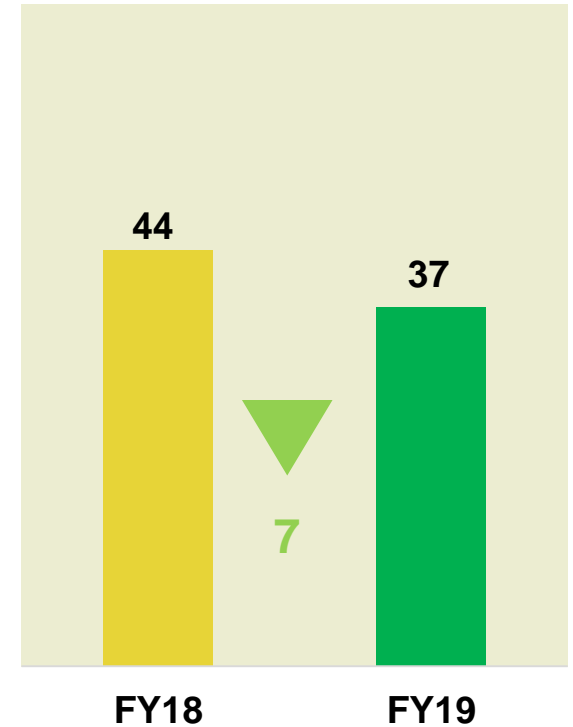
INDIA



OVERSEAS



CONSOLIDATED



Free Cash Flow Statement

₹ in million

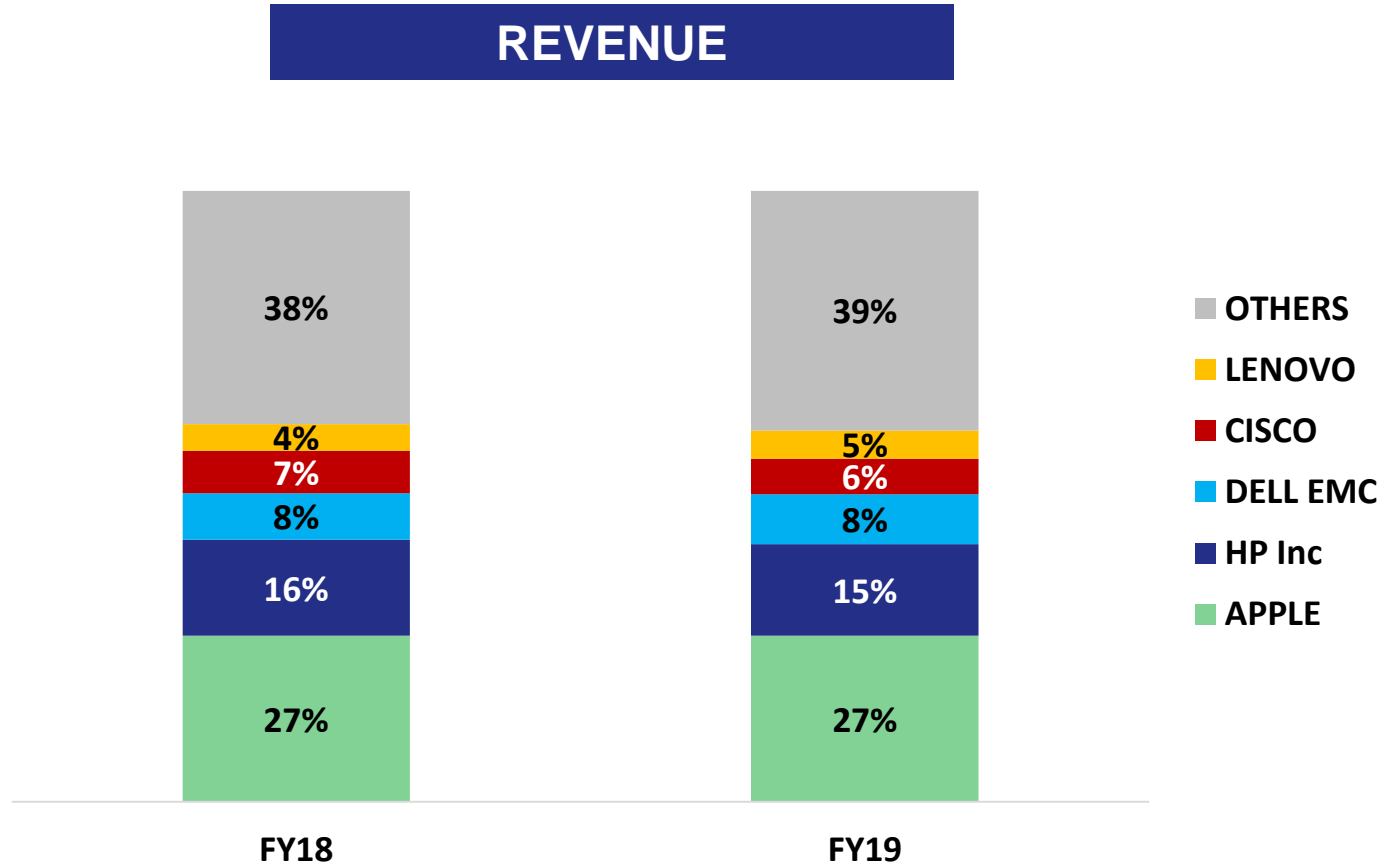
Particulars	FY19	FY18
Profit Before Taxation	6,233	6,306
Non-cash items	1,956	787
Outflow of Finance Cost	1,802	1,633
Changes in Working Capital	2,975	(5,014)
Direct taxes paid	(1,993)	(1,514)
Net Cash Flow from Operations	10,973	2,198
Capex	(678)	(315)
Dividend paid including DDT	(1,180)	(910)
Outflow of Finance Cost	(1,797)	(1,538)
Free Cashflow	7,318	(565)

Consolidated Balance Sheet

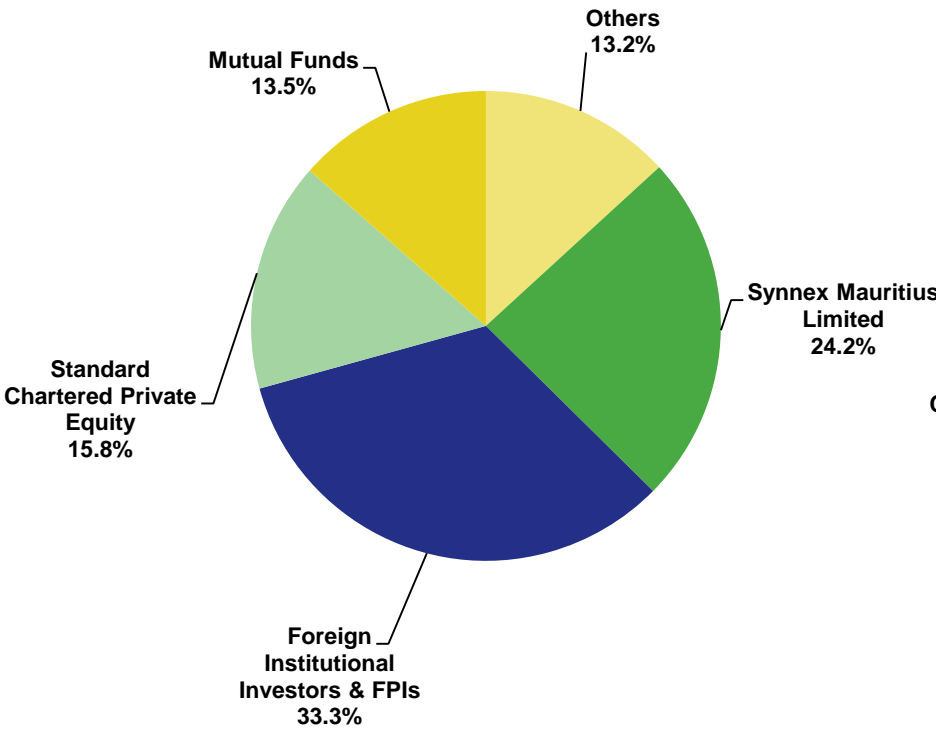
₹ in million

Particulars	31-MAR-19	31-MAR-18
Source:		
Networth	39,060	35,306
Net Debt	4,302	9,165
Minority Interest	3,447	3,588
Total	46,809	48,059
Application:		
Fixed Assets	4,508	4,692
Goodwill	220	213
Net Assets	42,081	43,154
Total	46,809	48,059

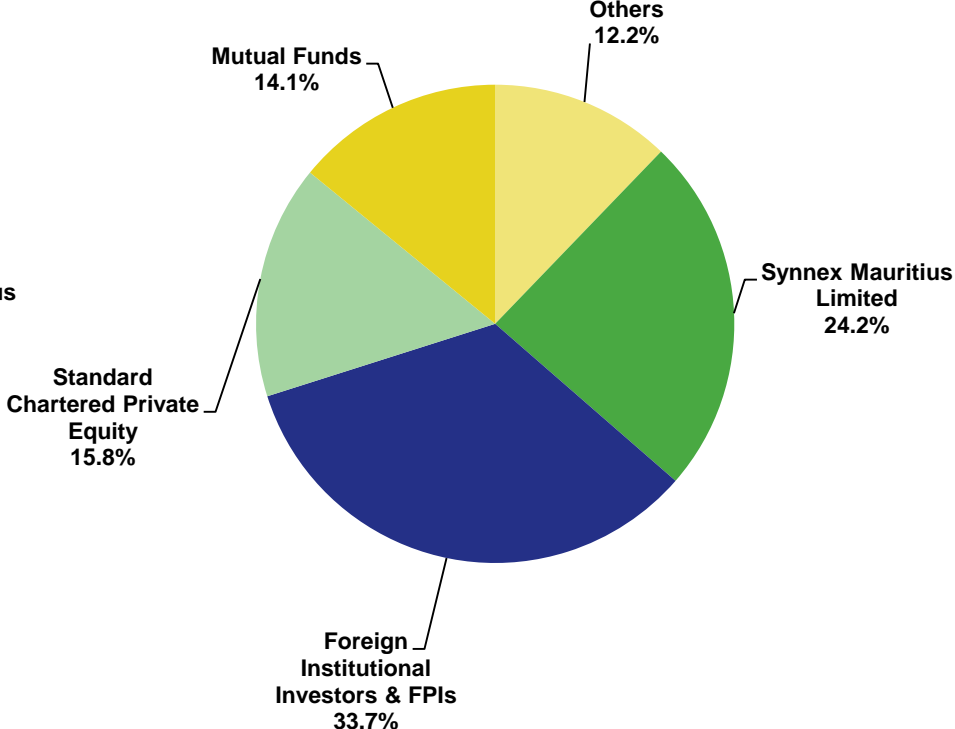
FY19 – Top 5 Vendors Consolidated



Shareholding Pattern



31-Dec-2018



31-Mar-2019



Investor Contacts

M. Muthukumarasamy

Compliance Officer

Redington (India) Limited

SPL Guindy House, 95 Mount Road,

Guindy, Chennai 600 032

<https://www.redingtongroup.com>

Sowmiya M

Manager – Investor Relations

sowmiya.manickam@redington.co.in

CIN - L52599TN1961PLC028758



Corporate Presentation

March 2019

WHO ARE WE?

*A prominent & leading
“Technology Distributor”
evolving into a
“Services & Solutions company”*



WHAT WE DO?

*We are ‘Business Enablers’,
Seamlessly partnering with
Brands and Channel partners
in delivering value*



No.1 Technology distributor in MEA and No.2 in India

Multi faceted approach of Distribution & Services

Expanding the reach & coverage for over 220+ brands through 39,800+ partners

An Emerging Markets player with in-country presence

\$6.7bn+ company with strong double digit 12 year CAGR (Revenue, EBITDA & PAT)

Industry Overview



Distribution Food Chain

IT CONSUMER & MOBILITY

Earlier



Present

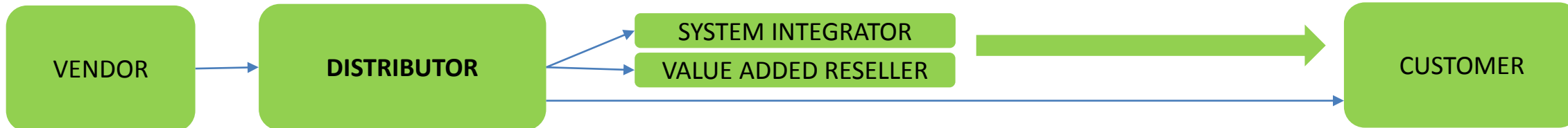


IT ENTERPRISE

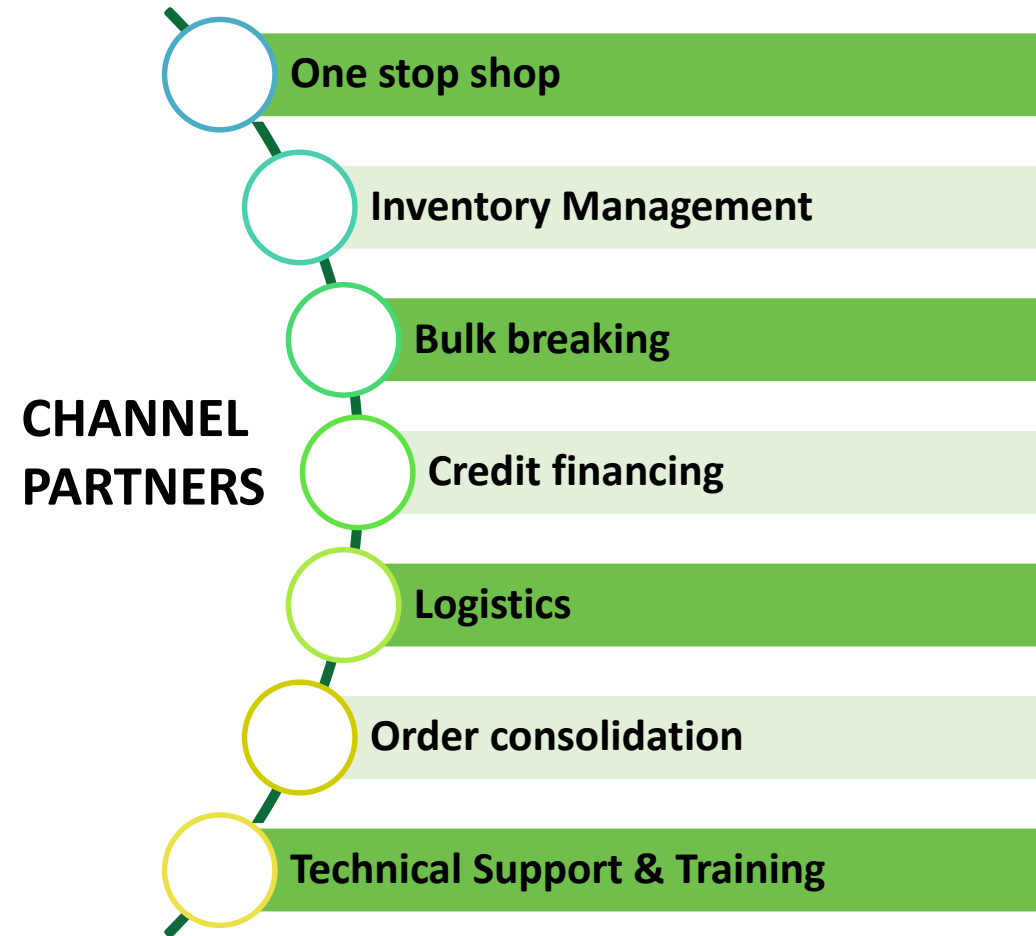
Earlier



Present



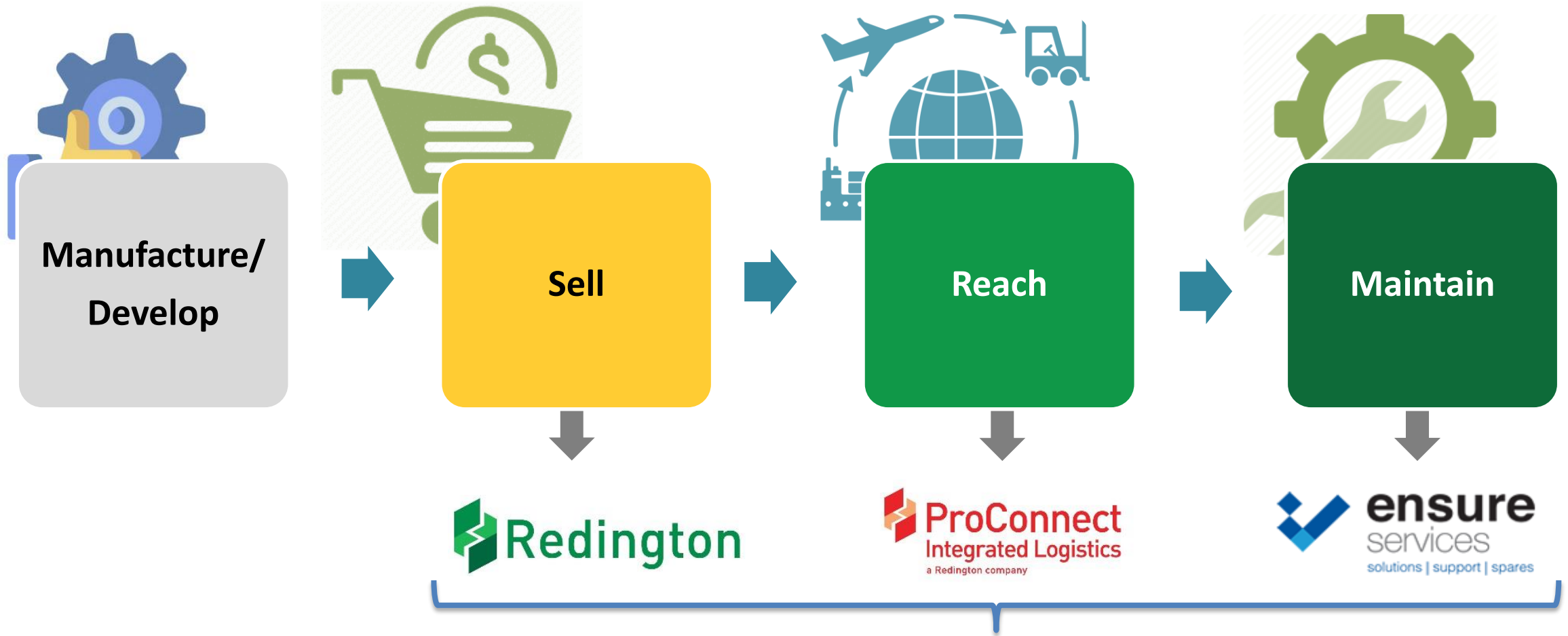
Distributors: Value Creators



Increase in the revenue base & increased value offered in a product

Facilitating selling as well as enhancing the selling potential for partners

Product Lifecycle



Our presence across the product lifecycle

Company Overview



“Our mission is to offer a robust technology-powered platform to enable a seamless flow of products and services”

Our Values



ADAPTABILITY



COLLABORATION



KNOW-HOW



OBJECTIVITY



SIMPLICITY



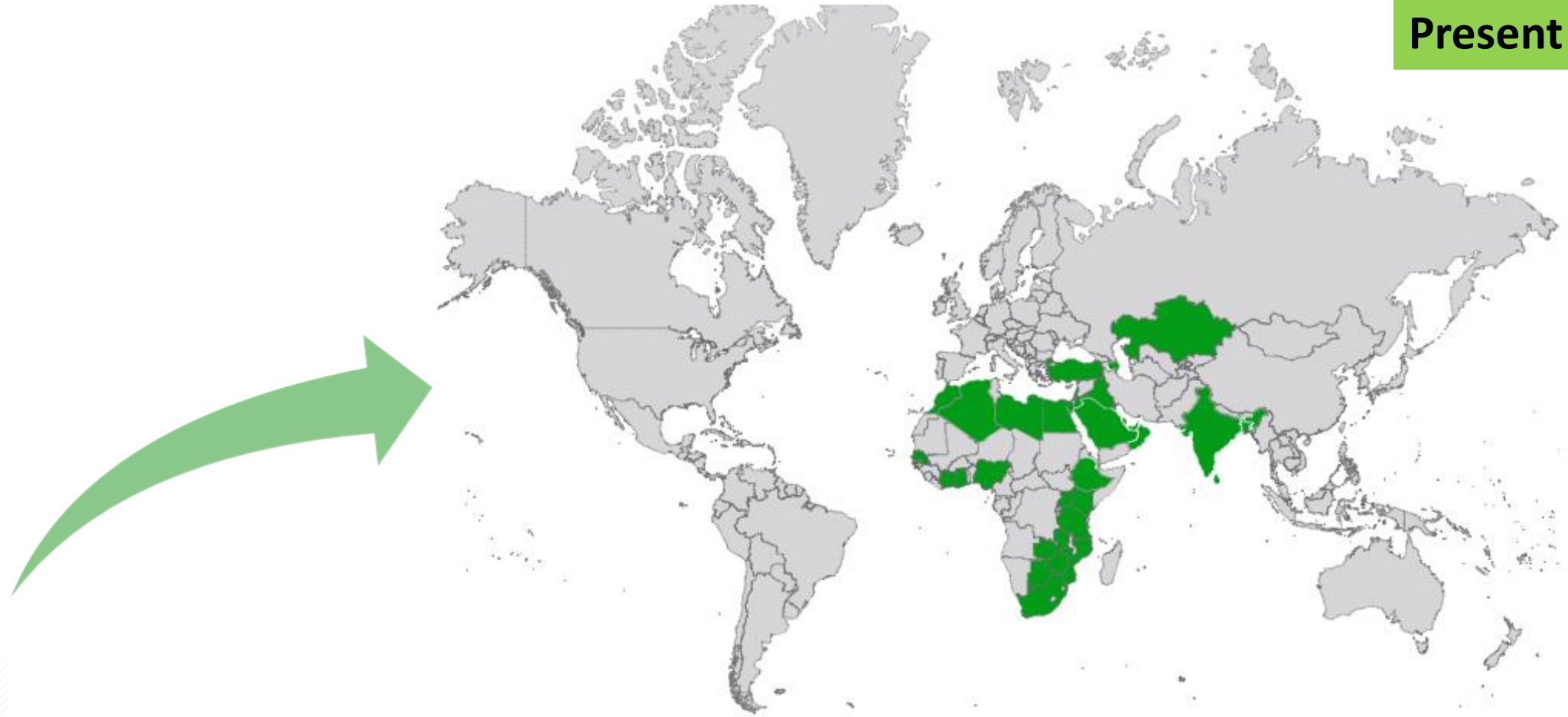
TRUST



TRANSPARENCY

Our Emergence

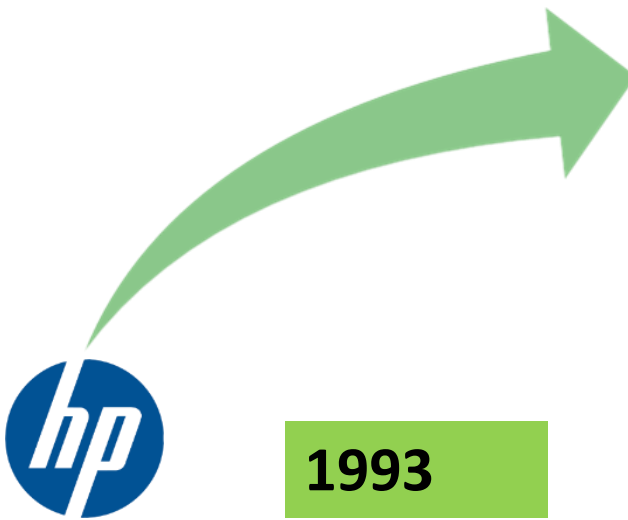
Present



1993

Presence across 37 markets, a leading Emerging Markets player

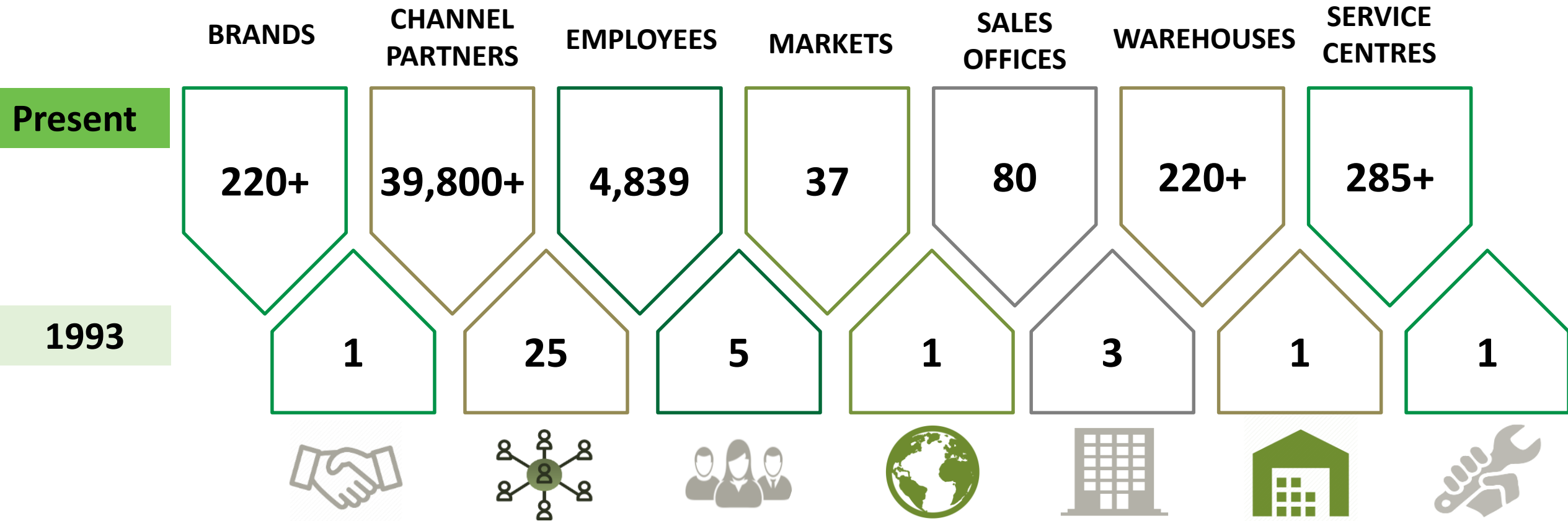
Our Associations



1993

Enviably Partnerships with over 220+ brands

Our Expansion



From a 'Home Grown Company' to a 'Leading Distributor'

Independent Directors

CHAIRMAN



Prof. Ramachandran
Professor, Corporate
Policy & Strategy
IIM, Bengaluru



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



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



B Ramaratnam
Professional
Director



Anita P Belani
Sr Business & Human
Capital Leader, Operating
Partner (Gaja Capital)

Executive Directors



Raj Shankar
Managing Director



E H Kasturi Rangan
Whole time Director



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

Non-Executive Directors

Our Experienced Executive Team



Raj Shankar
Managing Director



P S Neogi
Chief Development
& Strategy Officer



E H Kasturi Rangan
Whole Time
Director



Ramesh Natarajan
Joint COO & Chief
Sales Officer, India



J K Senapati,
Joint COO, India



Dr. R. Arunachalam
CEO, ProConnect
Logistics, India



S V Krishnan
Chief Financial
Officer



S V Rao
CEO, Ensure
Services, India



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



Jeetendra Berry,
Sr Vice
President,
IT Volume,
Middle East



Rawad Ayash,
Sr Vice
President,
Mobility,
Middle East



B Ramkumar
COO, Gulf



Jim Mathew
Sr. Vice President,
Mobility,
Africa



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



Sriram Ganeshan
Director & Chief
Financial Officer,
MEA



S Sethuraman
Sr. Vice President,
Ensure Services, MEA



Serkan Celik,
CEO, Arena,
Turkey

Business Overview



Distribution Business

BUSINESS

INDIA

MIDDLE EAST

AFRICA

TURKEY

SINGAPORE

SOUTH ASIA

DISTRIBUTION



IT CONSUMER

PCs



Laptops



Print Supplies



Printers



Consumer Lifestyle products



IT ENTERPRISE

Networking



Software



Servers & Storage



Security



MOBILITY

Smartphones

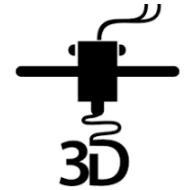


EMERGING



Health & Medical Equipment

3D Printers & Scanners



Solar products

Services Business

BUSINESS	INDIA	MIDDLE EAST	AFRICA	TURKEY	SINGAPORE	SOUTH ASIA
SERVICES	 					



 a Redington company				 imagine the real
Logistics services	Support services	Cloud services	Digital print services	3D Print Services

ProConnect India



Wholly Owned Subsidiary of Redington



Integrated Third Party Logistics partner



PAN India presence



180+ Warehouses



6.8 mn Sq.ft. in operation



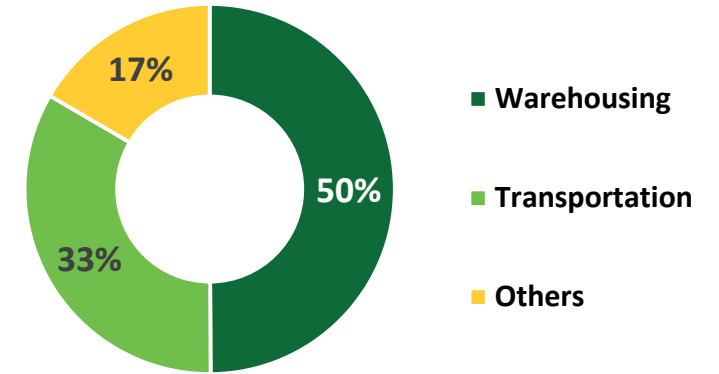
200+ Customers across 12+ Industries



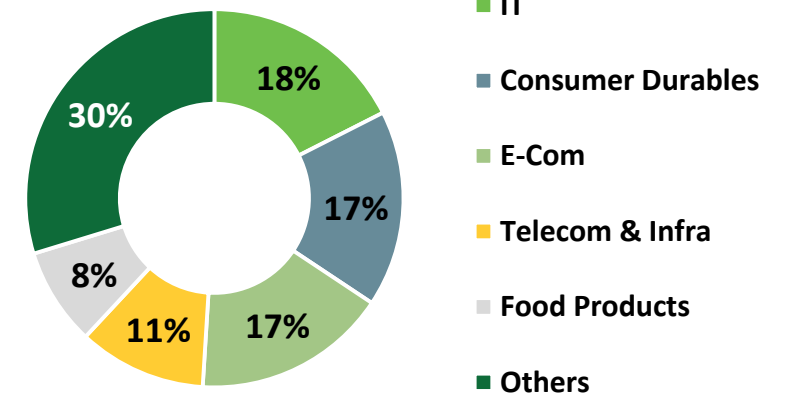
19,800+ Pincodes



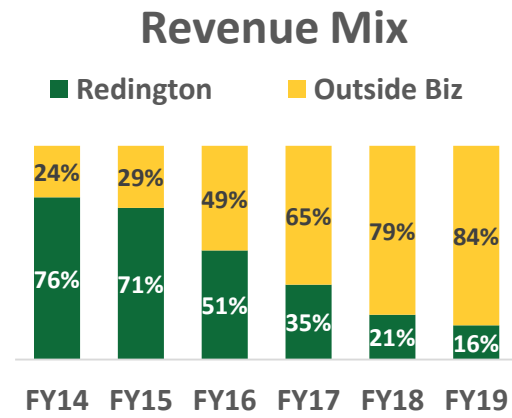
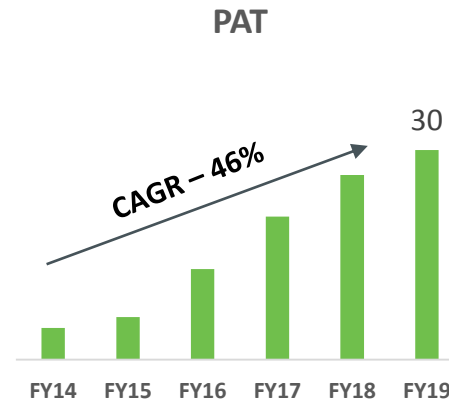
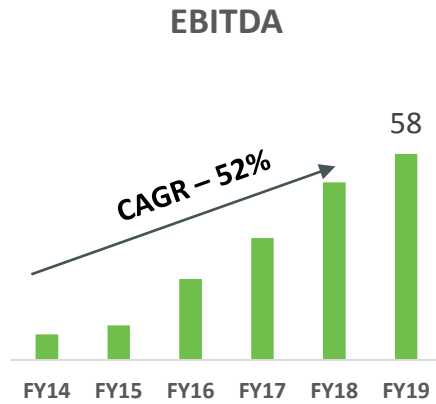
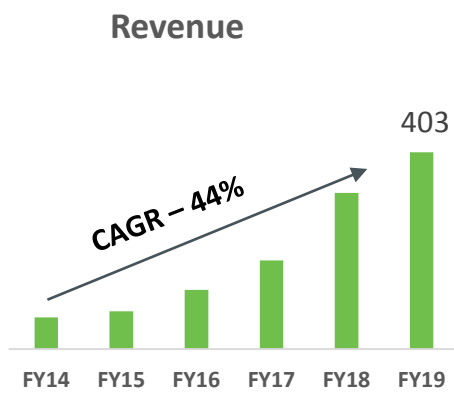
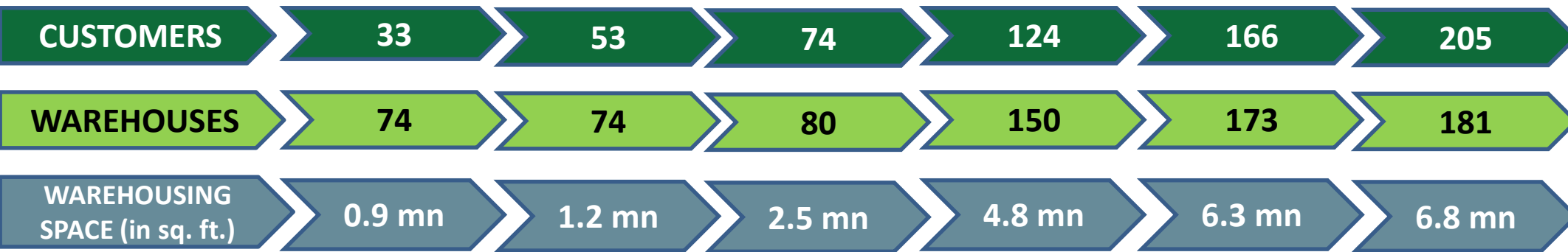
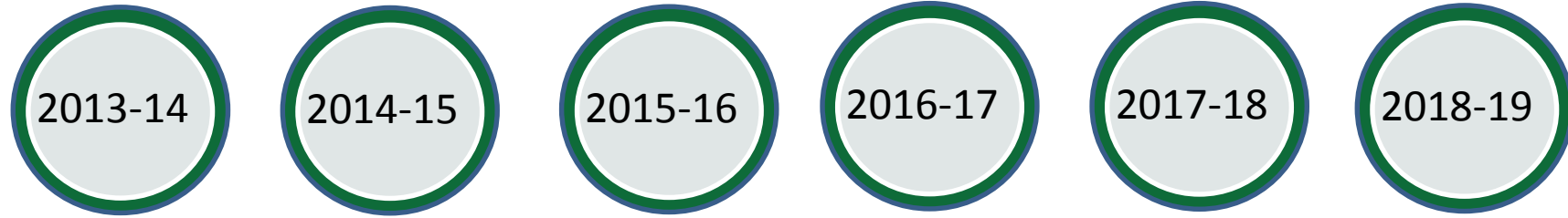
Revenue Contribution from Services



Revenue Contribution from Industries



ProConnect India : Growth Story



Ensure India



Wholly Owned Subsidiary of Redington



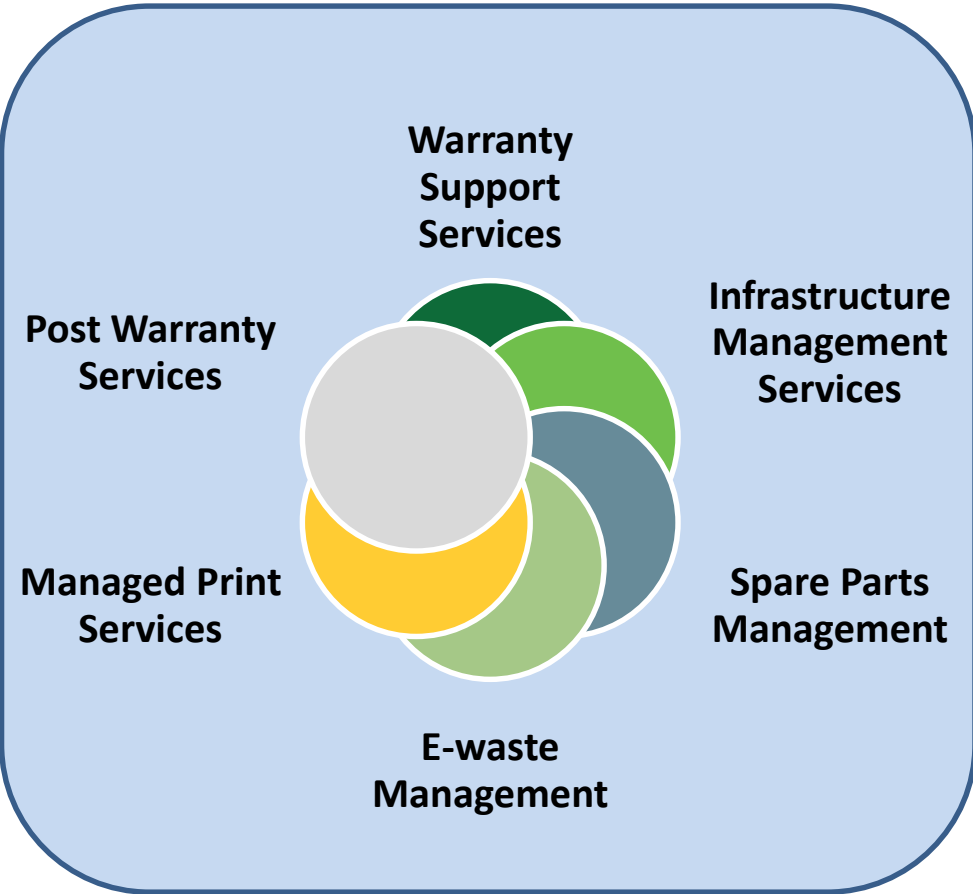
PAN India presence with 35+ Owned service centres across India



Preferred Service partner with 200+ service partners across India



FY19 Revenues : Rs 107 crs
FY19 PAT : Rs 4 crs



Clients

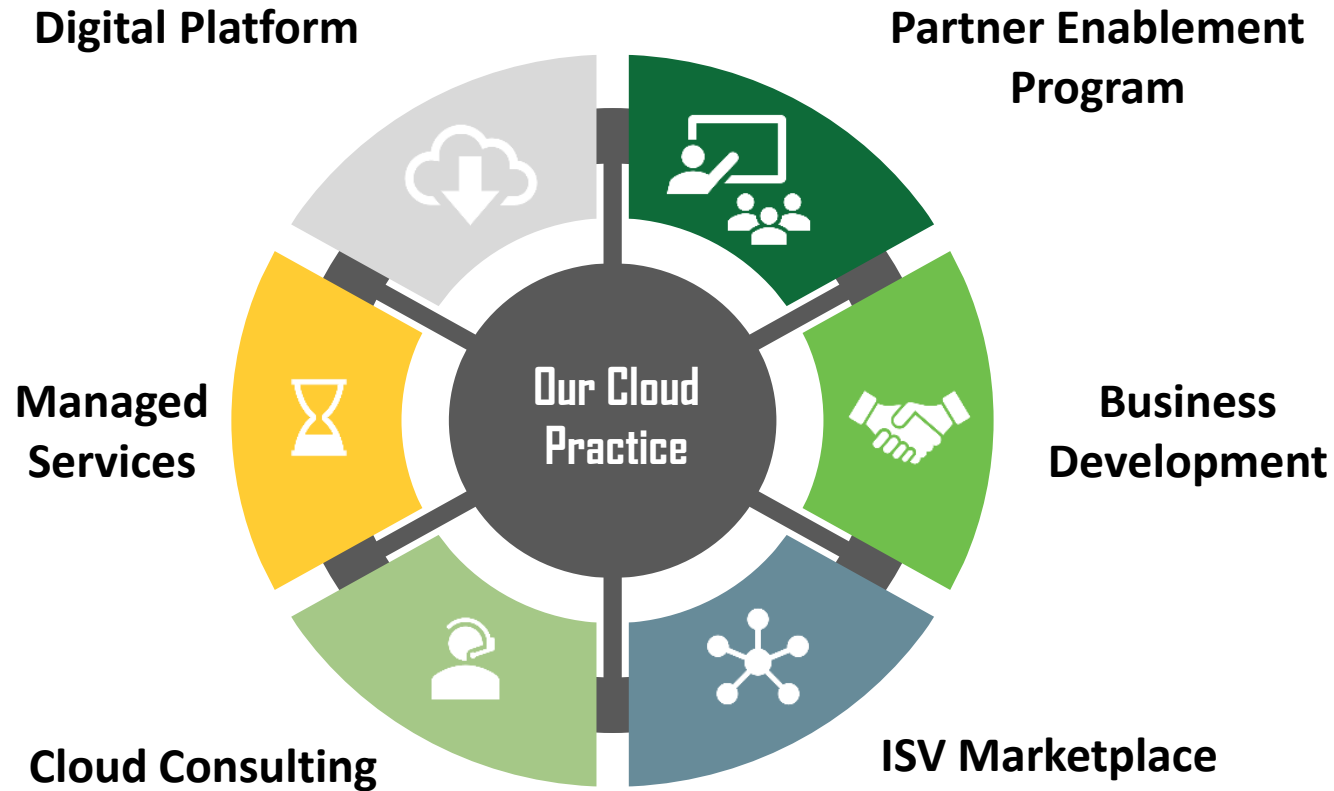


*Illustrative

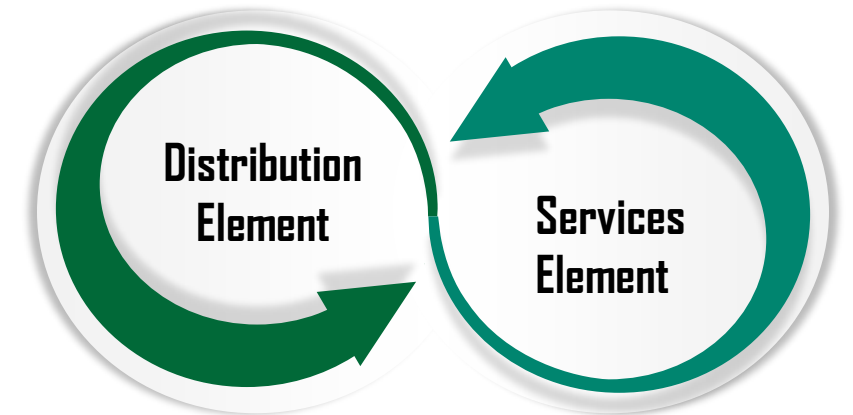
Redington Cloud Solutions



Our Cloud Practice



Our business



Down-selling of
Cloud products



ORACLE

Redington team
provides
Managed
Services,
focussing on
SME/Mid Market
clientele

DIGITAL PRINT SERVICES



Exclusive Distributor of
HP Indigo's "Digital
Printing Press" in India

REVENUE MODEL

Distribution of Printing Press

Annuity revenues from clicks (impressions)

Parts & Labour

Ranked Grade
"AA" by HP
Indigo
(Second highest
in the world)



3D PRINT SERVICES



Set up 3D Printing
Facility in Chennai



On-Demand Manufacturing

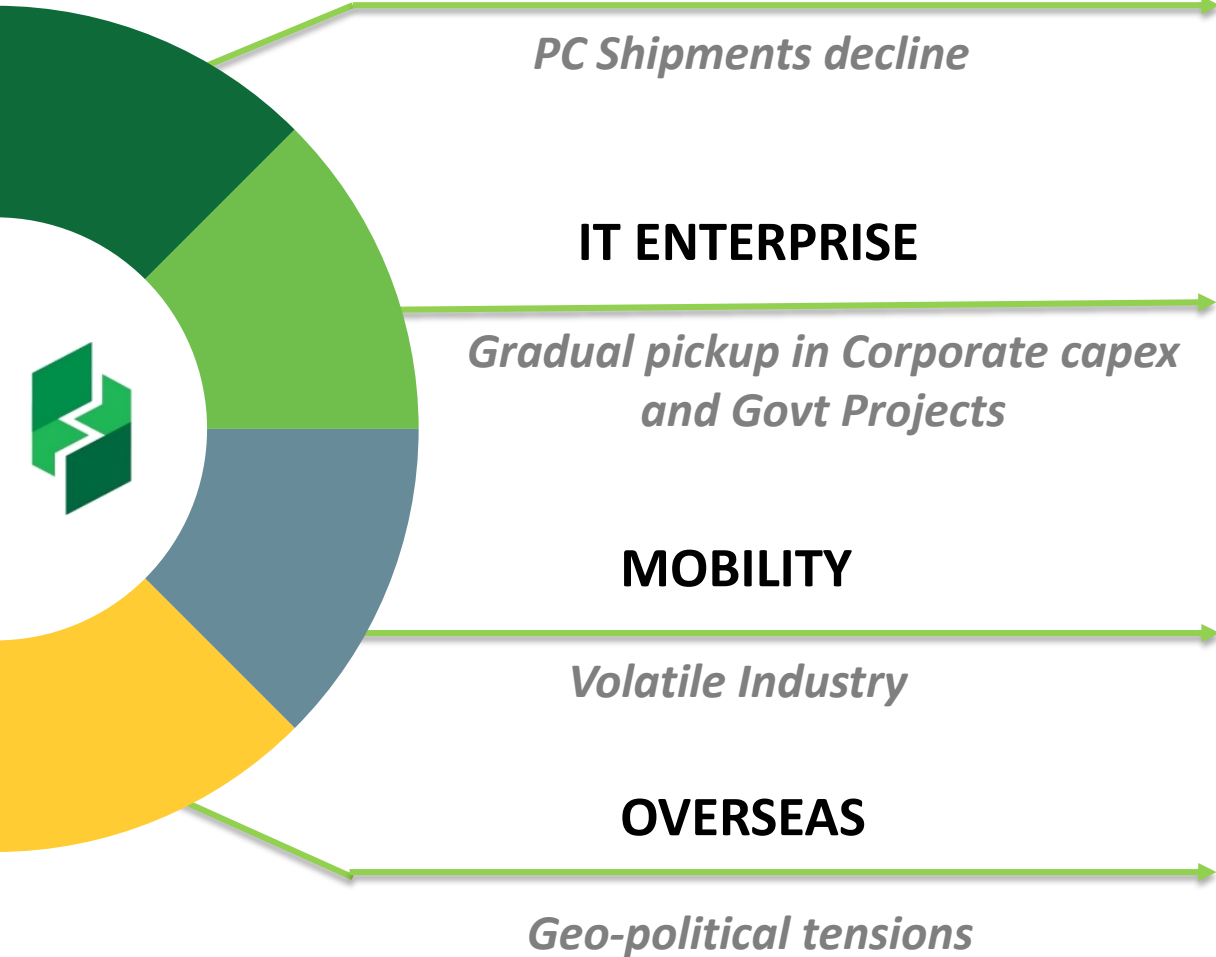


Prototyping



Scanning

Fueling Growth In a Challenging Business



- Enabling better product mix with higher ASP
- Market share gains

- Establishing presence in Cloud
- Increased value added services
- Systematic approach devised to participate in Government Projects

- Association with MNC brands with clear long term strategy

Three Commandments

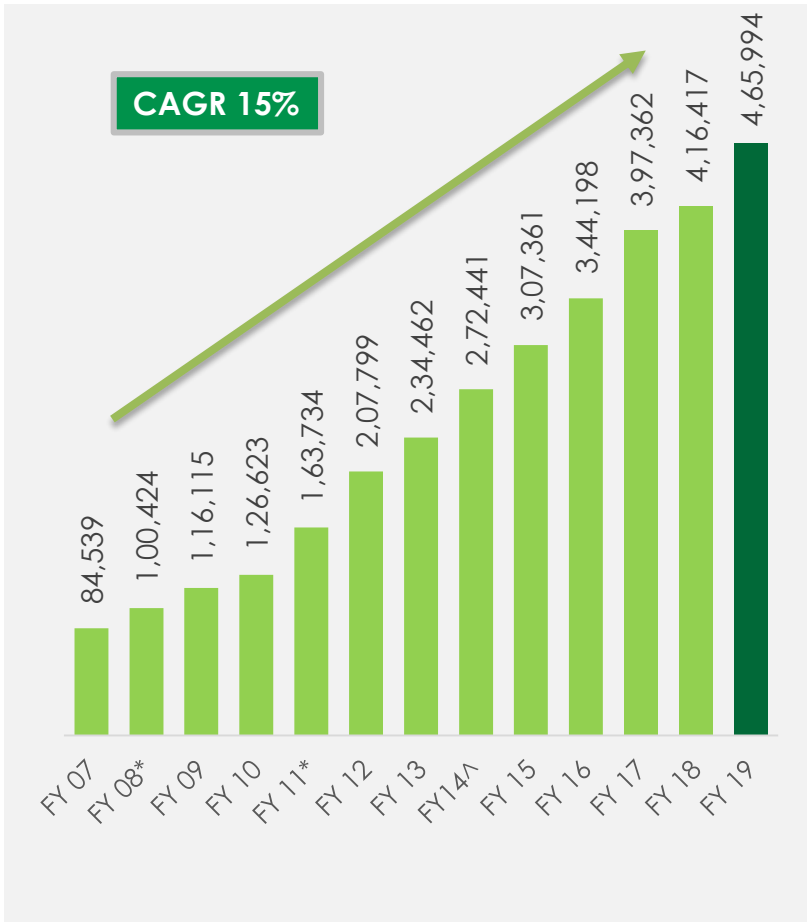
- Protect capital fiercely
- Be absolutely paranoid about risk
- Reduce costs as much as possible

Financial Performance

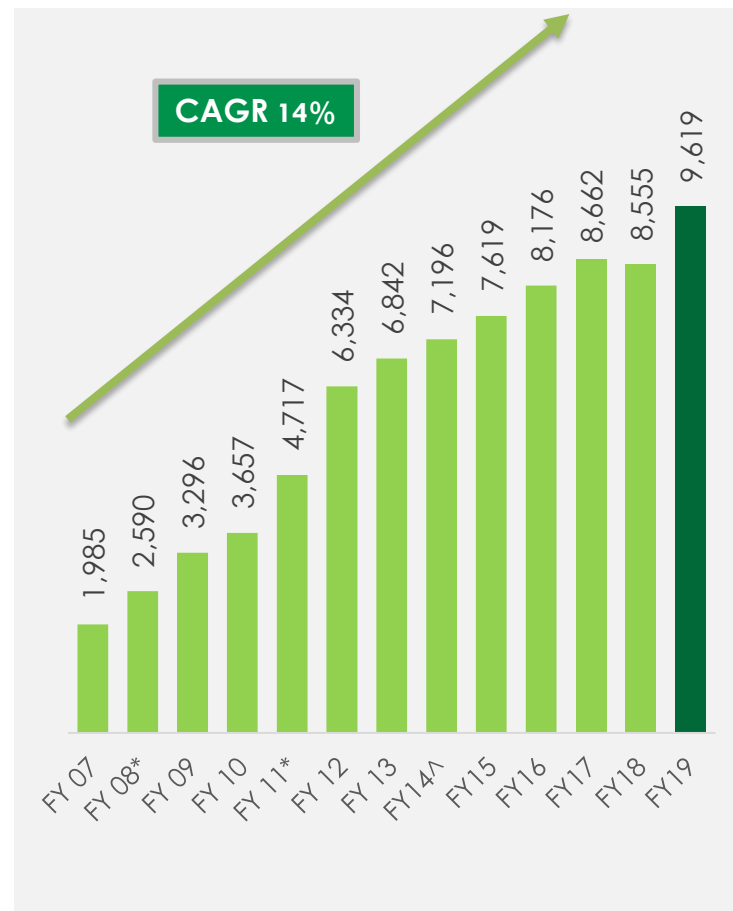


Performance Since Listing

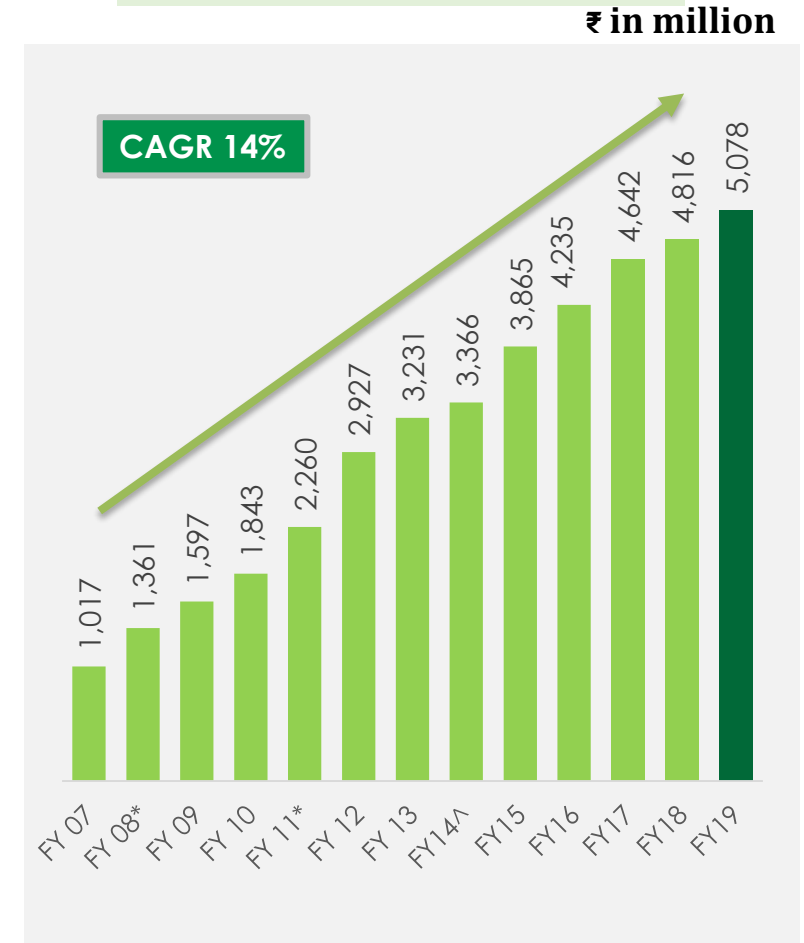
REVENUE



EBITDA



PAT

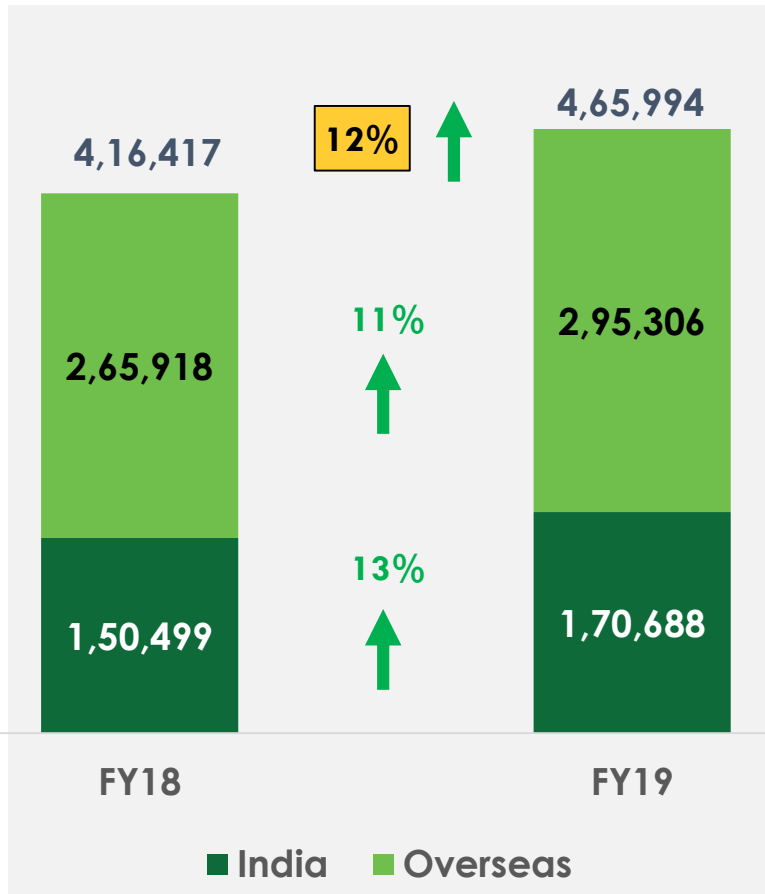


*Post acquisition of Easyaccess Financial Services in FY 08 and Arena in FY 11. ^ Post sale of Easyaccess Financial Services

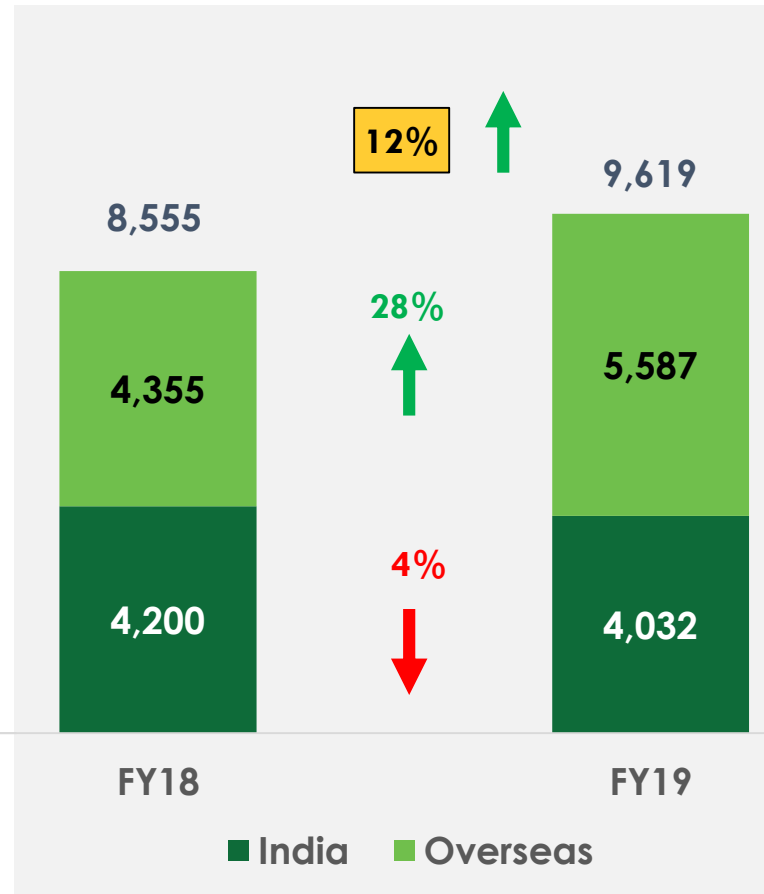
Performance By Market

₹ in million

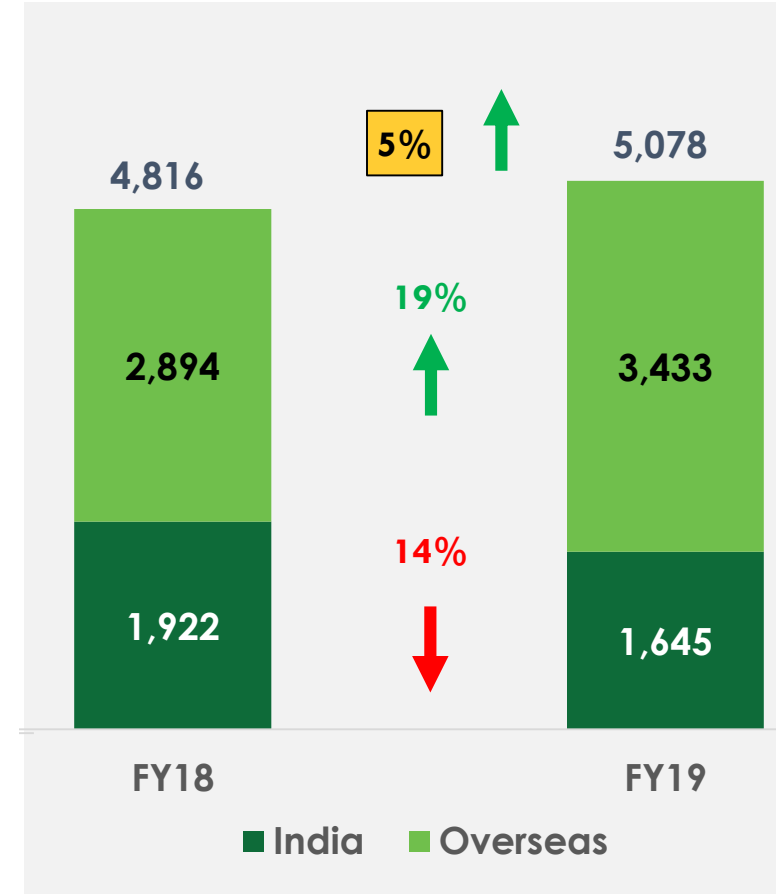
REVENUE



EBIDTA

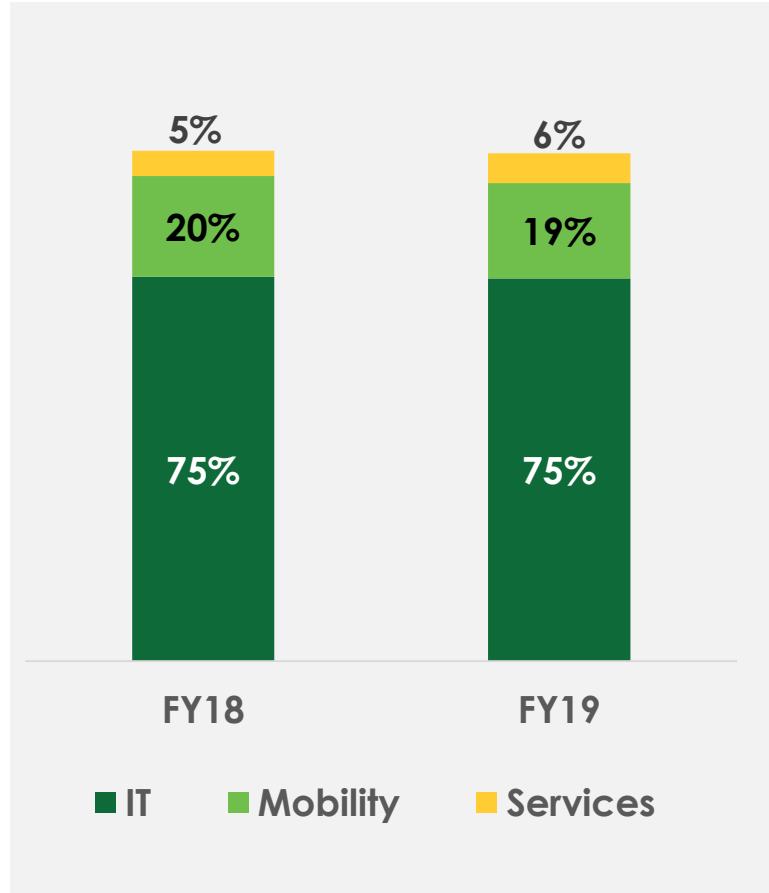


PAT

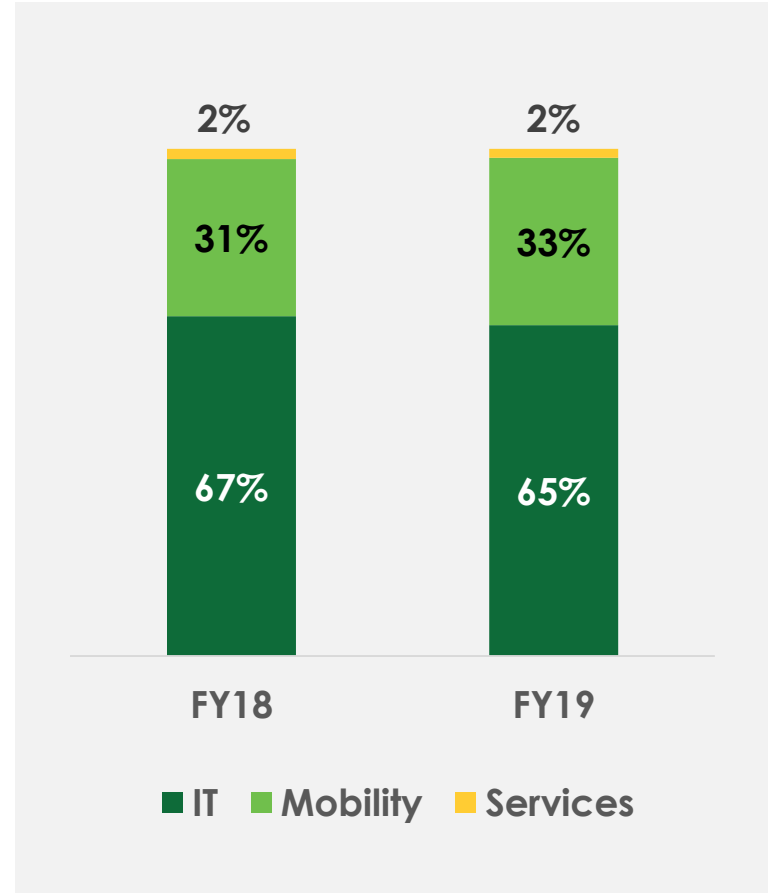


Performance By Vertical

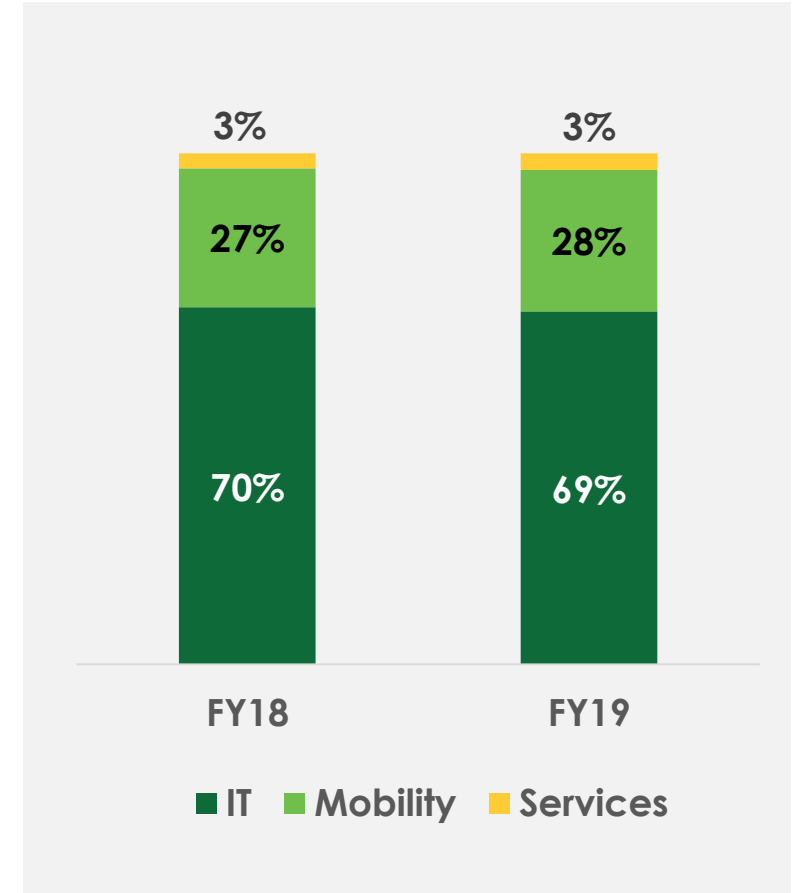
INDIA



OVERSEAS

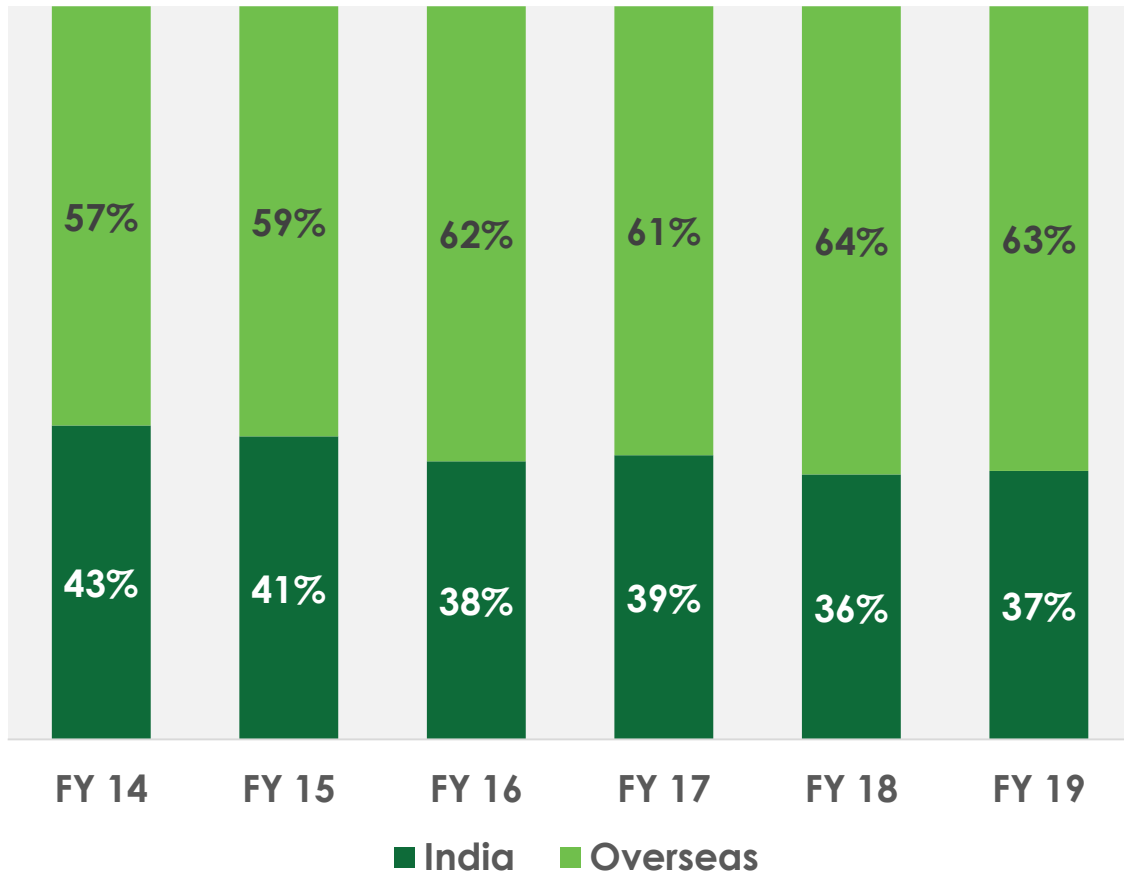


CONSOLIDATED

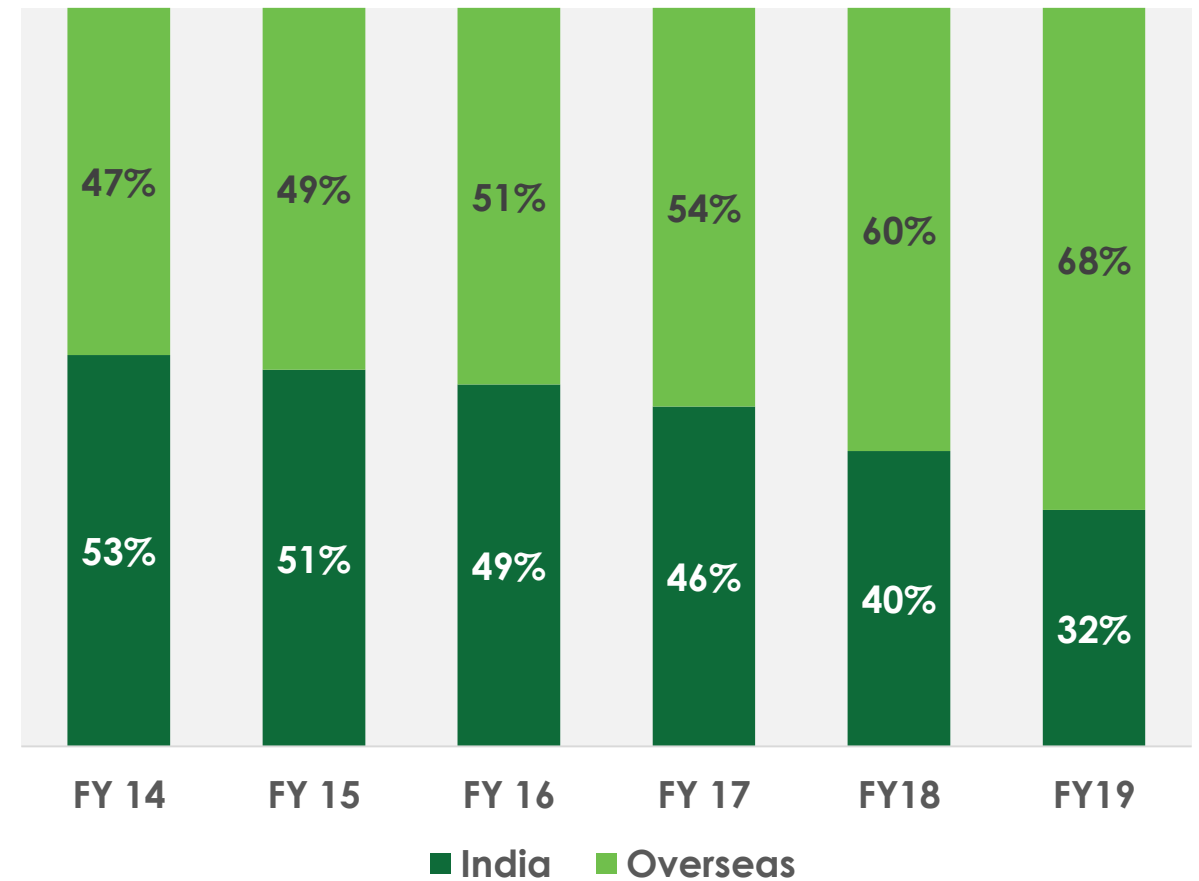


Geographical Contribution

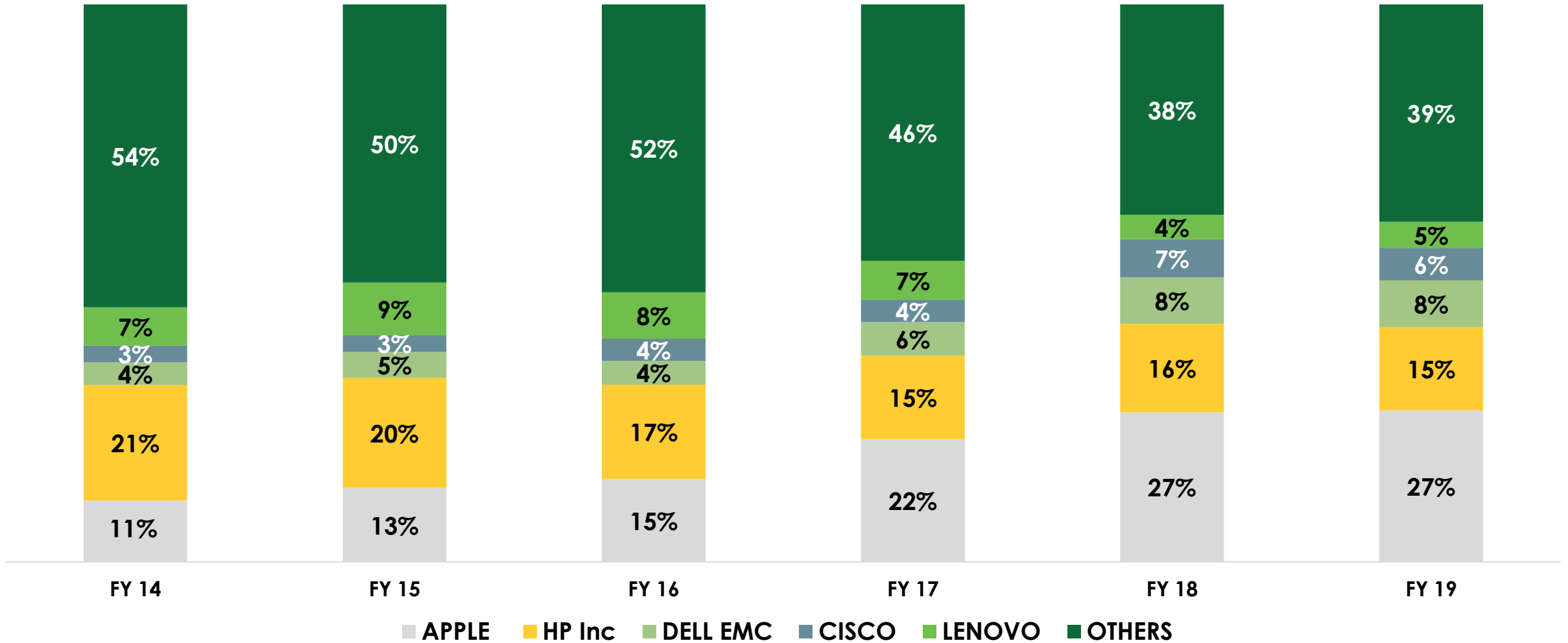
REVENUE



PAT

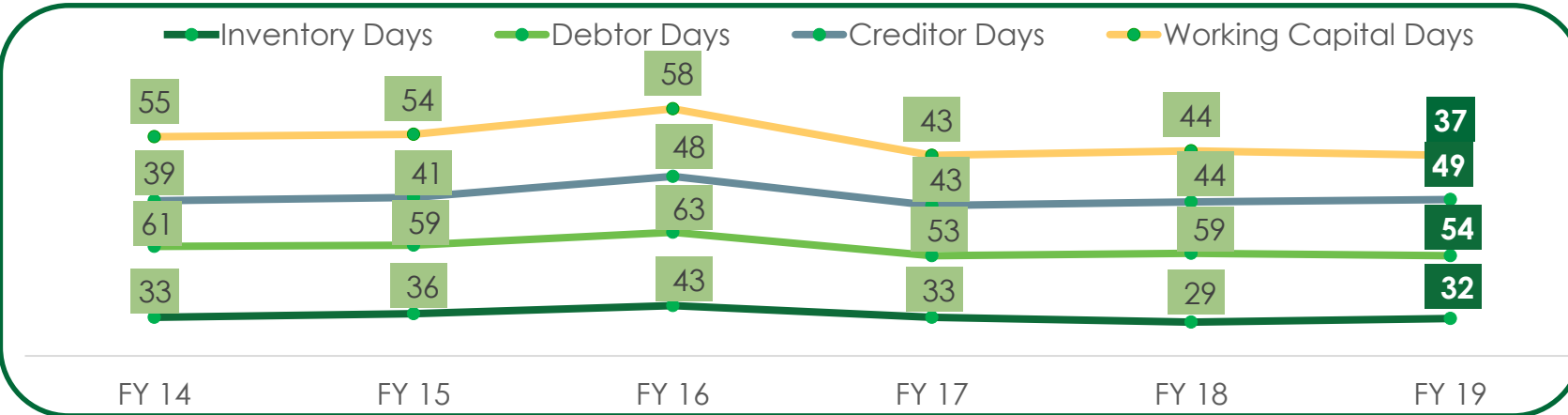


Top 5 Vendors



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

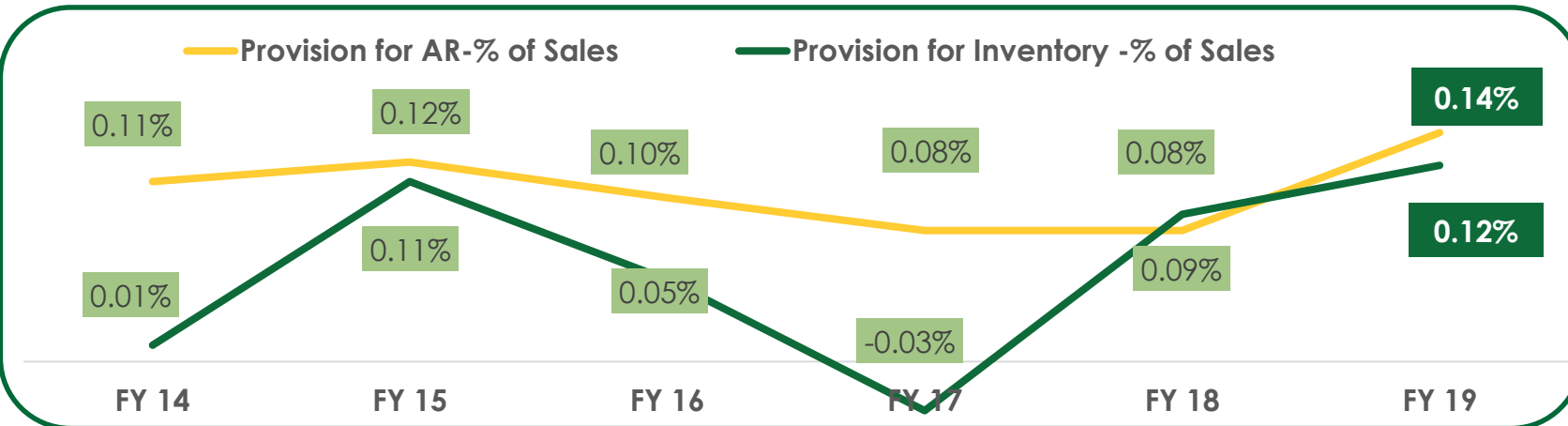
Key Operating Metrics



Working Capital Days at sustainable levels

Rs in mn	FY14	FY15	FY16	FY17	FY18	FY19
CFO	2,413	1,951	(1,922)	12,986	2,198	10,973
FCF	(389)	947	(5,054)	9,113	(565)	7,318

Cumulative generation of cash flows



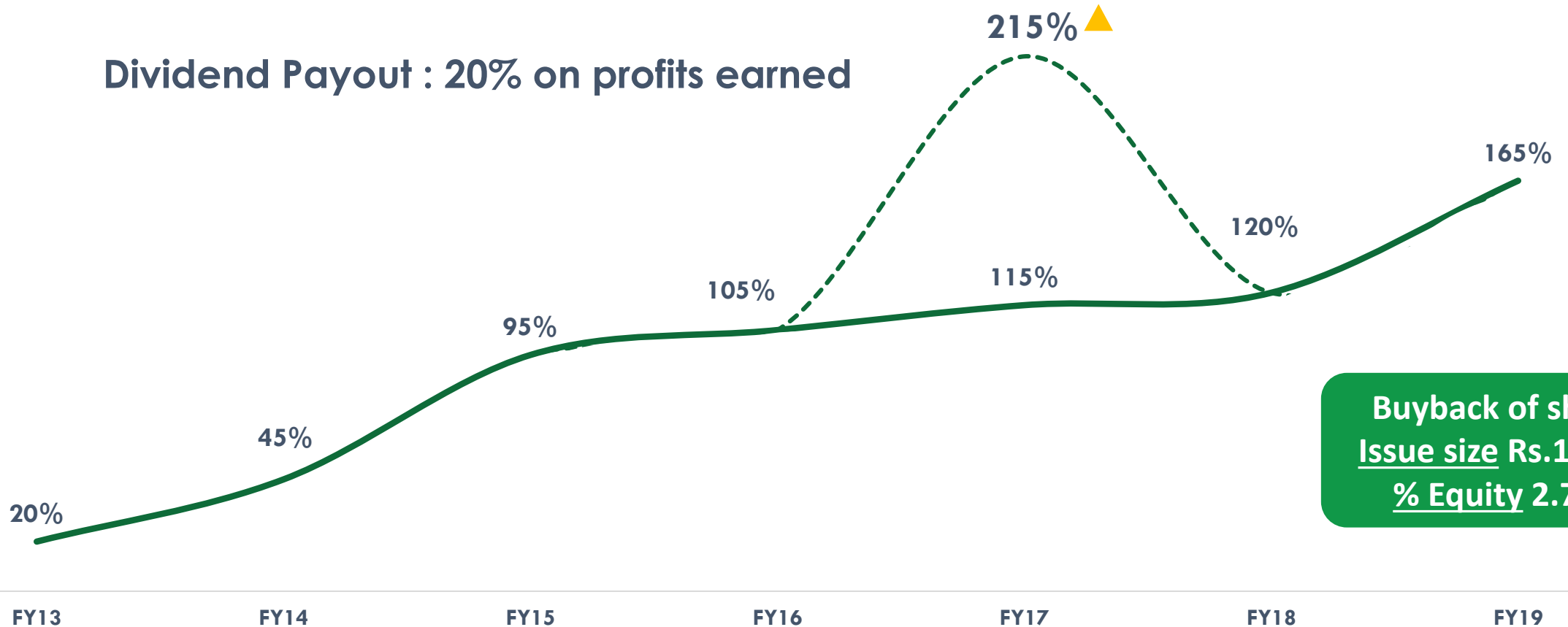
Ensuring Risk adjusted Returns

Consolidated Financials

Particulars	FY19	FY18	FY17	FY16	FY15	FY14
Total Revenue	4,65,994	4,16,417	3,93,762	3,44,198	3,07,361	2,72,441
EBITDA	9,619	8,555	8,662	8,176	7,619	7,196
PAT	5,078	4,816	4,642	4,235	3,865	3,367
Networth	39,060	35,306	31,479	29,494	23,742	20,213
Capital Employed	55,581	53,472	50,252	56,659	44,468	39,938
EBITDA Margins	2.1%	2.1%	2.2%	2.4%	2.5%	2.6%
PAT Margins	1.1%	1.2%	1.2%	1.2%	1.3%	1.2%
ROCE	16.5%	15.5%	15.2%	14.9%	17.2%	17.2%
ROE	13.7%	14.5%	15.3%	15.6%	18.2%	19.1%
EPS (₹)	12.8	12.0	11.6	10.6	9.7	8.4
Book Value per share (₹)	99.8	87.7	78.2	73.2	57.6	48.8

Dividend Distribution

Dividend Payout : 20% on profits earned

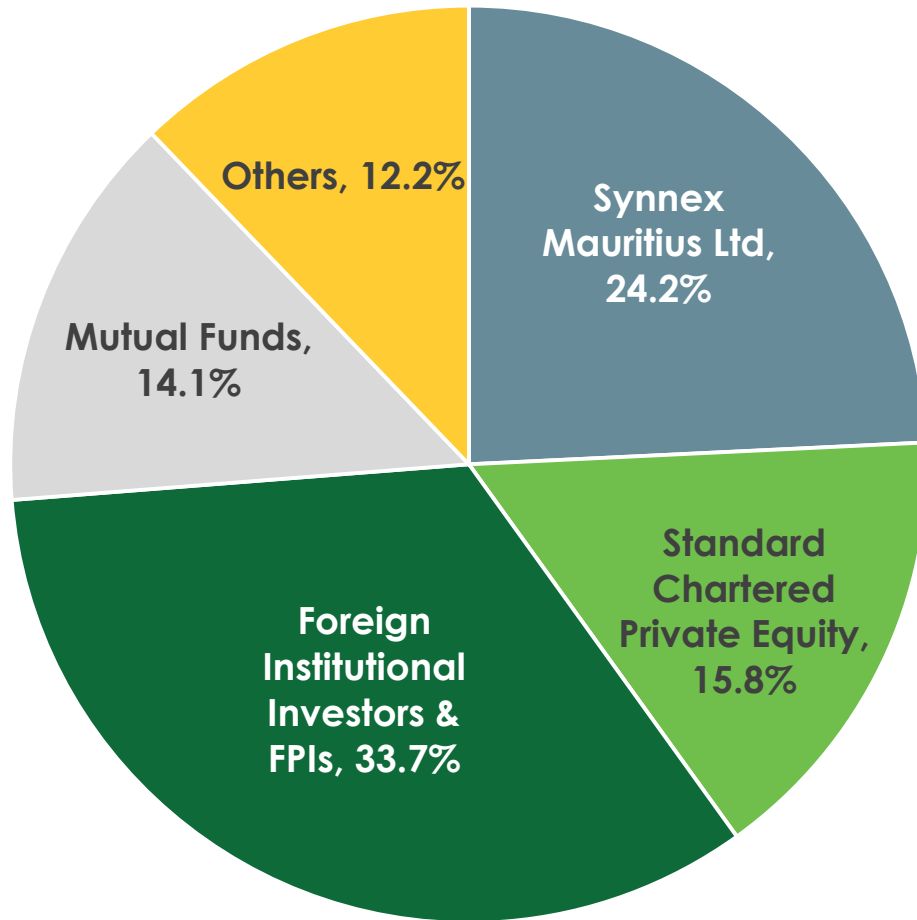


Buyback of shares
Issue size Rs.139 crs
% Equity 2.78%

— Dividend % on Face Value of shares

▲ Final dividend plus Special Interim Dividend declared

Shareholding Pattern (As on Mar 31st, 2019)



HDFC Mutual Fund



Fidelity Management & Research (FMR)



Franklin Templeton Investments



ICICI Pru Life Insurance



Fidelity International



Dimensional Fund Advisors



Norges Bank

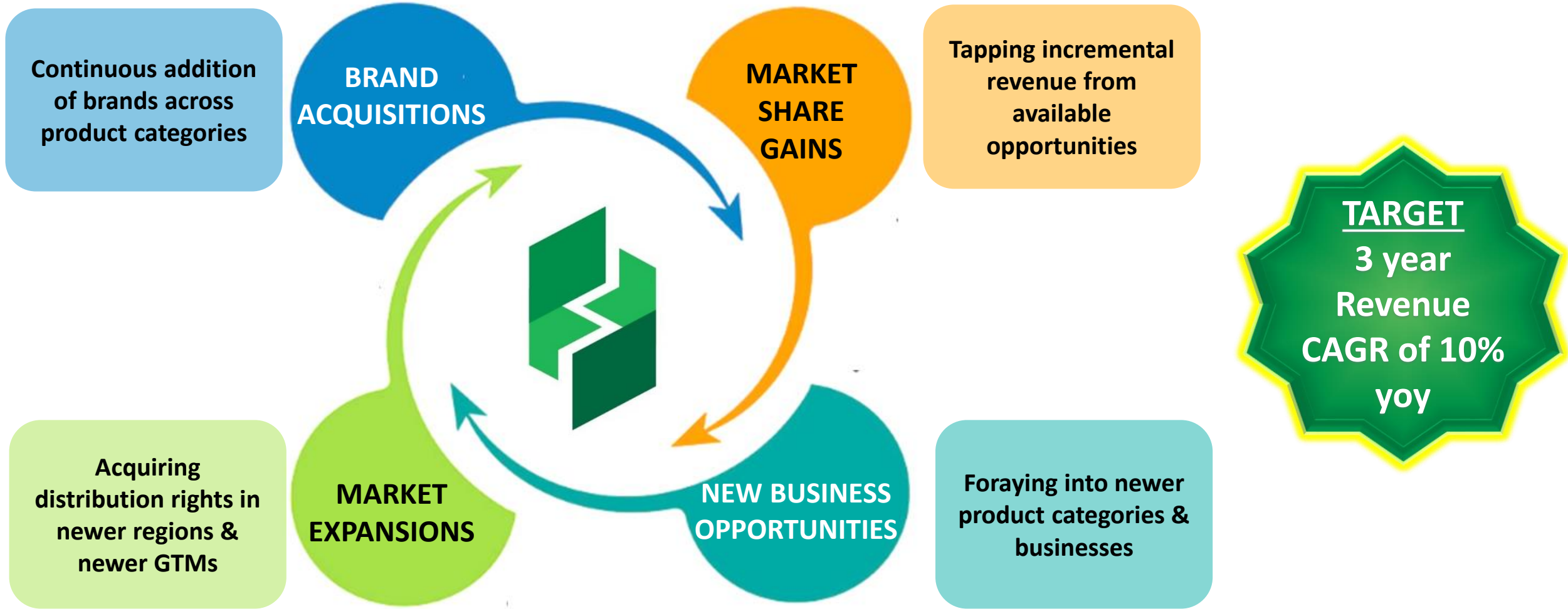


BlackRock Inc

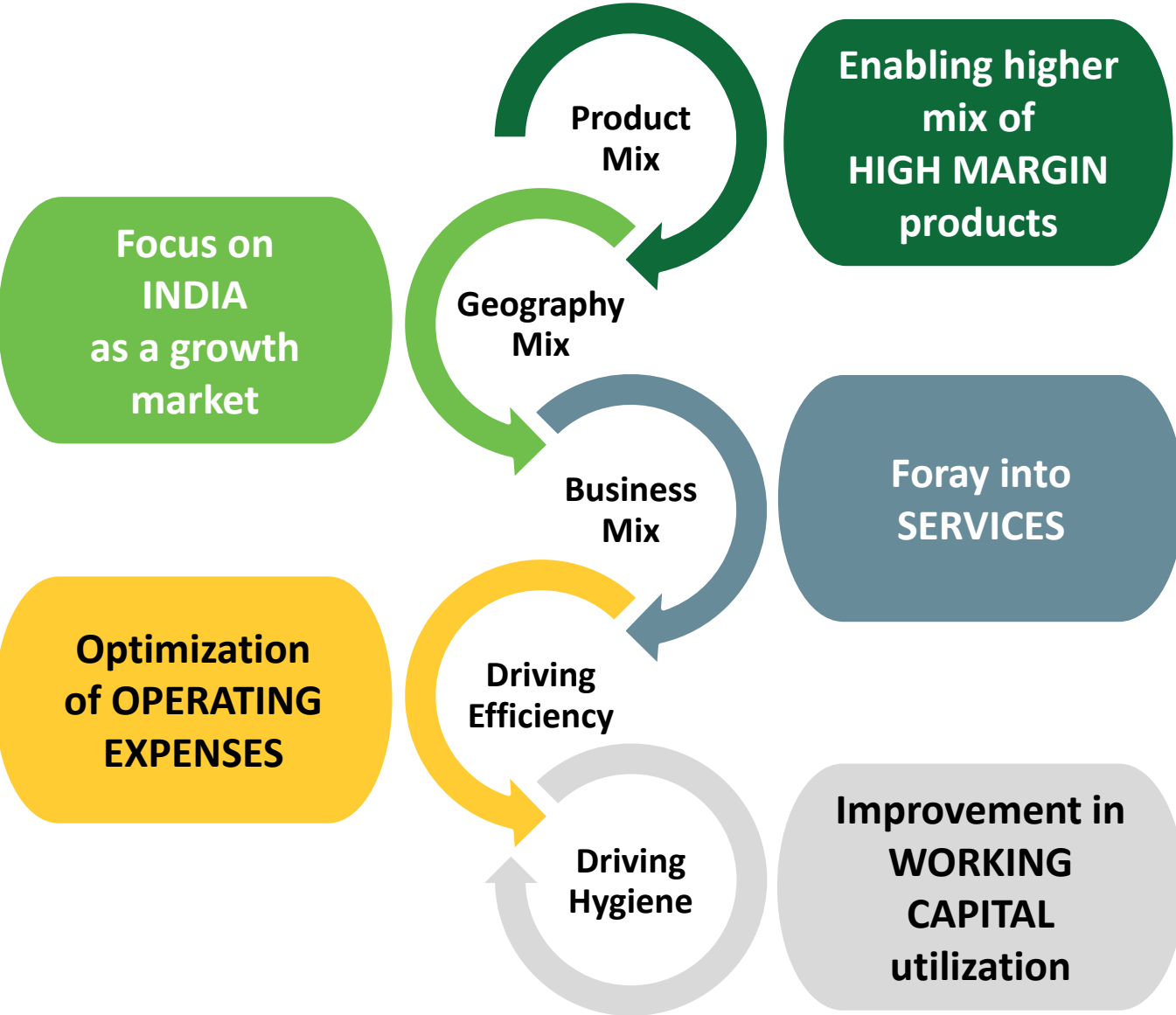
Our Growth Drivers



Revenue Growth Vectors



Margin Growth Vectors



Improved Margin Trajectory



Improved WC turns



Improved ROCE

TARGET
ROCE of
16-18% by
FY21

Capital Allocation Priorities



NO FPO
MADE



Debt
Equity
Ratio at
0.1



AA/A1+
Credit
rating

Foundation for CSR @ Redington (Redington Foundation), a trust formed by Redington (India) Limited to implement various CSR activities towards the betterment of the society



Employability Skills Training

- ➔ Communication Skills
- ➔ Computer Skills
- ➔ Personality Development
- ➔ Office Etiquette
- ➔ Domain Knowledge Skills



Vocational Skills Training

- ➔ Disability inclusive support
Improving quality of
education through
Technology
- ➔ Sign Language for hearing
impaired
- ➔ Holistic self development
- ➔ Employment Generation



Equipping Activities

- ➔ Setting up smart class
rooms
- ➔ Monetary support to
students
- ➔ Recognition to teachers
- ➔ Revamping of School infra



Smart Schools

- ➔ Setting up Smart class
rooms
- ➔ Strategic association with
Schools for academic
upliftment
- ➔ Promoting schools in rural
areas

CONTACT US

Compliance Officer

M. Muthukumarasamy

Redington (India) Limited

*SPL Guindy House, 95 Mount Road,
Guindy, Chennai 600 032*

<https://www.redingtongroup.com>

CIN - L52599TN1961PLC028758

Investor Contact

Sowmiya M

Manager – Investor Relations

sowmiya.manickam@redington.co.in

IR Materials - <https://redingtongroup.com/india/financials-and-reports/>



THANK YOU

