

Security and Intelligence Services (India) Ltd. reports stellar financial performance for FY18, consolidates market position further in Security, Cash Logistics & Facility Management segment

- Consolidated Revenue for FY18 at Rs. 5,833 Crs; 33% YoY growth
- Consolidated EBITDA for FY18 at Rs. 312 Crs, 42% YoY growth
- Consolidated Net Profit after Tax for FY18 at Rs. 163 Crs, 49% YoY growth
- Board of Directors have recommended a final dividend of Rs. 1.5/ equity share, taking total dividend for the year to Rs3.5/ share

New Delhi, May 9, 2018, Security and Intelligence Services (India) Ltd. (SIS) (NSE: SIS, BSE: 540673), A market leader in Security, Facility Management & Cash Logistics services, announced its Audited Financial Results for the year ended 31st March 2018.

Key Consolidated Financials at a Glance:

Particulars (Rs Crs)	Q4 FY18	Q4 FY17	YoY%	FY18	FY17	YoY%
Revenue	1,592.2	1,238.1	28.6%	5,833.4	4,387.2	33.0%
EBITDA	86.6	65.2	32.8%	312.0	220.4	41.6%
EBITDA Margins	5.44%	5.27%		5.35%	5.02%	
PAT	36.1	55.6	-35.1%	163.0	109.7	48.6%
PAT Margins	2.3%	4.5%		2.8%	2.5%	

- **Segmental Revenues are as follows:**

Security Services India: Rs. 570 Crs in Q4 FY18 v/s Rs. 458 Crs in Q4 FY17 & Rs. 2,144 Crs for FY18 v/s Rs. 1,595 Crs for FY17

Security Services Australia: Rs. 841 Crs in Q4 FY18 v/s Rs. 641 Crs in Q4 FY17 & Rs. 3,018 Crs for FY18 v/s Rs. 2,396 Crs for FY17

Facilities Management: Rs. 182 Crs in Q4 FY18 v/s Rs. 139 Crs in Q4 FY17 & Rs. 671 Crs for FY18 v/s Rs. 397 Crs for FY17

- **Return Ratios:** ROCE and RONW are 24.2% and 20.1% respectively for FY18
- **Cash Conversion** - The company demonstrated high cash conversion with total operating cash flows of Rs173 cr, up from Rs107 cr in FY17.
- **Dividend declaration** - Final Dividend of Rs. 1.5/ per equity share has been recommended by the Board of Directors subject to shareholders approval at the ensuing Annual General Meeting. This is in addition to Interim Dividend of Rs. 2/- per equity share paid during the financial year 2017-18.
- **Profit after Tax** - PAT in Q4FY18 lower against Q4FY17 on account of Fair value and amortisation adjustment amount of Rs. 10.5 cr in Q4FY18 in relation to SXP transaction Purchase Price Accounting; and creation of deferred tax asset in Q4FY17 of INR 22.75 cr on account of IND-AS Transition adjustments.
- The Board of Directors have also approved a Dividend Distribution Policy which is accessible on our website www.sisindia.com

Business Updates:

- **India Security Business:** As on 31st March 2018, the India Security business employed 107,746 Billing (direct) employees across close to 12,000 sites. Our unparalleled branch network of 153 branches now enables us to service over 3,600 customers across India. The 34% growth during the year has taken us close to No. 1, reaching Rs2,144 cr in revenues with an EBITDA margin increase from 6.4% in FY17 to 6.9% in FY18.
- **Australia Security Business:** Acquisition of SXP in July 2017 has enhanced our bouquet of offerings to make us a comprehensive solutions provider, giving us over 21% market share in Australia. As on 31st March, 2018, we employed 7,402 Billing (direct) employees in Australia. The Australia business is growing at close to 5X Australia GDP growth which coupled with SXP has made us reach a revenue base of Rs3,018 cr in FY18, a 26% increase over FY17.

- **Facility Management:** As on 31st March, 2018, the Facility Management business employed 42,148 Billing (direct) employees across 2,740 sites. The segment has shown a 69% growth to reach revenues of Rs671 cr for FY18. With expertise being built in healthcare and pharma, MEP, B2G businesses and SLA based commercial models we are making strong strides towards becoming an integrated facility management company. The segment demonstrated strong margin increase from 3.4% in FY17 to 5.1% in FY18 on the back of greater scale benefits.
- **Cash Logistics** – FY18 has been a tough year with challenges on the macro front. We have rationalized our portfolio to exit unviable contracts. Recent changes to the RBI regulations on minimum operating standards are a healthy outcome and are expected to effectively “reset” the industry and spur industry consolidation. These changes however will see some short term pain with greater capex and opex in the next 1-2 years. However once the changes are stabilized, the industry is expected to have a bright future with better pricing power to the leading players.

Commenting on the performance, Mr. Rituraj Kishore Sinha, Group Managing Director said, “Our first full year result post listing, demonstrates the robustness and scalability of our high growth - high RoCE business model. In FY18, we increased our market share across segments and are on track to emerge as India’s largest Security, Cash Logistics and Facility Management operator in near term - a unique outsourced services platform play. Substantial margin improvement in India businesses is a reflection of operating leverage and pricing power of our brands. Record cash flow generation and return ratios showcase our disciplined approach and financial prudence. Our businesses continue to adopt technology and evolve our service offerings and pricing models, to pursue our goal of becoming a preferred service provider across B2B, B2G and B2C segments.”

About Security and Intelligence Services (India) Ltd. (SIS):

SIS is a market leader in all the 3 business segments of Security, Facility management & Cash Logistics services. SIS is the 2nd largest & fastest growing Security services company in India and the largest security services company in Australia. It is also the 3rd largest Facility Management Services company in India. SIS is the 2nd largest Cash Logistics Service provider in India. The company strongly believes in Technology and uses it to manage its manpower and improve Employee productivity. SIS has the largest supply chain for trained manpower in India.

Safe harbor statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further details please contact:

Company:	Investor Relations Advisors:
Security and Intelligence Services (India) Ltd. CIN: U75230BR1985PLC002083	Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285
Mr. Vamshidhar Guthikonda Email: vamshidhar@sisindia.com	Mr. Shogun Jain / Mr. Pratik R. Shah Phone: +91 77383 77756 / +91 97692 60769 Email: shogun.jain@sgapl.net/ pratik.shah@sgapl.net