



VISION 2020
BIGGER & BETTER-



**Security and Intelligence
Services (India) Limited**

A Market Leader in Security

Date: November 22, 2017

National Stock Exchange of India Limited
Exchange Plaza
C-1, Block G, Bandra Kurla Complex,
Bandra (E), Mumbai-400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

NSE Symbol:SIS

BSE Code: 540673

Dear Sir/Madam,

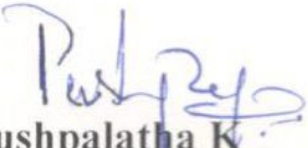
Sub.: Investor presentation on Financial Results for Q2 & H1FY18

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the presentation on financial results for Q2 & H1FY18.

This is for your information and records.

Thanking you.

Yours Faithfully,
For **Security and Intelligence Services (India) Limited**


Pushpalatha K.
Company Secretary





A Market Leader in
Security, Cash Logistics
& Facility Management

H1 FY18 RESULTS PRESENTATION

November 22, 2017

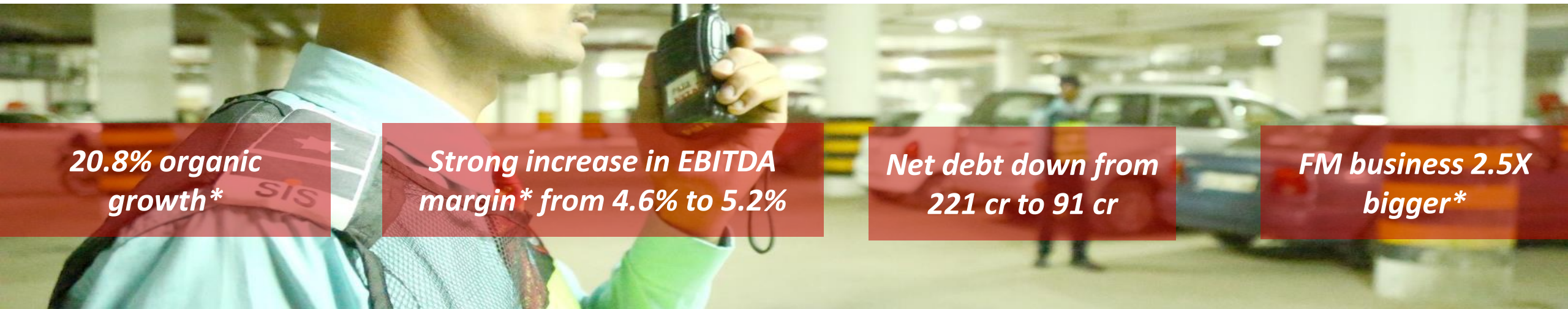
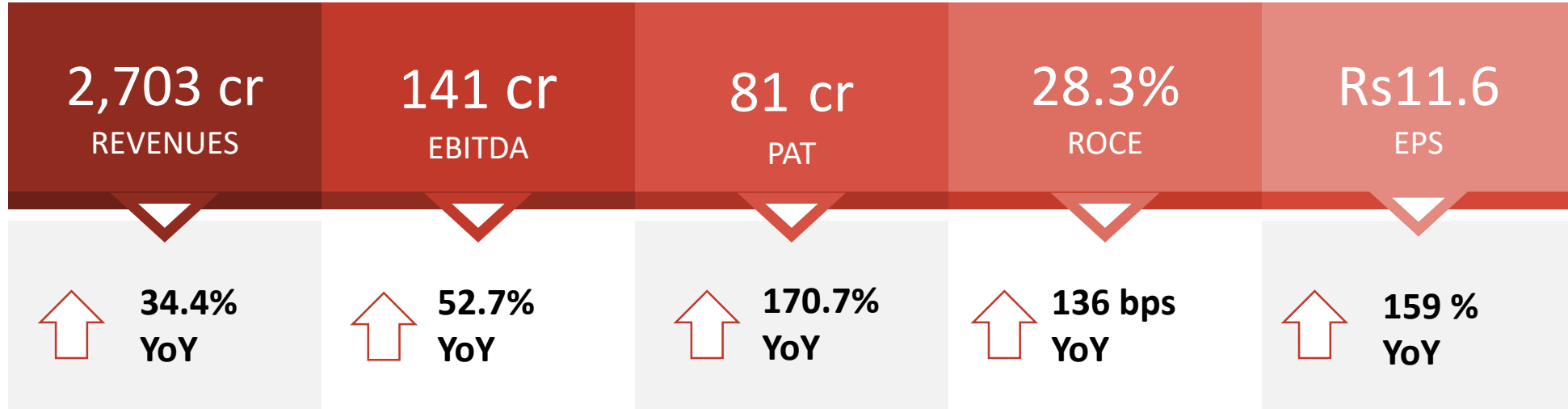
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RESULTS UPDATE - H1FY18



*20.8% organic growth**

Strong increase in EBITDA margin from 4.6% to 5.2%*

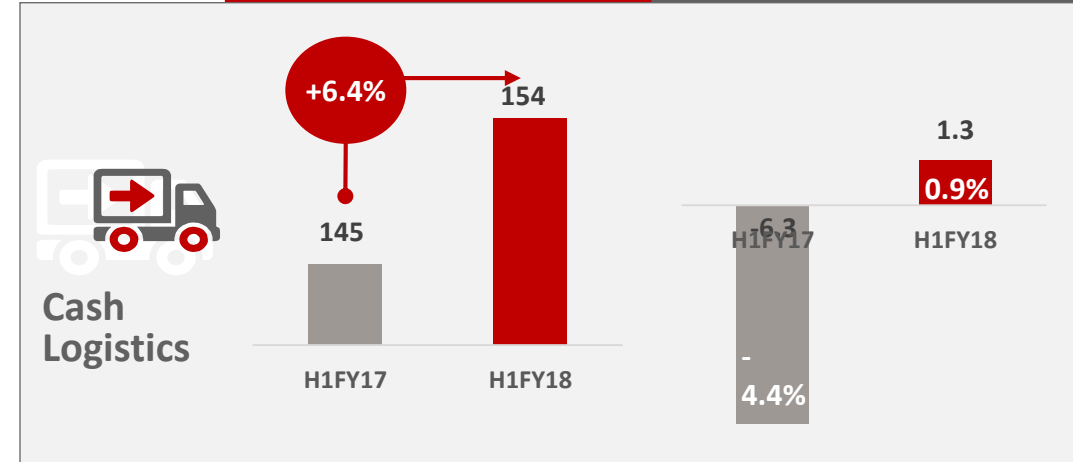
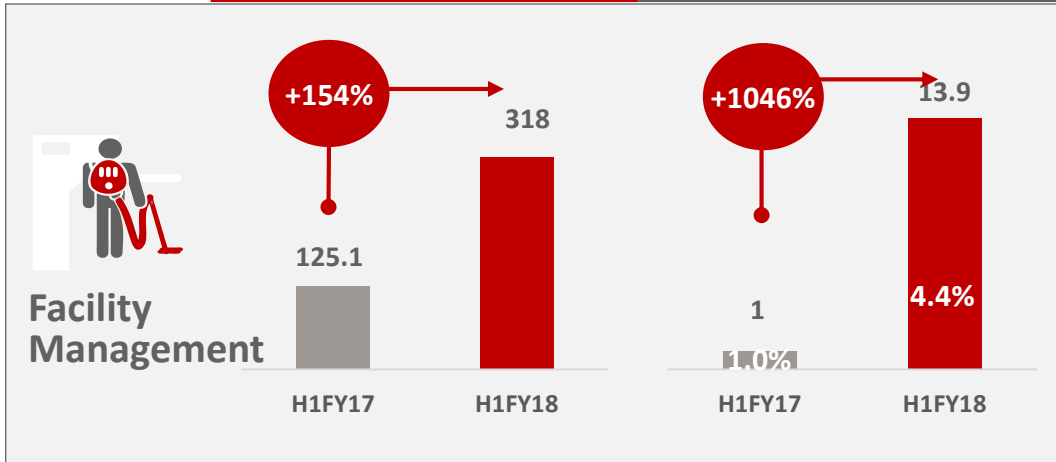
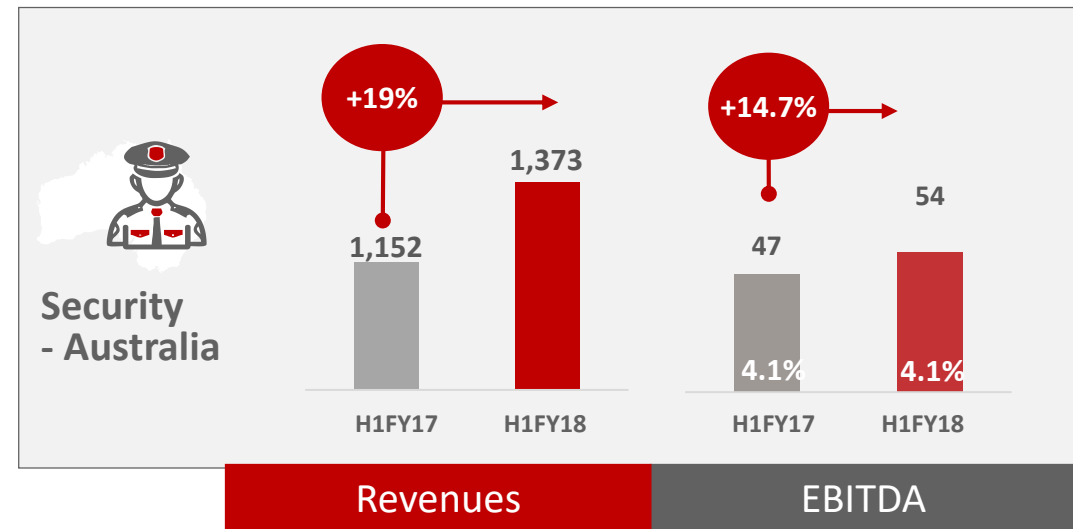
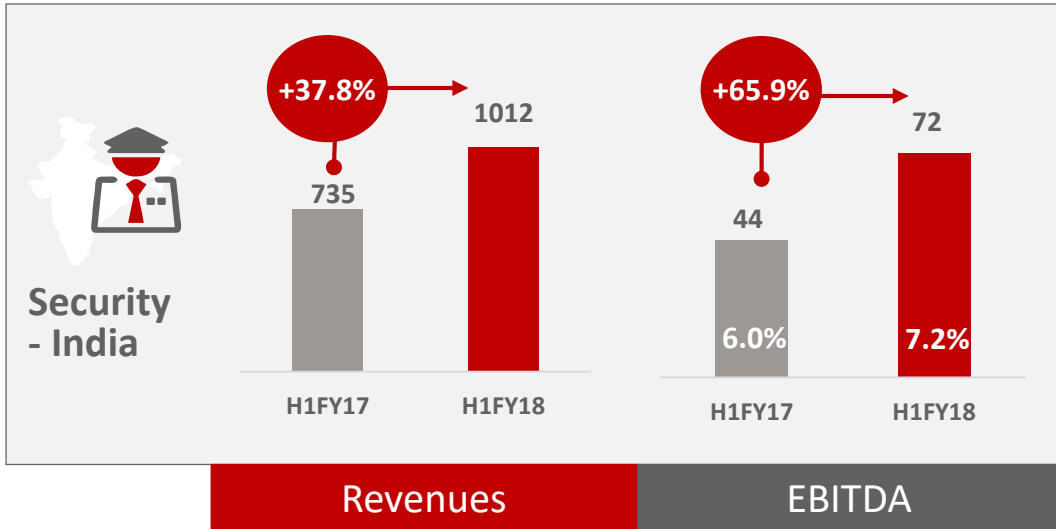
Net debt down from 221 cr to 91 cr

*FM business 2.5X bigger**

Market leader across three attractive business services segments
- Security, Facility Management and Cash Logistics

*YoY growth

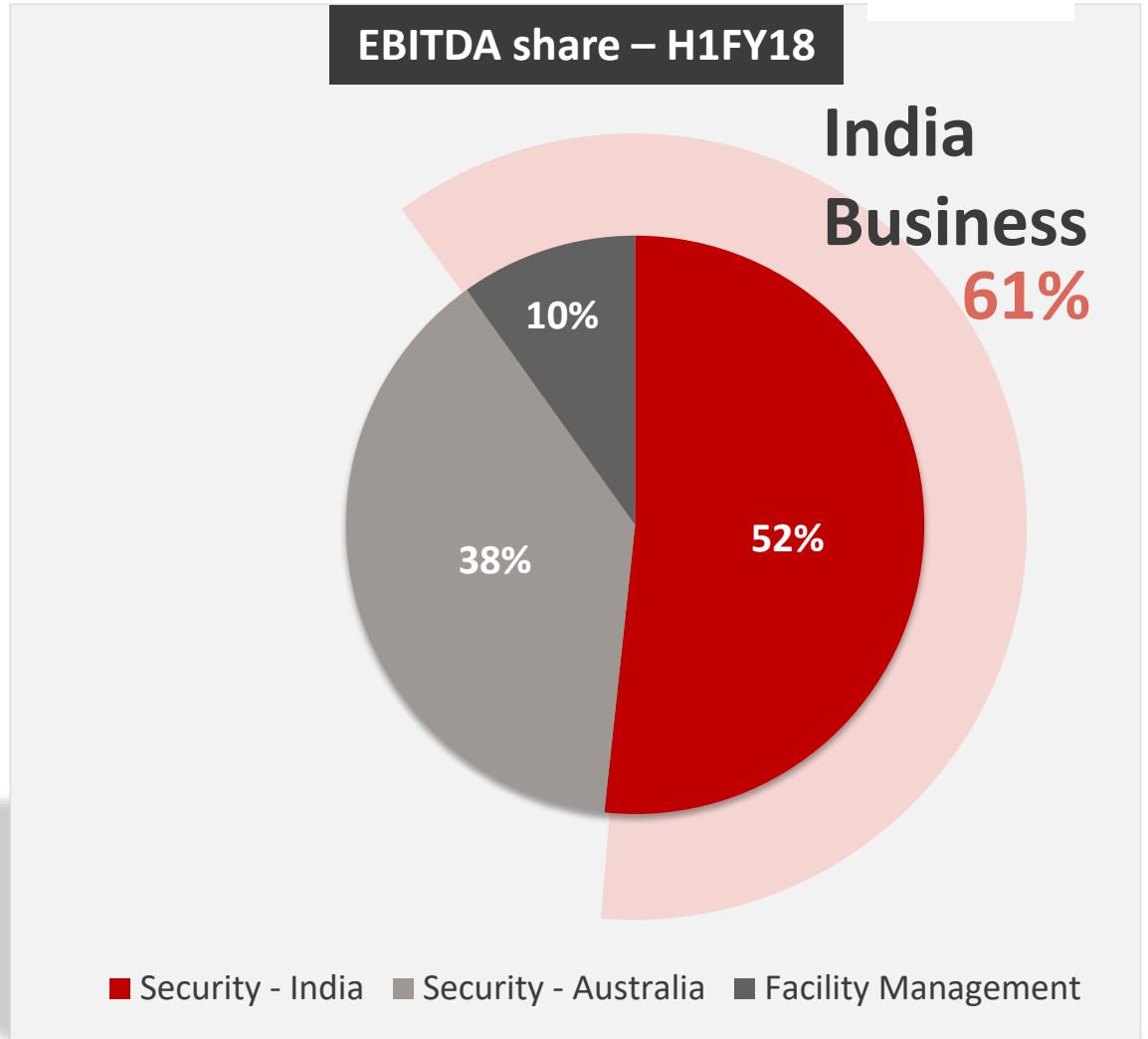
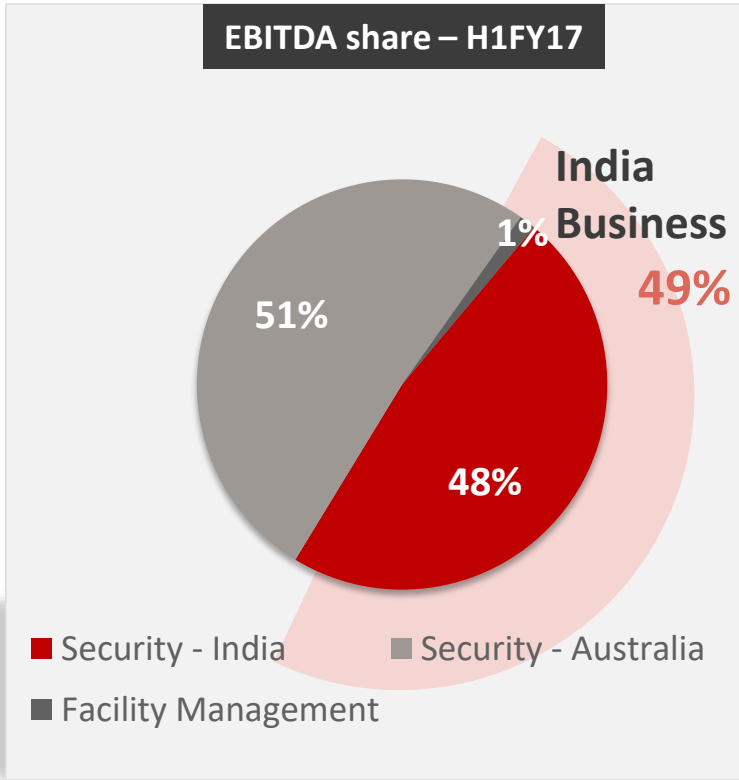
RESULTS BY BUSINESS LINE - H1FY18



Rs in cr

Strong organic growth across all segments with margin improvement

EBITDA SUMMARY BY BUSINESS LINE



Indian security business now accounts for 51% of group EBITDA;
FM showing a steep growth - contributes 10% of group EBITDA

\$25 bn MARKET OPPORTUNITY BY 2020*



Market Growth



20.9%
CAGR



5.4%
CAGR



19.5%
CAGR



17.8%
CAGR



Market Size

Rs. 1.16
lakh cr

\$ 2.46 Bn

Rs. 27,200 cr

Rs. 6,500 cr

Security India

- Lead industry with Man-Tech solutions approach
- Extensive use of tech for productivity, service quality assurance and scale improvement

Security Australia

- Extensive use of tech for differentiated cost effective solutions
- Leverage security Patrols combined offering

Facility Management

- IFM program specialization for key segments – hospitals, pharma, FMCG
- Scale MEP/ Hard FM services pan India
- Tap B2G, Railways

Cash Logistics

- ATM Portfolio review for route optimization
- Focus on new services beyond ATMs



#1 Security
Facility Management
Cash Logistics

*Frost and Sullivan, July 2017; Freedonia, July 2017



Q2 FY18 RESULTS

BY BUSINESS LINE



SECURITY - INDIA



#2 and fastest growing security provider
Wide reach across 630 districts

Security assessment, solution design,
integration and ongoing security
program management



Comprehensive range of electronic security
solutions

Electronic security on opex model (eSaas)
Pioneering Man-Tech solution sales pan-India



India's first end-end home security system

Cost effective solution for banks and retail



102,839
Trained security personnel



151
Branches



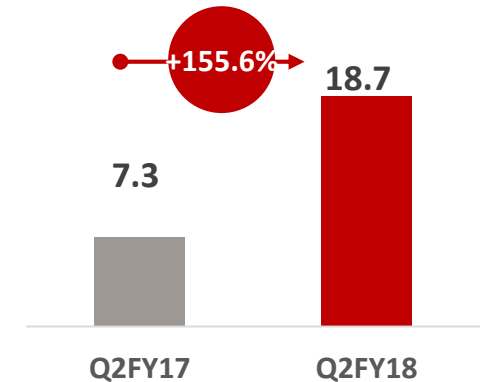
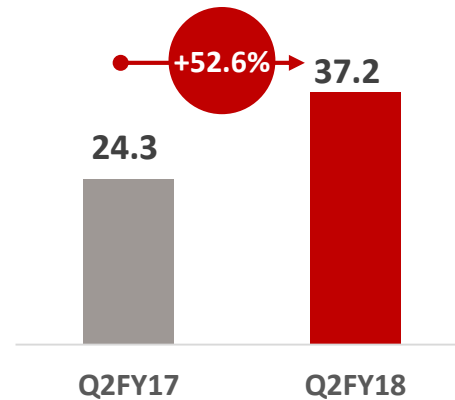
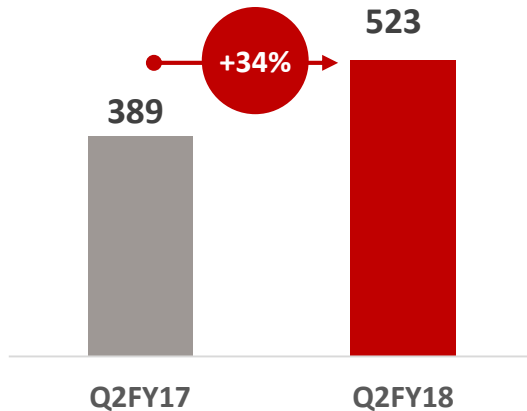
11,518
Sites

Revenues

EBITDA

PAT

Rs. In crs



Organic growth of 34%, strong
volume growth of 15.6%

Operating leverage driving margin increase
from 6.3% in Q2FY17 to 7.1% in Q2FY18

PAT margin almost doubling from 1.9% to
3.6% driven by higher EBITDA, reduced
interest costs, Sec. 80JJAA impact

SECURITY - AUSTRALIA



1 security company in Australia, among only 2 national players

Security assessment, solution design, integration and ongoing security program mgt.



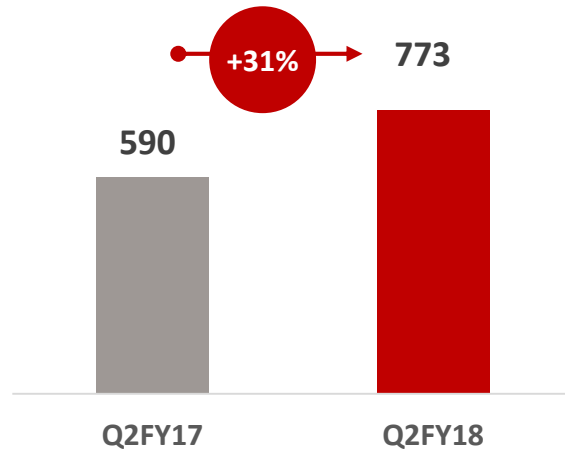
Largest mobile patrol business in Australia

Asset protection, loss prevention, electronic surveillance and monitoring services

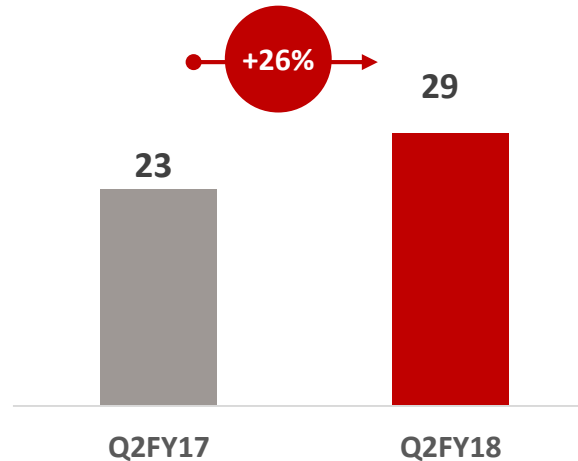
-  **6,344** Security officers
-  **33** Branches
-  **#1** Aviation security

Revenues

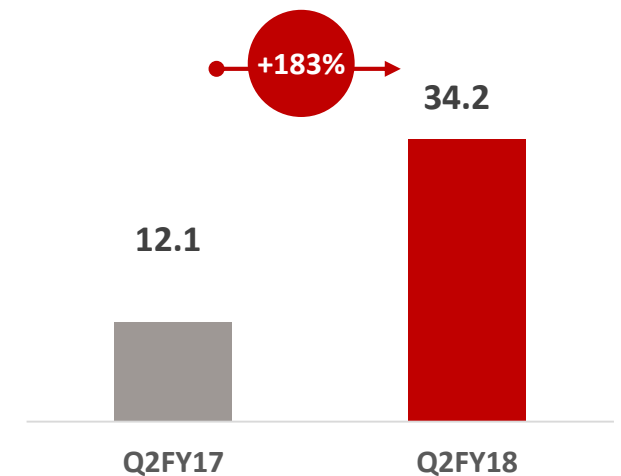
Rs. In crs



EBITDA



PAT



31% record revenue growth, Organic growth of 10.4% - 5X Australia GDP growth

26% EBITDA growth, further margin improvement expected on SXP integration

PAT margin more than doubling from 2% to 4.4%

FACILITY MANAGEMENT



Integrated FM solutions including soft services, MEP and industrial production support

Focus on South and West markets



Integrated FM solutions – specialist in B2G segment

Focus on North and East markets



JV with global market leader Terminix, USA.

Pest control, fumigation and termite control



39,389
Trained staff

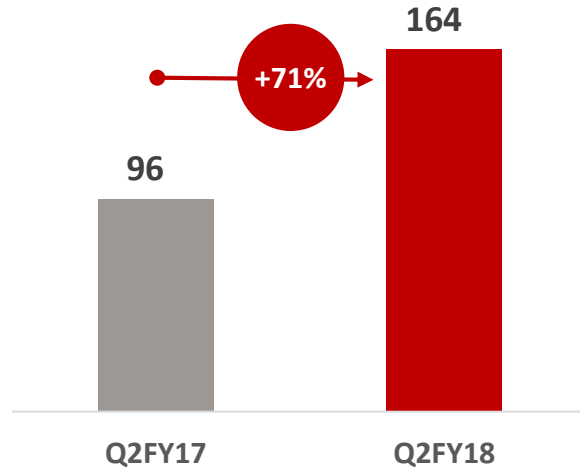


59
Branches

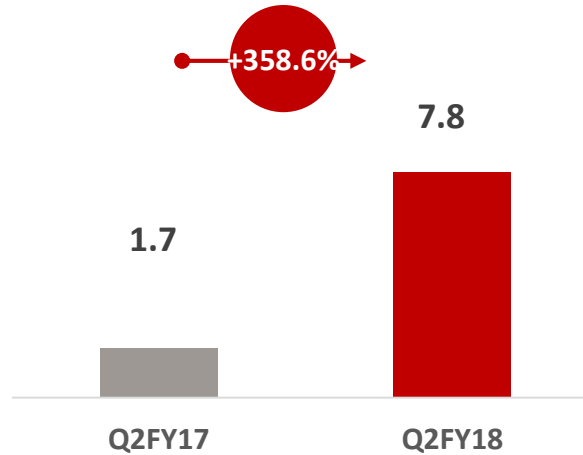


2,685
Customer Sites

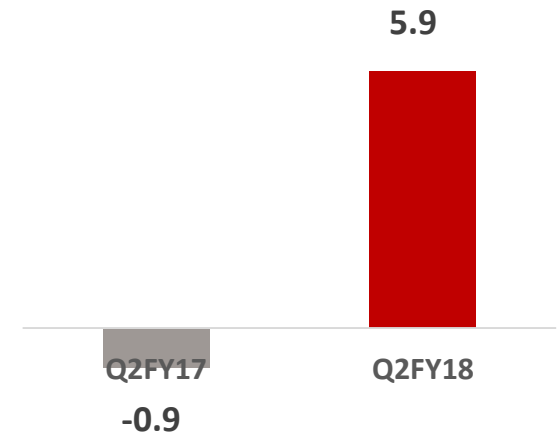
Revenues



EBITDA



PAT



71% revenue growth with 19% organic growth

EBITDA margin more than doubling from 1.8 % to 4.8%, reaping scale benefits

PAT margin moved from -1% to 3.6% driven by growth, DTSS synergy, Sec. 80JJAA impact

CASH LOGISTICS



- JV with a global leader in cash management - Prosegur, Spain
- Offers ATM replenishment, CIT and Door Step Banking (DSB) and cash processing solutions for banks and retail
- SIS –Prosegur (North and East focused), SISCO – South and West focused) – Maximising synergy through infra sharing and mixed routes



10.1%
Cash/ GDP ratio post demonetisation



88%
Cash in circulation/ pre-demonetisation levels



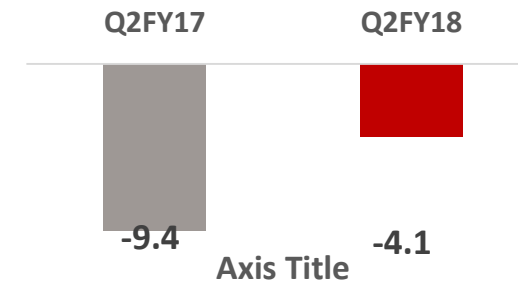
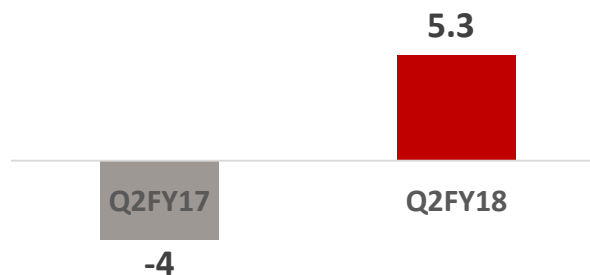
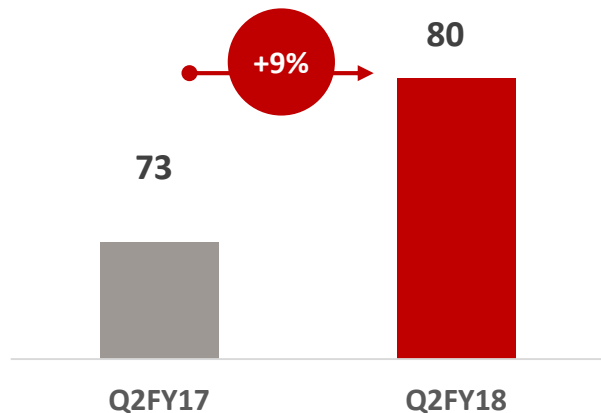
2,467
Secured cash vans

Revenues

EBITDA

PAT

Rs. In crs



9% revenue growth despite demonetization impact

Positive EBITDA margin of 6.6% result of route optimization and ATM portfolio churn

Losses reduced by half



H1 FY18

Financial Information



FINANCIAL STATEMENTS

Rs. In crs

Income Statement

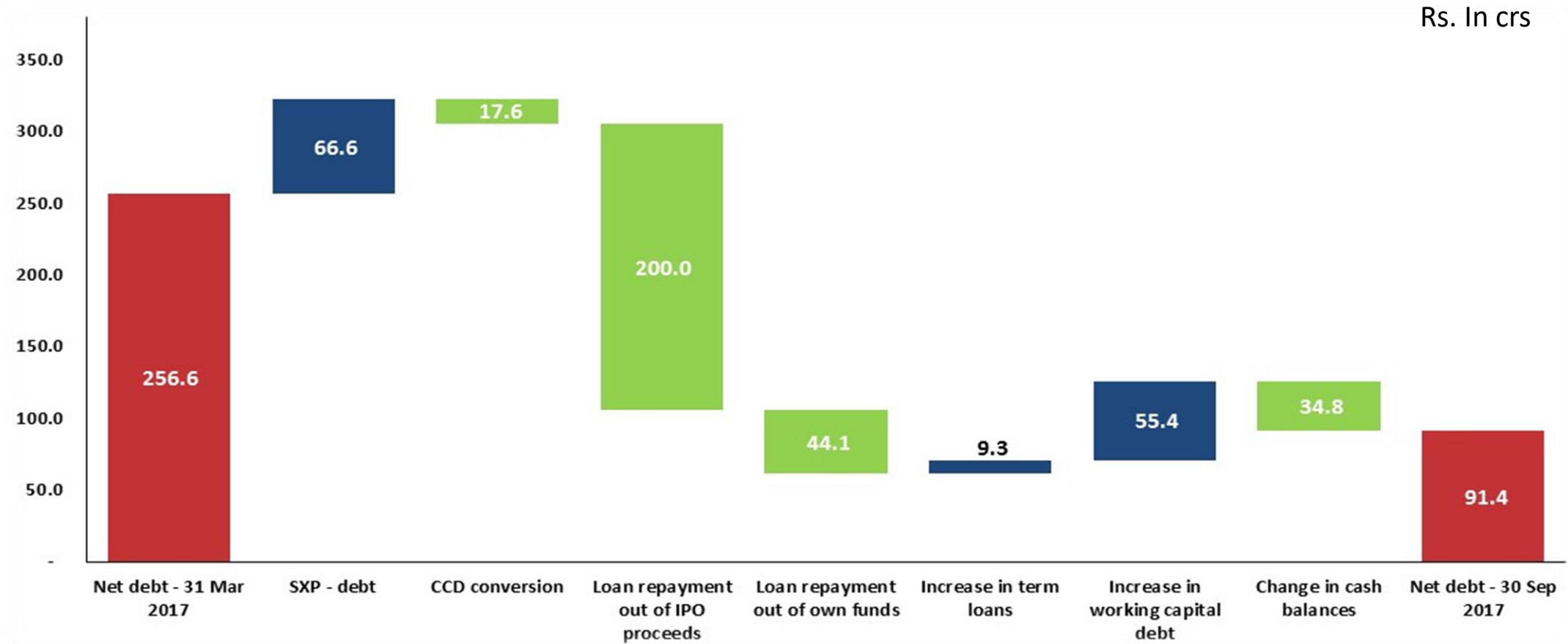
Particulars	Q2FY18	Q2FY17	Y-o-Y	H1FY18	H1FY17	Y-o-Y
Revenue from operations	1,460.0	1,076.1	35.7%	2,703.5	2,011.6	34.4%
EBITDA	74.1	49.0	51.3%	141.1	92.4	52.7%
Share of net profit /(loss) of Associates	(2.5)	(4.7)	46.3%	(7.6)	(7.5)	-2.4%
Depreciation and amortisation expense	14.1	7.2	96.0%	25.2	14.4	75.7%
Other Income	24.5	2.1	1080.5%	27.9	4.7	496.9%
Finance costs	22.0	17.5	25.8%	44.8	28.3	58.4%
Profit before Tax	59.9	21.7	176.6%	91.4	47.0	94.3%
Tax expense	1.0	7.6	-86.4%	10.7	17.2	-37.7%
Profit after taxes	58.9	14.1	318.4%	80.6	29.8	170.7%
Profit after tax %	4.0%	1.3%		3.0%	1.5%	
EPS	8.51	2.15	295.9%	11.64	4.49	159.2%
Diluted EPS	8.37	2.15	289.4%	11.45	4.49	155.0%

Balance Sheet

Particulars	30 Sep 2017	31 Mar 2017
Non current assets	1,060.7	674.2
Current assets	1,235.1	923.5
Total assets	2,295.8	1,597.7
Non current liabilities	395.7	171.3
Current liabilities	795.2	585.2
Total liabilities	1,190.8	756.6
Net assets	1,105.0	841.1
Net debt	91.3	256.6
Equity	1,013.7	584.6
Capital employed	1,105.0	841.1

159% increase in EPS; Balance Sheet recapitalised for growth

NET DEBT MOVEMENT



Rs. 165 crore reduction in Net debt

H1FY18 RESULTS – KEY NUMBERS

34.4%
revenue
growth

52.7%
EBITDA
growth

170.7%
PAT
growth

20.8%
organic
growth

5.2%
EBITDA
margin

3.0%
PAT
margin

159.2%
EPS
growth

136
bps
ROCE

632
bps RONW
increase

CLOSING REMARKS



Growth

Solid H1 growth – sound run rate and pipeline for H2 across all four business segments



Productivity & Margins

Operating leverage in scaled businesses.
Rapid margin improvement in new segments.



M&A

Low Net Debt - Balance Sheet capacity for M&A



Technology

iOPS, SalesMaxx, ARK – extensive proprietary technology boosting productivity. Major push on Man-tech, Alarm monitoring and response.



Return Ratios

ROCE and EPS improvement on track



VISION 2020
— BIGGER & BETTER —



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CIN: L75230BR1985PLC002083

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