



A Market Leader in  
Security, Cash Logistics  
& Facility Management

**H1 FY18 RESULTS PRESENTATION**

*November 22, 2017*

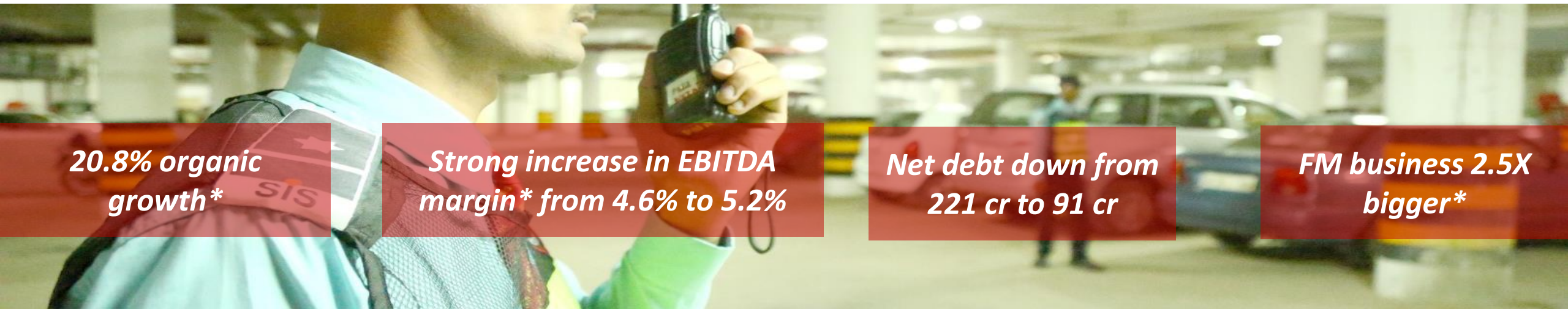
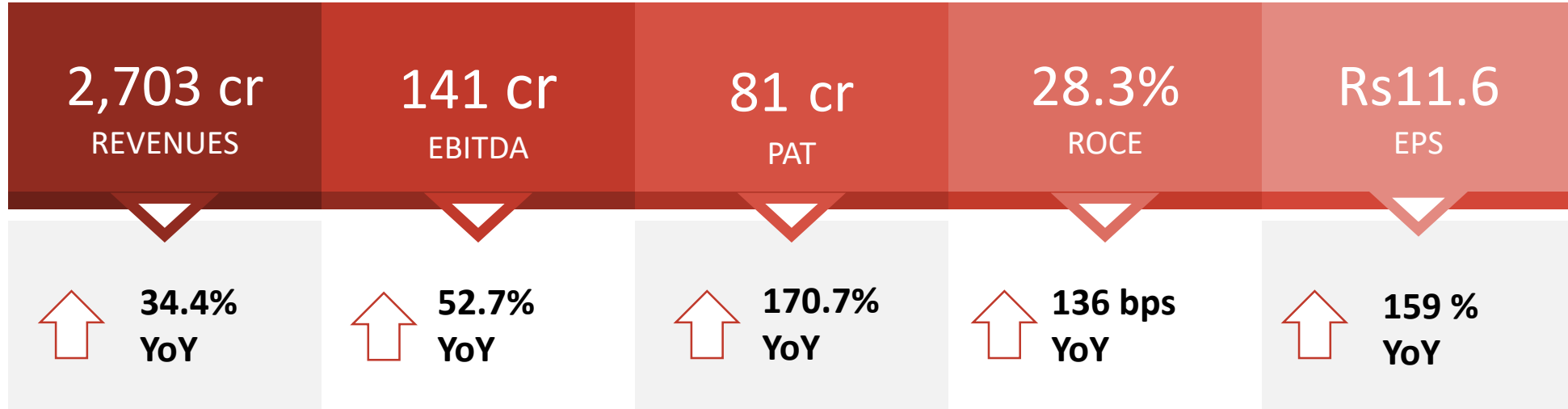
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# RESULTS UPDATE - H1FY18



*20.8% organic growth\**

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

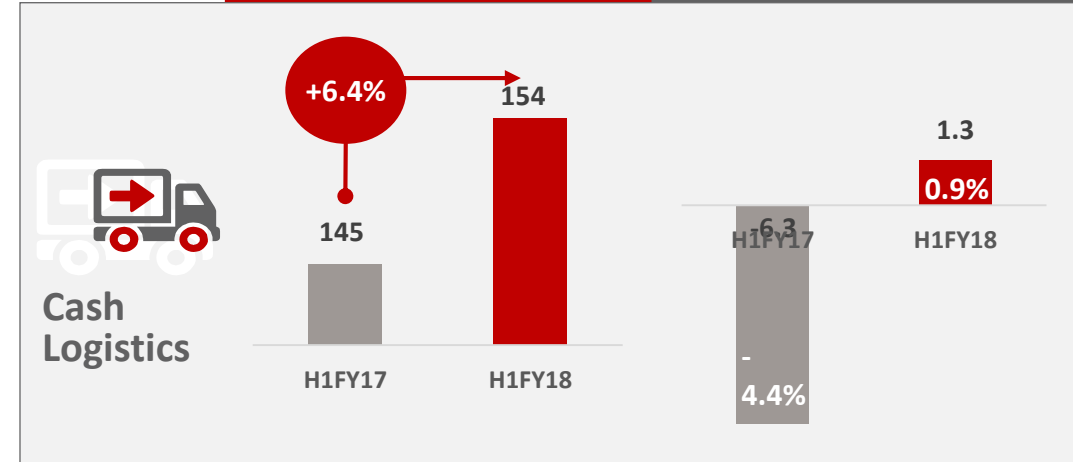
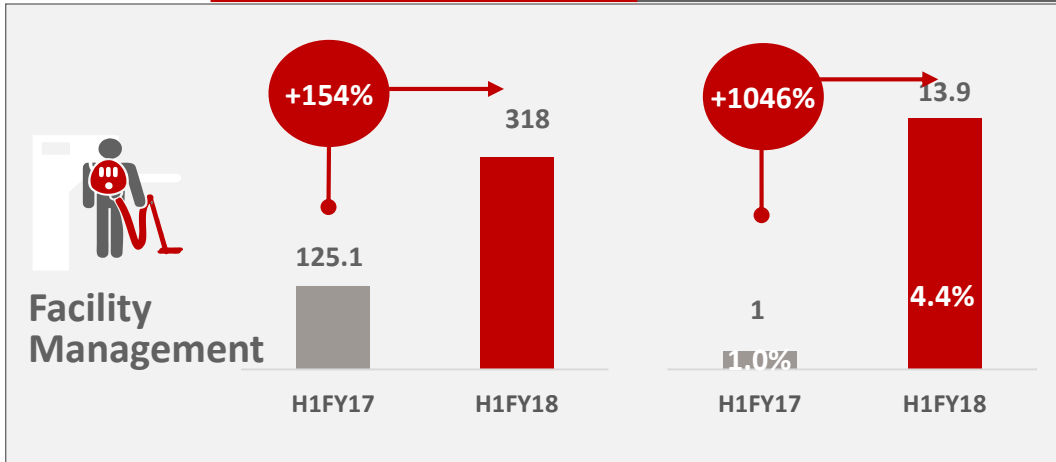
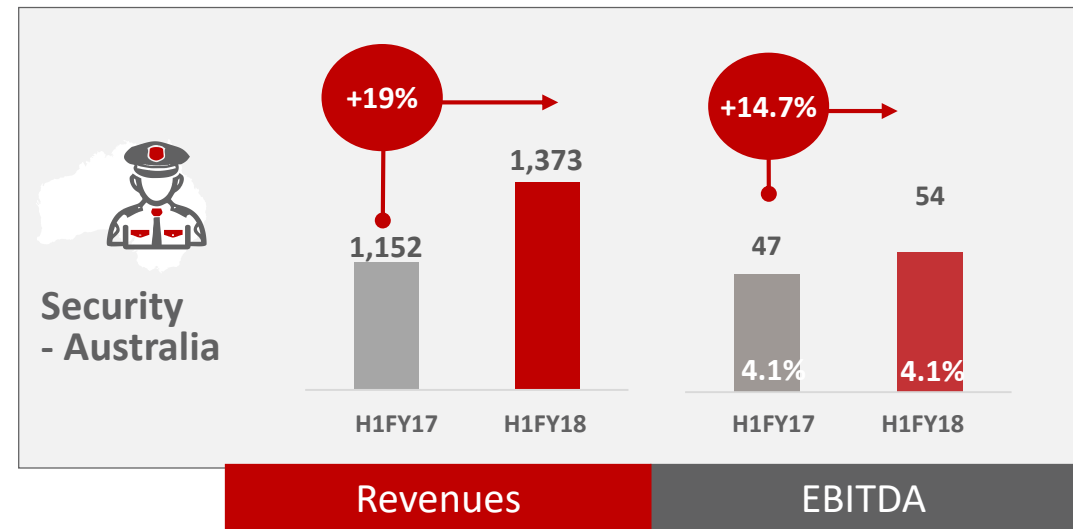
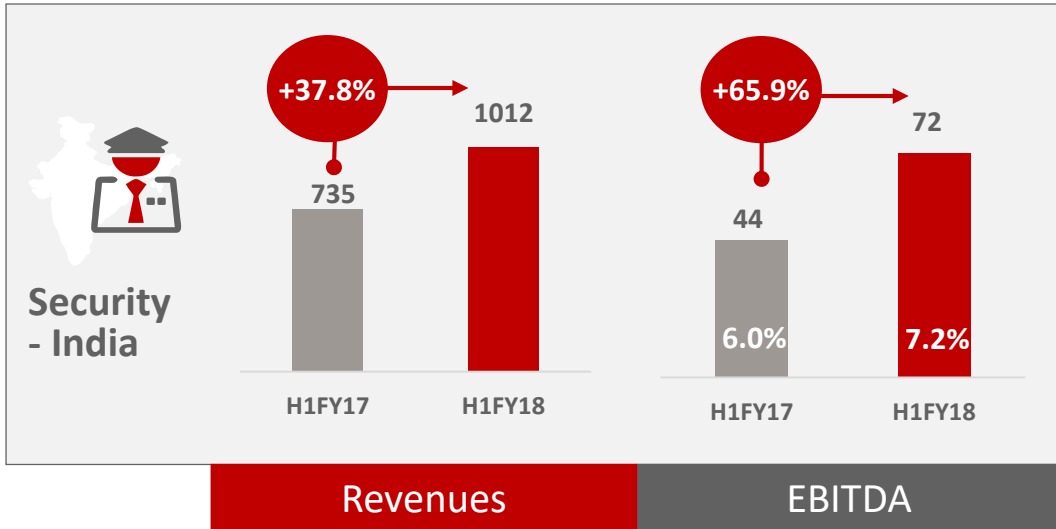
*Net debt down from 221 cr to 91 cr*

*FM business 2.5X bigger\**

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

\*YoY growth

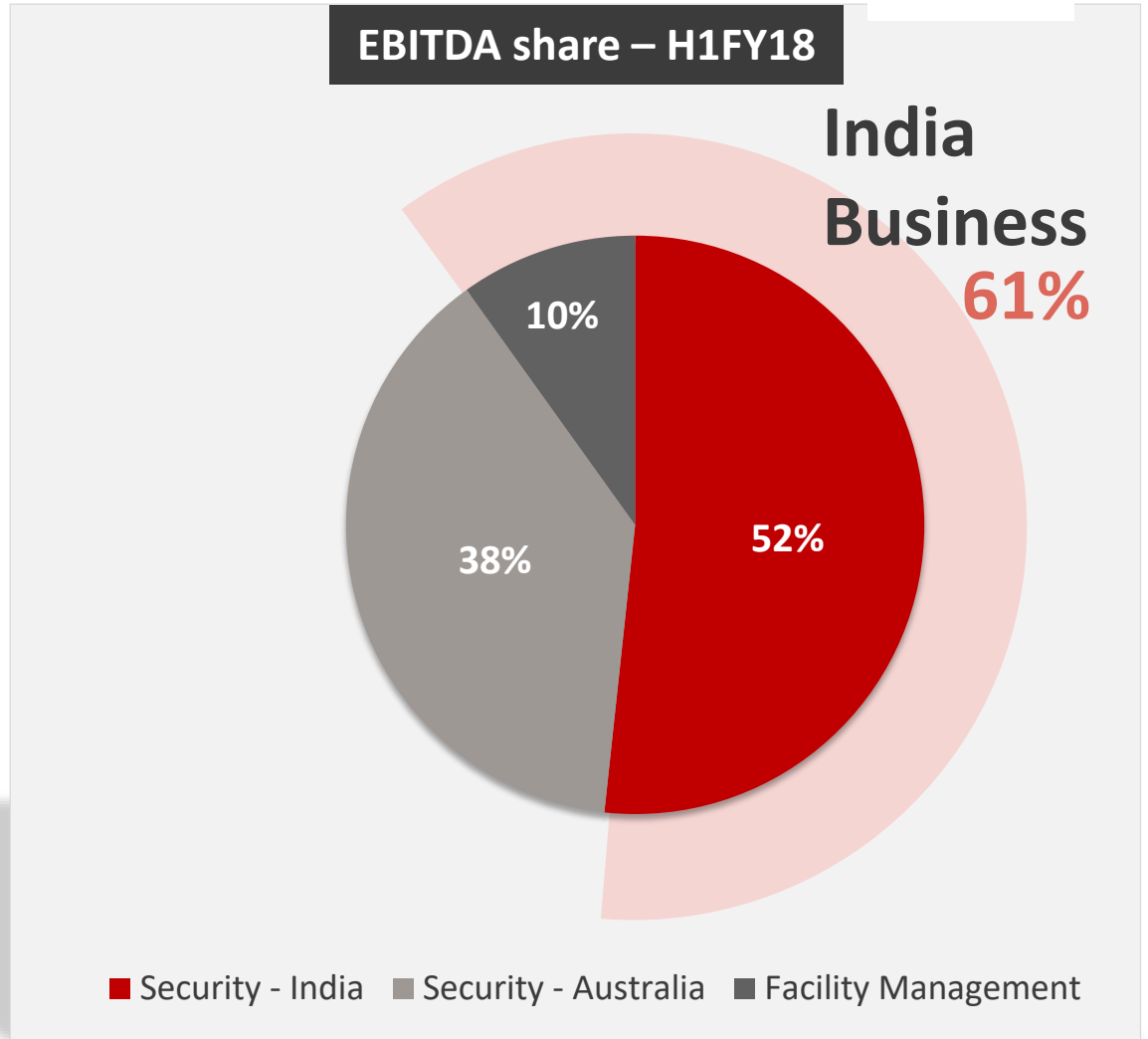
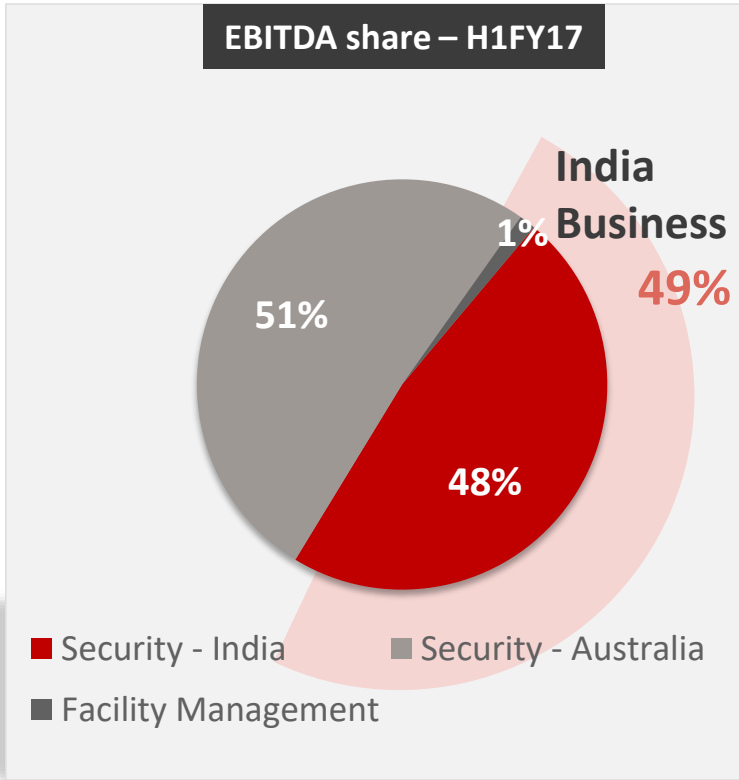
# RESULTS BY BUSINESS LINE - H1FY18



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



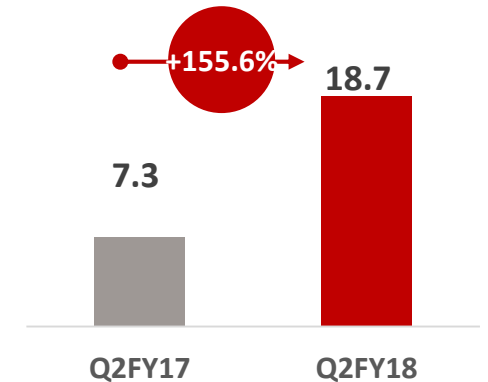
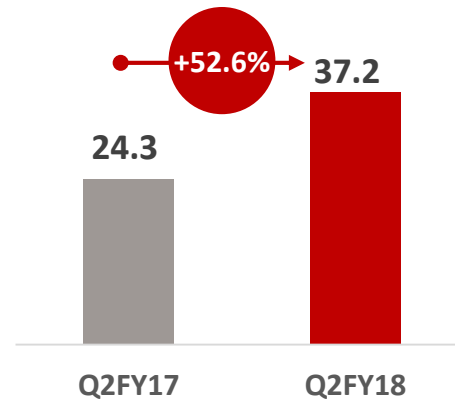
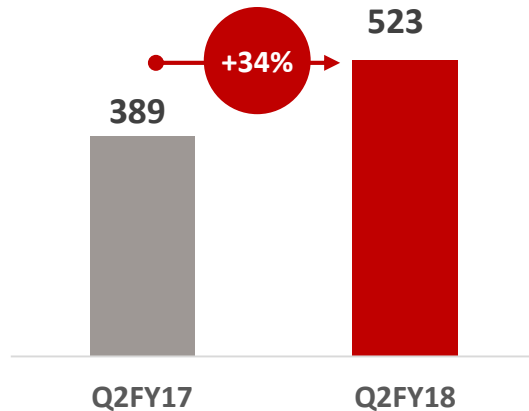
**11,518**  
Sites

## 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

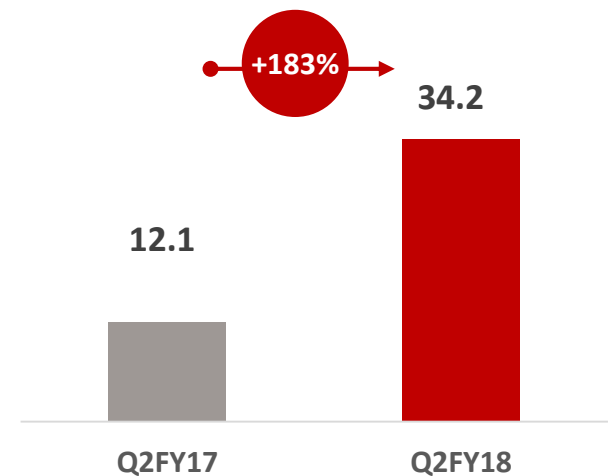
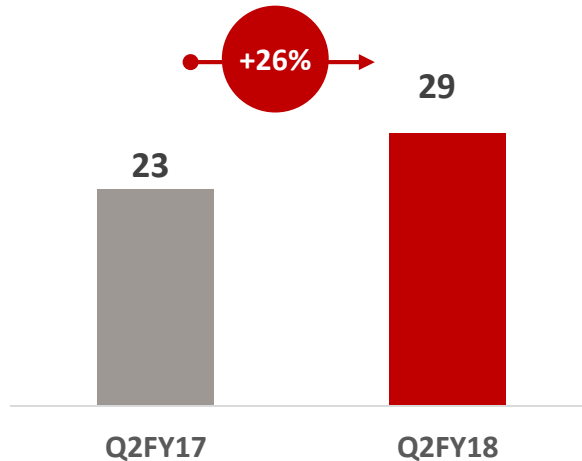
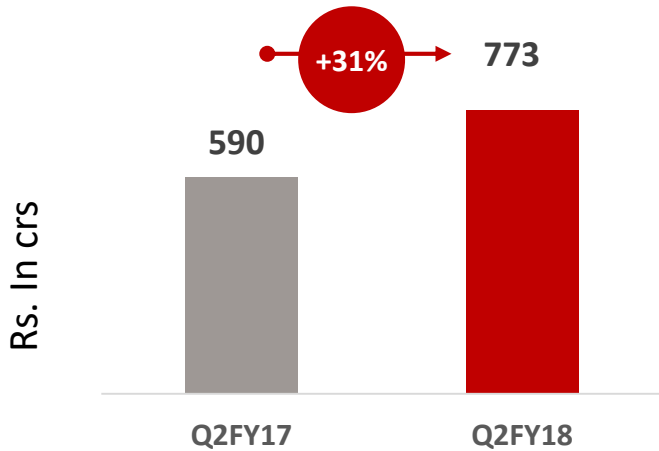
Asset protection, loss prevention, electronic surveillance and monitoring services

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

## Revenues

## 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

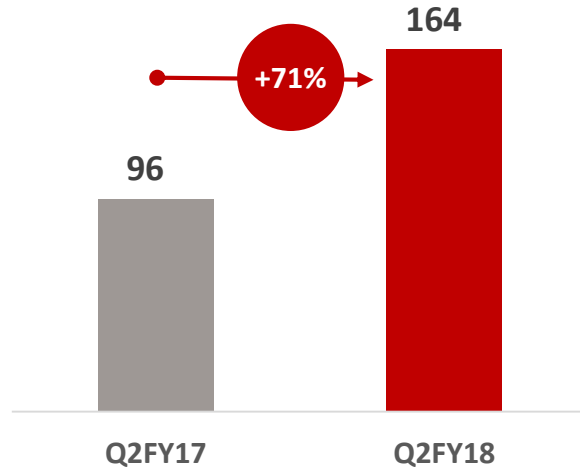


**59**  
Branches

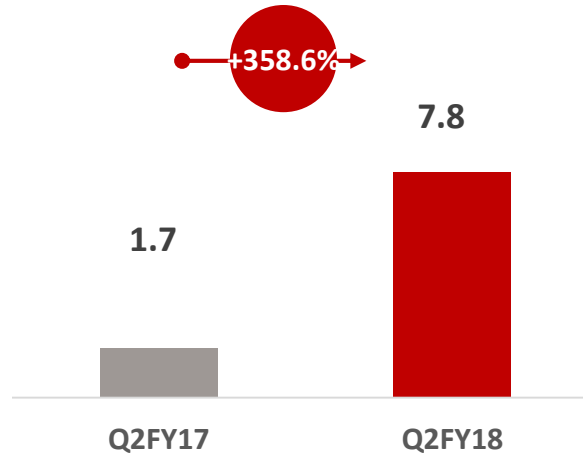


**2,685**  
Customer Sites

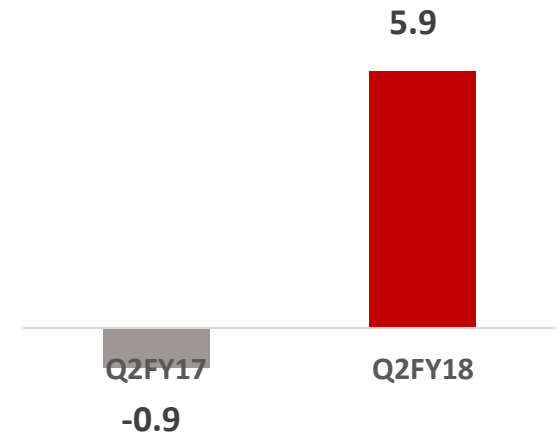
## Revenues



## 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



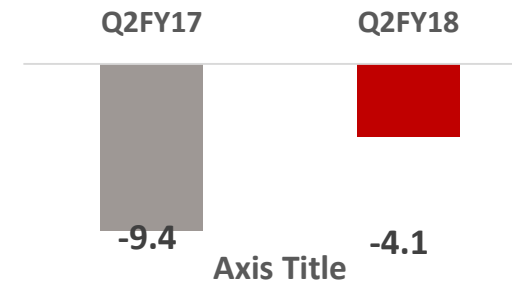
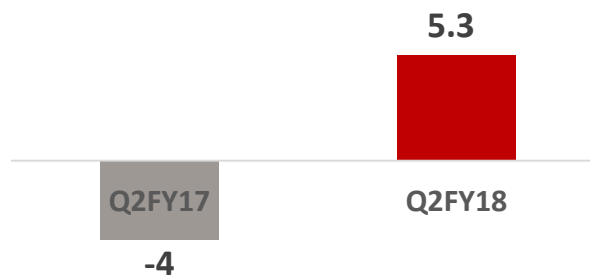
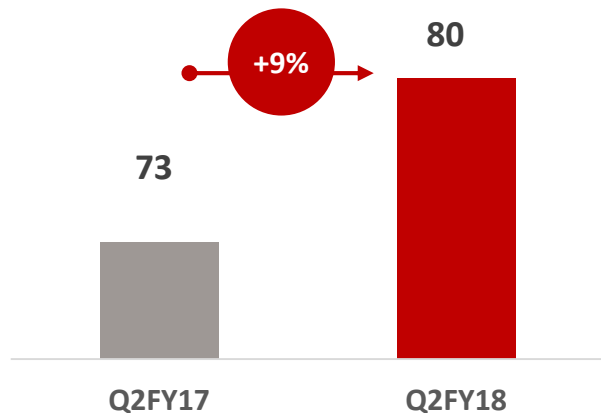
**2,467**  
Secured cash vans

## 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

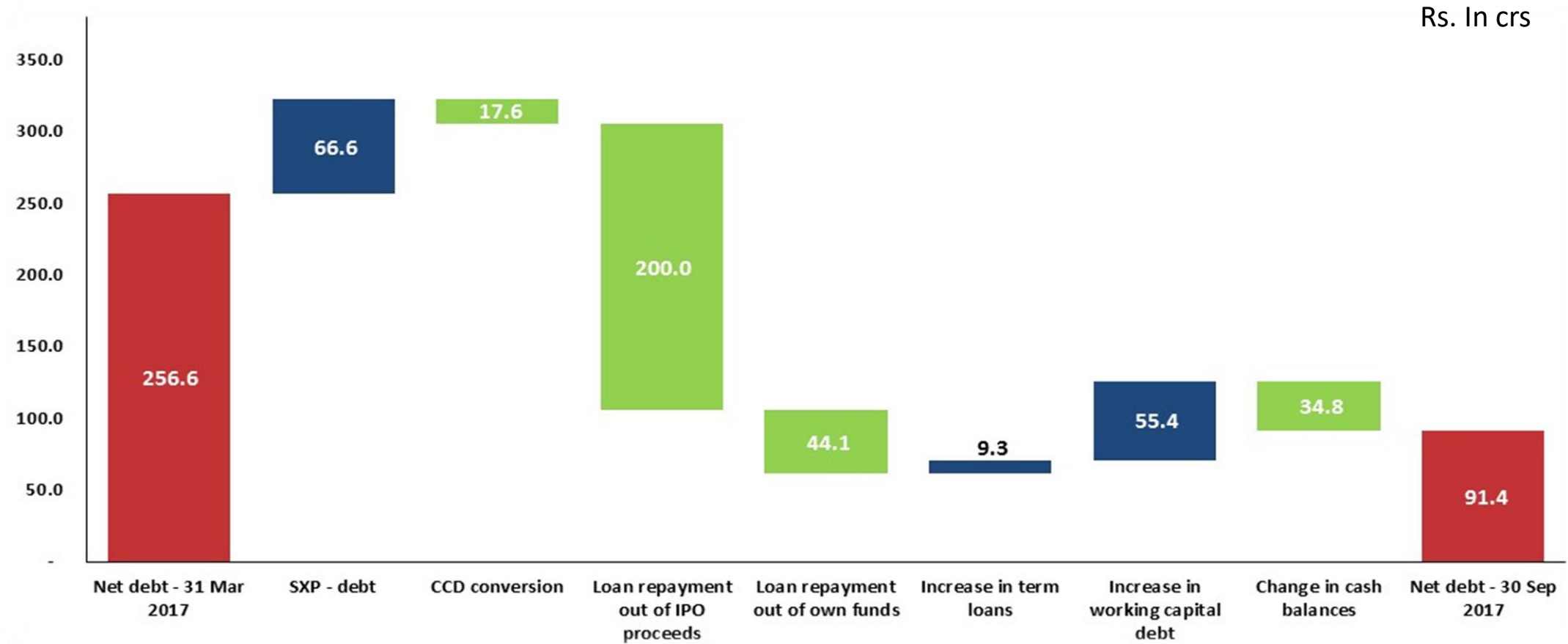
Particulars	Q2FY18	Q2FY17	Y-o-Y	H1FY18	H1FY17	Y-o-Y
Revenue from operations	1,460.0	1,076.1	35.7%	2,703.5	2,011.6	34.4%
EBITDA	74.1	49.0	51.3%	141.1	92.4	52.7%
Share of net profit /(loss) of Associates	(2.5)	(4.7)	46.3%	(7.6)	(7.5)	-2.4%
Depreciation and amortisation expense	14.1	7.2	96.0%	25.2	14.4	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%
<b>Profit before Tax</b>	<b>59.9</b>	<b>21.7</b>	<b>176.6%</b>	<b>91.4</b>	<b>47.0</b>	<b>94.3%</b>
Tax expense	1.0	7.6	-86.4%	10.7	17.2	-37.7%
<b>Profit after taxes</b>	<b>58.9</b>	<b>14.1</b>	<b>318.4%</b>	<b>80.6</b>	<b>29.8</b>	<b>170.7%</b>
<b>Profit after tax %</b>	<b>4.0%</b>	<b>1.3%</b>		<b>3.0%</b>	<b>1.5%</b>	
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
<b>Total assets</b>	<b>2,295.8</b>	<b>1,597.7</b>
Non current liabilities	395.7	171.3
Current liabilities	795.2	585.2
<b>Total liabilities</b>	<b>1,190.8</b>	<b>756.6</b>
<b>Net assets</b>	<b>1,105.0</b>	<b>841.1</b>
Net debt	91.3	256.6
Equity	1,013.7	584.6
<b>Capital employed</b>	<b>1,105.0</b>	<b>841.1</b>

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	 Productivity & Margins	 M&A	 Technology	 Return Ratios
<p><b>Solid H1 growth – sound run rate and pipeline for H2 across all four business segments</b></p>	<p><b>Operating leverage in scaled businesses.</b></p> <p><b>Rapid margin improvement in new segments.</b></p>	<p><b>Low Net Debt - Balance Sheet capacity for M&amp;A</b></p>	<p><b>iOPS, SalesMaxx, ARK – extensive proprietary technology boosting productivity. Major push on Man-tech, Alarm monitoring and response.</b></p>	<p><b>ROCE and EPS improvement on track</b></p>





**VISION 2020**  
— BIGGER & BETTER —



A Market Leader in  
Security, Cash Logistics  
& Facility Management

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