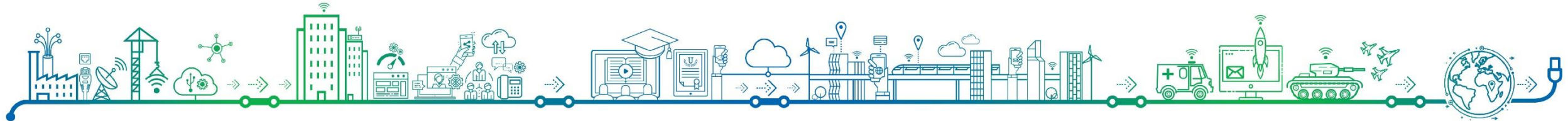




Q3 FY18 Earnings Presentation

Jan 17, 2018



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Industry Trends and Outlook



Data Consumption Trends – Roadmap to 2021



58%

of the Population will be using the Internet

up from 44% in 2016



61 GB

of the traffic per month, per user

up from 24 GB in 2016



3.5

networked devices and connection per person

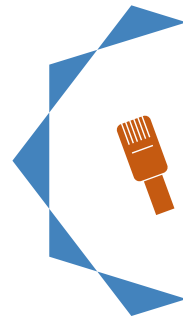
up from 2.3 in 2016



80%

of all Internet traffic will be video

up from 67% in 2016



53 Mbps

average broadband speed

up from 28 Mbps in 2016

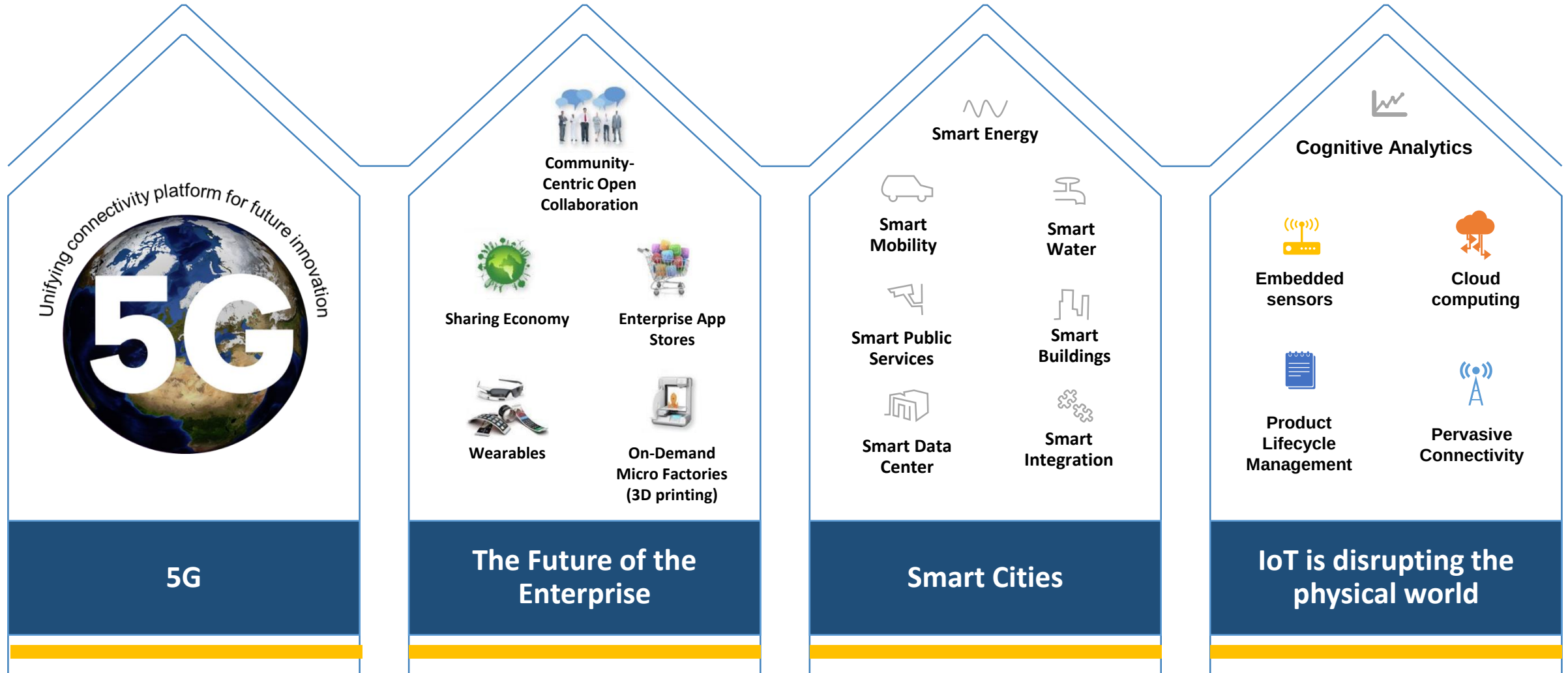


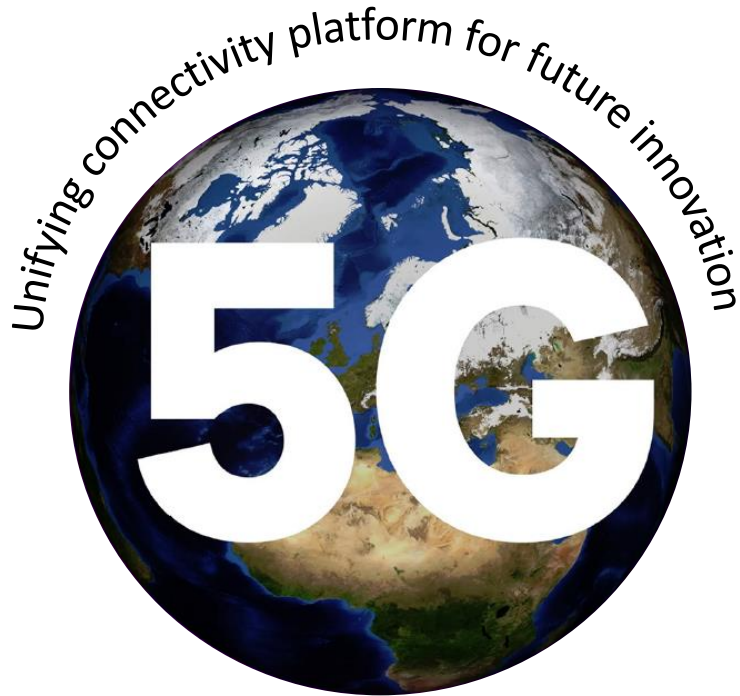
20 Mbps

average mobile Speed

up from 7 Mbps in 2016

Platforms Driving Data Consumption Trends





\$12 Trillion

Estimated value of 5G-related goods and services

22 Million

Jobs worldwide across the 5G value chain

Enhanced mobile broadband

Extreme speed and
capacity

Mission- critical services

Secure, reliable,
and responsive

Massive Internet of Things

Extreme density,
low power & low
cost

Growth Driver 2: The Future of the Enterprise

New Models of Work



**Community-Centric
Open Collaboration**



**Non-Hierarchical
Organizations**



**Borderless Dynamic
Workforce**

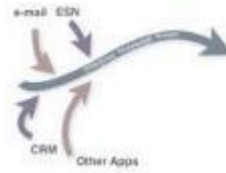


Sharing Economy

The Evolution of Apps at Work



**Enterprise App
Stores**



**Unified Information
Streams Apps + Data
Dashboards**



Quantified Enterprise



**Contextual
Applications**

New Devices



Wearables



Internet of Things

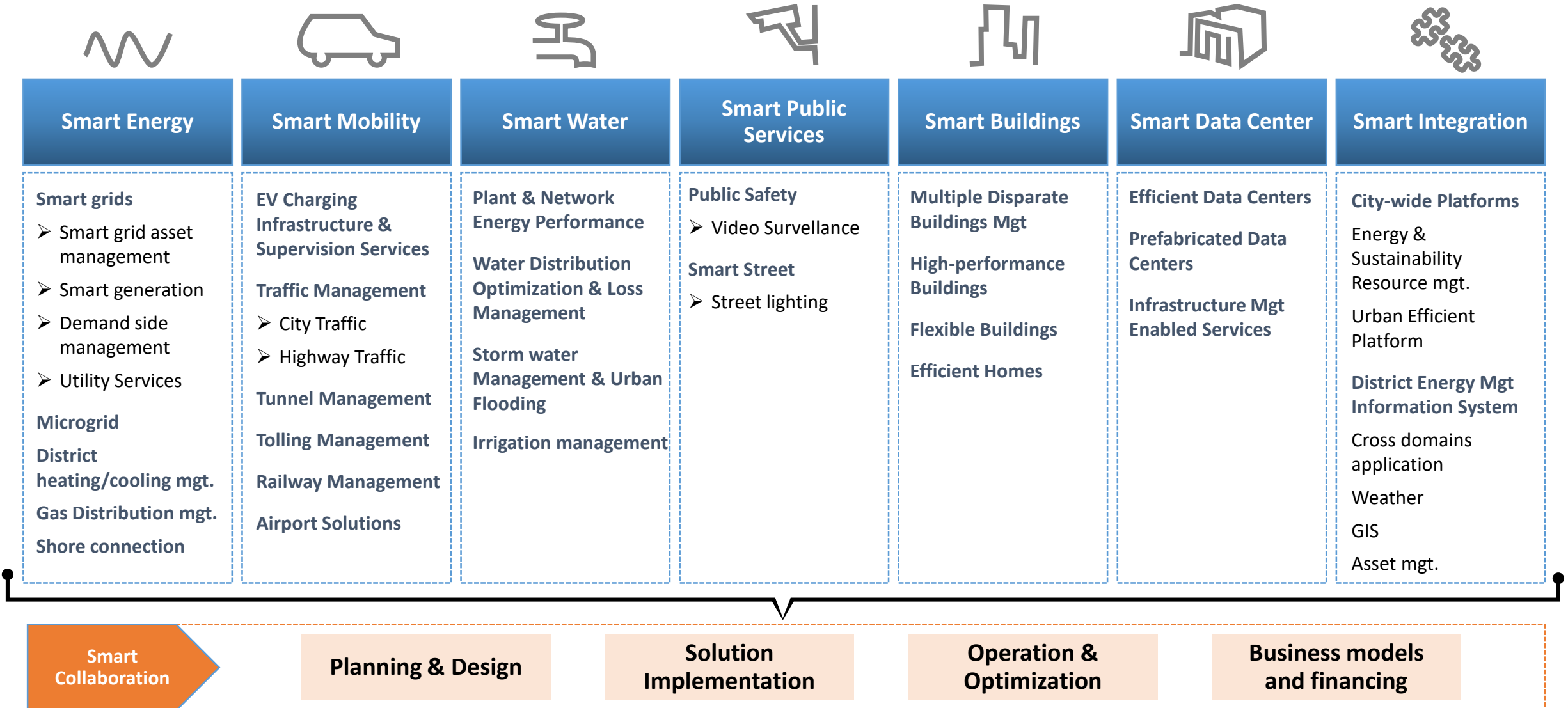


**On-Demand Micro
Factories (3D printing)**

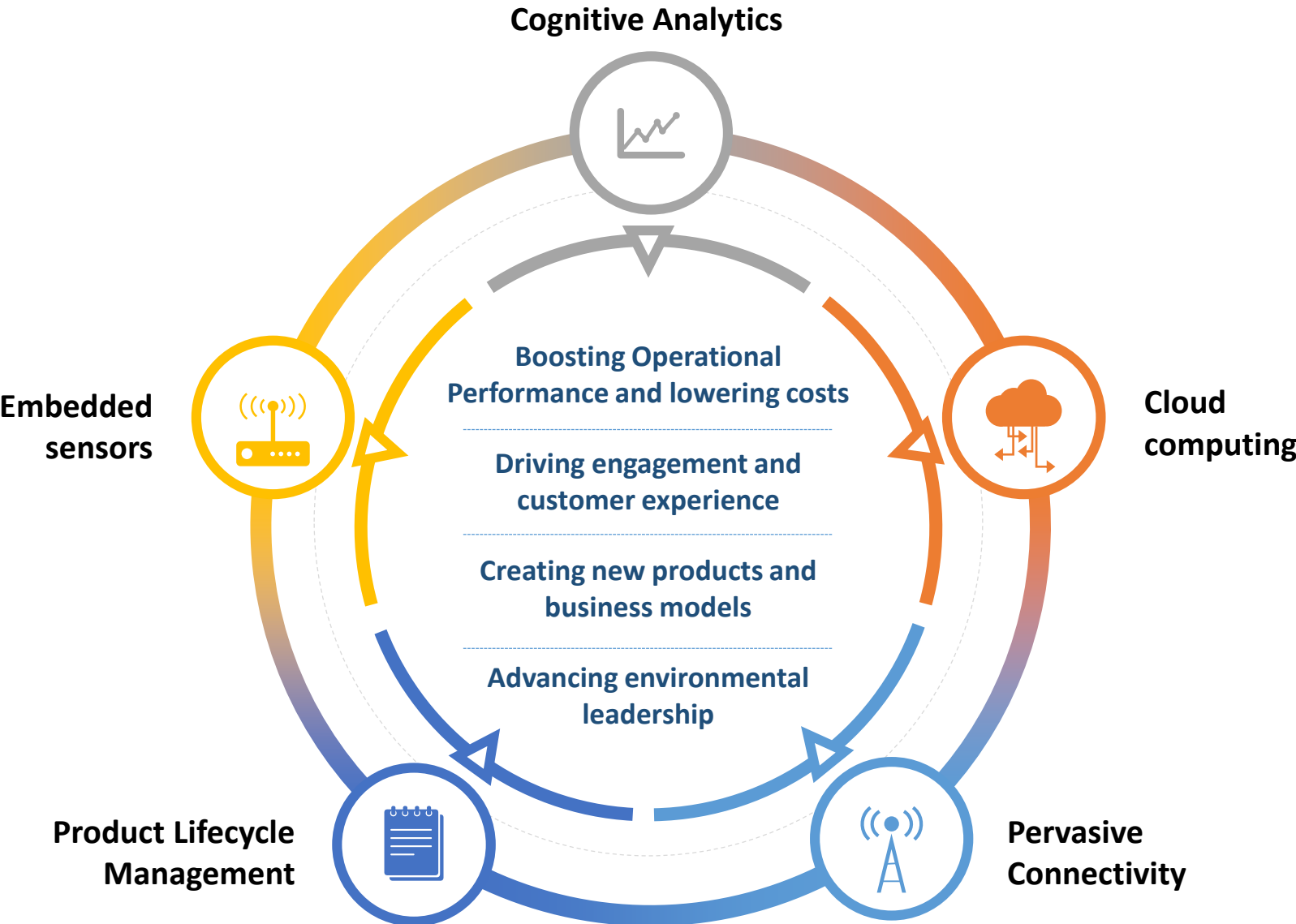


Workplace Robots

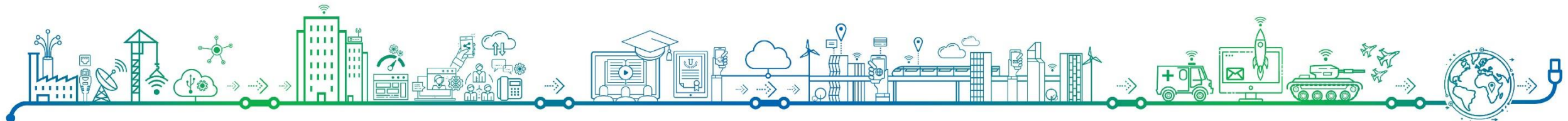
Growth Driver 3: Smart Cities



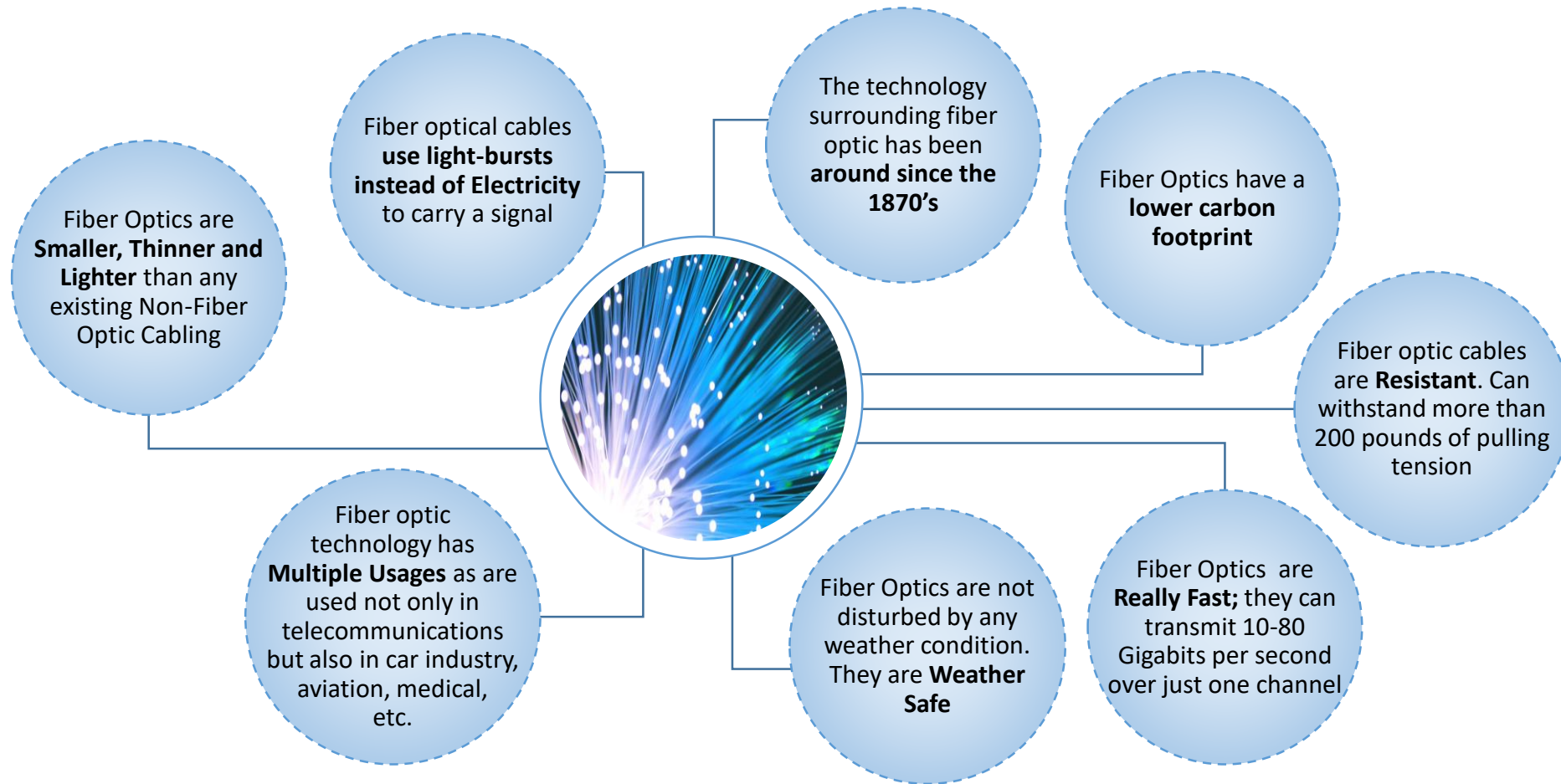
Growth Driver 4: IoT is disrupting the physical world



Optical Fiber – Bedrock of digital integration



Optical Fiber is the most preferred medium for data transmission

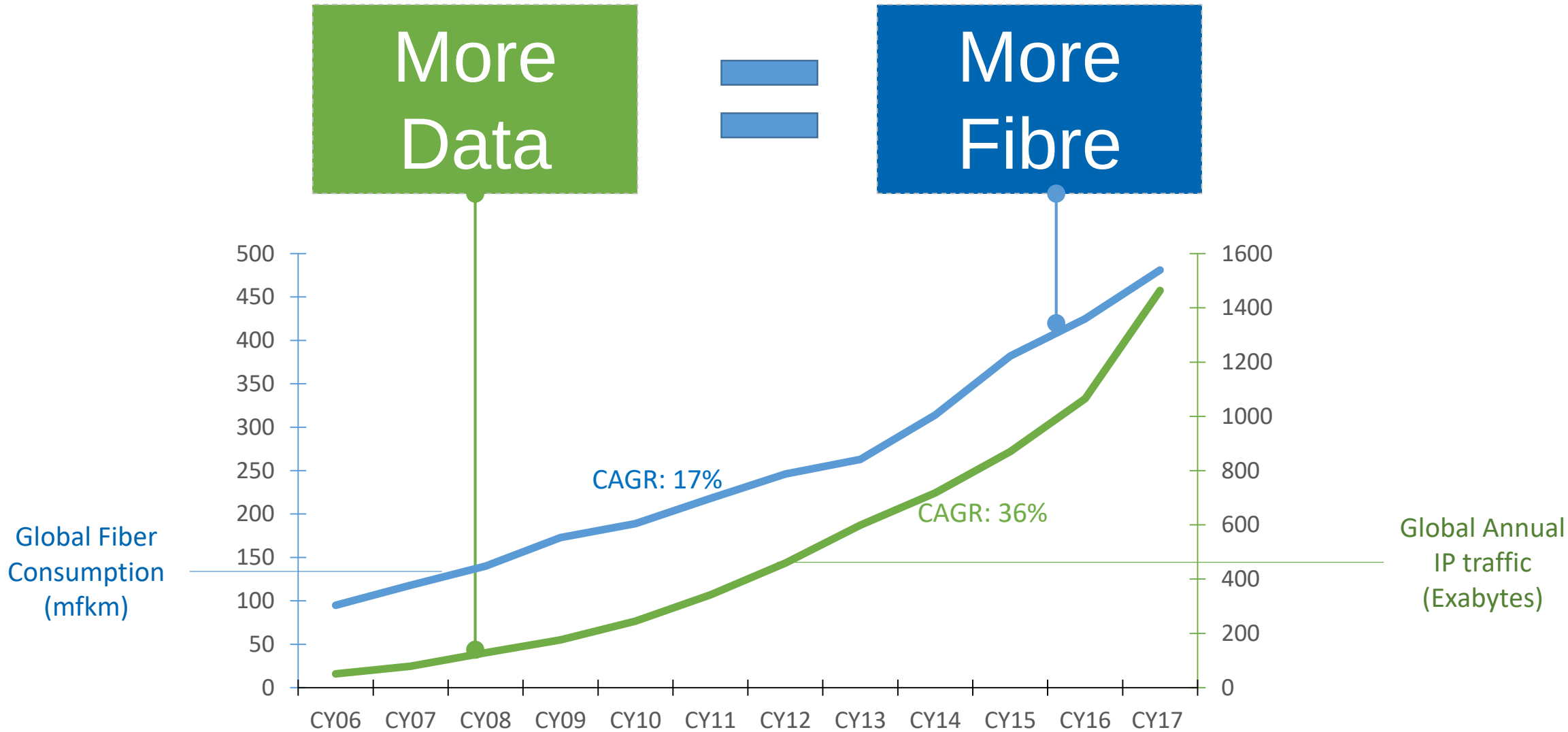


Advantages of optical fiber

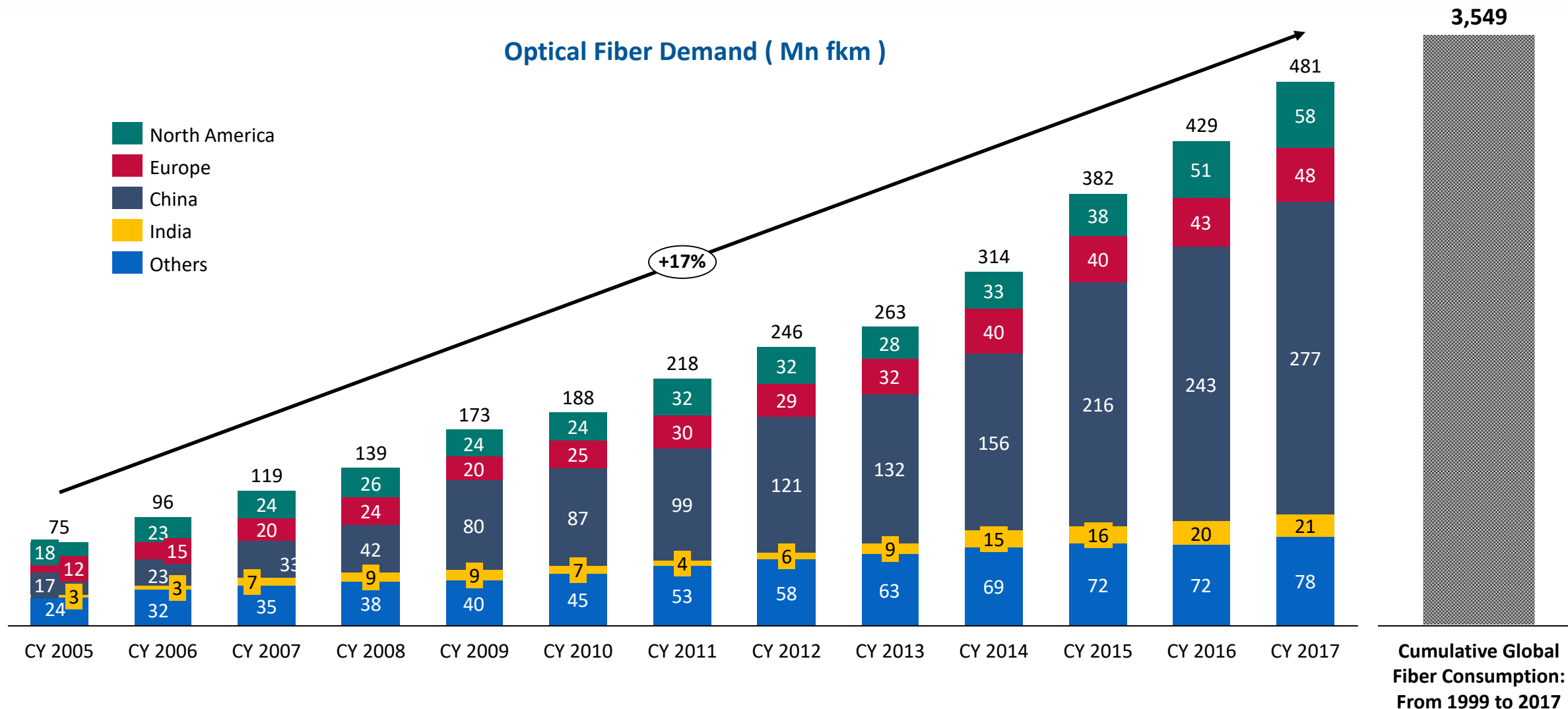
- 1) Greater bandwidth and speed
- 2) Longer distances
- 3) Better security
- 4) Immunity and reliability
- 5) Lighter design
- 6) Lower costs

- The speed and the bandwidth of fiber optic internet give faster access to your data and applications in the cloud
- Optical fiber carries a considerable amount of data over long distances at the speed of light and secures the information that is to be transmitted

Growth in data consumption is closely linked with growth in Optical Fibre consumption



Global Demand for Optical Fiber Continues to Reflect Strong Annual Growth

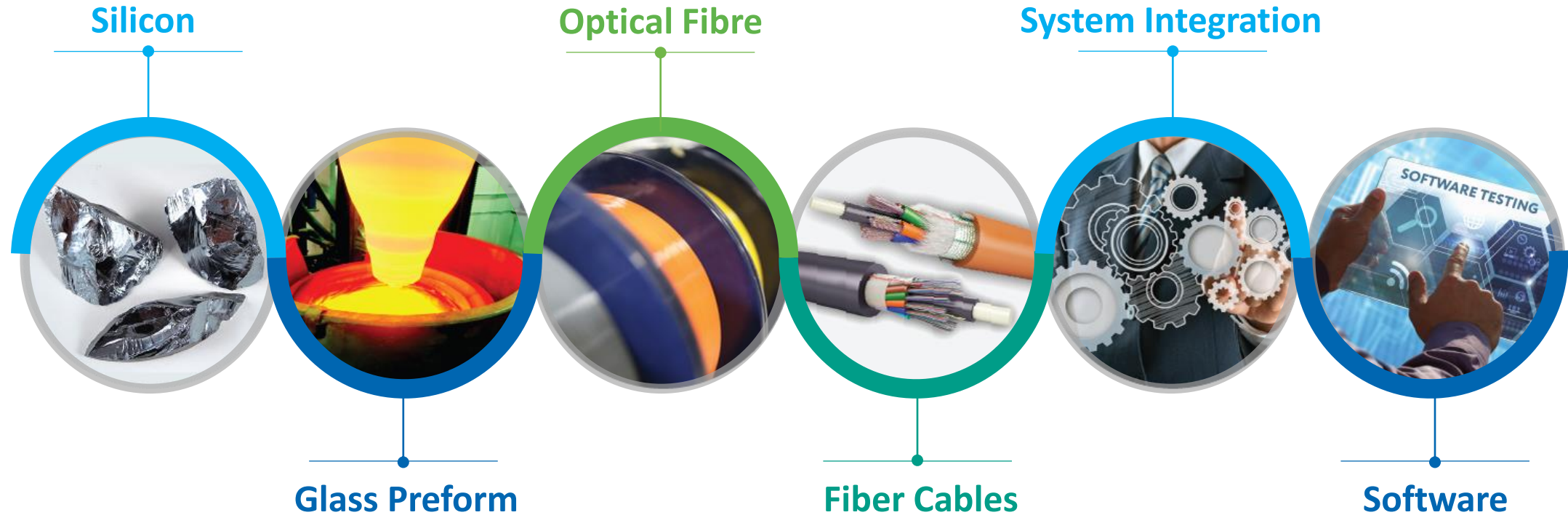


- Continuous growth of data driven by network evolution and changing consumption pattern reflecting strong demand for Fiber
- Globally ~3.5bn kilometre cumulative fiber already deployed in the networks; replacement lifecycles building in

Our Strategic Positioning



Uniquely Positioned to Deliver Smarter Networks



SILICON
To **SOFTWARE**

The only company in the world to have
integrated silicon to software capability

➤ Translating to Industry Best Margin Profile

End to End Capability to Design, Build & Manage Data Networks for Telcos, Smart Cities, Rural Broadband & Defence

Future Network Stack

Digital Customer
Management

System of
Engagement

Marketing

System of Records

Data Management

Network Management

Service Management

Core Network: Transmission Engineering

Radio Access Network: Topology Design

Passive: Fiber Network Design - Products and Solutions

Software &
Solutions Layer

Network Layer

Physical Layer

With Technology at the Core of Our Offerings

Among top global companies in terms of capacity

Wide portfolio of products - differentiated and innovative

Evolution into end to end Optical Communication Solutions Provider

Well Positioned to drive growth

Proven Management Team

Value Creation for all Stakeholders

With Technology at the Core of Our Offerings



**Center of Excellence,
Aurangabad**



**Center for Smarter
Networks, Gurgaon**



**Sterlite Tech
Academy**

- 8 of the global top 10 telecom operators use Sterlite's innovative solutions
- Sterlite's number of countries clientele - ~ 100
- Strong Patent portfolio of 169 patents across geographies
- Today, over 40% of all data in India travels on Sterlite Tech's fiber
- Sterlite's fiber enabled smarter broadband networks are in some of the world's toughest terrains, including in Iceland and in the Amazonian rain forests.

Business Updates: Q3FY18



Q3 Business Highlights at a glance



- The Company's optical fibre capacity expansion to 50 million in Aurangabad received MSIPS approval from the Ministry of Electronics & IT, and was accorded Ultra Mega Project status as per Government of Maharashtra's Industrial Promotion Incentive Scheme



- Recorded highest ever Order Book (Rs. 4,573 Cr), a 71% Y-o-Y growth – driven by strong demand in International markets



- Current patent count increased to 169. We have a consistent strong focus on innovation for next-generation telecom network technologies



- Sterlite Tech Academy won order from Jharkhand Skill Development Mission to train 2,000 youth as Smarter Optical Fibre Technicians
- The China JV was recognised by the Chinese Government as "Excellent Science and Technology Expert of Haimen" and incentivised for high-skilled talent by Jiangsu Province

Awards & Recognitions



WBA 'Best Connected City' Global Award



Telecom Leadership Forum Awards



STL is Visionary in GMQ



Golden Peacock Award



Visionary Company in Gartner Magic Quadrant for Integrated Revenue and Customer Management , 2017



Telecom Asia Readers' Choice Award for BSS Innovation of the Year 2017



WBA 'Best Connected City' Global Award



Golden Peacock Award for Excellence in Corporate Governance

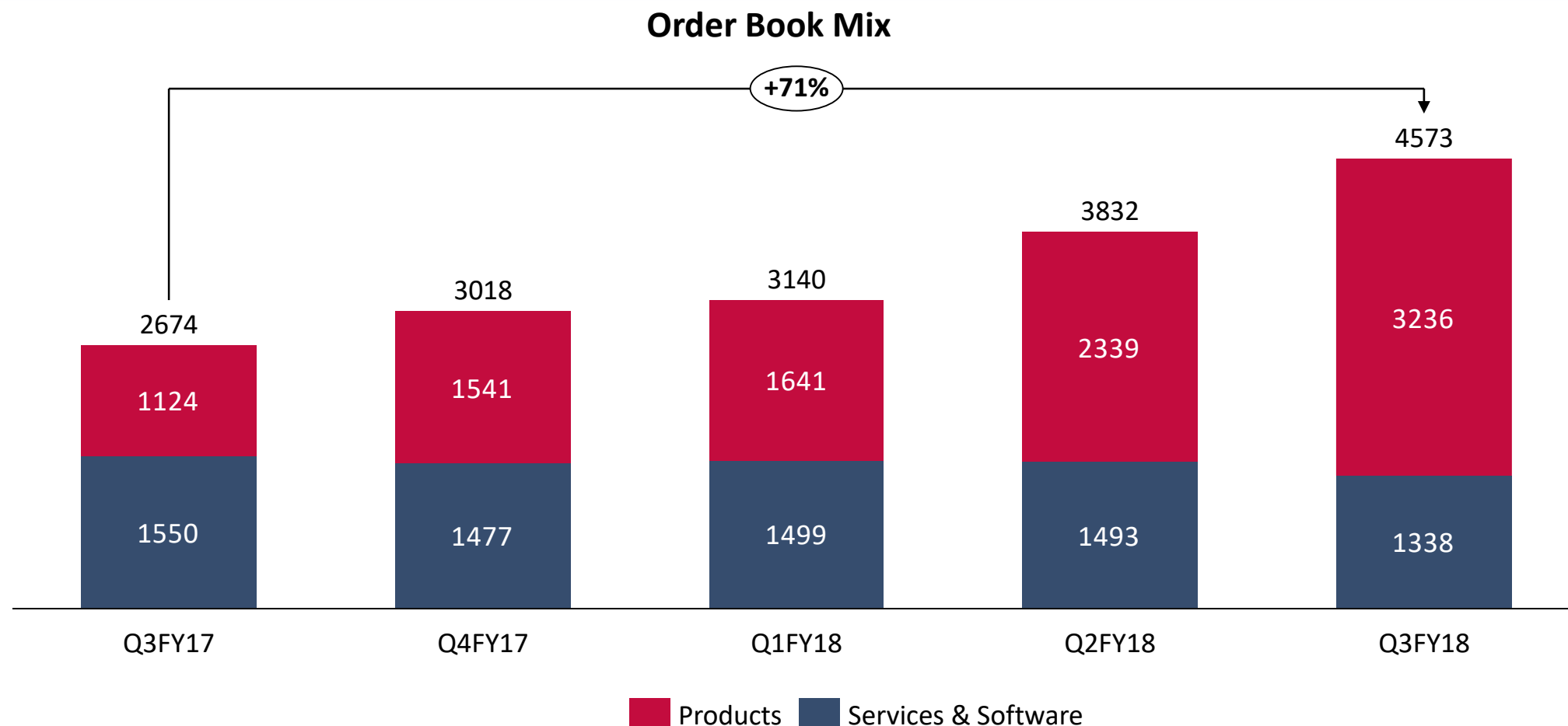


The Bombay Chamber of Commerce Civic Award "for high-impact CSR work"



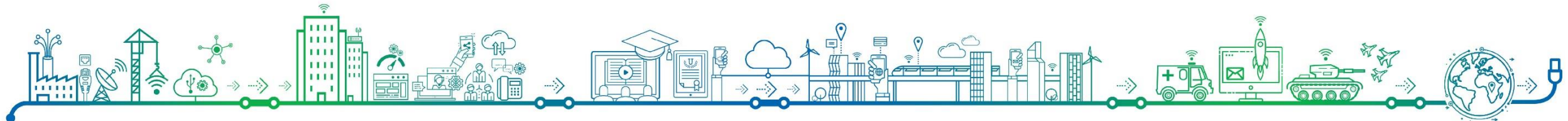
Bagged CII-ITC Sustainability Award 2017 for "Excellence in CSR" – Dec 3, 2017

Strong sales outlook riding on substantially built order book

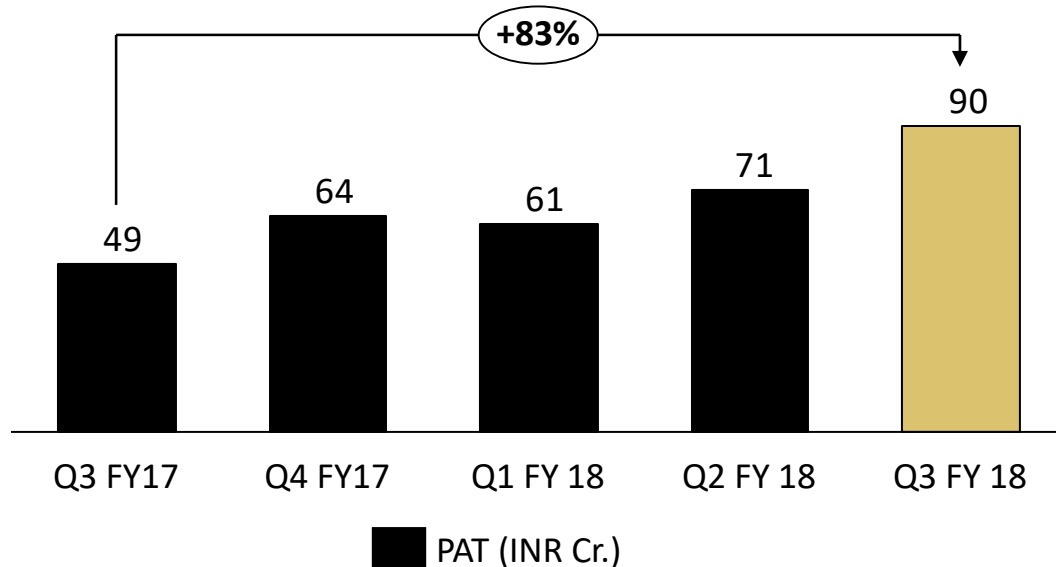
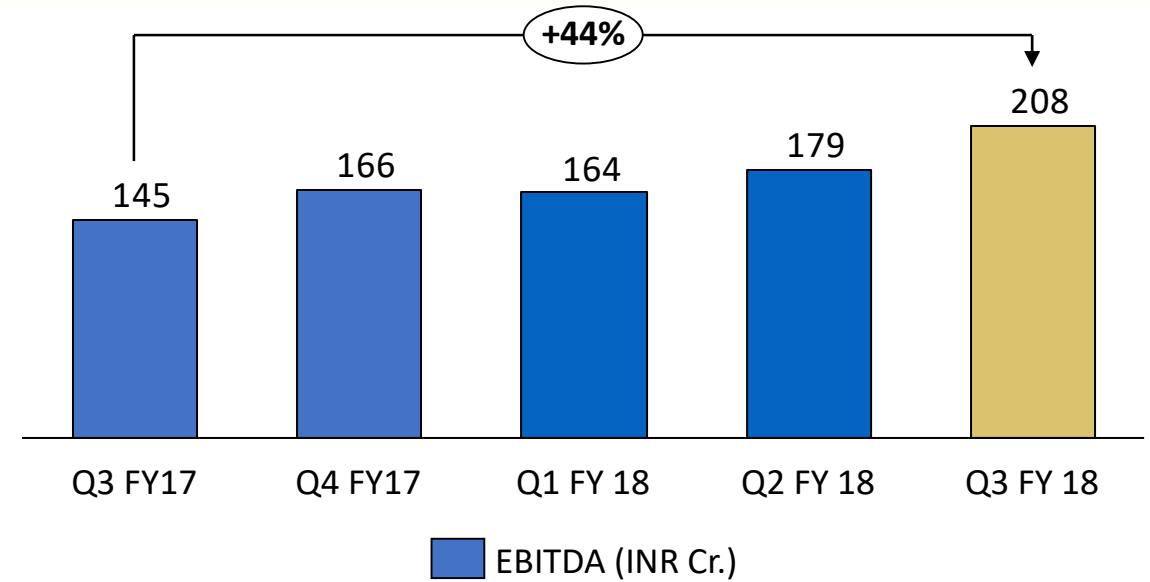
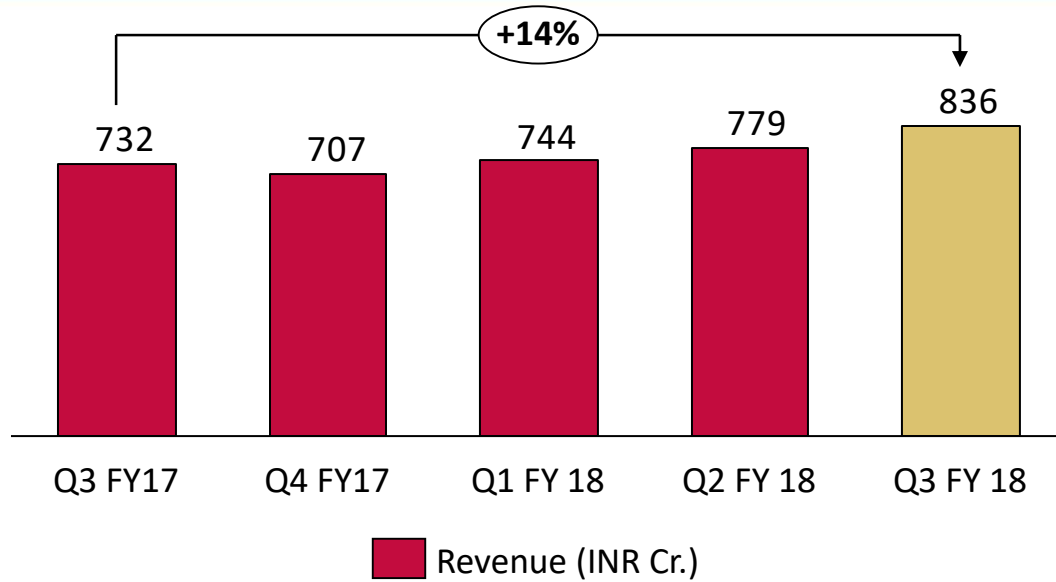


- Increasing Order book reflects predictable outlook for the company

Financial Performance: Q3FY18



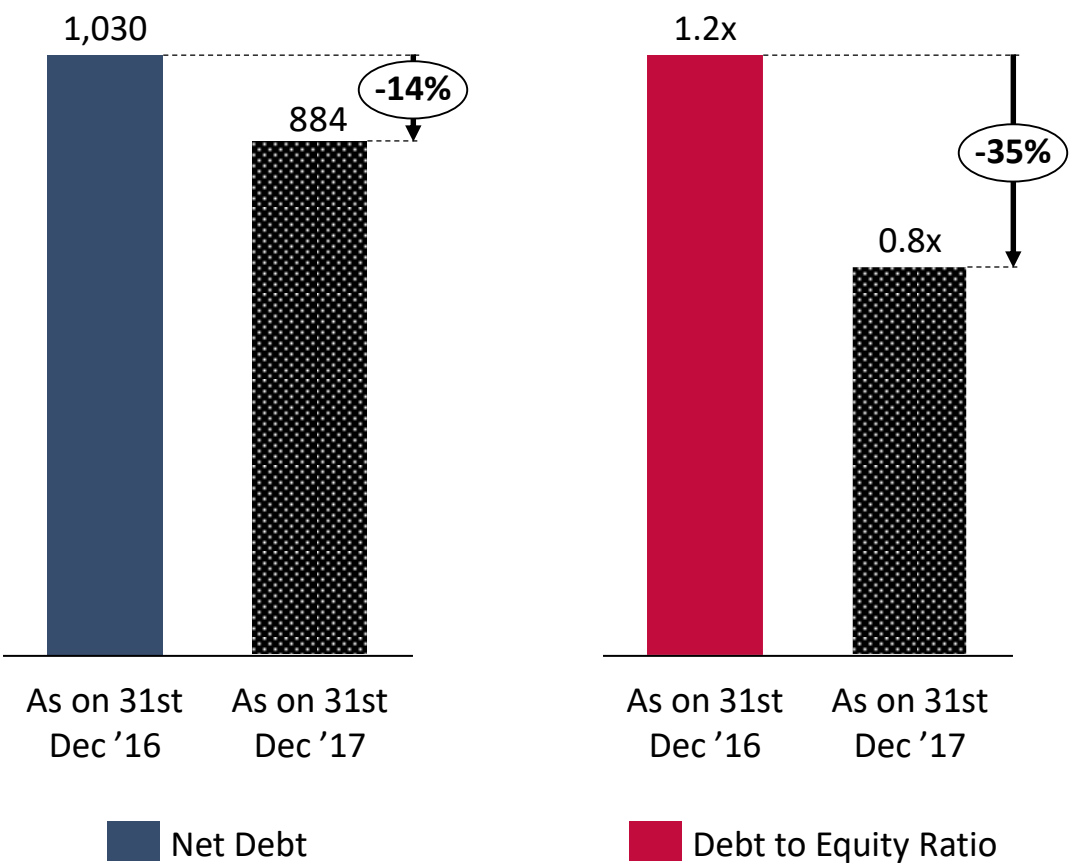
Quarterly Financial Performance



- Highest ever EBITDA of more than 200 Cr
- 83% YoY growth in bottom line
- Strong QoQ and YoY growth in Revenue, EBITDA and PAT

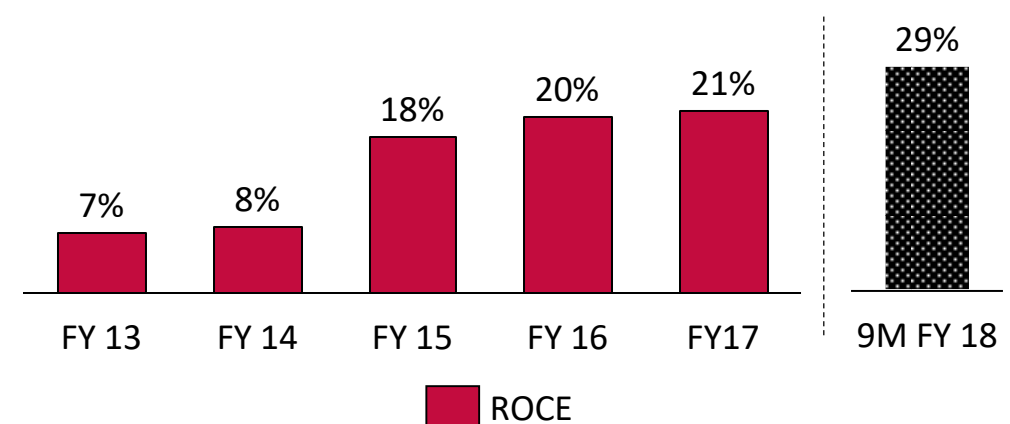
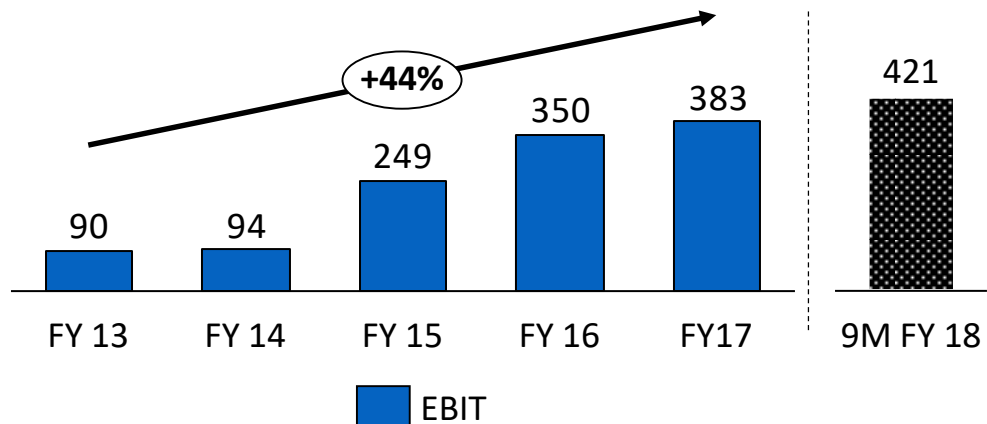
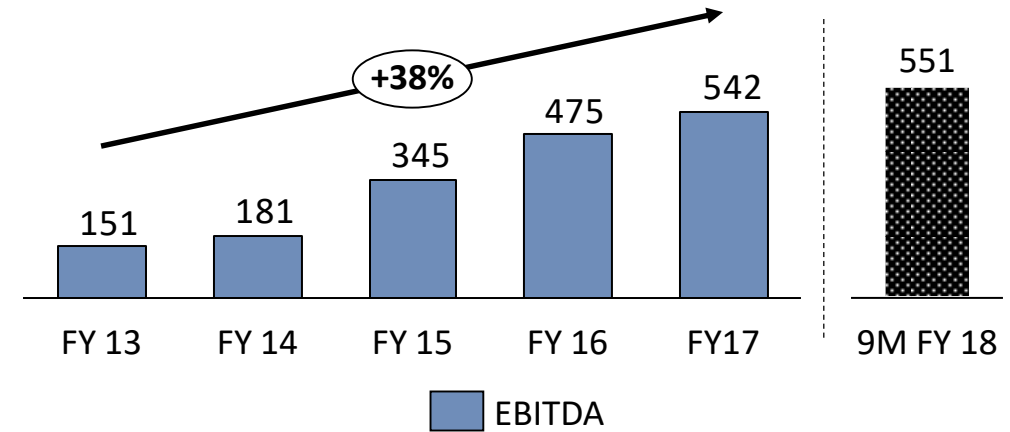
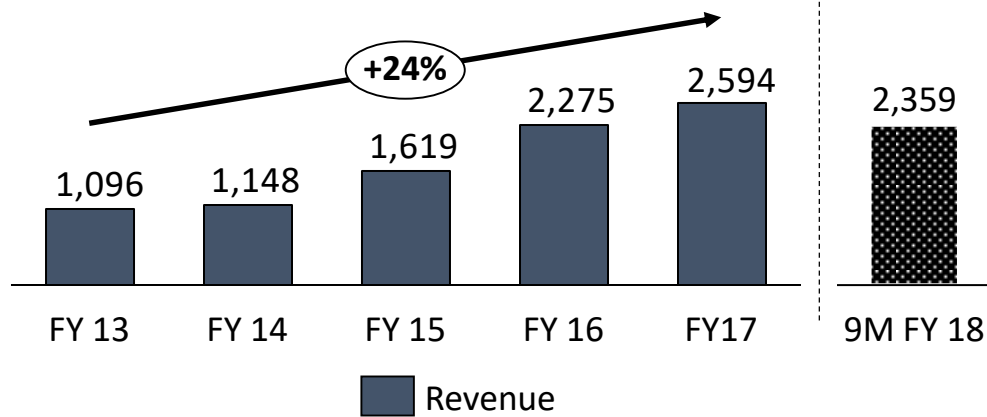
Note: In accordance with the requirements of Ind AS, revenue for the quarter ended September 2017 is net of Goods and Services Tax ('GST'). However, revenues for all the previous quarters are inclusive of excise duty

P&L (INR Cr)	FY17	9M FY17	9M FY18
Revenue	2,594	1,886	2,359
EBIDTA	542	377	551
<i>EBITDA %</i>	<i>21%</i>	<i>20%</i>	<i>23%</i>
Depreciation	159	115	130
EBIT	383	262	421
<i>EBIT %</i>	<i>15%</i>	<i>14%</i>	<i>18%</i>
Interest	123	99	79
PBT	260	164	343
Tax	40	12	97
Net Income <i>(After Minority Interest)</i>	201	138	222
<i>ROCE %</i>	<i>21%</i>	<i>19%</i>	<i>29%</i>



Cash flow	9M FY18
Cash Profit (After Tax)	375
Operating Cash Flow	365
Capex	285
Net Cash flow	80

Demonstrated Historical Performance



- Stronger growth in EBITDA CAGR growth at 38%
- ROCE for the business stands at 29% for 9M FY18

EDUCATION



172,000 students covered since inception and 89958 during FY 2017-19

480 schools covered in 2017-18



Classes **3 to 7** and **10** covered by the program

WOMEN EMPOWERMENT

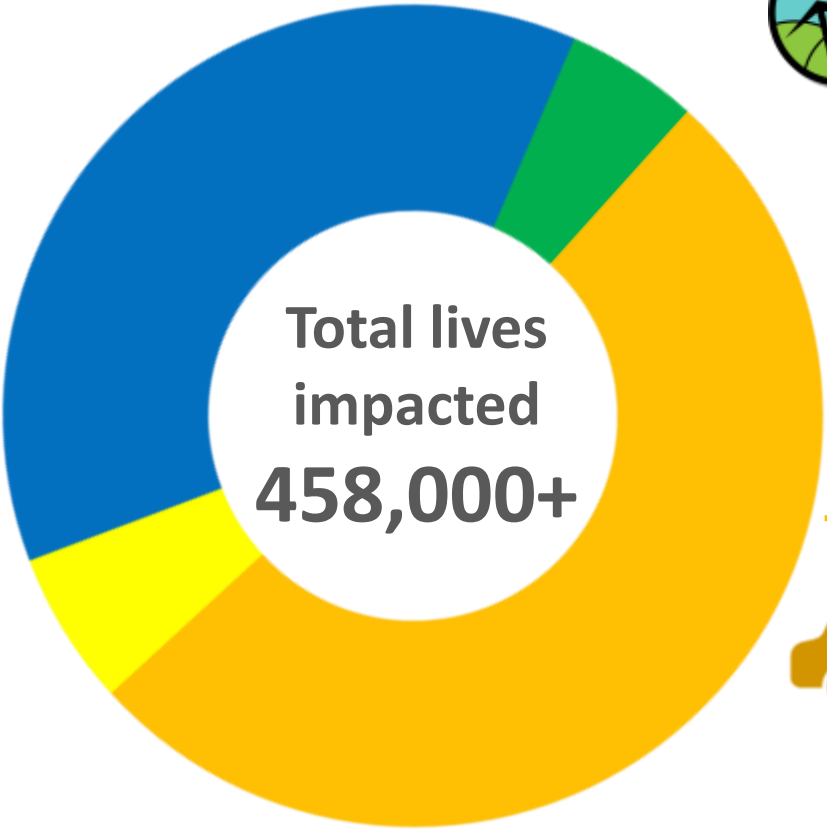


218 women trained at the institute in FY 2017-18 and a total of 539 till date

93 villages covered till date



28,000 villagers indirectly impacted



ENVIRONMENT



409 farmers impacted through Phase II of Project Jaldoot and a total of 867 since 2016

94188 cu. m of water conserved in 2017 and a total of 738,188 m3



8 check dams in 5 villages redeveloped in 2017

HEALTH



Covered almost 200,000 patients since inception

9332 patients attended to in FY 2017-18



Thank You

