

02/01/2015

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# ACQUISITION UPDATE - RANGSONS ELECTRONICS LTD

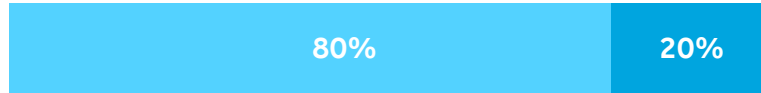
Presentation for Analyst Call  
02 January, 2015

# Our vision for future growth

Moving towards becoming a provider of **solutions** in chosen **industries** to support the entire life cycle of programs

02/01/2015

Today – 2014



% of Cyient revenue

Tomorrow – 2020



■ Services ■ Systems ■ Solutions

## Services

Discrete/ Independent/  
Point offerings to solve a  
defined **technical problem**

\*

Industrialized Service  
Delivery

## Systems

Develop/ Build/ Integrate/  
Implement Systems

\*

Domain centric System  
Delivery

## Solutions

Integrated set of services  
to solve a specific  
business problem

\*

Business centric Solutions  
delivery

People, Technical Solutions (Own/Solution Accelerator/Partner), Capability,  
Infrastructure, Eco-system Partnership

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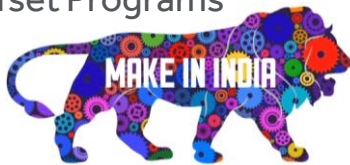
# Our Strategy – Expand core

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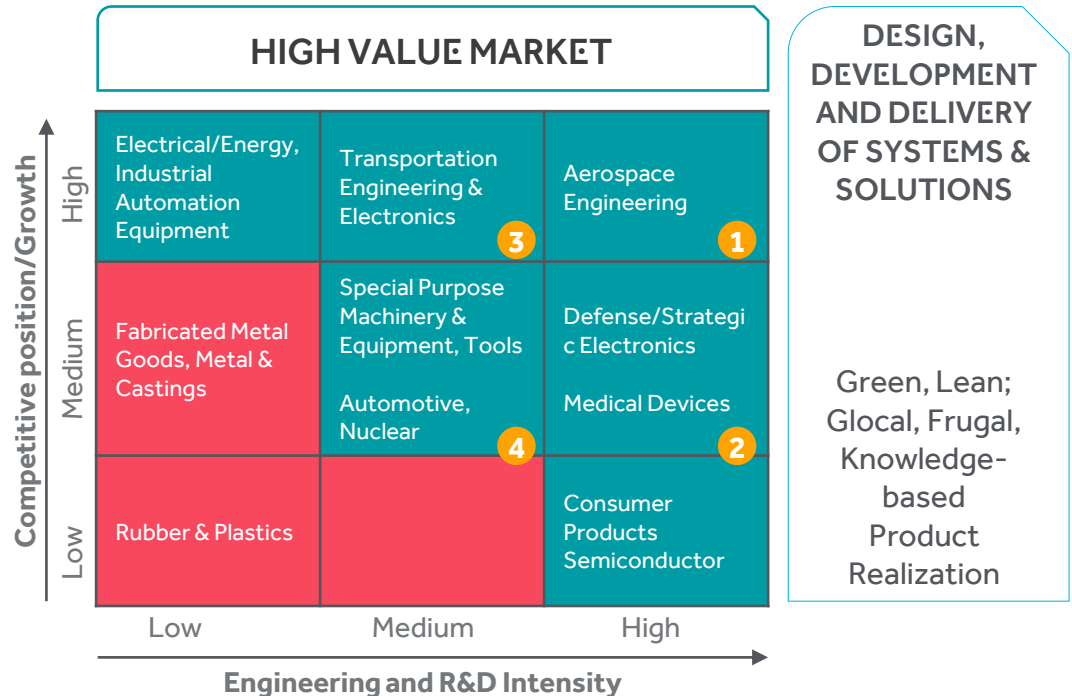
## MARKET DRIVER.....

- Increasing Customers demand, to cover full product lifecycle services
- Increasing risk/reward partnership deal pipeline
- Technology Transfer and Buy-Back Opportunities
- Balanced portfolio of local and global opportunities
- Make In India and Defence Offset Programs



## .....design led Product Lifecycle Partnership

(up to 3-7 years)      (up to 10-30 years)

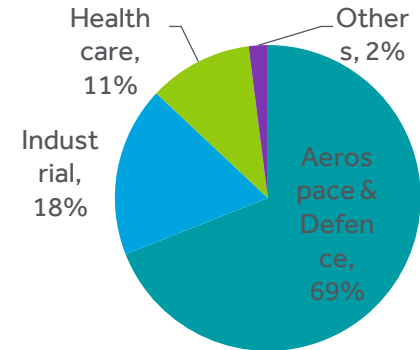


**Focus on Expanding the core, while building strength across product lifecycle!**

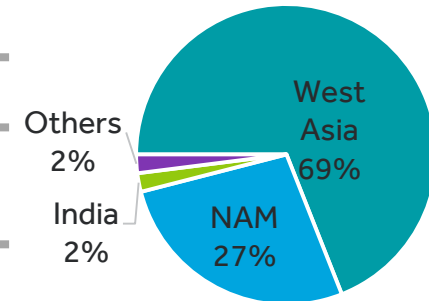
# Rangsons Electronics Pvt. Ltd. - Overview

<b>Incorporation</b>	1993, Privately Held
<b>Headquarters</b>	Mysore, India
<b>People</b>	1000+ Employees
<b>Core Competence</b>	Electronic Systems Design, Integration and Manufacturing Services
<b>Industry Focus</b>	Aerospace and Defence, Medical, Industrial and Others
<b>Infrastructure</b>	95000+ sq ft of Product Realization area with state of art integration facilities
<b>Geo Focus</b>	North America, W Asia, India, Europe
<b>Financials (FY'14)</b>	Revenues: ~\$66 Million EBITDA : 10-12%

**Industrywise Revenue\***



**Geowise Revenue\***



**CYIENT's stake : 74% (Remaining to be acquired over 2 to 4 years)**

**\*FY14**

# Detailed Offerings

## Design Verification & Prototype

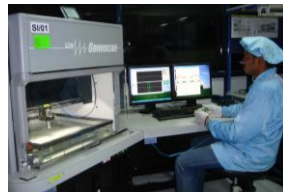
- Product Design Reviews
- NPI/NPR Process setup
- DfX – Analysis
- Prototype Development
- Part Sourcing

## First Article Inspection, NPI and Industrialization

- System Integration
- Product Qualification
- Certification Tests
- Production Process Setup, Pilot Production
- Documentation/ Regulation

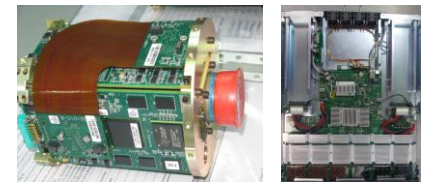
## Production, Logistics and End of Life

- Production
- System Integration, Box Building and Testing
- Product Qualification/Certification
- Logistics
- Warranty, Maintenance Support



## Solution Type

- System Integration & Box build (~79%)
- Printed Circuit Board (PCB) Assembly; sub-systems (~21%)
- Others (~1%)



# Key Customers and Certifications

## Key Customers



THALES



ABB

Honeywell®



Larsen & Toubro Limited  
Engineering & Construction Division



Rafale



BOSCH



Opto Circuits (India) Limited

## Industry specific Certifications

*Iris*



*Rail*

*AS9100-C*



*Aerospace*

*ISO13485-2012*



*Medical*

*OHSAS 18001-2007*



*Quality, Environment & Safety*

*ISO14001-2004*

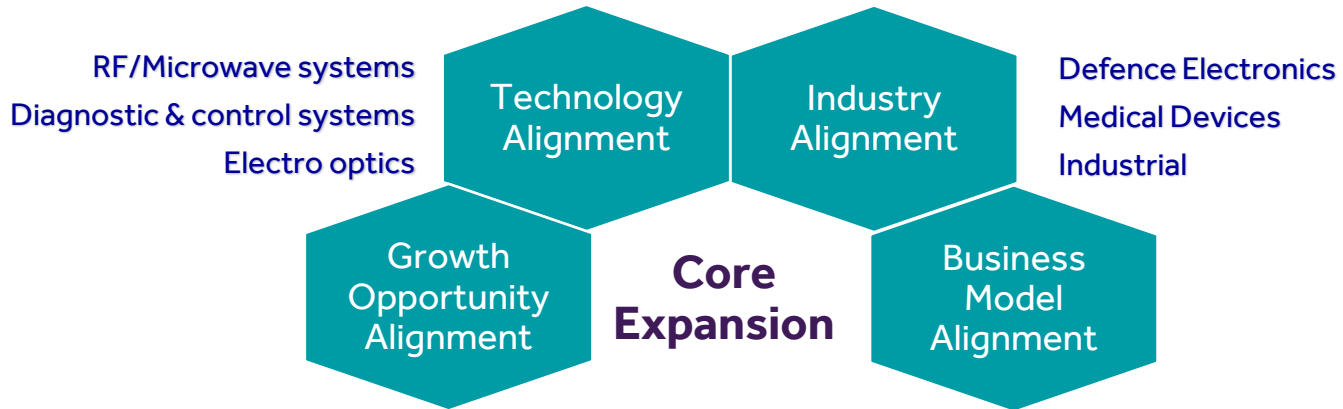


*ISO9001-2008*



# Why Rangsons?

02/01/2015



Pre-qualified realization partner with our existing customers

Servicing Defence Offset Partner for large OEMs  
Opportunity for product line takeovers

Unique position for 'Make in India' Program

Long term, customer relationship led business operations

Alignment in asset performance measures  
Alignment in people practices & value system

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# Aspects of the Transaction

## Business Alignment

- Business to remain a separate legal entity and align functionally to CYIENT's Systems & Solutions Business
- Integration at the customer level  
*Integrated service offering & Engagement model*

## Financial Benefits

- Acquisition is EPS accretive
- ROE improves by >0.5% on a consolidated basis in FY16



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# Q&A