

31<sup>st</sup> October 2017

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 25<sup>th</sup> October 2017 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](http://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**

**Q2FY18 Earnings Presentation**

**September 2017**



# Disclaimer

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*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.*

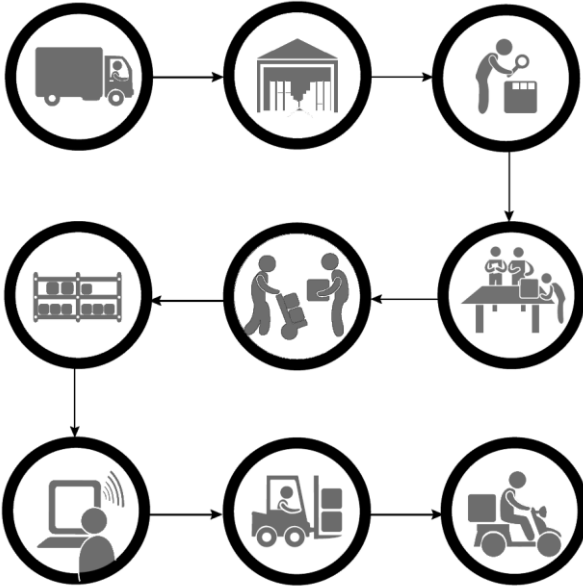
*While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.*

*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.*

# REDINGTON

## Q2FY18 Highlights



### Connecting The Dots

*Transformation from 'Product' to 'Utility of Product'*

# Q2FY18 Business Highlights

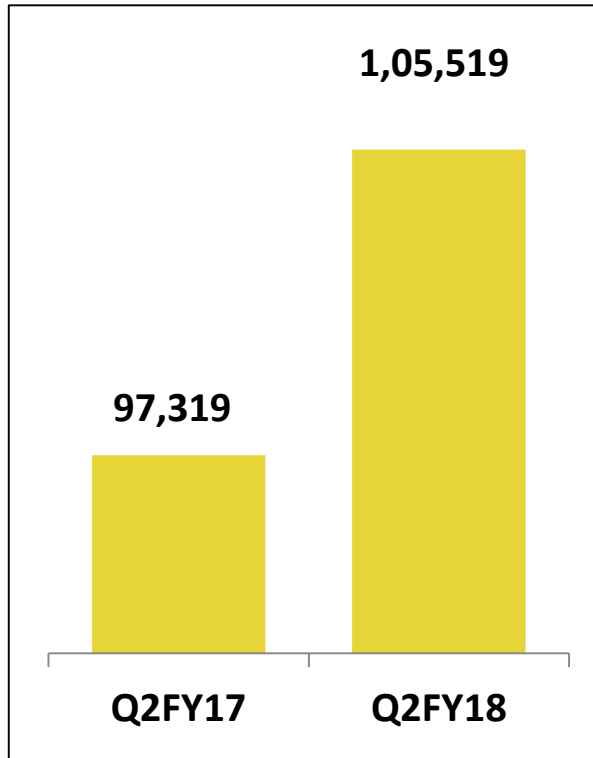
- Earnings growth faster than Revenue growth during the quarter
- Reduction in Working Capital in Q2FY18 as compared to Q2FY17
- Generated positive free cash flow

# Q2FY18- Consolidated Financials

₹ in million

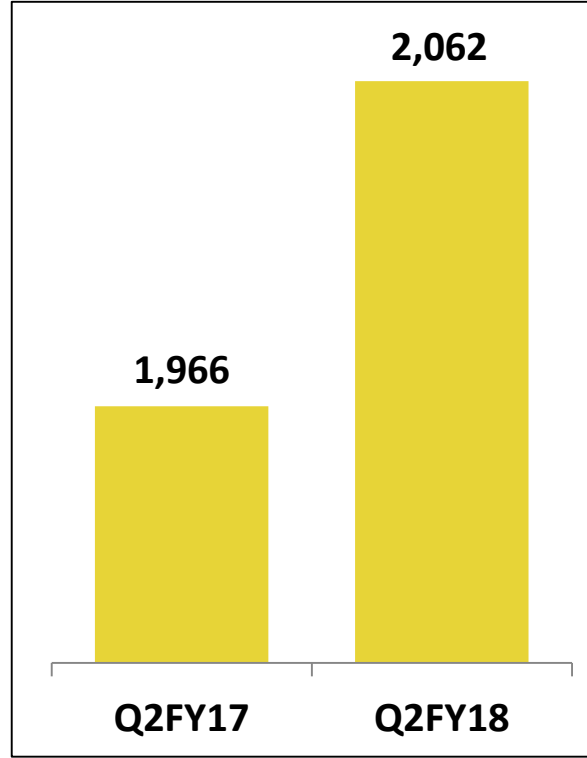
## REVENUE

8%



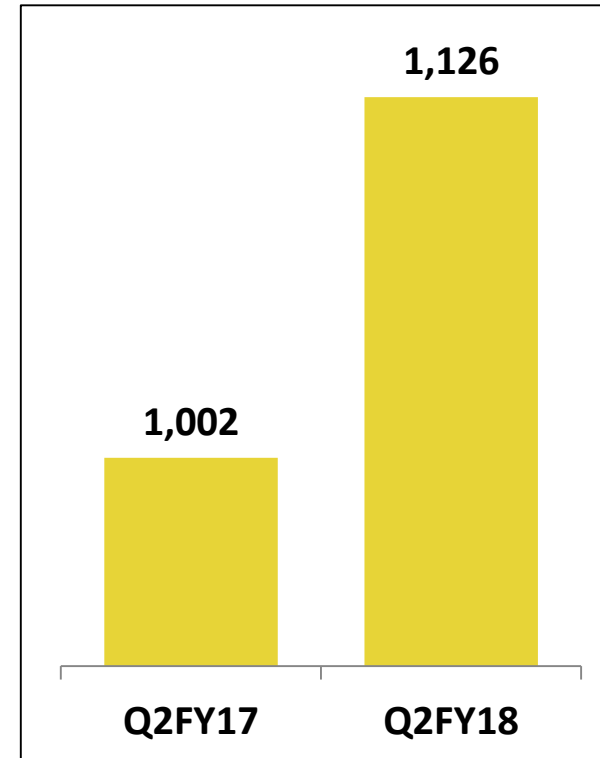
## EBIDTA

5%



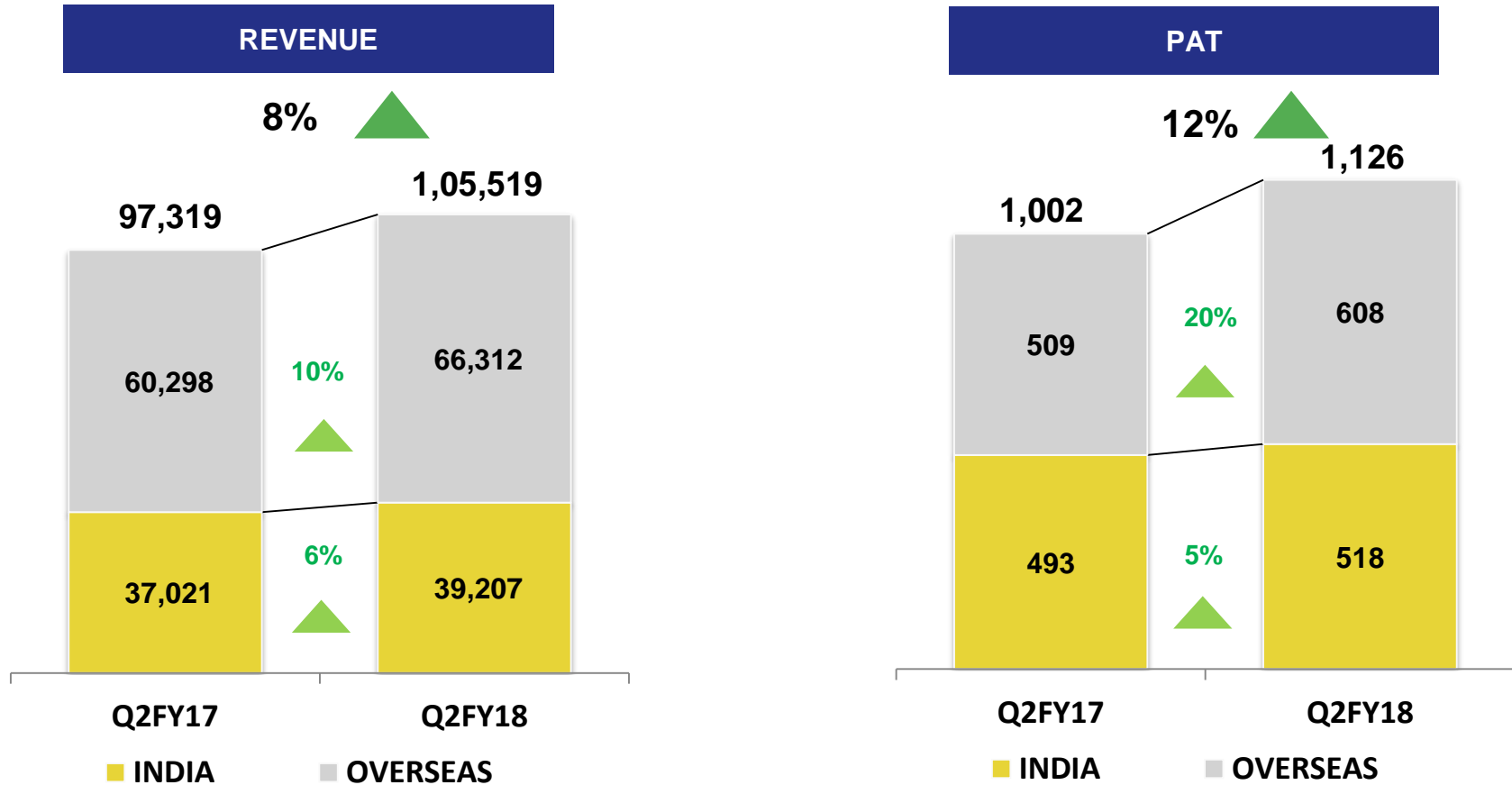
## PAT

12%



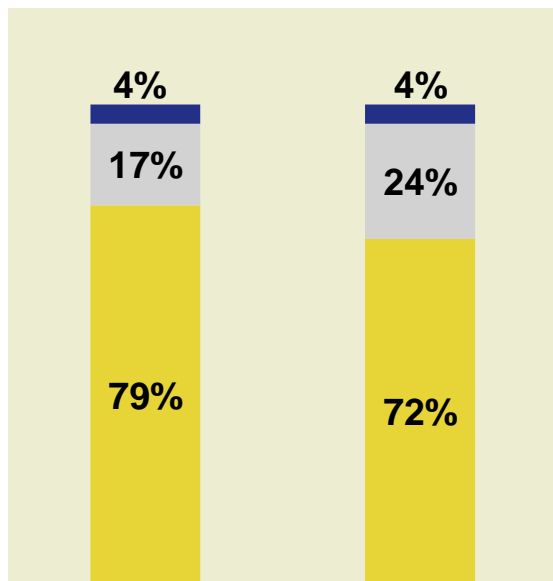
# Q2FY18 Performance by Market

₹ in million



# Q2FY18 Performance by Vertical

## INDIA



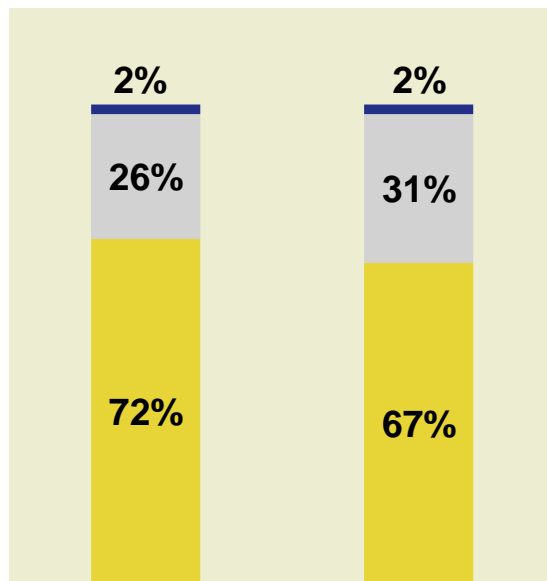
Q2FY17

Q2FY18



IT

## OVERSEAS



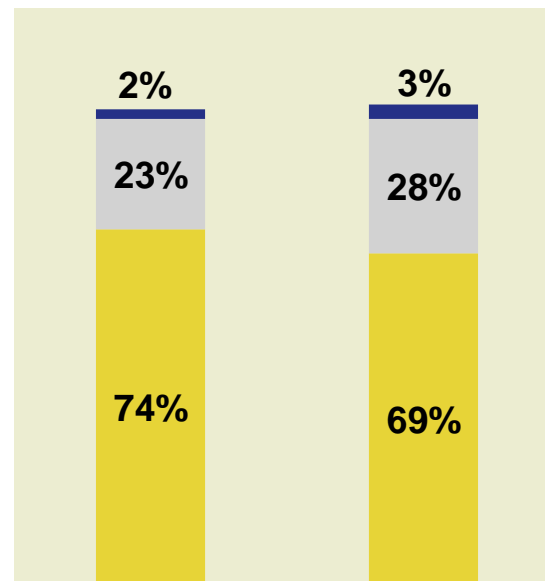
Q2FY17

Q2FY18



Mobility

## CONSOLIDATED



Q2FY17

Q2FY18



Services

Note: Upon re-grouping, only smartphones are shown under Mobility



# Q2FY18 – Working Capital Days

## CONSOLIDATED



Inventory days

Debtor days

38

35



Creditor days

46

40



Working capital days

■ Q2FY17 ■ Q2FY18

53

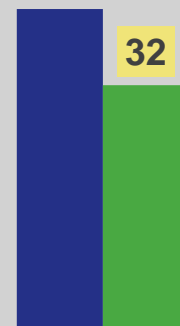
54



India

42

32



Overseas

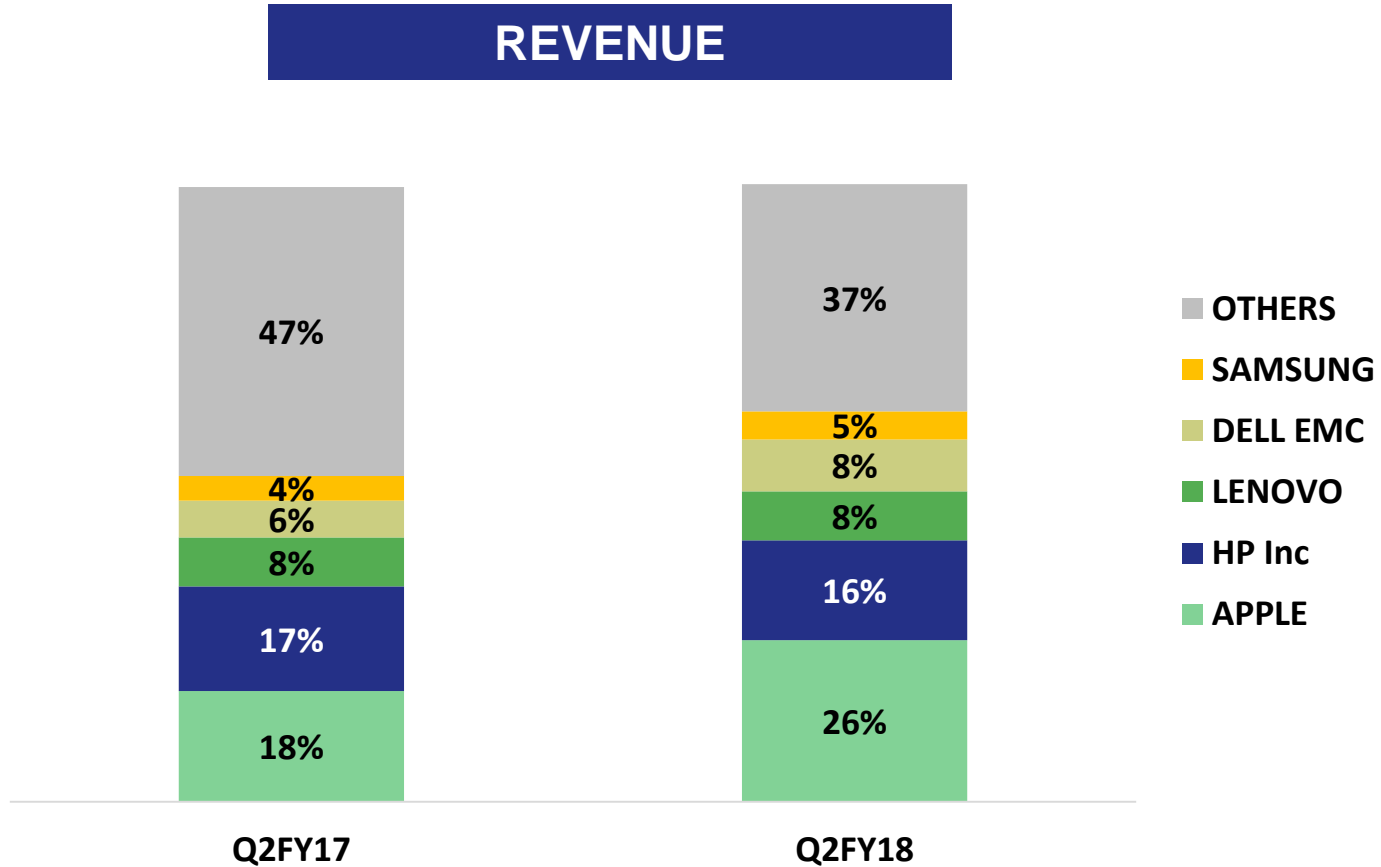
■ Q2FY17 ■ Q2FY18

# Free Cash Flow Statement

₹ in million

Particulars	Q2 FY18	Q2 FY17
<b>Profit Before Taxation</b>	<b>1,528</b>	<b>1,362</b>
Non-cash items	343	264
Change in Working Capital	1,253	5,104
Direct Tax Paid	(398)	(211)
Outflow of Finance Cost	323	243
<b>Net Cash Flow from Operations</b>	<b>3,049</b>	<b>6,763</b>
Capex	(135)	(262)
Dividend	(1,228)	(1,203)
Outflow of Finance Cost	(323)	(243)
<b>Free Cashflow</b>	<b>1,363</b>	<b>5,055</b>

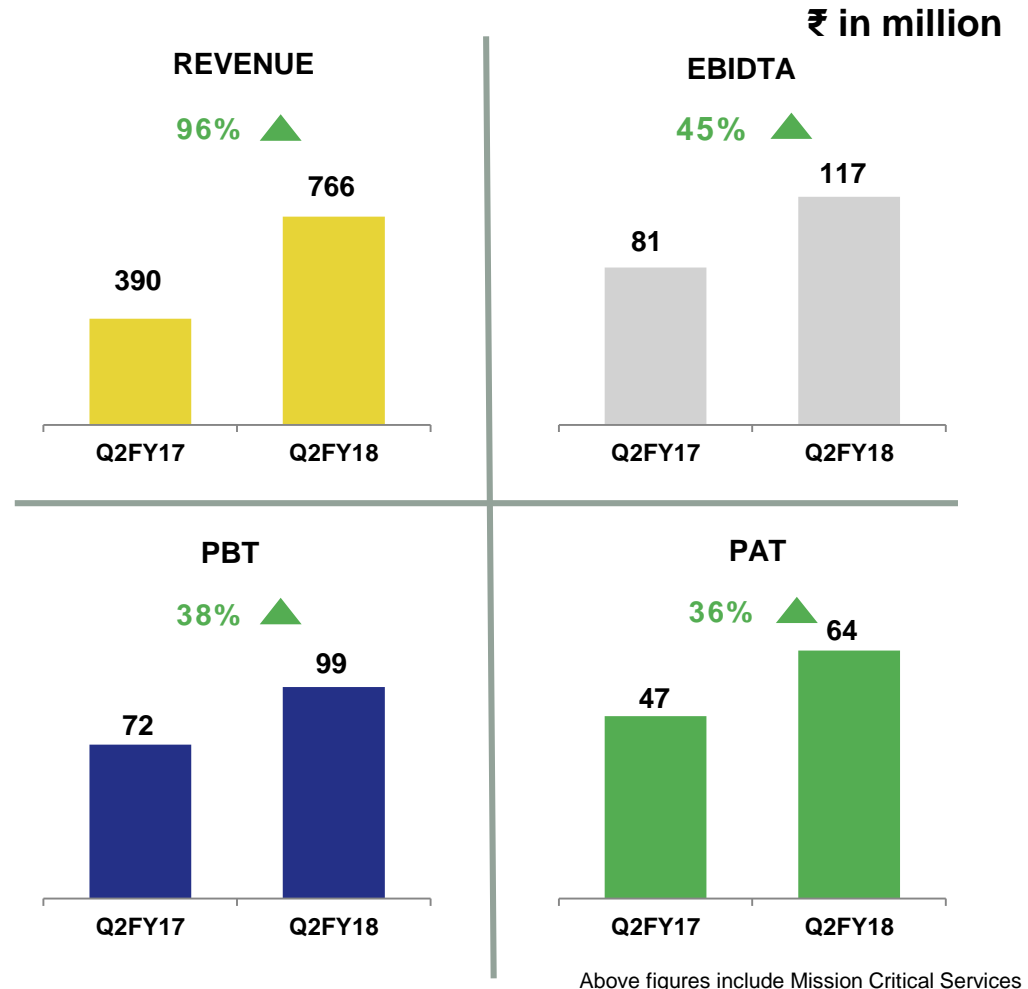
# Q2FY18 – Top 5 Vendors Consolidated



*Note: Effect of Dell EMC merger is shown in Q2FY18 figures*

# Q2FY18 Performance – ProConnect

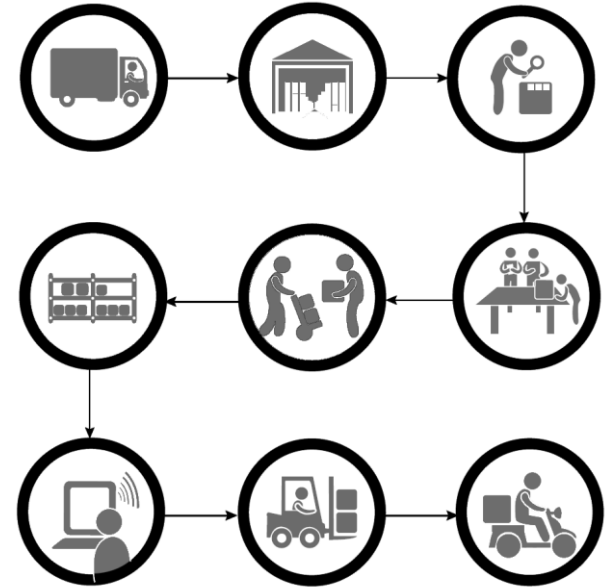
- Revenue growth over Q2FY17 is 96%
- PBT growth over Q2FY17 is 38%



Above figures include Mission Critical Services

# REDINGTON

## H1FY18 Highlights



## Connecting The Dots

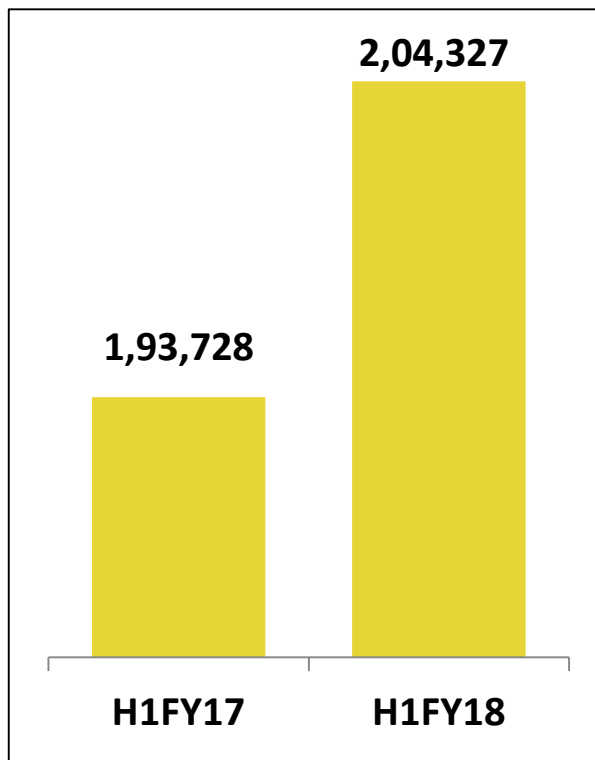
*Transformation from 'Product' to 'Utility of Product'*

# H1FY18- Consolidated Financials

₹ in million

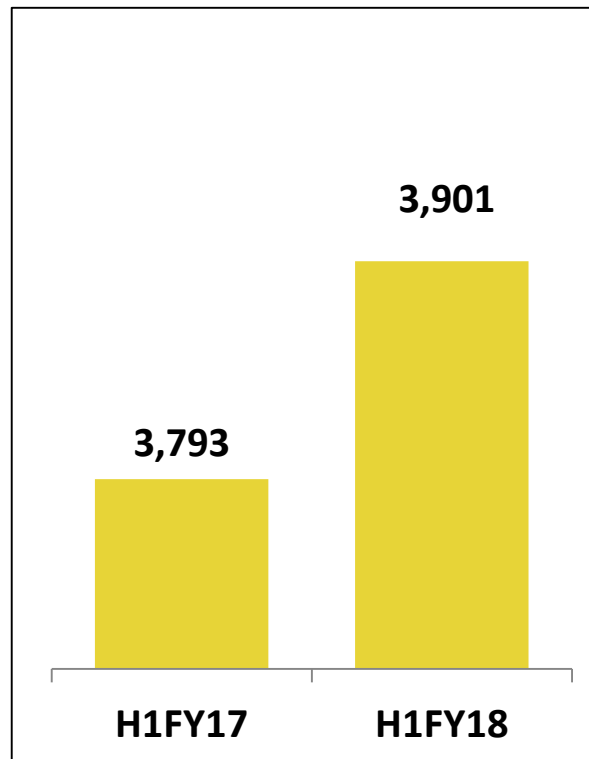
REVENUE

5%



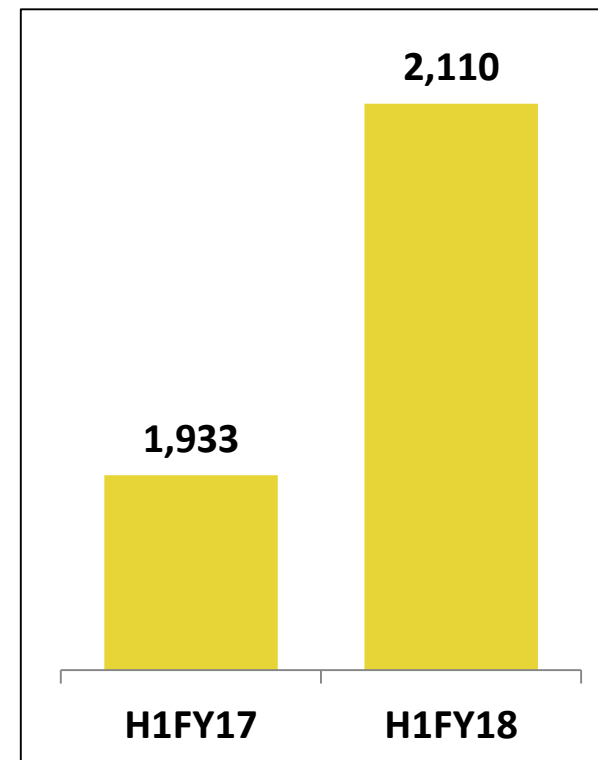
EBIDTA

3%



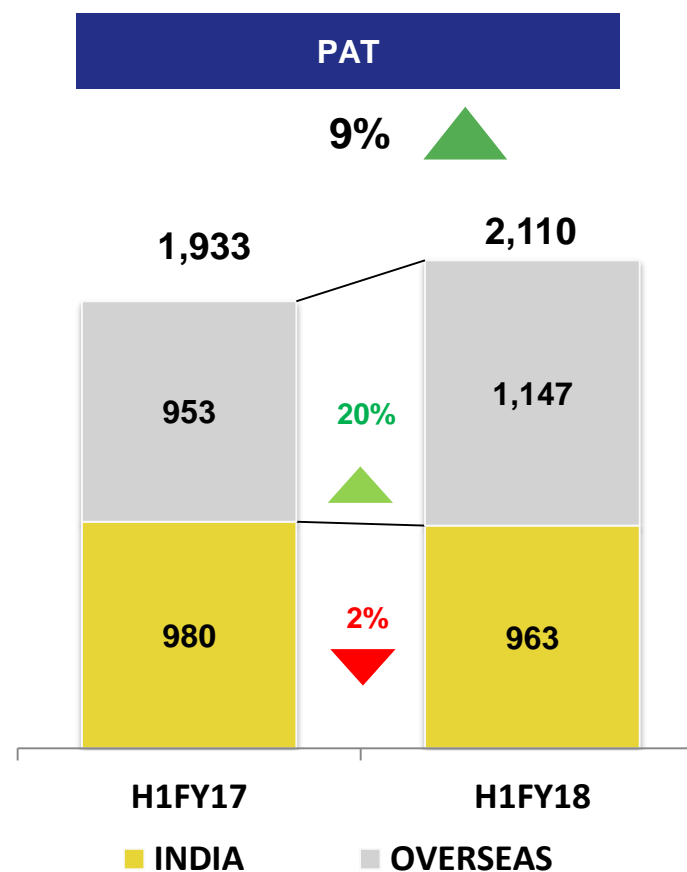
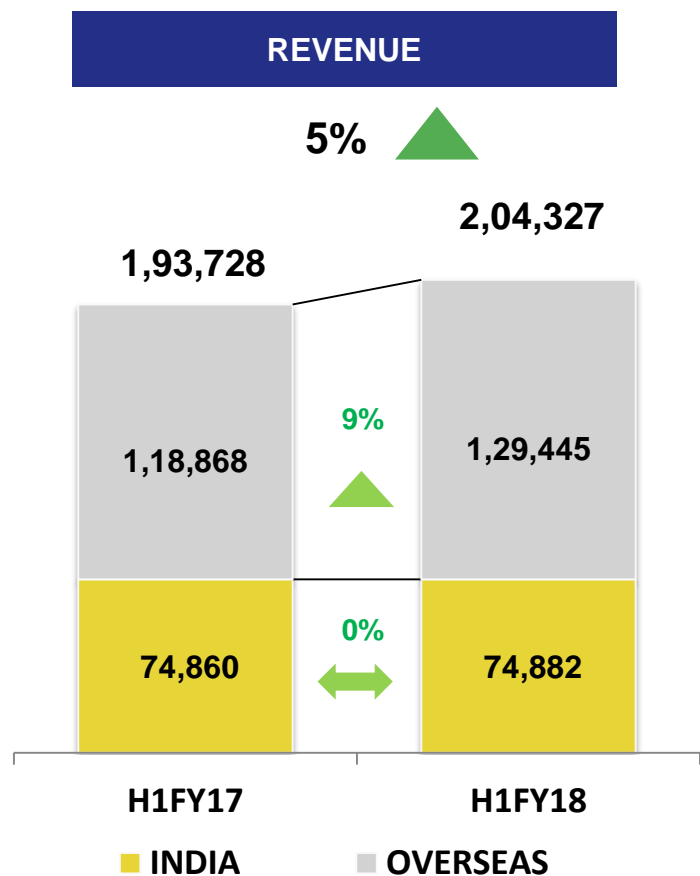
PAT

9%



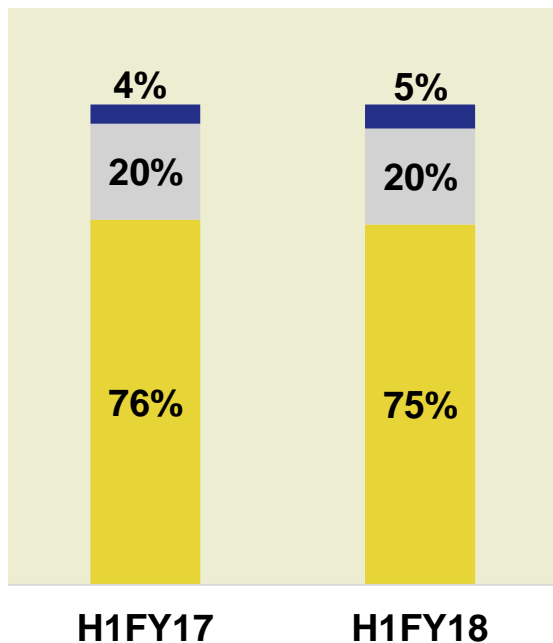
# H1FY18 Performance by Market

₹ in million

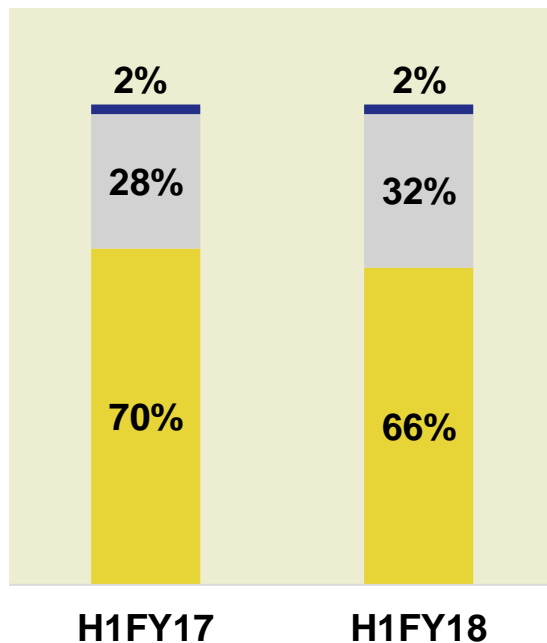


# H1FY18 Performance by Vertical

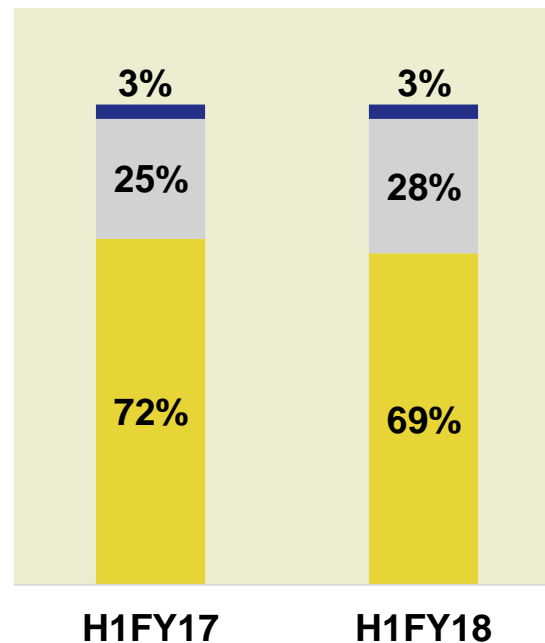
## INDIA



## OVERSEAS



## CONSOLIDATED

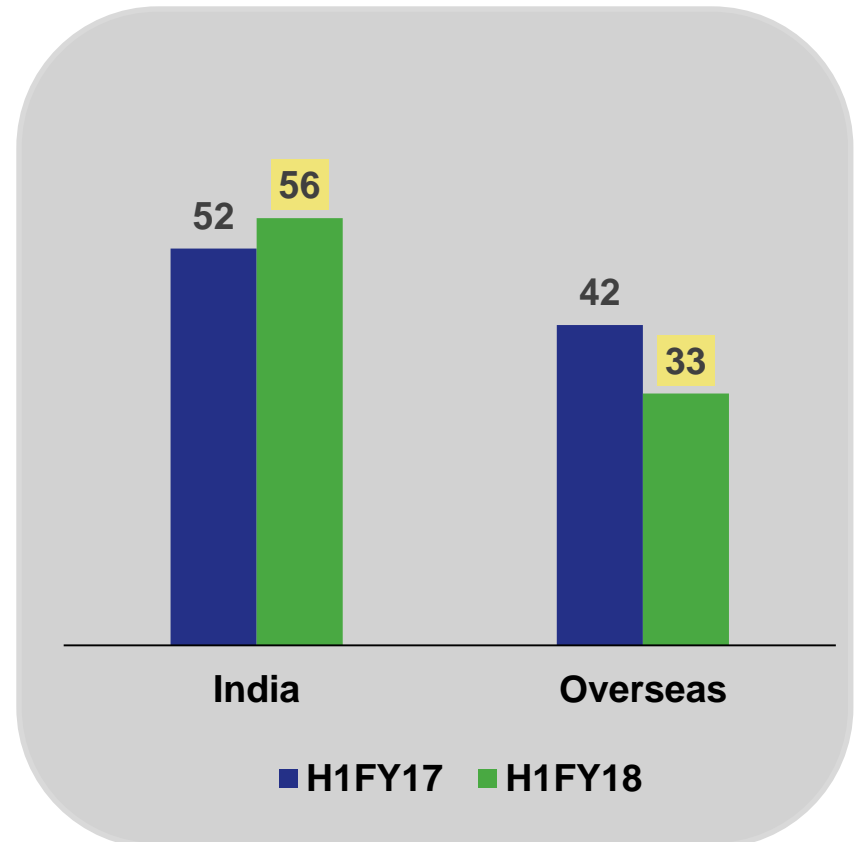
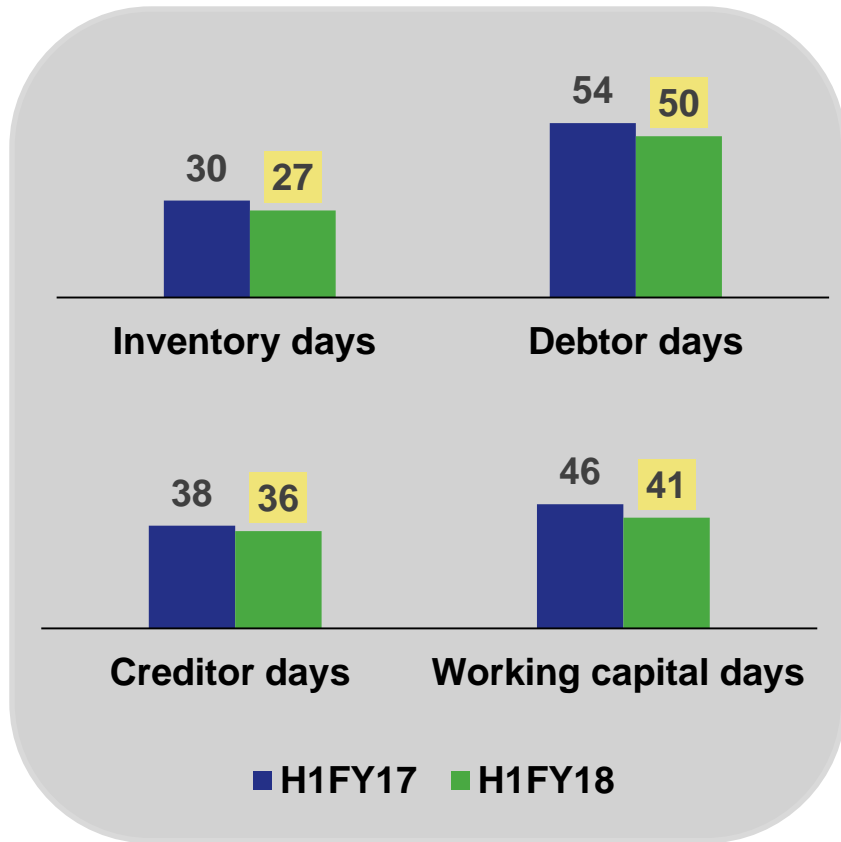


Note: Upon re-grouping, only smartphones are shown under Mobility



# H1FY18 – Working Capital Days

## CONSOLIDATED



# Consolidated Balance Sheet

₹ in million

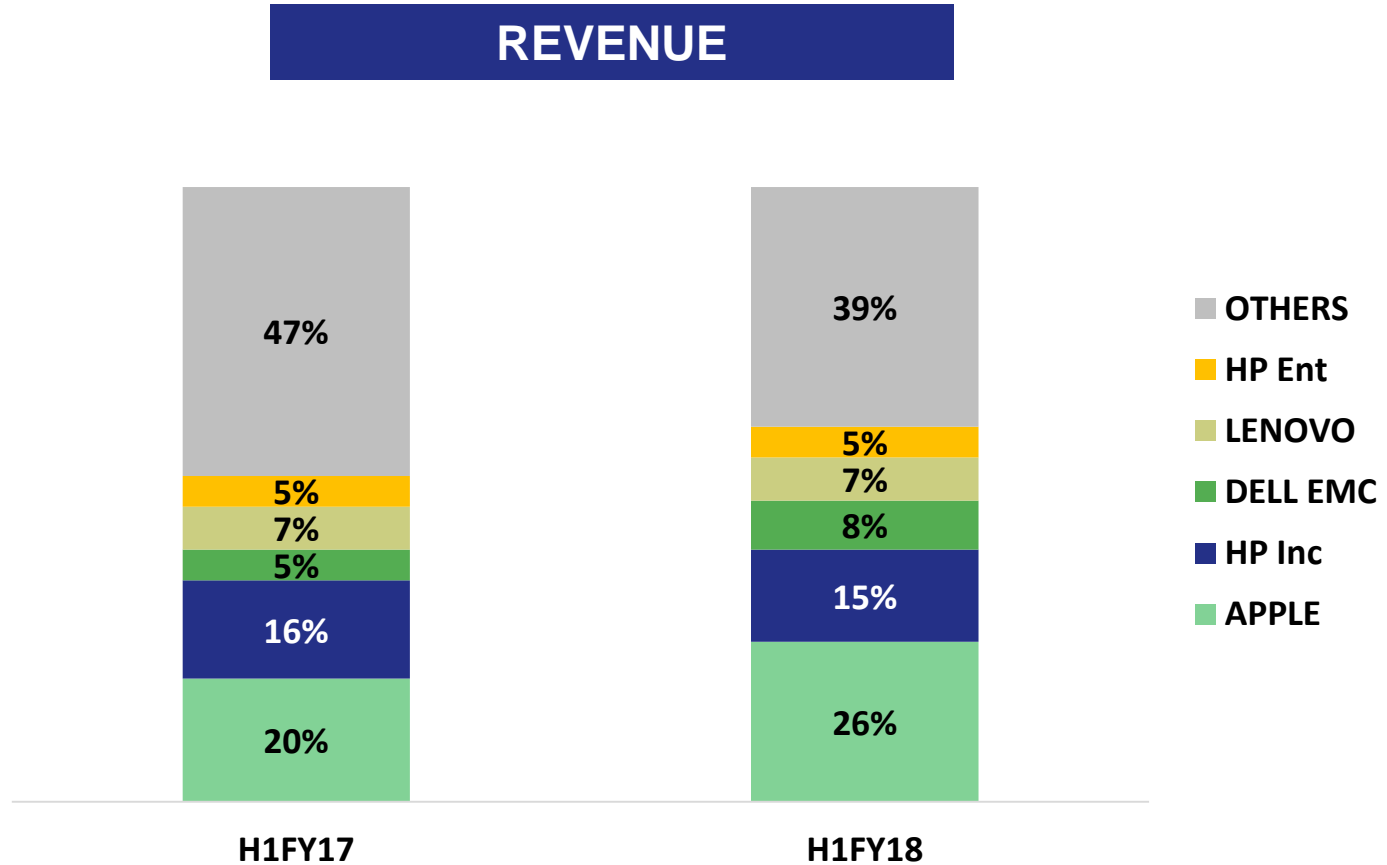
Particulars	30-SEP-17	30-SEP-16
<b>Source:</b>		
Networth	32,662	30,388
Net Debt	10,159	13,626
Minority Interest	3,615	3,688
<b>Total</b>	<b>46,436</b>	<b>47,702</b>
<b>Application:</b>		
Fixed Assets	4,554	4,967
Goodwill	213	237
Net Assets	41,669	42,498
<b>Total</b>	<b>46,436</b>	<b>47,702</b>

# Free Cash Flow Statement

₹ in million

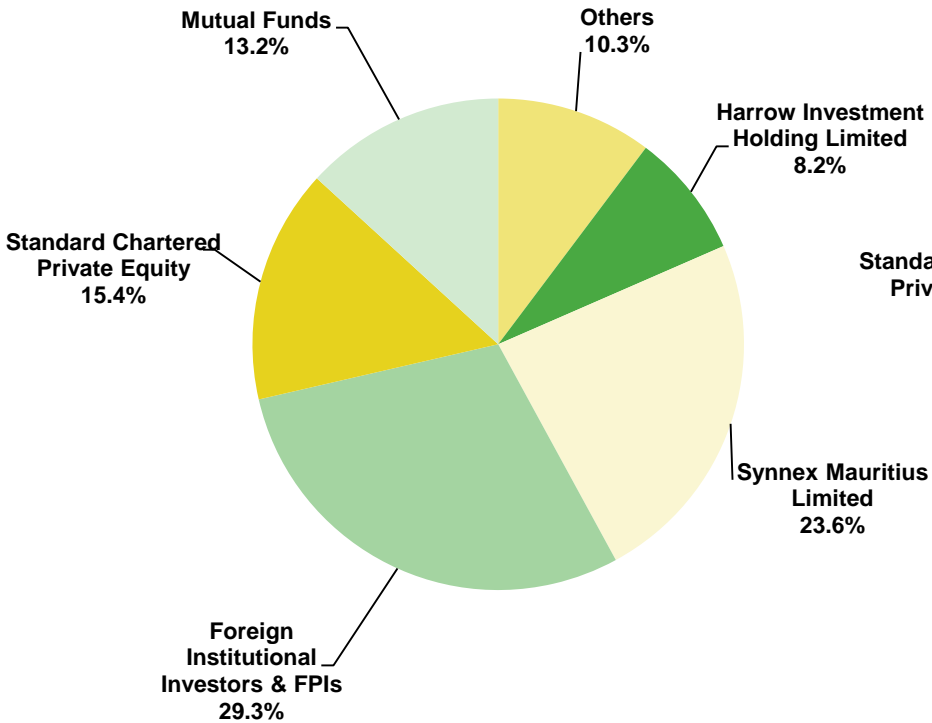
Particulars	H1 FY18	H1 FY17
<b>Profit Before Taxation</b>	<b>2,813</b>	<b>2,682</b>
Non-cash items	590	527
Change in Working Capital	(338)	6,583
Direct Tax Paid	(584)	(653)
Outflow of Finance Cost	664	568
<b>Net Cash Flow from Operations</b>	<b>3,145</b>	<b>9,708</b>
Capex	(240)	(337)
Dividend	(1,259)	(1,202)
Outflow of Finance Cost	(664)	(568)
<b>Free Cashflow</b>	<b>982</b>	<b>7,600</b>

# H1FY18 – Top 5 Vendors Consolidated

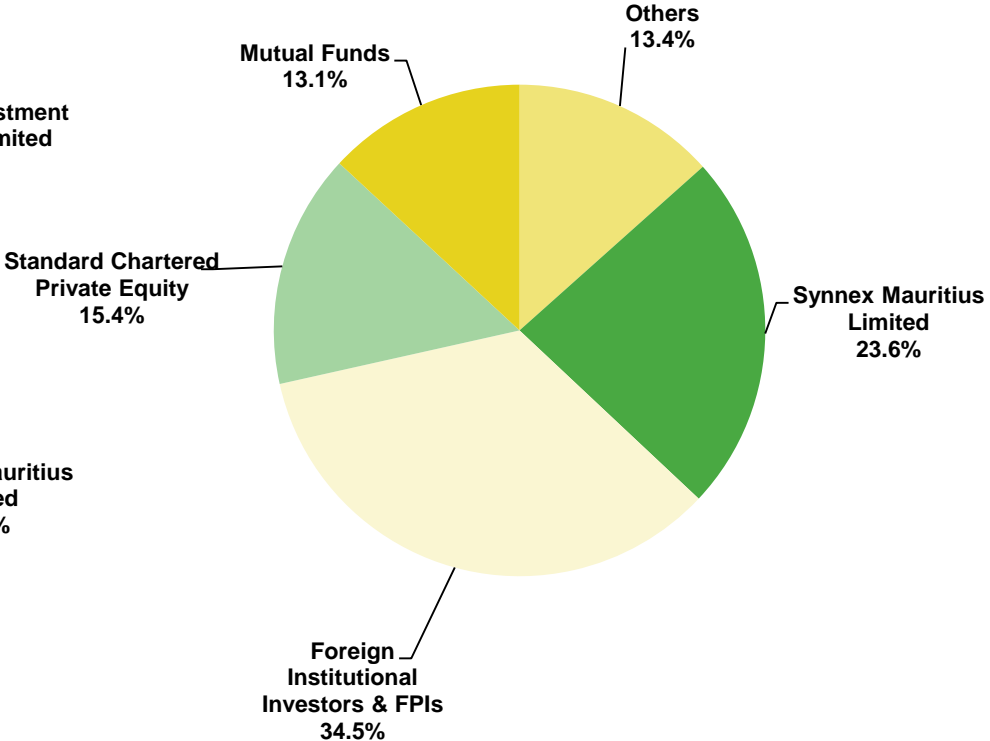


*Note: Effect of Dell EMC merger is shown in H1FY18 figures*

# Shareholding Pattern



30-Jun-2017



30-Sep-2017

# REDINGTON

## Investor Contacts

M. Muthukumarasamy

Compliance Officer

Redington (India) Limited

SPL Guindy House, 95 Mount Road,

Guindy, Chennai 600 032

<https://www.redingtonindia.com>

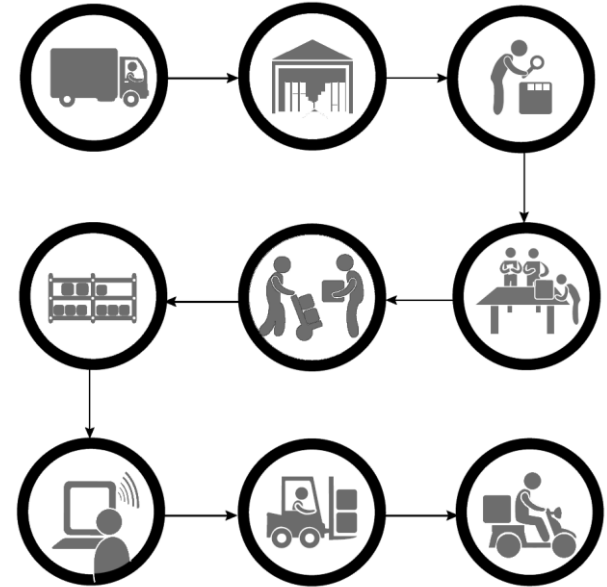
Sowmiya M

Manager – Investor Relations

[sowmiya.manickam@redington.co.in](mailto:sowmiya.manickam@redington.co.in)

## Corporate Presentation

<https://redingtonindia.com/images/RedingtoncorporatepresentationSept2017.pdf>





# Corporate Overview

September, 2017

Lifestyle Products    Dynamic Supply Chain    Professional Transportation  
Credit Management

## Technology Distributor

Logistic Solutions    Warehousing    Global Presence  
Channel Development    Support Services  
Inventory Management  
Cloud Services

**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 **200+** brands

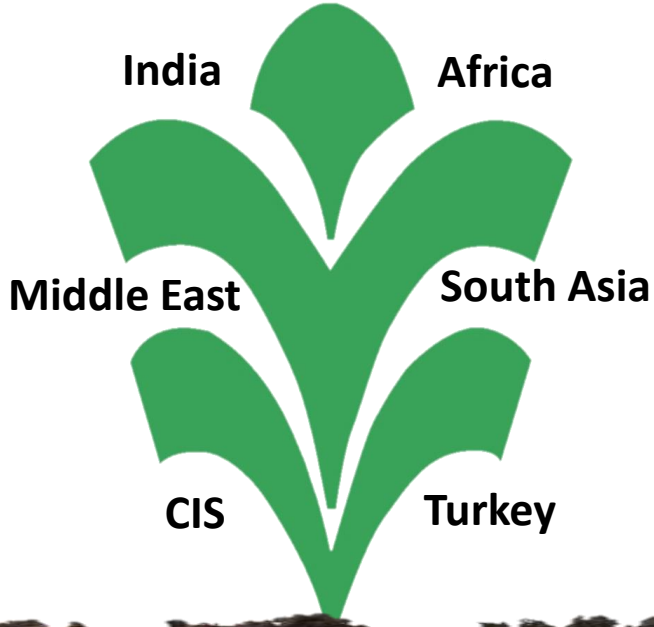
**\$6bn+** revenue company  
**Double digit 10 year CAGR Growth**  
(Revenue, EBITDA, PAT)

# OUR JOURNEY



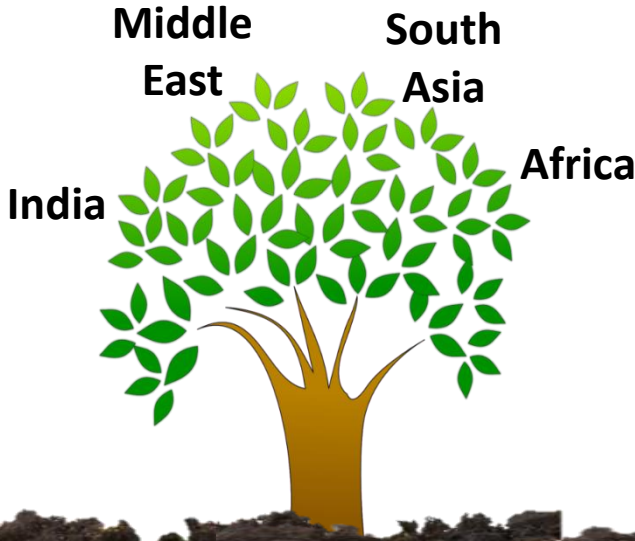
**Emerging markets regional  
Supply Chain Solution  
Provider**

**2008 - 2017**



**Multi product,  
Multi brand,  
Multi country  
distributor**

**1994 - 2007**

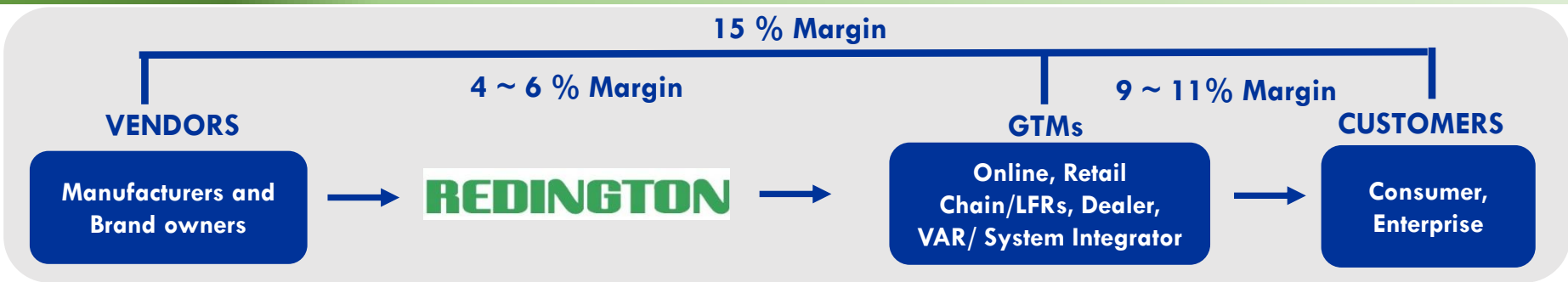


**Single product,  
Single brand,  
Single country  
distributor**

**1993**

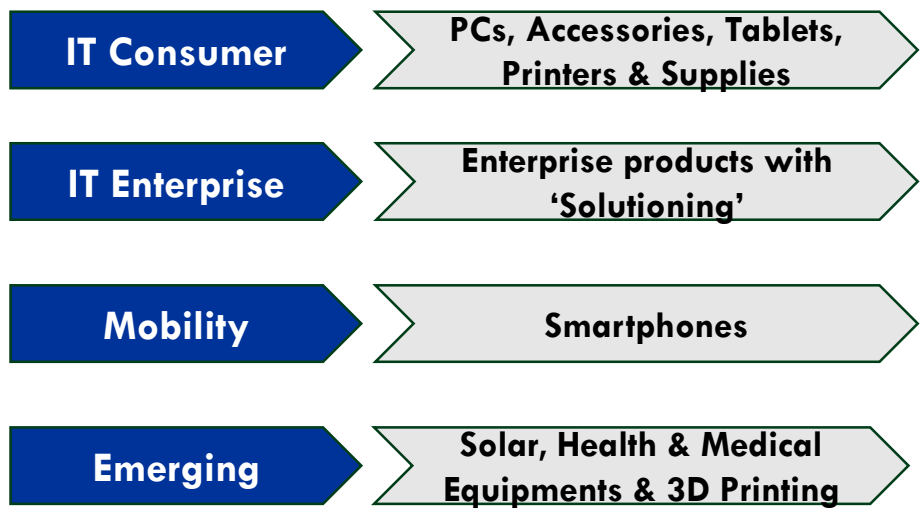


# END-TO-END SUPPLY CHAIN SOLUTION PROVIDER

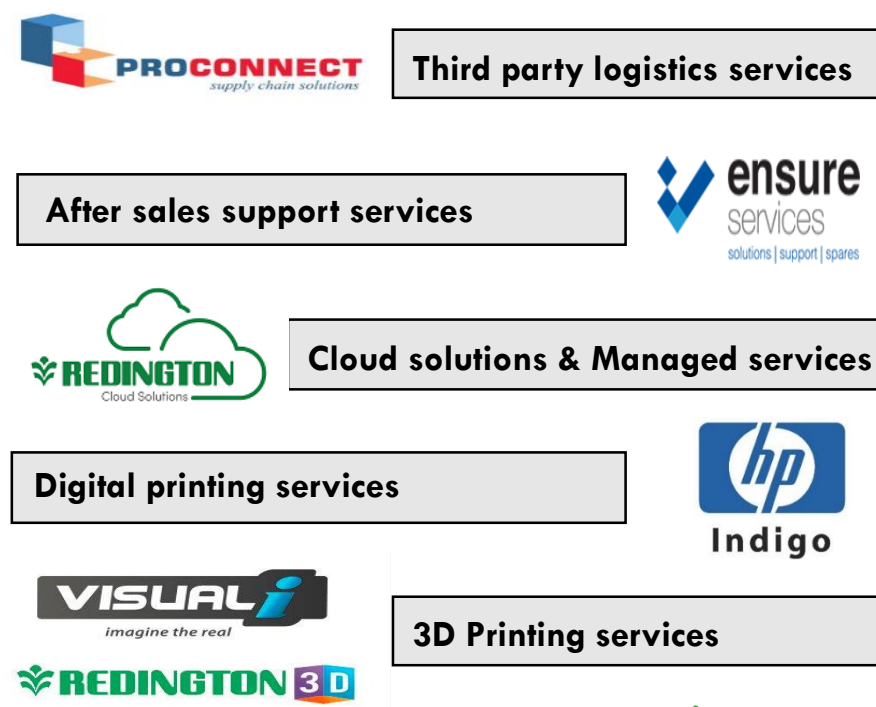


## DISTRIBUTION

# REDINGTON



## SERVICES



# EXPANSIVE NETWORK

<b>Active Channel Partners*</b>
<b>38,905</b>
<b>Sales Offices</b>
<b>80+</b>
<b>Warehouses</b>
<b>195+</b>
<b>Service Centres</b>
<b>65+</b>
<b>Partner Service Centres</b>
<b>260+</b>
<b>Subsidiaries</b>
<b>60</b>



*\*Transacted partners in the last 3 years*

# STRONG PARTNERSHIPS



# OVERSEAS SNAPSHOT

Presence in **23** countries, partnering with more than **140+** brands



**DISTRIBUTION**



**REDINGTON**  
**arena**  
TÜRKİYE'NİN TEKNOLOJİ SAĞLAYICISI  
**LINK PLUS**

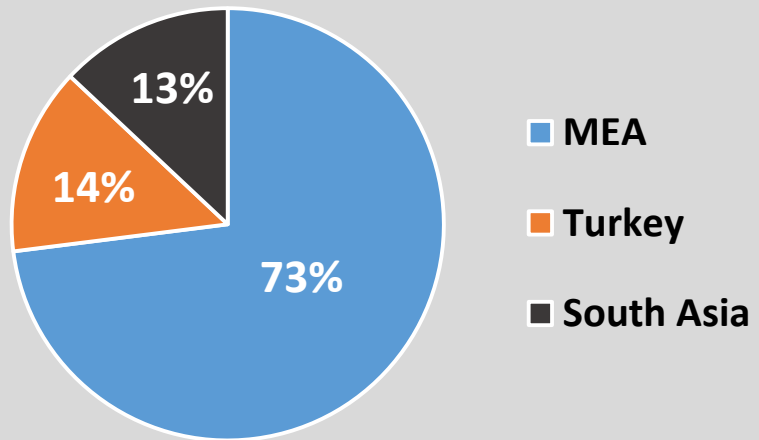


**SERVICES**



**PROCONNECT**  
supply chain solutions  
**ensure**  
services

## REVENUE CONTRIBUTION FROM MARKETS



FY17 figures

## RECOGNITIONS



**CHANNEL**  
MIDDLE EAST  
**"Redington MEA No.1"**  
13 consecutive years



**GREAT PLACE TO WORK**  
**2017**

**"Redington MEA ranked 24th"**

**About Us**

**Subsidiaries**

**Performance**

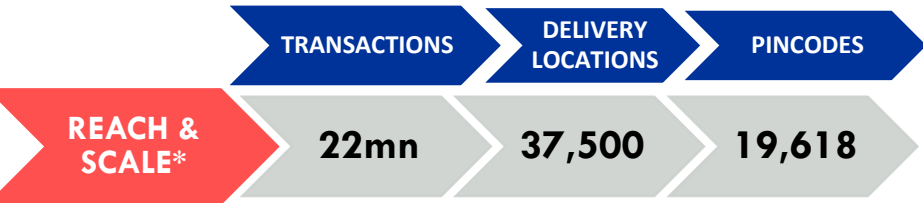
**Board and Management**

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

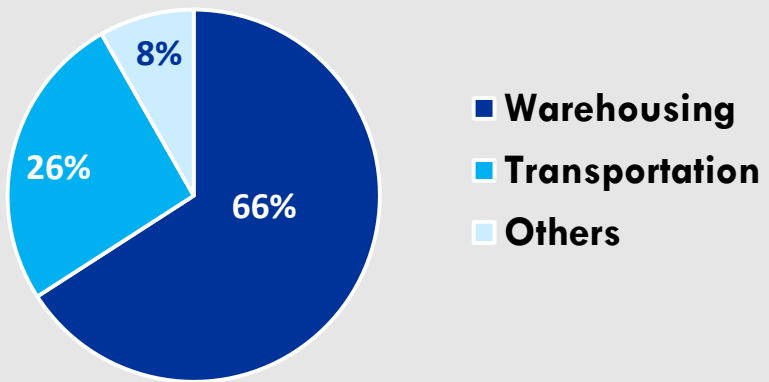
**Integrated third party logistics partner** to **165+** customers



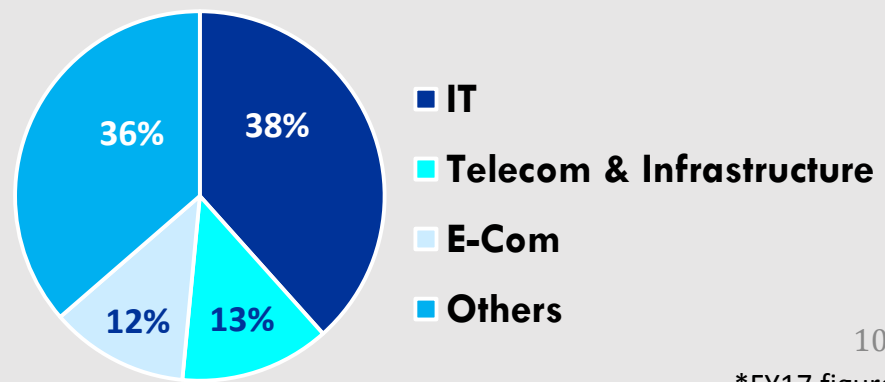
- **163** Warehouses (Leased)
- **2** ADCs – Chennai & Kolkata
- **6.0 mn sq ft** warehousing space



**Revenue contribution from Services\***



**Revenue contribution from Industries\***







## 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**



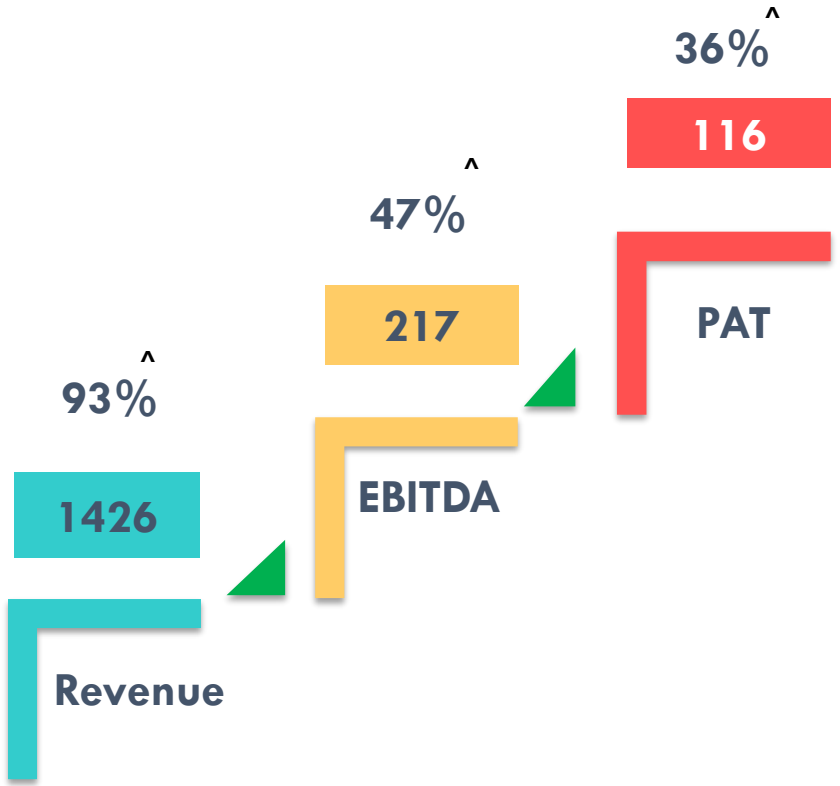
**MACHINE HANDLING EQUIPMENTS**



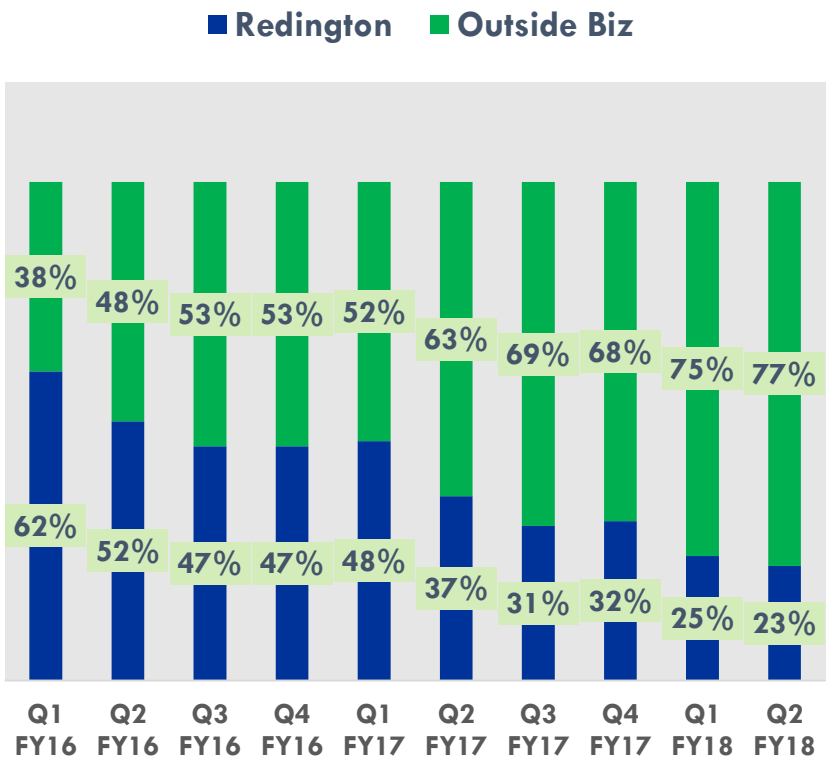
**SHRINK WRAPPING**

₹ in million

## H1FY18 Performance



## Revenue Mix



^ growth over previous year

Note : Both performance and revenue mix is inclusive of MCS & RCS numbers

# 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

**+45** Owned Service centres across India  
**+230** Partner Service centres across India

FINANCIALS\*

**Rs.125 crs**  
 REVENUES

**Rs.7 crs**  
 PAT

\*FY17 figures

CLIENTS



**About Us**

**Subsidiaries**

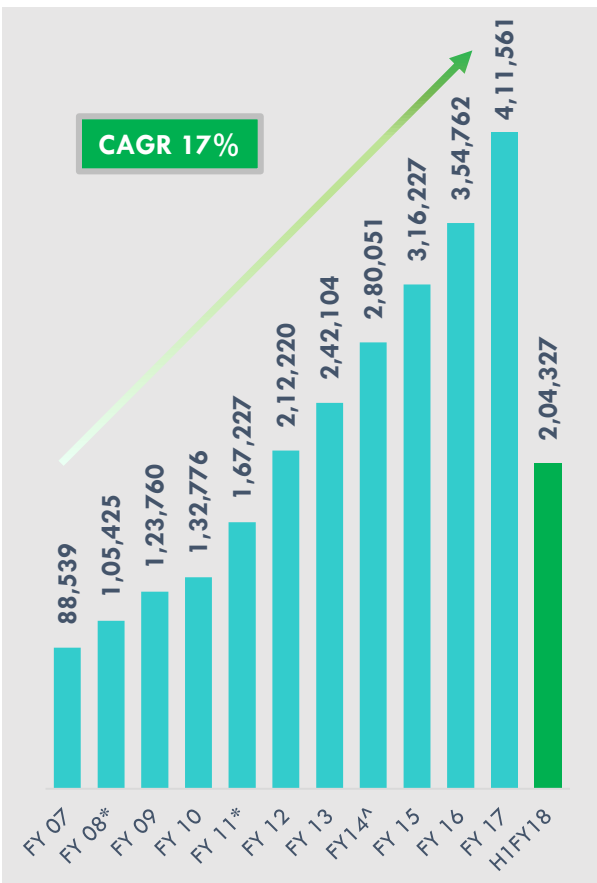
**Performance**

**Board and Management**

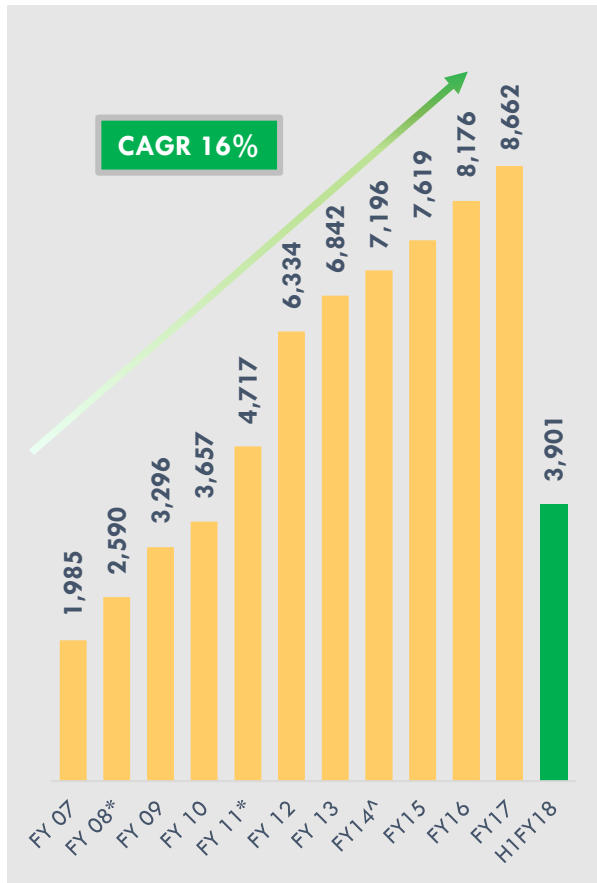
# FINANCIAL PERFORMANCE

₹ in million

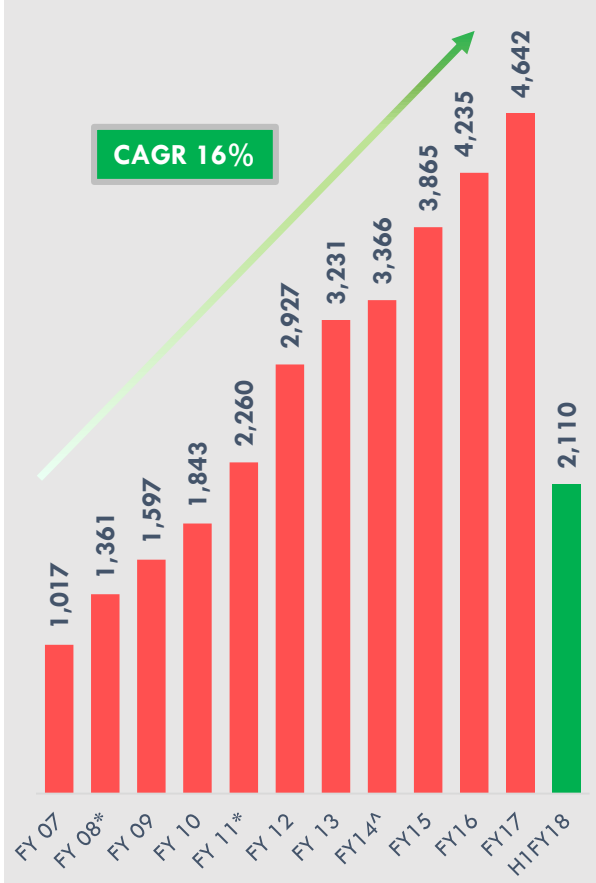
## REVENUE



## EBITDA



## PAT

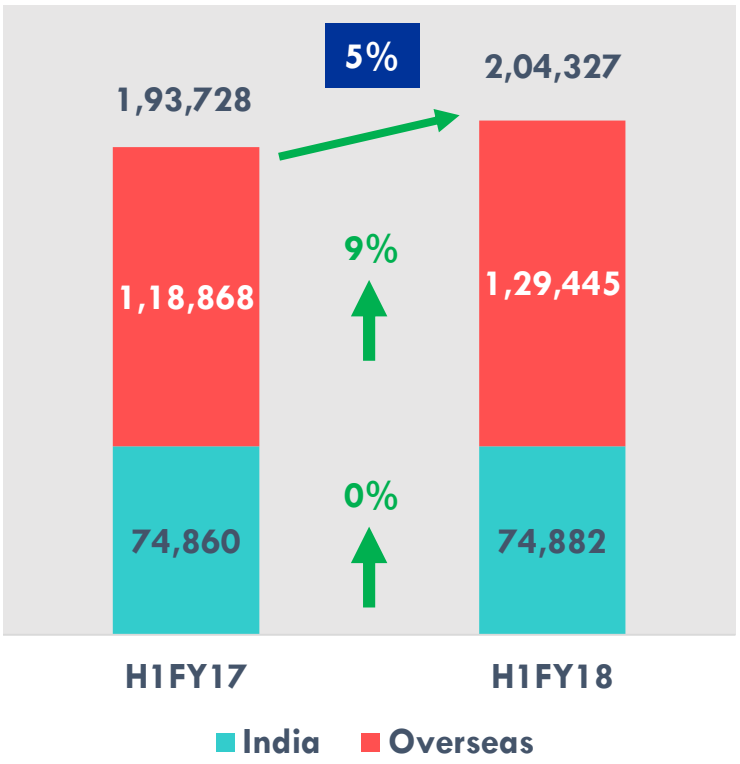


\*Post acquisition of Easyaccess Financial Services in FY 08 and Arena in FY 11. ^ Post sale of Easyaccess Financial Services . CAGR computed for full year

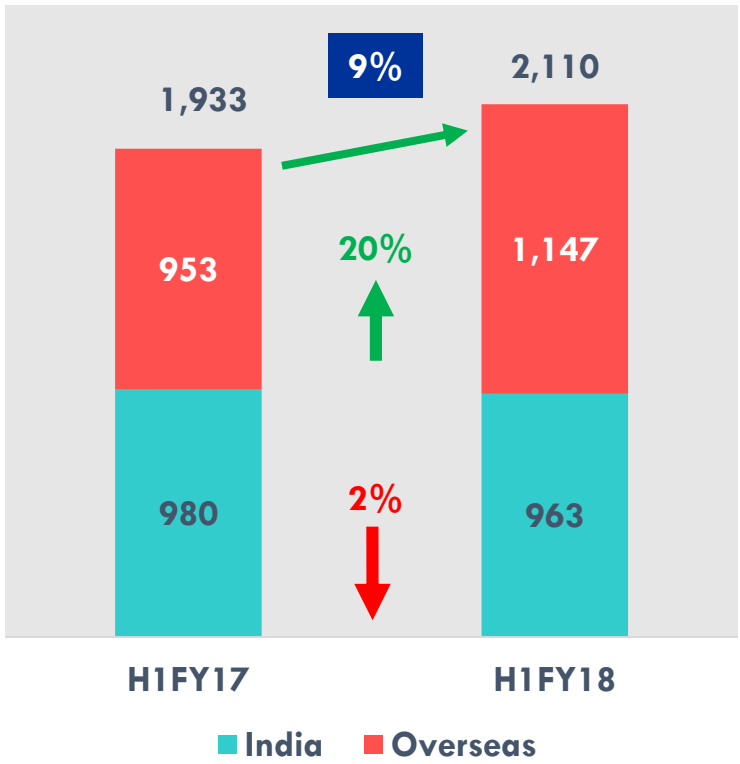
# PERFORMANCE BY MARKET

₹ in million

## REVENUE

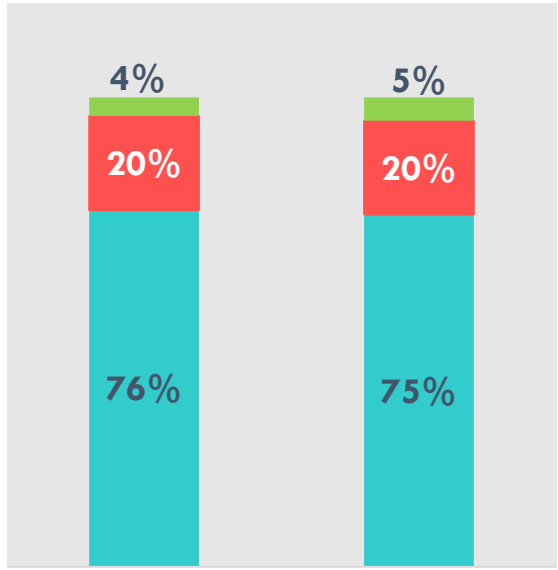


## PAT

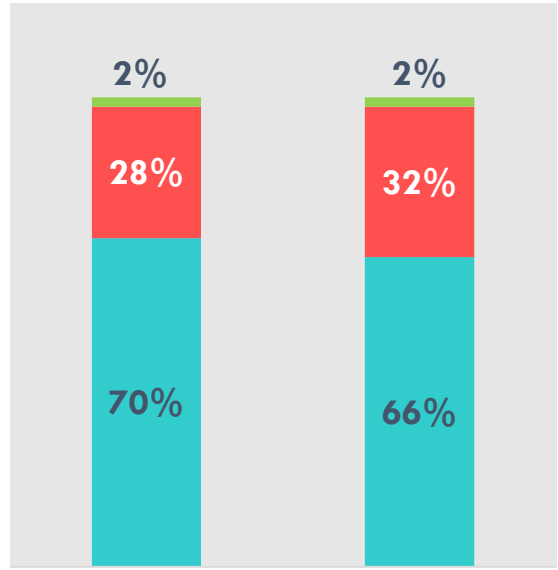


# REVENUE BY VERTICAL

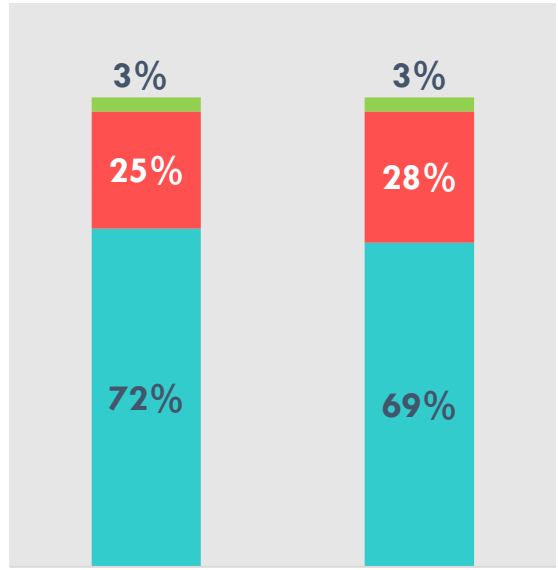
## INDIA



## OVERSEAS



## CONSOLIDATED



 **IT**

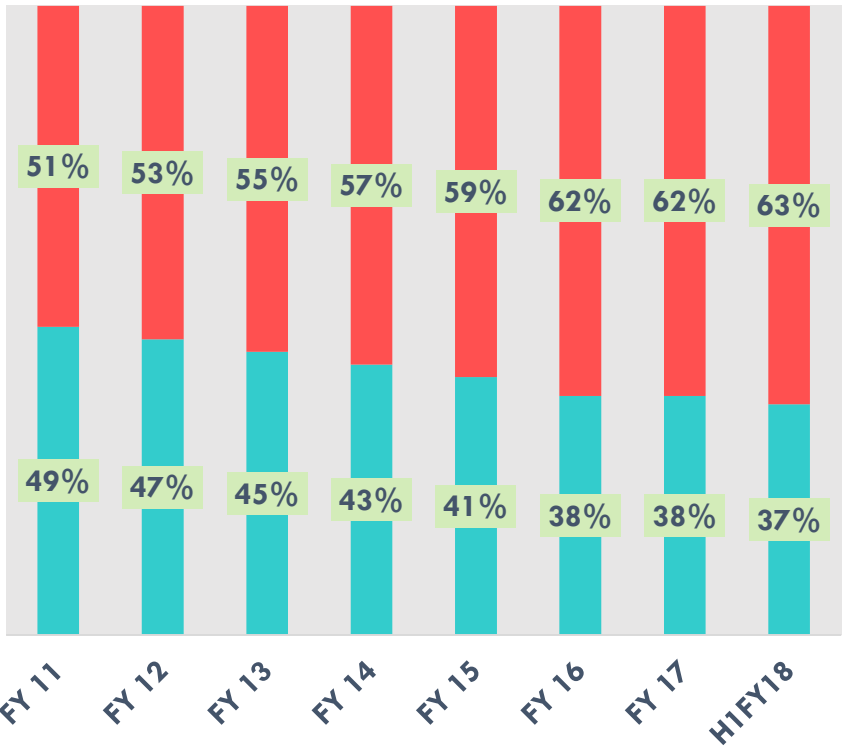
 **Mobility**

 **Services**

Note: Upon re-grouping, only smartphones are shown under Mobility

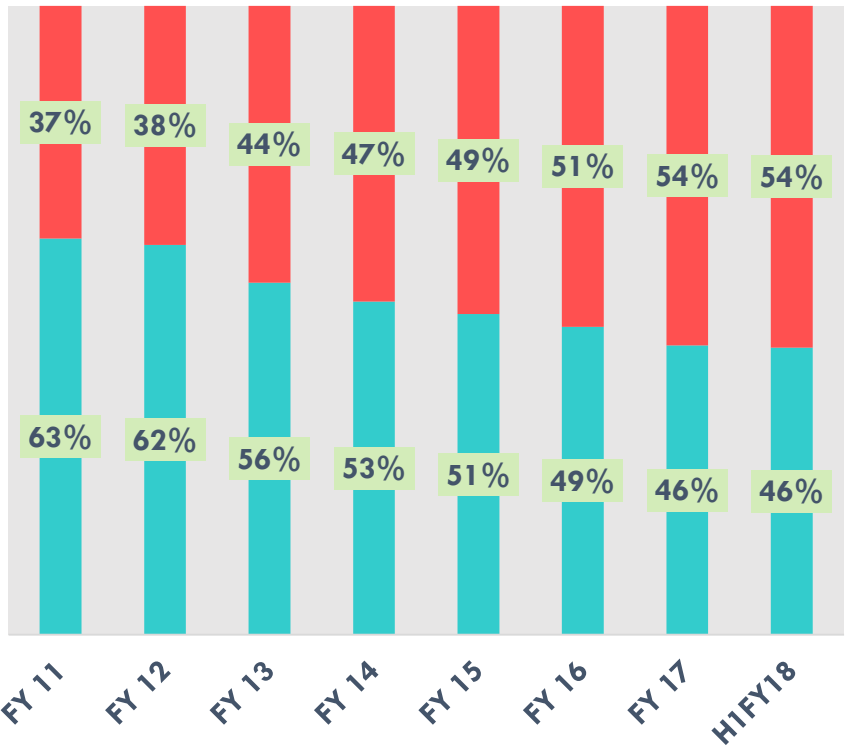
# GEOGRAPHICAL CONTRIBUTION

## REVENUE



■ India ■ Overseas

## PAT

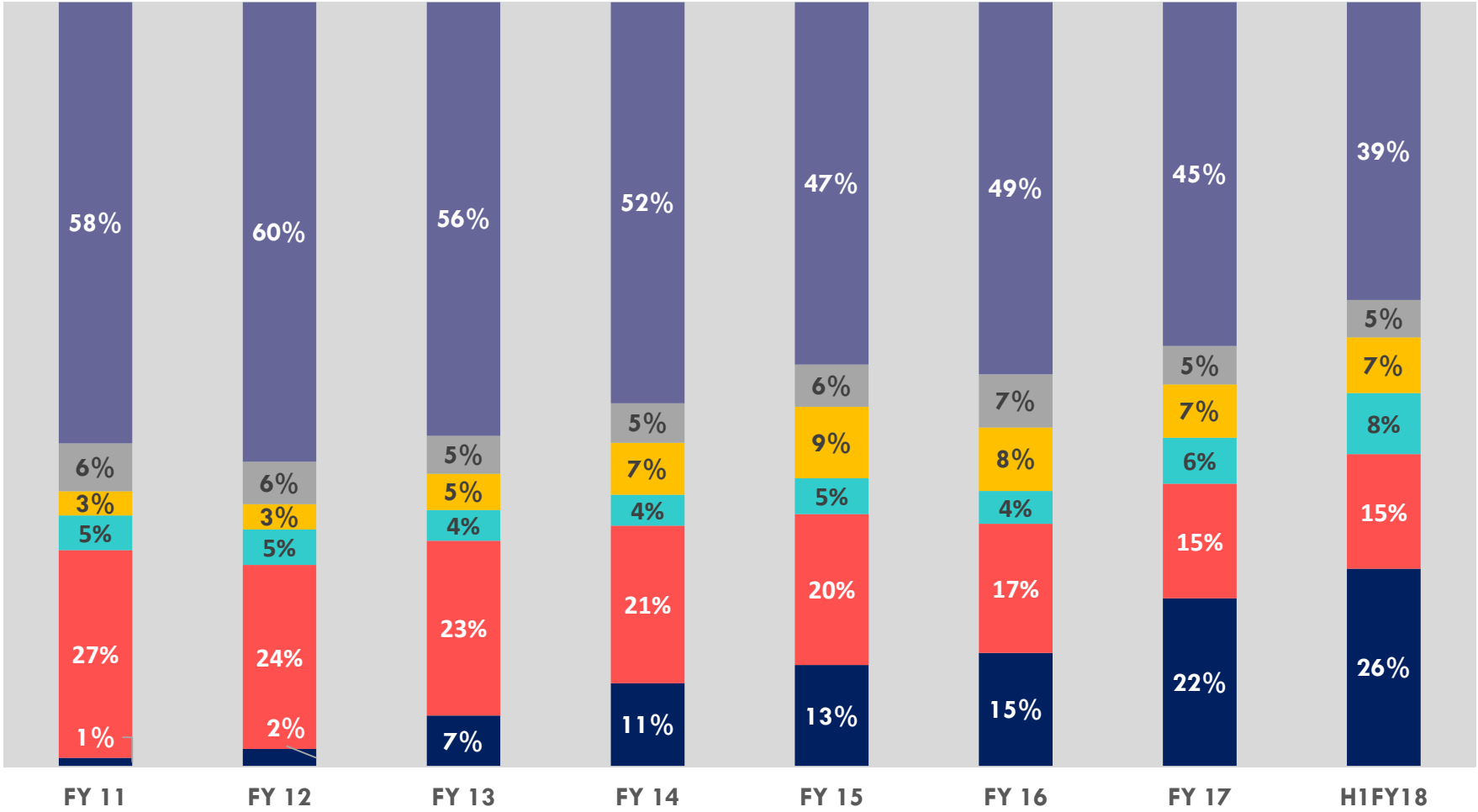


■ India ■ Overseas



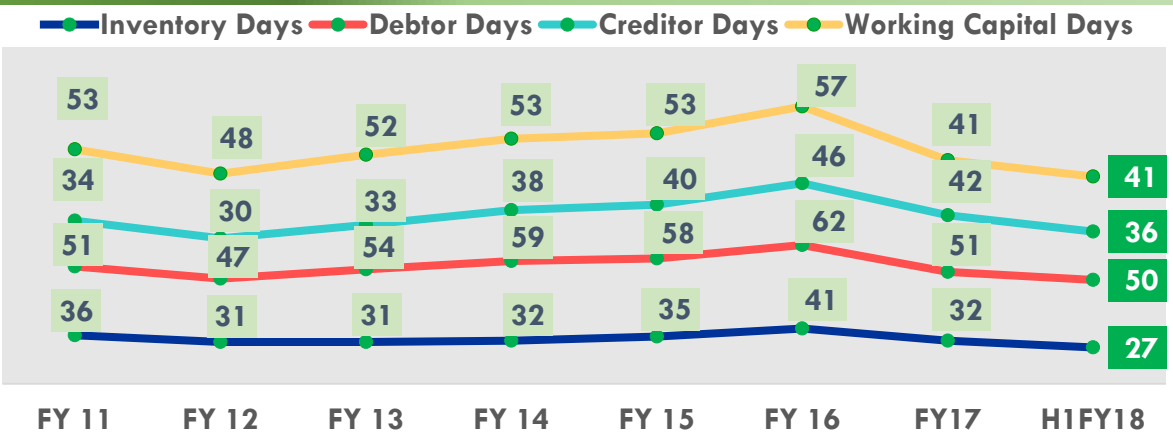
# TOP FIVE VENDORS

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



Note: Effect of Dell EMC merger is shown partly in FY17 figures and fully in H1FY18 figures

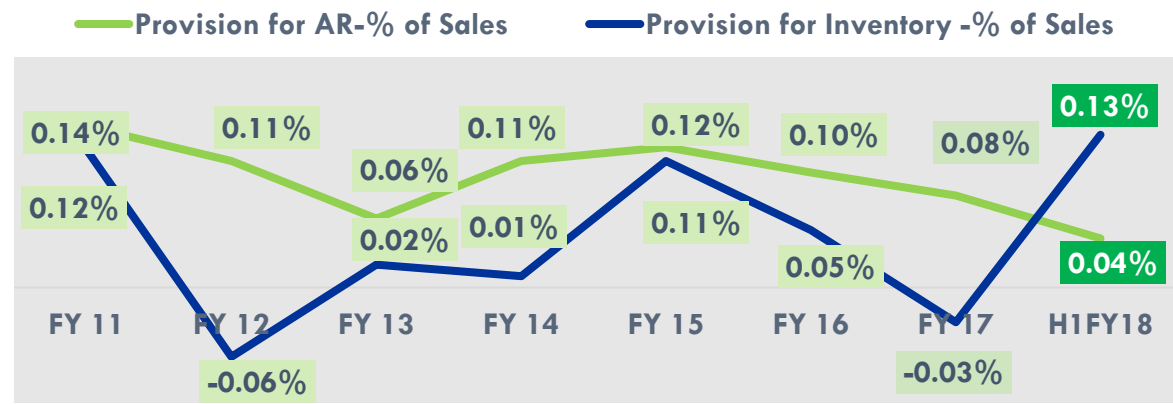
# KEY OPERATING METRICS



**Working Capital Days at sustainable levels**

Particulars (Rs in million)	H1FY18	H1FY17
Net Cash Flow from Operations	3,145	9,708
Free Cashflow	982	7,600

**Generated positive free cash flow**



**Minimal impact of risk**

# CONSOLIDATED FINANCIALS

₹ in million

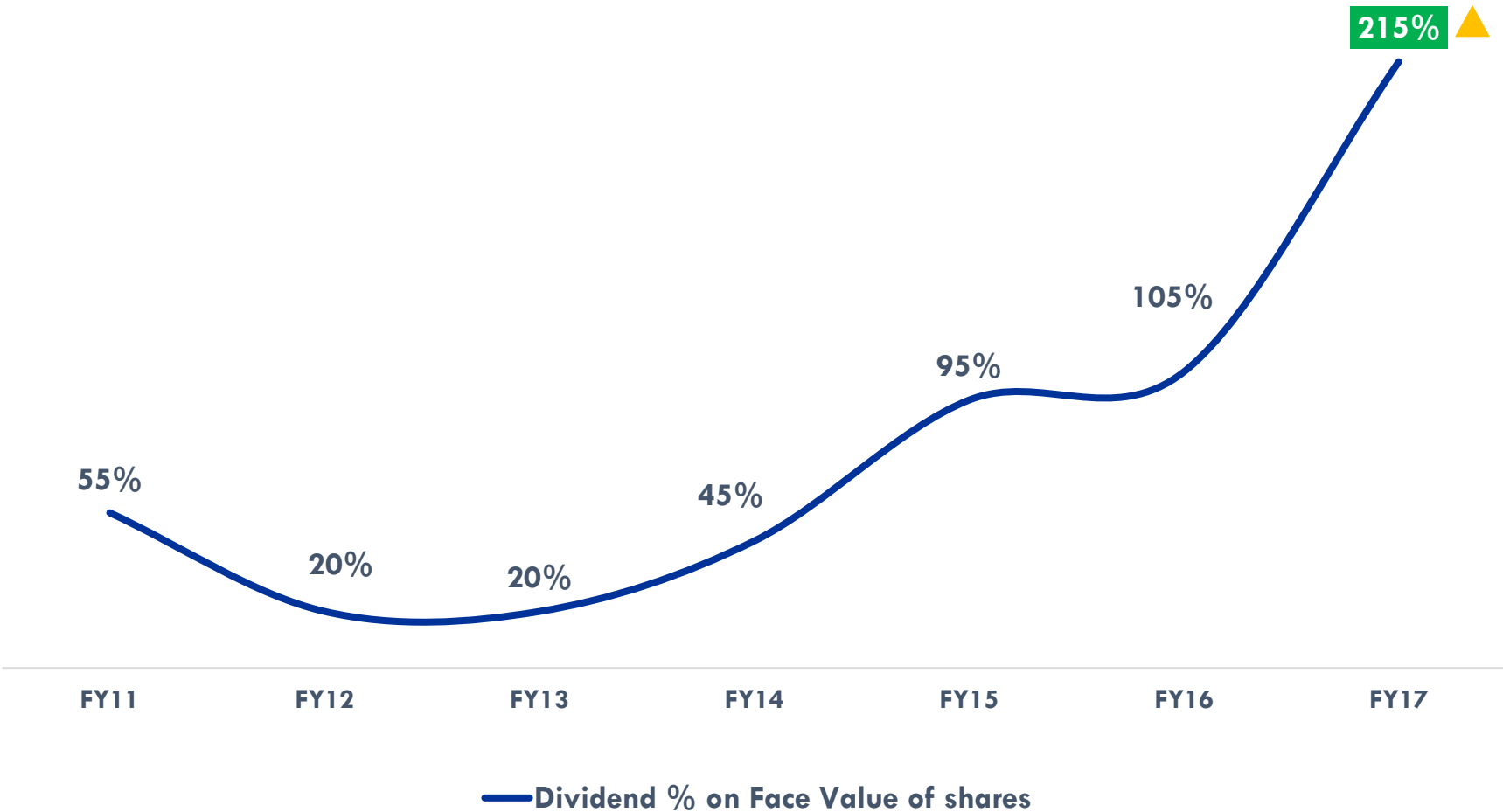
Particulars	H1FY18	FY17	FY16	FY15	FY14 <sup>^</sup>	FY 13	FY 12	FY 11*
Total Revenue	2,04,327	4,11,561	3,54,762	3,16,227	2,80,051	2,42,104	2,12,220	1,67,227
EBITDA	3,901	8,662	8,176	7,619	7,196	6,842	6,334	4,717
PAT	2,110	4,642	4,235	3,865	3,367	3,231	2,927	2,260
Networth	32,662	31,479	29,494	23,742	20,213	16,407	13,225	12,553
Capital Employed	55,141	50,252	56,659	44,468	39,938	39,471	34,776	31,863
EBITDA Margins	1.9%	2.1%	2.3%	2.4%	2.6%	2.8%	3.0%	2.8%
PAT Margins	1.0%	1.1%	1.2%	1.2%	1.2%	1.3%	1.4%	1.4%
Return on Avg. Capital Employed	13.8%	15.2%	14.9%	17.2%	17.2%	17.7%	18.4%	16.0%
Return on Avg. Equity	13.2%	15.3%	15.6%	18.2%	19.1%	22.8%	23.9%	20.0%
EPS (₹) <sup>^</sup>	5.3	11.6	10.6	9.7	8.4	8.1	7.4	5.7
Book Value per share (₹)	81.1	78.2	73.2	57.6	48.8	39.5	33.2	31.7

\*Post acquisition of following entities Arena in FY11.

<sup>^</sup>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.

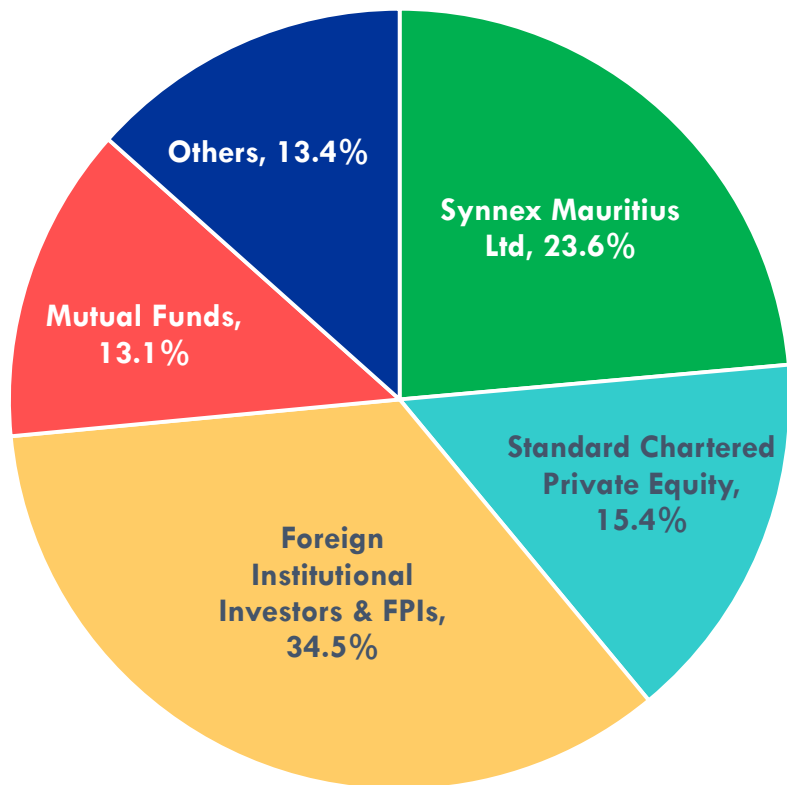
# DIVIDEND DISTRIBUTION

Dividend Policy : 20% pay-out on profits earned



▲ Final dividend plus Special Interim Dividend declared

# SHAREHOLDING PATTERN (As at Sept 30, 2017)



## Other prominent shareholders



Fidelity



ICICI Prudential Life Insurance



HDFC Small & Midcap Fund



Franklin Templeton Fund



Reliance Mutual Fund



Morgan Stanley



Dimensional Fund Advisors



Vanguard Mutual Fund

BLACKROCK® Blackrock Fund

**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

## Executive Directors



**Raj Shankar**  
Managing Director



**E H Kasturi Rangan**  
Whole time Director

## Non-Executive Directors



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



**Lin, Tai-Yang**  
Director of Finance  
Planning and  
Management  
Synnex Tech, Taiwan



**B Ramaratnam**  
Professional Director



**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



**Ashish Bharti**  
President,  
IT Volume  
Distribution, ME & A



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



**B Ramkumar**  
President,  
IT Value Added  
Distribution, ME & A



**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, ME & A



**Okay Nasir,**  
Chief Executive  
Officer, Arena,  
Turkey



**Serkan Celik,**  
Chief Financial  
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

## **Investor Contact**

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**CIN - L52599TN1961PLC028758**