

ANALYST PRESENTATION

FY2017

VINOD KUMAR - MAY 2017

WHAT NEEDS TO GET DONE IN **FY17-18**

OUR PRODUCT FOCUS



TRADITIONAL SERVICES

Productivity and Operating Leverage



NEW SERVICES GROWTH

>25% Growth
Move towards positive EBITDA
Internet WAN, UCC, Hosting



DIGITAL TRANSFORMATION

Internal Digital Transformation of IT, Finance and SCM



INNOVATION

Focus on Customer POCs and Formal Launch

Mobility, IoT, Security, SDWAN

WHAT NEEDS TO GET DONE IN **FY17-18**

DIFFERENTIATING ACTIVITIES



Get the new
Go-2-Market
working



Revamped
Customer
Experience



Improve internal
business velocity
through process
simplification and
automation

KEEP OUR PEOPLE
FOCUSSED, TRAINED AND
WORKING TOGETHER





HOW WILL WE
MEASURE
OURSELVES?



HOW WILL WE **MEASURE** OURSELVES?

GROW REVENUE
PROFITABLY



Achieve Sales Order Booking Target
Achieve Net Revenue Target
Achieve Free Cash Flow Target

SHAPE THE
FUTURE



Achieve Revenue Target for New Products
Advance the Partnership Program

BECOME THE SQ
OF TELECOM



Improve Satisfaction in Quote 2 Order Process
Improve Satisfaction in Order 2 Cash Process
Improve Overall Customer Satisfaction

BE A GREAT
PLACE TO WORK



Improve and Transform our Collective Skillsets
Improve Overall Diversity Level

NEW SERVICES ROADMAP



	Available Q1	6-12 months
Global SIP Connect	Full PSTN Replacement in 24 Countries	API Interface Full PSTN Replacement in 29 Countries
UCaaS CISCO	WebEx CCA and CMR, Cloud plus dedicated and hybrid collaboration solutions	Launch of SPARK Cloud and Hybrid Services
UCaaS Microsoft	Cloud, dedicated and hybrid collaboration solutions	Seamless integration with Contact Center solution
MOVE Mobile Virtual Enablement	IoT Connect (SIM and eSIM), SIM Connect (Data only) and Mobile Network Enablement	Integration of voice and SMS to SIM Connect Hosted VoLTE / VoWIFI
IOT India	Human Safety Apps on HPE platform by May 2017	Smart lighting, Smart Asset tracking and Management, Smart Water 60 cities rolled out





GLOBAL NETWORK SERVICES

	Available Q1	6-12 months
IZO™ Hybrid WAN and Internet WAN	Reach 100 countries for IZO IW	Reach 130 countries for IZO IW
IZO™ Private / Public Connect	Alibaba Zero Commit usage based	Orchestration for network on demand with cloud connection on demand
IZO™ SDWAN PRIME and SELECT	Cloud Gateway reach to 20	
Internet (IPT / ILL)		Roll out 10-15 New PoPs
Ethernet GDE / NDE	GDE Burstability	10 New PoPs
Transmission Products	New Transmission PoP - Maruyama Mumbai - Chennai NPL on SMW4	Bandwidth on Demand Solutions at Layer-1 Go live with Seabras into Brazil

CLOUD AND DATA CENTER SERVICES

	Next 6 months	6-12 months
Managed Hosting Services IZO™ Private Cloud IZO™ Cloud Storage	<p>Geo expansion: Dubai, Germany (IPC and ICS)</p> <p>Hadoop as a service</p> <p>Managed MS Azure</p>	<p>Managed services for Amazon Web Services</p>
Managed Security Services	<p>New SOC at Pune and Singapore</p> <p>Launch of services under Risk and Compliance (Security assessment framework)</p> <p>Cloud Based Web Application Firewall</p>	<p>New SOC Europe</p> <p>Launch of advanced threat management service</p>

THEMES, VALUE PROPOSITIONS AND SOLUTION MAPPING

THEMES	VALUE PROPOSITIONS	LEAD SOLUTION AREAS	SOLUTION AREAS APPLICABLE FOR THEME	
 <p>Borderless growth</p>	1. Become truly global across new markets and segments with best-in-class infrastructure	IZO WAN, MHS, MSS	<ul style="list-style-type: none"> • IZO WAN • IZO Private Connect • MOVE (IoT Connect, SIM Connect) • MMX 	<ul style="list-style-type: none"> • UCaaS (Cisco and Microsoft) • SIP • MHS • MSS
	2. Rapidly develop new revenue streams in an agile manner	IZO WAN, MHS, MSS, IZO Pvt Connect		
 <p>Productivity and efficiency</p>	3. Enable seamless multi-platform collaboration	UCaaS, SIP	<ul style="list-style-type: none"> • UCaaS (Cisco and Microsoft) • Global SIP Connect • APIs (UCC) 	<ul style="list-style-type: none"> • MOVE (IoT) • MHS • MSS
	4. Ubiquitous access to your data and applications	MHS, MSS, MOVE (IoT connect)		
 <p>Customer experience and engagement</p>	5. Enable seamless omni-channel experiences to increase customer awareness and loyalty	InstaCC, MMX	<ul style="list-style-type: none"> • CDN • Web RTC • API suite (incl. Wifi+) 	<ul style="list-style-type: none"> • InstaCC • MMX • MSS
 <p>Managing business risk</p>	6. Secure your data and applications against external threats	MSS (DDoS, SIEM, Secure Web Gateway)	<ul style="list-style-type: none"> • IZO WAN • Cloud and hosting • MSS • DDoS • SIEM 	<ul style="list-style-type: none"> • Secure Web Gateway • IZO Private Connect • MHS
	7. Ensure reliability and near-zero business disruption	IZO WAN, MHS, MSS		

TATA COMMUNICATIONS



BUSINESS TRANSFORMATION



BUSINESS TRANSFORMATION

PROJECT TRACKS & TIMELINES

Focus Project Tracks	Time to Full Functionality	Time to First Benefit
<i>Sales Automation</i>	2-3 Years	1 Year
<i>Partner Management</i>	1 Year	1 Year
<i>Billing and Collection Improvement</i>	2 Years	6 Months
<i>New Product Introduction</i>	1 Year	1 Year
<i>Provisioning</i>	2 Years	9 Months
<i>Service Assurance Automation</i>	2 Years	1 Year
<i>Service Management</i>	1 Year	9 Months
<i>Data Cleanup</i>	1.5 Years	9 Months

TATA COMMUNICATIONS



SUSTAINABILITY

SUSTAINABILITY

WINNING MIX

Overall female headcount up from:

- 17% in 2014 to
- 20% in 2017

Company goal to reach 30%

CSR

\$2.2m USD Spent

11 Major Projects

Outreach Touched ~45,000 People

ENVIRONMENT

Plans set for **73.6 Megawatts of Renewable Energy**
FY17 saw a **reduction of 770 metric tons of CO2 eq.**



Image of 70 Megawatt solar facility in Japan for illustration purposes. - KYOCERA

FINAL THOUGHTS

“We are more like an OTT than a telco.”

- Growing Portfolio of Value Added Services.
- Cloud, API and Hybrid becoming a way of life.
- Creating and enabling more platforms.

“We are a safe haven in the tech and telecom space?”

- Globally diversified.
- Broad but Cohesive portfolio.
- Pipeline of incubation projects.

THANK YOU

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<http://tatacommunications-newworld.com> | www.youtube.com/tatacomms

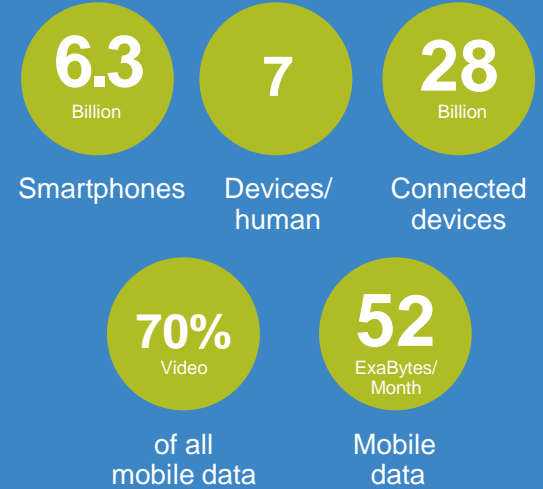
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MOBILE CONNECTIVITY AND THE INTERNET OF THINGS...

BORN CONNECTED

ANTHONY BARTOLO
MAY 2017

OPPORTUNITY ... BY THE NUMBERS



NEW ERA OF PEOPLE AND THINGS BORN CONNECTED



CIO'S ARE ON A DIGITAL TRANSFORMATION JOURNEY

THE BEGINNING:
Basic communication devices



TRANSFORMING:
'Mobile first' for humans
and machines



MISSION CRITICAL:
Always on, secure, productive, mobile
aware



CONNECT AND MANAGE:
Cross border, many devices, complex
requirements



The CIO's desire...



DISTRIBUTION

SUPPORT

PRODUCTS

SERVICES



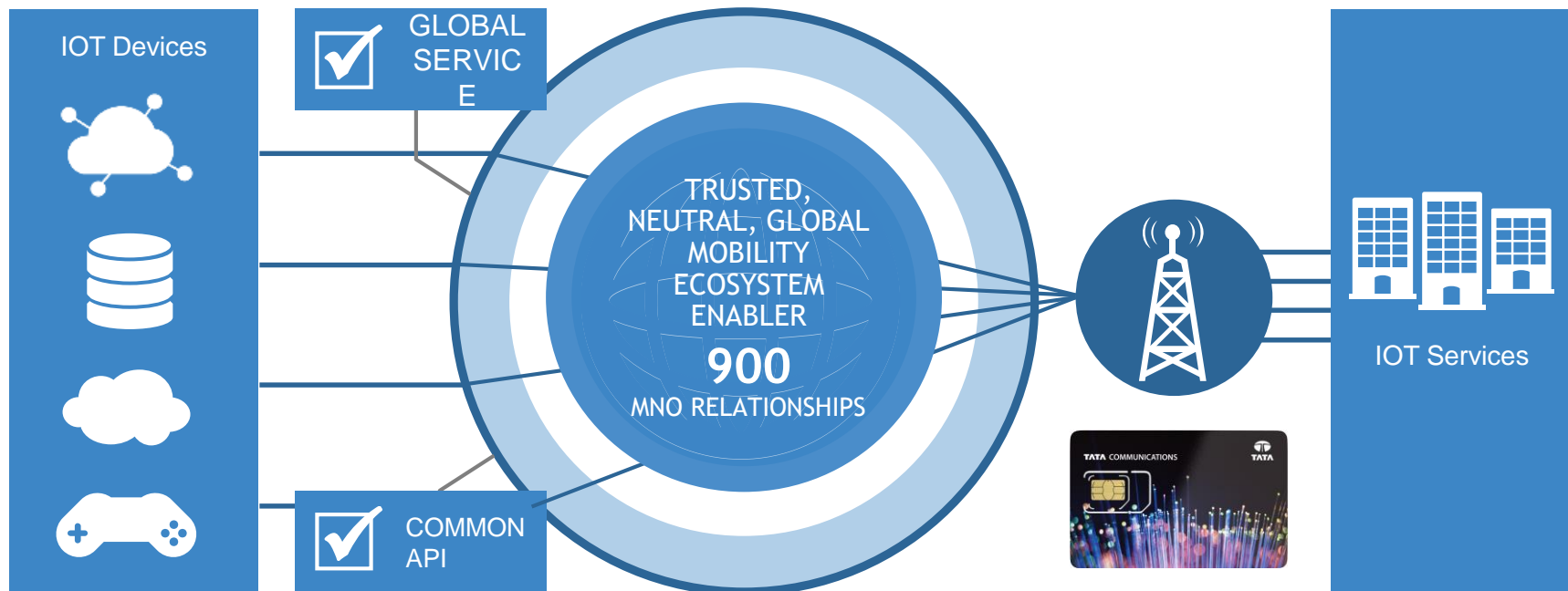
API CONSUMPTION
\$ / Sub / Device / GB



Everything modular, **mobile enabled**, cross border and global

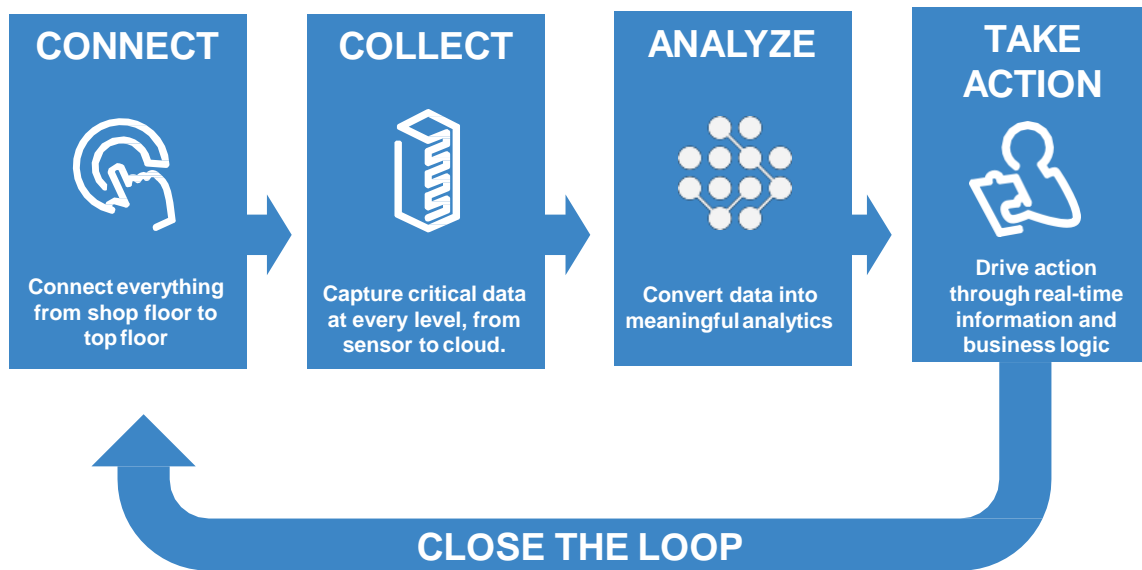
TURNING NETWORKS INTO AN API GLOBALLY

ACROSS 900+ NETWORKS...



ECOSYSTEM PLATFORM DRIVES BUSINESS DECISIONS

MAXIMIZES VALUE OF DATA BY TRANSLATING INTO ACTIONABLE INTELLIGENCE



END CUSTOMER VERTICALS

MOST INDUSTRIES SEE BENEFITS OF LEVERAGING MOBILITY / IOT

Automotive	•Cars and electric car manufacturers
Moving Assets	•Solution providers managing moving assets in telematics, logistics, and navigation
Consumer Electronics & Device OEM	•Consumer devices manufacturers
Construction & heavy equipment	•Manufacturer or leasing company of equipment in construction, machinery or agriculture
Aerospace	•Airlines companies and their tier one communication suppliers
Fixed Assets	•Solution provider or enterprise managing fixed assets across sub-segment such as security, energy, manufacturing, Oil & Gas, Point of Sales, parking, elevators or building assets.
Healthcare & Insurance	•Medical devices providers and insurance companies

OUR PROGRESS TO DATE

Tata Communications MOVE - Global

Pre-

- Market assessment
- Investment in Teleena
- Recruitment
- Product availability
- Internal readiness and training

Launch

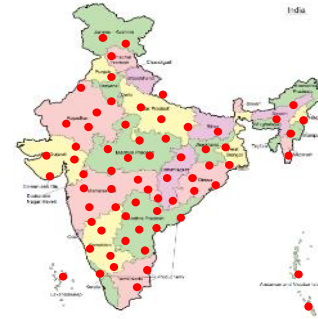
- Launch at Mobile World Congress
- Product Availability March 2017
- Defined target customer focus



India IoT Platform

Trials

- Trials in Delhi, Mumbai, Bangalore, Jamshedpur
- 53+ POCs running



Rollout

- Developing a Partner & Developer Eco-System
- 60 Cities by FY2017
- Rest of India FY2018
- Target 1900 cities and towns in India

IDENTIFIED IOT LARGE SCALE OPPORTUNITIES

SAFETY MANAGEMENT



WORKER SAFETY



WOMAN'S SAFETY BUTTON

ENERGY MANAGEMENT



A/C TEMP MONITORS



REMOTE ELECTRIC SWITCH

SERVICES MANAGEMENT



3 BUTTON DEVICES



STREET LIGHTS

IOT INDIA USE CASE

SAFETY & ASSET TRACKING

SCENARIO

- Mining companies tend to rely on mechanical and manual approaches to monitor assets, as well as monitor conditions and safety

HOW TATA COMMUNICATIONS LP-WAN HELPS

- Track asset location - Drilling equipment, safety equipment
- LP-WAN operates better than cellular in underground conditions
- Monitor mine conditions
 - Air quality
 - Temperature
 - Humidity
 - Water levels



We need to be able to monitor conditions in the Mine to ensure employee safety at all times



TATA COMMUNICATIONS MOVE – IOT CONNECT

SMART PALLETS

SCENARIO

- Cargo Pallets can be shipped anywhere in the world
- Connectivity is required to ensure cargo is delivered on time and in the best possible condition
- Lost pallets are an everyday problem for transport companies

HOW TATA COMMUNICATIONS MOVE - IOT CONNECT HELPS

- Track the location and monitor the cargo's condition throughout its journey, predict delays and the spoilage risk for perishables
- Smart Pallets have embedded sensors to monitor
 - Location - how long has the cargo been in transit?
 - Temperature / Humidity - has the right environment been maintained?
 - Shocks - has the cargo been dropped or damaged on route?

Lorries carrying pallets can be tracked with GPS, but what's the condition of their cargo ?



TATA COMMUNICATIONS MOVE – IOT CONNECT

AIRCRAFT MAINTENANCE

SCENARIO

- Aircraft require maintenance, refuelling and stock replenishment at different legs of their daily flight schedule
- Sometimes its difficult to predict what ground services or maintenance tasks are required until after an aircraft has landed. Airside triage consumes time and costs airlines money

HOW TATA COMMUNICATIONS MOVE - IOT CONNECT HELPS

- Monitor the fuel consumption, engine performance, holding tank levels, and catering stock in real time.
- Request essential maintenance activity before aircraft land. Have the right staff, equipment and services already on the tarmac waiting.
 - Quicker turnarounds - save time on the ground and depart quicker
 - Customer Satisfaction - punctual airlines are often the most popular
 - Improved efficiency - right assets are in the right place at right time

Aircraft turnaround time is everything on short haul routes, getting back in the air quickly can save airlines millions



TATA COMMUNICATIONS MOVE – IOT CONNECT

FLEET MANAGEMENT

SCENARIO

- Haulage firms and delivery companies are under pressure to deliver cargo and goods on time and to budget
- GPS-based tracking on its own isn't enough, firms also need to monitor, log and control a variety of different factors to reduce costs

HOW TATA COMMUNICATIONS MOVE - IOT CONNECT HELPS

- Optimise the road worthiness and asset life of vehicles by proactively monitoring and maintaining vehicles. In turn reducing the average cost per mile.
- Sensors can be used to monitor fuel consumption, engine alarms, brake wear, tyre wear, load weight, speed, tyre pressure, cargo temperature & humidity.
- Deceleration, braking, and airbag sensors can be combined to detect accidents and automatically alert the emergency services and fleet managers.

There's more to Fleet Management than just knowing where your vehicles are and any delays on route



TATA COMMUNICATIONS MOVE – SIM CONNECT

SMART RECOVERY TAGS

SCENARIO

- People lose precious items and possessions all the time. It's distressing and often expensive to replace them
- Using technology to locate and recover lost items is the smart way forward

HOW TATA COMMUNICATIONS MOVE - IOT CONNECT HELPS

- Trackable Smart Tags are a great low cost recovery solution and can be used to locate anything from a lost dogs to holiday luggage.
- Endless applications but particularly well suited to:
 - Airlines (smart luggage check-in)
 - Luggage manufacturers
 - Motor insurance companies
 - Plant hire
 - Farmers and vets

Lost holiday luggage could be a thing of pass with Smart Recovery Tagging



TATA COMMUNICATIONS MOVE – SIM CONNECT

CONNECTED CONSUMER DEVICES

SCENARIO

- Holidaymakers or mobile workers who use their domestic call plan abroad can sometime end up with huge roaming bills or suffer from restrictive fair usage policies
- Increasingly manufacturers are selling devices with the option of a pre-installed OEM SIM. These can sometimes offer good value and solve global roaming headaches for consumers

HOW TATA COMMUNICATIONS MOVE - IOT CONNECT HELPS

- Smartphone and tablet manufacturers should be targeted to become Tata MVNOs and provide connectivity out of the box. This provides the following benefits:
 - Creates new revenue streams for manufacturers
 - Gives manufacturers greater leverage against MNOs when selling devices
 - Controlling the cost of data creates an opportunity to better monetise other apps sold by the manufacturer (e.g. iTunes)
 - Simplifies the customer journey for consumers

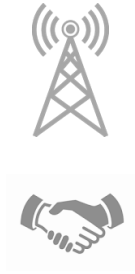
“My smartphone came with a SIM and cheap roaming out of the box so I didn’t need to think about which mobile network to use”



TATA COMMUNICATIONS MOBILE *STRATEGY EVOLUTION*

“THE MOBILE ENABLEMENT SPECIALIST”

900 MNO RELATIONS



TATA COMMUNICATIONS

TRUSTED, NEUTRAL,
GLOBAL MOBILITY
ECOSYSTEM
ENABLER

**MOBILE
CUSTOMER
ENGAGEMENT**



MOBILE CUSTOMER ENGAGEMENT
ENTERPRISE MESSAGING
API SUITE

**MOBILE
VIRTUAL
NETWORK
ENABLER**



**NETWORK FUNCTION
VIRTUALISATION**
MVNO FOR ENTERPRISE
MVNO FOR SERVICE PROVIDERS

IOT & M2M

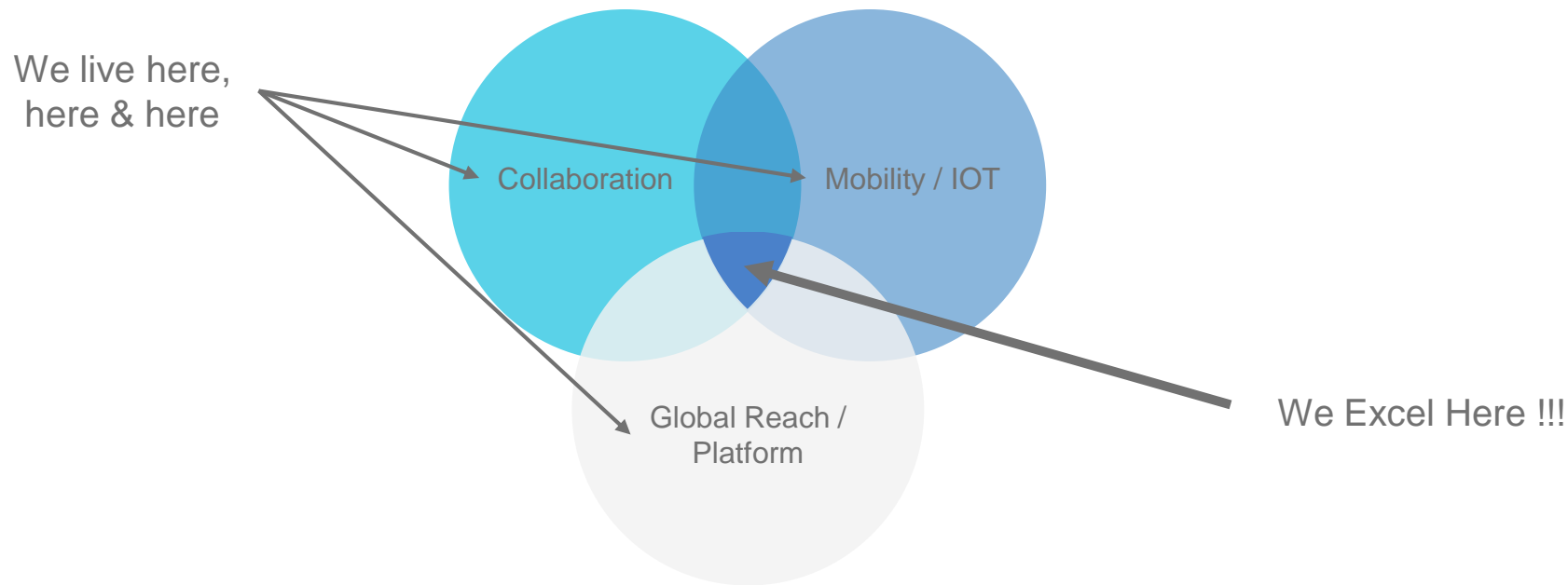


INTERNET OF THINGS
GLOBAL IOT CONNECTIVITY
& VAS PROVIDER

INDIA LP-WAN LoRa NETWORK
& ECO-SYSTEM ENABLER

WHY WE ARE DIFFERENTIATED

..ABOUT INTERSECTIONS



THANK YOU



FINANCIAL PERFORMANCE



TCL CORE | FY17 KEY HIGHLIGHTS (INR CRS)

Rs Crores	REPORTED			TCDC & TCX - EXCLUDED		
	FY 16 Reported	FY 17 Reported	FY 17 Normalized Operating Performance	FY 16 Excl. Reported	FY 17 Excl. Reported	FY 17 Excl. Normalized Operating Performance
Gross Revenue	18,653	18,038	18,165	17,868	17,486	17,613
% Growth		-3.3%	-2.6%		-2.1%	-1.4%
Net Revenue	8,601	8,774	8,839	8,055	8,369	8,434
% Growth		2.0%	2.8%		3.9%	4.7%
EBITDA	2,747	2,660	2,870	2,307	2,338	2,547
% Growth		-3.2%	4.5%		1.3%	10.4%
EBITDA %	14.7%	14.7%	15.8%	12.9%	13.4%	14.5%
EBIT	758.6	775.6	984.9	442.4	472	681
% Growth		2.2%	29.8%		6.7%	54.0%
EBIT %	4.1%	4.3%	5.4%	2.5%	2.7%	3.9%
Operating PBT	346	407	616	27	104	313
% Growth		17.8%	78.4%		4X	11X

FY17 Actuals Normalised

AFA
GR 58.7
EBITDA 168.5

Demonetisation

GR 68.6
EBITDA 42.0

Excluded section refers to financials without TCDC & TCX for Full Year

- Voice ▼17%. Sequential decline in Voice GR over last 6 quarters
- NR ▲5% favourable change in revenue mix with data at 89% Vs. 86% last year
 - Traditional services revenue grew by ▲4%
 - Growth services revenue ▲13%
- RoCE improved to 8.6% from 8.1% last year

DATA FY 17 | FY17 KEY HIGHLIGHTS (INR CRS)

Rs Crores	REPORTED			EXCLUDED (TCDC & TCX)	FY 17 Excl. Normalized Operating Performance		
	FY 16 Reported	FY 17 Reported	FY 17 Normalized Operating Performance		FY 16 Excl. Reported	FY 17 Excl. Reported	FY 17 Excl. Normalized Operating Performance
Gross Revenue	10,597	11,320	11,448	9,813	10,768	10,895	
% Growth		6.8%	8.0%		9.7%	11.0%	
Net Revenue	7,512	7,868	7,933	6,967	7,464	7,529	
% Growth		4.7%	5.6%		7.1%	8.1%	
EBITDA	2,243	2,231	2,440	1,803	1,924	2,132	
% Growth		-0.5%	8.8%		6.7%	18.3%	
EBITDA %	21.2%	19.7%	21.3%	18.4%	17.9%	19.6%	

Excluded section refers to financials without TCDC & TCX for Full Year

- Data GR ↑ 11%
 - Growth services ↑ 18%
 - Traditional services ↑ 5%
 - Transformation services ↑ 33%

- Significant improvement in EBIDTA margin (120 bps) driven by strong net revenue growth and favourable mix change

**FY17 Actuals Normalised*

AFA
 GR 58.7
 EBITDA 168.5

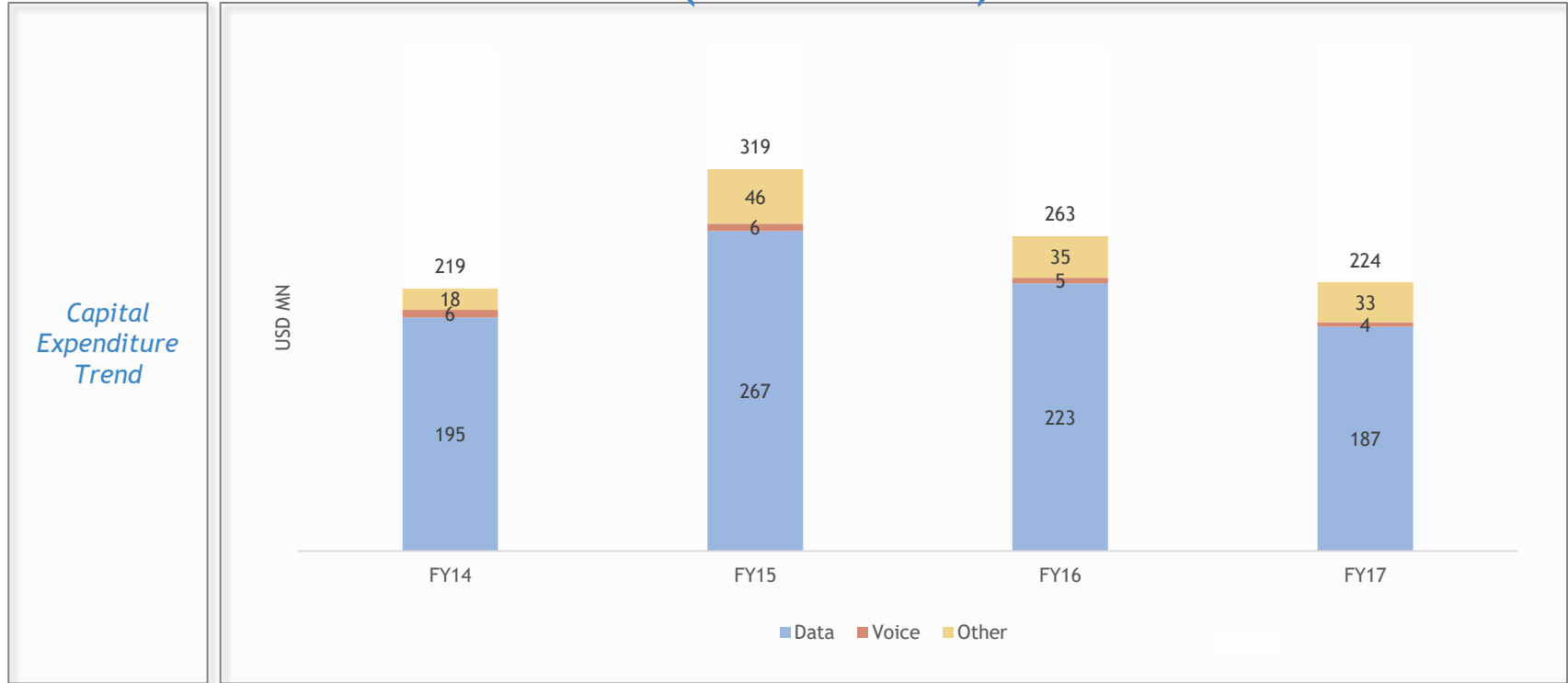
Demonetisation
 GR 68.6
 EBITDA 42.0

Traditional YoY
 ILL 15%
 Ethernet 12%
 VPN 5%

Growth
 SIP T 20%
 MSS 55%
 Mobile New 159%

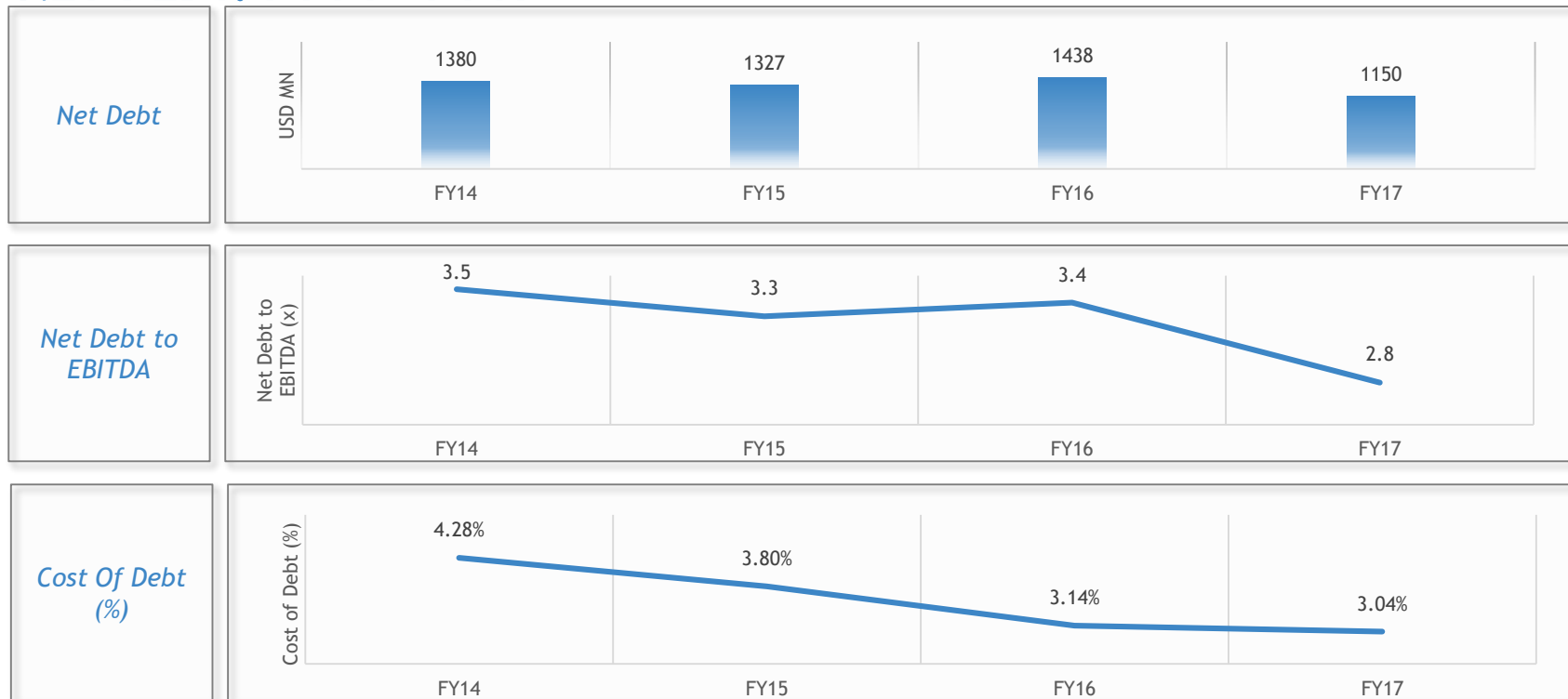


CAPITAL EXPENDITURE TREND(CAPITALISED): FY14 - FY17



Note: USD-INR: FY14 60.48, FY15: 61.13, FY16: 65.44, FY17: 67.08

NET DEBT: FY14 - FY17



Note: USD-INR: FY14 60.48, FY15: 61.13, FY16: 65.44, FY17: 67.08

Thank You

TapadhLeat Kösönöm Murakoze aDank Grazi Grazie

ThintKo Buznyg WaadiMahadsantahay Takk Ekezi M'Supe Bedakki Zizamo Dhinnyavaad BarakAllahufik Me'si Chokrane Kiitos

Blagodaram Rahmat Takk Aabhar BarakAllahufik Xièxie Dziakuju Mauruuru ColkabiMuhAgul

Matondo Mercé Terimakasih Rahmat Tanemirt Tenki Gracias Barkal KarreDemanga GraciasAgimus

Mercé Terimakasih Rahmat Tanemirt Tenki Gracias Barkal KarreDemanga GraciasAgimus

Taiku Dakujem Terimakasih Rahmat Tanemirt Tenki Gracias Barkal KarreDemanga GraciasAgimus

Merci-YOU Merci-YOU Merci-YOU Merci-YOU Merci-YOU Merci-YOU Merci-YOU Merci-YOU

Gracies Faleminderit Eftaristo NajisTuke Hvala Arigato KamSahHamnida Camon Gracie KopKhunKha

Nirringrazzak Bayarlalaa Obrigado Salamat Saha Multumesc Camon Gracie

Motashakeram