

Date: January 29, 2018

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,

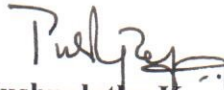
Sub.: Investor presentation on Financial Results for Q3 & 9M FY18

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 the quarter and nine-months ended December 31, 2017.

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

Q3 & 9M FY18 RESULTS PRESENTATION

January 29, 2018

| SAFE HARBOUR

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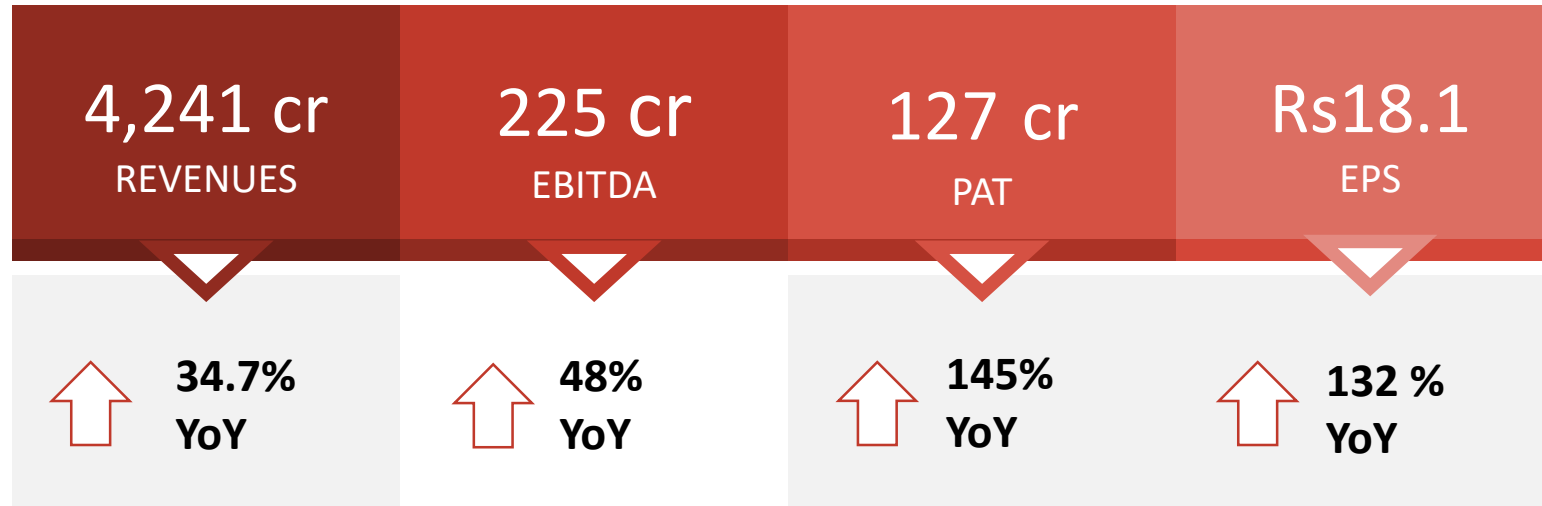
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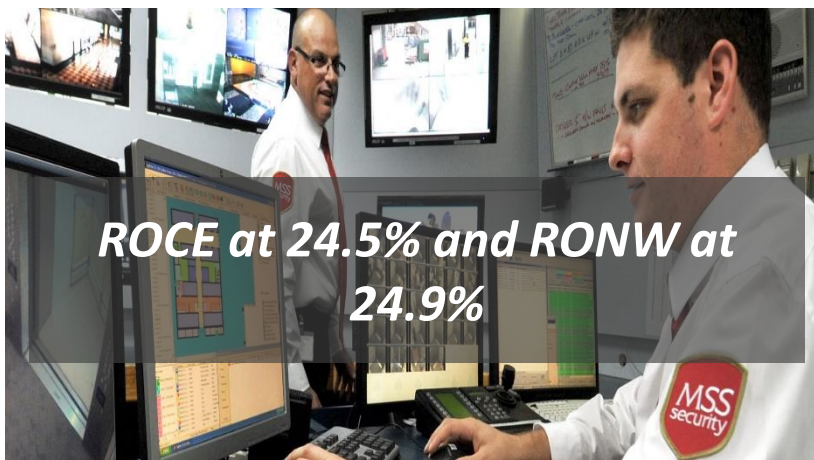
RESULTS HIGHLIGHTS – 9M FY18

Q3 & 9MFY18
RESULTS

3



*PAT margin increase from
1.6% to 3.0%*



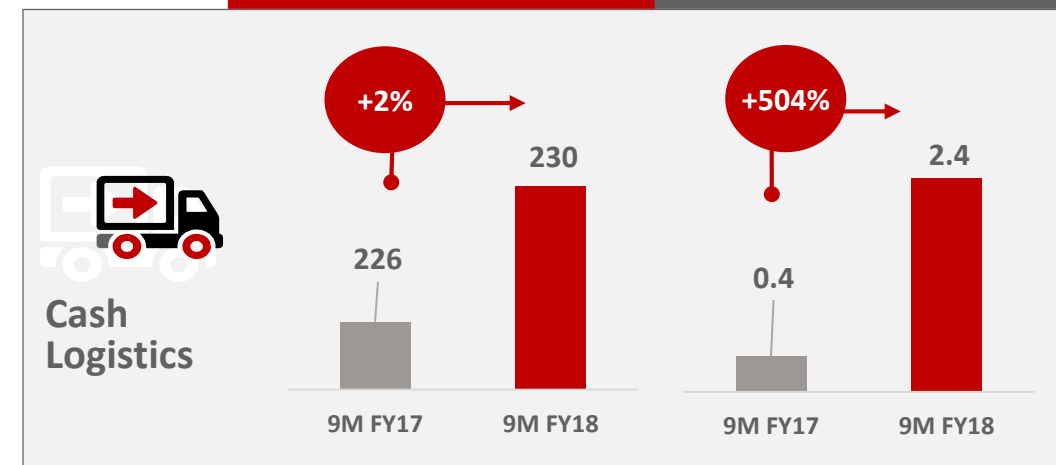
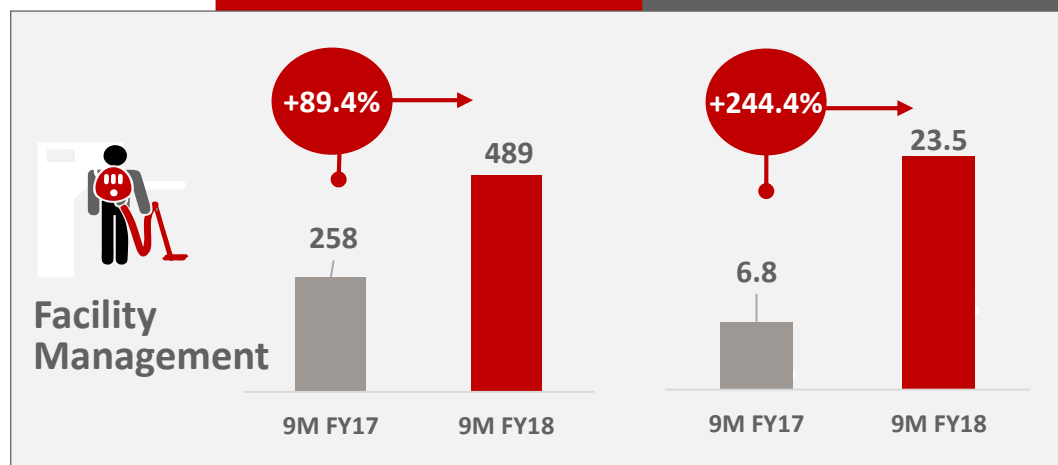
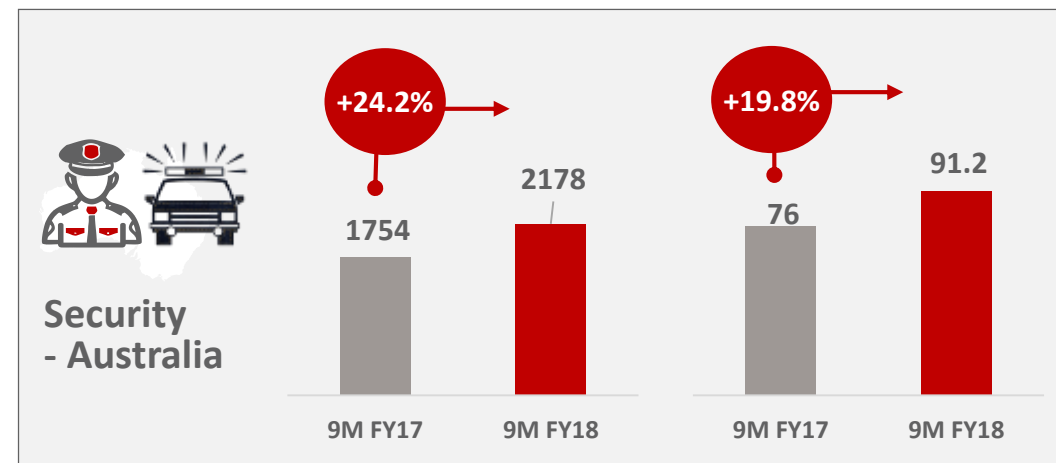
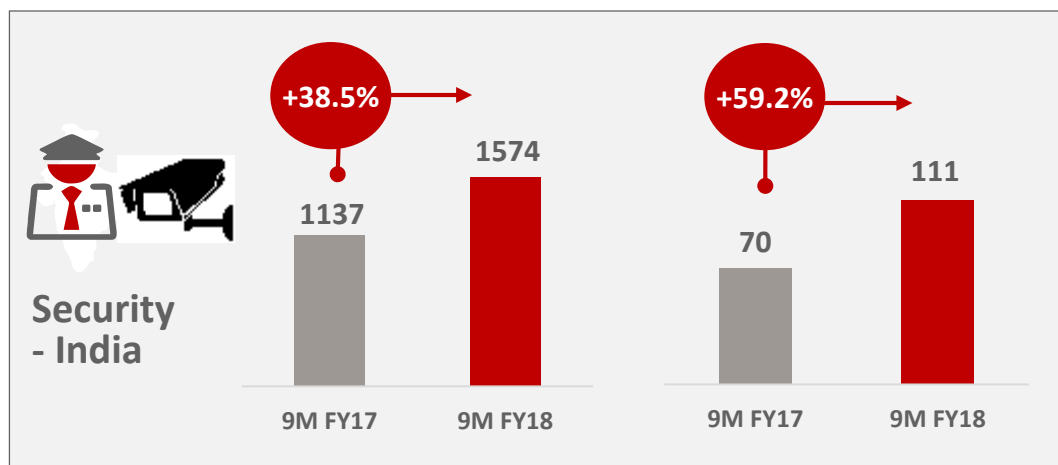
*ROCE at 24.5% and RONW at
24.9%*



*INDIA EBITDA share at
60%, up from 49%*

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

RESULTS BY BUSINESS LINE – 9M FY18



Rs in cr

Strong organic growth across all service segments
with 0.5% EBITDA margin improvement

READY FOR INORGANIC GROWTH

Revised Credit Rating

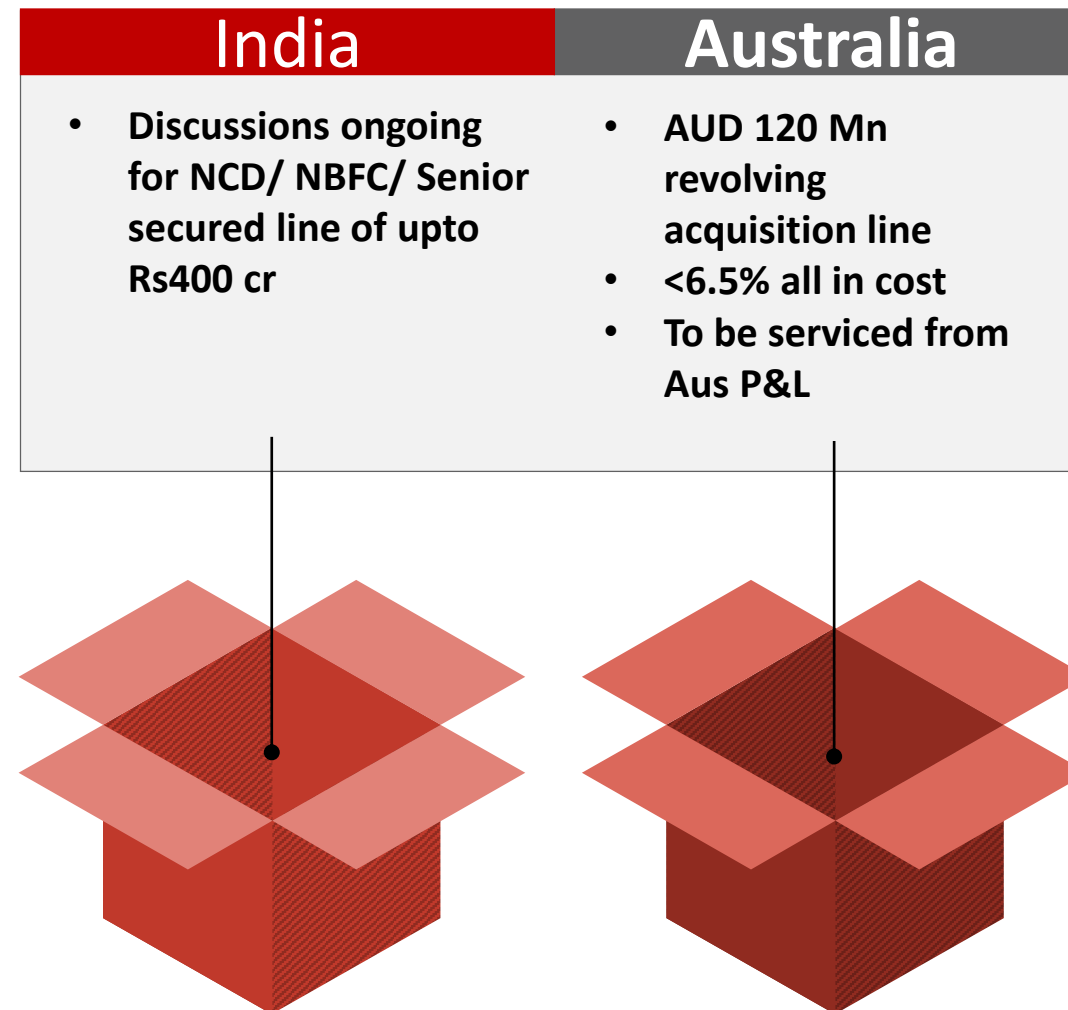
A+

Credit rating enhanced by ICRA by two notches from **A-** to **A+**
Reduced cost of borrowing
Ability to tap newer sources of funding

Resource Mobilisation

Rs1000 cr

Acquisition corpus funding being tied up at attractive terms
Average cost likely to be under 7.5%



Inorganic push in FY19 with strong M&A pipeline and Funding access



Q3 FY18 RESULTS

BY BUSINESS LINE

RESULTS HIGHLIGHTS – Q3 FY18



Revenues

↑ 35%*

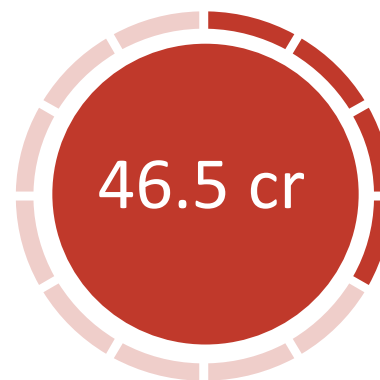
Strong revenue growth despite GST headwinds



EBITDA

↑ 41%*

Operating leverage in India security and Facility Mgt. due to scale benefits



PAT

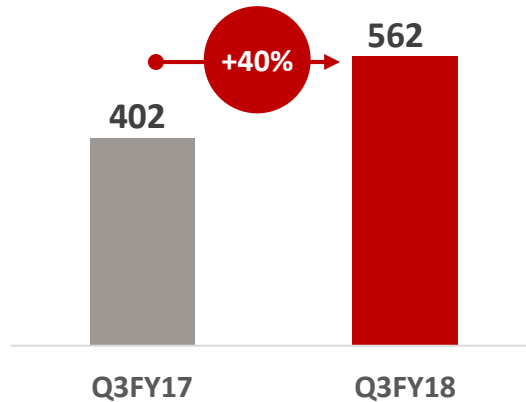
↑ 113%*

Reduction in interest costs post IPO and increased operating profits led to a steep increase in PAT



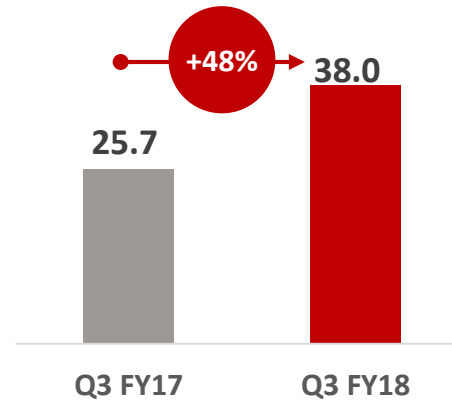
Revenues

Rs. In crs



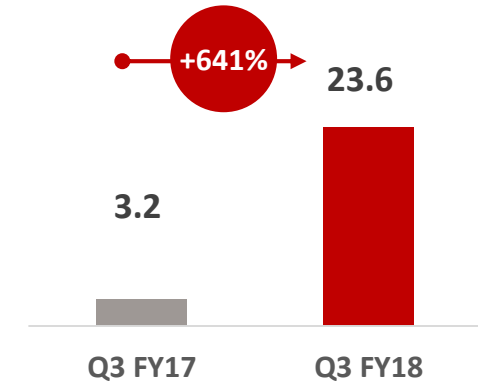
Growth of 40%, - fully organic, strong volume growth of 19%

EBITDA



Operating leverage driving margin increase from 6.4% in Q3FY17 to 6.8% in Q3FY18

PAT



PAT % increased from 0.8% to 4.2% driven by higher EBITDA, lower interest costs



Strong order pipeline for Q4, robust opening monthly revenue run rate for Q1FY19

Major push towards Electronic Security – Mantech project rolled out. 4 Tech Hubs, 151 Branches equipped for ManTech Sales

Reinventing our training with mTrainer - proprietary customer site training application



108,627 Trained security personnel

151 Branch Office Network

12,097 Customer sites

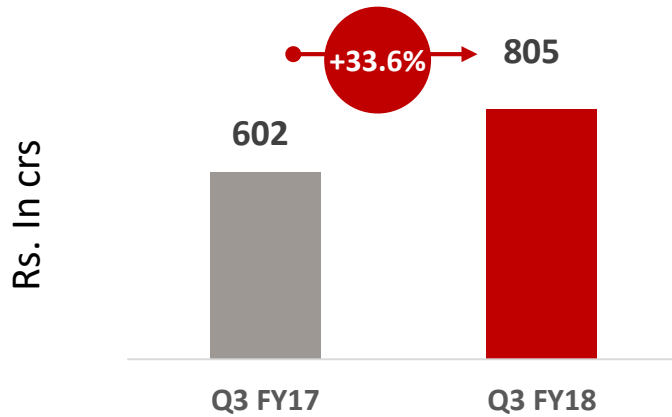


SECURITY - AUSTRALIA

Q3 & 9MFY18
RESULTS

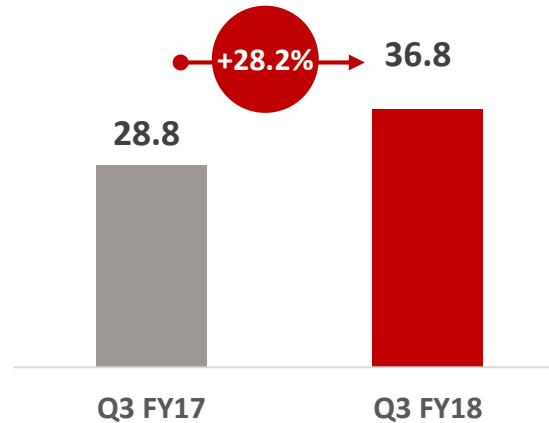
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Revenues



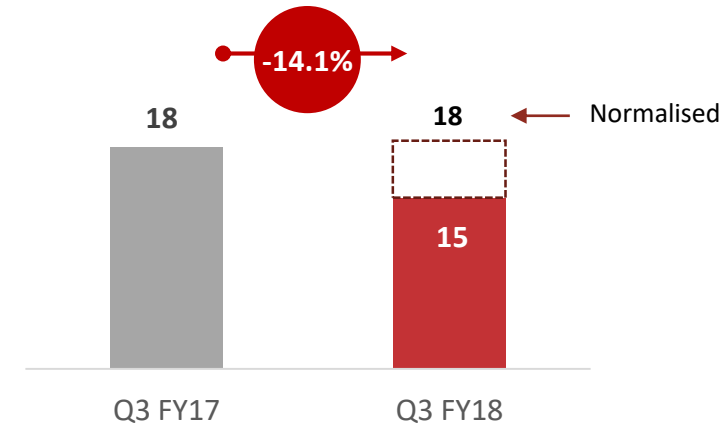
33.6% record revenue growth
Organic growth of 13.4%, >5X Australia
GDP growth

EBITDA



28.2% EBITDA growth, SXP maintaining 7%
EBITDA margin. To uplift blended margin in
coming quarters

PAT



Reported PAT decline YoY due to notional
interest on fair value consideration for SXP



Robust pipeline for Q4, strong monthly revenue run rate for Q1FY19

*Bundled offerings with static guarding, mobile patrols, electronic
security & loss prevention gaining traction*

*Rs5 cr SXP-MSS synergy and savings to accrue in FY19 and partly in
FY20*



21%

Market
share

#1

Mobile
patrolling

#1

Aviation
security



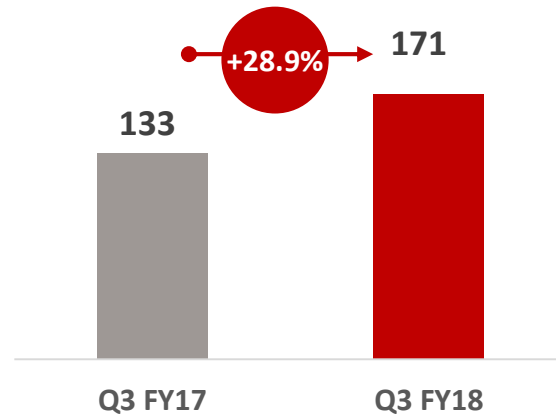
FACILITY MANAGEMENT

Q3 & 9MFY18
RESULTS

10

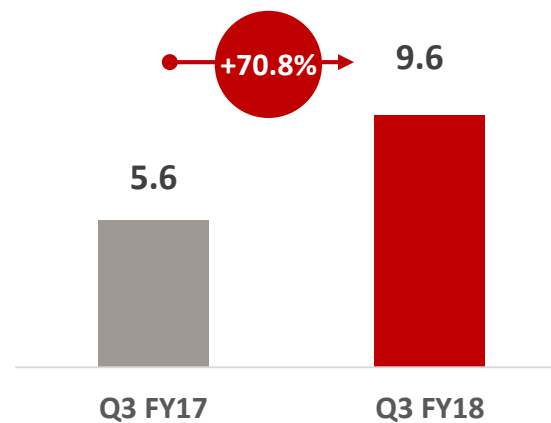
Revenues

Rs. In crs



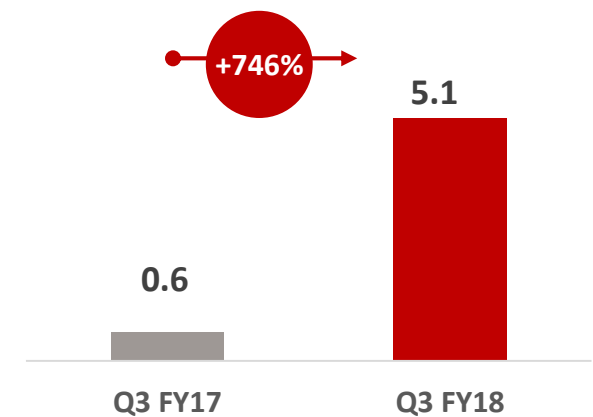
29% growth in facility management – completely organic; volume growth of 14%

EBITDA



Steep increase in EBITDA margins from 4.2% to 5.6%

PAT



PAT margin moved from 0.5% to 3.0%, despite higher interest expense



Strong revenue pipeline for Q4, robust revenue run rate for Q1FY19

DTSS and SMC Team reorganization for Hard Services (MEP) push

Specialist IFM programs for healthcare and pharma

Specialist team for B2G opportunity

41,069

Skilled workforce

59

Branch Network

2,825

Customer sites



CASH LOGISTICS

Q3 & 9MFY18
RESULTS

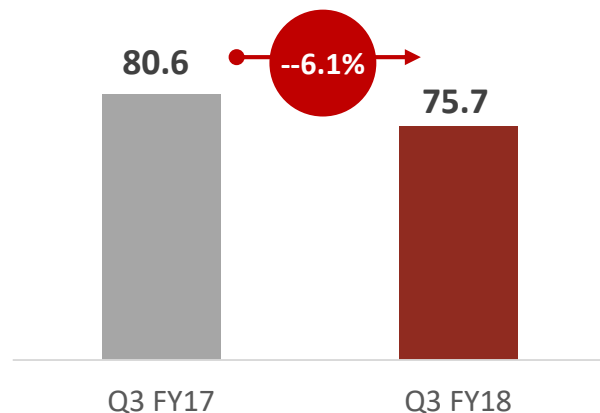
11

Revenues

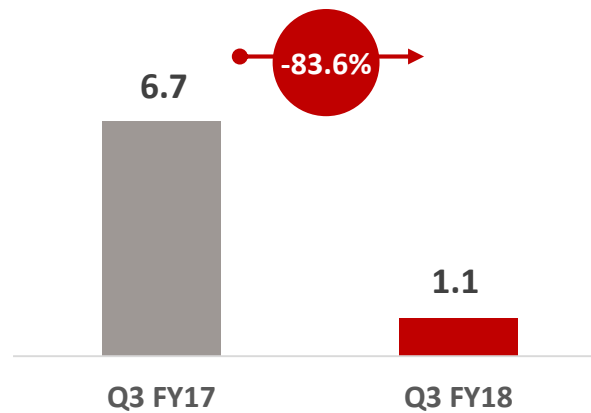
EBITDA

PAT

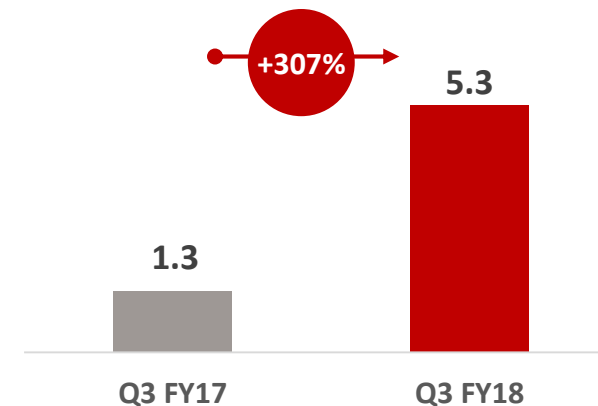
Rs. In crs



Revenue decline due to portfolio rationalisation



EBITDA decline due to increased bad debts and back dated reconciliation claims



Increase in PAT due to deferred tax impact

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Continued pressure on pricing and margins despite currency circulation recovering to pre demonetization levels

Introduction of regulation by Ministry of Home Affairs imminent – impact unknown

Introduction of Rs200 denomination notes – one time ATM recalibration fee under negotiation

2.2 lakh cr
Aug 2016

ATM monthly
trans. value

2.5 lakh cr
Oct. 2017

75 cr
Aug 2016

ATM monthly
trans. volumes

74.1 cr
Oct. 2017

Industry data

SIS
Group Enterprises
A Market Leader in
Security, Cash Logistics
& Facility Management



Q3/ 9M FY18

Financial Information

FINANCIAL STATEMENTS

Rs. In crs

Income Statement

Particulars	Q3 FY18	Q3 FY17	Y-o-Y	9M FY18	9M FY17	Y-o-Y
Revenue from operations	1,537.7	1,137.6	35.2%	4,241.2	3,149.1	34.7%
EBITDA	84.3	59.9	40.7%	225.4	152.3	48.0%
Share of net profit /(loss) of Associates	1.5	0.4	297.4%	-6.1	-7.1	-13.3%
Depreciation and amortisation expense	12.5	11.3	10.8%	37.7	25.6	47.1%
Other Income	3.7	3.3	13.2%	31.6	8.0	296.7%
Finance costs	20.0	24.1	-16.7%	64.8	52.3	23.8%
Profit before Tax	57.0	28.3	101.8%	148.4	75.3	97.1%
Tax expense	10.5	6.4	63.4%	21.4	23.5	-8.8%
Profit after taxes	46.5	21.8	113.1%	127.0	51.8	145.1%
Profit after tax %	3.0%	1.9%		3.0%	1.6%	
EPS	6.45	3.27	97.2%	18.11	7.80	132.2%
Diluted EPS	6.34	3.21	97.5%	17.79	7.74	129.8%

Balance Sheet

Particulars	31 Dec 2017	31 Mar 2017
Non current assets	1,087.3	674.2
Current assets	1,298.2	923.5
Total assets	2,385.5	1,597.7
Non current liabilities	372.7	171.3
Current liabilities	732.4	585.2
Total liabilities	1,105.1	756.6
Net assets	1,280.4	841.1
Net debt	220.6	256.6
Equity	1,059.8	584.6
Capital employed	1,280.4	841.1

132% increase in EPS from Rs7.8 in 9MFY17 to Rs18.1 in 9MFY18

9M FY18 RESULTS – KEY NUMBERS

34.7%
revenue
growth

48.0%
EBITDA
growth

145%
PAT
growth

Rs2/sh
Interim
dividend

48 bps
EBITDA
margin
expansion

140 bps
PAT
margin
expansion

132%
EPS
growth

24.5%
ROCE

24.9%
RONW

				
Growth	Productivity & Margins	Return Ratios	Technology	M&A
Strong revenue pipeline across business lines for Q4 and Q1 FY19 Scalability and predictability reinforced	Operating leverage in India Security India FM rapidly expanding margins SXP deal synergy extraction in AUS	Continued strength in ROCE and RONW testament to financial discipline	FY19 focus on business process re-engineering & reaping full benefits from iOPS and SalesMaxx rollouts	Strong deal pipeline Acquisition funding of Rs1000 cr being lined up at <7.5% average cost



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— BIGGER & BETTER —



Security Services

Cash Logistics

Facility Management



A Market Leader in
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CIN: L75230BR1985PLC002083

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