ZICOM

Feel Safe

February 14, 2017

The Secretary / Corporate Relationship Dept.
The Bombay Stock Exchange Limited.
P.J. Towers,
Dalal Street, Fort,
Mumbai 400001.

Stock Code: 531404

The Manager
Listing Department,
National Stock Exchange of India Ltd.
'Exchange Plaza', C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai 400051.

Stock Code: ZICOM

Ref: ISIN INE 871B01014

Dear Sir / Madam,

Sub: Press Release

With reference to our earlier letter of even date submitting the Unaudited Financial Results for the quarter and nine months ended December 31, 2016, we are sending herewith the press release, which would appear shortly in the newsprint, for your information and record.

Kindly take on record and acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **Zicom Electronic Security Systems Limited**

K. Trivedi

Kunjan Trivedi
Company Secretary

Encl: as above

Zicom Electronic Security Systems Limited

Reg. Office: 501, Silver Metropolis, Western Express Highway, Goregaon East, Mumbai 400 063.
Tel: +91 22 4290 4290; **Fax:** +91 22 4290 4291; **Website:** www.zicom.com; **CIN:** L32109MH1994PLC083391

ZICOM'S THIRD QUARTER PERFORMANCE

Mumbai, February 14, 2017: Zicom Electronic Security Systems Limited (BSE Code: 531404; NSE Code: ZICOM), India's leading electronic security company, announced its Unaudited Financial Results for the third quarter ended December 31, 2016.

At the Board Meeting held today, the Company declared its Consolidated and Standalone Unaudited Financial Results.

On Consolidated basis the Company has earned Total Income of Rs. 206 crores for the quarter ended December 31, 2016, as against Rs. 284 crores in the corresponding previous quarter resulting in decrease of Total Income by 27%. This has resulted in drop in EBDITA to Rs. 30 crores and Net Profit After Tax and Minority Interest to Rs. 9 crores.

The Joint Lenders' Forum of Working Capital Consortium Bankers have converted part of debt of Zicom Electronic Security Systems Limited into fully paid-up equity shares of the Company under the Strategic Debt Restructuring (SDR) Scheme of RBI which resulted in issue of additional 2,10,24,312 Equity Shares of Rs. 10 each at a conversion price of Rs. 43.05 per equity share resulting in reduction in debt by Rs. 90.51 crores. This compulsory conversion has resulted in the JLF Lenders holding 51% equity stake in the Company.

Commenting on the development, Mr. Manohar Bidaye, Chairman – Zicom Electronic Security Systems Limited said, "*The Company is still facing headwinds due to challenges in the Middle East market as Middle East subsidiaries are main contributors to the consolidated performance of the Company. The distribution business of parent company is showing declining trend due to market competition and slowness in real estate and infrastructure sectors. As trend goes, SaaS business continues to perform better with increase in Turnover and EBDITA by 27% and 15% respectively.*

As Bankers have converted part of their working capital loan into equity under SDR Scheme, this may help the Company to pass through difficult phase by reduction in its interest burden."

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ABOUT ZICOM GROUP:

Zicom Electronic Security Systems Ltd. is the leading electronic security brand in India. The Company offers a wide range of products and customized solutions including services in Intrusion and Burglar Alarm Systems, Access Control Systems, Fire Detection Systems, CCTV Surveillance Systems, Central Monitoring Station and Video Monitoring Station, etc., with focus on retail and SME sectors. Zicom has PAN India operations with service capabilities in 1100 cities.

Zicom SaaS Pvt. Ltd., wholly owned subsidiary, offers security services to protect retail shops, bank branches, ATMs, residences, apartments and remotely located assets using state-of-the-art electronic security equipments and Command and Control Station located in Mumbai.

Unisafe Fire Protection Specialists LLC, Dubai, is a subsidiary of Zicom in U.A.E and has strong presence in Dubai and Abu Dhabi in the business of fire detection and protection in infrastructure projects. Unisafe Dubai offers wide spectrum of products and services in fire detection and protection, ranging from designing, supplying, installing and maintaining integrated fire protection system capabilities. Unisafe is associated with many iconic projects in U.A.E. in government and private sectors.

Phoenix International WLL, Qatar, is one of the leading fire security solutions providers in Qatar. Phoenix offers turn keys solutions in fire protection and suppression projects and it has license to operate in petrochemical sector. Phoenix has exclusive tie-up to market safety and security equipments of leading international suppliers. The portfolio of services offered by Phoenix covers design, engineering, integrating, testing and commissioning of Fire Safety, Security and Building Management Systems, with main focus on Fire Prevention and Protection.

For further information, please contact:
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