Sterlite Tech

Earnings Presentation: Q3 FY17

Jan 18, 2017

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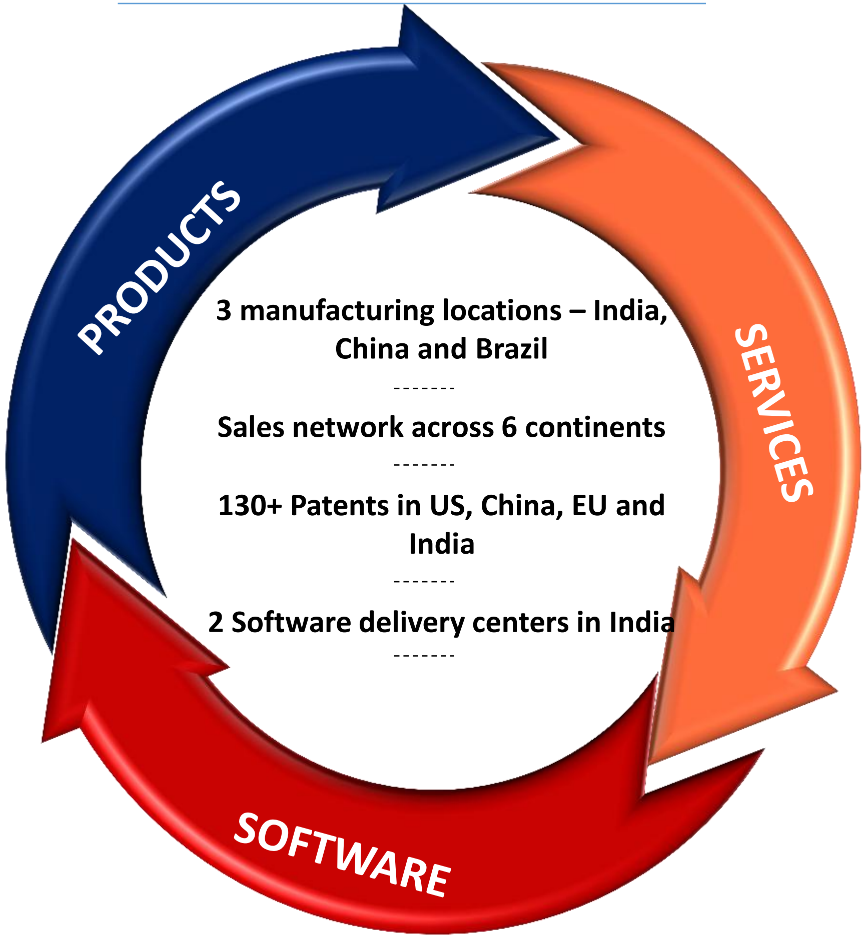
Company Overview

Focused on the Connectivity Opportunity

Leading Global Player



3 manufacturing locations – India, China and Brazil

Sales network across 6 continents

130+ Patents in US, China, EU and India

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2 Software delivery centers in India

Comprehensive Offerings

Integrated operations for manufacture of Optical Fibre and Optical Fibre Cables

Network and System Integration, Design, build and manage data networks

Telecom software- Offers Network and Billing management software

Diverse Opportunities

International Markets

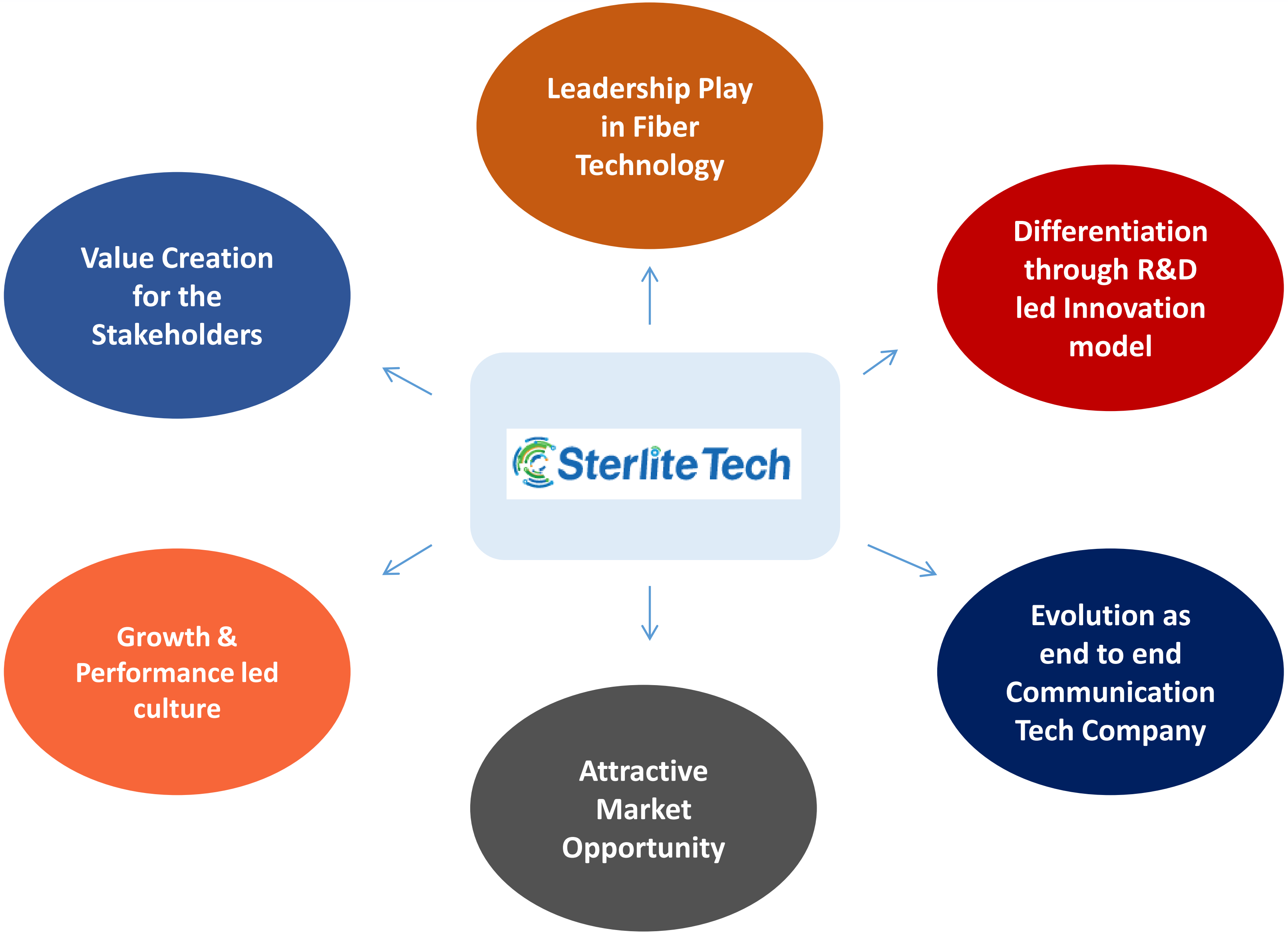
India Telco's

Defense / Other Utilities

Smart Cites

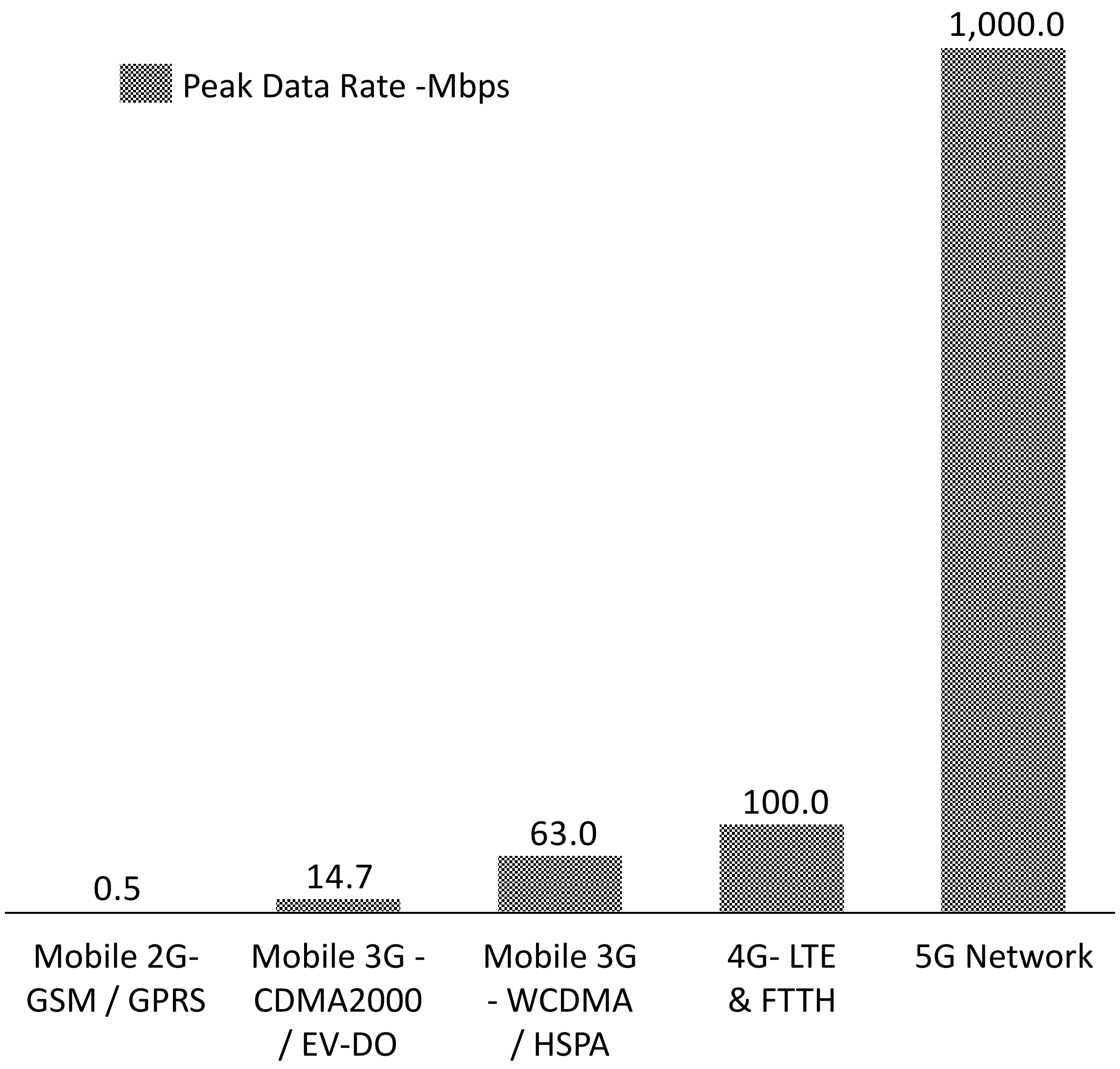
Rural Broadband

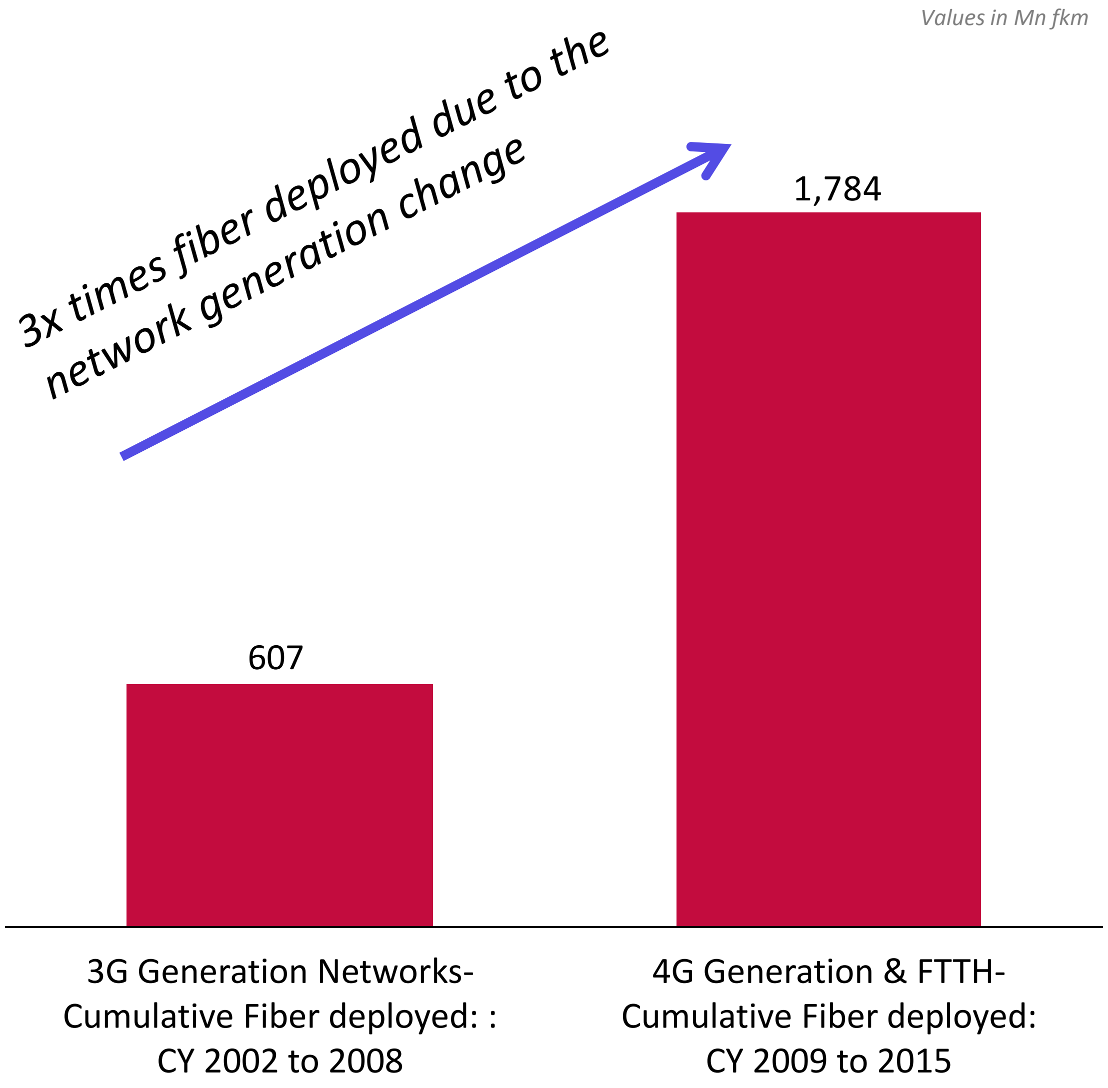
Uniquely Positioned to drive growth



Industry Dynamics

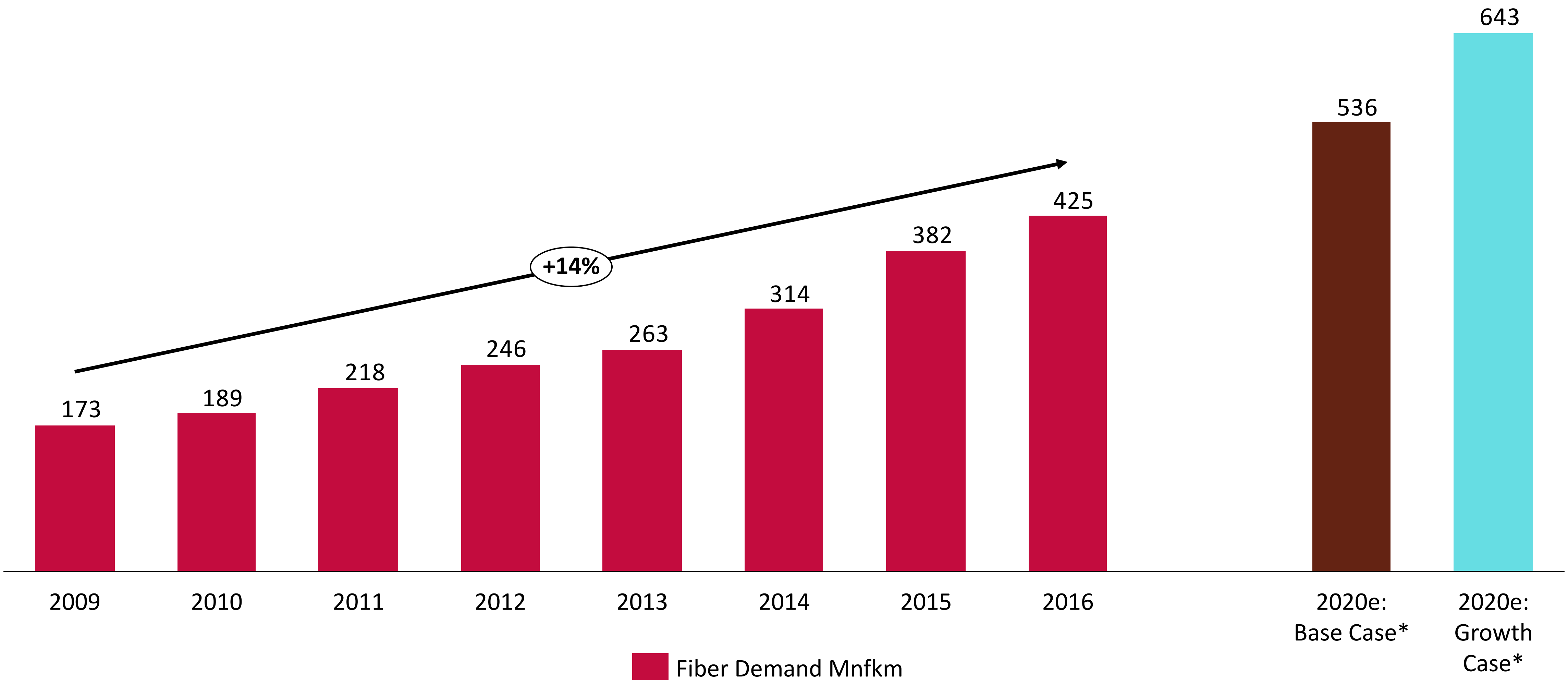
Generation of Networks & Fiber Deployed





Source: Qualcomm & CRU

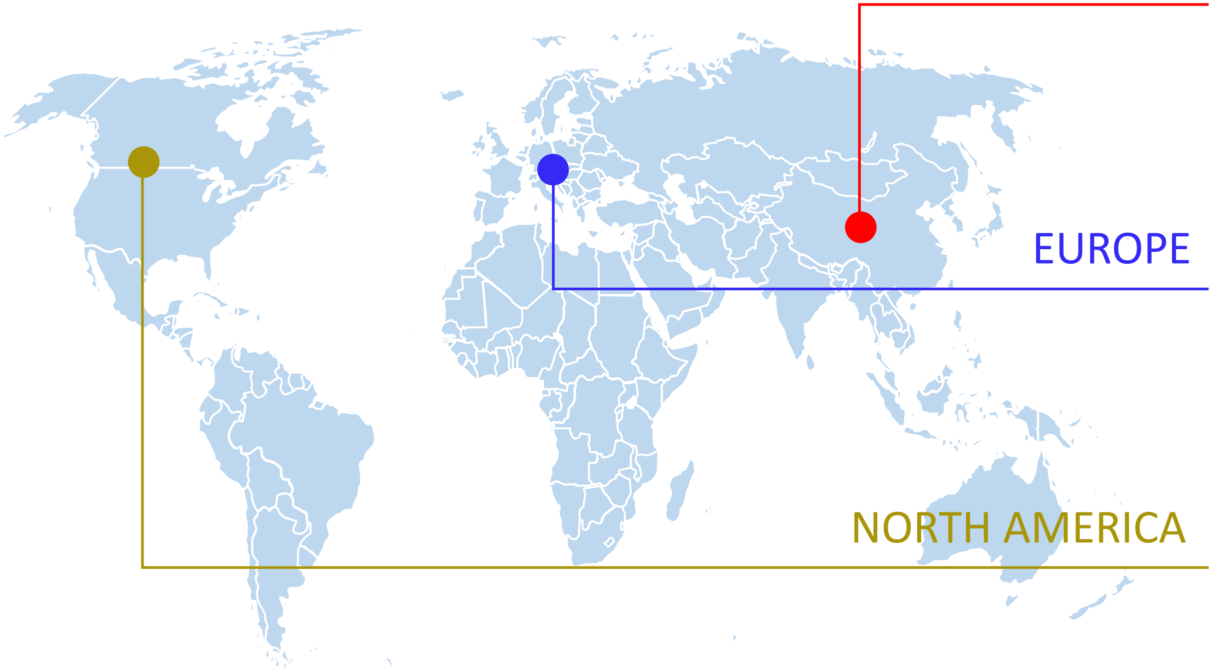
World Demand : Optical Fiber Cable



- Strong growth expected for the fiber consumption driven by densification of network, FTTx and 5G trials

Source: CRU Data.
** Company Estimates*

Market trends are favorable for sustained growth



CHINA

- High demand for fiber coming from large scale projects for 4G mobile network upgradation, ultra high speed broadband services in metro areas - FTTH deployments, increasing pan-China connectivity and 5G trials
- Also, increase in Chinese Government spend to enhance broadband penetration in China continues to drive up demand

EUROPE

- Increase in FTTx deployment in select markets driving growth
- France and Spain have been the key drivers for rise in optical cable demand in 2016
- Planned telecom reforms by the European Commission to further drive up demand, going ahead

NORTH AMERICA

- Continued evolution in the data consumption patterns demanding greater internet bandwidth thereby driving fiber demand
- Several companies have re-emphasized commitment to FTTx rollout and enhancement of network routes
- Significant deployment in small cell- densification of network for the 4G & 5G trials

OTHERS

- Pockets of Opportunity in South-East Asia and Latin America
- Fiber installations in the Middle East and Africa showing fast growth albeit on a small base

Q3 FY17 Business Updates

Q3FY17: Business Highlights

Current Optical fibre capacity running at annualized run rate of nearly 27 million fkm - on track to achieve capacity expansion target of 30 million fkm by mid of FY’18

With inclusion of 4 countries recently, we have now crossed sales to 100 countries till date with our fiber

Launched Cat6A data cable that supports 10 Gbit/s data rates

Sterlite Tech improved its position from Niche to Visionary in Gartner Magic Quadrant for Integrated Revenue and Customer Management for CSPs

Gandhinagar Municipal Corporation (GMC) announced the launch of its new citizen-centric Smart City

Sterlite completed end to end: Design, Build and Manage Smart City infrastructure for Gandhinagar project

CRISIL upgraded Sterlite Technologies Ltd. long term ratings to 'CRISIL AA-/Stable' and short term ratings to 'CRISIL A1+'

Q3FY17: Awards and Accolades

SterliteTech
www.sterlitetech.com

Won the **'Broadband Infrastructure Leader Award'** at the Telecom Leadership Forum

Sterlite Tech recognized as Asia's Best Telecom Vendor under the Category **'BSS Innovation Award'** in Telecom Asia's Readers Choice and Innovation Awards 2016

Sterlite Tech featured among '100 Best Companies to work for Women in India' instituted by AVTAR & Working Mother

Bagged two **Frost & Sullivan India Manufacturing Excellence Awards 2016**

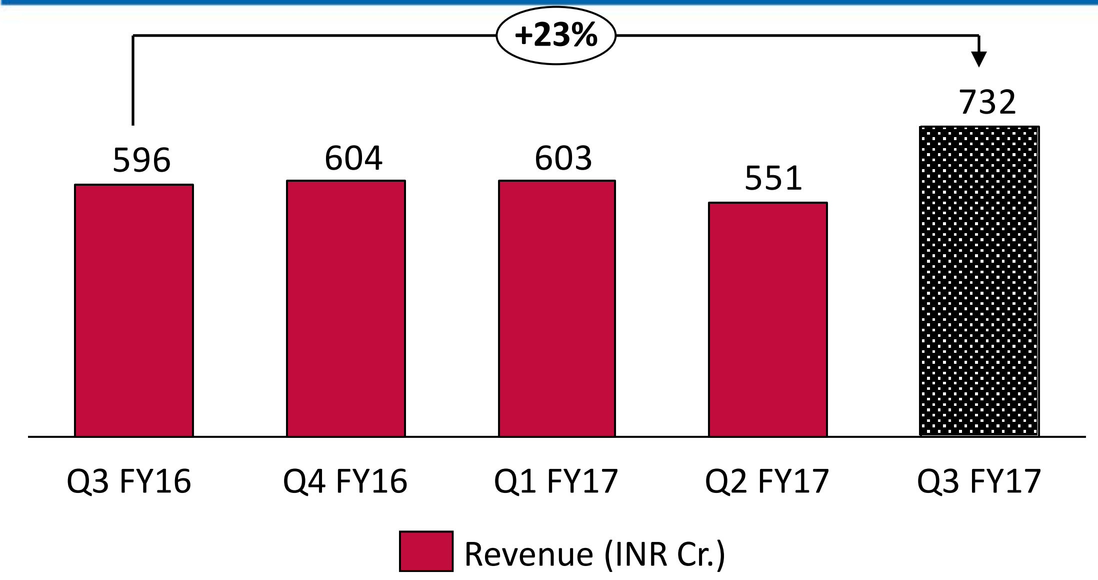
Silvassa-based optical fibre cable manufacturing plant won **'Par Excellence Award'**

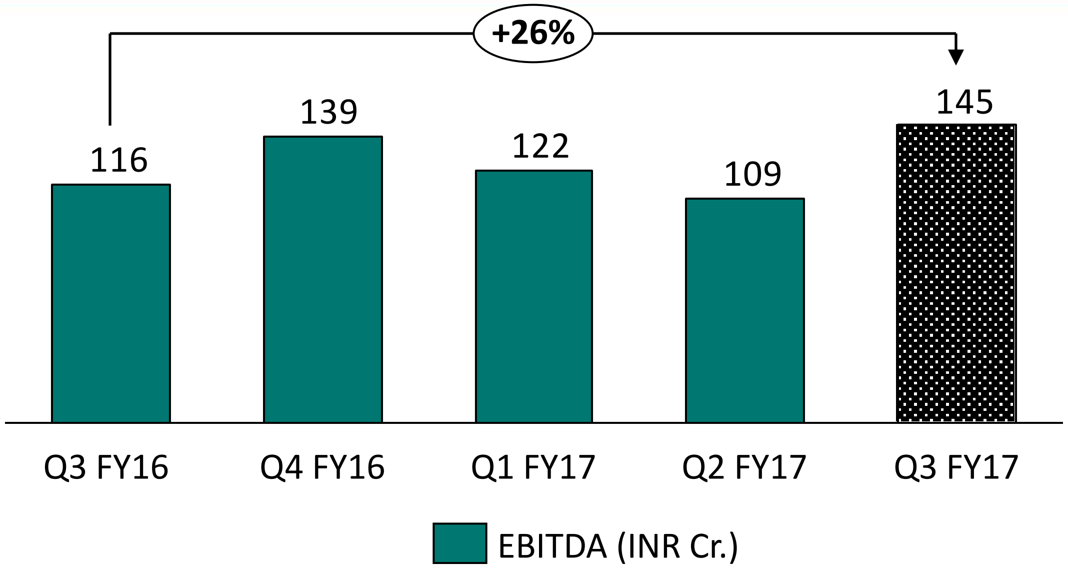
Sandip Das, Member - Advisory Board, bestowed with **'Lifetime Achievement Award'**

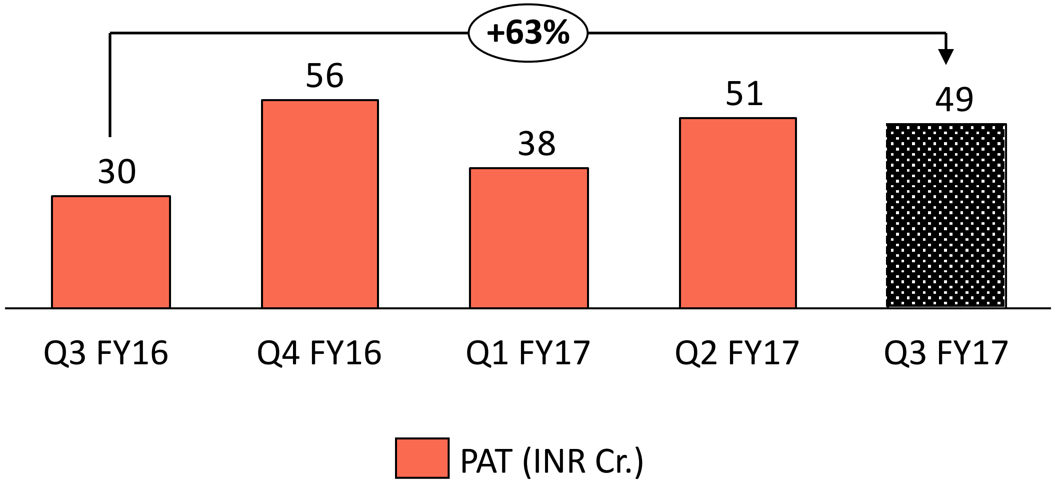
Q3 FY17 Consolidated Financial Update

All financial Numbers reported are as per Indian Accounting Standard (Ind-AS)

Quarterly Financial Performance



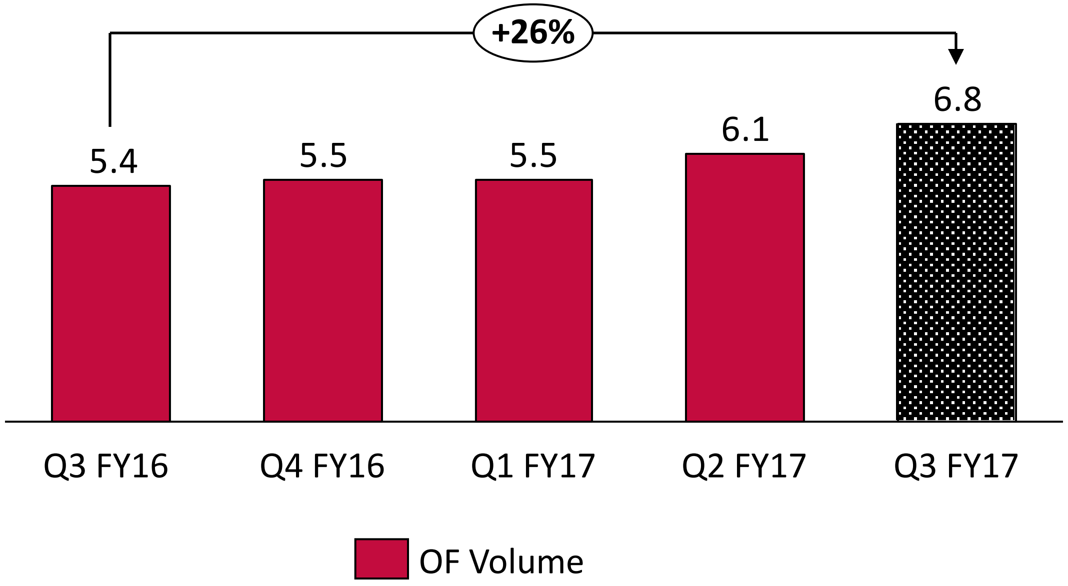


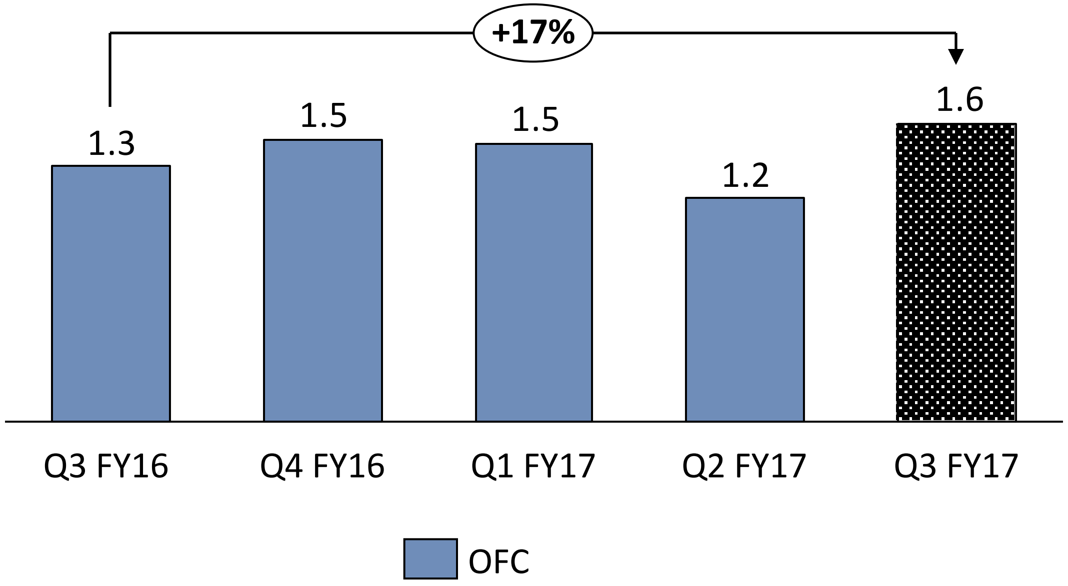


- Company registered sales growth of 23% on YoY basis
- EBITDA grew by 26% on YoY basis, driven by growth in product volume with project execution progressing firmly on QoQ basis
- PAT registered significant growth on yearly basis
- We believe, macro and micro drivers for the company are fundamentally very strong to deliver superior sustainable growth

PAT numbers are after Minority Interest

Quarterly Volume Performance

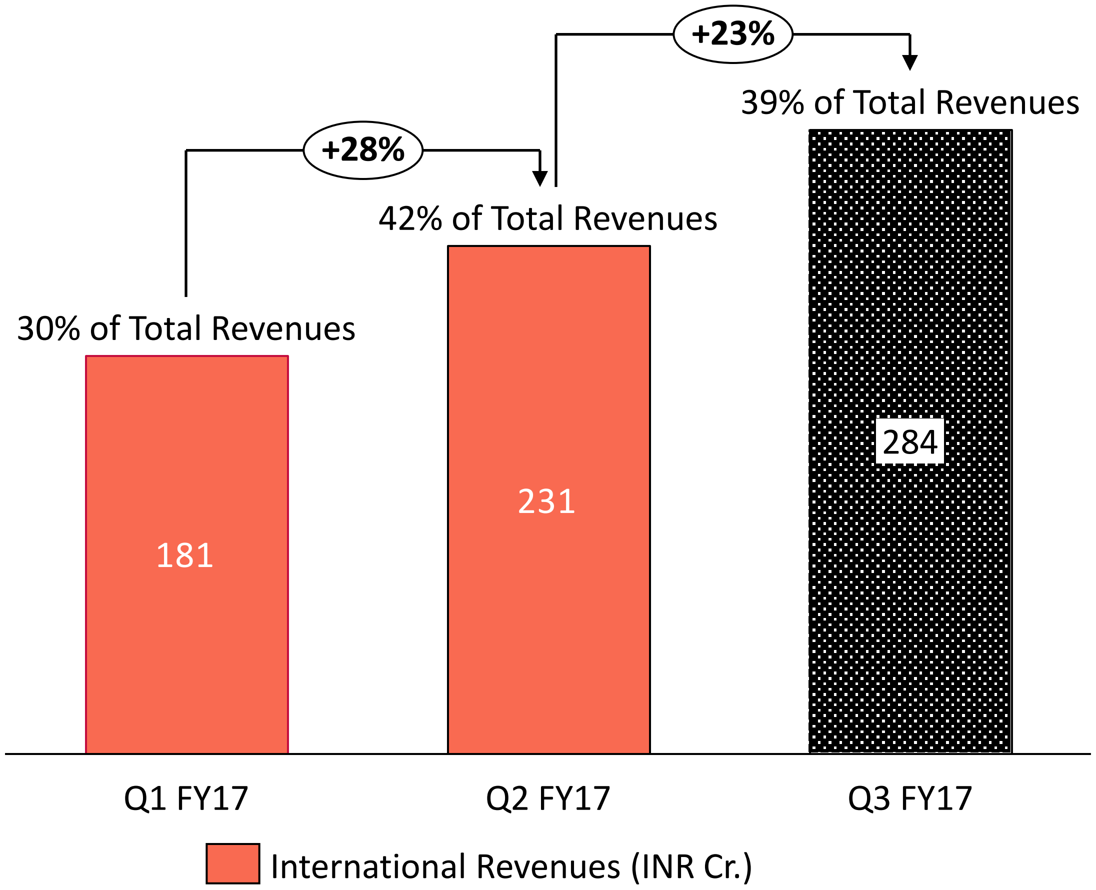


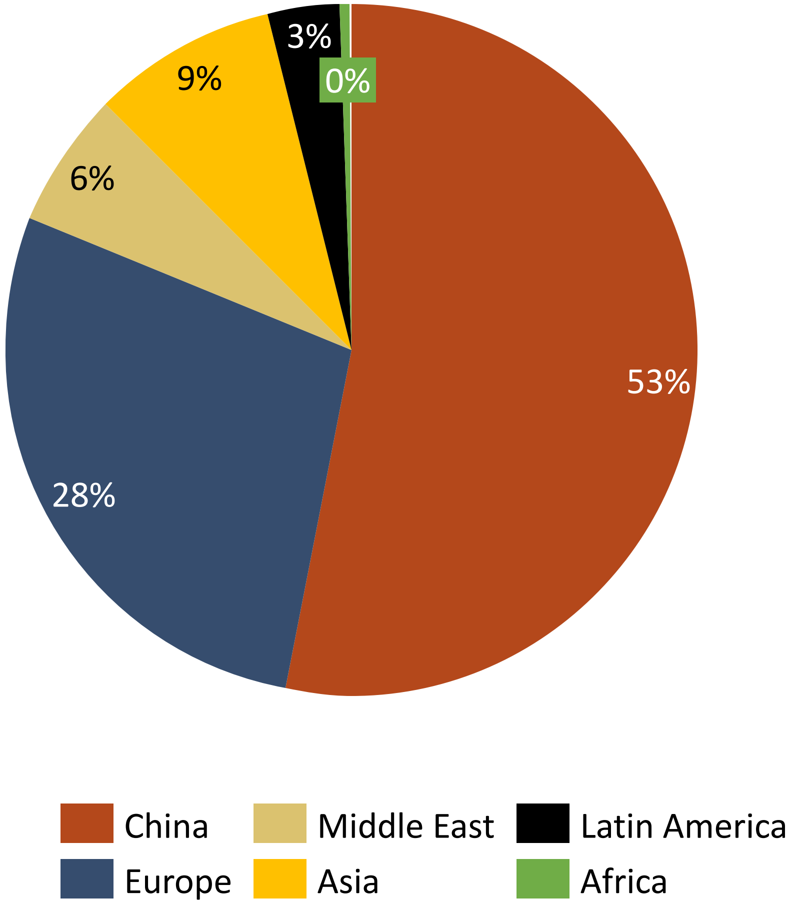


- OF volumes continuous to drive growth, driven by strong global demand
- Our capacities are running @ 27 Mnfkm on annualized basis registering 26% volume growth on YoY basis for fiber business
- OFC volume picked up sharply, driven by our long term contract execution with the key accounts, registering 17% growth on YoY basis
- We continue to see strong momentum in Optical fiber and cable volume pickup, while commanding strong margin profile for the business

Values are in Mn fkm

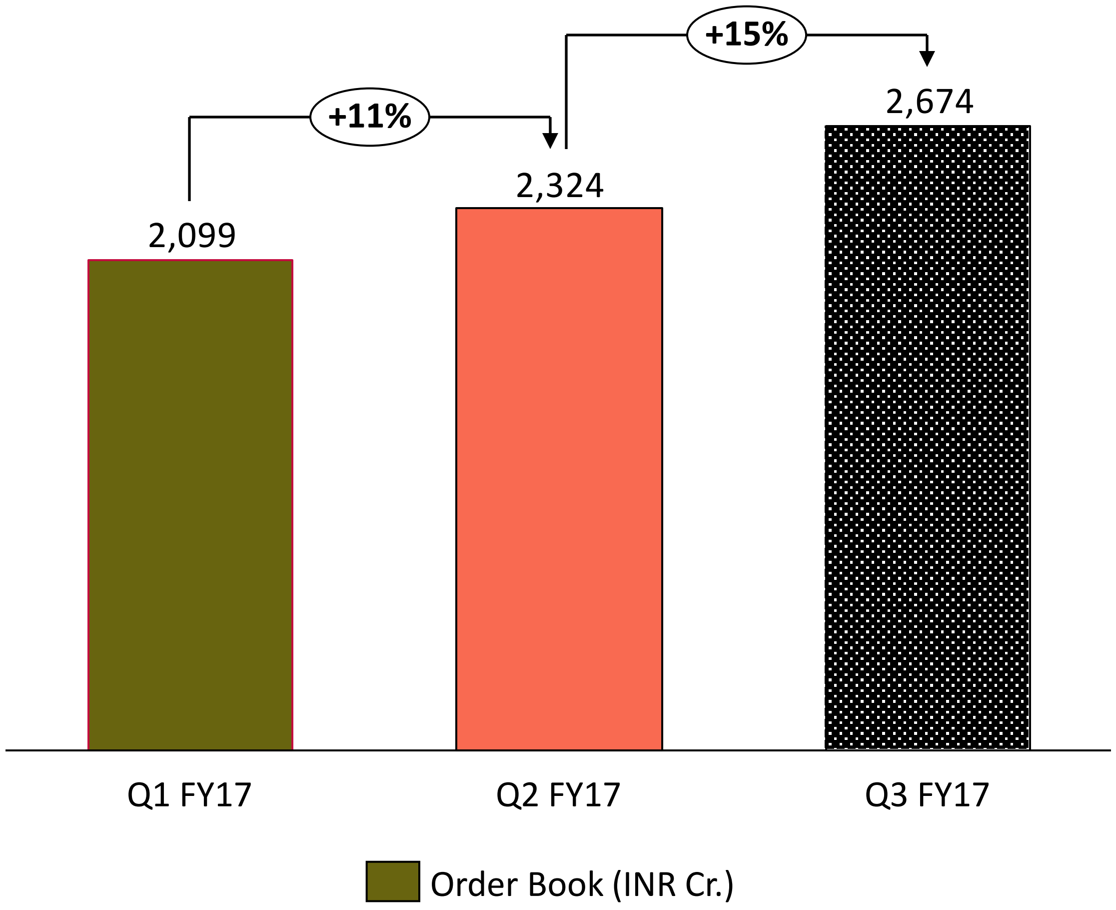
International Revenue Profile

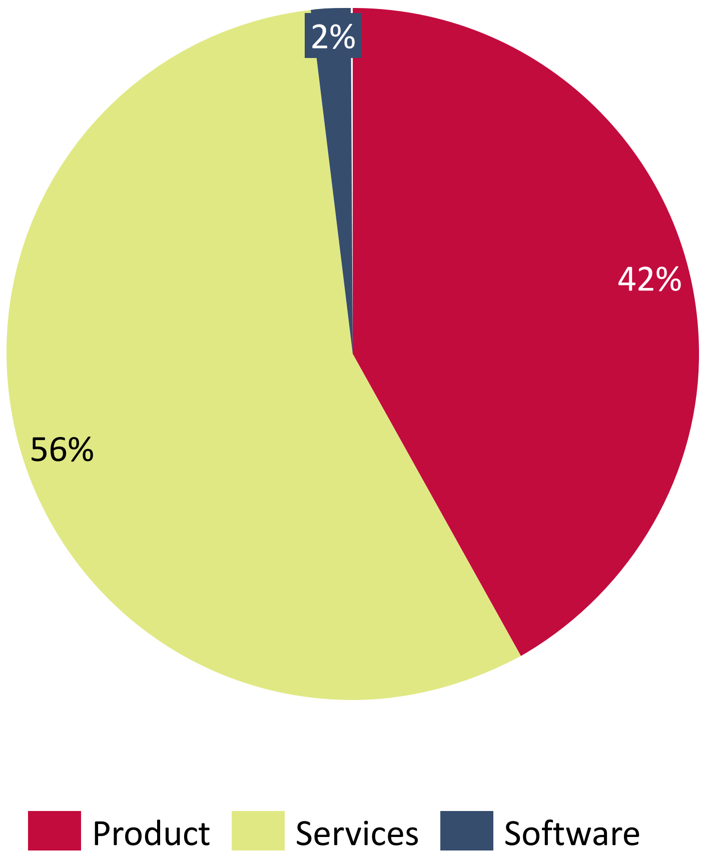




➤ Revenue contribution from International markets increases to INR 284 Cr. for Q3FY17, up 74% on YoY basis

Order Book Profile





- Strong order booking for product business over Rs 1,000 Crore driven by international and domestic markets
- Order book continues to trend north reflecting 15% growth on QoQ basis

Strategic Direction

Strategic Direction

E) Reward Shareholders

A) Market focused approach to drive sustained profitable growth

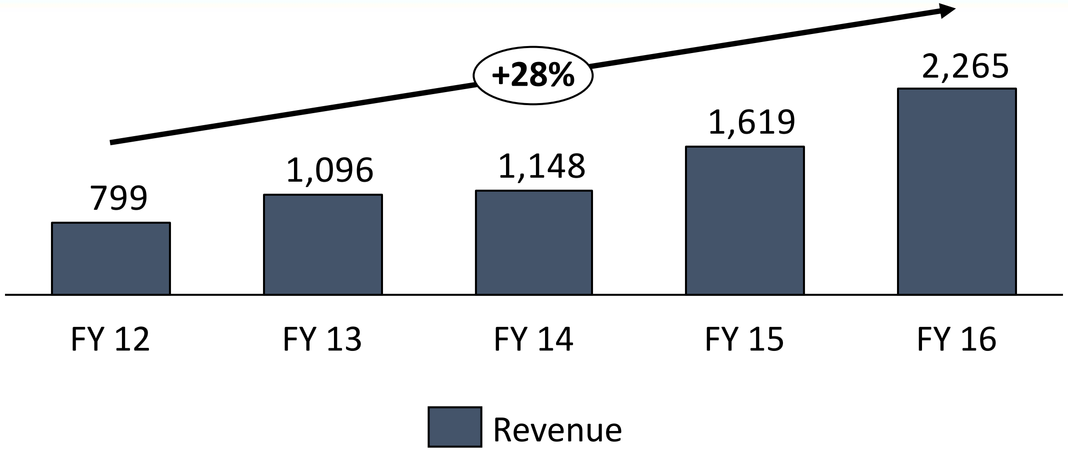
B) Expanding ROCE for the business

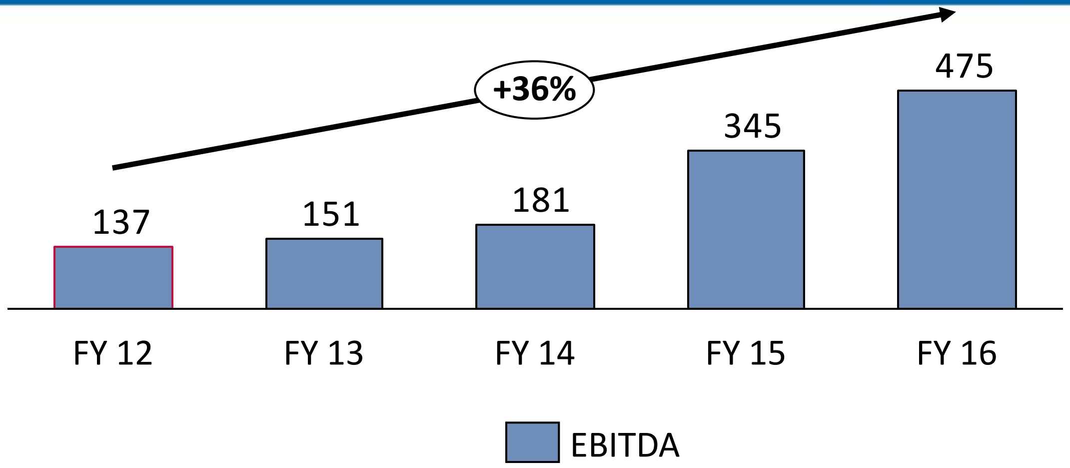
D) Defined principles for Inorganic Growth

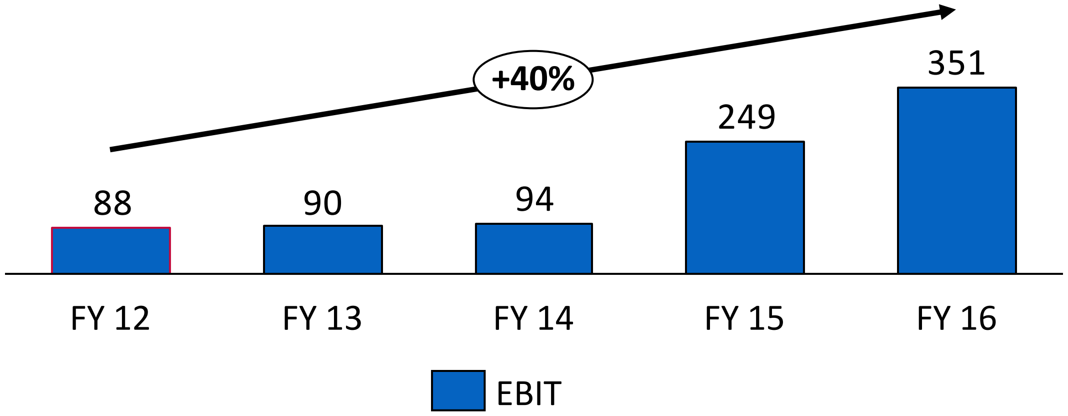
C) Disciplined Financial control

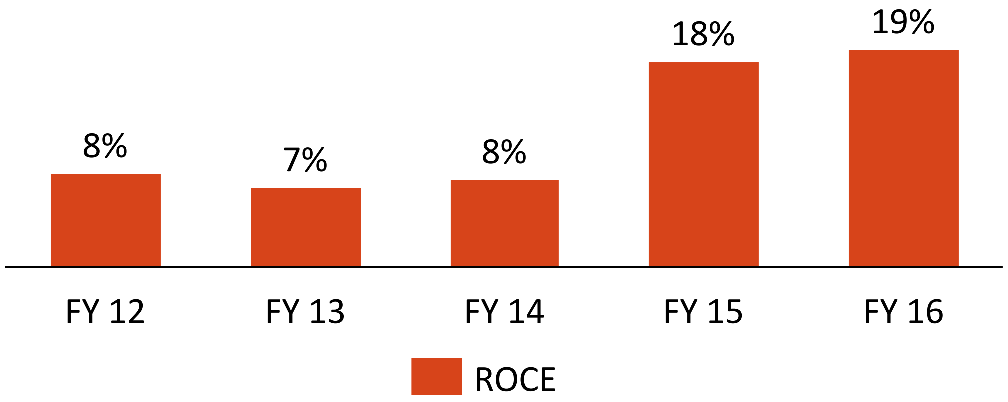
Appendix

5 Year Journey : Consolidated P&L metrics





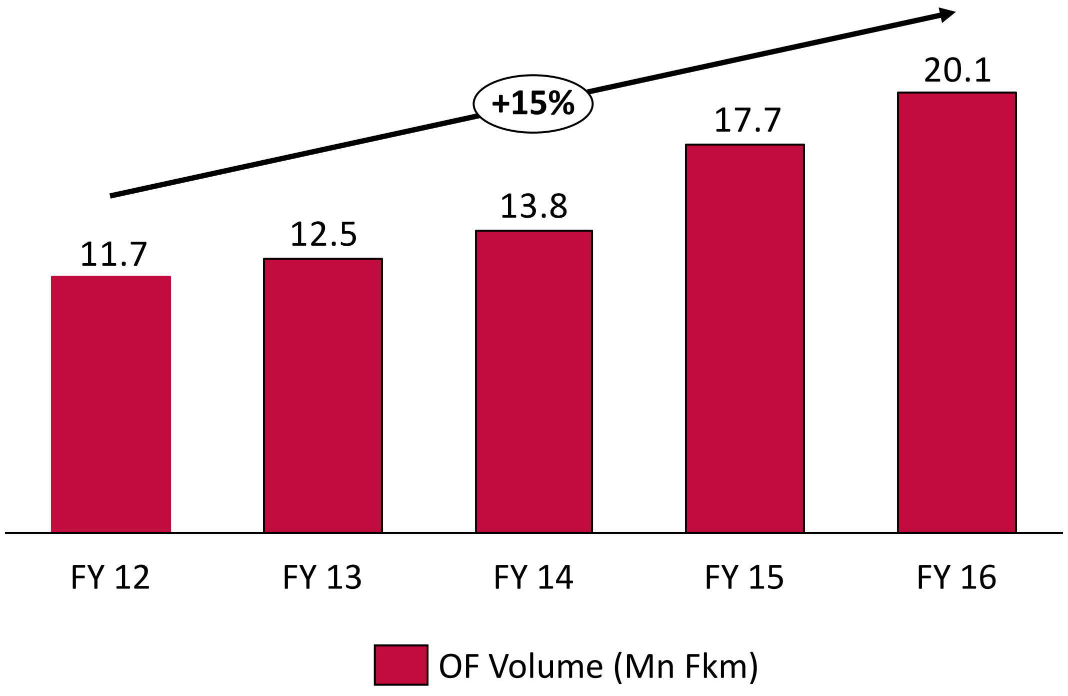


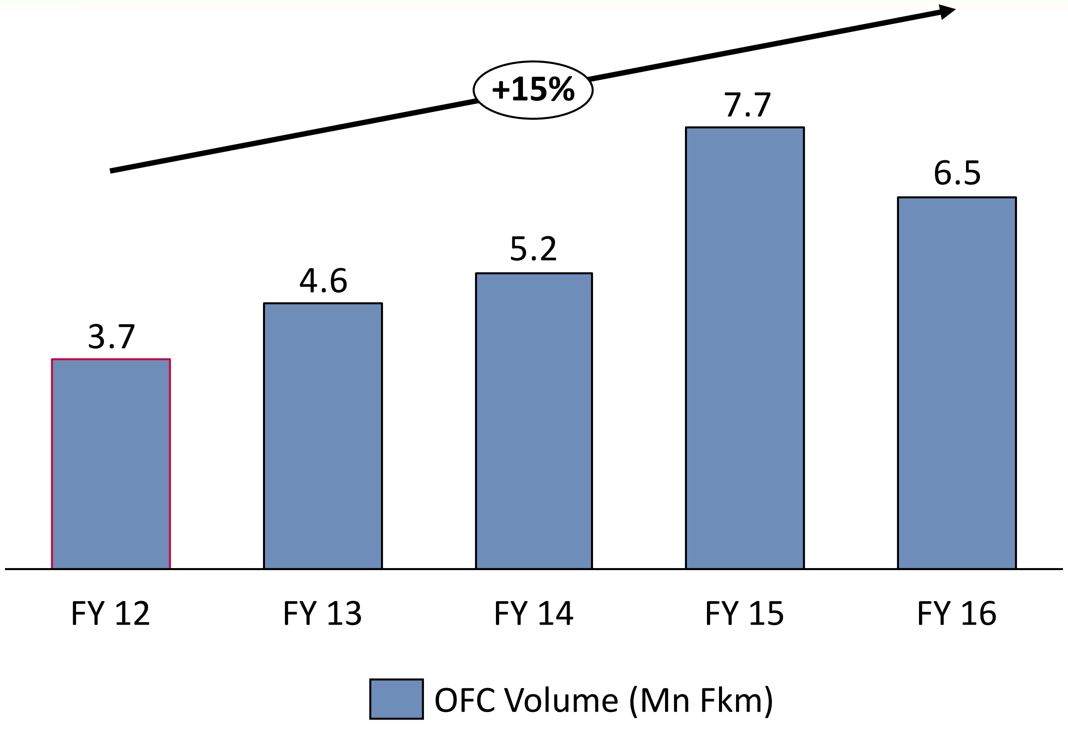


- Continued growth in Revenue, last 4 Year CAGR growth at 28%
- Stronger growth in EBITDA, last 4 Year CAGR growth at 36%
- Expanding ROCE with expanding margin for the business

Note:
- *Numbers are in I-GAAP for FY12 to FY15 and in Ind-AS for FY16*
- *CAGR calculated using I-GAAP numbers for FY16 for like-to-like comparison*
- *Values are in INR Cr.*

5 Year Journey : Telecom Business Volume Journey





- Volume of OF continues to growth @ of 15% CAGR levels
- Cabling volume also continues to growth @ of 15% CAGR levels
- OFC Volume decline on YoY basis due to shift in the product mix and solutions positioning

Values in Mn fkm

Thank You