ZICOM

Feel Safe

May 27, 2016

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 Audited Financial Results for the year ended March 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.
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ZICOM ANNUAL RESULTS

Mumbai, May 27, 2016: Zicom Electronic Security Systems Limited (BSE Code: 531404), India's leading electronic security company, announced its Audited Financial Results for the year ended March 31, 2016.

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

Highlights of Audited Financial Results for the year ended March 31, 2016 are as under:

On Standalone Basis:

- Total Income for the year ended March 31, 2016 at Rs. 435.01 crores as compared to Rs. 390.53 crores in the corresponding previous period shows a growth of 11%.
- Earnings before Depreciation, Interest and Tax (EBDITA) stood at Rs. 24.70 crores as against Rs. 38.84 crores, decrease of 36% over corresponding previous period.
- Net Profit After Tax at Rs. 1.72 crores as against Rs. 11.30 crores of the corresponding previous period shows a fall of 85%.

On Consolidated Basis:

- Total Income for the year ended March 31, 2016 at Rs. 1121.91 crores as compared to Rs. 1,112.85 crores in the corresponding previous period shows a growth of 1%.
- Earnings before Depreciation, Interest and Tax (EBDITA) stood at Rs. 98.20 crores as against Rs. 144.68 crores, decrease of 32% over corresponding previous period. EBIDTA margin has decrease to 9 % against 13% in corresponding previous period.
- Net Loss After Tax and Minority Interest at Rs. 10.67 crores as against profit Rs. 50.58 crores of the corresponding previous period shows a fall of 121%.

Commenting on the results, Mr. Manohar Bidaye, Chairman – Zicom Electronic Security Systems Limited said, "*In the current year our performance has been affected mainly due to slowdown in the Middle East market. Due to slump in the global crude prices, the project executions have slowed down, resulting in delay in recovery from debtors. We are making every effort to focus on collections, but however in our opinion external situations may take some time to settle down. We are also exploring other options to seek investments from strategic investors so that we continue to excel in our business operations in that geography.*

Zicom Electronic Security Systems Ltd.

To drive the profitability we are focusing on service and maintenance business which offers steady cash flow. We are also taking up distribution of Unisafe branded products which are approved by Civil Defense to GCC and North African Region. As the weightage of Middle East business is high in the total revenue of Group, the consolidated performance has been affected adversely.

As regards to business in India, Zicom SaaS has performed exceptionally well with new addition of Banks and other Enterprise Customers for ATM and Facility Surveillance. We have seen significant growth in SaaS wherein service income has grown from Rs. 33.55cr to Rs. 48.20 cr and EBDITA has increased from Rs. 23.04cr to Rs. 33.05 cr.

Environment in our Distribution Business continued to remain competitive. The initiative of the Central Government to remove custom duties on import of CCTV equipments, in Budget 2016, has made significant impact on electronic security industry. However, this sudden change has unfortunately impacted the valuation of existing inventories held by the company and resulted in a one-time adjustment impact in profitability for the current financial year. This has impacted standalone performance."

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:
Ms. Cynthia Gokhale: cynthia.gokhale@zicom.com

Zicom Electronic Security Systems Ltd.