

## Sterlite Technologies' Q1 Net Revenue up 69%; Export revenues up 106%

- All Expansion projects on schedule; Company on track to be amongst the Top 3 power conductors supplier globally and amongst Top 5 integrated optical fiber & cable supplier globally
- Telecom Business Revenues up 102% and Power Business Revenues up by 54%
- Strong order book of Rs. 1,050 Crores, of which 30% is from international markets

Press Release

For Immediate Publication

**Pune, India – July 23, 2008 – Sterlite Technologies Limited (“Sterlite”)** [BSE (Bombay Stock Exchange): 532374, NSE (National Stock Exchange of India, Mumbai): STRTECH], a leading global provider of wire and cable solutions for the telecom and power industry, today announced its results for the first quarter of FY09.

### Financial highlights: Q1 2008-09

- Net Revenues reached Rs. 404 Crores (*US\$ 96 Million*), up 69% year over year.
- EBITDA reached Rs. 29 Crores (*US\$ 7 Million*). As required by ‘Accounting Standard 11’ issued by ICAI, EBITDA for the quarter under review includes foreign exchange loss of about Rs. 14 Crores on liabilities repayable in foreign exchange. The Company being a net exporter is poised to benefit from the appreciation in US Dollar in subsequent quarters.
- The revenue earned from telecom solutions was Rs. 24 Crores.
- International sales showed a strong y-o-y growth by 106% to reach Rs. 153 Crores (*US\$ 37 Million*), as compared to international sales of Rs. 74 Crores (*US\$ 19 Million*) in Q1FY08. Sales to China, Africa & Middle East accounted for 78% of the total international sales.

### Business Highlights: Q1 2008-09

- At the start of Q2 FY09, the Company has a strong order book of about Rs. 1,050 Crores (*US\$ 250 Million*) for its telecom and power products, of which the export order book is about Rs. 310 Crores (*US\$ 74 Million*).
- Sterlite received contracts valued at Rs 107 Crores from BSNL for manufacture and supply of fiber optic cables and copper telecom cables. These contracts are executable within the current fiscal.
- Sterlite launched its range of Aluminum Conductor Alloy Reinforced (ACAR) and has successfully Type Tested the same at TAG Corporation, India.
- Sterlite’s Optical Fiber facility at Aurangabad, India has been audited and recommended for the TL 9000 Quality Standard. Among the select group of global optical fiber manufacturers, Sterlite would become the 6th Company in the world to receive this certification.
- The Company won the TEMA National Telecom Award 2008 and was listed as the ‘Top Telecom Cables Company’ in India as per the annual V&D100 Survey.

### Industry Overview

- As per CRU, a research agency in UK in H1 of 2008, there was an unprecedented global demand of 75 Million-km for optical fiber. This translates to an annualized CAGR of 22% for the years 2006 to 2008. In H1 of 2008, the demand of optical fiber in India was higher by 104% over that in H1 of 2007.

Mr. Pravin Agarwal – Director, Sterlite Technologies says, “We delivered a strong financial quarter during which we achieved several significant milestones. Through focused efforts in backward integration, development of application-oriented solutions, a globalized market approach & an enhanced global customer footprint, Sterlite has transformed into a truly global, market-centric organization.”

### About Sterlite Technologies Limited

Sterlite Technologies Limited (formerly, Sterlite Optical Technologies Ltd) is India’s leading global provider of power transmission conductors, optical fibers, telecommunication cables and telecom integration & managed services. It is India’s only fully integrated optical fiber producer and among the Top 5 global manufacturers of power conductors. Sterlite Technologies Ltd. is listed on the National Stock Exchange and Stock Exchanges at Mumbai and Kolkata. Sterlite Technologies has shown a consistent robust financial growth with CAGR of 75% in Net Revenues and CAGR of 115% in Net Profits for the period 2004-2008. The company has a world-class optical fiber manufacturing plant in Aurangabad, India, and telecom cable and power transmission conductor facilities in Silvassa and Haridwar, India. For more information, please visit [www.sterlitetechnologies.com](http://www.sterlitetechnologies.com)

### **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](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)*

Note: Exchange rate considered is US\$ 1 = Rs. 42 for FY 2008-09& US\$ 1 = Rs. 40 for FY 2007-08

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## STERLITE TECHNOLOGIES LIMITED

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## FINANCIAL HIGHLIGHTS FOR Q1 2008-09

- Net revenue up by 69%; Export revenues up by 106%
- Telecom business revenue up by 102% and Power business revenue up by 54%
- All expansion projects on schedule; Company on track to be amongst the Top 3 power conductors suppliers globally and amongst Top 5 integrated optical fiber & cable suppliers globally

### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2008

(Rs. In Lacs except per share data)

Particulars	Quarter ended June 30		Year ended March 31
	2008 (Unaudited)	2007 (Unaudited)	2008 (Audited)
<b>Net Sales / Income from Operations</b>	<b>40,419</b>	23,956	<b>168,579</b>
Other Income	129	249	411
<b>Total Expenditure</b>	<b>38,664</b>	21,685	<b>151,862</b>
a) (Increase) / Decrease in Stock in Trade	(6,446)	(3,820)	(1,084)
b) Consumption of Raw materials	36,515	19,492	122,107
c) Staff Cost	929	966	4,143
d) Depreciation & Impairment	1,050	832	3,717
e) Other Expenditure	6,616	4,215	22,979
Profit before Interest and Tax	1,884	2,520	17,128
Interest (Net)	873	885	4,084
<b>Net Profit before Tax</b>	<b>1,011</b>	1,635	<b>13,044</b>
Provision for :			
Current Tax	114	185	1,466
Minimum Alternate Tax	(114)	(185)	(1,466)
Provision for earlier year	15	77	77
Deferred Tax	91	267	2,788
Fringe Benefit Tax	25	16	107
<b>Net Profit after Tax</b>	<b>880</b>	1,275	<b>10,072</b>
Paid-up Equity Capital (Face value Rs.5 per share)	3,224	3,080	3,223
Reserves excluding revaluation reserves			50,155
Earnings per share (Rs.)- Basic (not annualised)	1.36	2.07	16.08
Earnings per share (Rs.)- Diluted (not annualised)	1.35	1.96	15.46
Aggregate of Public Share Holding			
Number Of Shares	36,344,277	36,264,017	36,337,697
Percentage of Shareholding	56%	59%	56%

#### Notes:

- In terms of clause 41 of the listing agreement, details of number of investor complaints for the quarter ended June 30, 2008: Beginning - 0, Received - 67, Disposed off - 67, Pending - 0.
- As required by 'Accounting Standard 11' issued by ICAI, EBITDA for the quarter under review includes foreign exchange loss of Rs 1,384 Lacs on liabilities repayable in foreign exchange. The Company being a net exporter is poised to benefit from the appreciation in US Dollar in subsequent quarters.
- Previous period figures have been regrouped / rearranged wherever considered necessary.

(Rs. In Lacs)

Segment Reporting	Quarter ended June 30		Year ended March 31
	2008 (Unaudited)	2007 (Unaudited)	2008 (Audited)
<b>Segment Revenue</b>			
Power Transmission Business	25,711	16,679	105,046
Telecom Products & Solutions	14,708	7,277	63,533
<b>Total</b>	<b>40,419</b>	23,956	<b>168,579</b>
<b>Segment Results</b>			
<b>Profit before Interest, Depreciation and Tax</b>			
Power Transmission Business	1,488	2,383	11,835
Telecom Products & Solutions	1,446	969	9,010
<b>Total</b>	<b>2,934</b>	3,352	<b>20,845</b>
<b>Profit before Interest and Tax</b>			
Power Transmission Business	1,170	2,244	10,942
Telecom Products & Solutions	714	276	6,186
<b>Total</b>	<b>1,884</b>	2,520	<b>17,128</b>
Less: Interest	873	885	4,084
<b>Profit before Tax</b>	<b>1,011</b>	1,635	<b>13,044</b>
<b>Capital Employed (Segment Assets- Segment Liabilities)</b>			
Power Transmission Business	58,505	41,902	54,060
Telecom Products & Solutions	58,781	52,488	59,114
Unallocable	2,446	6,792	6,524
<b>Total</b>	<b>119,732</b>	101,182	<b>119,698</b>

- During the year 2005-06, the CESTAT had upheld a demand of Rs 188 Crore and interest thereon in the pending Excise matter. The auditors have expressed their qualification on this matter. The Company is contesting this case and has moved to the Hon'ble Supreme Court against this order.
- The above results were subjected to a "Limited Review" by the auditors of the Company, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 23, 2008.

For Sterlite Technologies Limited

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**Dr. Anand Agarwal**  
Chief Executive Officer

Place: Mumbai  
Date: July 23, 2008