



18 July 2019

Earnings Call– Q1' FY20



Certain words and statements in this communication concerning Sterlite Technologies Limited (“the Company”) and its prospects, and other statements relating to the Company’s expected financial position, business strategy, the future development of the Company’s operations and the general economy in India & global markets, are forward looking statements.

Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to differ materially from those expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future.

The important factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements include, among others, changes in government policies or regulations of India and, in particular, changes relating to the administration of the Company’s industry, and changes in general economic, business and credit conditions in India.

The information contained in this presentation is only current as of its date and has not been independently verified. No express or implied representation or warranty is made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this presentation. None of the Company or any of its affiliates, advisers or representatives accepts any liability whatsoever for any loss howsoever arising from any information presented or contained in this presentation. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this presentation. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the Company.

The Company may alter, modify or otherwise change in any manner the contents of this presentation, without obligation to notify any person of such revision or changes.

Persons should consult their own financial or tax adviser if in doubt about the treatment of the transaction for themselves

These materials are confidential, are being given solely for your information and for your use, and may not be copied, reproduced or redistributed to any other person in any manner. The distribution of this presentation in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this presentation should inform themselves about and observe any such restrictions

Anand Agarwal

CEO



Industry is Witnessing Major Tech & Capex Shifts

5G

*has
arrived*

**Massive
Data Centres**

*by cloud
companies*

**Connected
Everything**

*Enterprises
embrace IoT*

Virtualization

*Software
disrupting
networks*

Massive
Data
Cloud
Companies

5G

is here

1.2 Billion

5G Connections by 2025

Early 5G commercial launches
across major markets

S Korea • China • USA++

**Massive
Data
Centers**
*by cloud
companies*

\$66 Billion

of cumulative annual capex
for just the 3 players

Google

102% YoY

 **Microsoft**

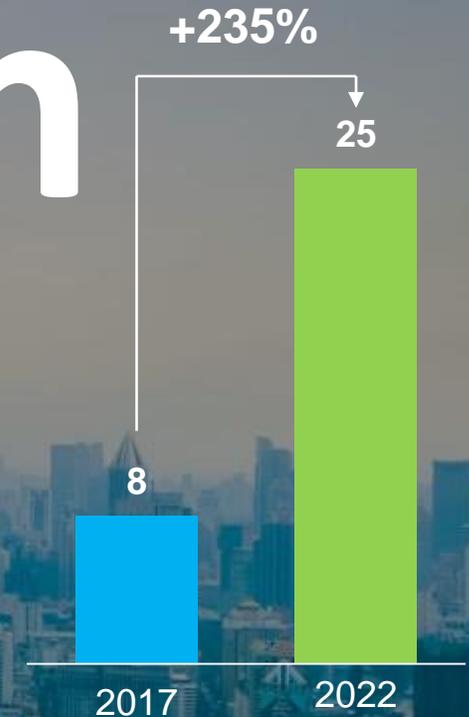
~2X in 2 years

amazon

64% YoY

**Connected
Everything**
*Software
Enterprises
embrace
IoT*

25 billion
IoT connection in 2022



Dense Fiberization Essential for New Age Networks

Tower Fiberization across the globe

70%

4Bn fkm
deployed

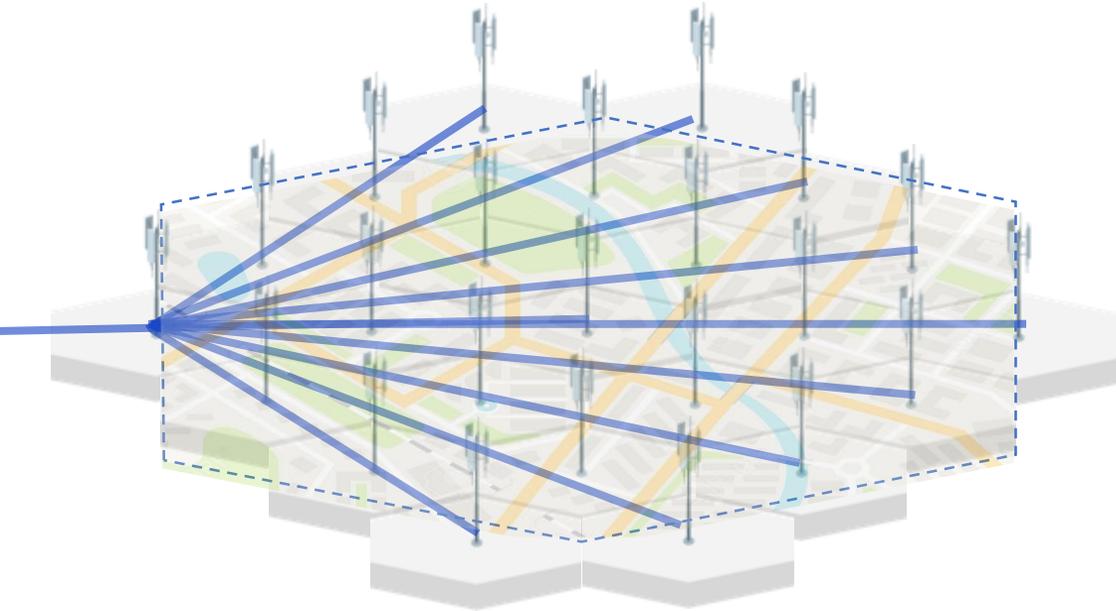
25-30%

Today

For 5G

5G will require
20-30x

the number of cells of a
conventional cellular network



Majority of our map will have 5G...We are doing 1,000 fibre miles a month.



Hans Vestberg, CEO Verizon

Fibre Deployment is Key for 5G Rollout

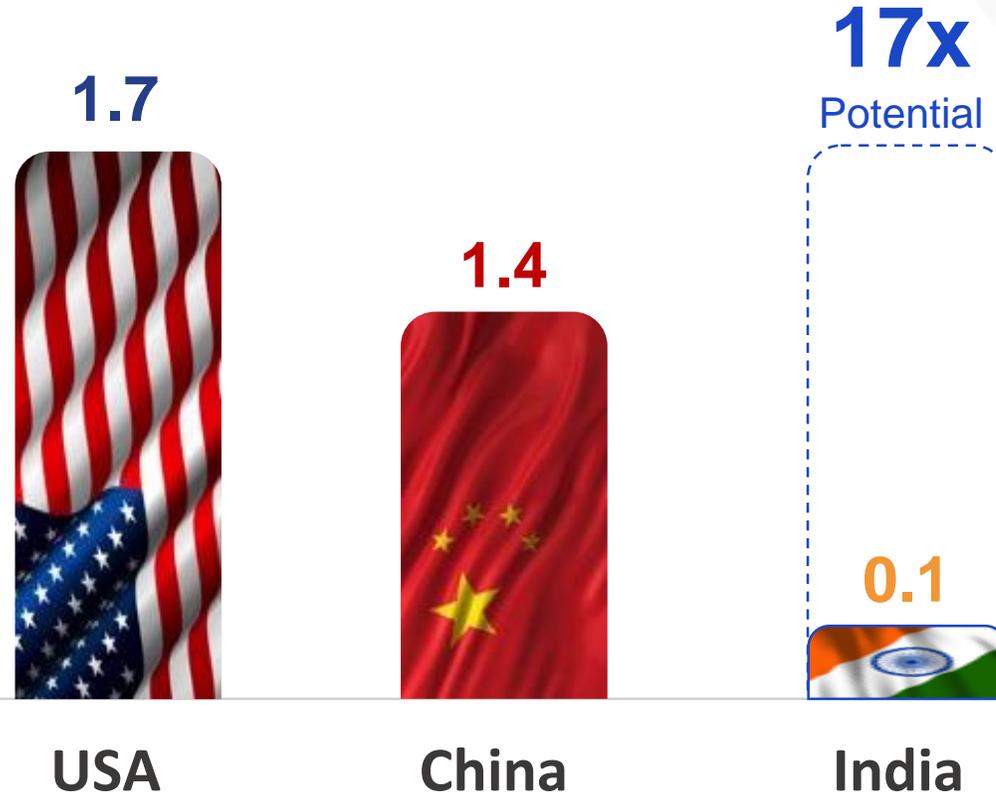


Chuck Robbins, Chairman CISCO

India at the Start of Network Creation Cycle

India has
**huge
fiberization
potential**

Fiber Kms per Capita



Creating Unique Opportunities for STL



Large amount of
fiber networks to
be built

New Growth
Areas erstwhile
protected by
Vendor Lock-ins

Customers
looking for End to
End Technology
Partner

Large & Growing
Home Market

Increasing addressable Market to **\$75bn**

1 Data Networks Innovator

For the network creators

Core Business

3 System Based Solutions including Connectivity, Network Services and Software

Innovation
Engines

4

Customer
Segments



Communication
service providers



Citizen
networks



Large
enterprises



Cloud & content
providers

273 Patents

3 Innovation Centers

3300+ Employees

With Clear Focus on



A



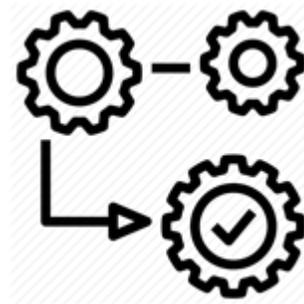
**Customer
Engagement**

B



Technology

C



Execution

D



**Global
Delivery &
Supply Chain**

E



Talent

Applications Based Solutions for Evolving Needs of Customers

Customer

Global Large Telco

Disruptive Telco

Hyperscale Cloud Company

Application

High Speed FTTx

Seamless Wifi offload

High capacity with extremely low latency

Solution

STL Algorithmic FTTx Solution –
Industry first end-to-end Fibre to the point Solution

STL PODS Solution –
Up to 30% Decongested Network

STL TruRibbon Solution –
4x faster installation compared to legacy high-density fibre solution



Applications Based Solutions for Evolving Needs of Customers

Customer

Pan European Telco

Global Cloud Co.

India Top 3 telco

Application

Increase transmission capacity in existing infra

High speed data transfer with power

Increase customer retention

Solution

STL Bullet Series

- *30% time saving
Faster Installation*
- *5x more storage
Space utilisation*
- *1.5 dB
Power budget cushion*

STL PoE Solution

Up to 40% saving in pathway materials



STL Intelza Solution

Up to 70% increase in monetization revenue



Modernizing Indian Navy Communication

PROJECT
VARUN

ONE TEAM
ONE GOAL
**ONE
VARUN**

- 44 locations
- 42 partners
- Indian Navy
- DoT



- **World-class Naval Communication Network**
- **End to End Secure network, data centers**
- **SDN segment routing**
- **Big Data, Content Delivery Network**
- **Satellite Connectivity**
- **Virtualized Private Cloud**

Mahanet

A transformative digital inclusion project

STL way of execution

- Future ready
- IP MPLS architecture
- Robotics
- Automated project management
- Power & Solar infrastructure

7.5 Million

People

4,045

Gram Panchayat's

18,000 kms

Optical fibre



Kakinada Smart City: Modernizing India



Positively impact
3.25 lakh lives
with smart IoT
driven infrastructure



Futuristic ecosystem
DC, CCC, NOC

World Class Facility Onboarded!



Silicon to Fiber

State of the art integrated manufacturing plant in Aurangabad

Industry 4.0

Fully automated machines with Robotic Operations

Energy Efficient

Total gas management and pollution abatement systems

Clean Room

World class infrastructure with integrated HVAC systems



State of the Art plant, set up in record time!



- **Integrated Business Planning with Global Supply Chain**
- **Doubling Capacity within an year of acquisition**
- **Addition of Marquee Customers in Europe**

We are Attracting Best in Class Global Talent!



Great Place To Work®
Certified
JUN 2019–MAY 2020
INDIA



Fulvia Bortolotto
*Application engineer
Tier 1 Operators*



Rakesh Sambaraju
*Head – Business
Development,
Hyperscale, USA*



**Sushil
Agarwal**
*COO-
Network Services*



Shantanu Kulkarni
*Head-
Next Gen OSS/BSS
R&D Head*



**Radheshyam
Soni**
*Head Global Delivery,
Network Software*



Rohit Aggarwal
*Head- Contract
Management,
Network Services*

Anupam Jindal

CFO



Q1FY'20 – Sustainable Delivery of Performance



₹ 1,432Cr

Revenue

63% Y-o-Y increase



₹ 332 Cr

EBITDA

32% Y-o-Y increase



₹ 141 Cr

PAT

17% Y-o-Y increase



28%

ROCE



36%

% Exports



₹ 9,853 Cr

**Strong Healthy
Order Book**



273

Patents

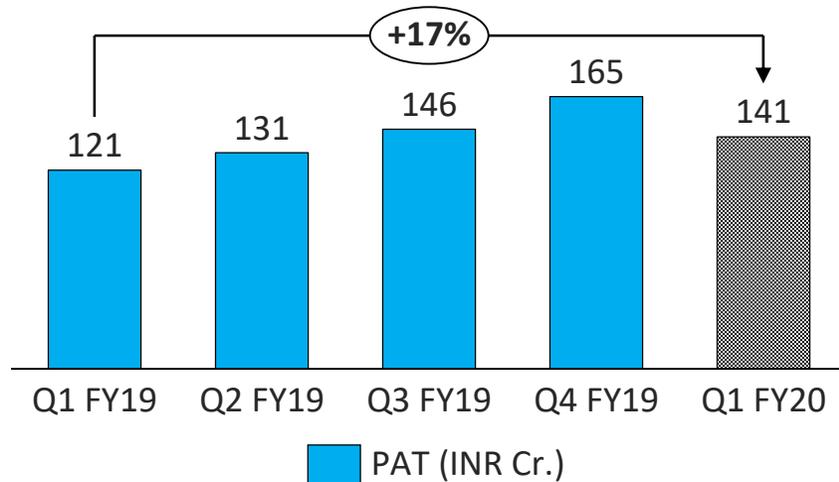
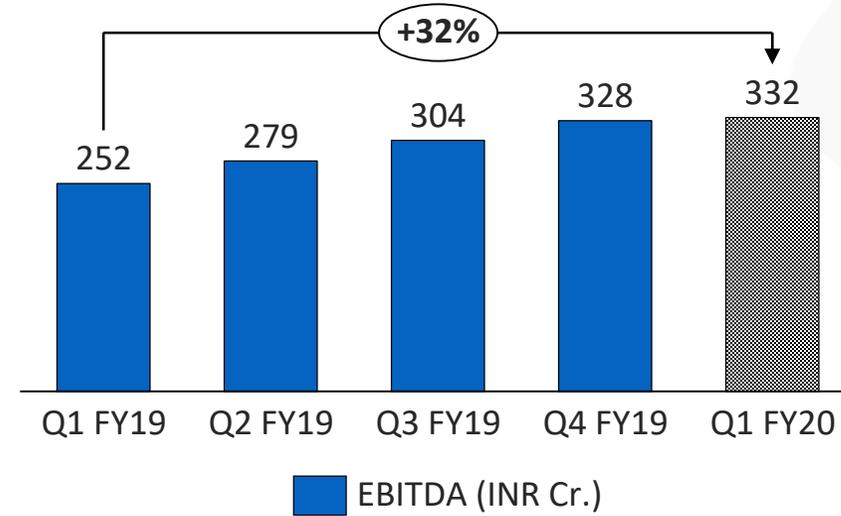
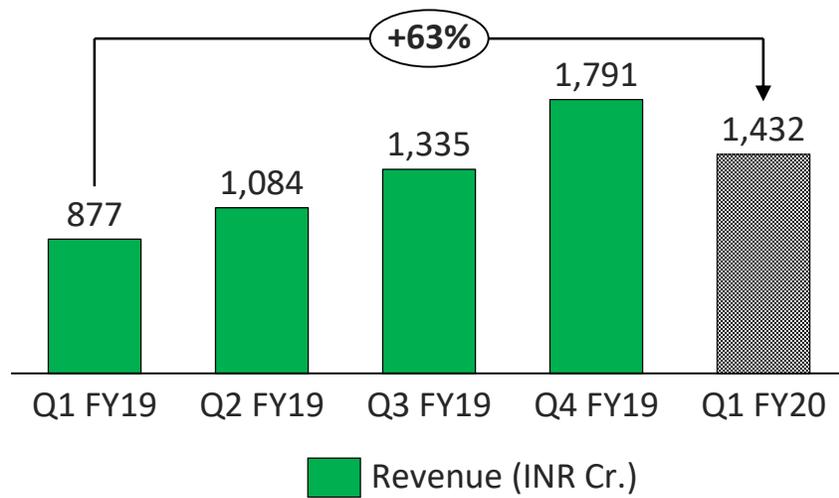
45% Y-o-Y increase



21%

**New Product to
Revenue**

Delivering Sustainable Growth

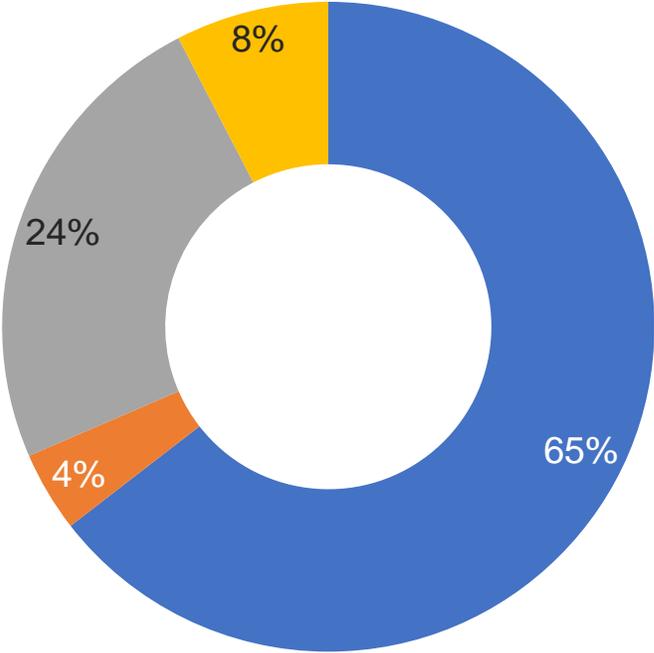


- Revenue 1432 Cr. (63% y-o-y growth)
- Highest ever EBITDA of Rs. 332 Cr. (32% y-o-y growth)
- PAT 141 Cr. (17% y-o-y growth)

STL- Global Growth

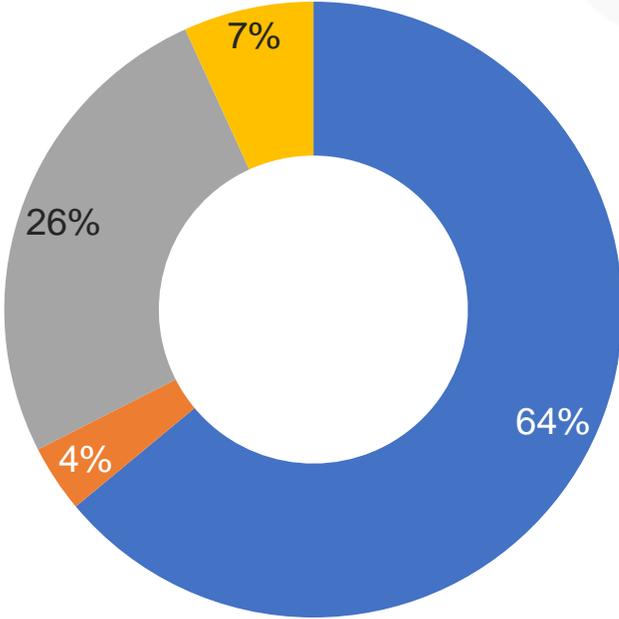


FY19 Revenue



INR 5087 Cr

Q1FY20 Revenue



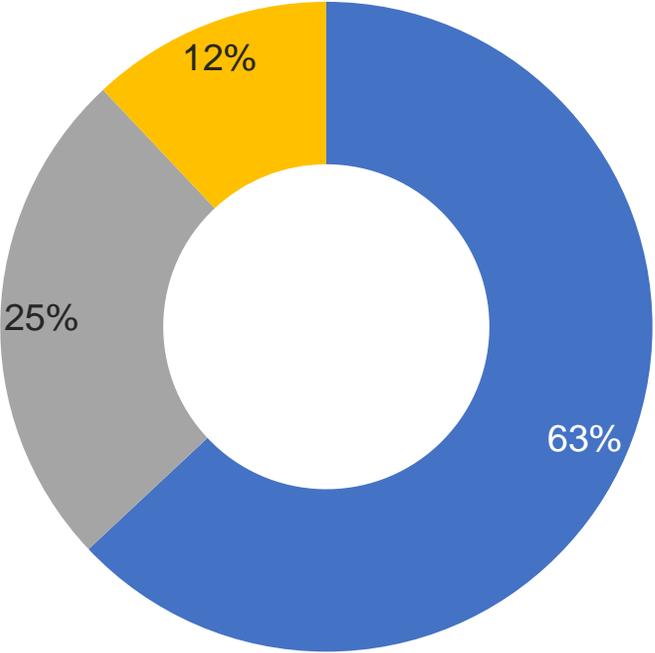
INR 1432 Cr

India China Europe ROW

STL – Expanding Customer Base

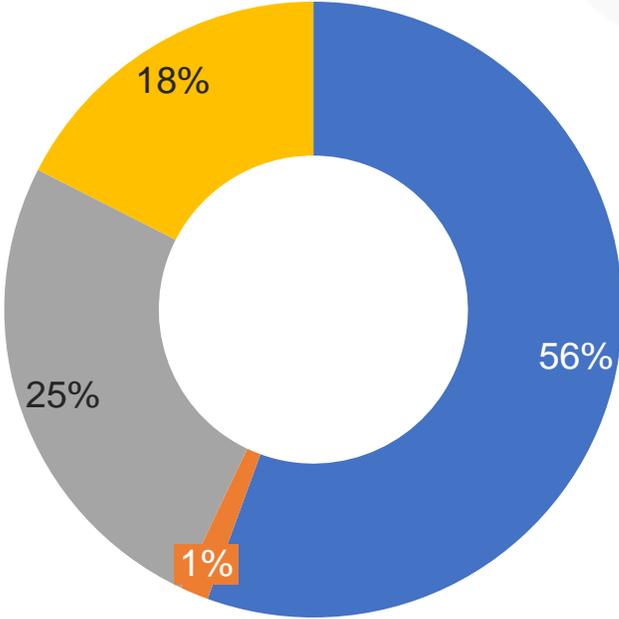


FY19 Revenue



INR 5087 Cr

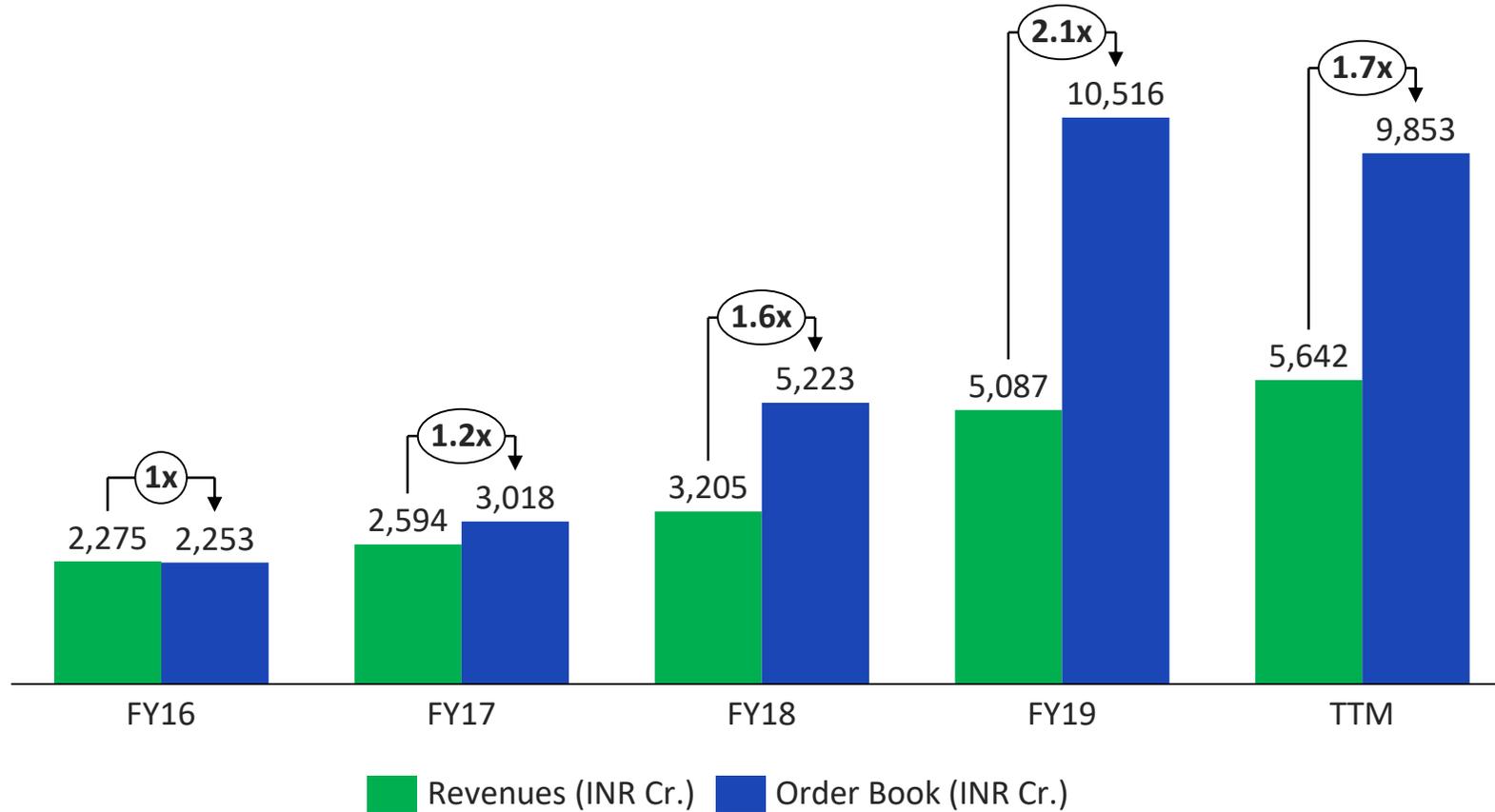
Q1FY20 Revenue



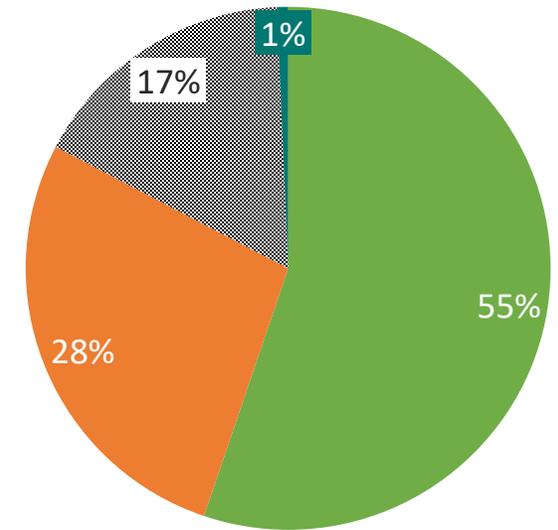
INR 1432 Cr

Telcos **Cloud Players** **Enterprises** **Citizen Networks**

Strong Healthy Order Book Providing Long Term Visibility



Order-book mix



- Telcos
- Enterprise
- Citizen Networks
- Cloud Players

Growth

- Profitable Organic Growth
- EPS accretive strategic acquisitions
- Commitment to R&D and Talent

Earnings

- Drive sustainable EPS growth
- Attain earning objectives across economic cycles
- ROCE > 25%

Capital Allocation

- Focus on Free Cash Flow Generation
- Sound Leverage and Working Capital Ratio
- Stated dividend policy with consistent returns to shareholders

Strong Corporate Governance

Financial Performance



P&L (INR Cr.)	FY19	Q1FY20
Revenue	5,087	1,432
EBIDTA	1,164	332
EBITDA %	23%	23%
Depreciation	195	68
EBIT	969	264
Interest	105	46
PBT	864	217
Tax	278	73
Net Income	563	141
ROCE %	34%	28%



beyond tomorrow