Sterlite Technologies announces acquisition of global telecom software company Elitecore Technologies

- In line with Sterlite's overall strategy of widening telecom portfolio of offerings to its global customers with software solutions for operations support, business support and revenue management

- Elitecore's portfolio enables Sterlite to serve Telco operators' mission critical applications that drive profitability and scalability

- Acquisition for an overall enterprise value of approximately Rs180 crore in an all cash deal.

NEWS RELEASE
FOR IMMEDIATE PUBLICATION

Pune, India – September 22, 2015: Sterlite Technologies Limited ("Sterlite") has entered into a definitive agreement for the acquisition of Elitecore Technologies Private Limited ("Elitecore"), a global telecom software product company. Elitecore is a leading provider of Operations Support Services / Business Support Services and is majority owned by First Carlyle Ventures Mauritius, whose affiliate is advised by The Carlyle Group. Elitecore was established in 1999 by highly experienced software technocrats with over 20 years of experience. Today, it is ranked amongst one of the leading product-centric IT companies from India that has a global customer base.

Elitecore has a rich product portfolio, robust technology platform, strong customer track record and excellent partnerships. Over the last few years, Elitecore has made significant inroads in both Indian and global telecom operators and has expanded its geographic footprint to include South East Asia, Middle East & Africa and lately Eastern Europe and Latin America. Elitecore is a profitable niche player with FY 15 revenues of Rs147cr and EBITDA of Rs16cr and is cash positive on a net debt basis. The company has been continuously profitable for the last 7 years and the financial performance would continue to improve given the strategic decision to build its service capabilities and focus on investing in right growth product categories.

Rationale and transaction highlights

- This acquisition widens Sterlite's telecom portfolio of offerings to its global customers – in addition to its current offerings comprising optical products and allied system integration services, Sterlite will now offer industry leading software solutions for operations support, business support and revenue management.

- Sterlite has taken a strategic decision to capitalize on the broadband data network creation globally by offering a larger range of products and solutions especially focusing on the high value product segments. Elitecore's portfolio enables Sterlite to serve Telco operators' mission critical applications that drive profitability and scalability.

- This acquisition opens up access to a large multi-billion dollar market which, when combined with the

existing large and expanding market for optical products globally, significantly enhances the overall growth opportunity for the company.

- The asset light, non-linear business model of Elitecore offers complementary advantages to Sterlite's current business model catering to requirements of high speed data networks in India and globally.

- Sterlite is committed to growing its optical products business and has implemented expansion plans to increase capacity. It has also undertaken efforts to scale up revenue contribution from services and solutions and the addition of Elitecore's operation will offer significant impetus to the revenue contribution from services.

- Both Sterlite and Elitecore cater to some of the largest telecom service providers globally and this acquisition will enable both companies to cross-sell their suite of offerings.

- This acquisition will be for an overall enterprise value of approximately Rs180cr in an all-cash deal. The transaction is expected to be value accretive by FY17 and is expected to be closed shortly subject to completion of certain regulatory and statutory formalities. Upon completion of the transaction, Elitecore Technologies is proposed to be merged into Sterlite Technologies.

- Sterlite was advised by Cyril Amarchand Mangaldas on legal matters, PwC on financial diligence, EY on taxation matters and KPMG on transaction structuring matters. Carlyle and Elitecore Technologies were advised by NRS Advisors and Systematix Capital on transaction structuring, J Sagar Associates on legal matters and KPMG on taxation matters.

Commenting on the transaction, **Pravin Agarwal, Vice Chairman, Sterlite Technologies Ltd**., said, "The transaction follows our strategy to undertake attractive M&A opportunities in the entire telecom value chain. Elitecore has had an excellent performance record, with its management and employees having a wealth of experience and expertise in developing solutions for telecom companies. The acquisition is a lever for Sterlite to create new inflections in the telecom arena that are in line with Sterlite's long-term goals of being an integrated telecom solution provider."

Commenting on the transaction, **Nikhil Jain, MD & CEO of Elitecore Technologies** said, "We are very excited about what is a completely transformational development for our Company. With its product-led innovation, cost leadership, geographic reach and proven delivery capability, Sterlite has built a solid reputation with leading global telecom companies in some of the world's most challenging business environments. Elitecore's growth will benefit immensely from Sterlite's market access, geographic reach, delivery capability and financial strength. My team looks forward to join 'Sterlite' and further our shared vision to deliver optimal solutions for our customers' evolving needs."

Commenting on the transaction, **Shankar Narayanan, Managing Director of The Carlyle Group, and Co-Head of the Carlyle Asia growth capital team,** said, "Elitecore is a great example of a win-win corporate-private equity relationship where Carlyle has partnered with a management team with passion, resourcefulness and integrity to build a world-class telecom product and solutions business. I am pleased that Carlyle has been able to leverage its global resources and network of portfolio companies to help Elitecore achieve superior growth and transform the business. We are proud to have been associated with the Company and the management team and wish them great success."

ABOUT STERLITE TECHNOLOGIES
Sterlite Technologies Limited (STL) develops & delivers products, solutions and infrastructure for telecom & power transmission networks, globally. STL is among the global leaders in all its business areas of Optical Fibre, Fibre Optic Cables,Power Conductors and HV / EHV Power Cables through its operations in India, China & Brazil. As the most integrated Optical Fiber Company in the world, STL is pioneering Fibre-to-the-Home (FTTH) deployment in India to enable high speed broadband connectivity. STL is developing several power transmission infrastructure projects spanning over 5,500 Circuit Kms, across India. Listed on Stock Exchanges BSE & NSE in Mumbai, India, Sterlite Technologies is a public company with broad shareholder base.

ABOUT THE CARLYLE GROUP

The Carlyle Group (NASDAQ: CG) is a global alternative asset manager with $193 billion of assets under management across 128 funds and 159 fund of funds vehicles as of June 30, 2015. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments – Corporate Private Equity, Real Assets, Global Market Strategies and Investment Solutions – in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense & government services, consumer & retail, energy, financial services, healthcare, industrial, real estate, technology & business services, telecommunications & media and transportation. The Carlyle Group employs more than 1,700 people in 35 offices across six continents.

ABOUT ELITECORE TECHNOLOGIES LIMITED

Established in 1999, Elitecore Technologies is a global provider of software product and services company with over 15 years of experience in delivering BSS, Packet Core and Carrier Wi-Fi Solution with flexibility of modular as well as pre-integrated offerings. Elitecore has proven case references with over 150 deployments for 52 CSPs across 40 countries. Being a traditional IP solutions player, Elitecore products are highly responsive to next-generation services, fulfilling operator's monetization and customer experience needs ensuring faster time-to-market and reduced TCO. Gartner in its Magic Quadrant report for IRCM (Integrate Revenue and Customer Management) 2014 has rated Elitecore as one of the fastest growing companies and listed it as a "Niche player" . Elitecore is the Winner of Deloitte Fast 50 . Elitecore's other products include 24 online access gateway and NEOX IP Telephony. Headquartered in Ahmedabad, Elitecore has a team of over 700 strong industry professionals spread across its offices in India,SEA,UAE and Africa.

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Creating Value

Sterlite Technologies Announces Acquisition of Elitecore Technologies

Disclaimer

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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.

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This presentation was last updated in September 2015.

Established in 1999, Elitecore is a **Telecom Software Product and Services** company having **global presence** in providing **monetizing and customer experience** solution to **CSPs.**

150+
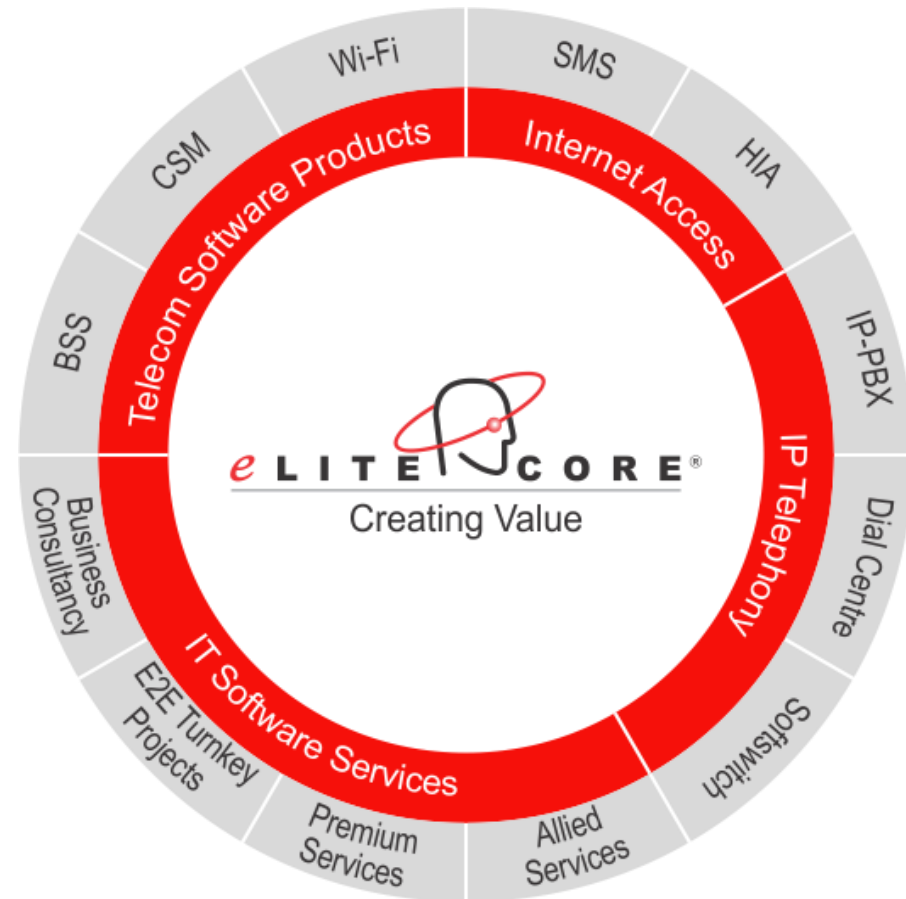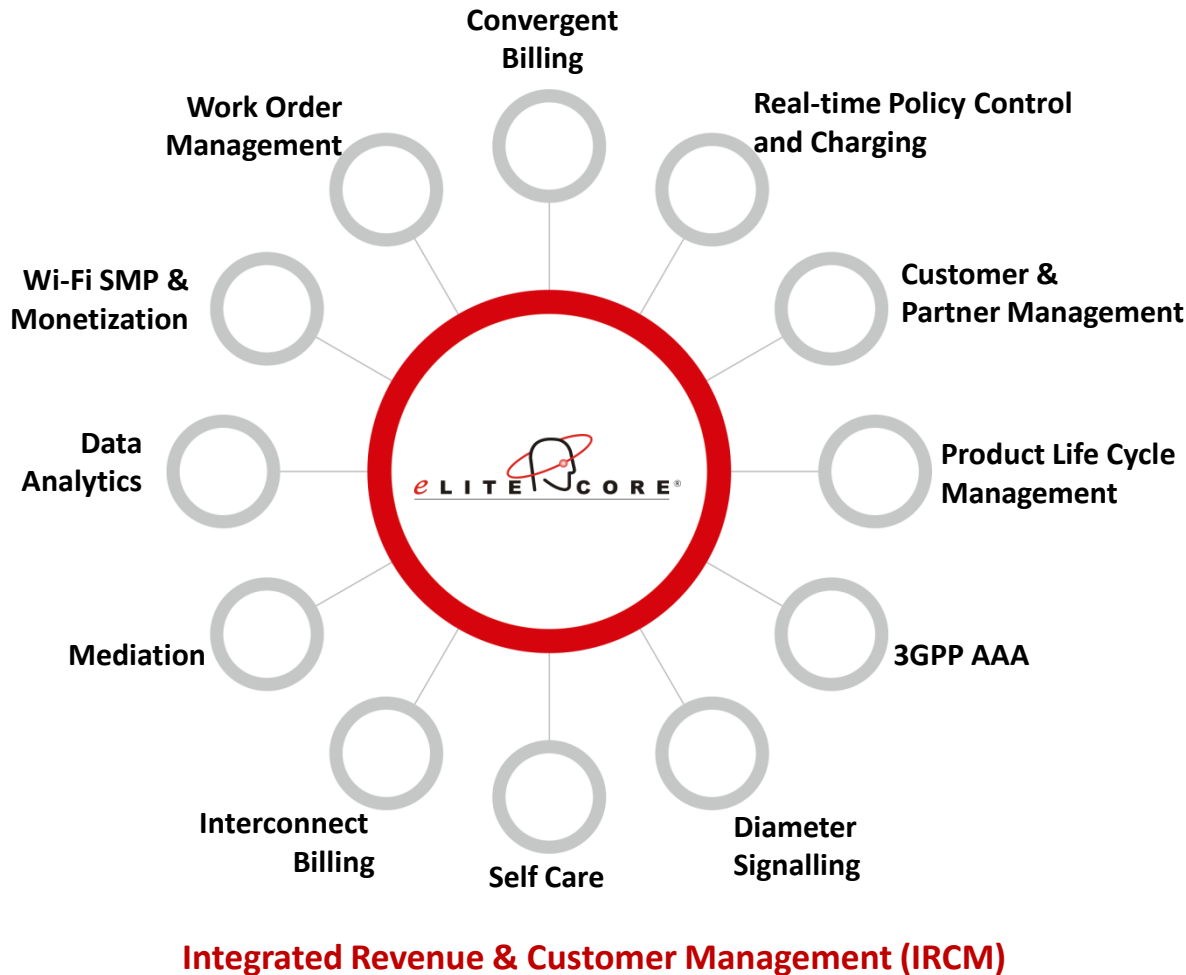Network Deployments
in 40+ Countries

700
Employees

2 Billion
CDRs processed
per day

11
of the Top 30 Global Telecom Operators
on Elitecore Platform

eLITE**CORE**®

Integrated Revenue & Customer Management (IRCM)

Our Products are

- Vendor & Access Agnostic
- Pre-integrated yet Modular Architecture

For multiple Networks,

- Fixed Line
- Mobile
- Wi-Fi

Supports,

- Prepaid
- Postpaid
- Residential
- Enterprise

Delivered Through

- In-premise
- Cloud/Virtualized Ready
- Managed Services
- Capex / Opex

Monetization of
Next Generation Networks

Real Time Analytics

Real Time Customer
Experience management

IT Software Services

Business Consultancy

- Business Process Re-Engineering
- Domain Consultancy Services
- Product Professional Consultancy Services
- Subject Matter Experts in Area

E2E Turnkey Projects

- Green field System Integration including 3rd Party Systems.
- System Rationalization and Transformation
- Manage Services

Allied Services

- Application Development and Maintenance
- System Testing
- Product Training

Premium Services

- PoC's on New Concepts ,Trends & Technologies with CSP
- Productisation of Adhoc Solution to Strategic Solution

Elitecore Advantage

Reduced TCO

Time to Market

Product Agility & Scalability

Ability to grow with the changing telecom landscape

Product Capability (2 Billion CDR's processed / day, 1600 TPS per machine with full usage metering, 3500 TPS with SOI)

Indigenously developed end-to-end BSS & Packet Core Solutions

Profitable with 53% CAGR since last 4 years

Faster monetization of next generation network

Real-time customer experience

Covers complete IRCM Functionalities

Analyst	Media	Trade Bodies
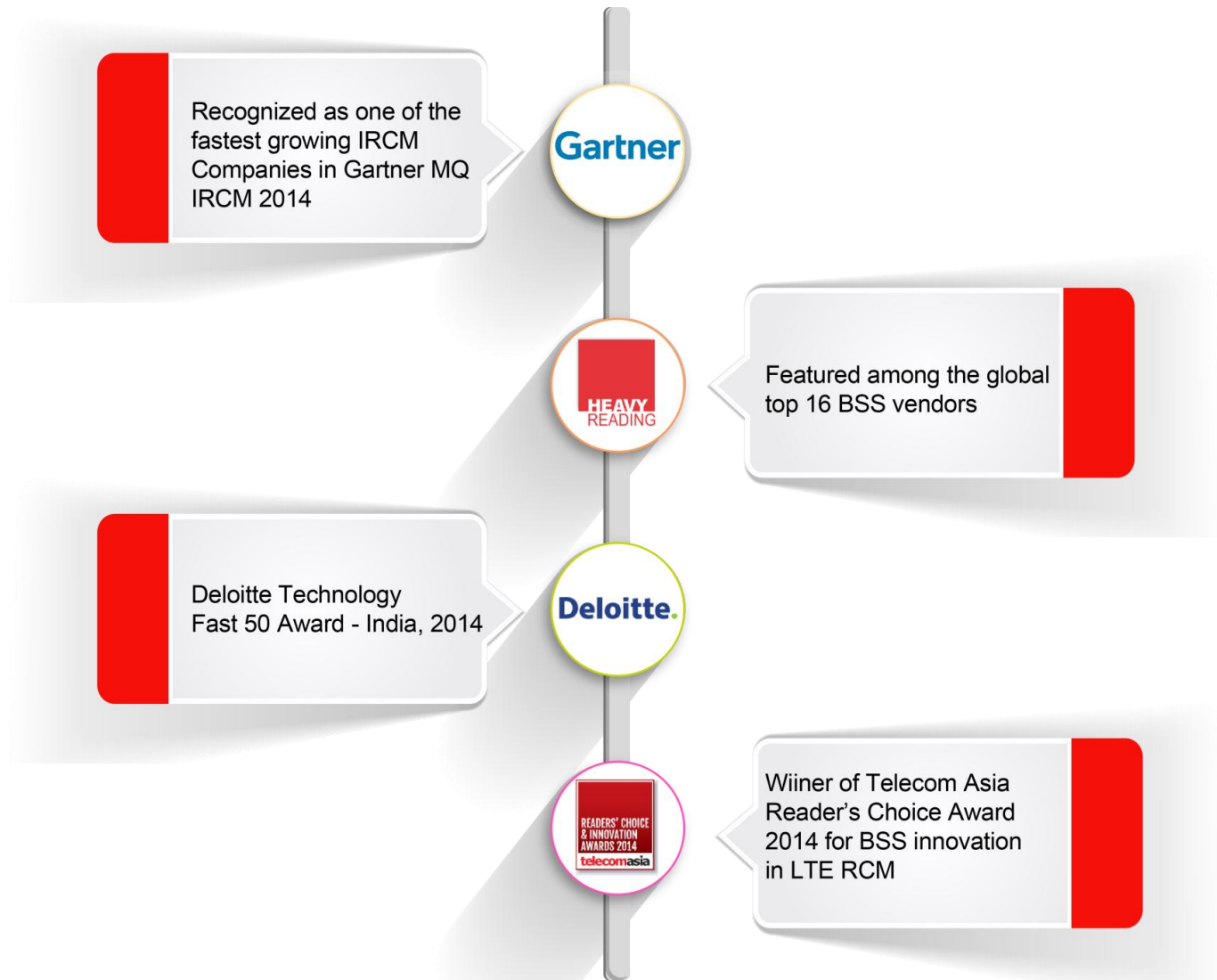
Recognized as one of the fastest growing IRCM Companies in Gartner MQ IRCM 2014

Gartner

HEAVY READING

Featured among the global top 16 BSS vendors

Deloitte Technology Fast 50 Award - India, 2014

Deloitte.

READERS' CHOICE & INNOVATION AWARDS 2014
telecomasia

Wiiner of Telecom Asia Reader's Choice Award 2014 for BSS innovation in LTE RCM

HEAVY READING

Listed among the top 16 global BSS companies

Amdocs ·
AsiaInfo ·
Cerellion ·
Comverse ·
CSG ·
Elitecore Technologies ·
Ericsson ·
Huawei ·
Matrixx ·
Metratech ·
NetCracker ·
Opennet ·
Oracle ·
Orga ·
Reknee ·
SAP ·

· Amdocs
· AsiaInfo
· Cerillion
· Comarch
· Comverse
· CSG International
· **Elitecore Technologies**
· Erricsson
· FTS
· Huawei
· NetCracker Technology
· NVision Group
· Openet
· Oracle
· Orga Systems
· Redknee
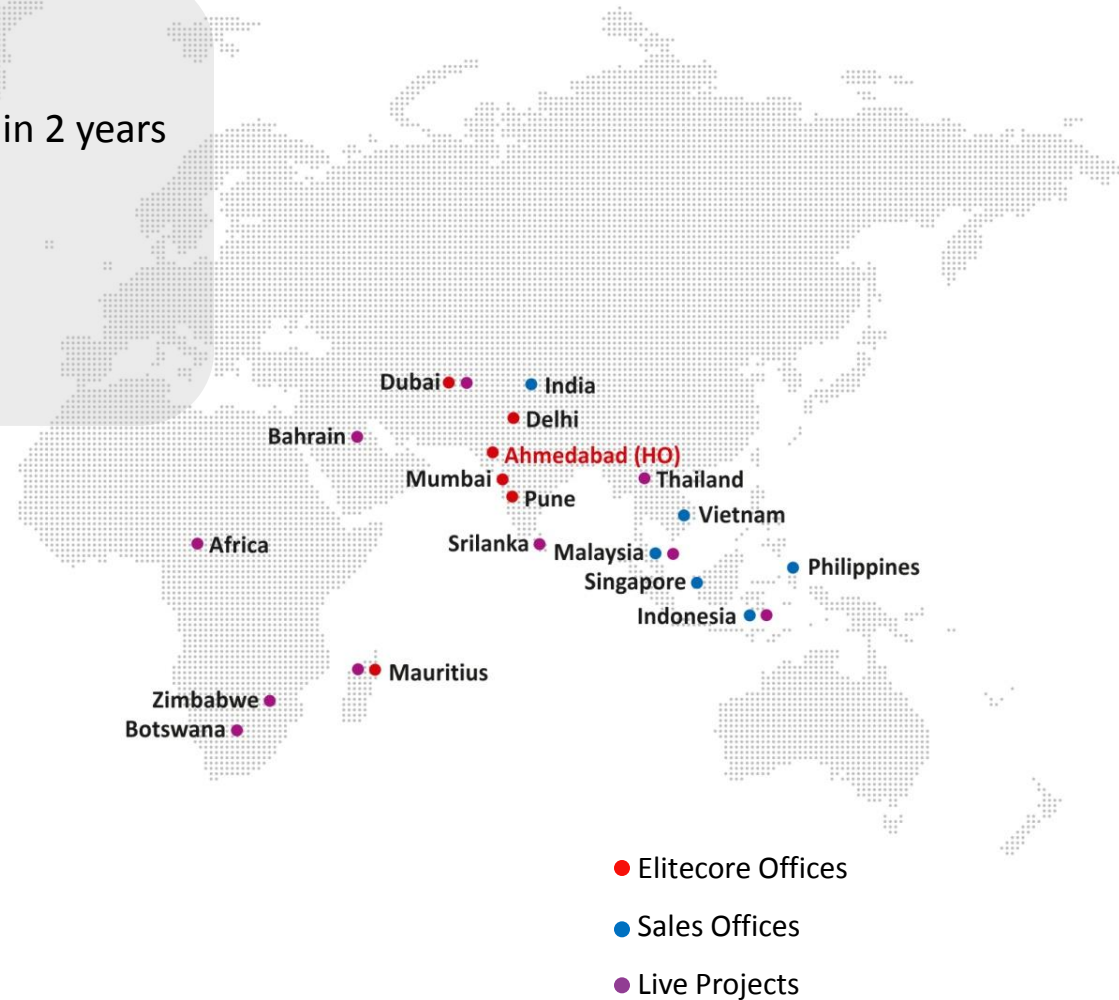· SAP
· Tecnotree
· ZTEsoft

Gartner

Listed among the top 19 global IRCM companies

Source: HEAVY READING, the Role of BSS in the Digital Revolution 2013

Source: Gartner, Magic Quadrant for IRCM for CSPs 2014

(Listed in alphabatic order)

- Serving **11** of the Top 30 Global Telcos

- **5** LTE Rollouts in leading Tier 1 Operators in 2 years

- **30+ Service Provider** Wi-Fi deployments

- **450+** Hotel & Hotspots globally

- **250+** ISP Customers

Dubai   India

Bahrain   Delhi

Ahmedabad (HO)

Mumbai   Thailand

Pune

Srilanka   Malaysia   Vietnam

Singapore

Indonesia   Philippines

Africa

Brazil

Mauritius

Zimbabwe

Botswana

- ● Elitecore Offices
- ● Sales Offices
- ● Live Projects

e LITE CORE®

Nikhil Jain
MD & CEO

One of the founding members of Elitecore Technologies, has over 15 years of experience Nikhil has brought in industry leading solutions that have created a major turnaround for Elitecore becoming a global player and gaining significant credibility in the OSS/BSS space

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Nirav Thakkar
CFO

He has over 15 years of Experience Spearheading the finance, accounts and legal function of the Group, Nirav has brought in Industry Compliant cost optimization techniques which has resulted into major turnaround for Elitecore

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Vaibhav Mehta
Sr. VP
New Business Development

He has over 15 years of Experience with a track record for Product Sales, Management & Market Development creating new business within major markets in India and across the world.

Ajay Iyer
VP, Product Delivery

He is among the core member of the company and is with Elitecore since Inception. An IT Professional with more than 15 Years of experience in managing various telecom projects has created high performance delivery teams to deliver End to End telecom solutions

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Dhaval Vora
VP , Product Management
BSS & CSM

He has over 15 years of experience involved in product positioning strategy & developing product road map. Dhaval is responsible for bringing New Technology solutions and aligning the same with respect to operator's business requirements

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Sumit Pandya
AVP – Product Engineering & R&D

One of the core team members of Elitecore with 15+ Years of rich experience in scripting New Product Line, Product Deliver, Technology Management with insights on emerging technology including Internet- security and telecommunication protocols

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Prashant Kumar
VP - BSS Practices

He has over 2 decades of rich B/OSS experience involved in Industry leading IT services and Product Delivery. He is known for his expertise in handling end to end BSS transformation projects

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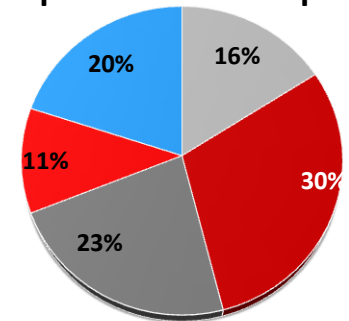
LK Pathak
VP - Marketing & Corporate Communications

Senior communications leader with over 17 years of industry experience in handling brand building and marketing communications role for the company. Played key role in building company's brand building in the global market through media / analysts relations and CSR

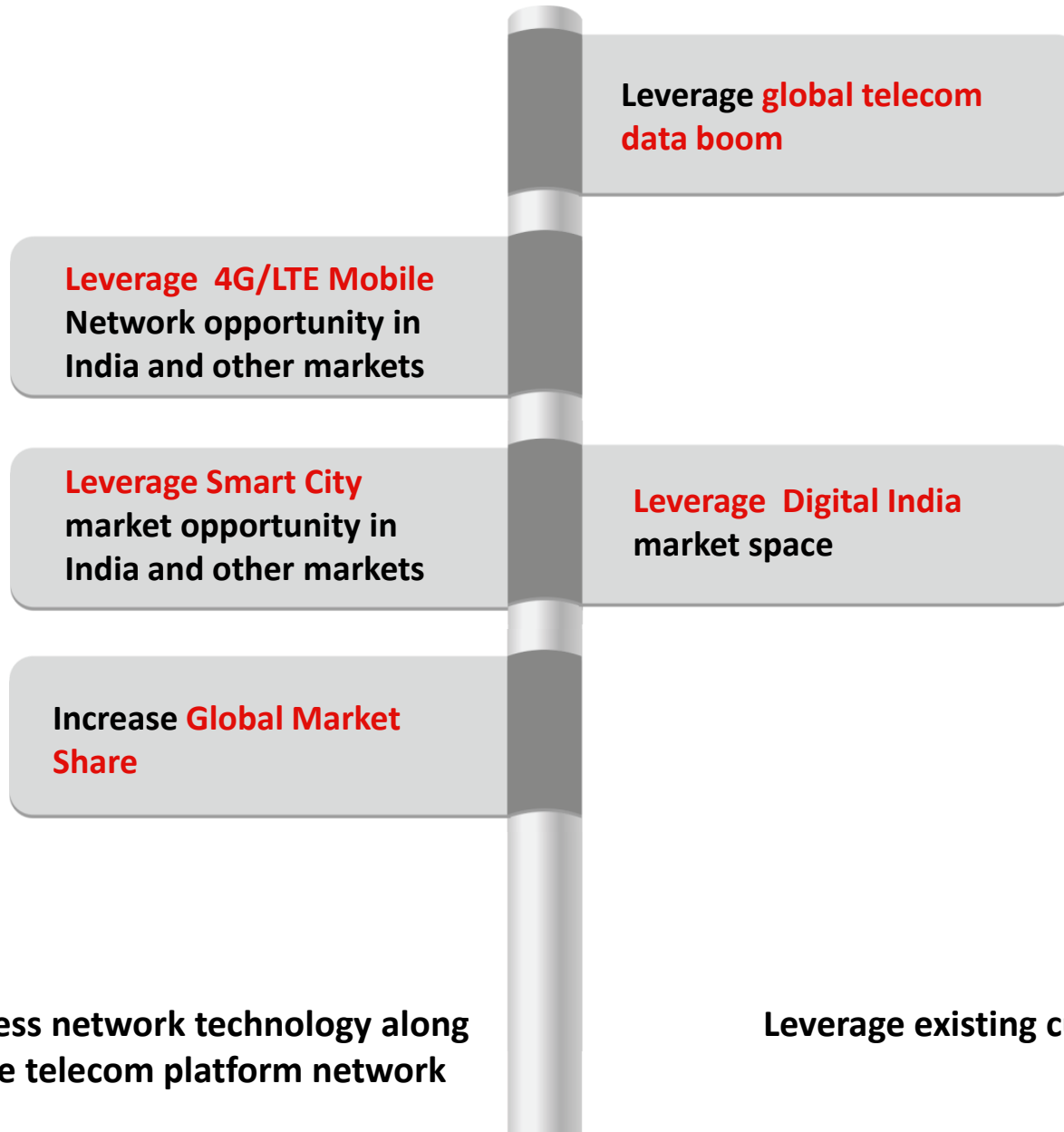-----------------

Anand Pandya
AVP – HR & Admin

He has around 15 years of professional HR experience; he is on board since last 1year responsible for HR best practices, talent management, organizational & leadership development. In his earlier role, he has worked with large Indian and global MNCs

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Breakup of years of experience for company

16%
20%
11%
30%
23%

- 0-2 Yrs
- 2-5 Yrs
- 5-8 Yrs
- 8-10 Yrs
- Above 10 Yrs

Leverage global telecom data boom

Leverage 4G/LTE Mobile Network opportunity in India and other markets

Leverage Smart City market opportunity in India and other markets

Leverage Digital India market space

Increase Global Market Share

Serve access network technology along with core telecom platform network

Leverage existing customer base

eLITE CORE ®

Creating Value