



SIFY TECHNOLOGIES LIMITED
Nasdaq NM: SIFY

20 years of
making a
difference

ANALYST CONFERENCE
NEW YORK CITY
OCTOBER 21, 2019



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FORWARD LOOKING STATEMENT

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements contained herein are subject to risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Sify undertakes no duty to update any forward-looking statements.

For a discussion of the risks associated with Sify's business, please see the discussion under the caption "Risk Factors" in the company's Annual Report on Form 20-F for the year ended March 31, 2019, which has been filed with the United States Securities and Exchange Commission and is available by accessing the database maintained by the SEC at www.sec.gov, and Sify's other reports filed with the SEC.

AGENDA



01

INDIA - PREFERRED GLOBAL DESTINATION

RAJU VEGESNA

02

DIGITAL TECHNOLOGY TRENDS IN INDIA

DAVID NISHBALL

03

SIFY'S STRATEGY, INVESTMENTS, AND ACHIEVEMENTS

KAMAL NATH

04

FINANCIAL PERFORMANCE SO FAR...

VIJAY KUMAR

INDIA - A GROWTH STORY IN PROGRESS



From 2014 to 2019, India grew at over 7% - faster than any other major economy, including China - moving from 9th to 5th largest global economy

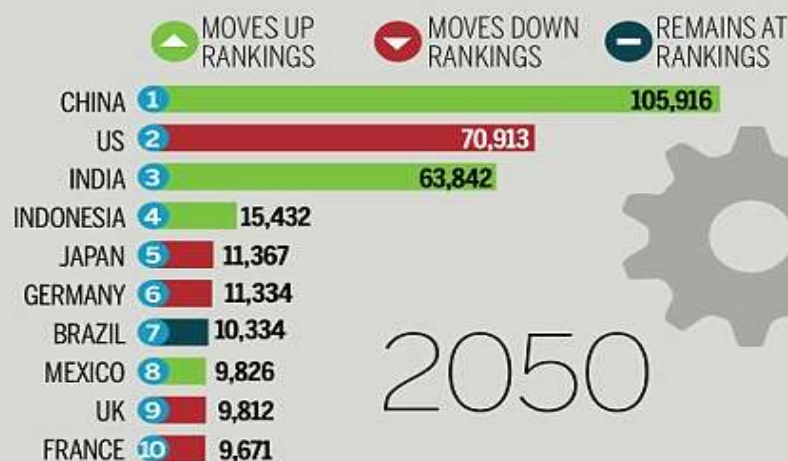
By 2050:

Indian economy will be bigger than the next five!

That India will be one of the three biggest economies by 2050 is known, but that it will be bigger than the next five economies makes it a one giant economy in the making



2014



2050

Source: The Economist Intelligence Unit

INDIA GROWTH RESULTS FROM A CONSISTENT POSITIVE ENVIRONMENT



Political Stability
continuity reinforced in
recent elections



Robust Demand
particularly domestic
consumption



Strong Services Sector
contributing 55-60% to India
GDP



**Young and Highly-Skilled
Workforce**
globally competitive skills



**Supportive Government
Policies**
pro-investment and pro-digital



**Foreign Direct
Investment**
particularly in technology-
led sectors



**Healthy Start-up
Ecosystem**
has become 3rd largest global
ecosystem

DIGITAL INDIA - SUPPORTIVE GOVERNMENT POLICIES



GOVERNMENT RATIONALE FOR DIGITAL INDIA

- Competitive Advantage
- Critical to Financial Inclusion



World's Largest Unique
Digital Identity Program
Over 1.2B people enrolled



NATIONAL DIGITAL COMMUNICATIONS POLICY (2020 GOALS)

CONNECT INDIA

- 10 Gbps to all villages
- 100 Mbps to all educational institutions
- Fixed line BB to 50% of households
- 10 million public Wi-Fi hotspots

PROPEL INDIA

- Investments of USD 100 Billion
- Creation of innovation led start-ups
- Train/ re-skill 1 Million
- Expand IoT ecosystem to 5 Billion

SECURE INDIA

- Comprehensive data protection regime
- Net neutrality principles
- Security testing and standards
- Encryption and security clearances

DIGITAL INDIA - FOREIGN DIRECT INVESTMENT



\$5 billion
committed to invest
in India



\$500 million
cloud programme for Indian
start-ups

\$16 billion
for 77% of Flipkart



\$1.7 billion
Invested in Indian
startups

\$400 million
Cloud initiatives and 9
new incubation centers



1,150
MNCs in India with Global In-
House Centres
\$28.1 billion
GIC revenue in 2019E



DIGITAL INDIA - THE CONSUMER RESPONSE



270 Mn
Facebook Users vs 240
Mn in US. India is now
the largest market.



800+ Mn
Mobile phones



400 Mn
Whatsapp users. India is
now the largest market



**DIGITAL
INDIA**
Growth is good



India becomes world's
fastest growing market for
apps



69 Mn
Instagram users. India is
3rd largest market



\$6.6 Bn
Mobile wallet
Transactions by 2020



34 Mn
Twitter users



1+ Mn **15 Mn**
Smart meters installed by
installed 2020

AGENDA



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|----|--|----------------|
| 01 | INDIA - PREFERRED GLOBAL DESTINATION | RAJU VEGESNA |
| 02 | DIGITAL TECHNOLOGY TRENDS IN INDIA | DAVID NISHBALL |
| 03 | SIFY'S STRATEGY, INVESTMENTS, AND ACHEIVEMENTS | KAMAL NATH |
| 04 | FINANCIAL PERFORMANCE SO FAR... | VIJAY KUMAR |

WHILE THE WORLD EXPERIENCES A DIGITAL WAVE INDIA IS UNDERGOING A DIGITAL TSUNAMI



CONNECTED WORLD

By 2020, smart phone users are expected to reach **2.87 Bn**

IN INDIA:

500 Mn* connected smart phone users by 2020

**Statista*



DIGITAL BUSINESS

60% of global FMCG sales are driven by online channels

IN INDIA:

eCommerce will contribute **11%*** of online sales by 2030

**Nielsen*



E-COMMERCE

Global online spend to reach **\$4.48 Tn** by 2020

IN INDIA:

To double to **\$100*** billion by 2020

**Google & BCG*



SMART CITIES

Global smart city spend to reach **\$34.35 Bn** by 2020

IN INDIA:

~10 Billion* allocated for the smart city project

**Indian Govt*



E - LEARNING

Global online education to reach **\$275 Bn** by 2021

IN INDIA:

Online education will grow **1.96 Billion*** by 2021

**KPMG & Google*

The India digital economy is expected to reach \$1 Trillion by 2025

THE TECHNOLOGY IS THE SAME... BUT THE PACE OF CHANGE IN INDIA IS FASTER



Smart Phones enable a mobile-centric internet, bypassing broadband constraints



Drop in Mobile Data costs fueling per capita data usage growth



Foreign Direct Investment led by Digital Players, targeting India demand



Government policies have encouraged growth of the digital economy

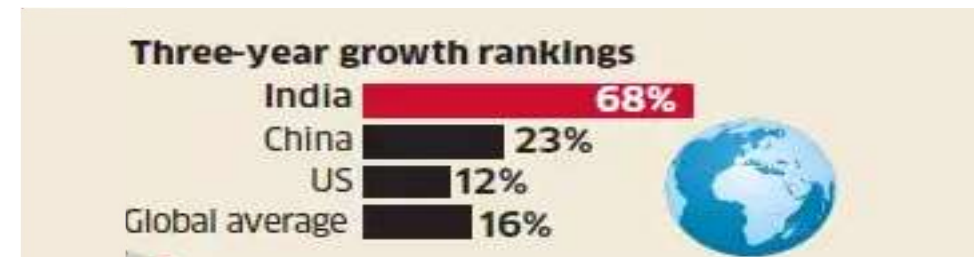


Consumers are embracing **Digital Platforms** to solve real transactional needs

DIGITAL INDIA - EXAMPLE: E-COMMERCE

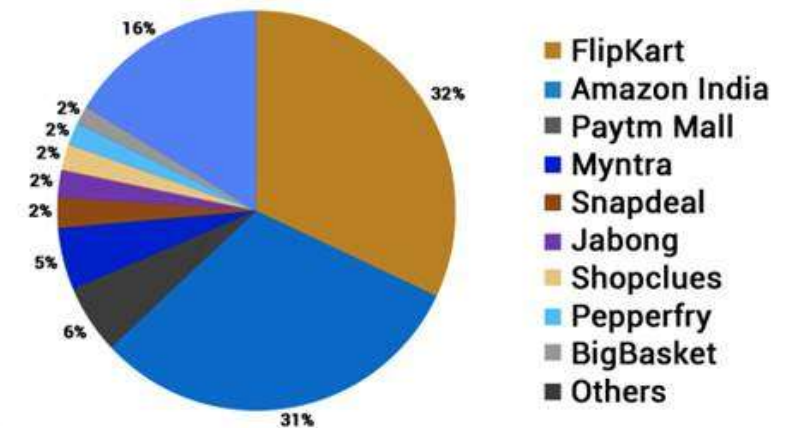


Source: The Economic Times



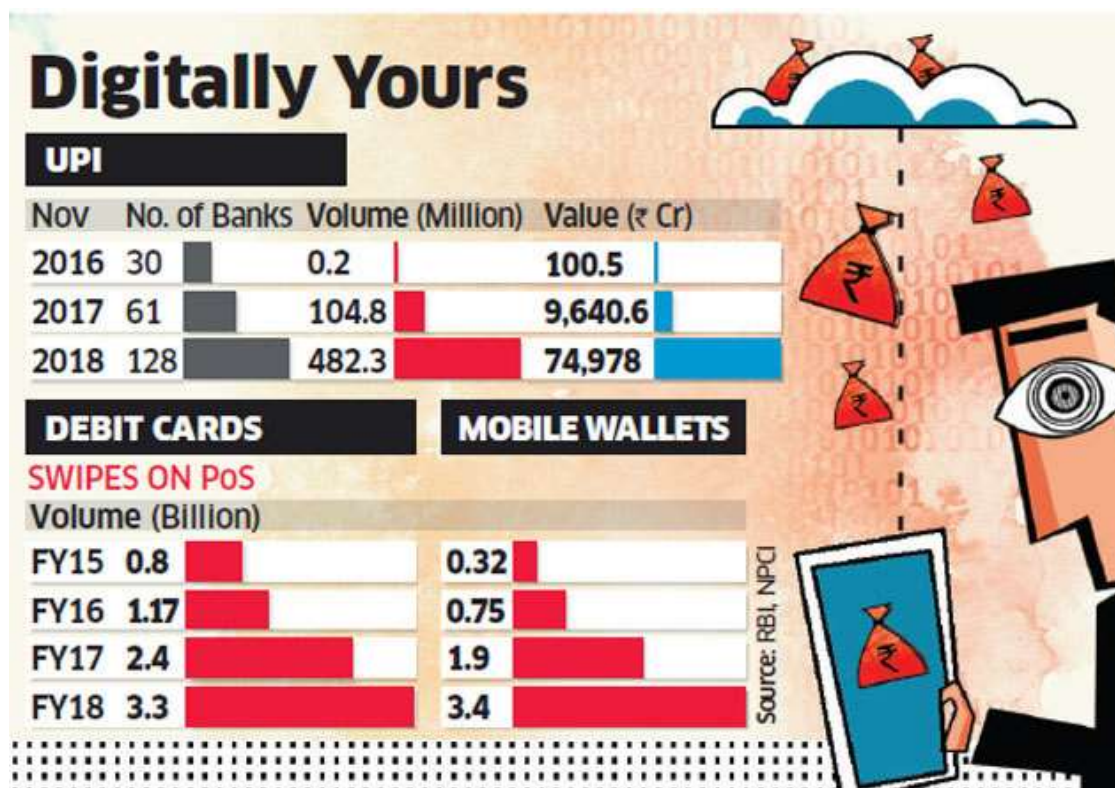
Source: The Economic Times

India's Online Retail Market Share In April 2018

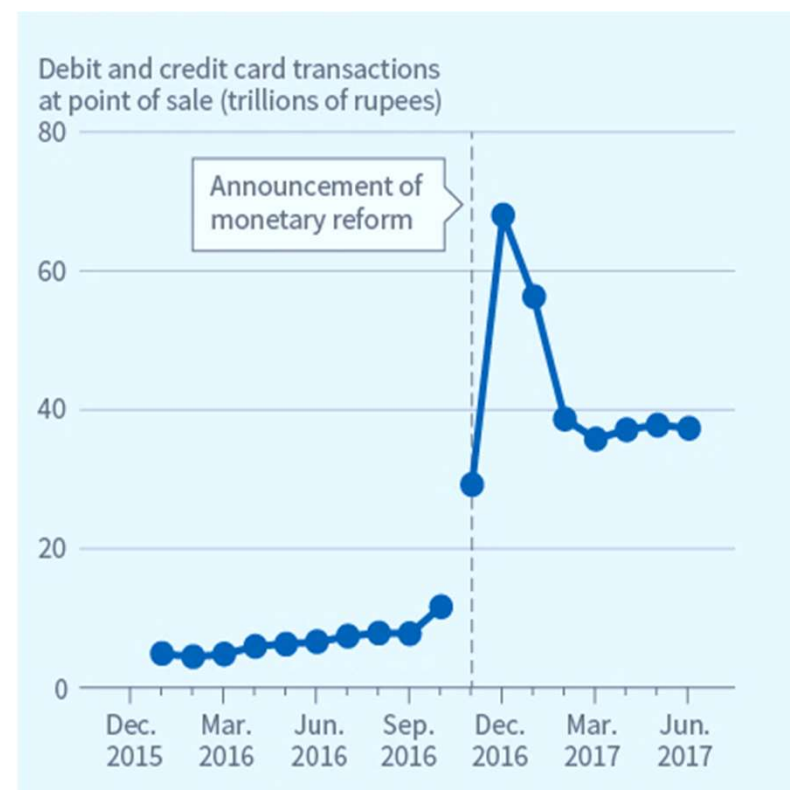


Source: Bloomberg Quint

DIGITAL INDIA - EXAMPLE: DIGITAL PAYMENTS



Source: Bankedge.in
Illustration: Anirban Bora



Source: National Bureau of Economic Research, Feb. 2019

DIGITAL INDIA - EXAMPLE: DIGITAL ENTERTAINMENT



Currently, there are 16 Indian YouTube channels with more than 20 million subscribers

Source: Social Blade

DESPITE UNPRECEDENTED PACE OF CHANGE THERE IS STILL SUBSTANTIAL HEADROOM FOR GROWTH



+ 40M per year increase
in active internet
subscribers



Searches in non-
metros growing faster
than metros



Retail e-commerce
penetration only 2.9%
vs. 29.1% in China



400 Million of the World's
2 Billion "Unbanked" are
in India



Cash:GDP ratio remains
at ~11.3%, one of the
highest in the world



IT productivity
investment still at an
early stage in India

CONSUMERS ARE RAPIDLY ADOPTING DIGITAL... ENTERPRISES HAVE FAR TO GO TO CATCH UP



Historical under-investment
in Information Technology vs.
mobile revolution



5-10 year IT investment
cycle is too long for current
pace of change



Depth of skills / legacy
processes not well-suited for
Digital transformation



Breadth and complexity
of India operations is very
high for a single country



Ability to accurately forecast
is difficult in a rapidly
evolving environment

KEY IMPERATIVES FOR ENTERPRISES IN A DYNAMICALLY EVOLVING DIGITAL ECONOMY



Be Connected

Bringing all branch offices online
(and beyond)



Be Data Driven

Decisions based on hard data,
not traditional practices



Be Flexible

Ability to rapidly scale for volume



Be Future-Proof:

Adopt state-of-the-art technology
and tools

ENTERPRISE TECHNOLOGY TRENDS

IMPACT WHAT THEY LOOK FOR FROM PARTNERS



CLOUD ADOPTION

- Enterprises moving toward Cloud - Public/Private/Hybrid
- Expect Partners with skills to operate in all 3 environments



DATA CENTERS

- Enterprises are rapidly outgrowing in-house infrastructure
- Expect Partners to provide scalable DC services with pan-India footprint



CLOUD CONNECTIVITY

- Enterprises require secure connection to Cloud and Edge services
- Expect Partners to have highly connected DCs, direct connections from network to Cloud, and proximity to users

AGENDA



01 INDIA - PREFERRED GLOBAL DESTINATION

RAJU VEGESNA

02 DIGITAL TECHNOLOGY TRENDS IN INDIA

DAVID NISHBALL

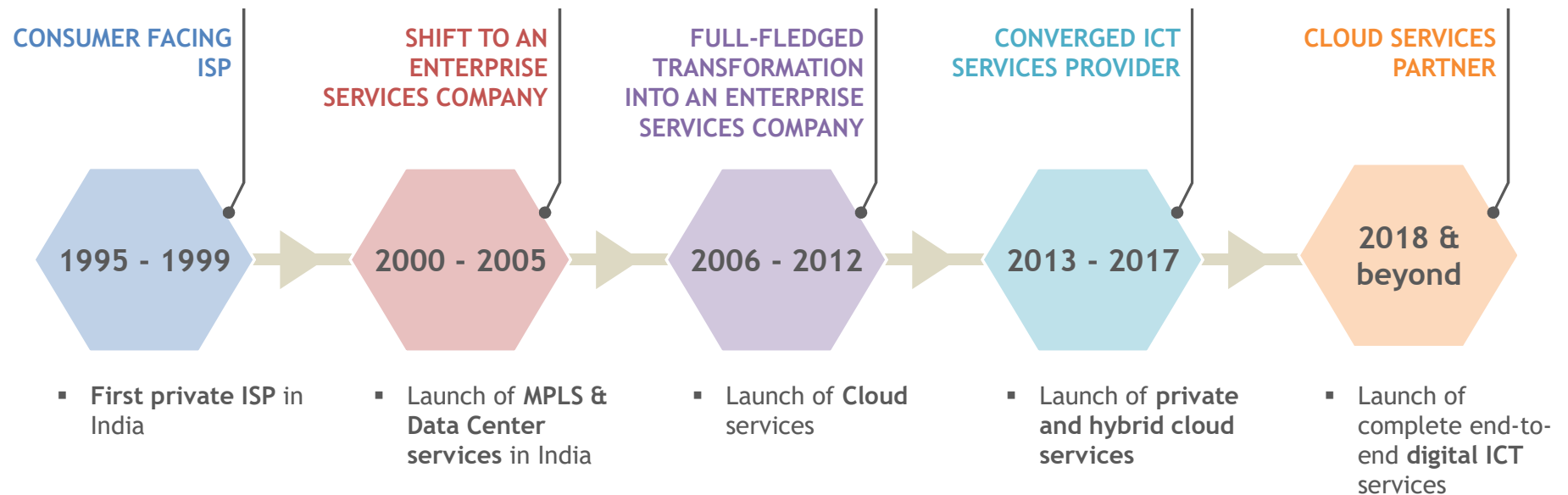
03 SIFY'S STRATEGY, INVESTMENTS, AND ACHIEVEMENTS

KAMAL NATH

04 FINANCIAL PERFORMANCE SO FAR...

VIJAY KUMAR

SIFY'S JOURNEY: 25 YEARS OF TRANSFORMATION



From revolutionizing consumer internet in the 90s to driving adoption of digital ICT services

SIFY : THEN



sifymail



sify.com



sifyenterpriseIT



Sify VPN

SIFY : NOW



DC and Cloud
Transformation



Digital
services



Network
Transformation



EdgeConnect

SIFY'S PATH TO SUCCESS



RELEVANCE



INVESTMENTS



ACHIEVEMENTS



GROWTH

RELEVANCE



Full spectrum of cloud play (From cloud enabling to cloud enhanced)



True transformational player in a disruptive environment (From SI to cloud transformation)



Network, Security & managed services for cloud model



Digital Services for enterprises

Sify was never more relevant to its customers than it is today!

FULL SPECTRUM OF CLOUD PLAY



CLOUD ENABLING

- Cloud DC
- Hyper reach/Hyper scale transport
Oracle FastConnect | ExpressRoute |
DirectConnect | Partner Interconnect
- Software Defined Network
services
- Cloud build
Private | Hyperconverged | Enterprise
- Security services for cloud
- Migration and Implementation
services



CLOUD INSPIRED

- Sify CloudInfinite
- Hosted SAP/S4HANA Cloud
- Managed wireless network
- UC on Cloud



CLOUD PURE

- AWS Cloud services
- Azure Cloud services
- Oracle Cloud services
- Multi Cloud Management
platform
- Multi Cloud Managed services



CLOUD ENHANCED

- Digital SCM (ForumNXT, SFFNxt)
- Digital Learning (Livewire LMS)
- Digital Assessment (iTest)
- Digital trust (Safescrypt)
- Digital Innovation (App
modernization, Analytics,
AI/ML, DevOps)
- Enterprise Mobility
- Industry solution-as-a-service

Aligned to our Customer's Cloud Transformation Pursuit

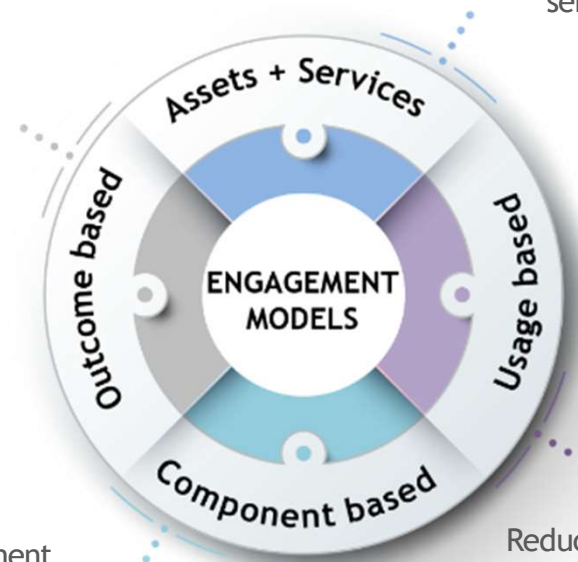
OUR BUSINESS MODELS



Less Hardware
People
Licenses

Client engagement is based on defined business outcome generated by IT solutions and services

Systems are owned by the client and annuity based payout for services

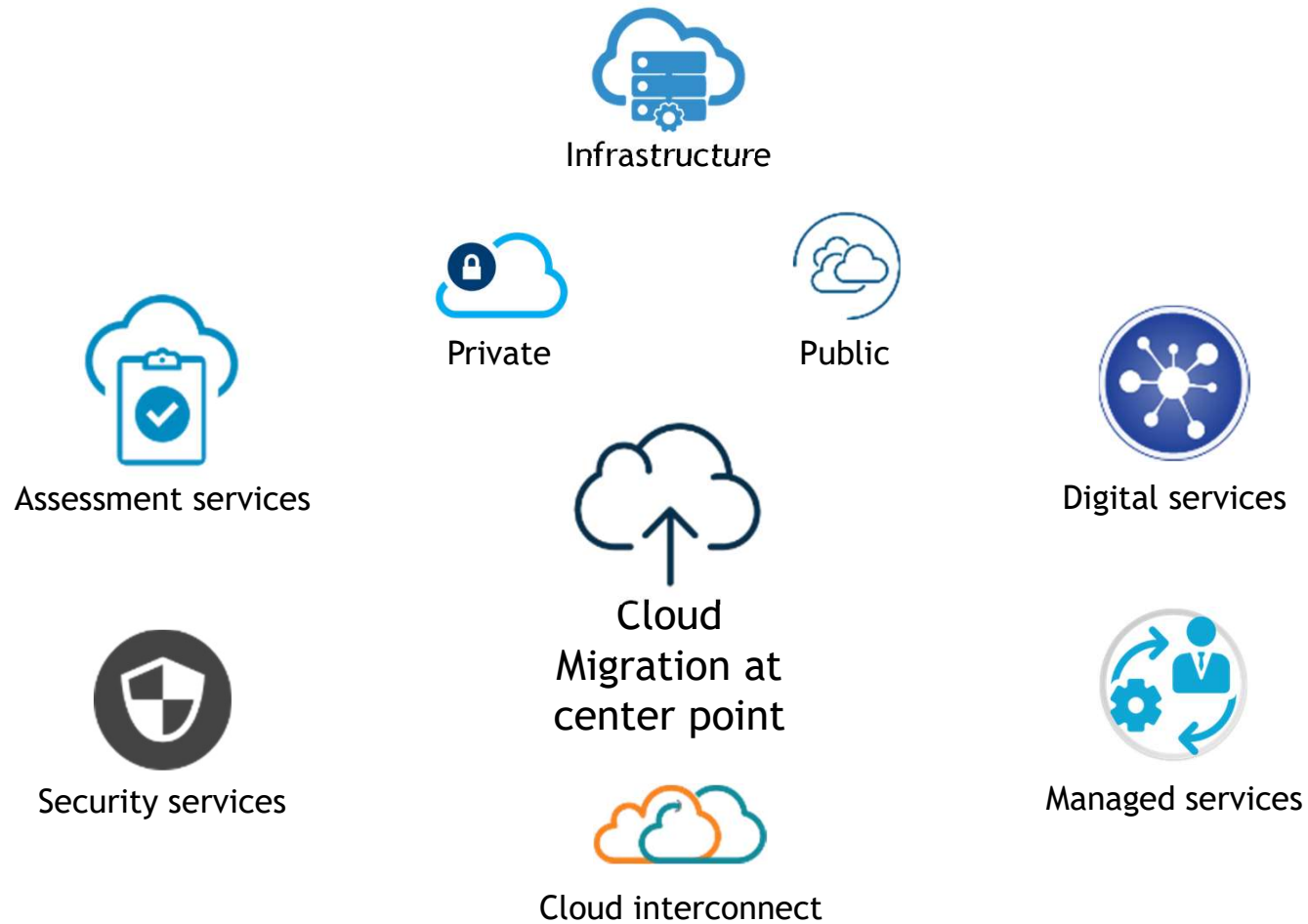


No upfront investment by client and payout is based on consumption

Reduced upfront investment as client subscribes to infrastructure owned by Sify as a part of their overall infrastructure requirement

From Systems Integration to Business Outcome-based Models

HYBRID/ MULTI CLOUD



NETWORK SERVICES IN THE CLOUD ERA



Network Operations
Center



SD-WAN



Network
Transformation



Wi-Fi
EdgeConnect



Hyper-scale Cloud
Connects

SECURITY SERVICES IN THE CLOUD ERA



**Security Assurance
Services**



**Security
Transformation
Services**

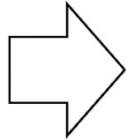


**Managed Detection &
Response Services**

INCUBATION: DIGITAL SERVICES



Cloud Pure



Cloud Enhanced

Cloud pure will be the **test bed** for cloud enhanced **digital services**



Data lakes



Industry solution-as-a-service



Cloud Enhanced



Enterprise Mobility Services



Analytics



IoT services

INVESTMENTS



SIFY ASSETS

RELEVANCE TO DIGITAL ENTERPRISE



- 9 Pan-India DCs with 47MW capacity
- Several more DCs planned, more than 2X capacity

- Hosting for hyper-scale operators
- Centerpiece of the hybrid multi cloud



- Largest MPLS network (by connections)
 - Connecting 1600 towns in India

- Internet growth from non-metros
- Platform to move content to “edge”



- “Cloud Connect” data superhighway
 - 49 on-net data centers

- Cost-effective terabit network scale
- Interconnect public and private clouds



- Remote Operations Centers
 - NOC, SOC, managed services

- Global and domestic IT outsourcing
- Supports outcome-based services model



- Digital Services
 - iTest, Forum, LMS, Safescrypt, App Modernization

- IT-enablement for distributed businesses
- Supports digital transformation initiatives



- Enterprise and Hybrid Multi Cloud
 - Enterprise cloud grid fabric

- Public / Private / Hybrid / Multi Clouds
- Cost effective and “Pay as you use” model

ACHIEVEMENTS - FROM INDIA'S 1ST MPLS SERVICE PROVIDER TO NETWORK TRANSFORMATION PARTNER



Every trade on India's largest **stock exchange** passes through the Sify managed network



Transformed Dept of Post from a post office to a leading **digital financial institute**



Sify's network is the backbone of the **inter-banking** system



Edge transformation of their business critical ecosystem using Sify **EdgeConnect** services



Trusts Sify to enable a secure and managed wifi infra through all its establishment via **edge transformation**

ACHIEVEMENTS - FROM INDIA'S 1ST DC COLO PROVIDER TO DC & MULTI-CLOUD TRANSFORMATION PARTNER



Sify created on-business demand agile IT infrastructure for easy adoption of micro services viz Data Lakes, IOT, AI, Containers



Entire new-age healthcare IT services run on **cloud** entirely managed by Sify



Revolutionized the customer service by launching **cashless approvals within 30 mins** using Sify cloud services



Rolled out **new insurance application** and became new IRDA guidelines compliant using Sify cloud



Complete **cloud transformation** to implement integrated future ready digital infrastructure on Sify's hyper-scale cloud model

ACHIEVEMENTS - FROM COMPONENT BASED MODEL TO BUSINESS OUTCOME BASED MODEL



A power corporation serving **10+ mn customers** using Sify cloud with “pay-per-bill”



Trusts Sify to **host data** remotely across CTSI network of cancer centers in India



Delivered a highly regulated trading platform on a **cloud consumption model (pay per model)**



Serving and managing **cloud based tests** across nation - public as well as private

INDIA'S BFSI INDUSTRY LEADERS ARE IN SIFY DATA CENTERS



Largest
bank in India



Largest
Pvt Bank in India



Largest
e-wallet company in India



Industry leading BFSI companies DC runs on Sify

GROWTH DRIVERS



Past Growth Drivers (% revenue)

Red Ocean

- MPLS Network Services
- Data Centre Colocation Services
- Technology Integration Services

Current and Future Growth Drivers (Expected % revenue)

Growth Market

- Sify's Cloud Services
- Hyperscale CSPs Services
- Cloud Assessment & Migration Services
- Multi Cloud Managed Services
- SD WAN Services
- Hyperscale Cloud Connected Services
- Digital Recruitment & Assessment Services (iTest)
- App Modernization Services
- Analytics & Data Lakes

Market to capture

- Network Transformation & Operation Services
- Managed Security Services
- Digitization of Secondary Sales
- Digital Learning Platform

Market to build

- EdgeConnect Services
- (Edge Transformation)
- Industry Solutions-as-a Service

THE FUTURE



cloud@core



digital@core

AGENDA



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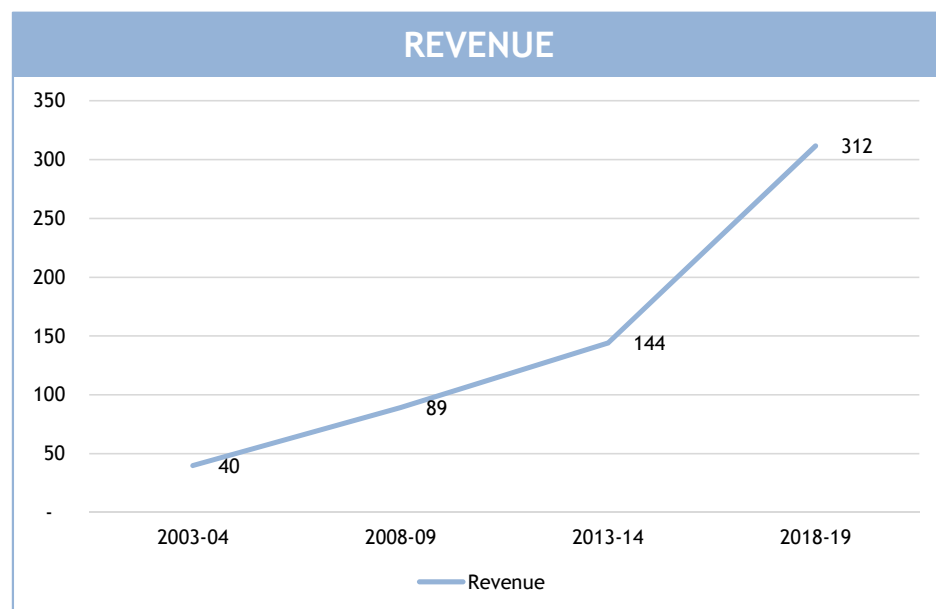
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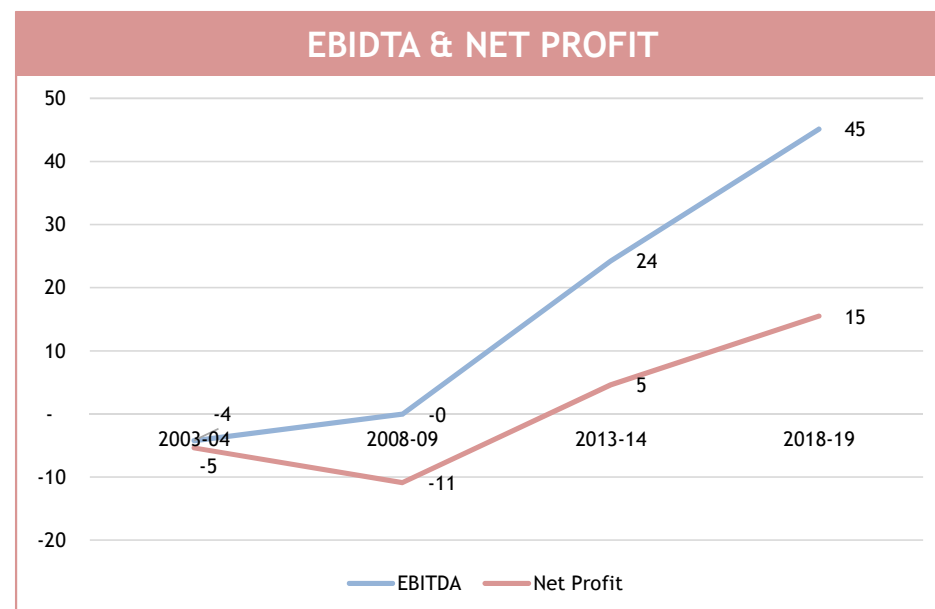
04 FINANCIAL PERFORMANCE SO FAR...

VIJAY KUMAR

WE ARE HERE...



- FY 2018-19 Revenue of US\$ 312 Mn (INR 20 Bn)
- Continued investment to support growth:
 - Infrastructure and tools (Capital expenditure) and
 - \$ 144mn of capex investment over last 5 years

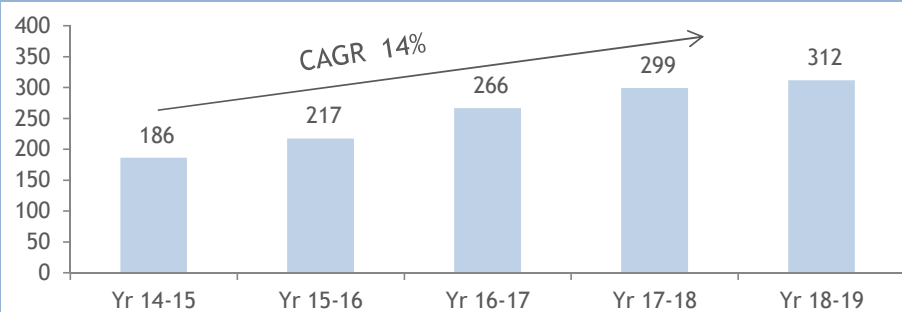


- Investment in people
 - Employees: 1782 in 2014 to 2655 (49% increase)
 - Employee cost: \$18 mn in 2014 to \$37 mn (109% increase)
- 20th continuous year of listing on the NASDAQ

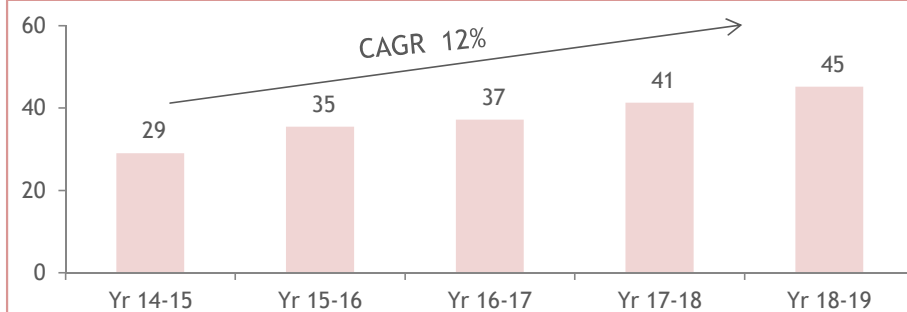
FINANCIAL METRICS



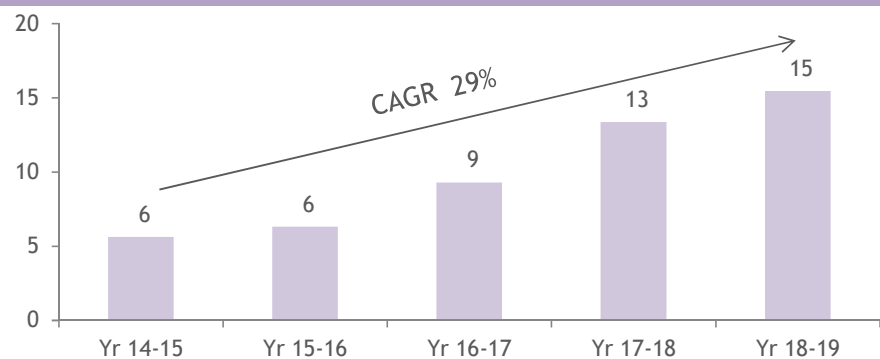
REVENUE



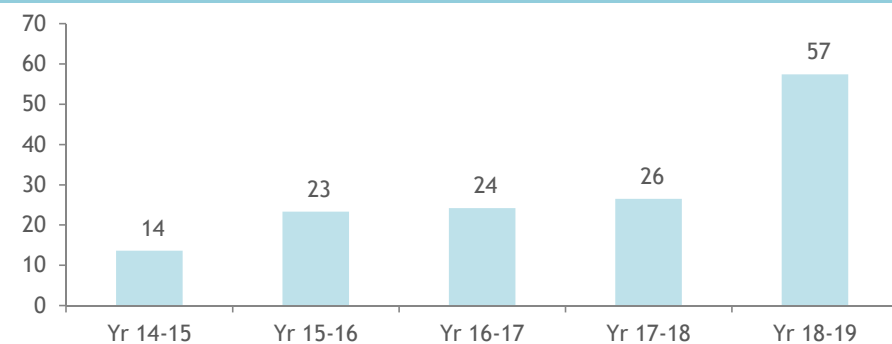
EBITDA



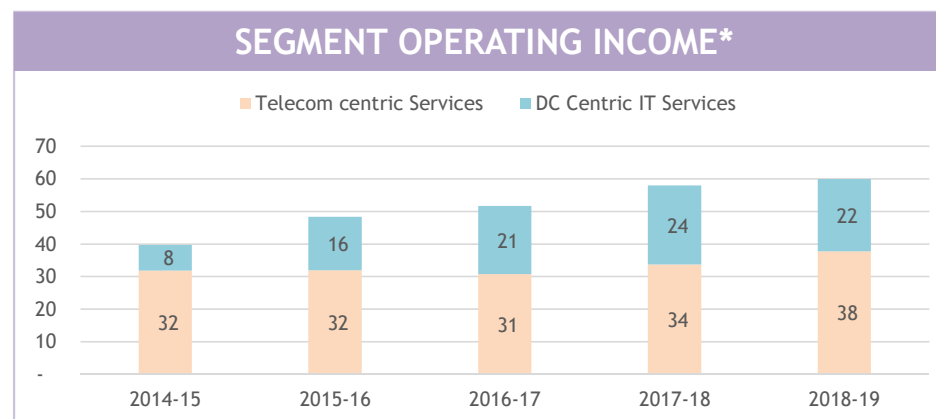
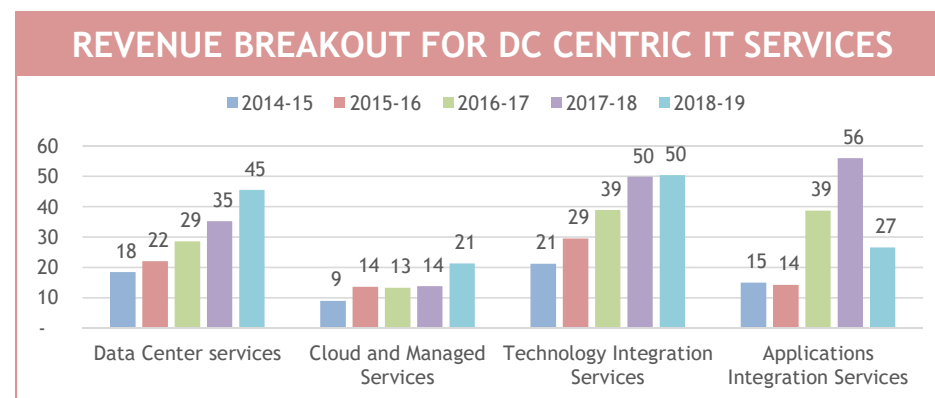
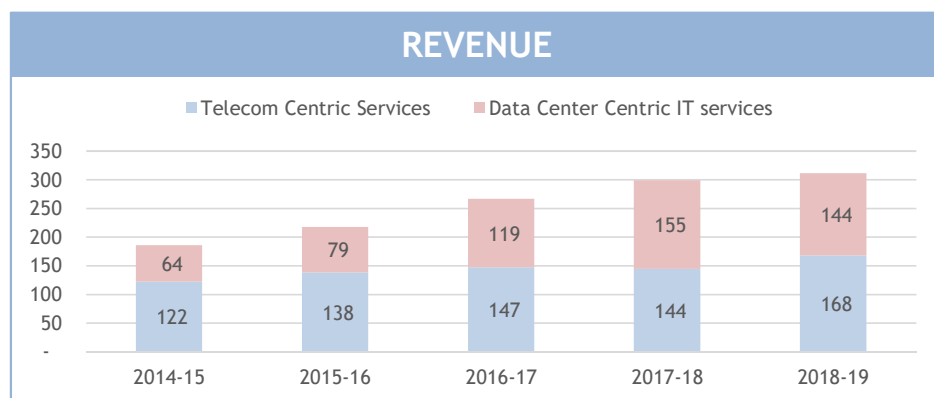
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CAPEX



SEGMENT METRICS OVER LAST 5 YEARS

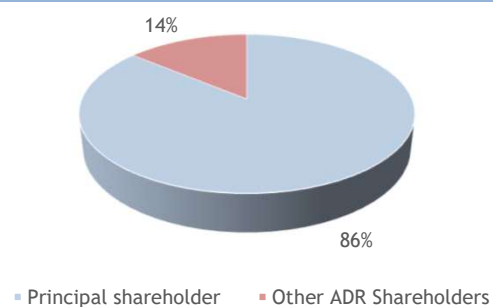


* Revenue Less Direct costs; Please refer Form 20-F for further segment related disclosures

CORPORATE INFORMATION



SHAREHOLDING



■ Principal shareholder ■ Other ADR Shareholders

LONG TERM CREDIT RATING

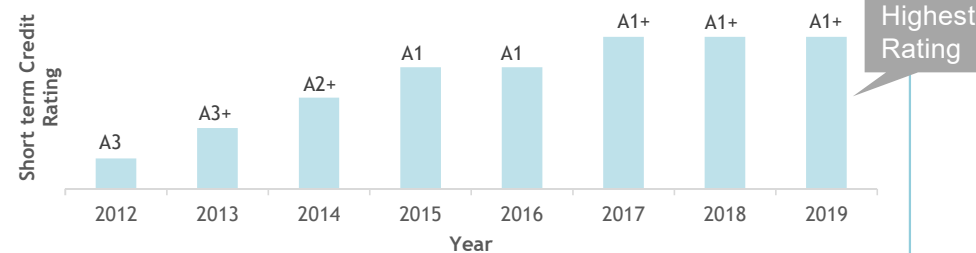


- For 2016, 2017, 2018, 2019 rating as advised by CARE & ICRA.
- Outlook on long term rating is Positive - CARE
- ICRA has reaffirmed credit rating for the year 2019.

Source: ICRA (Moody's) and CARE

Year	Dividend %	Dividend pay out incl. tax (USD Mn)
2014-15	10%	2.31
2015-16	10%	2.46
2016-17	12%	2.46
2017-18	12%	3.02
2018-19	12%	3.15

SHORT TERM CREDIT RATING



- For 2016, 2017, 2018, 2019 rating as advised by CARE & ICRA
- ICRA has reaffirmed credit rating for the year 2019

Source: ICRA (Moody's) and CARE

FINANCIAL STATEMENTS OVER LAST 5 YEARS



INCOME STATEMENT

Details	14-15	15-16	16-17	17-18	18-19
Revenue	186	217	266	299	312
COGS	(112)	(132)	(172)	(194)	(197)
SG&A	(45)	(50)	(58)	(64)	(70)
EBITDA	29	35	37	41	44
Depreciation	(18)	(23)	(25)	(25)	(22)
Net finance Expense	(7)	(8)	(5)	(5)	(10)
Other income	1	2	2	3	3
PROFIT BEFORE TAX	5	6	9	13	15
Taxes	-	-	-	-	-
PROFIT AFTER TAX	5	6	9	13	15

Details	HY 2018-19	HY 2019-20
Revenue	147	164
COGS	(91)	(104)
SG&A	(36)	(32)
EBITDA	21	28
Depreciation	(11)	(15)
Net finance Expense	(4)	(5)
Other income	1	1
PROFIT BEFORE TAX	7	9
Taxes	-	(3)
PROFIT AFTER TAX	7	6

BALANCE SHEET

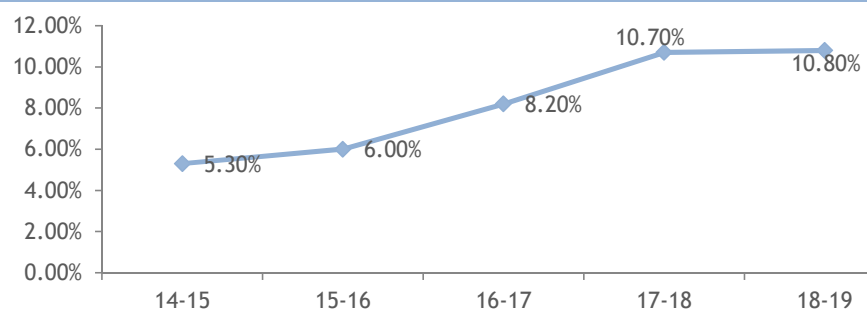
Details	14-15	15-16	16-17	17-18	18-19
Equity	104	108	119	130	156
Borrowings (LT)	12	14	13	29	48
Borrowings (ST)	30	37	51	52	71
Other Liabilities	89	109	128	142	158
Total Liabilities	235	269	311	354	433
Fixed assets	95	100	104	113	133
Lease hold prepayments	12	13	15	19	19
Inventories	3	11	17	9	25
Receivables	88	106	127	155	183
Cash	21	25	27	33	32
Other Assets	15	13	22	24	41
Total Assets	235	269	311	354	433

CASH FLOWS	14-15	15-16	16-17	17-18	18-19
Operating activities	23	35	25	31	21
Investing activities	(13)	(23)	(23)	(26)	(57)
Financing activities	(9)	(8)	(4)	(15)	44
Cash and cash equivalents	21	25	27	33	32

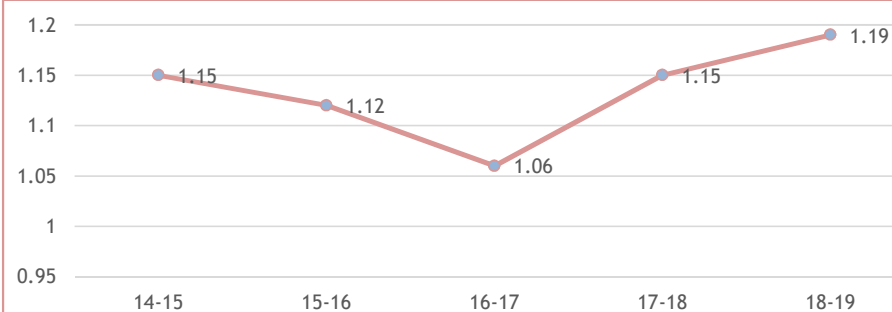
KEY RATIOS



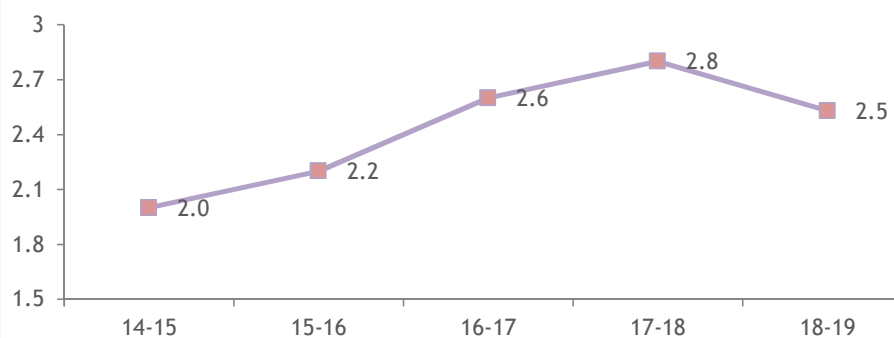
RETURN ON EQUITY



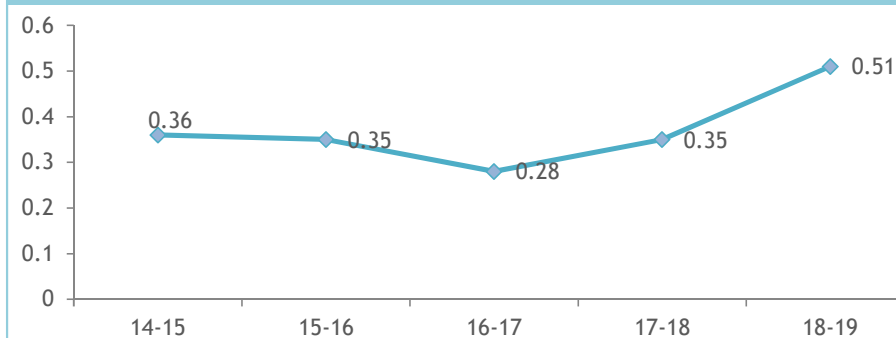
CURRENT RATIO



FIXED ASSETS TURNOVER



LONG TERM DEBT EQUITY RATIO



FOCUS AREAS



- Continued prudent expansion of capacity -network and data center
- Explore alternative financing model for customer specific capital expansion
- Time to drive economies of scale for margin improvement
- Monetize investment in new services/ geographies of business
- Effective management of Working Capital



sify[®]

SIFY TECHNOLOGIES



Thank you
