



Our vision for The New World of Communications

Q1 FY2013 – Earnings Update

July 26, 2012

SAFE HARBOR STATEMENT

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.

Highlights: Q1 FY2013

Consolidated financial highlights

- Consolidated revenues up 26% y-o-y and 4% q-o-q
- Consolidated Operating EBITDA margins expanded by 300 bps y-o-y and 70 bps q-o-q to 13.0%
 - EBITDA growth of 63% y-o-y and 10% q-o-q
- Turned EBIT positive for Q1 FY 2013 at the consolidated level

Segment highlights

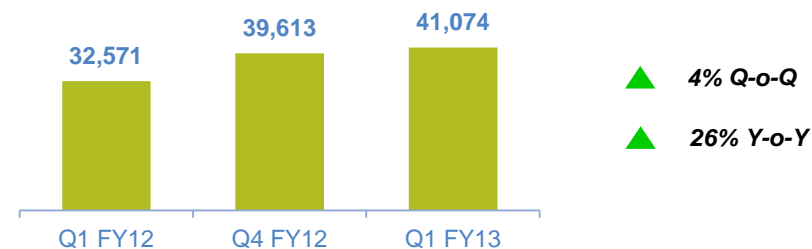
- Voice (GVS) maintains growth pace and further improves profitability
 - Net revenues up 39% y-o-y and 9% q-o-q
 - Operating EBITDA margins higher by 350 bps y-o-y and 50 bps q-o-q to 9.5%
- Data (GDS) continues to gain traction
 - Gross revenue up by 26% y-o-y
- Significant improvement in Start-up (primarily Neotel) profitability
 - EBITDA margins up 730 bps q-o-q at 12.9%

Consolidated Financial Performance – Q1 FY2013

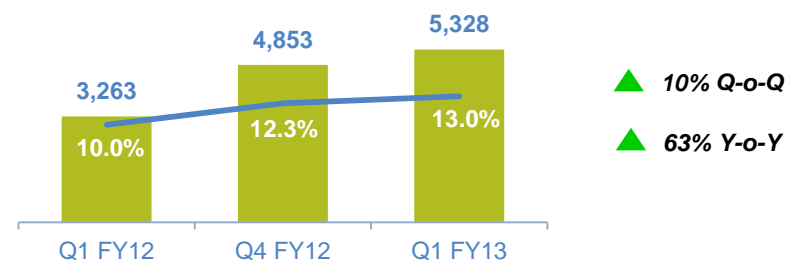
INR Mn

Particulars	Q1 FY 2012	Q4 FY 2012	Q1 FY 2013
Revenue from operations	32,571	39,613	41,074
Operating EBITDA	3,263	4,853	5,328
<i>Operating EBITDA %</i>	10.0%	12.3%	13.0%
Operating EBIT	(941)	(75)	38
<i>Operating EBIT %</i>	-2.9%	-0.2%	0.1%
PBT	(2,580)	(1,393)	(893)
<i>PBT (% of total income)</i>	-7.8%	-3.5%	-2.1%
PAT	(2,155)	(2,609)	(1,429)
<i>PAT (% of total income)</i>	-6.5%	-6.5%	-3.4%

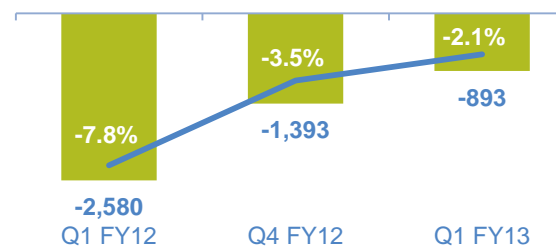
Revenue From Operations



Operating EBITDA (% of Gross Revenue)



Profit Before Tax (PBT)



Financial Performance by Segment – Q1 FY 2013

INR Mn

	CORE			STARTUP			CONSOLIDATED		
	Q1 FY 2012	Q4 FY 2012*	Q1 FY 2013**	Q1 FY 2012	Q4 FY 2012	Q1 FY 2013	Q1 FY 2012	Q4 FY 2012*	Q1 FY 2013**
Gross Revenues	28,763	35,091	36,464	3,808	4,522	4,610	32,571	39,613	41,074
Y-o-Y Growth			27%			21%			26%
Q-o-Q Growth			4%			2%			4%
EBITDA	3,867	4,600	4,734	(603)	253	594	3,263	4,853	5,328
Y-o-Y Growth			22%			NM			63%
Q-o-Q Growth			3%			135%			10%
EBIT	334	254	241	(1,275)	(329)	(204)	(941)	(75)	38
PBT	(44)	157	262	(2,536)	(1,550)	(1,154)	(2,580)	(1,393)	(893)
PAT after Minority Interest	(251)	138	(273)	(1,903)	(2,748)	(1,155)	(2,155)	(2,609)	(1,429)

* Q4 FY12: EBITDA includes one time actuarial loss on pension fund of Rs. 828 million

** Q1 FY13: PBT includes an amount of Rs. 1105 million being reversal of a provision made in earlier year (Rs 272 million) and an interest of Rs. 833 million calculated on Penalty consequent to a favorable order from TDSAT.

Core Business by Business Unit

INR Mn

	Global Voice Services (GVS)			Global Data Services (GDS)		
	Q1 FY 2012	Q4 FY 2012	Q1 FY 2013	Q1 FY 2012	Q4 FY 2012	Q1 FY 2013
Gross Revenues	16,123	18,964	20,485	12,640	16,126	15,980
Y-o-Y Growth			27%			26%
Q-o-Q Growth			8%			-1%
Net Revenue	2,665	3,412	3,704	10,302	12,791	12,547
Y-o-Y Growth			39%			22%
Q-o-Q Growth			9%			-2%
EBITDA	960	1,704	1,950	2,907	2,897	2,784
EBITDA %	6.0%	9.0%	9.5%	23.0%	18.0%	17.4%

¹ Management estimates based on internal MIS and cost allocation assumptions

Debt Profile	Core	
	As on Mar 31 '12	As on Jun 30 '12
Foreign Currency Loans	1,326	1,372
Rupee Loans	255	233
Avg. Cost of Loans*	5.34%	5.14%
Total Gross Debt	1,581	1,605
Cash & Cash Equivalent	31	84
Net Debt	1,550	1,521

* Average cost of Loans during the quarter

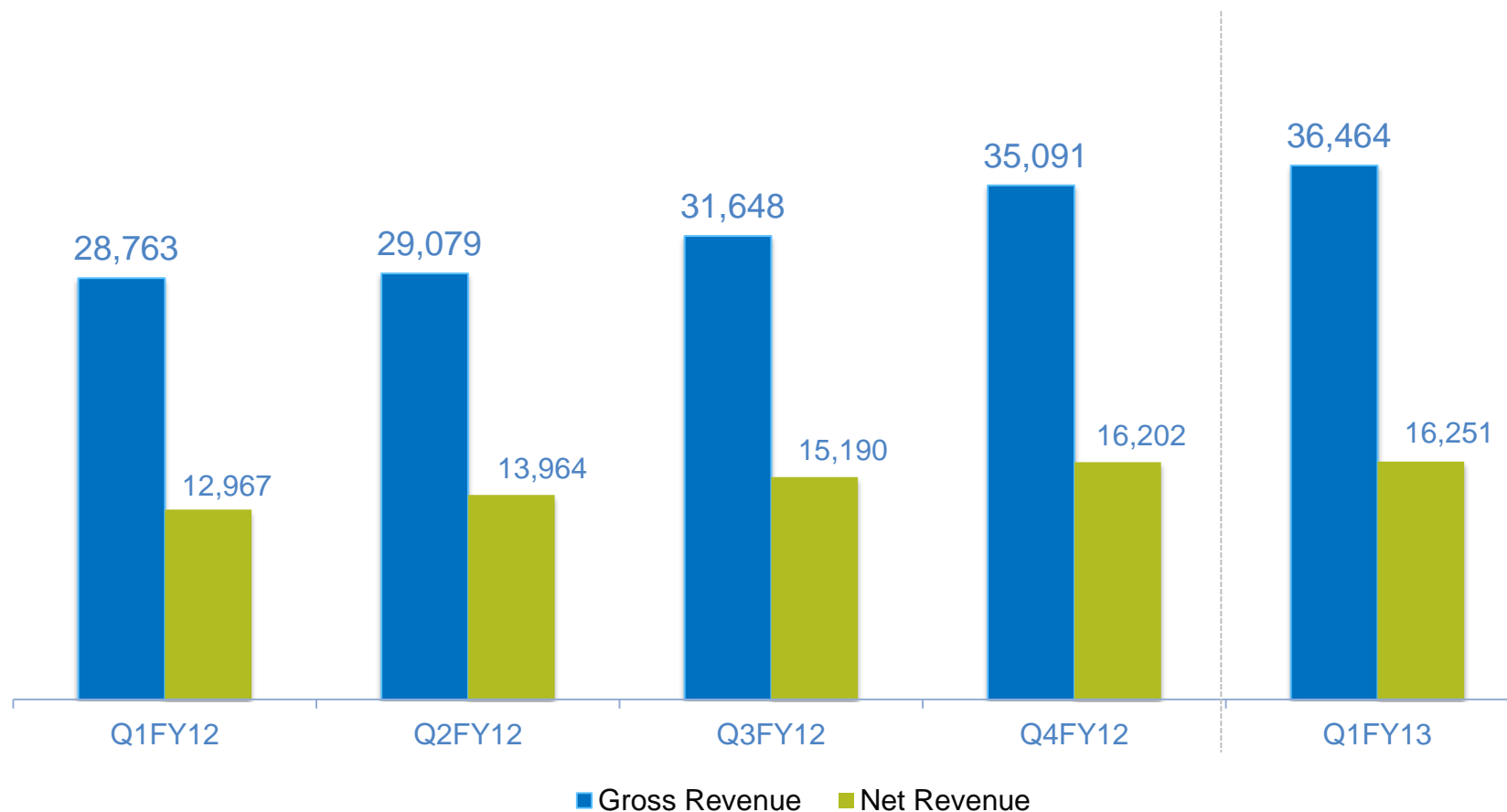
Rs/\$ Exchange rate: as on 31st Mar'12 – 50.92, as on 30th Jun'12 – 55.89



Thank You

Core Business Gross and Net Revenues

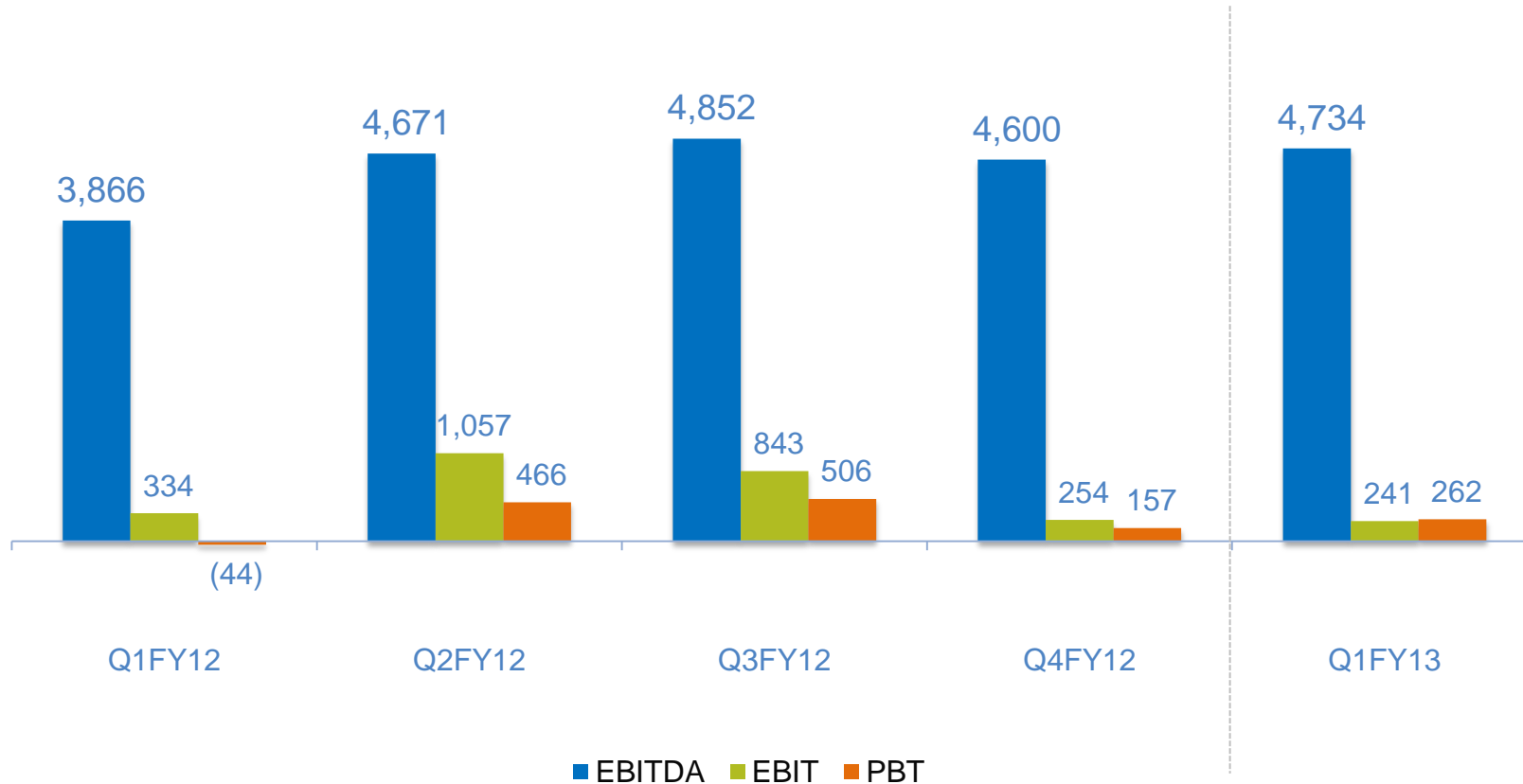
INR Mn



Rs/\$ Exchange rate: 1Q'12 at 44.73, 2Q'12 at 45.74; 3Q'12 at 50.84; 4Q'12 at 50.34; 1Q'13 at 53.98

Core Business EBITDA, EBIT and PBT

INR Mn

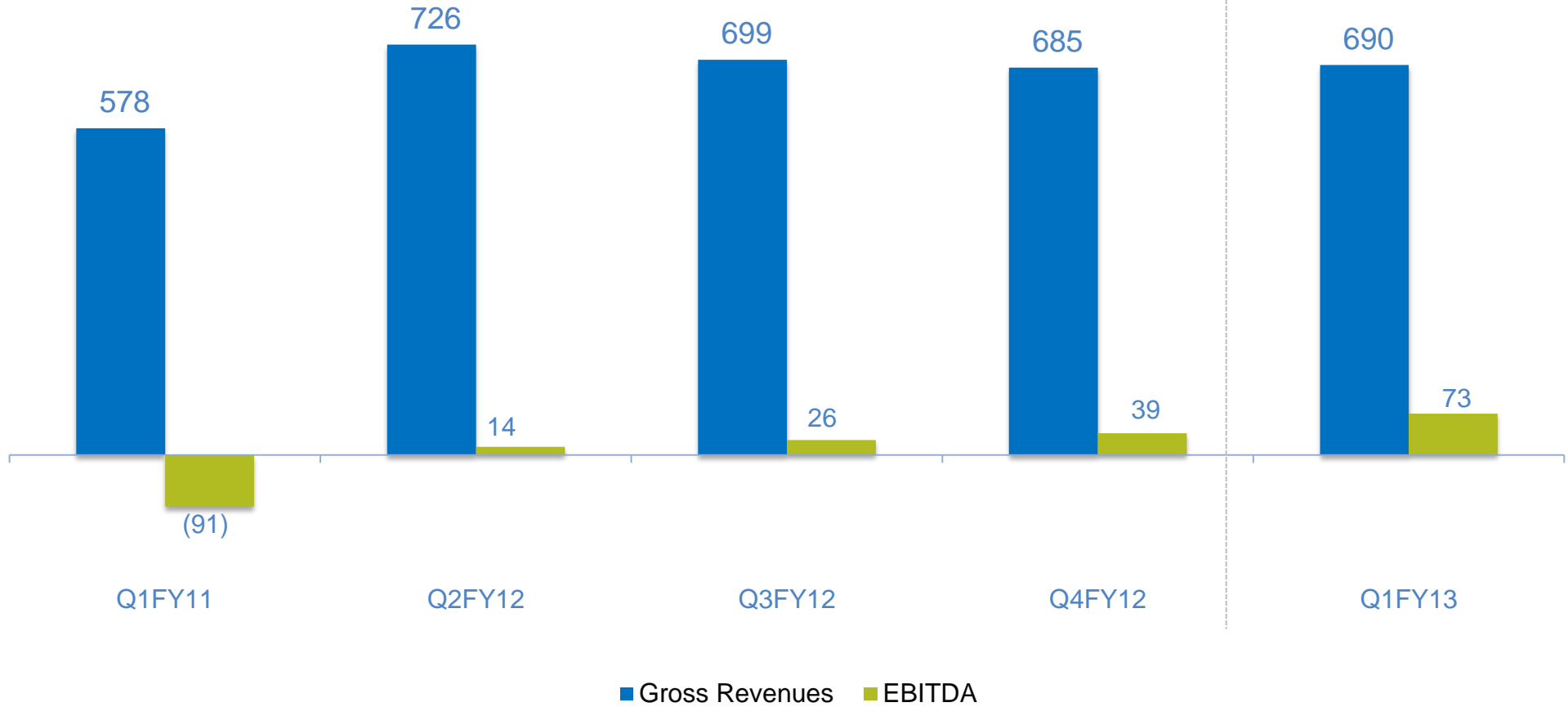


Core business PBT positive from Q2 FY12 onwards

Rs/\$ Exchange rate: 1Q'12 at 44.73, 2Q'12 at 45.74; 3Q'12 at 50.84; 4Q'12 at 50.34; 1Q'13 at 53.98

Quarterly trends : Neotel

ZAR Mn

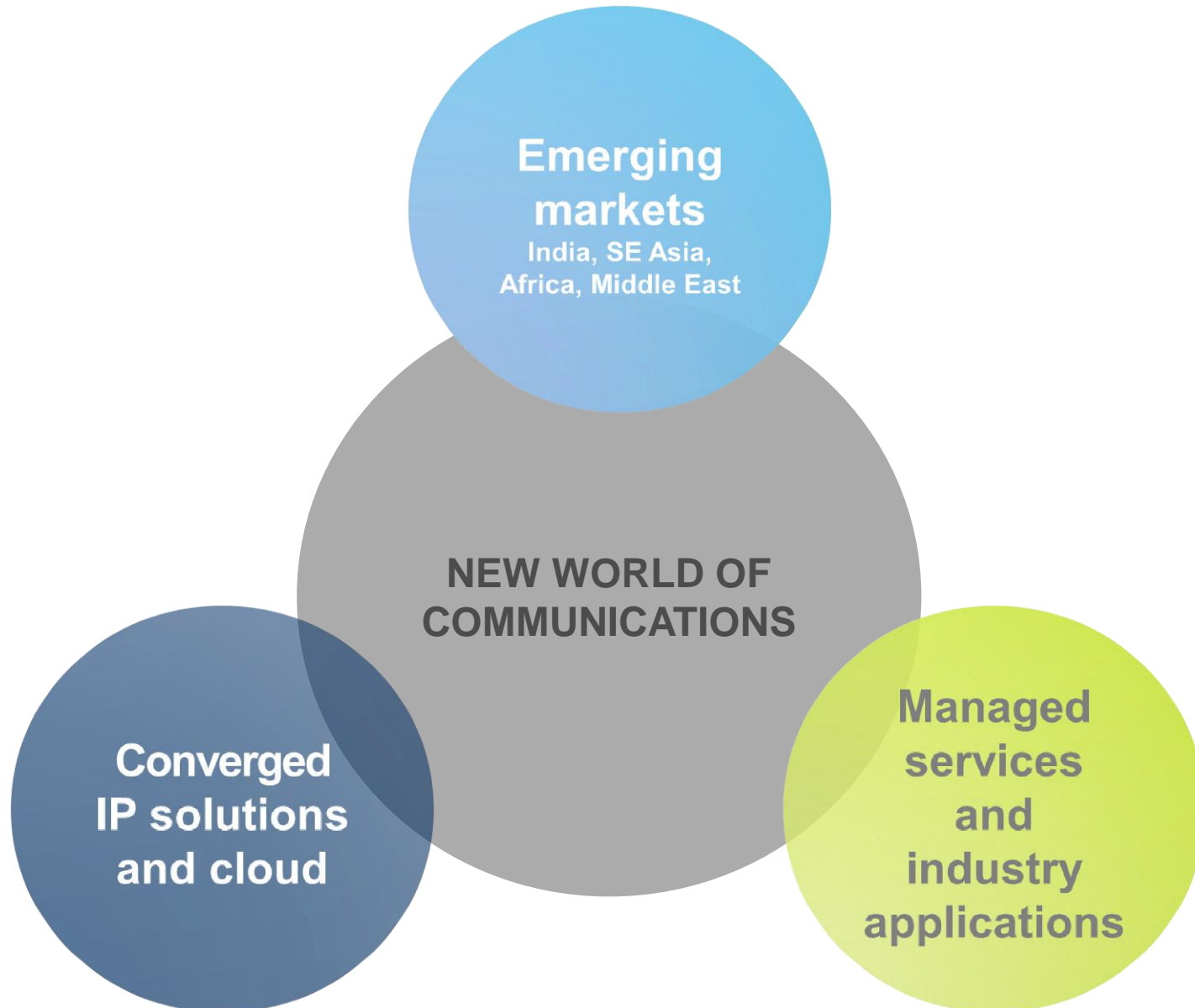


Neotel EBITDA positive from Q2 FY12 onwards

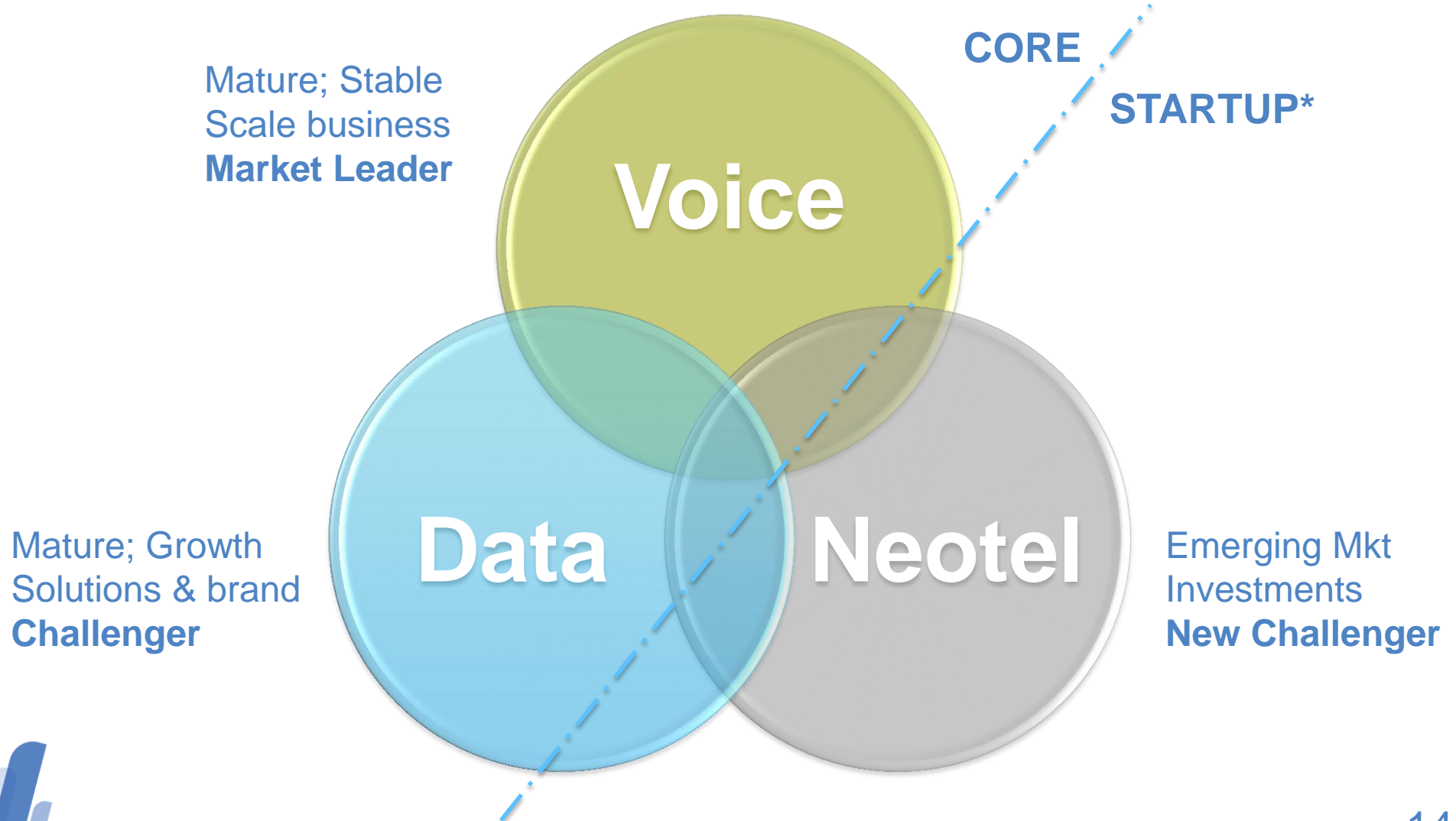
\$/Zar Exchange rate: 1Q'12 at 6.79, 2Q'12 at 7.12; 3Q'12 at 8.10; 4Q'12 at 7.77; 1Q'13 at 8.12

**DELIVER A
NEW WORLD OF COMMUNICATIONS
TO ADVANCE THE REACH AND
LEADERSHIP OF OUR CUSTOMERS**

Our “New World of Communications” strategy



Business structure



* Startup includes consolidation of United Telecom Limited (UTL) Nepal, in addition to Neotel, South Africa

Tata Communications in numbers

45

Billion Minutes
of International
Voice Traffic

50,000

Business Relationships
with 260, "Forbes 2000
MNCs", 3,000 Large
corporates & 47,000 SMEs

73

Million Voice Transactions
handled every day

42

Data Centers
with more than 10,000
racks and one million
square feet

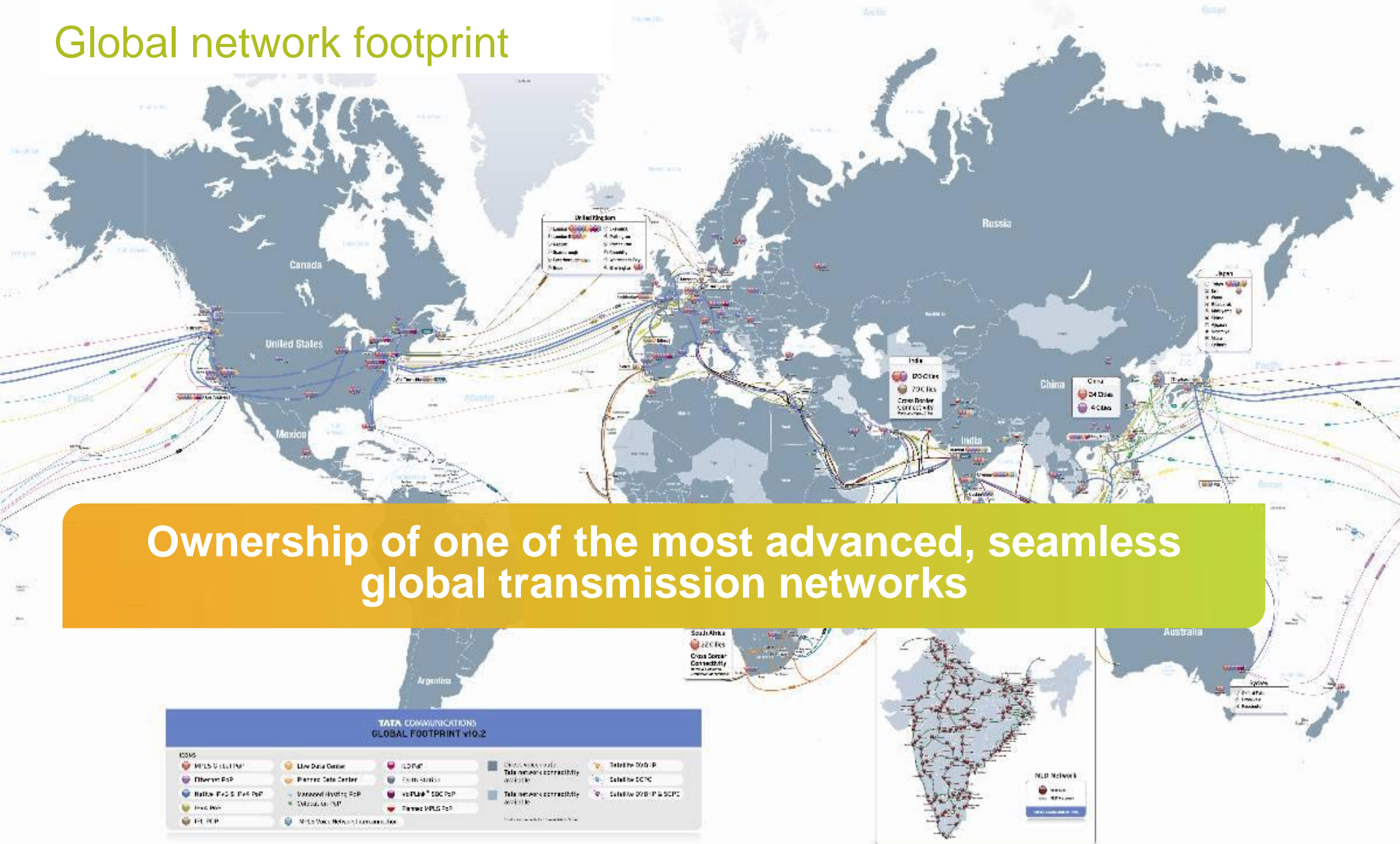
3,200

Petabits
every month on
our Internet backbone

13

Terabits
of International
Bandwidth Lit Capacity

Global network footprint



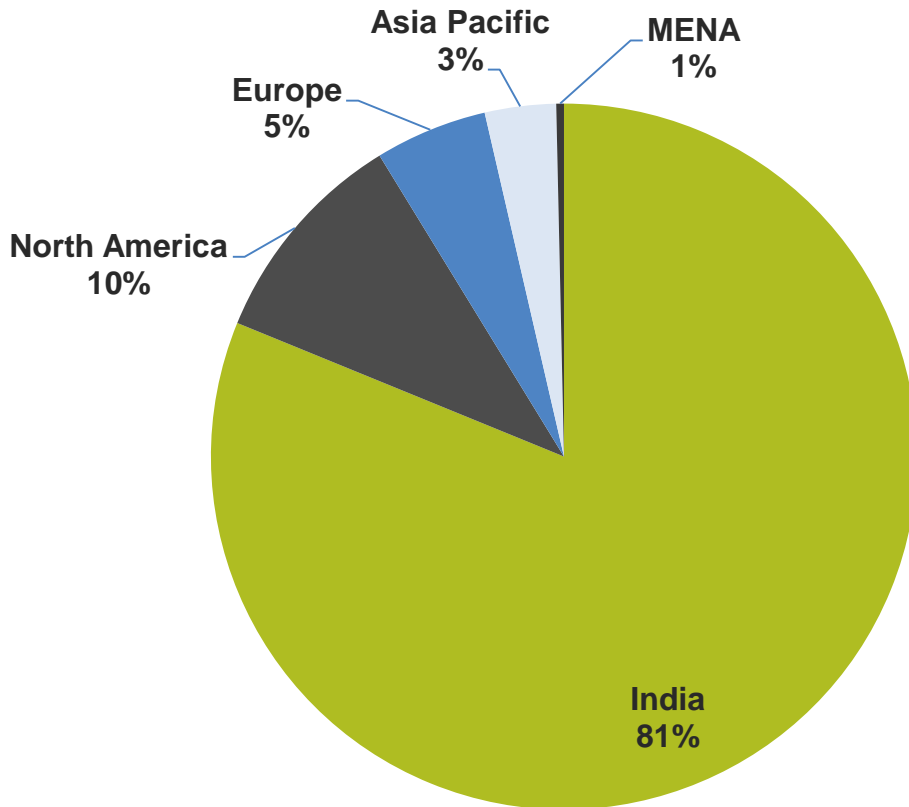
Ownership of one of the most advanced, seamless global transmission networks

For a more interactive and detailed overview of our global network footprint, please visit <http://www.tatacommunications.com/map2/Network.html>

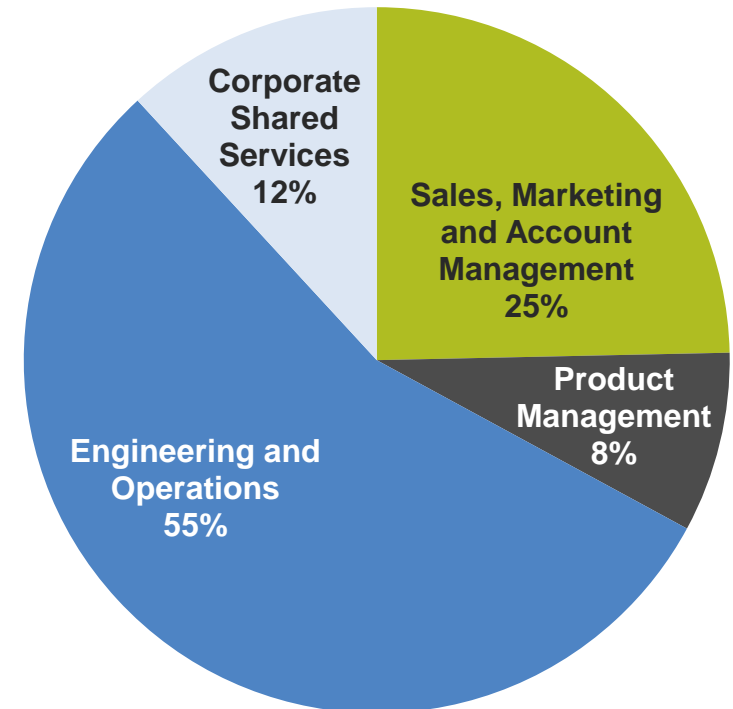
Headcount split by geography and function

7,124 Employees in Core business as on June 30, 2012*

By Geography



By Function



* In addition to this, the company has 958 employees in its South Africa Operations (Neotel)



Vinod Kumar
MD and Group CEO
(Singapore)



Sanjay Baweja
CFO
(India)



Michel Guyot
President – GVS
(Canada)



Laurie Bowen
President, Enterprise Business
(UK)



Allan Chan
President, Global Carrier
Solution
(USA)



Sunil Joshi
MD & CEO of Neotel
(South Africa)



John Hayduk
President, Product Management
and Service Development
(USA)



Madhusudhan MR
Chief Network Officer
(India)



Srinivasa Addepalli
SVP – Corporate Strategy
(India)



Aadesh Goyal
Global Head, Human Resources
(India)



John Freeman
General Counsel
(Singapore)



Sunil Rawal
Global Head Business
Excellence, CQO
(India)

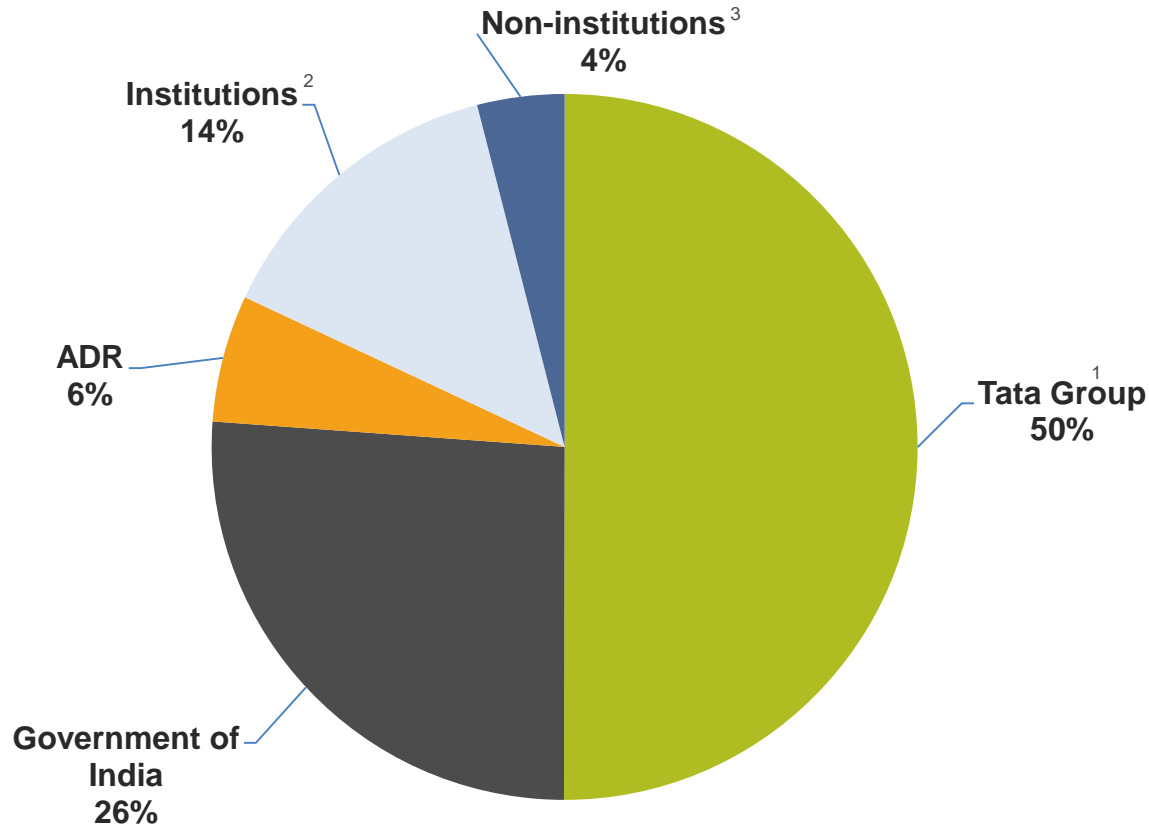


Ajay Pandey
President, Corporate Affairs
(India)

(Country) represents where each executive is located.

Shareholding pattern

As on June 30, 2012



1. Tata group includes Panatone Finvest Ltd (31.1%), Tata Sons (14.22%), and Tata Power Ltd. (4.71%)
2. Institutions include Mutual funds (0.96%), Financial institutions (5.95%), Insurance companies (5.06%) and Foreign Institutional Investors (2.06%)
3. Non-institutions include individuals (2.90%), Bodies corporate (0.98%) and others (0.11%)