

Sterlite Technologies records strong 67% EBITDA growth in H1 FY16

- Continues to play an integral role in driving broadband and transmission growth in India

Highlights:

- Company presents strong set of financial performance numbers for the quarter and half year ending 30th September 2015
- Company completes acquisition of Elitecore Technologies, adding distinctive capabilities in the telecom software solutions space
- Company's receives long term credit rating of AA – (pronounced "AA minus") & short term rating A1+ (pronounced A1 plus) by ICRA
- Demerger plan as announced in May 2015 remains on track and is expected to be completed by March 2016

NEWS RELEASE
FOR IMMEDIATE PUBLICATION

Pune, India – October 26, 2015: Sterlite Technologies Limited "Sterlite" [BSE: 532374, NSE:STRTECH], a leading global provider of solutions for the high-speed data transmission and power transmission networks, today announced its results for the quarter and half year ended September 30, 2015

Relevant business highlights

- Driven by Digital India focus towards broadband becoming a utility in India and Indian telecom networks requiring significant investments in order to migrate to high-speed data networks, the opportunity landscape today in the country is unprecedented. Sterlite has been investing in creating a world class company with a unique set of capabilities to capitalize on this opportunity. The recent acquisition of Elitecore Technologies serves as one step in this direction
- Sterlite continues to focus on addressing customers' network problems in a consultative and collaborative way. "NOVA Fiber" a recent and innovative solution was developed in close collaboration with one of India's leading telecom operator to address the pressing problem of increased signal loss due to poor network conditions. In another project, a customized optical fiber cable solution has been developed for the Gurgaon Rapid Metro Project that solves complex installation problems in Metro



signaling systems. In the international market, Sterlite has increased its optical fiber product footprint in Europe by helping a leading global operator expand its network across 50 Towns and over 500,000 buildings in Ireland

- Within the telecom services segment, the focus is on bringing in best in class network engineering and project execution capabilities as we roll out the NFS project in one of the most challenging terrains in the country. The project is on schedule and we expect to deliver to the Government a state-of-the-art intrusion proof network in 2016
- The power business is returning back to normalized working levels and we are seeing a good response from utilities to engage with us to develop newer and more cost effective power transmission infrastructure utilizing products such as OPGW and power cables
- Sterlite Grid business continues to invest in technology and processes to improve the power transmission infrastructure in the country. We have recently joined hands with Burns & McDonnell to introduce world class engineering and construction methodologies in power transmission projects

Financial Highlights for the Company (Standalone) for the quarter and half year ended September 30, 2015

- Revenues for the Q2 FY16 were at Rs 1056 crore, up 8% on the previous quarter and 78% when compared Q2 FY15. Overall revenues for H1 2016 were at Rs 2031 crore, higher by 76% as compared to H1 2015
- EBITDA for the quarter was at Rs 136 crore, up 14% on the previous quarter and 67% as compared to Q2 FY15. On a half yearly basis the EBITDA was at Rs 256 crore, up 67% as compared to H1 2015
- Well diversified revenue base across telecom and power business with overall 25% of revenues coming from exports
- Profit after taxes (PAT) also shown very robust growth – PAT for Q2 2016 at Rs 29 crore, up 45% on the previous quarter and 134% when compared to Q2 2015. PAT for the half year was at Rs 50 crore up 125% as compared to H1 2015
- In May 2015 the Company announced that it would demerge its power businesses into a separate undertaking. The demerger proceedings are progressing as per schedule and expected to close in March 2016 subject to routine regulatory approvals from the High Court, creditors and shareholders

Financial Highlights for the Telecom business (Standalone) for the quarter and half year ended September 30, 2015

- Revenues from the Telecom products and solutions business for the quarter were Rs. 478 crore, up 13% on the previous quarter. For the half year the revenues were at Rs 902 crore a 48% increase as compared to H1 2015
- EBITDA for the quarter was at of Rs 112 crore, a growth of 11% on a quarterly basis and 47% as compared to Q2 FY15. H1 2016 EBITDA was at Rs 213 crore, a 46% increase as compared to H1 2015
- Optical Fiber (OF) Volumes were 4.7 million fiber Kilometers while volumes of Optical Fiber Cables (OFC) were 2 million fiber Kilometers with the fiber-to-cabling mix at 43% during the quarter in line with the previous quarter

Financial Highlights for the Power business (Standalone) for the quarter and half year ended September 30, 2015

- Revenues from the Power products and solutions business for the quarter were Rs. 562 crore, a marginal increase of 5% over the previous quarter and nearly double of Q2 FY15. For the half year, the revenues were at Rs 1099 crore, up 113% due to one off conditions in the previous year
- EBITDA for the quarter was at Rs 25 crore, a growth 33% as compared to the previous quarter, EBITDA for the half year was at Rs 43 crore reflecting a return to more normalized performance for the business
- Power conductor volumes for the quarter were 30,176MT in line with the previous quarter
- Revenues for the power transmission business were Rs.109 crore for Q2 FY16, with EBITDA of Rs 100 crore. Of the seven projects in the portfolio 3 of the projects are now fully operational and have been generating revenues as per the agreed tariffs. The additional 4 projects are expected to be commissioned as per our original schedule

Commenting on the results, **Pravin Agarwal, Vice Chairman, Sterlite Technologies Ltd.**, said, "We had an excellent quarter amidst a not so encouraging macro backdrop. We continue to be positive and optimistic on the developments within the company as well as in the markets we operate. Globally data consumption continues to grow as per our expectations and as the next generation of networks is created, we are investing in building an organization with strong capabilities built on world class manufacturing capabilities. The combination of capacities and capabilities should help to deliver our longer term vision of being the partner of choice of telecom operators as well as power utilities globally. "

Standalone Financials

	Q2 FY 16	Q1 FY 16	Q2 FY 15	6M FY 16	6M FY 15	FY 15
Net Revenues (INR Cr)	1056	975	592	2031	1156	3030
Net Revenues (Mn USD)	165	152	93	317	181	473
EBITDA (INR Cr)	136	119	81	256	153	386
EBITDA (Mn USD)	21	19	13	40	24	60
Net Income (INR Cr)	29	20	13	50	22	84
Net Income (Mn USD)	5	3	2	8	3	13

INR to USD at 64

ABOUT STERLITE TECHNOLOGIES

Sterlite Technologies Limited (STL) develops & delivers solutions for high speed data communication and power transmission networks, globally. STL is among the global leaders in all its business areas through its operations in India, China & Brazil. STL is developing several network projects across India including secure communication network creation in Jammu & Kashmir for Indian army, enabling BharatNet, establishing urban high speed fiber to the home (FTTH) networks and multiple interstate ultra mega power transmission projects. Listed on Stock Exchanges BSE & NSE in Mumbai, India, Sterlite Technologies is a public company with broad shareholder base. The company has recently announced a demerger of its power products and transmission business into a new company. Sterlite Technologies to remain a pureplay telecom focused company.

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Forward-looking and cautionary statements: Certain words and statements in this release concerning Sterlite Technologies Limited and its prospects, and other statements relating to Sterlite Technologies' expected financial position, business strategy, the future development of Sterlite Technologies' operations and the general economy in India, are forward looking statements. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of Sterlite Technologies Limited, 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 Sterlite Technologies' present and future business strategies and the environment in which Sterlite Technologies Limited 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 Sterlite Technologies' industry, and changes in general economic, business and credit conditions in India. Additional factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements, many of which are not in Sterlite Technologies' control, include, but are not limited to, those risk factors discussed in Sterlite Technologies' various filings with the National Stock Exchange, India and the Bombay Stock Exchange, India. These filings are available at www.nseindia.com and www.bseindia.com.

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