Q4 FY18 Earnings Call
April 25, 2018

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Industry Landscape

Capex and Fiber Consumption Cycle: Network Gen Evolution

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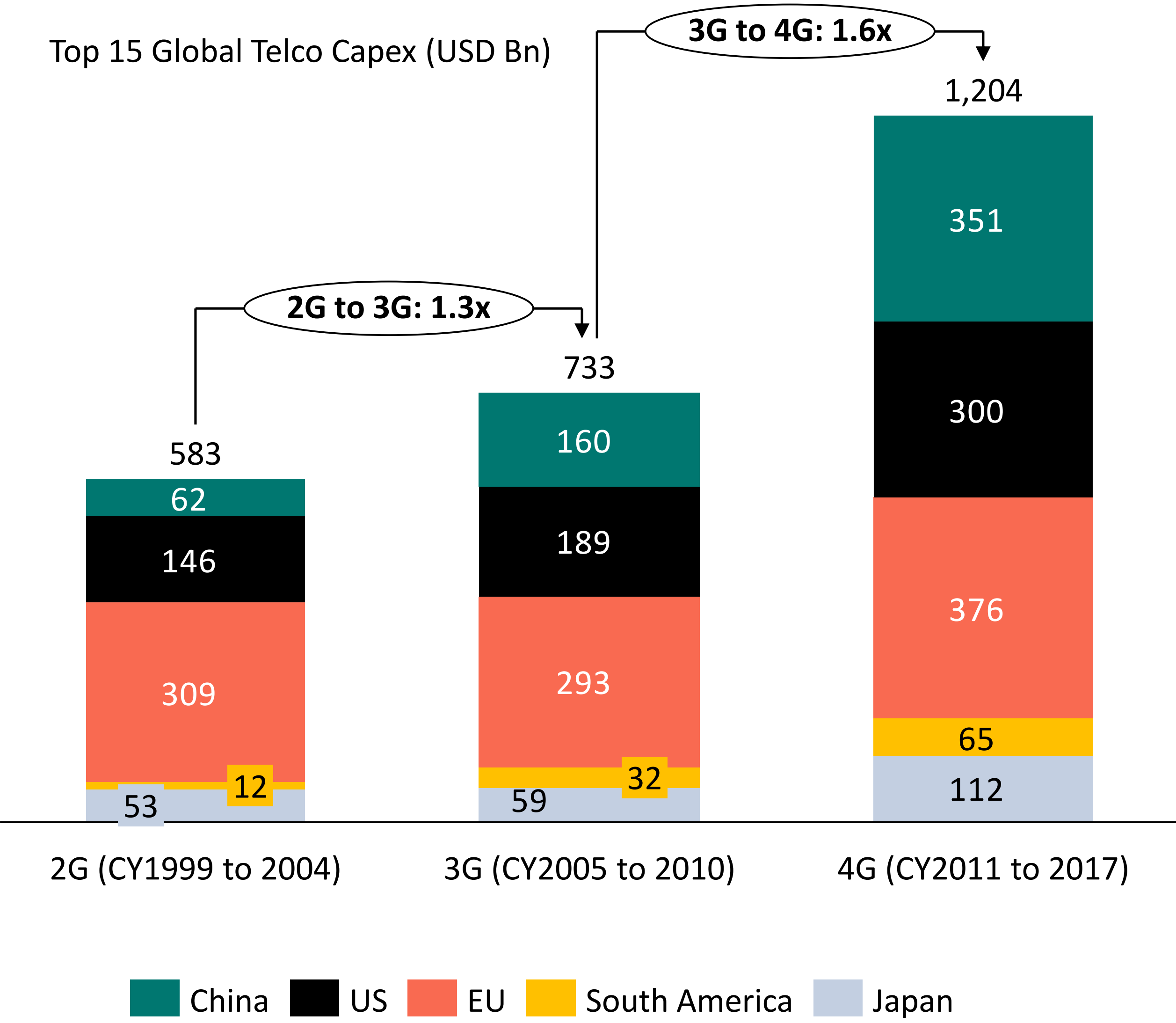
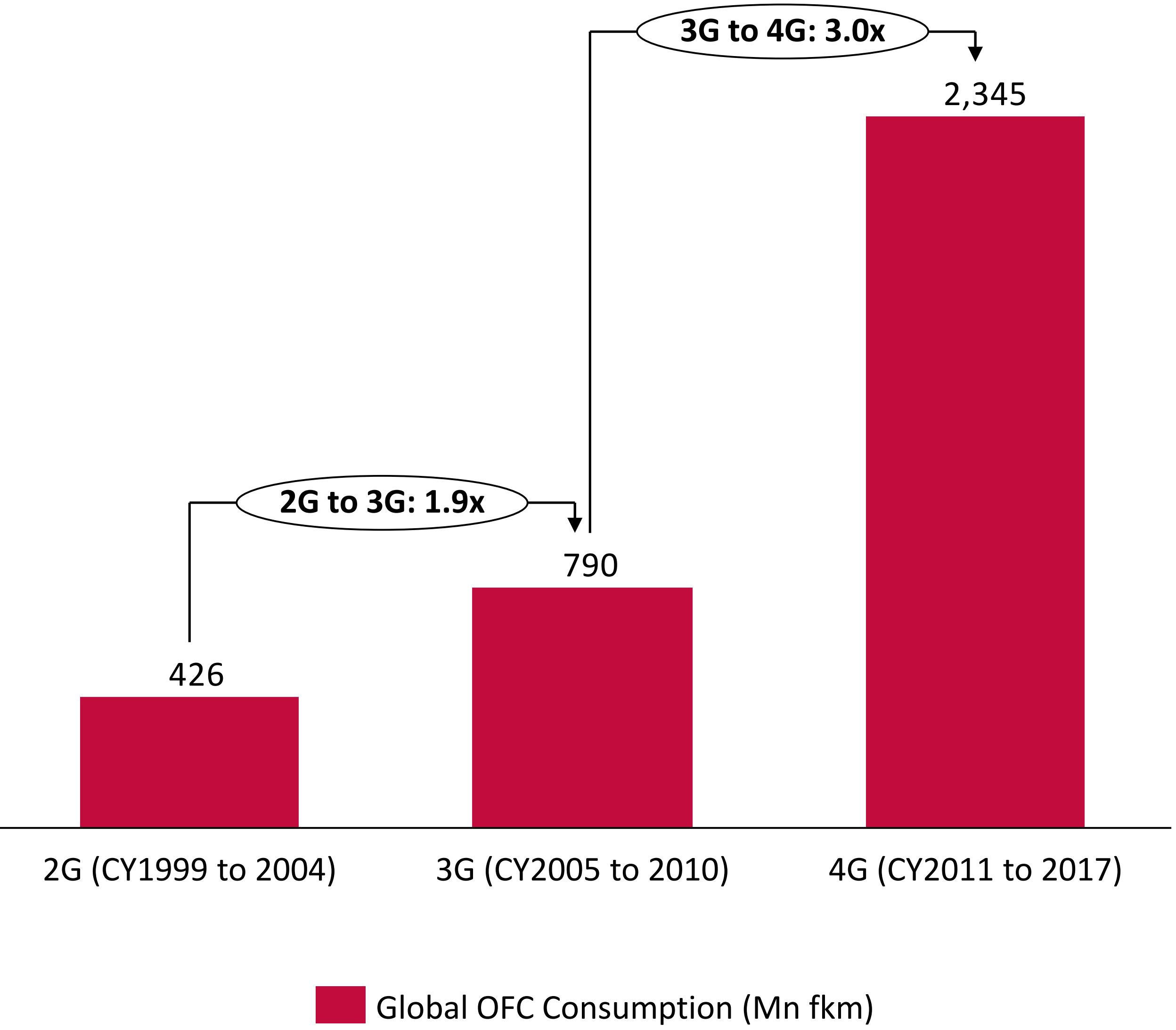
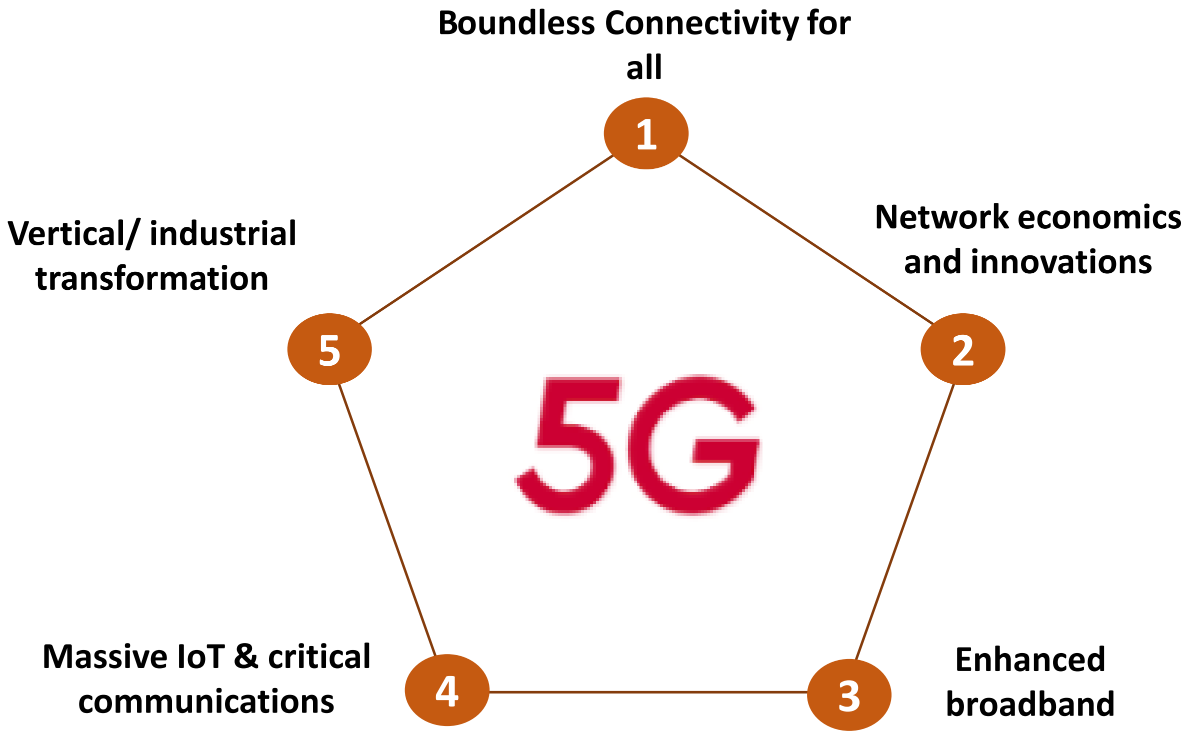




Source: Factset and CRU

5G will be the Centre of Heterogeneous Networks

5G Era Goals



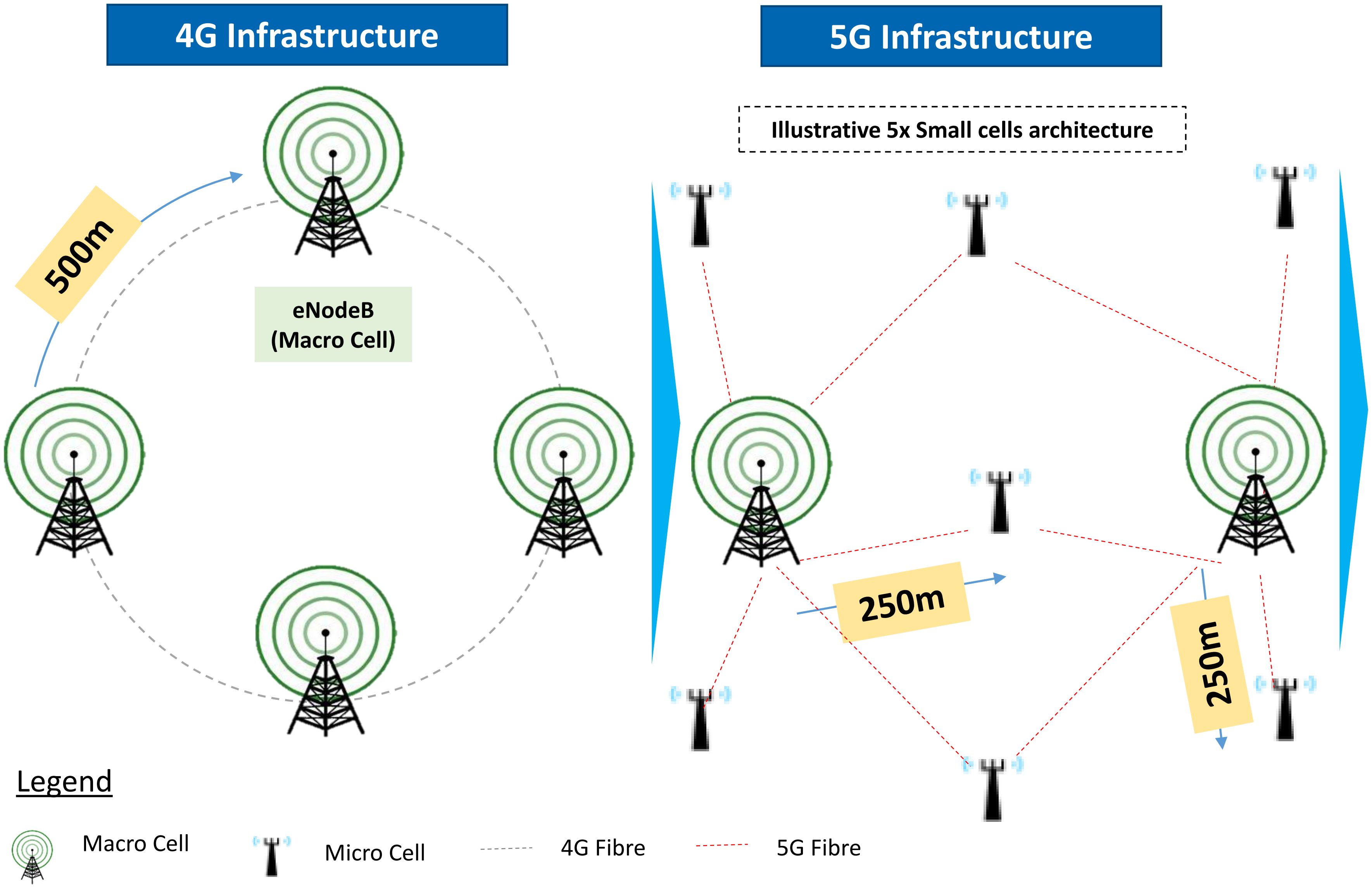
5G capabilities compared to existing LTE

10x Lower Latency	<1 ms	• New radio design • Distributed architecture
10x Lower IoT Power	<10 µWh / tx	• Protocol optimization • Non-orthogonal uplink
5x energy efficient	<2 kWh/TB	• Lean carrier • Wideband carrier
3x spectral efficiency	>10 bps/cell/Hz	• Massive MIMO, lean design, interference cancellation

5G networks will provide an enhanced broadband experience of up to 1 Gbps and <1 ms, and provide the platform for cloud and artificial intelligence based services

Sources: GSMA 5G Report; Nokia: 5G deployment below 6 GHz-white paper

Fiber: key component of 5G Infrastructure



5G Densification	Minimum (25 Mbps per User)	Base (50 Mbps per User)
No. of Small Cells for 5G compared to 4G Macro Sites	5x	10x

Source: Company estimates

Evolution in Global demand for Optical Fiber

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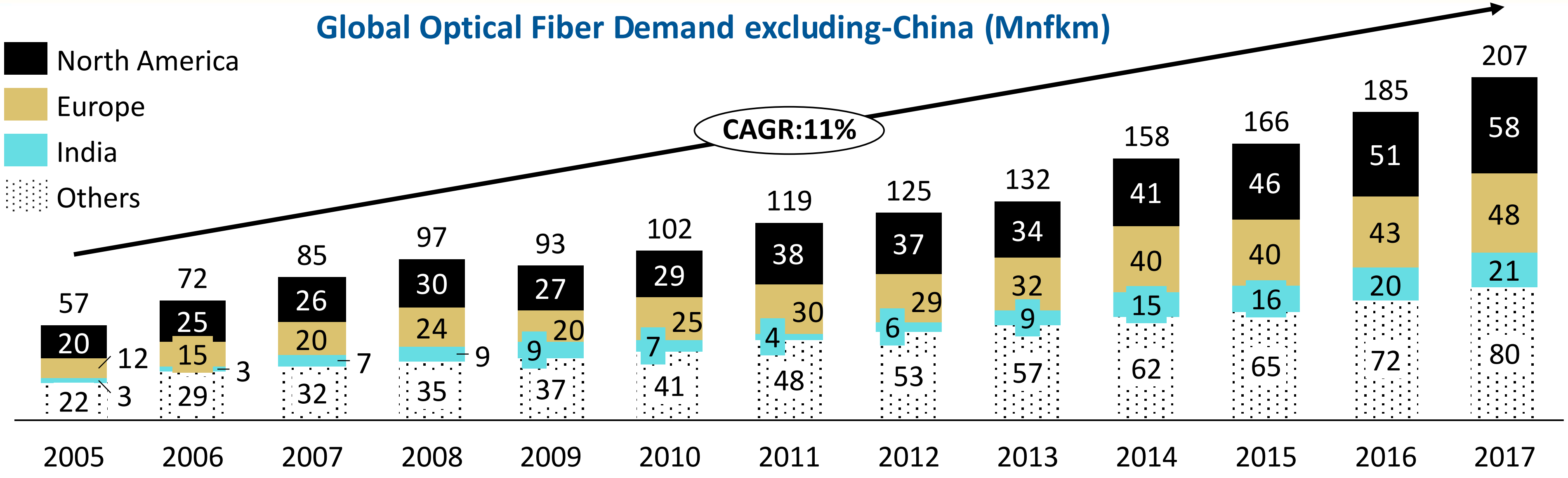
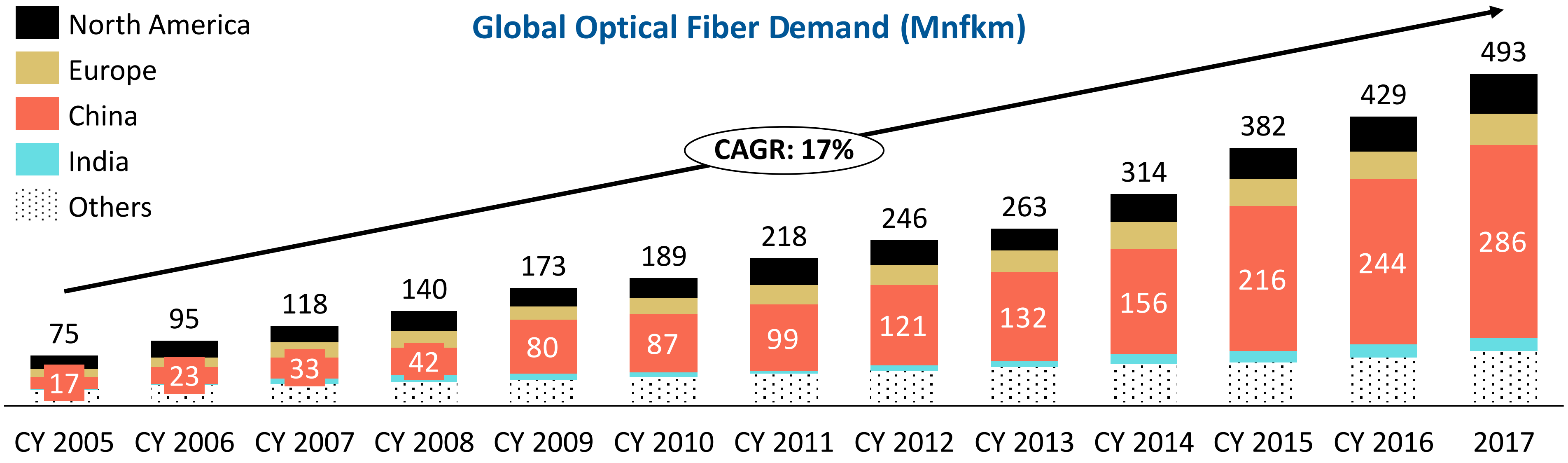
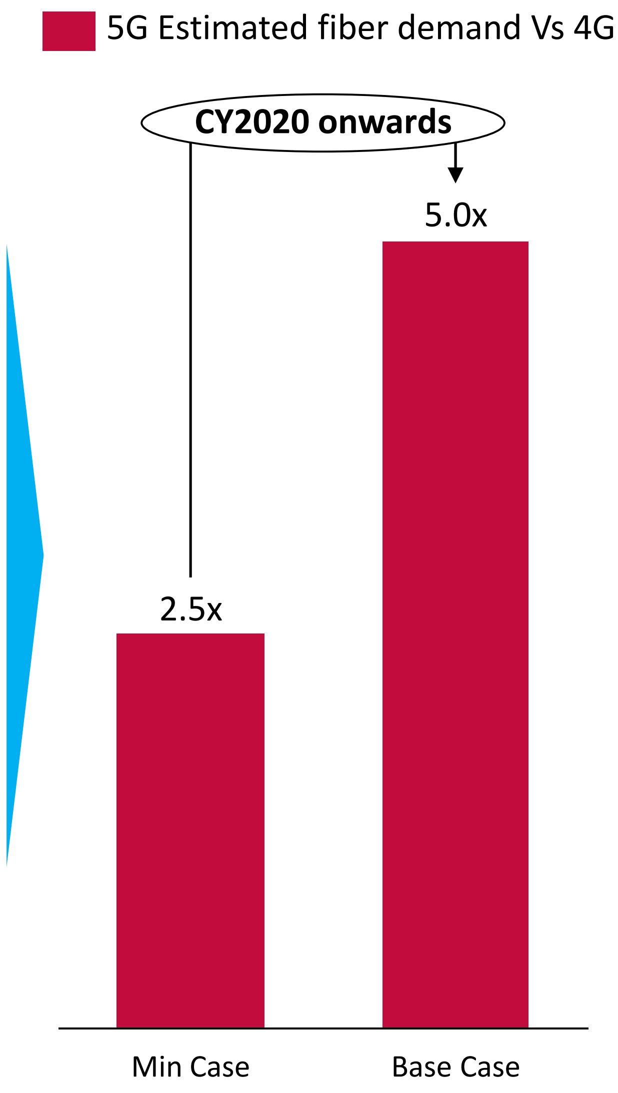




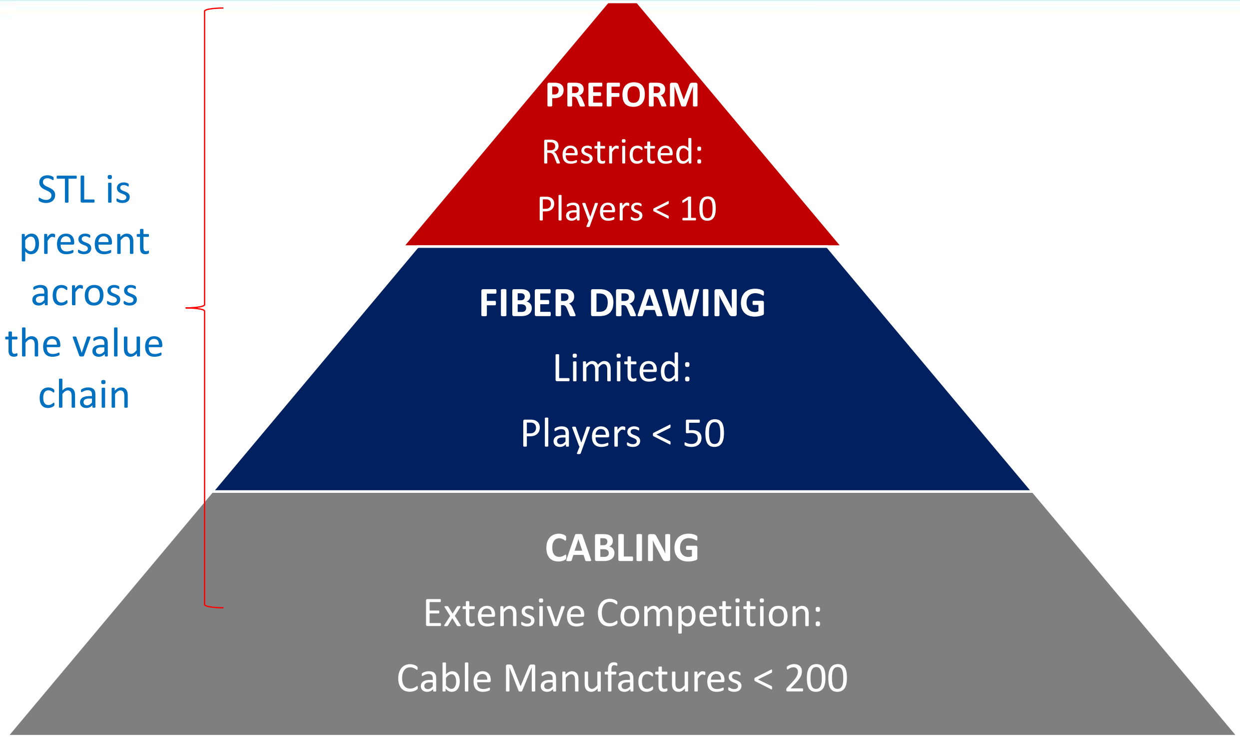


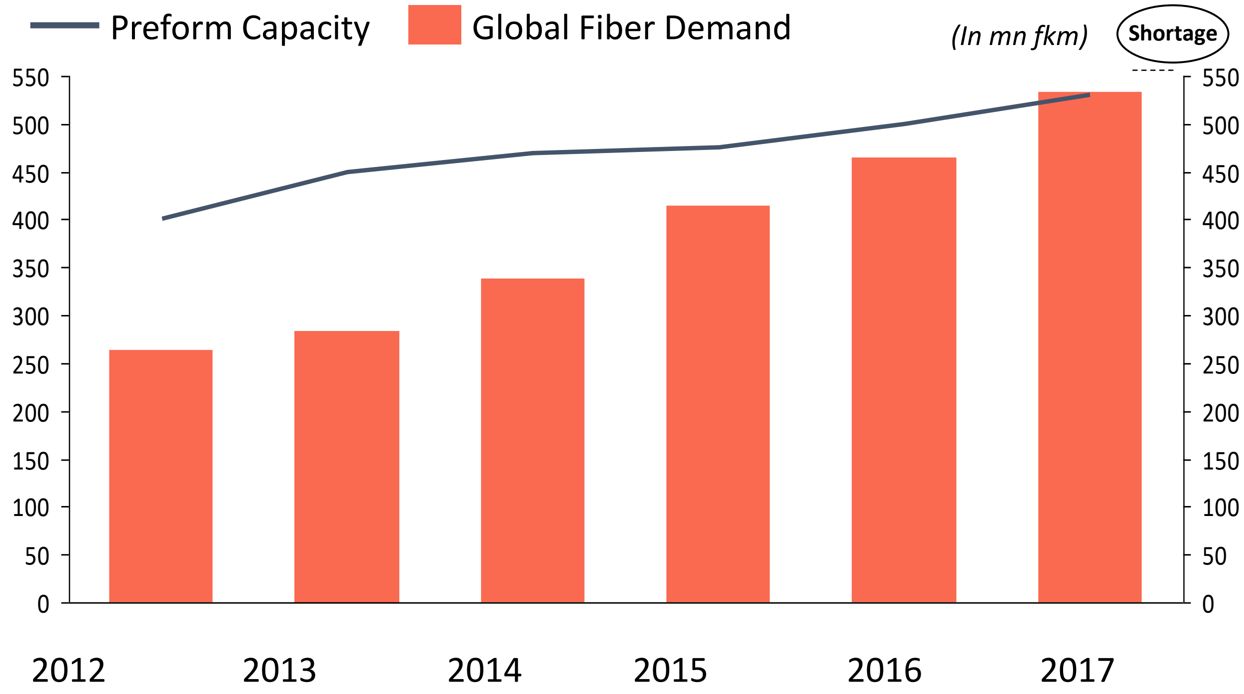
Source: CRU, Company estimates

Our Unique Positioning

Decoding: Global Fiber Value Chain

STL is present across the value chain

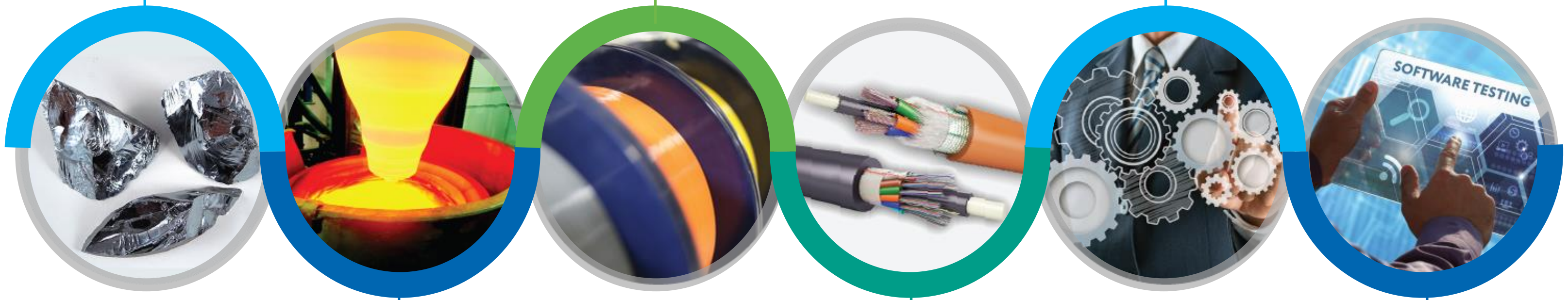




- Sterlite amongst the global few integrated players, with an end to end control over the fiber manufacturing value chain
- Global capacities, with lean cost structures, translating to Industry best margin profile
- Amongst the global few, STL is most backward integrated in fiber manufacturing value chain

- Due to structural changes in the Network Topology for 5G networks, fiber is in high demand
- We expect global demand – supply mismatch to remain elevated in CY 2018

End to End Capability to Deliver future Data Network Needs



Complete control over the value chain for Data network Creation

Future Data Network Stack

Software Layer

Network Layer

Passive Layer
(Fiber relevance increasing)

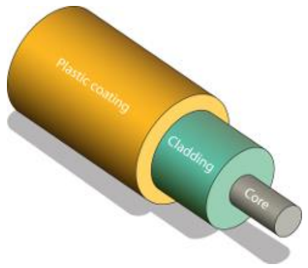
System Integration

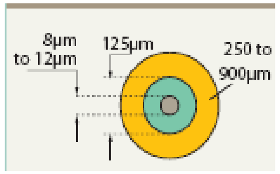
- Network capex shifting towards Fiber
- SDN/NFV in the networks driving new disruptions

- ✓ Only company in the world to have the integrated Silicon to Software capability, critical for tomorrow's data networks
- ✓ Well positioned to integrate all elements of future data network stack through our System Integration capability

With Technology at the Core of Our Offerings

Optical Fiber is a very specialized Technology Product





Center of Excellence, Aurangabad

Highly interdisciplinary technologies

- Glass Science
- Chemical Engineering
- Fluid Mechanics
- Large scale Automation
- Precision Measurements
- Wave Optics
- High Temp processing ~ 2000 C

- 8 of the global top 10 telecom operators use Sterlite's innovative solutions
- 189 Patents on processes and new products
- 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

Network Design at the Core of our System Integration Capabilities

Center for Smarter Networks, Gurgaon

Sterlite Tech Academy

- One of its kind Network Lab for design of data networks
- Building an secure intrusion proof optical network of 10000 km in one of the world's toughest terrain
- Successfully deployed India's first live Smart city in Gandhinagar

Business Highlights

Business Update

Execution Update- Products

•Accelerated expansion of greenfield fiber capacity in Aurangabad, with Phase-1 coming on board by end of CY 18
•OFC capacity utilization reached north of 70% in FY 18

Customer Engagement

•Long term service agreement with a major UK based operator and partners in Europe to help Europe achieve Europe's Gigabit society goals
• Order book at all-time high

Execution Update- Services

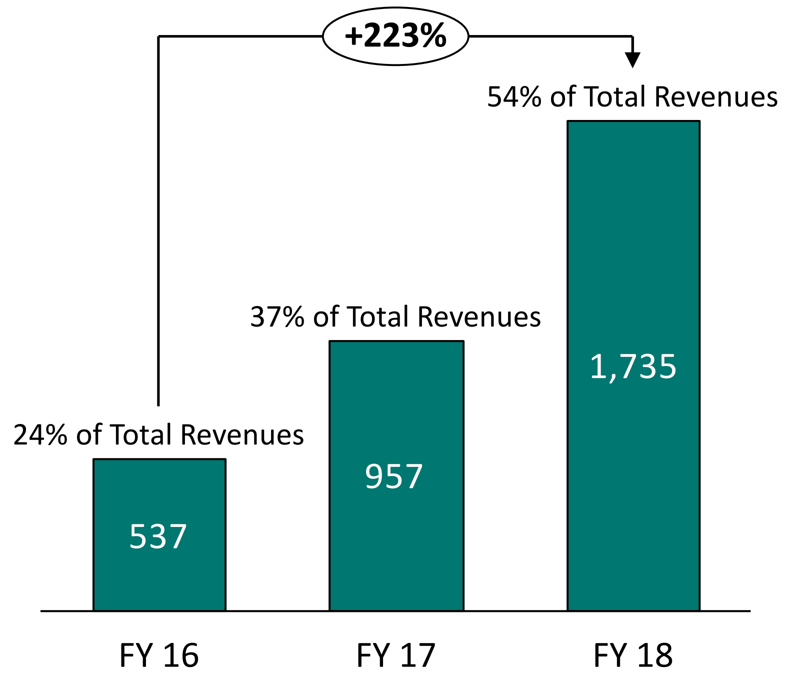
•Won a Rs 3500-crore Advance Purchase Order to design, build and manage the Indian Navy's communications network
•The Company continued its focus on BharatNet and Smart Cities. Kakinada Smart City Project nearing completion

Execution Update- Software

•Won end-to-end OSS/BSS deal with India's leading MSO offering cable television and broadband services to 8 million households
•Won the Enterprise Wi-Fi deal with one of the leading operators in India allowing the operator to expand Wi-Fi service offerings

Growing International Presence with Tier-1 CSP's

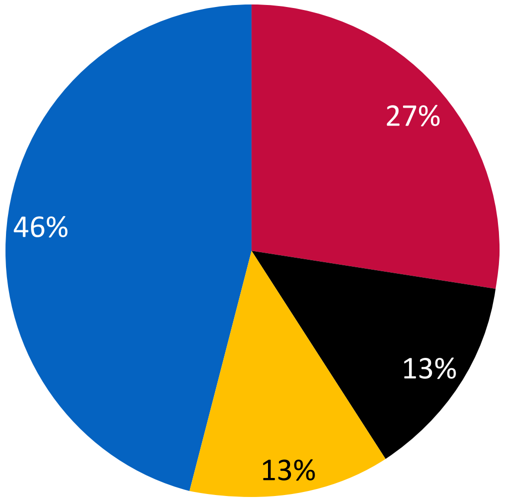
Sterlite Tech
www.sterlitetech.com



Revenue from exports (INR Cr.)

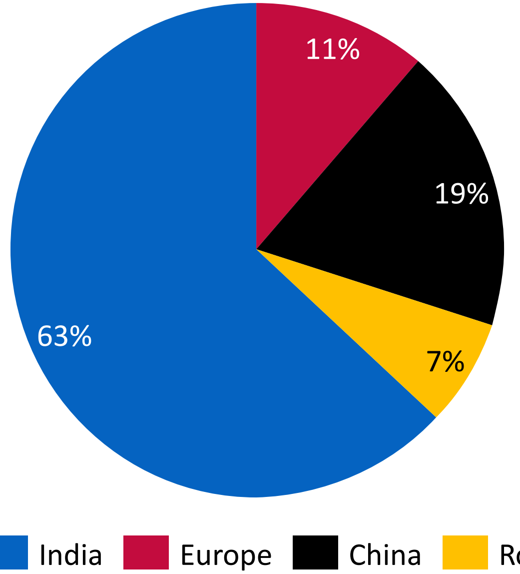
Global Revenue Mix

FY18



Sterlite's fiber reaches more than **100+ countries**

FY17

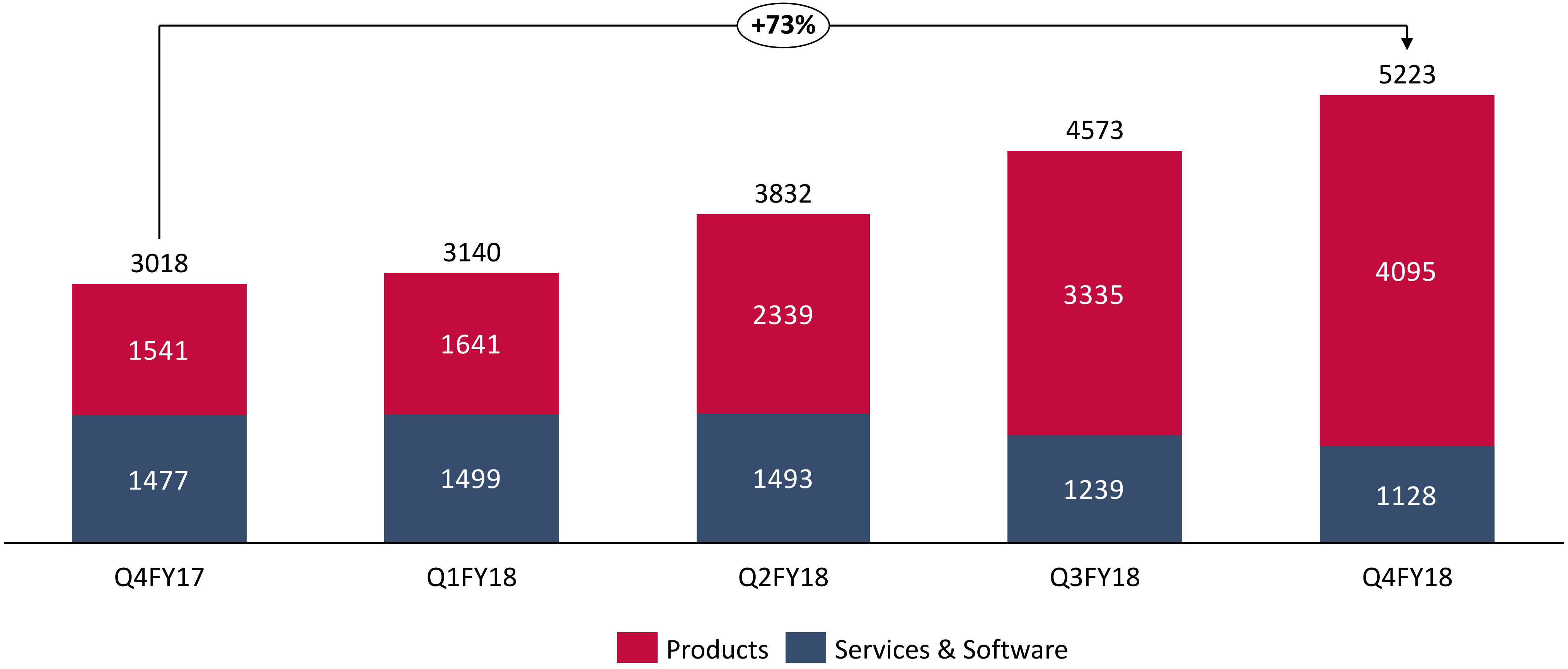


- Deeping European market presence with new additions of long term strategic customers & strong growth in all the aligned sales geographies
- Balanced geo mix with equal contribution from exports and domestic markets

*Rest-of-the-World majorly constitutes of Americas and MEA

Strong sales outlook riding on growing order book

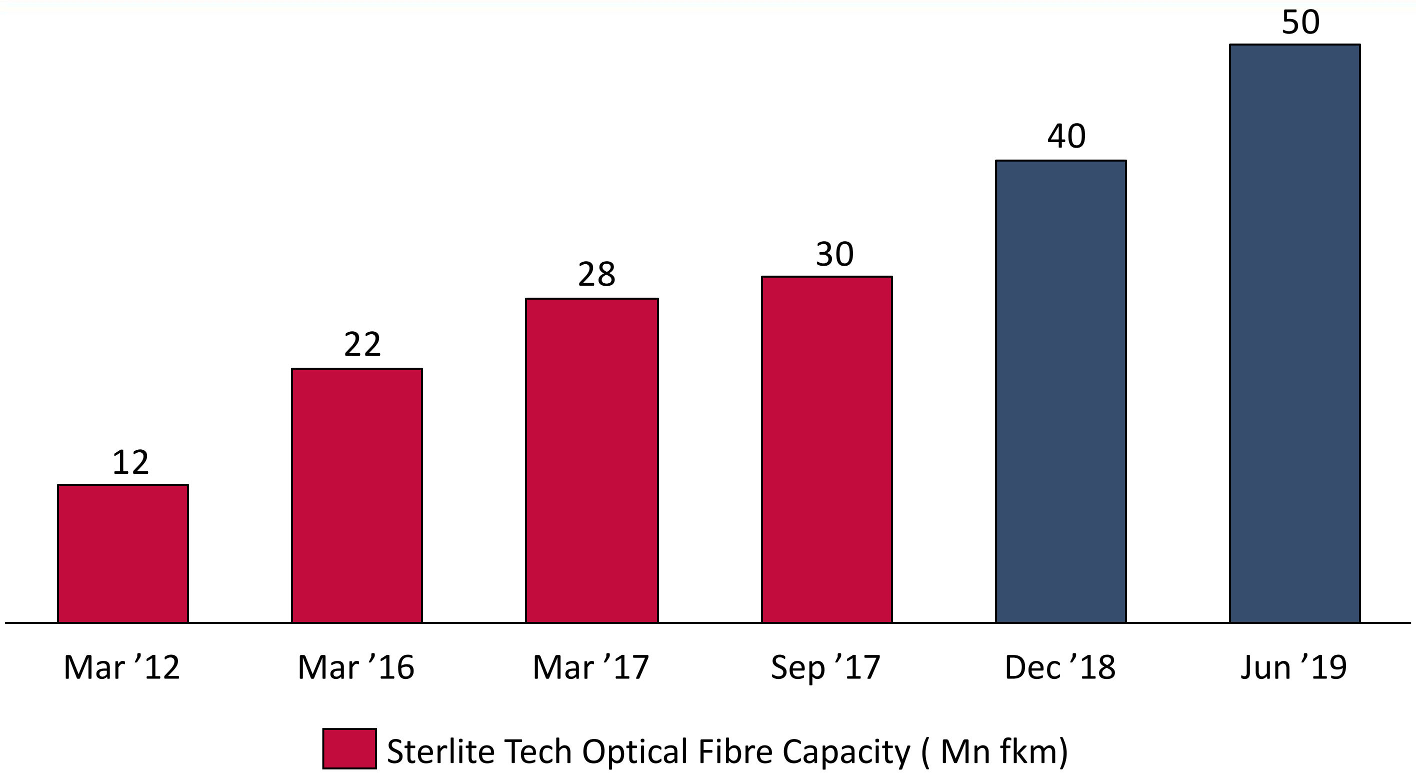
Order Book Mix

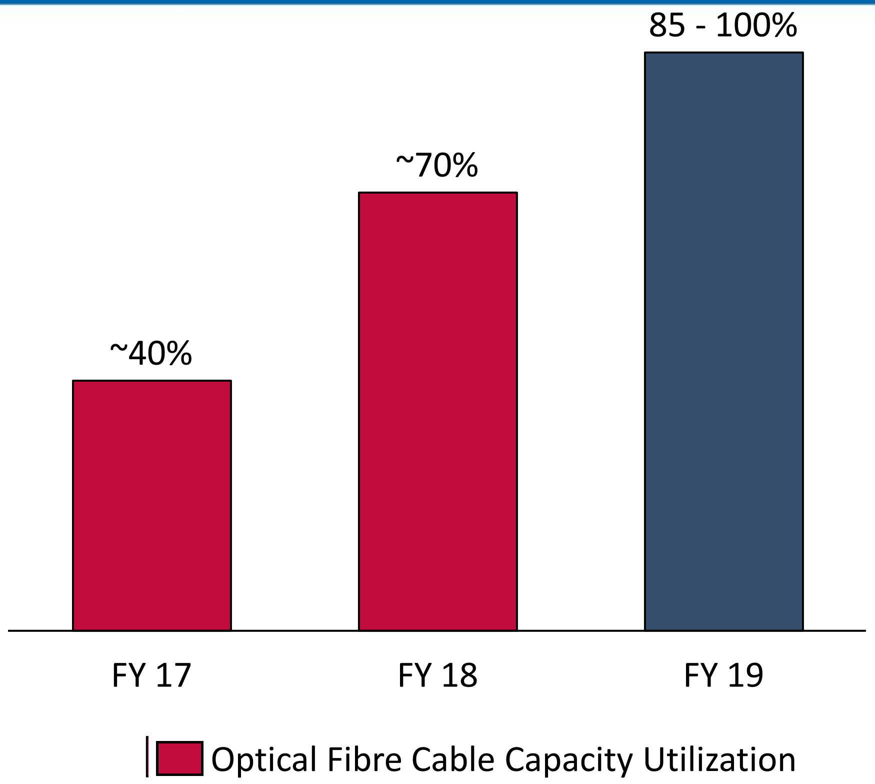


- Start FY 19 with all time high order book of Rs. 5,223 cr (reflecting ~1.6x of the FY 18 revenues)
- Over 73% YoY increase in open order book

Numbers are in Ind-As, Values in INR Cr.

Accelerating the capacity expansion and utilization

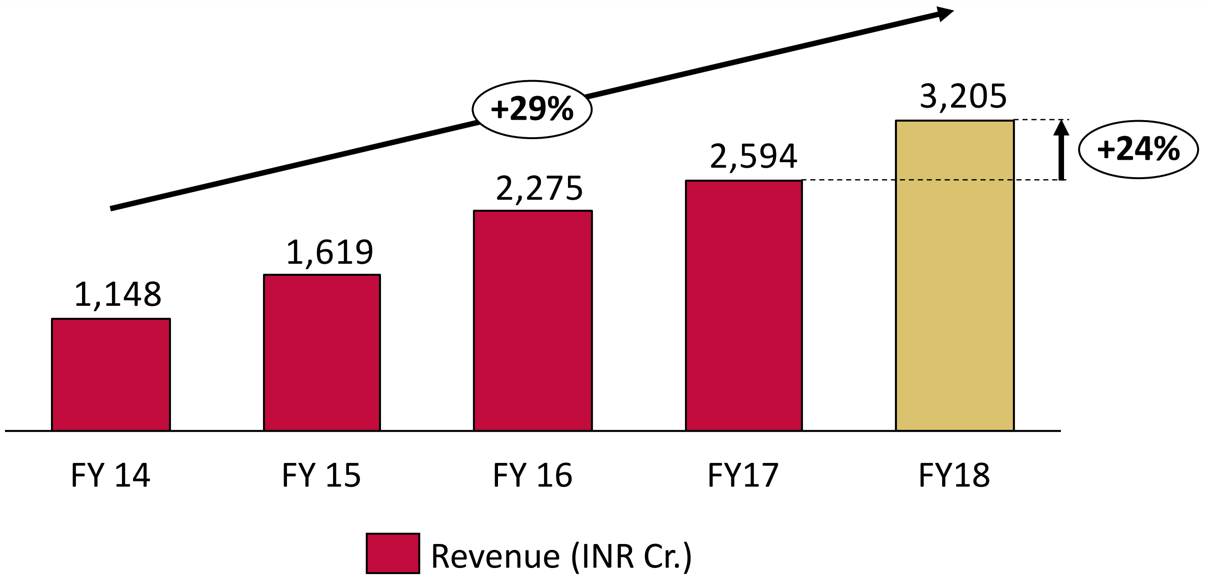


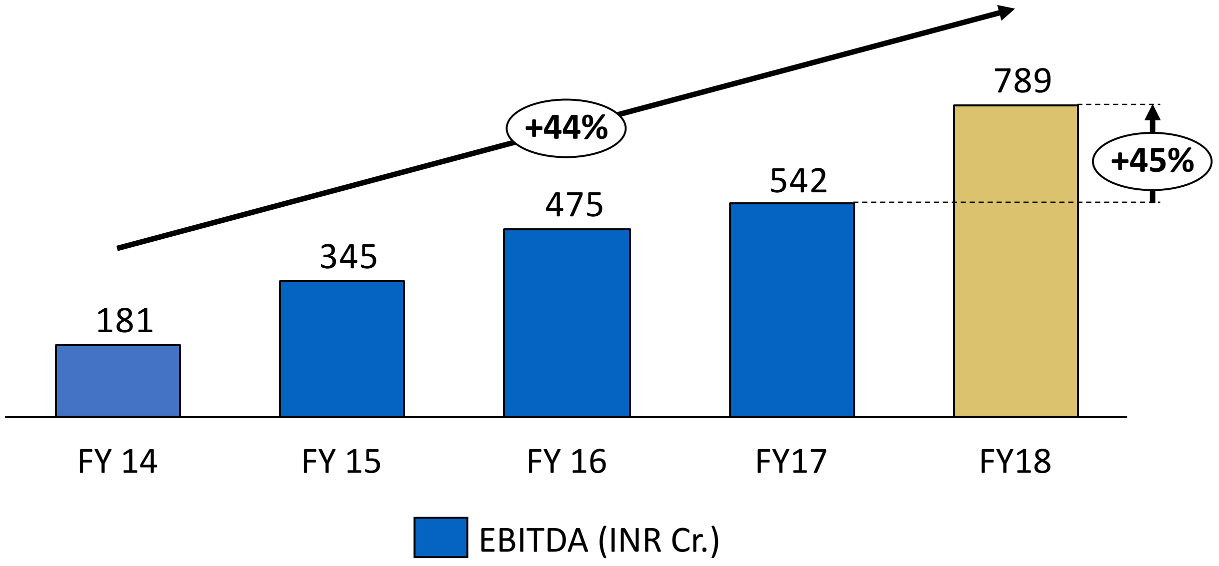


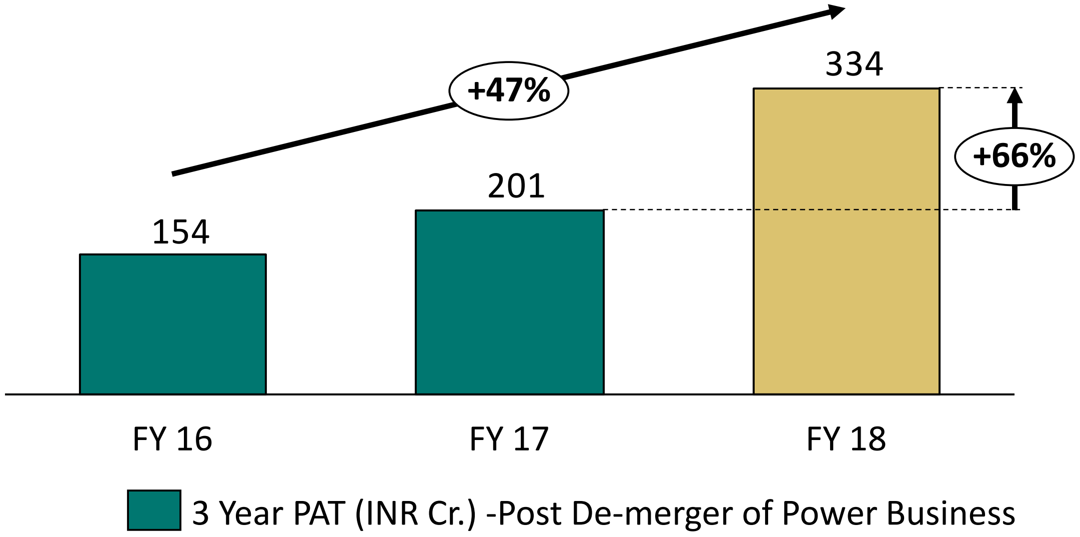
- Integrated plant project progressing well to achieve phased capacity ramp-up (CY 18 exit capacity- 40 Mn fkm, June '19 – full capacity of 50 mn fkm)
- FY 18 cabling volumes reflecting a strong upward trend, utilization levels to reach ~ 85-100% by FY19

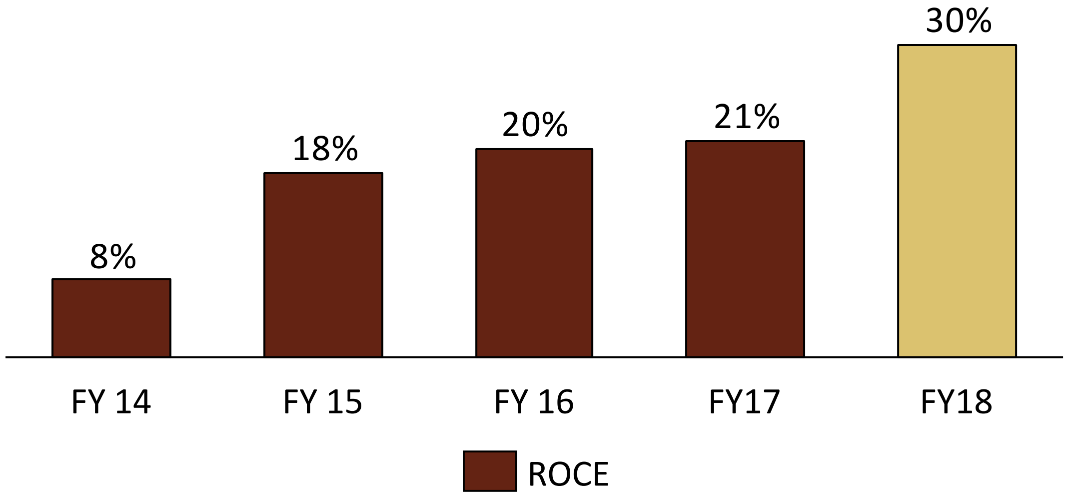
Financial Performance

Demonstrated Value Compounding

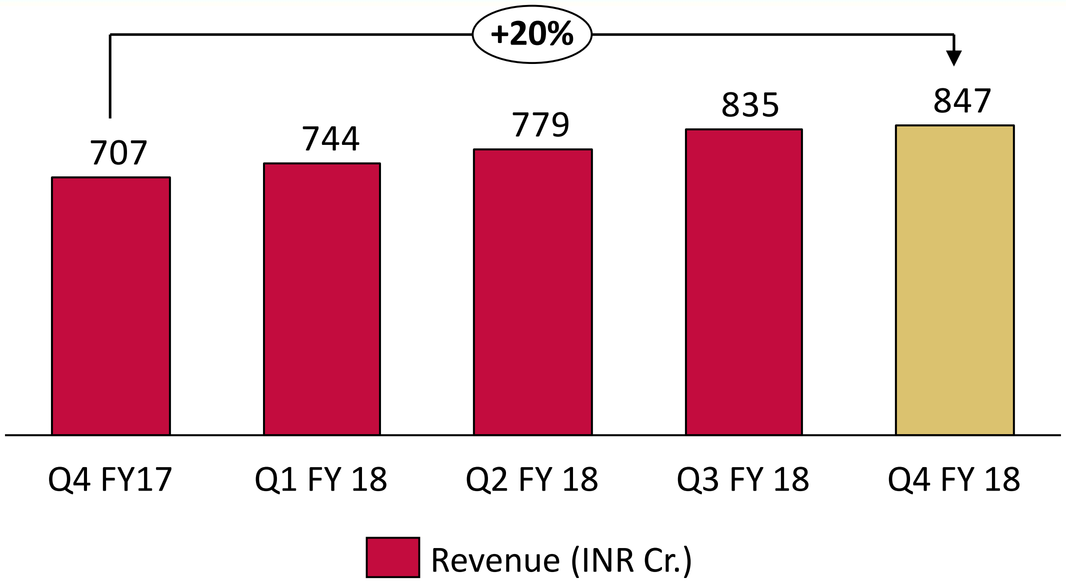


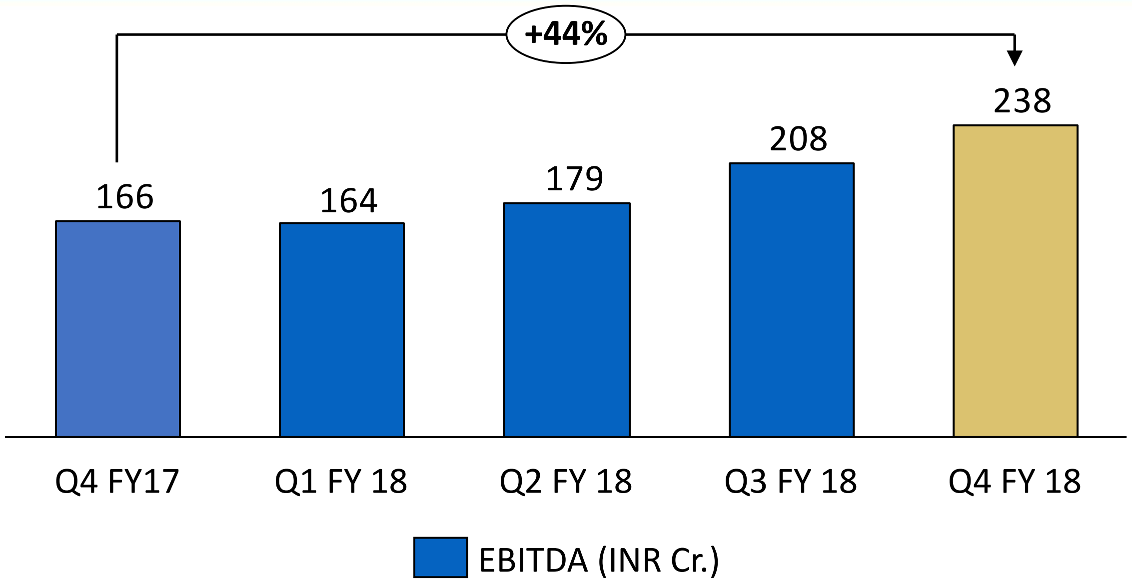


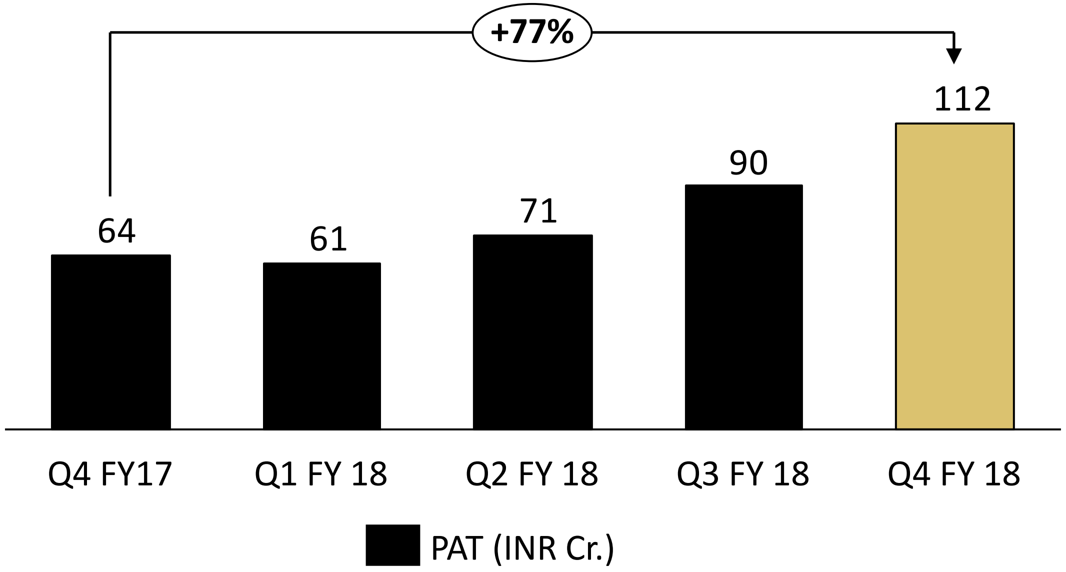




Demonstrated growth on QoQ basis

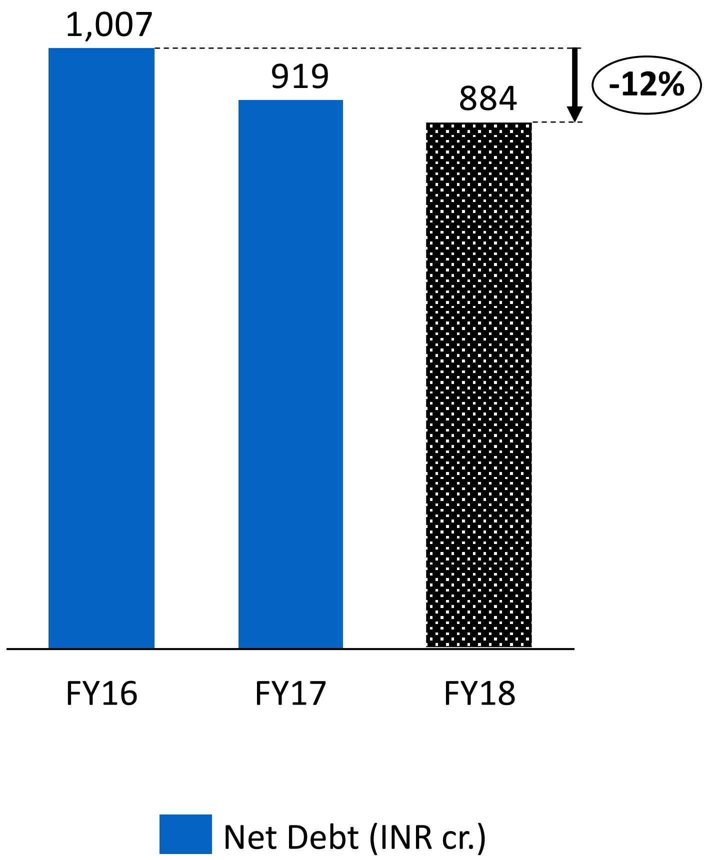


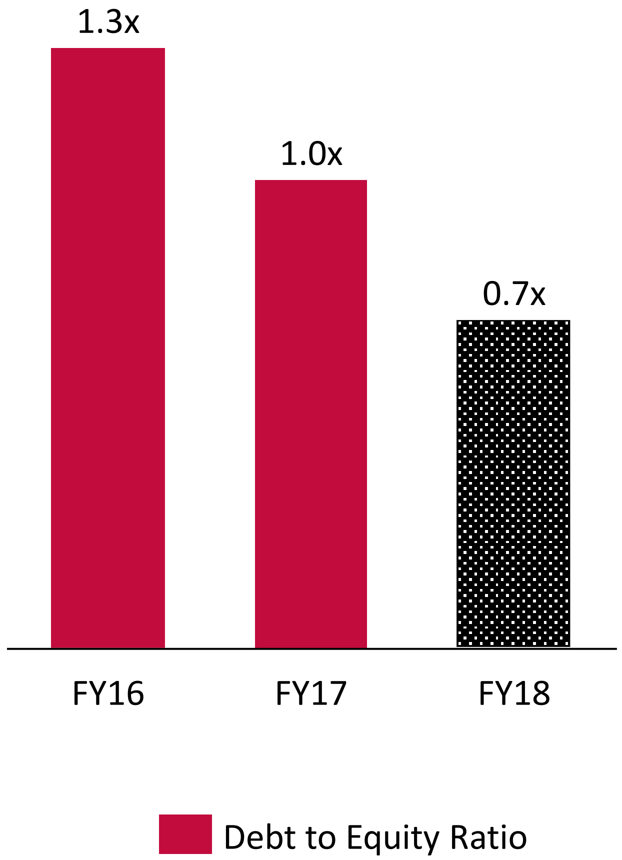




- Highest ever PAT of 112 cr in Q4,FY18 (77% y-o-y growth)
- On course to achieve $100 Mn PAT (Net Income), strategic plan by FY20

Strong Balance Sheet Supported by Healthy Cash generation





Cash flow (Cr.)	FY18
Cash Profit (After Tax)	552
Operating Cash Flow	604
Capex	525
Net Cash flow	**79**

Financial Performance: Income Statement & Balance Sheet

P&L (Cr.)	FY17	FY18
Revenue	2,594	3,205
EBIDTA	542	789
EBITDA %	*21%*	*25%*
Depreciation	159	182
EBIT	383	606
EBIT %	*15%*	*19%*
Interest	123	104
PBT	260	503
Tax	40	133
Net Income (After Minority Interest)	201	334
ROCE %	*21%*	*30%*

Balance sheet (Cr.)	As on 31st Mar, 2017	As on 31st Mar, 2018
Net Worth	925	1,257
Net Debt	919	884
Total	*1,844*	*2,141*
Fixed Assets	1,238	1,586
Net Working Capital	606	555
Total	*1,844*	*2,141*

On Accelerated Growth Track

Levers of ex Growth

A. *Multiplier of Global Fiber Demand Led by 5G*

B. *Latent India Demand for Product and Services*

C. *Strong Execution; Capability & Market Access Drivers*

Simplified Business Model with predictable Outcome & ex Growth

Thank You