

**SIS reports strong revenue growth in Q2 FY18-19 coupled with normalized PAT growth of 69%**

- Consolidated Revenue for Q2 FY19 is Rs. 1,690 Crs depicting a growth of 15.8% YoY
- Consolidated EBITDA for Q2 FY19 is Rs. 78.2 Crs, growth of 5.5% YoY
- Normalised PAT for Q2 FY19 is Rs. 47 Crs, showing a growth of 69% on a normalized basis
- Two acquisitions – adding Rs320 cr revenues on a full year basis to the group revenues

**New Delhi, October 24<sup>th</sup>, 2018, Security and Intelligence Services (India) Ltd. (SIS) (NSE: SIS, BSE: 540673),** A market leader in Security, Facility Management & Cash Logistics services, announced its Unaudited Financial Results for the quarter ended September 30, 2018.

**Key Consolidated Financials at a Glance:**

Particulars (Rs crs)	Q2 FY19	Q2 FY18	YoY%	Q1 FY19	QoQ%
Revenue	1,690.2	1,460.0	15.77%	1,611.4	4.89%
EBITDA	78.2	74.1	5.5%	74.5	5.00%
EBITDA Margins	4.6%	5.1%		4.6%	
PAT	43.78	58.91	-25.67%	39.48	10.89%
PAT Margins	2.59%	4.03%		2.45%	
Normalised PAT	46.95	27.84	68.7%	44.09	6.51%

*Note – Normalised PAT above is only presented to compare quarters on a similar basis*

- **Return Ratios:** Trailing 12month ROCE and RONW are 21.3% and 15.4% respectively.

## **Business Updates:**

### ***India Security Business:***

- Revenues - Rs. 630 Crs in Q2 FY19 v/s Rs. 525 Crs in Q2 FY18
- Q2 FY19 EBITDA has been impacted due to
  - Significant upfront costs for training and onboarding for Cognizant contract
  - Annual salary revisions becoming effective fully from July 2018
  - Transaction costs on stalled M&A projects
- As on 30<sup>th</sup> September 2018, the India Security business employed 126,900 Billing (direct) employees, of which 11,500 were added from the SLV acquisition
- The India security business also saw a strong quarter for new sales with new orders of recurring monthly revenues of Rs. 22 Crs
- SLV acquisition added to market share in NCR region; takes SIS closer to No.1 position in India in security services.

### **Australia Security Business:**

- Revenues : Rs. 844 Crs in Q2 FY19 v/s Rs. 773 Crs in Q2 FY19
- Australia continues to show high revenue growth, grew 9.2% YoY which is nearly 3X the Australia GDP growth
- As on 30<sup>th</sup> September 2018, the Australia Security business employed 7,080 Billing (direct) employees.

### **Facility Management:**

- Revenues: Rs. 221 Crs in Q2 FY19 v/s Rs. 166 Crs in Q2 FY18, a growth of 33% YoY
- Facility Management segment had a stellar quarter with sequential growth of 10.8% - this was on the back of continued growth in business at both DTSS and SMC.
- Margins saw a steep increase from 5.2% in Q2FY18 to 7% in Q2FY19 on the back of operating leverage and scale benefits

- As on 30th September 2018, the Facility Management business employed over 47,100 direct employees.

**Commenting on the performance, Mr. Rituraj Kishore Sinha, Group Managing Director said,**

“SIS has shown strong revenue growth this quarter across all its segments and this coupled with our acquisitions takes us closer to our vision to become the No. 1 company in Security, Cash Logistics and Facility Management. We have added some prestigious customers this quarter and this gives us strong visibility for rest of the year. Acquisition of SLV brings us enhanced market share in the NCR region while acquisition of Rare Hospitality gives us greater penetration in the critical healthcare customer segment. We are augmenting our service portfolio with tech solutions for the next phase of growth and look forward to maintaining market leadership in all our businesses.”

**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 2<sup>nd</sup> largest & fastest growing Security services company in India and the largest security services company in Australia. It is also the 2<sup>nd</sup> largest Facility Management Services company in India. SIS is the 2<sup>nd</sup> 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 trained manpower supply chain 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.

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