



**sis**  
Group Enterprises

A Market Leader in  
Security, Cash Logistics  
& Facility Management

# Q1 FY19 RESULTS

*July 25, 2018*

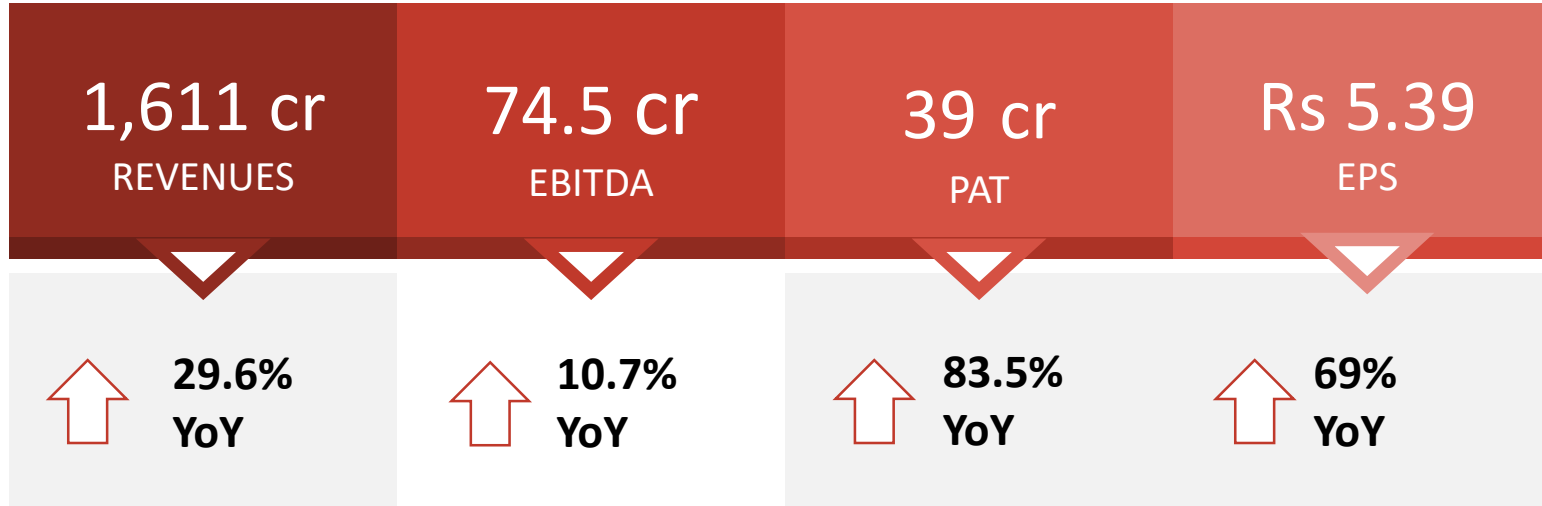
# SAFE HARBOUR

*This presentation and the accompanying slides (the “Presentation”), which have been prepared by Security and Intelligence Services (India) Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.*

*This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.*

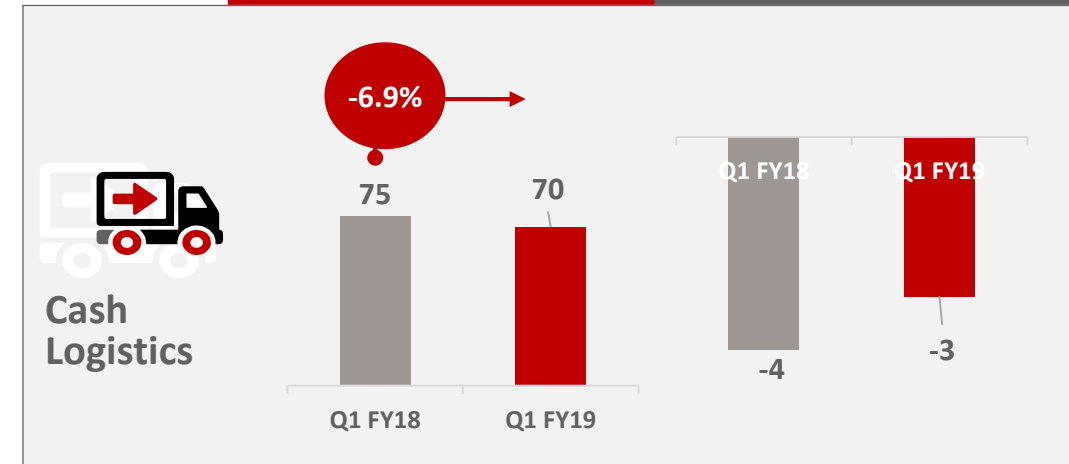
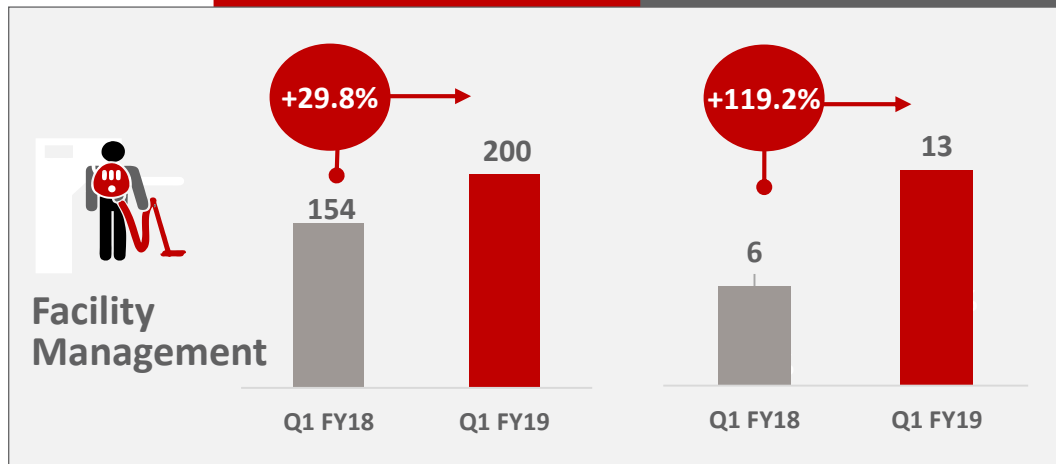
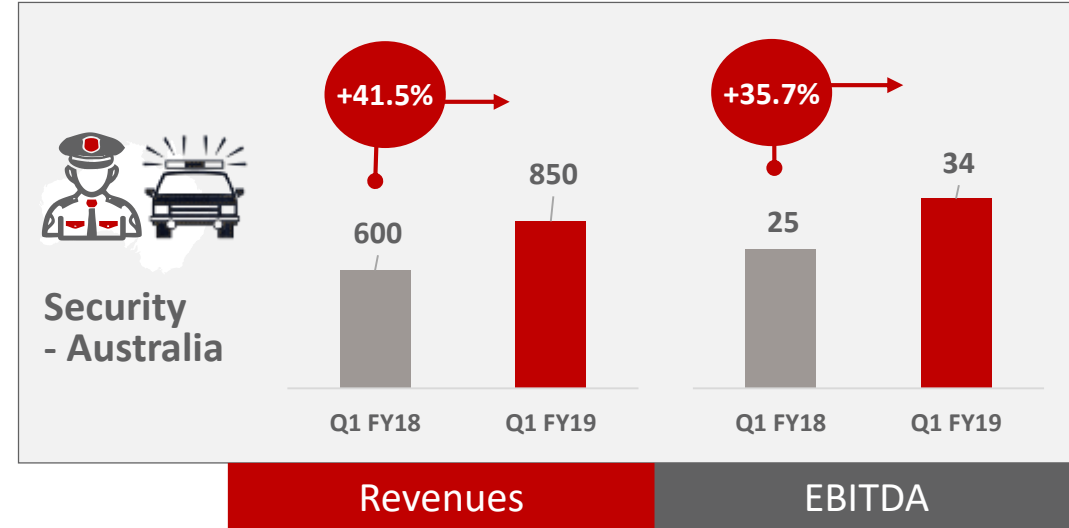
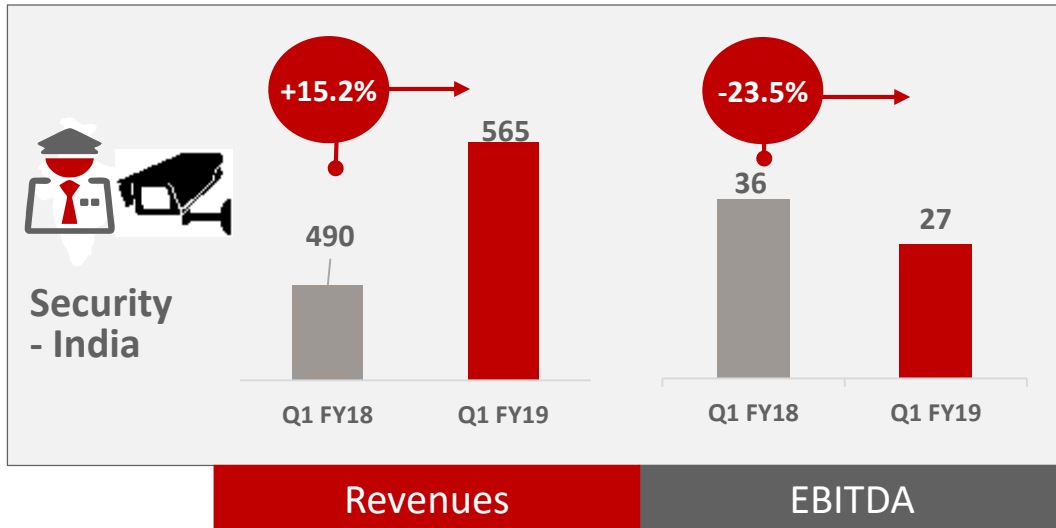
*This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.*

# HIGHLIGHTS – Q1 FY19



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

# RESULTS BY BUSINESS LINE – Q1 FY19



Rs in cr

\*Cash – not included in consolidated financials, follows equity accounting

**Robust organic growth across segments – on track to become No.1 in all our verticals**



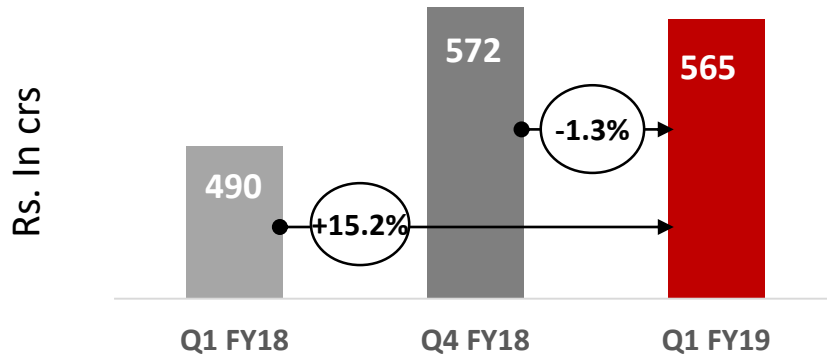
# Q1 FY19 RESULTS

BY BUSINESS LINE



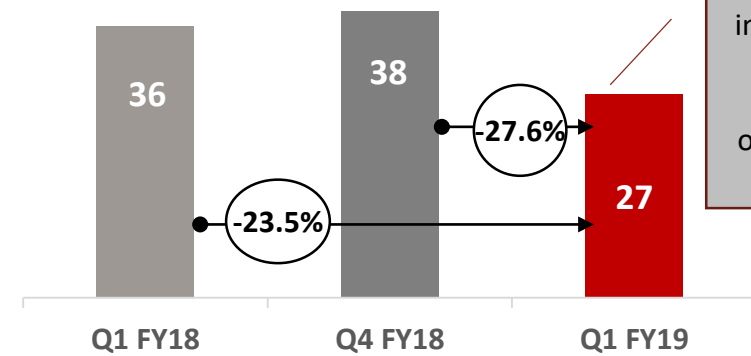
# SECURITY - INDIA

## Revenues



Solid start to FY19. 15% YoY growth. QoQ revenue decline due to contracts rationalization in Q4FY18

## EBITDA



Q1FY19 reflects impact of provisions taken for clients under NCLT and other non-recurring items

Continuing overheads of contracts disengaged in March 18, indirect staff pay review effective June '18 and startup costs for new wins impacting Q1 margins



- New orders with recurring monthly revenues of Rs. 17 crs won in Q1 FY19 vs Rs. 9 crs during Q4 FY18. Major Impact in Q2
- ManTech initiatives seeing early success – Rs38 cr orders won in Q1FY19
- vProtect (Home Alarms Venture) gaining momentum – 500 connections crossed in Q1, healthy traction continues

**106,860** Trained security personnel

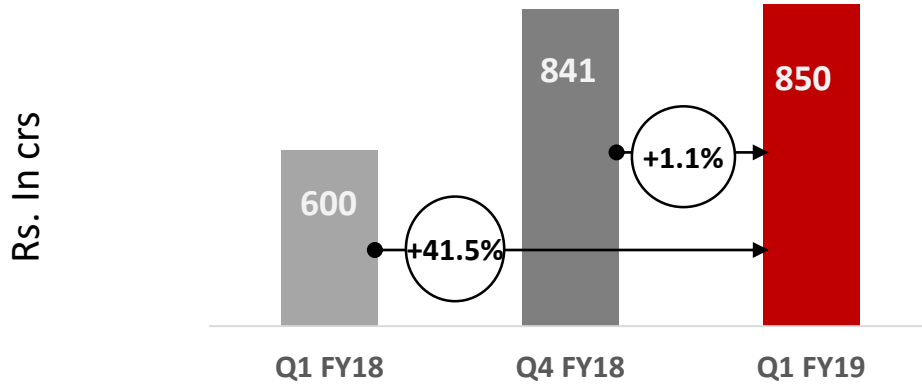
**153** Branch Office Network

**12,272** Customer sites



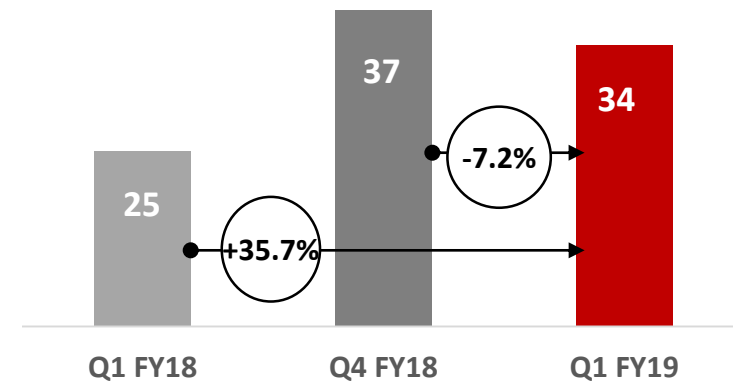
# SECURITY - AUSTRALIA

## Revenues



41.5% revenue growth over FY18. Marginal decline over preceding quarter as major events in Q4 (F1, GP. CWG, Aus Open) impacted Q4FY18

## EBITDA



35.7% EBITDA growth. Q4FY18 EBITDA reflecting major events impact. SXP-MSS synergy savings continue to accrue –



- Solid Quarter – 16.9% YoY organic growth for MSS
- Won key contract from Australia Post of Rs40 cr
- MSS + SXP continue to increase client penetration offering comprehensive clients solutions



**21%**

Market share

**8,700**

Sites covered by SXP

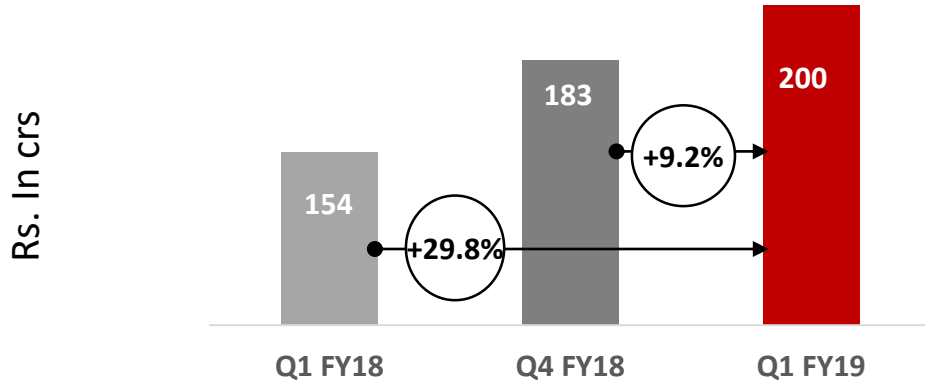
**#1**

Aviation security

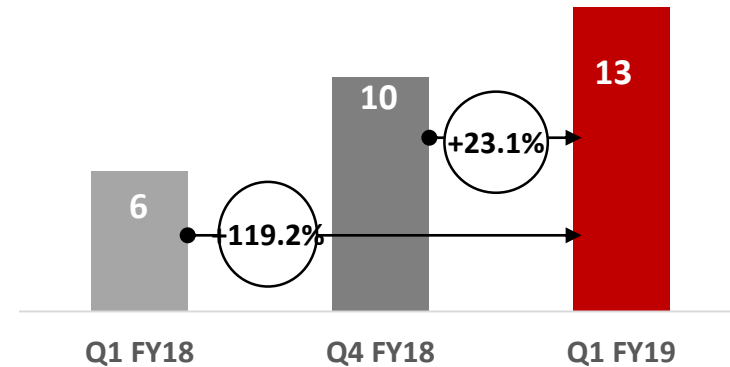


# FACILITY MANAGEMENT

## Revenues



## EBITDA



Fastest growing segment in the Group - 30% Y-o-Y and 9% Q-o-Q revenue growth

EBITDA margins show a steep growth from 3.8% in Q1FY18 to 6.3% in Q1FY19



- Q1 New Orders of 6 crores won – full impact in Q2
- Large number of Railway bids under consideration
- Margin improvement to continue with higher volumes, renegotiations with low margin customers, and increased operating leverage

45,475

Skilled workforce

73

Branch Network

2,732

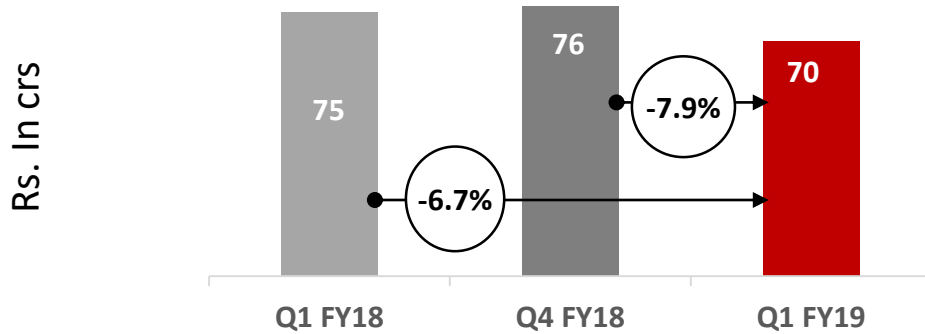
Customer sites





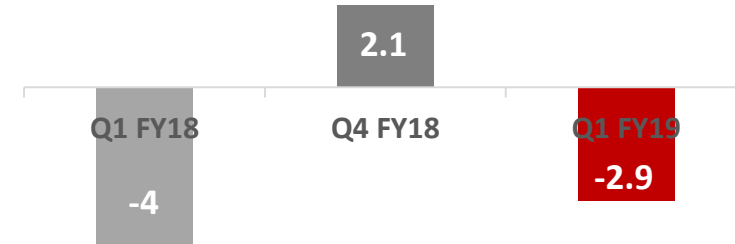
# CASH LOGISTICS

## Revenues



Revenue decline due to contract rationalization during FY18

## EBITDA



Decrease in revenue and non-recovery of direct costs increases resulted in negative EBITDA



- Continued pressure on pricing and margins despite currency circulation and ATM Transaction volume recovering to pre demonetization levels
- RBI regulation compliance to result in increased capex and opex in FY19; price increases to follow
- Indirect overheads to revenue reduced by 100 bps

59

Vaults

68

Branches

1,512

Cash Vans





---

# Q1 FY19

## Financial Information

# FINANCIAL STATEMENTS

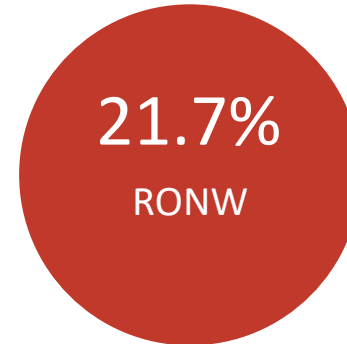
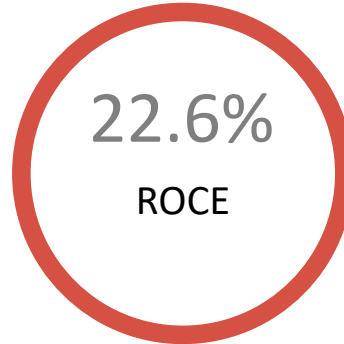
Rs. in crs	Q1 FY19	Q1 FY18	Y-o-Y	Q4 FY18	Q-o-Q	FY18
Revenue from operations	1,611.4	1,243.5	29.6%	1,592.2	1.2%	5,833.4
EBITDA	74.5	67.3	10.7%	85.2	-12.6%	312.0
<i>EBITDA %</i>	4.6%	5.4%		5.3%		5.3%
Profit before Tax	45.8	31.4	45.8%	39.0	17.3%	187.4
<i>Profit before Tax %</i>	2.8%	2.5%		2.5%		3.2%
Tax expense	6.3	9.9	-36.1%	3.0	112.3%	24.4
Profit after taxes	39.5	21.5	83.5%	36.1	9.5%	163.0
<i>Profit after tax %</i>	2.5%	1.7%		2.3%		2.8%
EPS	5.39	3.19	69.0%	4.66	15.7%	22.77
Diluted EPS	5.30	3.14	68.8%	4.57	16.0%	22.36

*Revenue up 30% YoY on back of continued growth in all segments*

*PAT increase due to decline in interest expense and lower effective tax*

*EPS shows a 69% increase YoY – despite higher equity base post-IPO*

# Q1 FY19 RESULTS – KEY NUMBERS



\*YoY growth

# LOOKING AHEAD

## Growth

*Strong order book in security and acceleration in the FM business give us strong visibility for the rest of the year*

## Productivity and Margins

*India security should recover back to historical margins after overheads rationalization Q2 onwards, likely to reflect in H2 numbers*

*FM margins to see further benefits of scale*

## Technology

*ManTech seeing good initial traction –*

*Substantial leap in Mantech wins in Q1 FY 19 – Rs. 38 crs per annum*

## M&A

*Discussions/ negotiations in advanced stages.*



**VISION 2020**  
— BIGGER & BETTER —



*Security Services*

*Cash Logistics*

*Facility Management*



A Market Leader in  
Security, Cash Logistics  
& Facility Management

CIN: L75230BR1985PLC002083

Mr. Vamshidhar Guthikonda

Email : [vamshidhar@sisindia.com](mailto:vamshidhar@sisindia.com)

Website : [www.sisindia.com](http://www.sisindia.com)

**SGA** Strategic Growth Advisors

CIN: U74140MH2010PTC204285

Mr. Shogun Jain

Email : [shogun.jain@sgapl.net](mailto:shogun.jain@sgapl.net)

Website : [www.sgapl.net](http://www.sgapl.net)