

A close-up photograph of two hands, one darker-skinned and one lighter-skinned, holding a golden microphone together. The hands are positioned as if about to speak or present. The background is dark and out of focus.

INVESTOR PRESENTATION

3RD QUARTER - FY2018

SAFE HARBOUR

SOME OF THE STATEMENTS HEREIN CONSTITUTE “FORWARD-LOOKING STATEMENTS” THAT DO NOT DIRECTLY OR EXCLUSIVELY RELATE TO HISTORICAL FACTS. THESE FORWARD-LOOKING STATEMENTS REFLECT OUR INTENTIONS, PLANS, EXPECTATIONS, ASSUMPTIONS AND BELIEFS ABOUT FUTURE EVENTS AND ARE SUBJECT TO RISKS, UNCERTAINTIES AND OTHER FACTORS, MANY OF WHICH ARE OUTSIDE OUR CONTROL. IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THE EXPECTATIONS EXPRESSED OR IMPLIED IN THE FORWARD-LOOKING STATEMENTS INCLUDE KNOWN AND UNKNOWN RISKS. BECAUSE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM OUR INTENTIONS, PLANS, EXPECTATIONS, ASSUMPTIONS AND BELIEFS ABOUT THE FUTURE, YOU ARE URGED TO VIEW ALL FORWARD-LOOKING STATEMENTS CONTAINED HEREIN WITH CAUTION. TATA COMMUNICATIONS DOES NOT UNDERTAKE ANY OBLIGATION TO UPDATE OR REVISE FORWARD LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

AGENDA

- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW

BUSINESS OVERVIEW



DELIVERING A NEW WORLD OF COMMUNICATIONS™

POWERING THE PLATFORM ECONOMY, THE INTERNET AND GLOBALISATION

Over 25% of the world's internet traffic uses our network (Over 12,000 petabits)



We have the only wholly-owned subsea cable network that circles the globe



We're a leading player in managed hosting and cloud services globally



We handle 1 in 10 of all international voice calls

We connect businesses to providers who account for almost 50% of cloud computing



20 terabits of international bandwidth lit capacity



85 million voice transactions handled every day

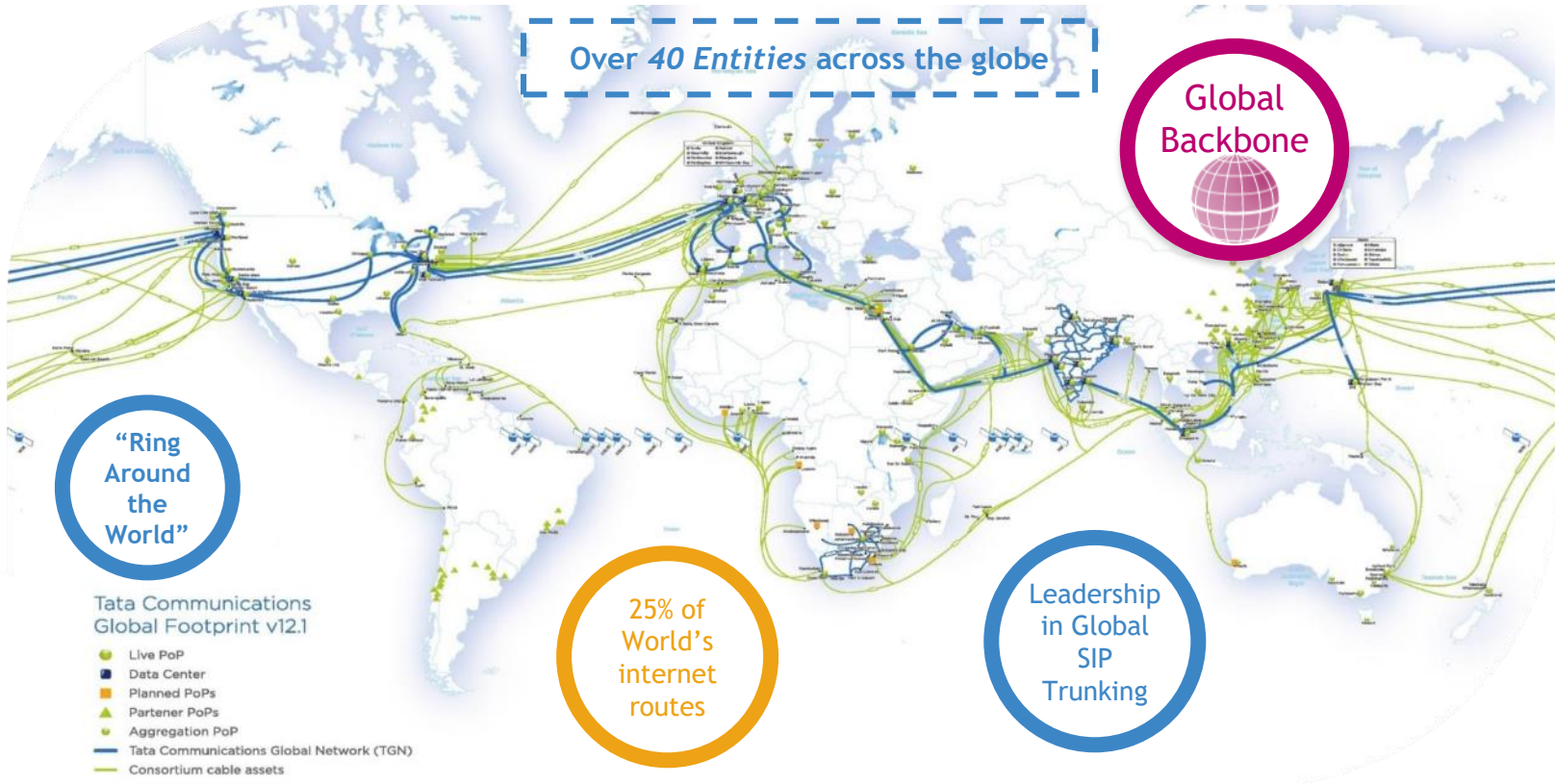
GROWTH STORY

TRANSFORMING FROM AN INDIAN PSU TO A DIGITAL ENABLEMENT PLAYER



<p>VSNL, VSNL International, CIPRIS, Tata Indicom Enterprise BU & Teleglobe unite as TCL</p>		<p>New Verticals - Media, Banking, Healthcare</p>		<p>World's 1st LTE roaming peering with Telecom Italia Sparkle 100G connectivity to carriers & enterprises across the US & Europe Jamvee™ launched Launch of IZO™</p>		<p>Partnered with Salesforce to interconnect businesses to the cloud Signed first UK advertising sponsorship deal with the Heathrow Express</p>											
2002		2008		2010		2011		2012		2013		2014		2015		2016-17	
<p>Tata Group acquires stake in VSNL</p>		<p>Launch of Cloud Services, and Next Generation Ethernet Network</p>		<p>Official connectivity partnership with F1®</p>		<p>Joined forces with Google, Microsoft Azure and AWS to deliver cloud enablement platform</p>		<p>#1 International Wholesale Voice #1 India Large Enterprise Leader in Global Network Services (Gartner) - 4th Year in a row Exited Neotel & Data Center - 2017 Launched MOVE, and NetFoundry</p>									

GLOBAL REACH - PROVIDING CONNECTIVITY ACROSS THE WORLD



PRODUCTS AND SERVICES

PROVIDER OF ENTERPRISE & WHOLESALE DATA SERVICES & WHOLESALE LONG DISTANCE VOICE SOLUTIONS



Data Services

Traditional Services

Virtual Private Network

Intl Private Line

Internet Leased Line

Mobility

Inmarsat

Ethernet

National Private Line

Internet Protocol - Transit

IZO & IZO SDWAN

Managed Hosting/ Cloud/GHCC

Managed Security Services

Broadcast

Video Connect

UCC/ SIP - Trunking

Video Streaming

Healthcare

Media Management

MOVE & IOT

Subsidiaries

TC Transformation Services Ltd

TC Payment Services Ltd

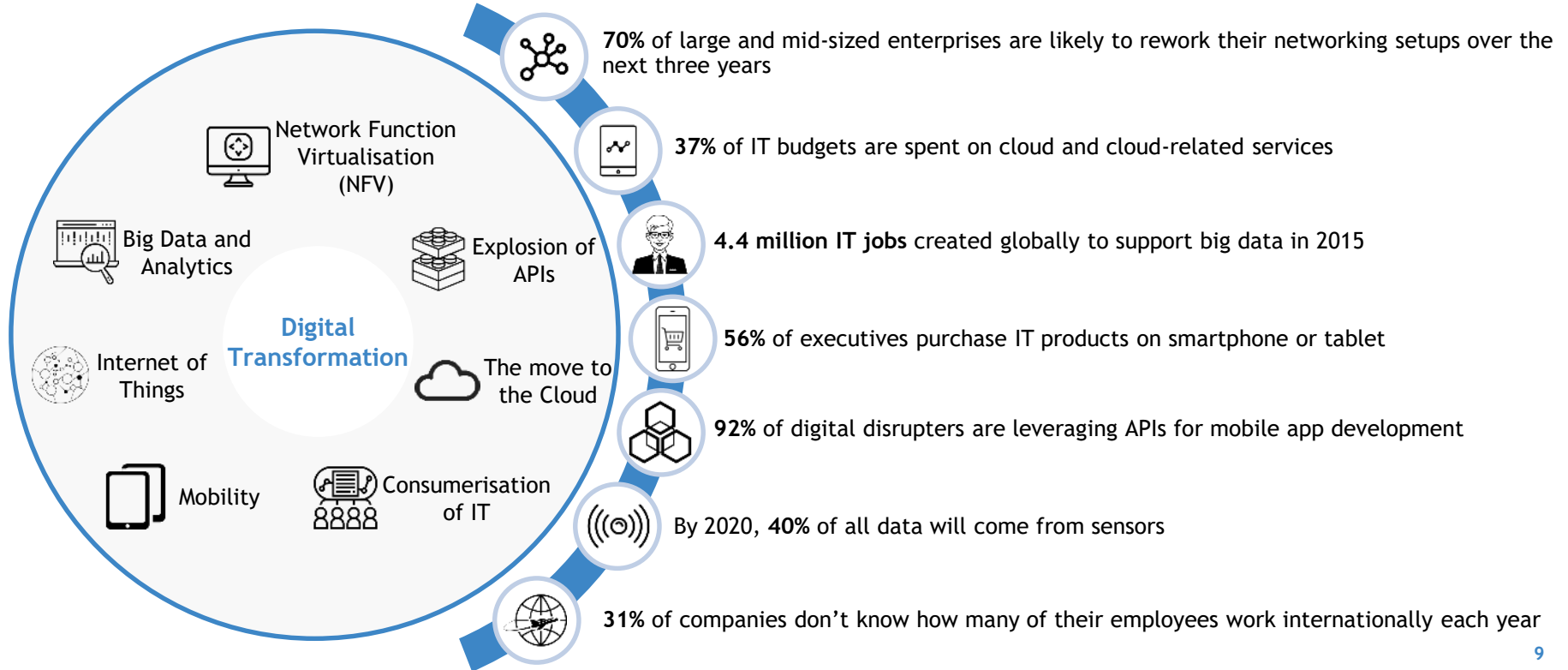
Voice Solutions

International Long Distance

National Long Distance

MARKET OVERVIEW

TECHNOLOGY IS A GAME CHANGER



BUSINESS THEMES SUPPORTING DIGITAL TRANSFORMATION

DIGITAL TYPICALLY DELIVERS VALUE ACROSS 4 IMPACT AREAS FOR BUSINESSES



Borderless Growth

Driving their digital transformation on a global scale, organisations need best-in-class global infrastructure and tools. They will power organisations' expansion into new markets and geographies, and allow them to innovate through new products, services and business models to generate new revenue streams with agility.



Productivity and Efficiency

Boosting productivity and drive efficiencies via digital, organisations need to pave the way for seamless multi-platform collaboration amongst their employees, partners and customers, and empower them with ubiquitous access to data and applications.



Customer Experience and Engagement

Offering their digitally-savvy customers the seamless experiences they crave, organisations need to embrace an omni-channel approach, which enables them to enhance customer engagement, awareness and loyalty.

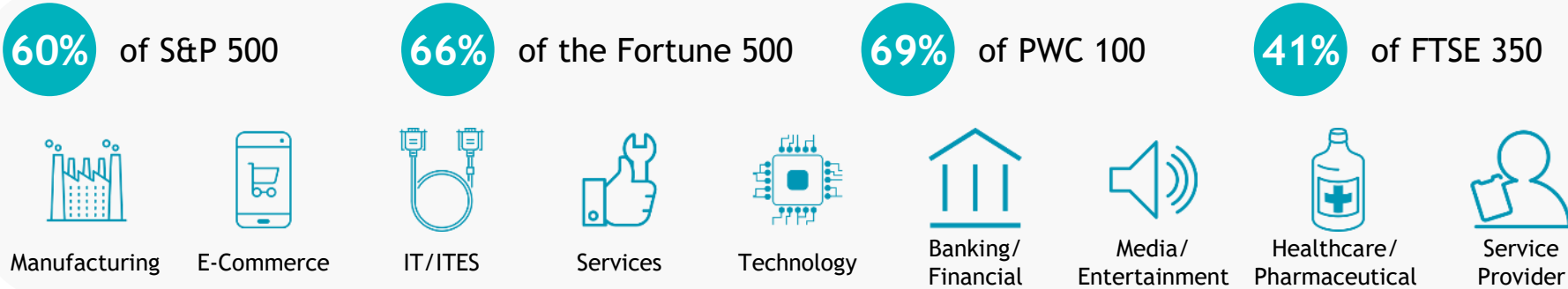


Managing Business Risk

Managing business risk, organisations must secure their data and applications - which fuel their growth in today's digital economy - against external threats, and ensure reliability and near-zero business disruption.

OUR CUSTOMERS

~ 7,000 CUSTOMERS GLOBALLY: ~2,000 SERVICE PROVIDER CUSTOMERS & ~5,000 ENTERPRISE CUSTOMERS



Some Key Customers

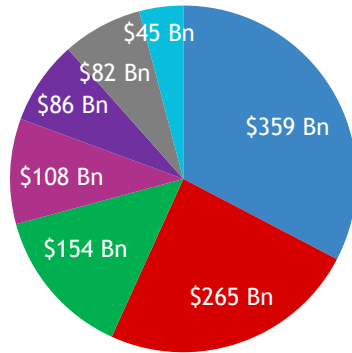


TATA TECHNOLOGIES

WE ADDRESS ~\$46 BN OUT OF A \$1.1 TN TELECOM MARKET

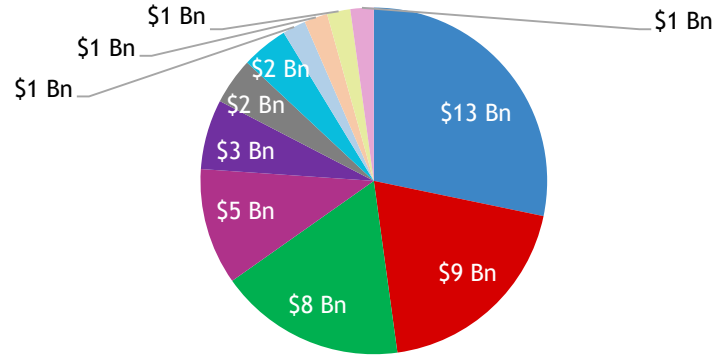
SERVICEABLE ADDRESSABLE MARKET REPRESENTS PORTION OF THE TELECOM MARKET WHICH WE CAN CAPTURE

**Telecom:
\$1,100Bn**



- Total Carrier Outsourcing
- Fixed N/W Data
- International Voice
- Mobile Services
- Fixed N/W Voice
- Managed Services

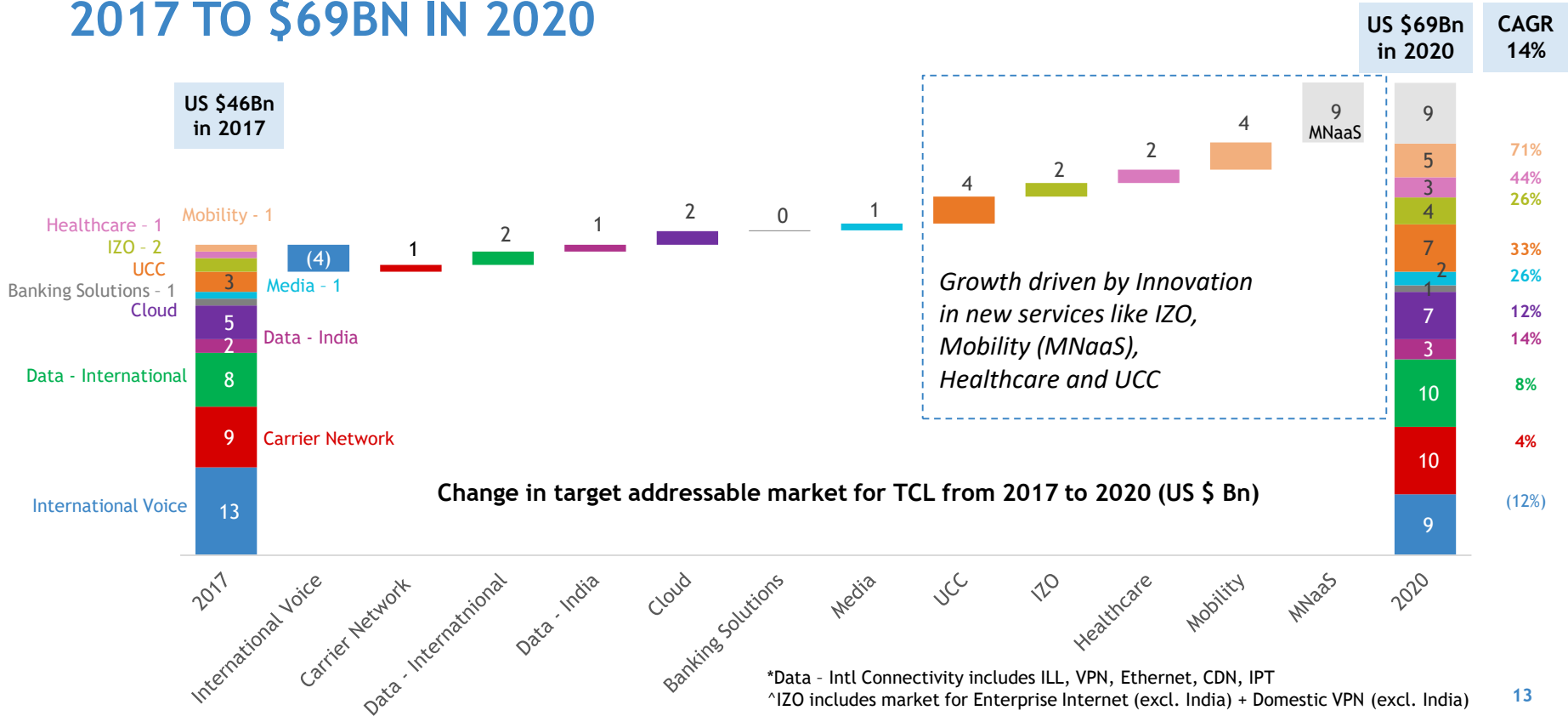
**SAM:
\$46Bn**



- International Voice
- Carrier N/W O/S
- Data - Intl
- Collaboration
- Cloud
- Media
- Mobility

Source: Gartner, F&S, Telegeography, CISCO-VNI, Internal Estimates
 Notes: Managed Services includes Media Services; Data Intl Connectivity includes CDN and IP-T

OUR TARGET ADDRESSABLE MARKET IS EXPANDING FROM \$46BN IN 2017 TO \$69BN IN 2020



*Data - Intl Connectivity includes ILL, VPN, Ethernet, CDN, IPT
 ^IZO includes market for Enterprise Internet (excl. India) + Domestic VPN (excl. India)

HELPING CONSUMERS REMAIN AGILE, ADAPTABLE, AND RESPONSIVE

POWERING THE DIGITAL ECONOMY AND HELPING OUR CUSTOMERS AND PARTNERS ACCELERATE THEIR GROWTH BY DEVELOPING INNOVATIVE BUSINESS SOLUTIONS

Innovating Together



INVESTING FOR THE FUTURE

MOVE is 3 Products built on the Tata Global Network



SIM CONNECT

Global Mobile Connectivity for Humans - Providing Global Visibility, Security and Control to MNCs



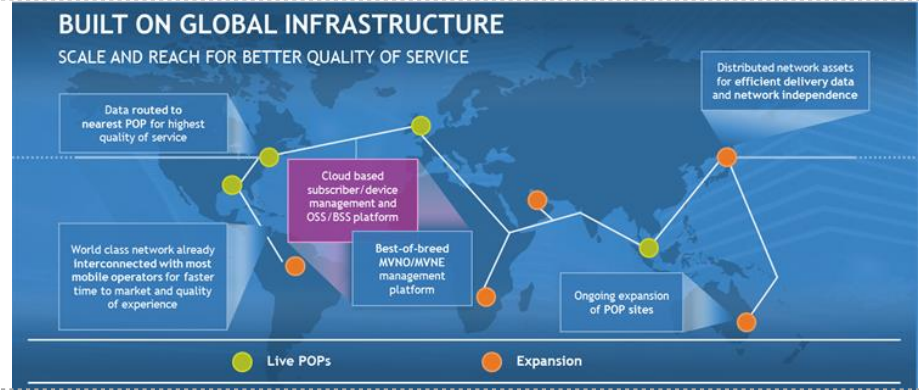
IOT CONNECT

Global Connectivity for Machines and Things - Fully Programmable Global IoT connectivity and services



MOBILE NETWORK ENABLEMENT

MNOs can leverage our MVNE “platform as a Service” and launch sophisticated local or global MVNOs rapidly



Other Innovative Products in our Portfolio

MOBILE CUSTOMER ENGAGEMENT



Mobile Messaging Exchange
SMS Firewall
API Suite

Mobile Local Number Services
Sponsored Data Exchange



ROAMING AND INTERCONNECT SERVICES

Business Intelligence
WiFi+
Steering and Routing

Clearing and Settlement
VoLTE Interconnect, IPX+
SS7 & Diameter Signalling



LoRa LP-WAN (Low Power, Long Range Network)

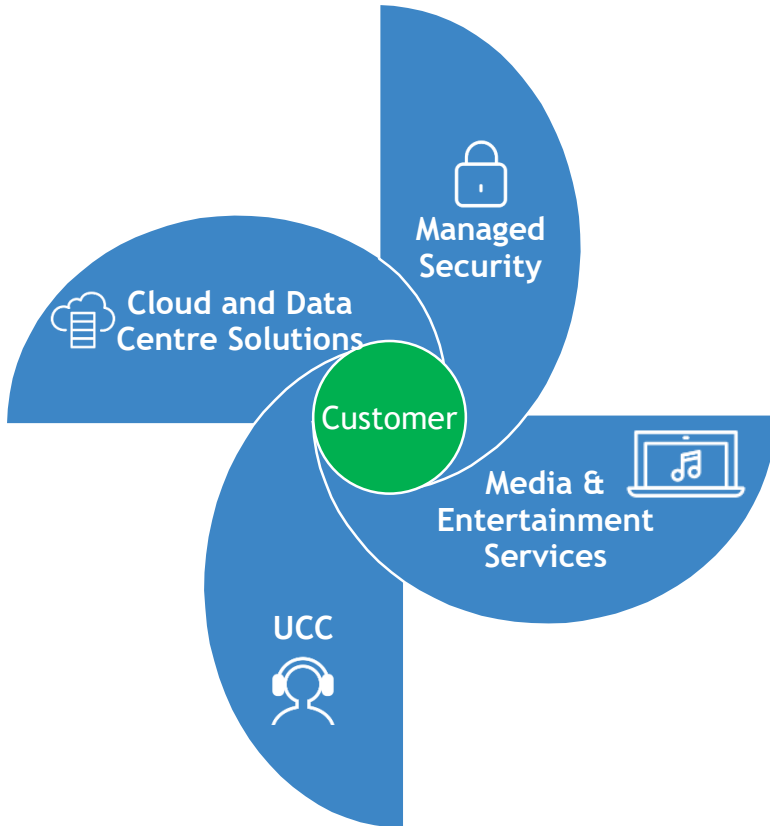
IOT infrastructure and developer ecosystem in India



Digital Transformation

Revamping systems and processes to enhance long term productivity and enrich customer experience

LEVERAGING OUR POSITIONING



Cloud and Data Centre Solutions

- Connecting businesses to 8 main cloud platforms in 20 locations across 3 continents
- Our data centres meet and exceed TIA 942 standards and offer 99.982% uptime
- 10,000+ installed racks, and more than 5,000 virtual instances

Managed Security

- One of the largest cloud-based DDoS mitigation and scrubbing services with 17 scrubbing farms across the globe
- Provide 24x7x365 proactive monitoring of security devices for over 700 customers
- Acknowledged as a 'notable vendor' in Gartner's Magic Quadrant for MSSPs

Media and Entertainment Services

- Global network that can transfer 1TB data/second for HD video without buffering
- Video network that reaches 300 media hotspots globally
- Offers OTT platform-as-a-service which enables delivery of live, linear, catch-up & VOD content

Unified Communication and Collaboration (UCC)

- End-to-end global managed services and support
- Named Microsoft High Potential Partner for Skype for Business
- Cisco powered Cloud Contact Centre Solution Provider

THIRD PARTY ENDORSEMENTS, AWARDS AND RECOGNITION

CONTINUOUS IMPROVEMENT

India's largest corporations: Tata Communications at #68

Transparency International, a global civil society organization, conducted research into the public reporting practices of 100 emerging market companies based in 16 countries in 2016



Tata Communications ranks #2 in the 'Transparency in Corporate Report'

8 page feature story on the Leadership Profile of Tata Communications in the December edition of Fortune India

<http://fortuneindia.com/2016/december/the-importance-of-being-global-1.10468>

Named an **Aon Best Employer India**, 2nd year in row. Recognised for **high employee engagement, compelling employer brand, effective leadership and a culture that enables high performance**



Frost & Sullivan India ICT Awards:

- **Enterprise Data Service Provider** of the Year (9th Year in a row)
- **Hosted Contact Center Service Provider** of the Year (6th Year in a row)
- **Enterprise Telecom Service Provider** of the Year - Large Enterprises (3rd Year in a row)
- **Third Party Datacentre Service Provider** of the Year (2nd Year in a row)
- **IoT New Product/Service Innovation Award** (First time winner - New Award Category)

Recognised for building a high trust, high performance culture and a Great Place to Work-Certified™

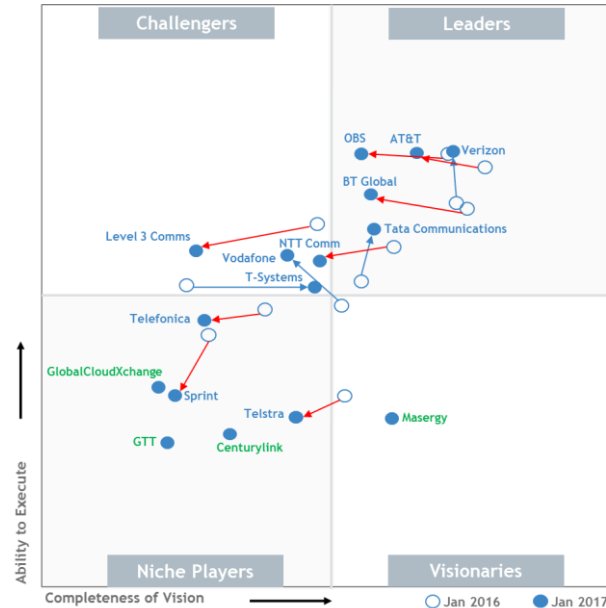


#19 best company in India at attracting and retaining top talent



POSITIONED IN THE LEADERS' QUADRANT

“LEADER” IN GARTNER MAGIC QUADRANT FOR NETWORK SERVICES, GLOBAL FOR 4TH CONSECUTIVE YEAR



- TCL and Verizon are the only “Leaders” showing significant improvement
- TCL’s global SIP trunk offering, IZO internet WAN across 82 countries and plans for SD-WAN have been identified as key strengths
- Most established players have lost ground
 - Telstra has dropped from “visionary” to “Niche Player”
 - Others like Level 3 Comms, BT Global, OBS, AT&T, NTT have lost ground in “completeness of vision”

Source: Gartner, Inc “Magic Quadrant for Network Services, Global” Neil Rickard, Bjarne Munch, 13 February 2017.

This Magic Quadrant graphic was published by Gartner, Inc. as part of a larger research note and should be evaluated in the context of the entire report. The Gartner report is available upon request from Tata Communications. Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings. Gartner research publications consist of the opinions of Gartner’s research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

SHAREHOLDER VALUE CREATION

FOCUS ON MAXIMIZING LONG TERM INTRINSIC VALUE FOR SHAREHOLDERS

Drive Capital Efficiency

- Recalibrate Investments
- Co-create with partners
- Strong discipline and governance around capital allocation and expenditure

Improve Margin Profile

- Improve operating efficiency and drive operating leverage
- Accelerate growth in high margin data segment and new services

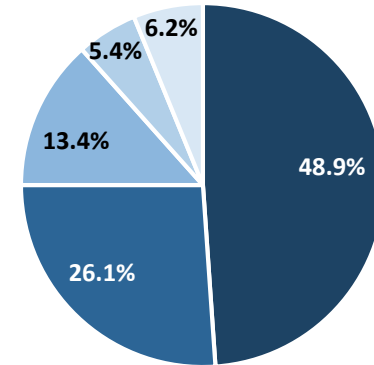
Invest for Sustainable Long-Term Growth

- Reshape portfolio
- Invest in new services/ innovation to differentiate and accelerate growth

Create Financial & Strategic Flexibility

- Key priority is to generate free cash flow and deleverage balance sheet
- Pursuit of opportunities to unlock intrinsic value
- Rationalize businesses with sub-par return profiles

Shareholding pattern



■ Tata Group ■ GOI ■ Foreign Institutions
 ■ Domestic Institutions ■ Non-Institutions

As on December 31, 2017

Note: Tata group includes Panatone Finvest Ltd (30.10%), Tata Sons (14.07%), and Tata Power Ltd. (4.71%)

CORPORATE SOCIAL RESPONSIBILITY

TECHNOLOGY DRIVING SOCIAL CHANGE

“By financially including women around the globe, we take an important step towards poverty alleviation, equality and economic prosperity.”

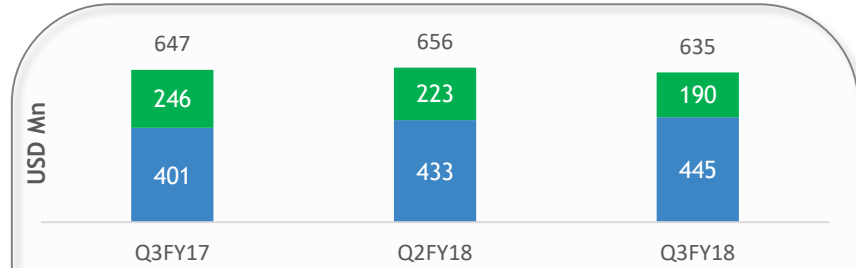
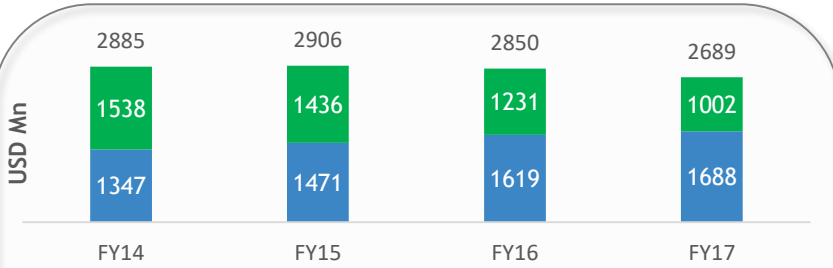
Walt Macnee, Vice Chairman, Mastercard

- Tata Communications and MasterCard joined forces to empower 100 million women in the developing world. Working with a unique network of partners, we aim to bring our shared vision to life through access to transformative mobile platforms across a range of financial, health and education applications and service
- We're committed to improving the quality of life of communities through programmes such as health, education and vocational training
- Sustainability is built into our business processes
- Our active volunteering programme has over 70,000 volunteers
- Active programmes around the world include computer-based adult literacy, and e-learning teaching application for special children
- In FY16, 96% of our employees have undergone 44,280 days of skill development training through 1,603 workshops
- Further, our employee engagement score remains very high at 84% in FY16. This helps us stay very high up in the top quartile of the Aon Hewitt global telecom database

FINANCIAL PERFORMANCE



PERFORMANCE HIGHLIGHTS | CORE - GROSS REVENUE



Y-o-Y

Q-o-Q

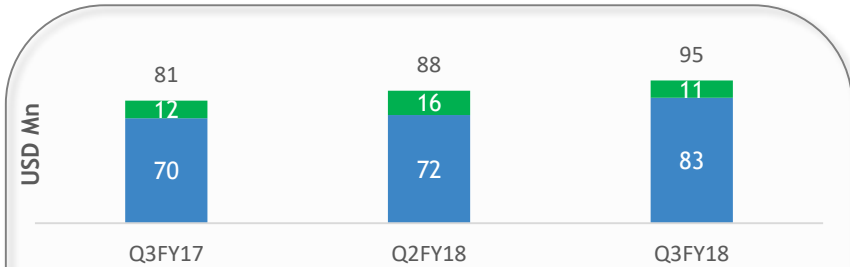
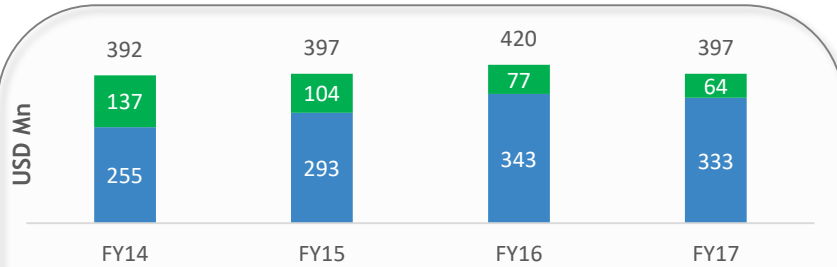
	FY15	FY16	FY17
Growth %			
Data	↑ 9.2%	↑ 10.1%	↑ 4.2%
Voice	↓ (6.7%)	↓ (14.2%)	↓ (18.6%)
Core	↑ 0.7%	↓ (1.9%)	↓ (5.7%)

	YoY	QoQ
Growth %		
Data	↑ 11.1%	↑ 2.9%
Voice	↓ (22.9%)	↓ (14.9%)
Core	↓ (1.9%)	↓ (3.2%)

- Revenues declined 3.2% QoQ and 1.9% YoY; the decline in revenue is primarily due to de-growth in Voice and YoY decline in Payment Solutions business
- The pressure on voice business continues in-line with global trends; this quarter Voice revenue declined by 14.9% QoQ and 22.9% YoY
- Data business revenue increased by 11.1% YoY and 2.9% on QoQ basis; this growth was primarily led by strong revenue traction across the data services portfolio

Note: USD-INR: FY14 - 60.48; FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; Q2FY17 - 66.98; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77

PERFORMANCE HIGHLIGHTS | CORE - EBITDA



Y-o-Y >>>

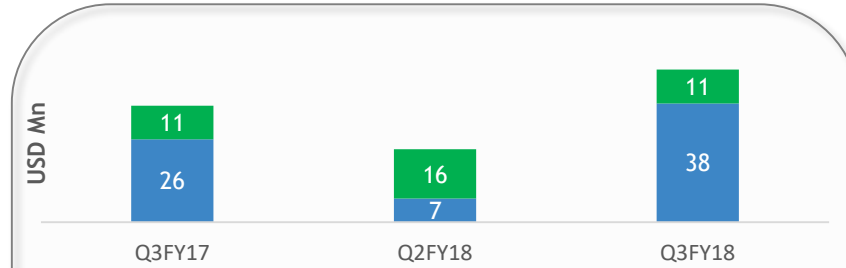
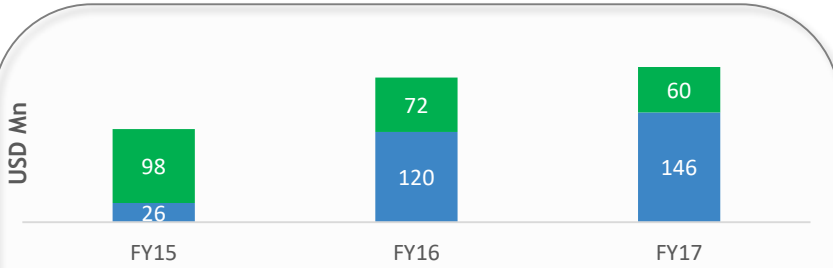
<<< Q-o-Q

Margin %	FY14	FY15	FY16	FY17
● Data	18.9%	↑ 19.9%	↑ 21.2%	↓ 19.7%
● Voice	8.9%	↓ 7.2%	↓ 6.3%	↑ 6.4%
● Core	13.6%	↑ 13.6%	↑ 14.7%	↑ 14.7%

Margin %	Q3FY17	Q2FY18	Q3FY18
● Data	17.4%	↑ 16.6%	↑ 18.7%
● Voice	4.7%	↓ 7.2%	↑ 6.0%
● Core	12.6%	↑ 13.4%	↑ 14.9%

- EBITDA grew by 7.8% with margin expansion of 150 bps QoQ basis, aided by higher margin in Data on the back of strong revenue growth and Cost optimization initiatives
- On a YoY basis, the EBITDA grew by 16.5%, the margins expanded by 230 BPs YoY due to improvement in both Voice (170 BPs) and Data business (130 BPs) margins
- Through cost optimization initiatives, we have been able to maintain Voice EBITDA margins in the range of 5.5% to 6%

PERFORMANCE HIGHLIGHTS | CORE - OPERATING FCF



Y-o-Y >>>

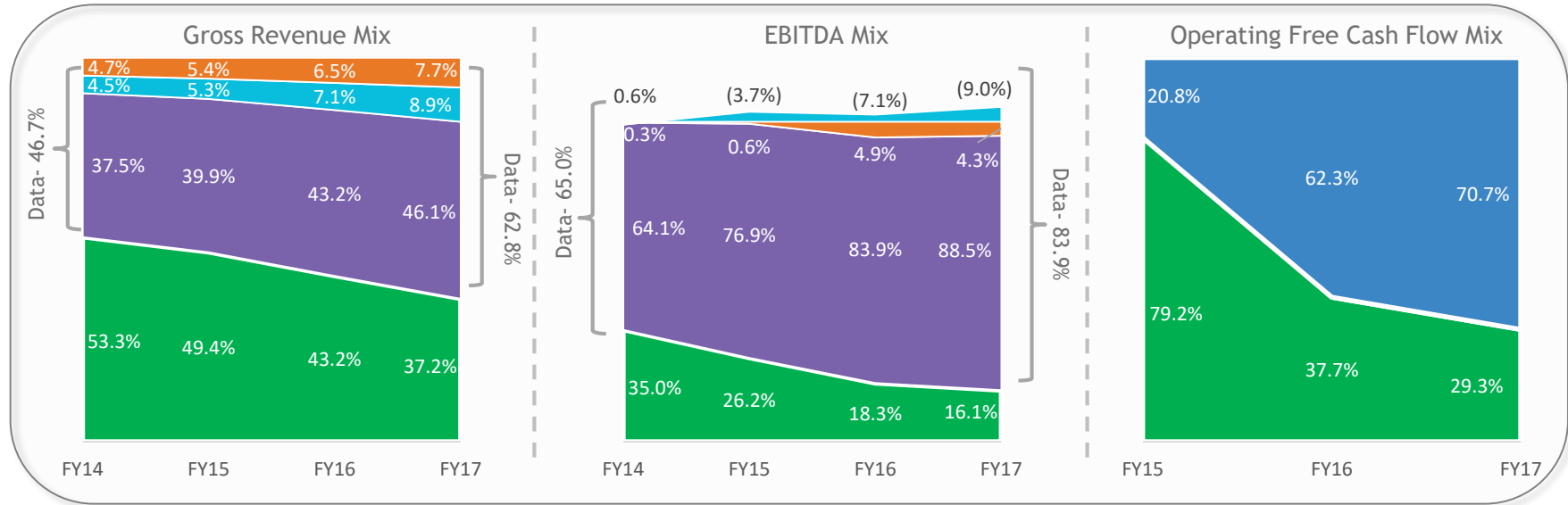
<<< Q-o-Q

EBITDA to FCF	FY15	FY16	FY17
Data	8.8%	↑ 34.9%	↑ 43.8%
Voice	94.0%	↓ 93.9%	↑ 94.2%
Core	19.7%	↑ 37.4%	↑ 43.5%

EBITDA to FCF	Q3FY17	Q2FY18	Q3FY18
Data	37.9%	↑ 10.4%	↑ 45.4%
Voice	91.5%	↓ 98.4%	↑ 95.1%
Core	36.8%	↑ 14.5%	↑ 39.6%

- The business is generating healthy free cash flows - We generated USD 37Mn (INR 2425 mn) in Free Cash Flow after accounting for capex
- The underlying business levers are in place and the free cash flow growth momentum will continue as we grow scale

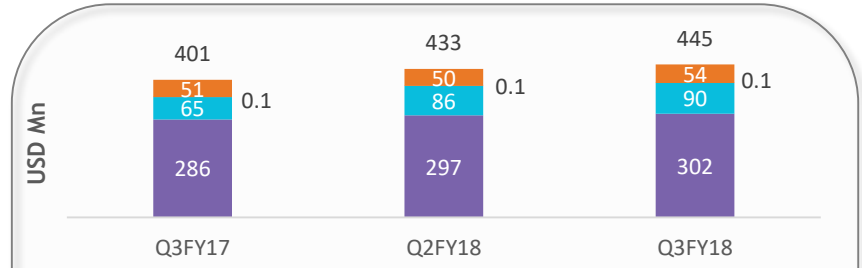
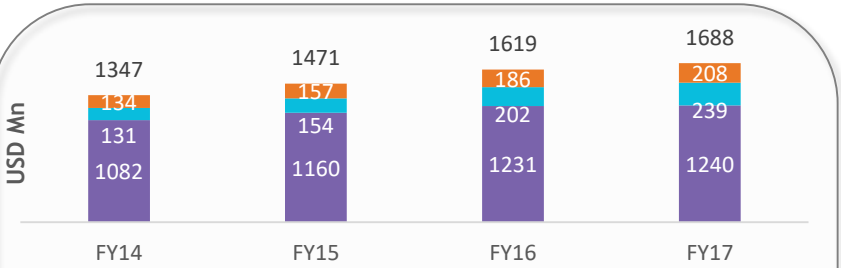
PERFORMANCE HIGHLIGHTS | PORTFOLIO MIX



● Data
 ● Voice
 ● Traditional Services
 ● Growth Services
 ● Subsidiaries

- There has been a significant shift in the mix of our business, with Data dominating both in terms of Revenue, EBITDA and Free Cash Flow, and the declining importance/ dependence on Voice can be clearly seen above
- Traditional Connectivity services is our mainstay as of now, and represents a majority portion of both our Revenue and EBITDA
- However, our investment in Growth Services will drive the business in the future

PERFORMANCE HIGHLIGHTS | DATA - GROSS REVENUE



Y-o-Y >>>

<<< Q-o-Q

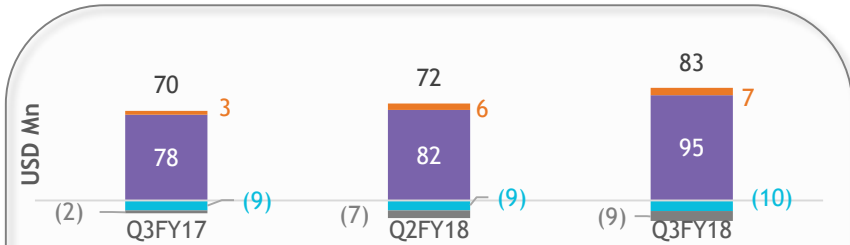
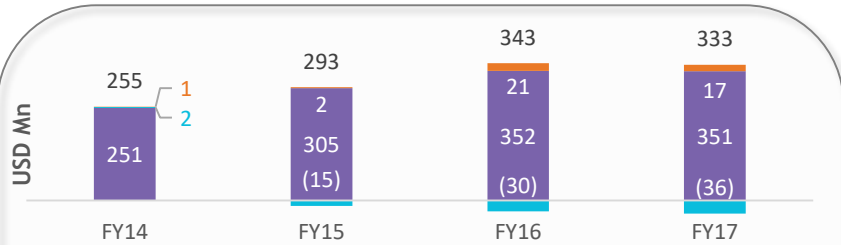
Growth %	FY15	FY16	FY17
Traditional	↑ 7.2%	↑ 6.1%	↑ 0.8%
Growth	↑ 17.6%	↑ 31.2%	↑ 18.4%
Subsidiaries	↑ 17.0%	↑ 18.7%	↑ 11.6%

Growth %	YoY	QoQ
Traditional	↑ 5.7%	↑ 1.6%
Growth	↑ 38.5%	↑ 4.5%
Innovation	↑ 80.9%	↑ 54.8%
Subsidiaries	↑ 6.1%	↑ 7.7%

- Data business revenue increased by 11.1% YoY and 2.9% QoQ basis; this was primarily led by strong revenue traction across the data services portfolio
- Traditional services witnessed a revenue growth of 1.6% QoQ and 5.7% YoY during Q3; despite industry headwinds; Traditional services have reverted to their usual growth trajectory
- Growth services showed exceptional traction this quarter with a 38.5% revenue growth YoY; the momentum in the portfolio continues to build up as we grow in scale and increase customer engagement

Note: USD-INR: FY14 - 60.48; FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; Q2FY17 - 66.98; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77; Quarterly data has been re-cast for like to like comparison

PERFORMANCE HIGHLIGHTS | DATA - EBITDA



Y-o-Y >>>

	Margin %	FY14	FY15	FY16	FY17
Traditional	23.2%	↑ 26.3%	↑ 28.6%	↓ 28.3%	
Growth	1.8%	↓ (9.6%)	↓ (14.8%)	↓ (14.8%)	
Subsidiaries	0.9%	↑ 1.5%	↑ 11.0%	↑ 8.3%	

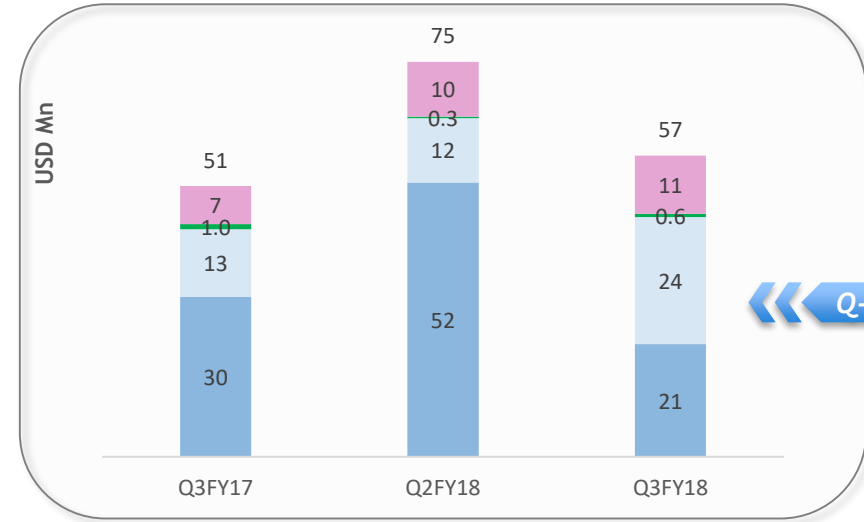
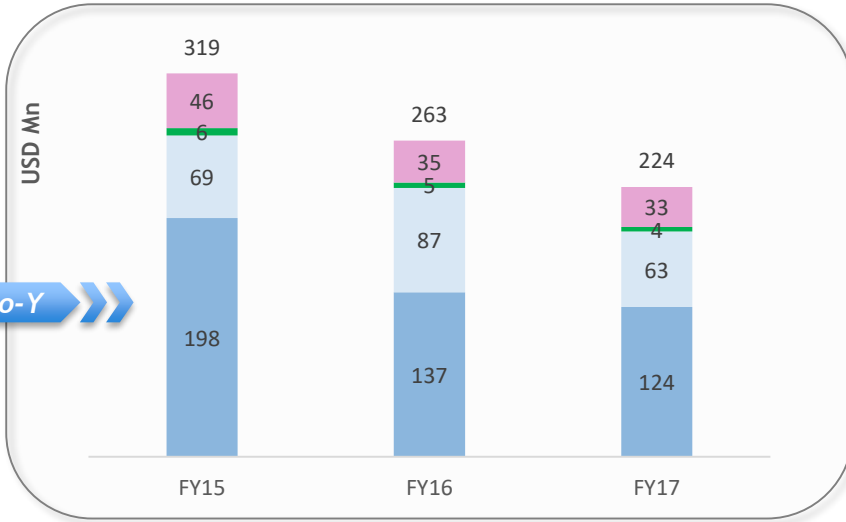
<<< Q-o-Q

Margin %	Q3FY17	Q2FY18	Q3FY18
Traditional	27.2%	↑ 27.6%	↑ 31.6%
Growth	(14.0%)	↓ (10.4%)	↑ (10.7%)
Innovation	n/a	↑	↓
Subsidiaries	6.8%	↑ 11.6%	↑ 12.2%

- The data EBITDA for the quarter came in at USD 83 Mn, a growth of 16% QoQ and 19.7% YoY; the EBITDA margin expanded by 210 BPs QoQ and 130 BPs on YoY basis due to higher margin in Traditional Services on back of cost optimization initiatives
- For Traditional Services, the EBITDA for the quarter came in at USD 95.4 Mn, witnessing a strong growth of 16.6% QoQ and 22.8% YoY
- For Growth Services, the EBITDA losses were little higher this quarter due to continued investment

Note: USD-INR: FY14 - 60.48; FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; Q2FY17 - 66.98; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77

PERFORMANCE HIGHLIGHTS | CAPITAL EXPENDITURE

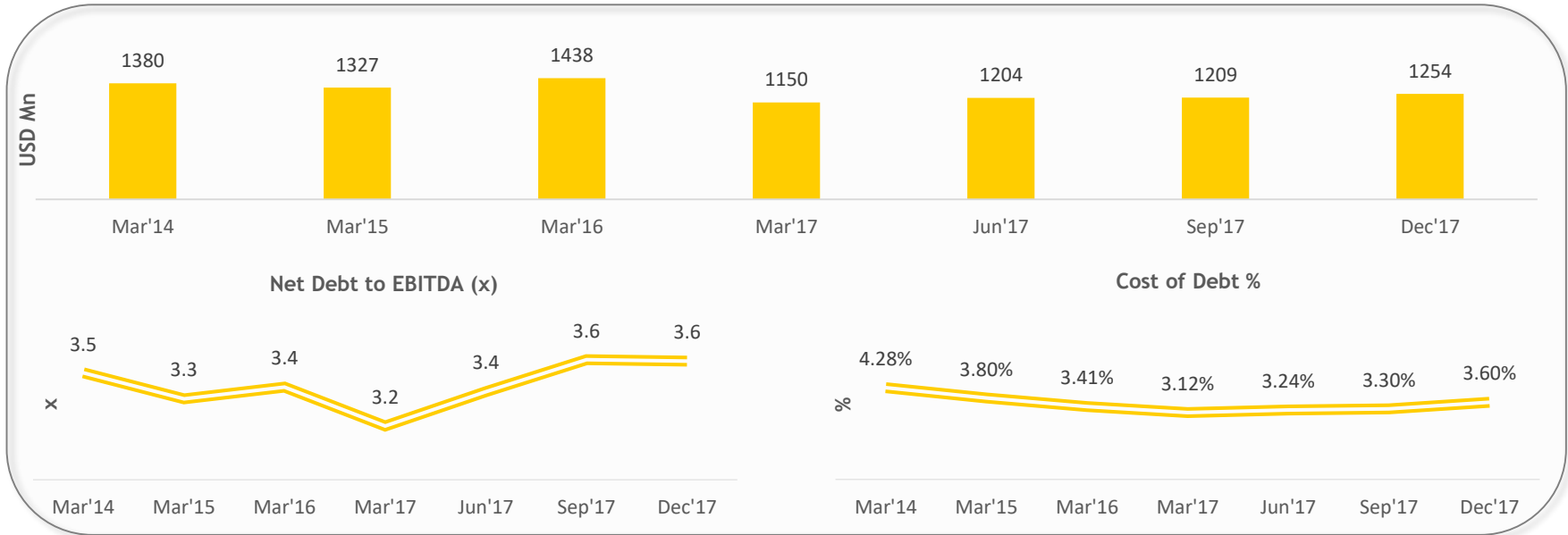


● Data Sustenance
 ● Data Growth
 ● Voice
 ● Others

- Q3 capex was at USD 57 Mn; on a YTD basis, the capex was at USD 183 Mn which is in-line with the guidance of USD 250-275 Mn annual capex
- Around 80% of the Capex is spent on Data Business
- Capex spent on Others include sustenance capex towards network engineering, IT, customer service operations etc

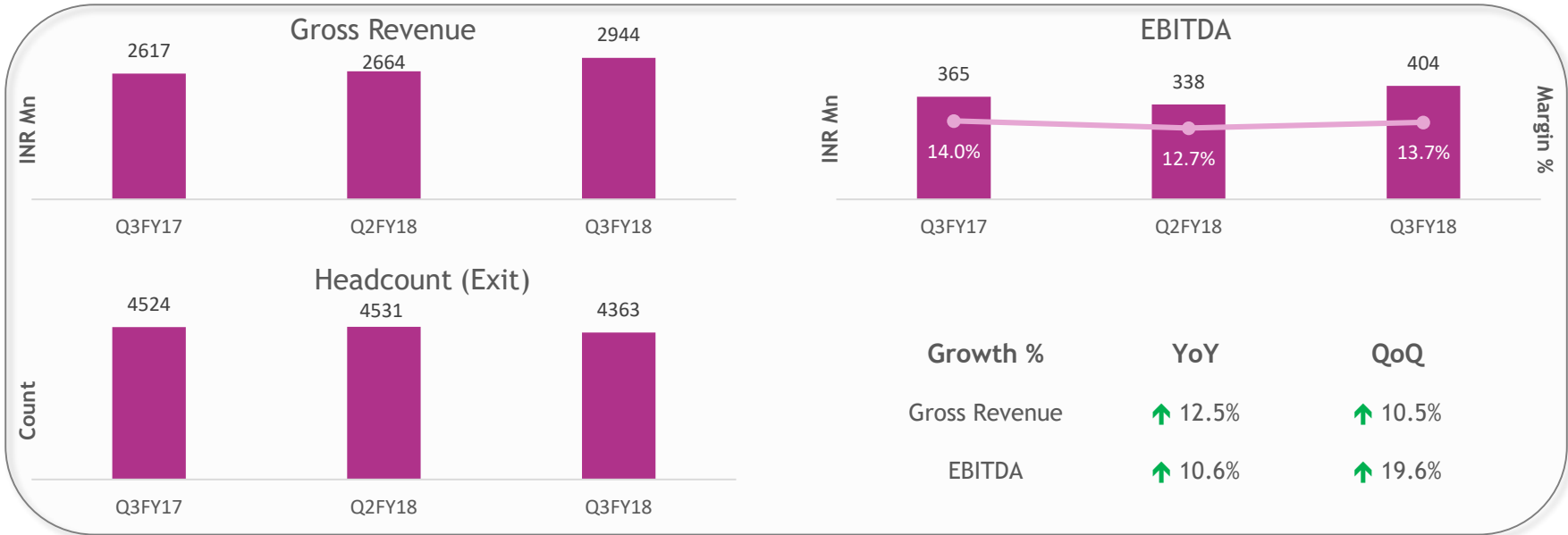
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PERFORMANCE HIGHLIGHTS | NET DEBT



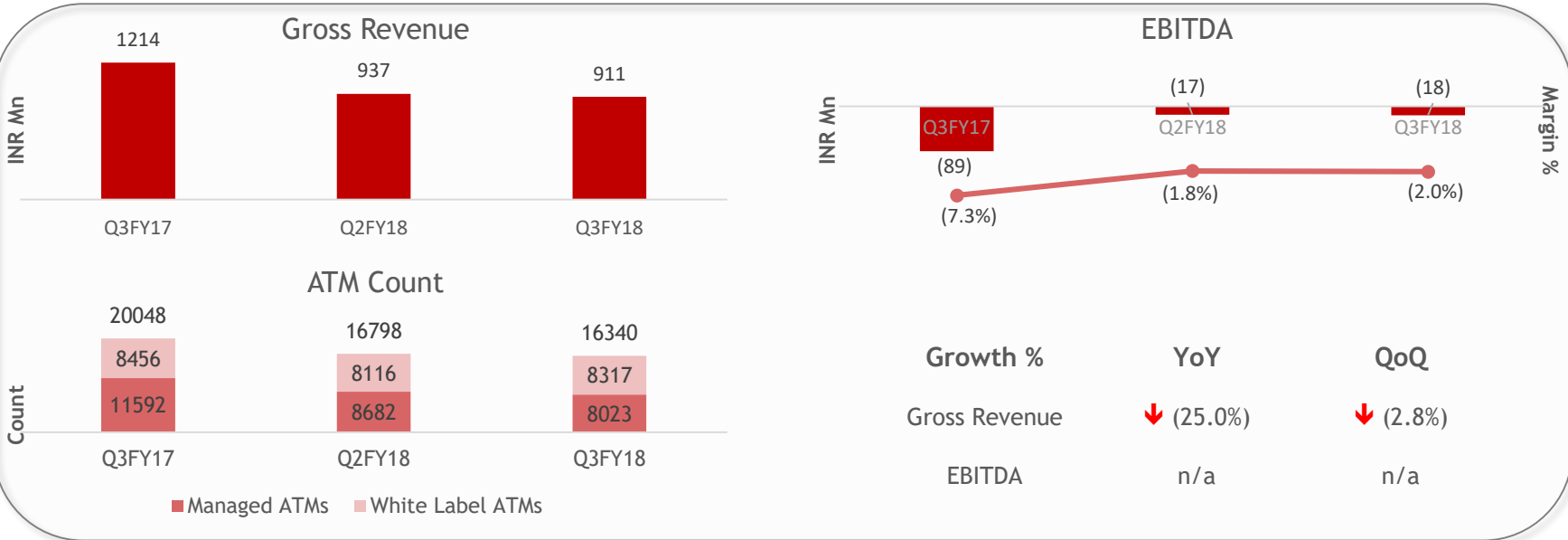
- Net debt at the end of quarter was at USD 1,254 Mn and increase of USD 45 Mn over last quarter due to increase in working capital gap
- Q3 Cost of debt is at 3.6% higher by 30 Bps QoQ attributable to one time hit of arrangement fees in refinancing Long-Term loan; normalized for this impact, the Cost of debt would have been flat

PERFORMANCE HIGHLIGHTS | TCTSL - STANDALONE



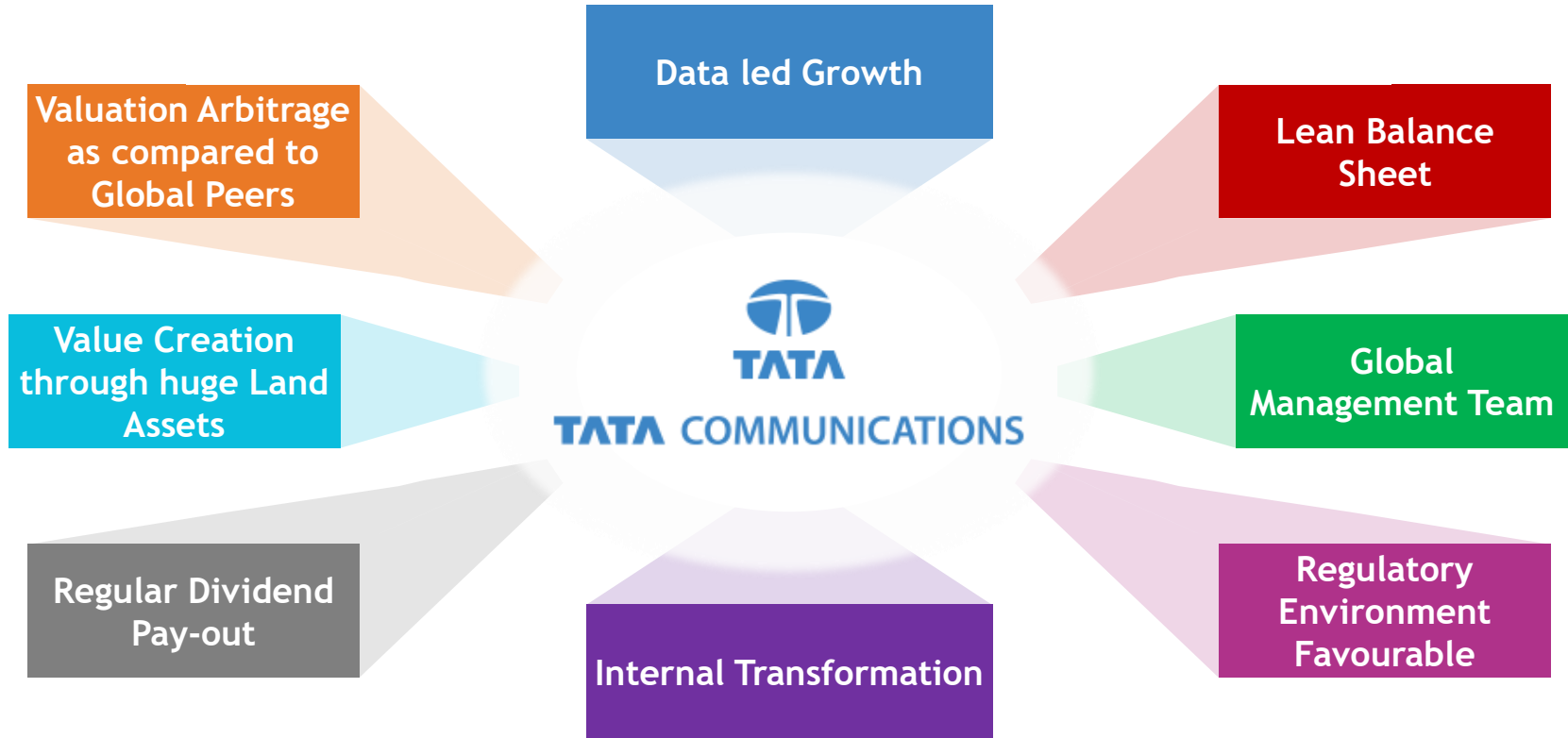
- Transformation services revenue increased by 12.5% YoY and 10.5% on QoQ basis; this was due to new customer wins and increased revenue from existing customers
- We added a few marquee customers this quarter and the funnel growth is strong.

PERFORMANCE HIGHLIGHTS | TCPSL - STANDALONE



• *Payment Solutions business continues to be impacted by demonetization and the cash handling is still at 50% - 60% of the pre-demonetization levels*

INVESTMENT THESIS



KEY TAKE AWAY

- ❑ Favourable sectoral trends - riding on global data growth
- ❑ Digital Transformation and Cloud adoption to drive the business growth
- ❑ Connected the recently-launched Seabras-1 cable system Tata Communications' global network, offering the most direct link between the financial centres of New York City and São Paulo
 - ❑ Tata Communications has expanded to Brazil, connecting Latin America's largest economy with international financial capitals such as New York, London, Mumbai and Singapore.
- ❑ Positioned for the first time by Gartner in its 2017 Magic Quadrant for Managed Hybrid Cloud Hosting, Asia/Pacific.
- ❑ Digital push through partnerships
 - ❑ Partnership with DRVR, European Tour, Cloudera, Motosport.tv, Ultracast
- ❑ Increased sales push through internal reorganisation and partnerships
- ❑ Growth Services continue to scale up well, and delivered an impressive 38.5% growth YoY
- ❑ The business is generating healthy free cash flows - We generated USD 37Mn (INR 243 Crores) in Free Cash Flow after accounting for capex
- ❑ Core Net Debt at USD 1.25Bn, an increase of USD 45Mn due to increase in working capital gap - Net Debt to EBITDA at 3.6x
- ❑ FY17 Dividend of INR 6/share which is 60% of face value of each share
- ❑ Demerger of surplus land finalised - After the transfer of surplus land, the company still holds close to 850 acres of land across various states, and the de-merger will enable evaluation of options to monetise this land at a later stage

THANK YOU

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