

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

INVESTOR PRESENTATION

4TH 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



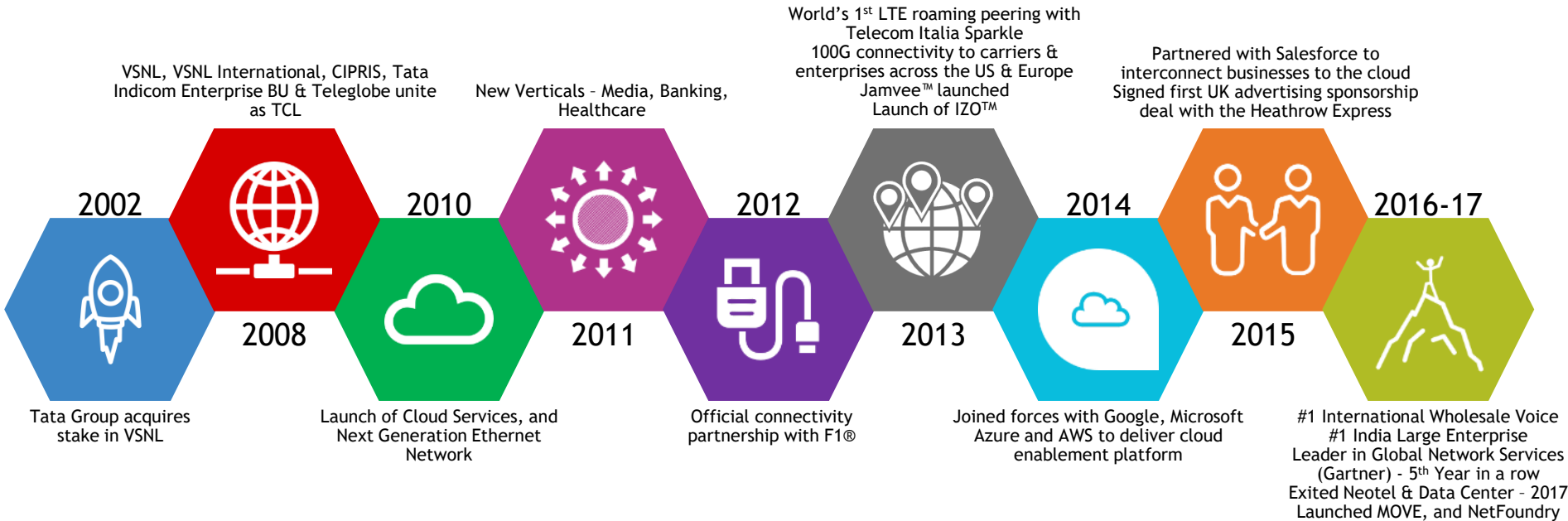
20 terabits of international bandwidth lit capacity



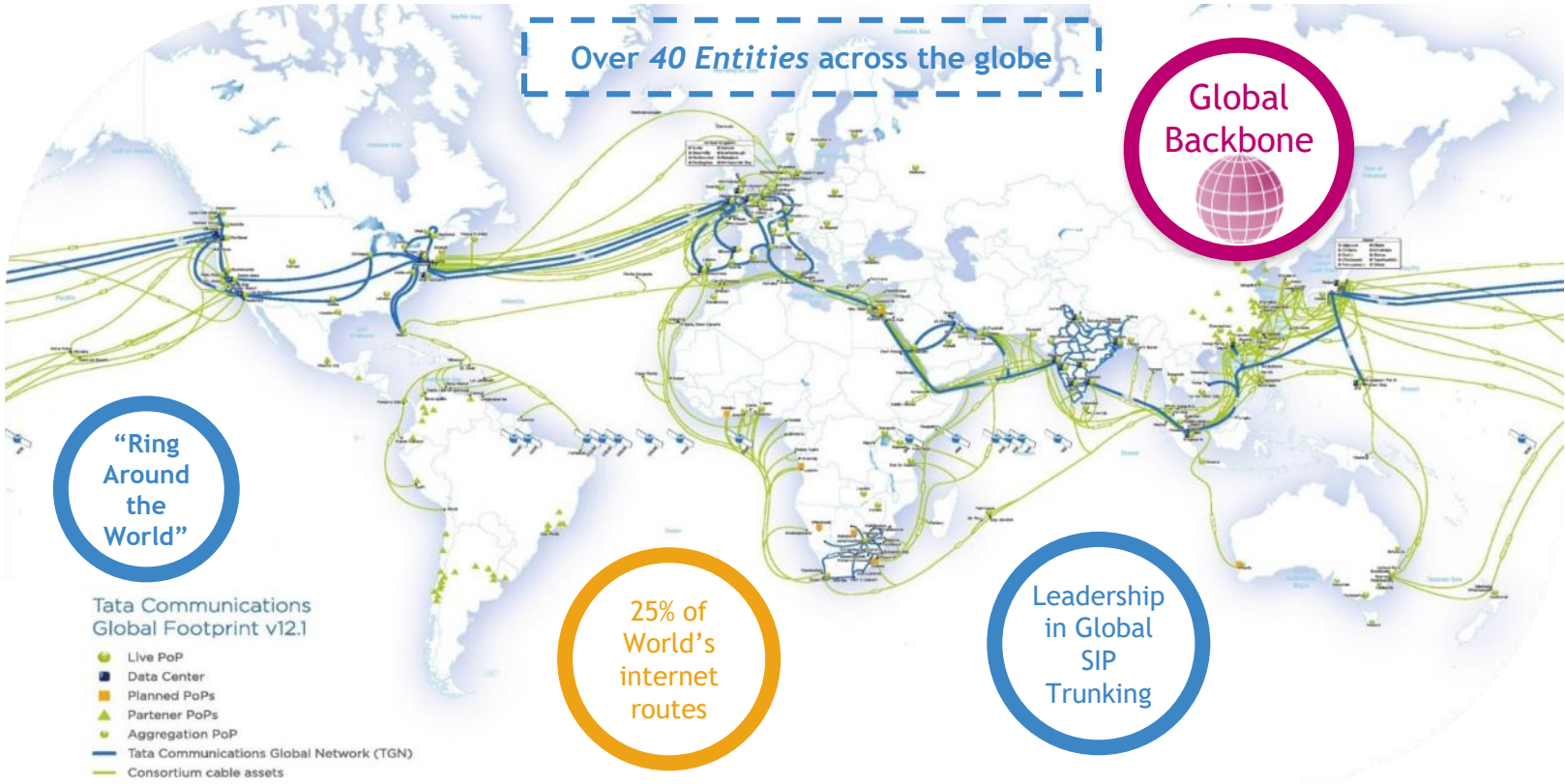
85 million voice transactions handled every day

GROWTH STORY

TRANSFORMING FROM AN INDIAN PSU TO A DIGITAL ENABLEMENT PLAYER



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

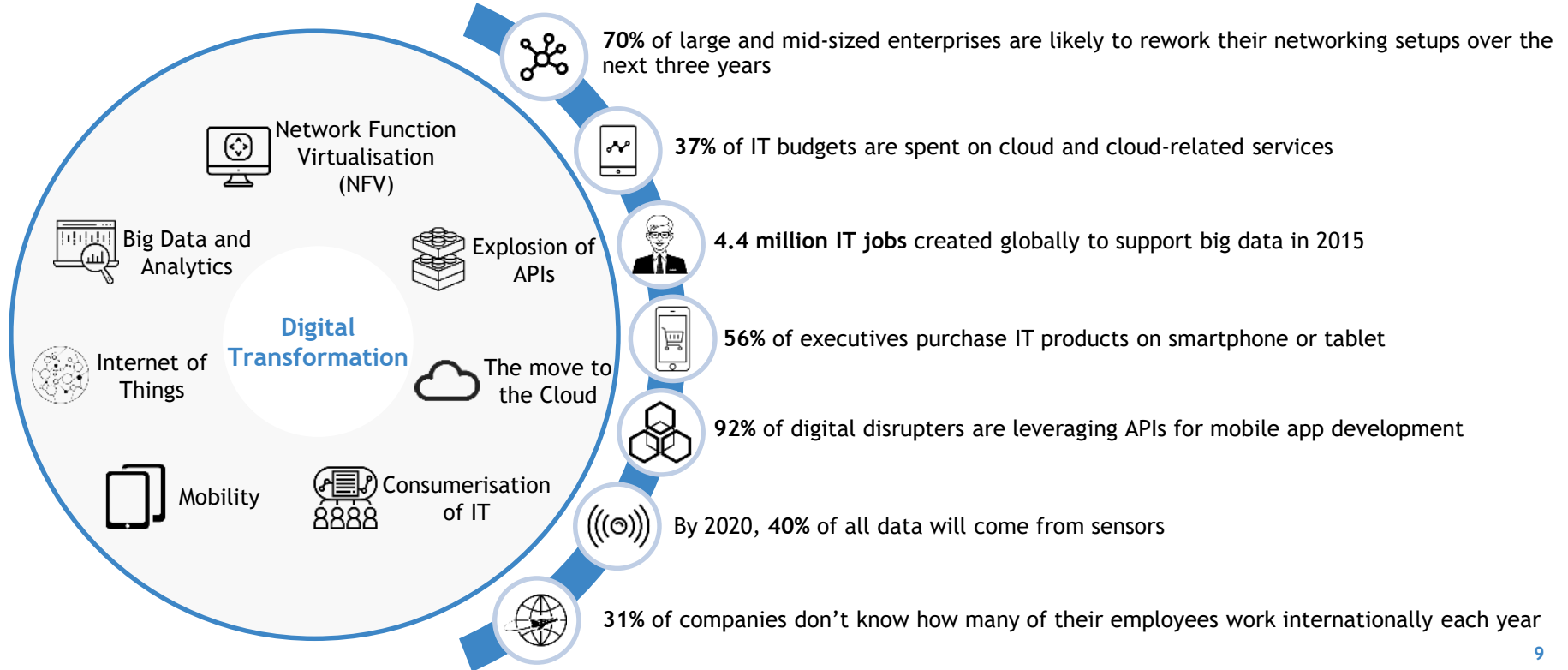
Voice Solutions

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.



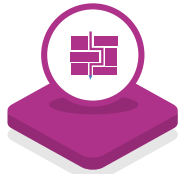
Productivity and Efficiency

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

60% of S&P 500

66% of the Fortune 500

69% of PWC 100

41% of FTSE 350



Manufacturing



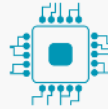
E-Commerce



IT/ITES



Services



Technology



Banking/
Financial



Media/
Entertainment



Healthcare/
Pharmaceutical



Service
Provider

Some Key Customers



Hindustan Unilever Limited



WITH YOU, RIGHT THROUGH



Unleash the Next

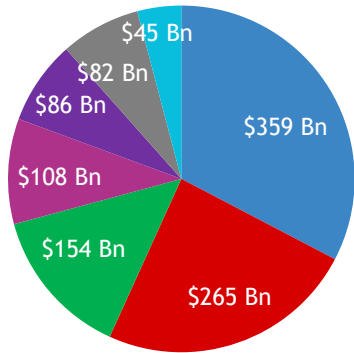


TATA TECHNOLOGIES

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

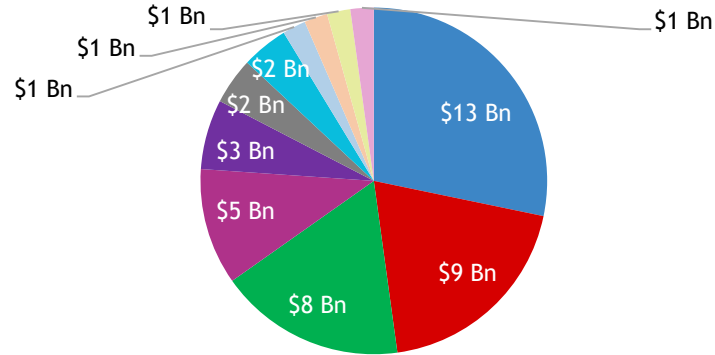
SERVICEABLE ADDRESSABLE MARKET REPRESENTS PORTION OF THE TELECOM MARKET WHICH WE CAN CAPTURE

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



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

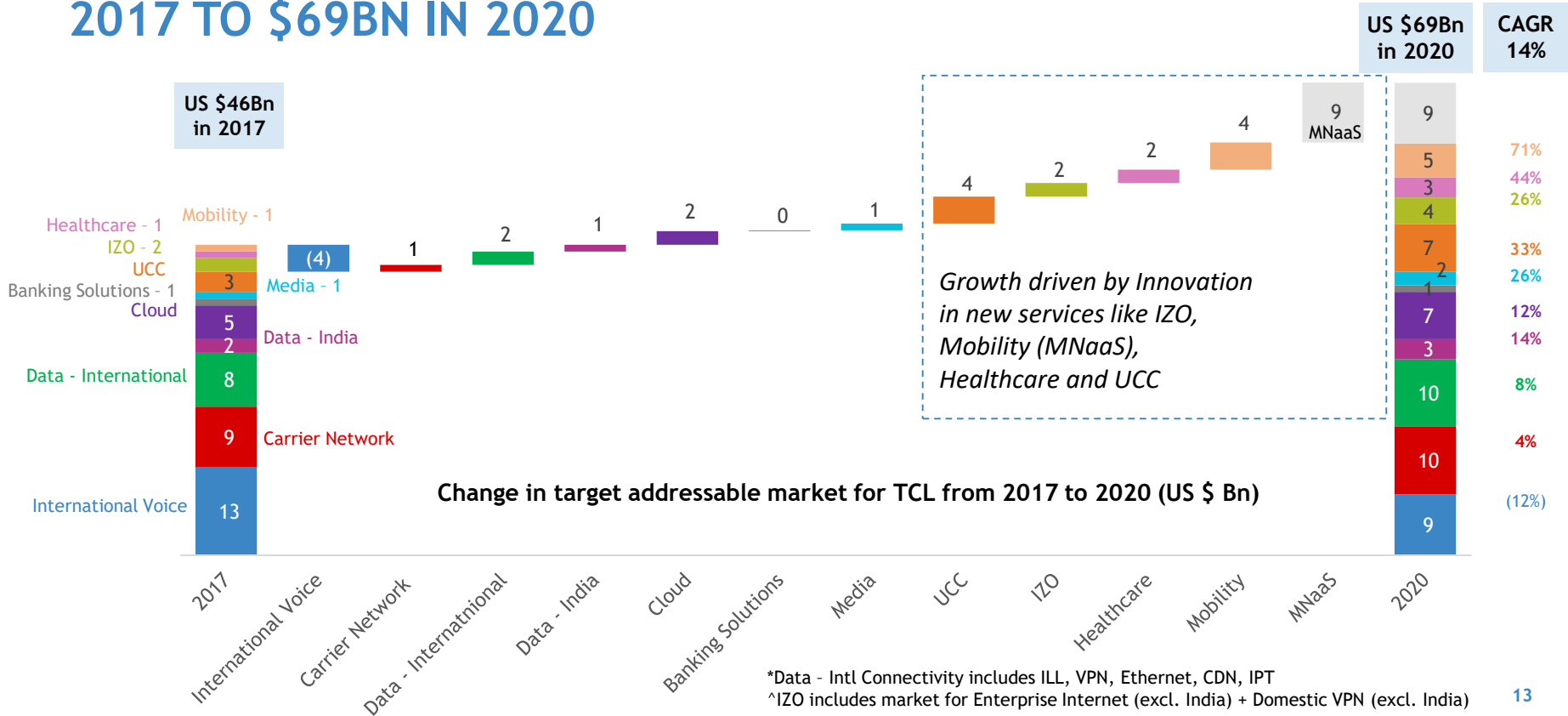
**SAM:
\$46Bn**



- 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



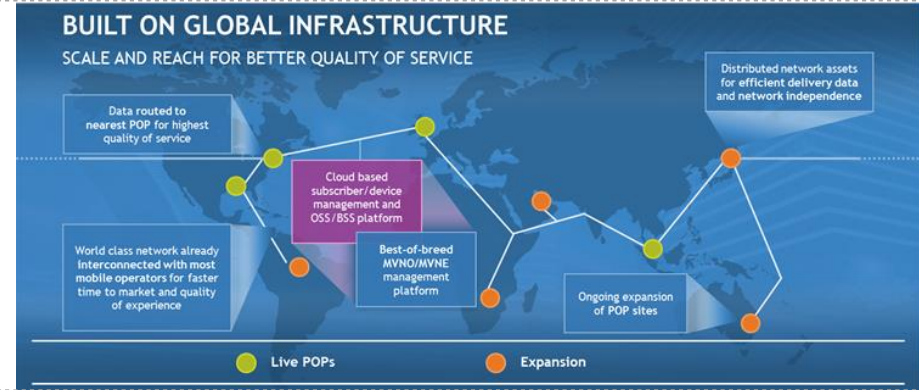
IOT CONNECT

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)

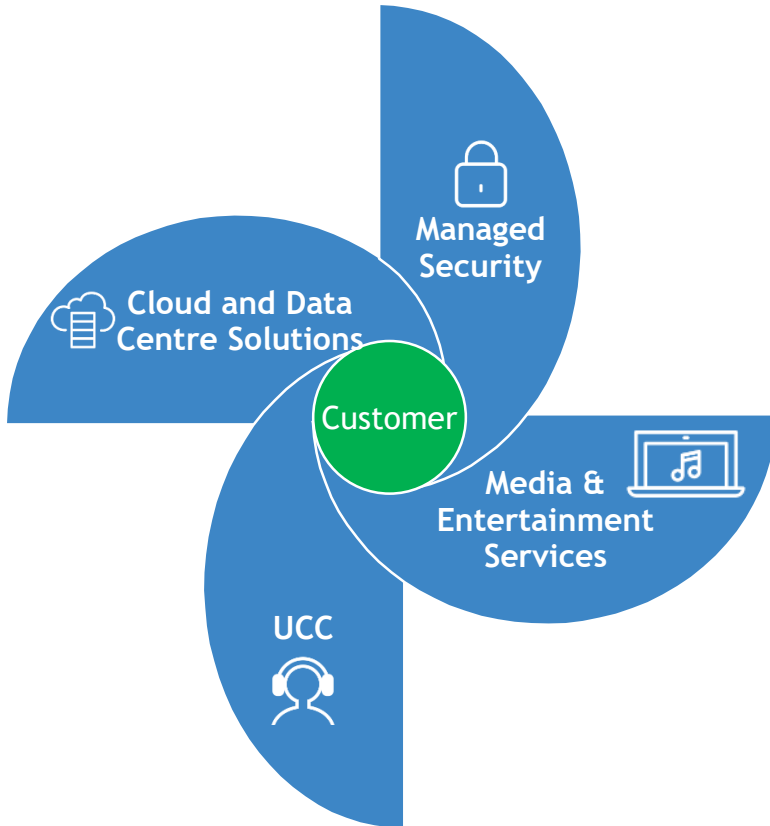
IOT infrastructure and developer ecosystem in India



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**, 3rd 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™

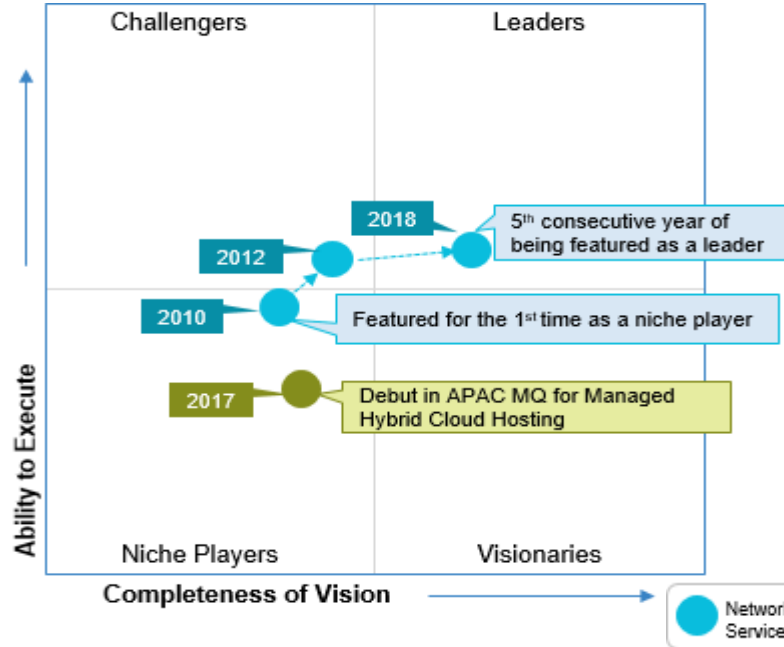


#19 best company in India at attracting and retaining top talent



POSITIONED IN THE LEADERS' QUADRANT

“LEADER” IN GARTNER MAGIC QUADRANT FOR NETWORK SERVICES, GLOBAL FOR 5TH CONSECUTIVE YEAR



- Our products have been getting analyst recognition and are consistently featured in Gartner Magic Quadrant
- This year we debuted as a niche player in MQ for managed hybrid cloud hosting in Asia Pacific

Source: Gartner, Inc. “Magic Quadrant for Network Services, Global” by Danellie Young, Katja Ruud, Bjarne Munch, Takeshi Ikeda, Neil Rickard, Lisa Pierce, February 27, 2018

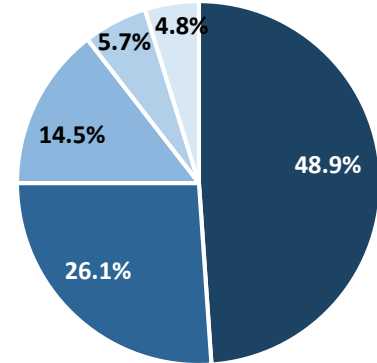
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SHAREHOLDER VALUE CREATION

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 March 31, 2018

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.”

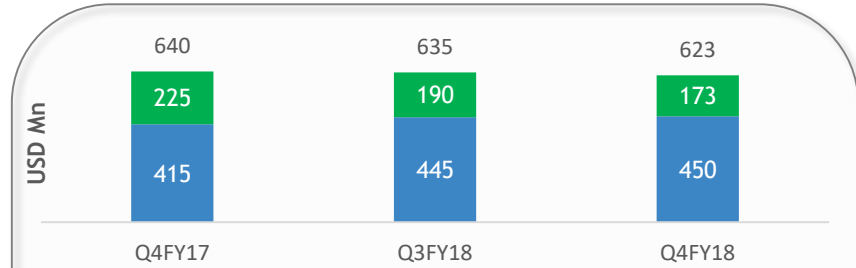
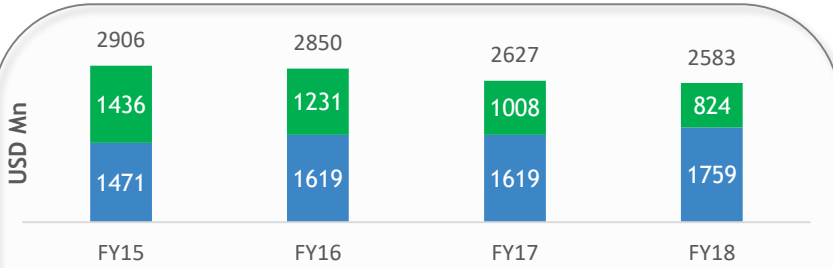
Walt Macnee, Vice Chairman, Mastercard

- 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
- We have impacted more than 150,000 lives in the last 3 years through 14 CSR programs.
- Employees have contributed 70,000 hours globally in the last 3 years towards community action.
- In FY18, 98% of our employees have undergone 69,081 days of skill development training through 805 workshops
- Further, our employee engagement score remains very high at 81% in 2018. 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

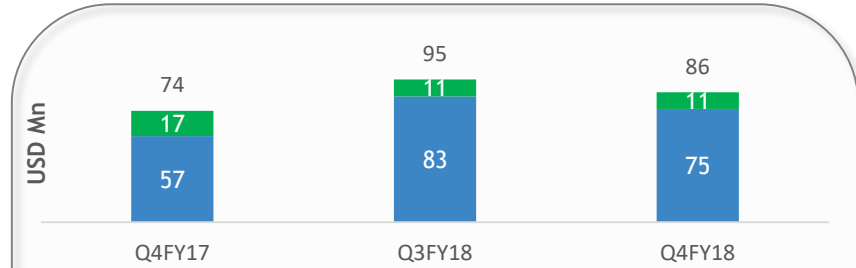
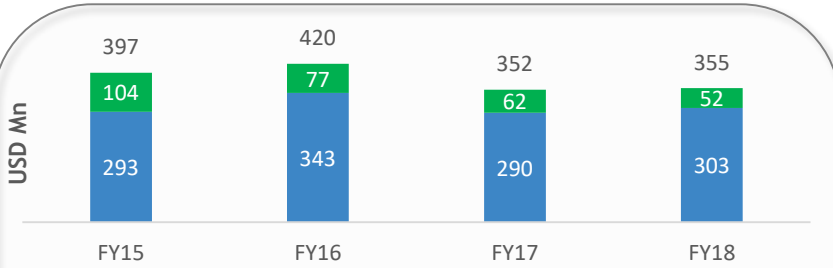
Growth %	FY16	FY17	FY18
Data	↑ 10.1%	↑ 0.0%	↑ 8.6%
Voice	↓ (14.2%)	↓ (18.2%)	↓ (18.2%)
Core	↓ (1.9)%	↓ (7.8%)	↓ (1.7%)

Growth %	YoY	QoQ
Data	↑ 8.4%	↑ 1.0%
Voice	↓ (23.1%)	↓ (8.8%)
Core	↓ (2.6%)	↓ (1.9%)

- Full year revenue declined by 1.7% YoY primarily due to de-growth in Voice minutes & price compression and YoY decline in Payment Solutions business
- The pressure on voice business continues in-line with global trends; this quarter Voice revenue declined by 8.8% QoQ and 23.1% YoY
- Q4 Data business revenue increased by 8.4% YoY and 1.0% on QoQ basis; this growth was primarily led by strong revenue traction across the growth services portfolio

Note: USD-INR: FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; FY18 - 64.47; Q4FY17 - 67.09; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77; Q4FY18 - 64.35

PERFORMANCE HIGHLIGHTS | CORE - EBITDA



Y-o-Y >>>

<<< Q-o-Q

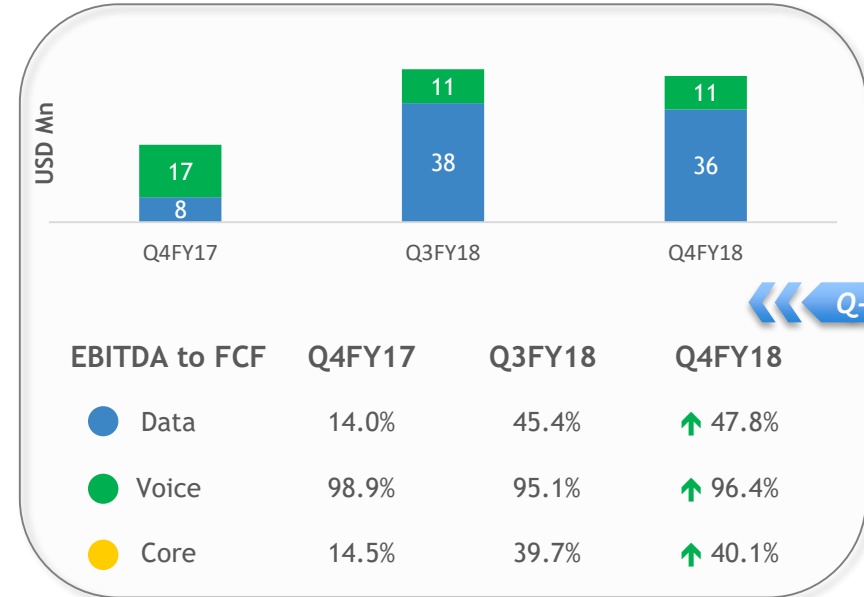
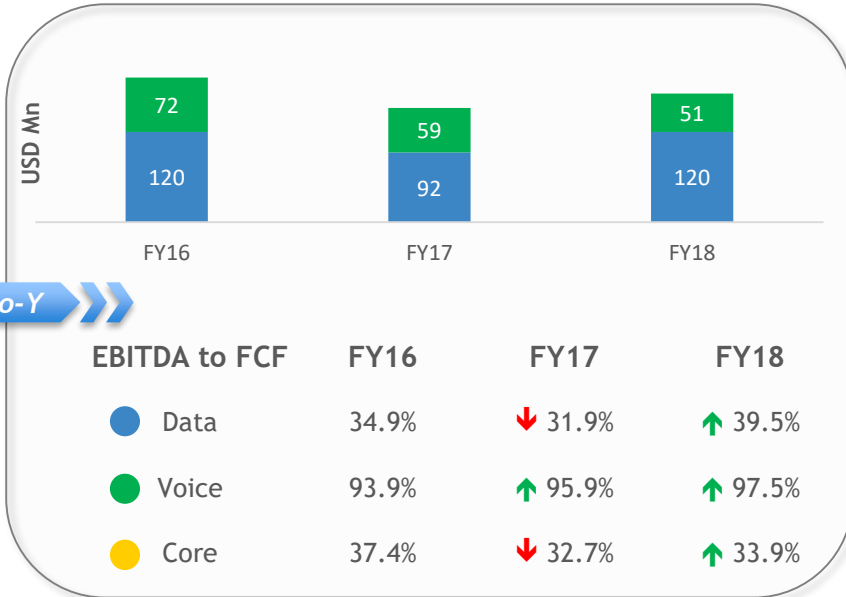
Margin %	FY15	FY16	FY17	FY18
Data	19.9%	↑ 21.2%	↓ 17.9%	↓ 17.2%
Voice	7.2%	↓ 6.3%	↓ 6.1%	↑ 6.3%
Core	13.6%	↑ 14.7%	↓ 13.4%	↑ 13.8%

Margin %	Q4FY17	Q3FY18	Q4FY18
Data	13.7%	18.7%	↓ 16.7%
Voice	7.5%	6.0%	↑ 6.4%
Core	11.6%	14.9%	↓ 13.9%

- FY18 EBITDA was flat YoY due to decline in Voice EBITDA, investment into Growth & Innovation services and de-growth in Payment Solution business. Full year margins expanded by 40 Bps; aided by higher margin in TCTS business and Traditional Data services.
- Q4 EBITDA declined by 8.8% QoQ due to upfront investment in new customer wins, EBITDA was higher by 16.8% YoY due to 1) growth in TCTS business, 2) Payment solution business breaking even and 3) Cost optimization initiative.
- We have been able to maintain Voice EBITDA margins in the range of 6% by bringing efficiencies into business

Note: USD-INR: FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; FY18 - 64.47; Q4FY17 - 67.09; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77; Q4FY18 - 64.35

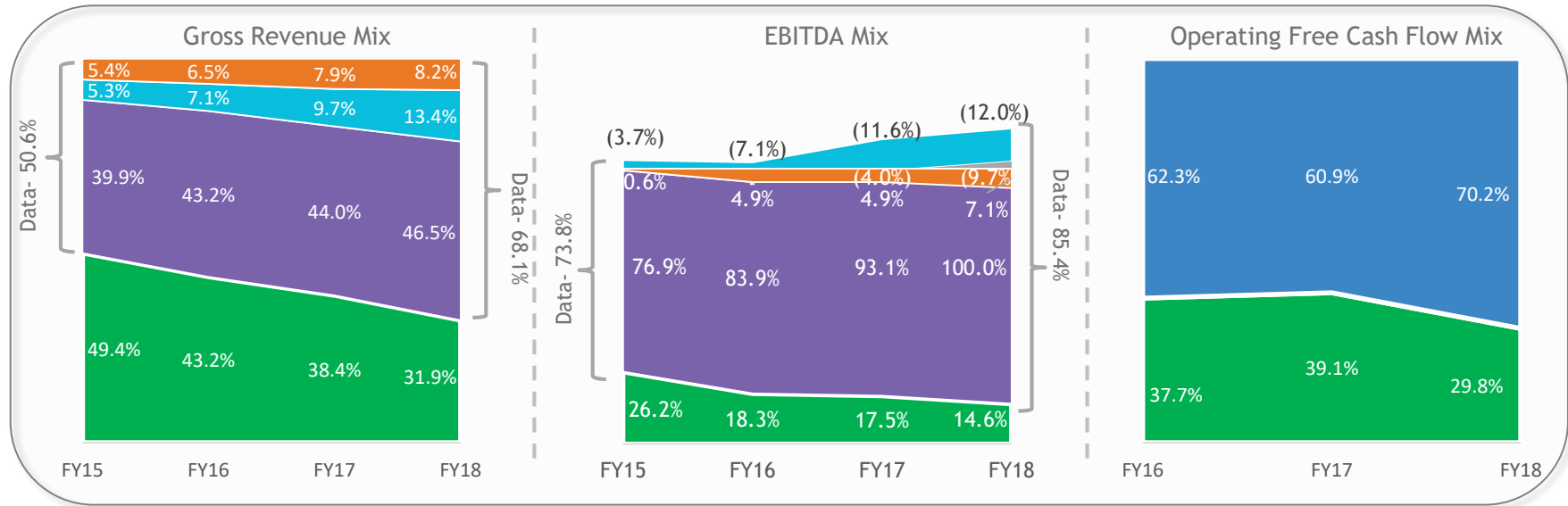
PERFORMANCE HIGHLIGHTS | CORE - OPERATING FCF



- The business is generating healthy free cash flows - We generated USD 121Mn (INR 776 Crore) in Free Cash Flow after accounting for capex for FY18
- The underlying business levers are in place and the free cash flow growth momentum will continue as we grow scale

Note: USD-INR: FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; FY18 - 64.47; Q4FY17 - 67.09; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77 ; Q4FY18 - 64.35; FCF = EBITDA less Capital Expenditure; Core FCF has been arrived at after subtracting total Capex

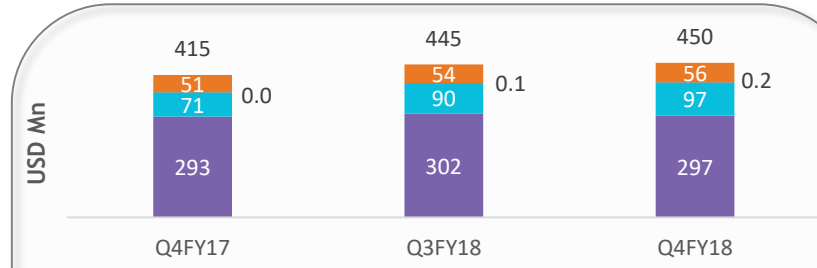
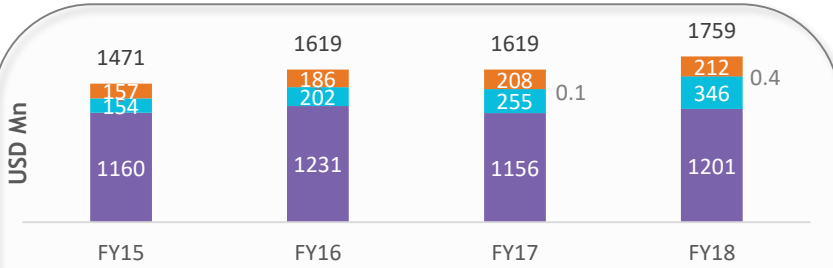
PERFORMANCE HIGHLIGHTS | PORTFOLIO MIX



● 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

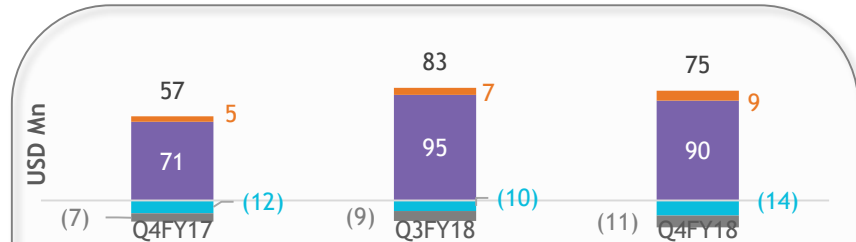
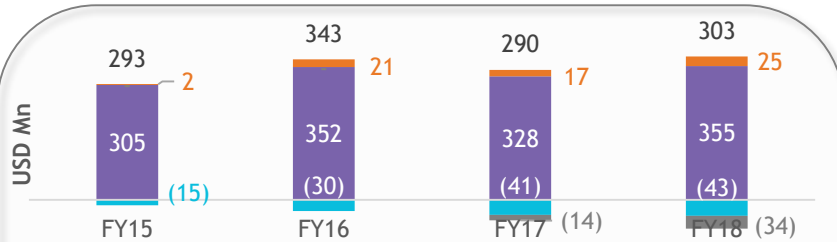
	Growth %	FY16	FY17	FY18
Traditional		↑ 6.1%	↓ (6.1)%	↑ 3.9%
Growth		↑ 31.2%	↑ 26.3%	↑ 35.6%
Innovation		n/a	n/a	↑
Subsidiaries		↑ 18.7%	↑ 11.6%	↑ 1.8%

	Growth %	YoY	QoQ
Traditional		↑ 1.1%	↓ (1.8)%
Growth		↑ 37.3%	↑ 8.3%
Innovation		↑	↑ 81.6%
Subsidiaries		↑ 10.2%	↑ 4.4%

- In FY 18 Data business revenue grew by 8.6% YoY; this was primarily led by strong revenue traction across the data services portfolio
- Traditional services witnessed steady growth of 3.9% YoY on a full year basis despite industry headwinds; the growth was led by ILL and Ethernet both of which grew by 14% YoY, VPN grew by 10% during the same period. This has been industry leading growth.
- Growth services continued to witness strong momentum with a YoY growth of 35.6%. The growth rate has doubled from 18.4% in FY17. Within this portfolio IZO services grew by 304% and Security services grew by 64% YoY.

Note: USD-INR: FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; FY18 - 64.47.; Q4FY17 - 67.09; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77; Q4FY18 - 64.35; Quarterly data has been re-cast for like to like comparison

PERFORMANCE HIGHLIGHTS | DATA - EBITDA



Y-o-Y

Margin %	FY15	FY16	FY17	FY18
Traditional	26.3%	↑ 28.6%	↓ 28.3%	↑ 29.6%
Growth	(9.6)%	↓ (14.8%)	↓ (16.0%)	↑ (12.4%)
Innovation	n/a	n/a	↓	↓
Subsidiaries	1.5%	↑ 11.0%	↓ 8.3%	↑ 11.9%

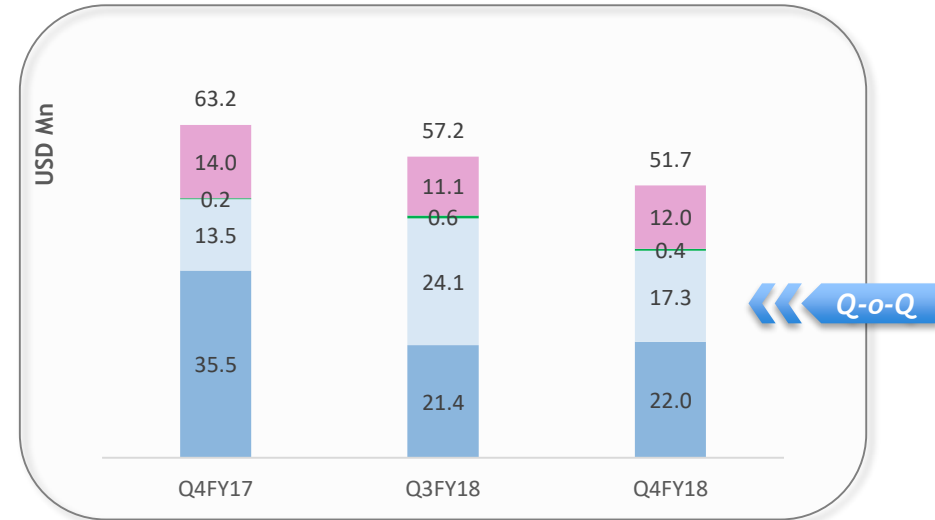
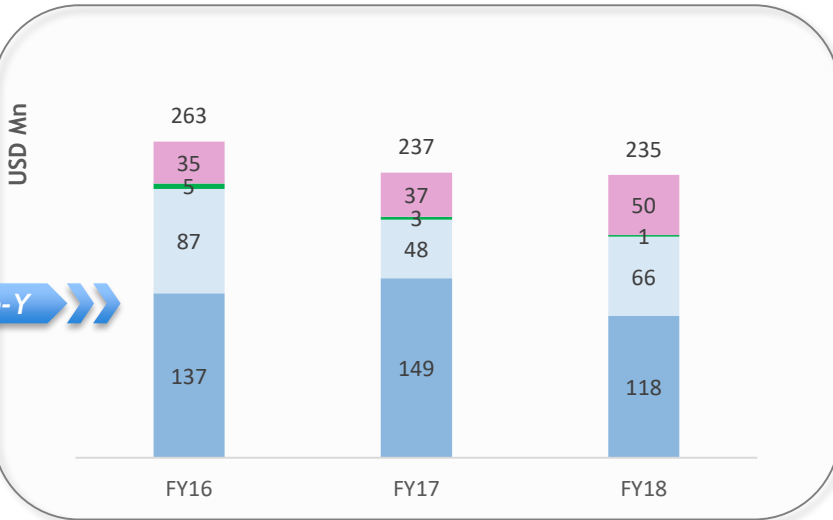
Q-o-Q

Margin %	Q4FY17	Q3FY18	Q4FY18
Traditional	24.3%	31.6%	↑ 30.4%
Growth	(16.6%)	(10.7%)	↓ (14.1%)
Innovation	n/a	n/a	↑
Subsidiaries	9.6%	12.2%	↑ 16.4%

- FY18 Data EBITDA was flat on YoY basis with decline in margins by 70 Bps due to investment in Growth and Innovation services and provision due to customer insolvency.
- For Traditional Services, the EBITDA for the year came in at USD 355 Mn, witnessing a strong growth of 8.5% YoY
- For Growth Services, the EBITDA losses were little higher this quarter due to upfront investment in new customer wins

Note: USD-INR: FY15 - 61.13; FY16 - 65.44; FY17 - 67.07; FY18 - 64.47; Q4FY17 - 67.09; Q1FY18 - 64.48; Q2FY18 - 64.30; Q3FY18 - 64.77; Q4FY18 - 64.35

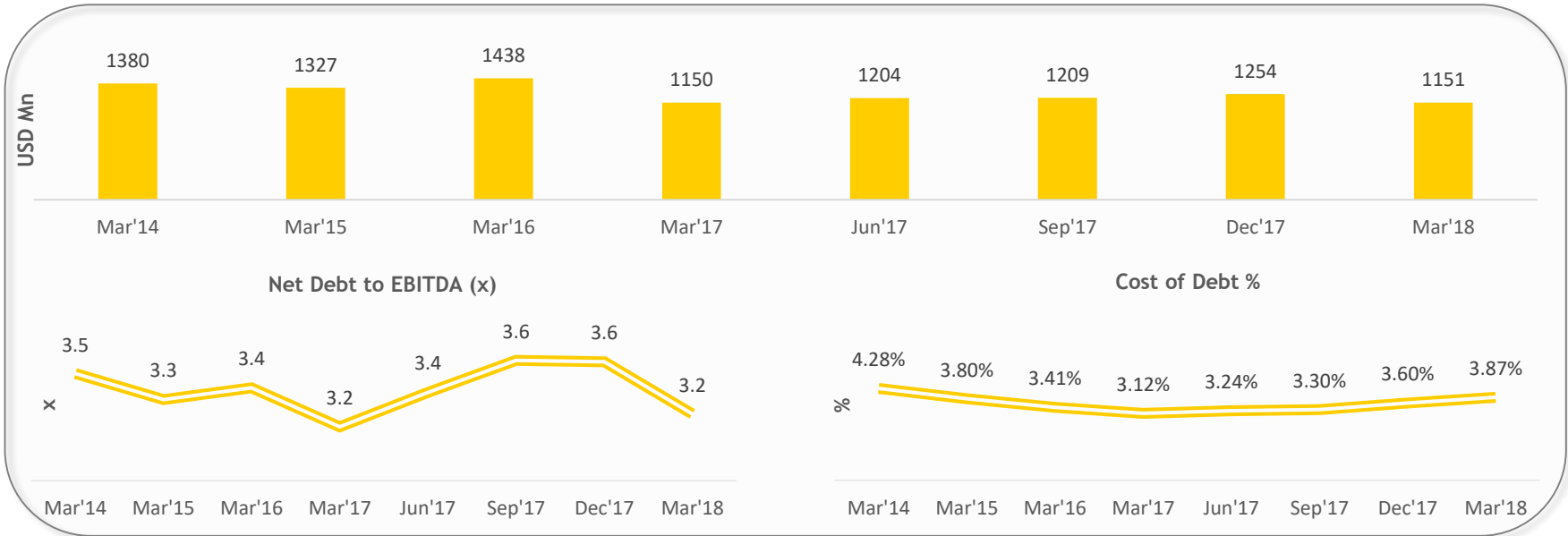
PERFORMANCE HIGHLIGHTS | CAPITAL EXPENDITURE



● Data Sustenance
 ● Data Growth
 ● Voice
 ● Others

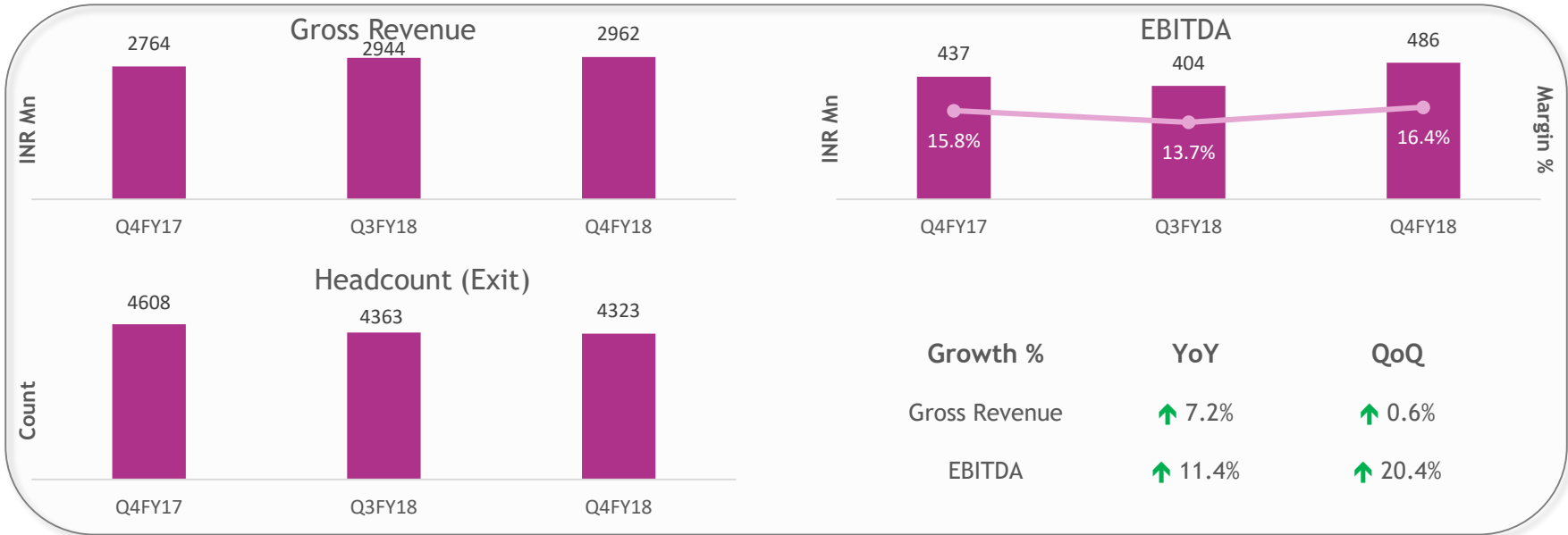
- Q4 capex was at USD 52 Mn; on a full year basis, the capex was at USD 235 Mn which is well below the guidance of USD 250-275 Mn annual capex
- Around 80% of the Capex is spent on Data Business
- Capex spent on Others include sustenance capex towards network engineering, IT, customer service operations etc

PERFORMANCE HIGHLIGHTS | NET DEBT



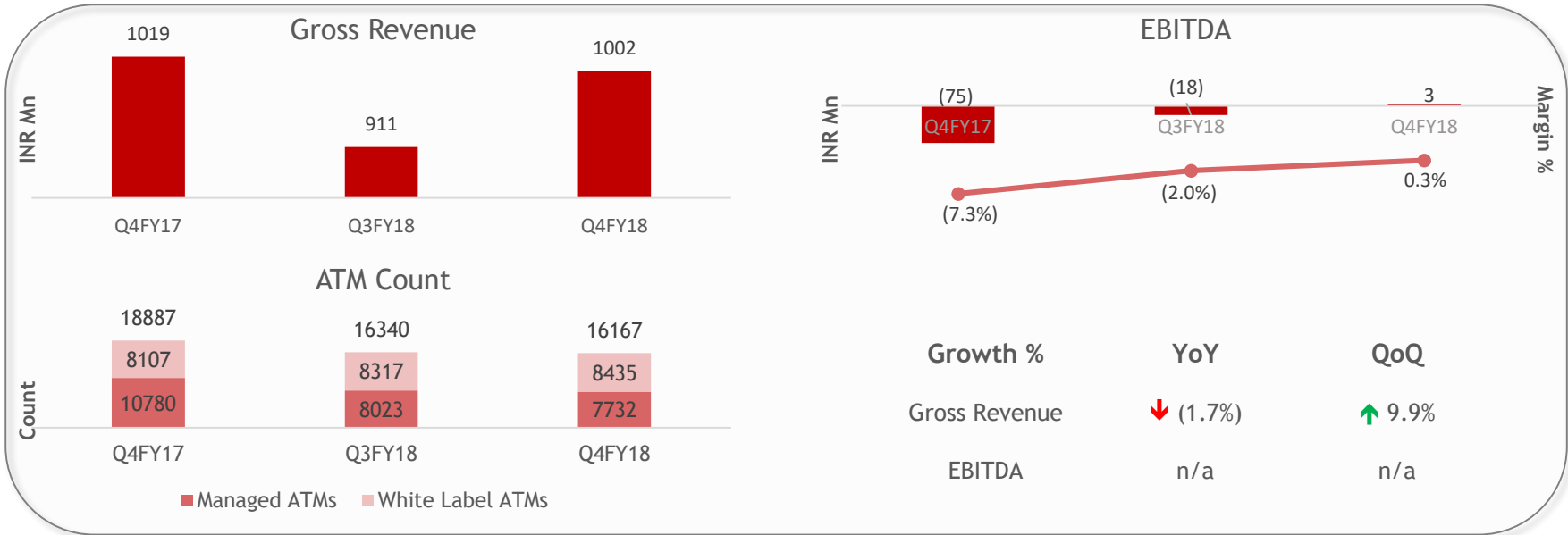
- Net debt at the end of quarter was at USD 1,151 Mn a decrease of USD 103 Mn over last quarter
- Cost of debt for Q4 was at 3.87% higher by 27 Bps QoQ attributable to one-time impact of arrangement fees in refinancing Long-Term loan and increase in LIBOR. Normalized for this impact the Cost of debt would have been 3.43%.

PERFORMANCE HIGHLIGHTS | TCTSL - STANDALONE



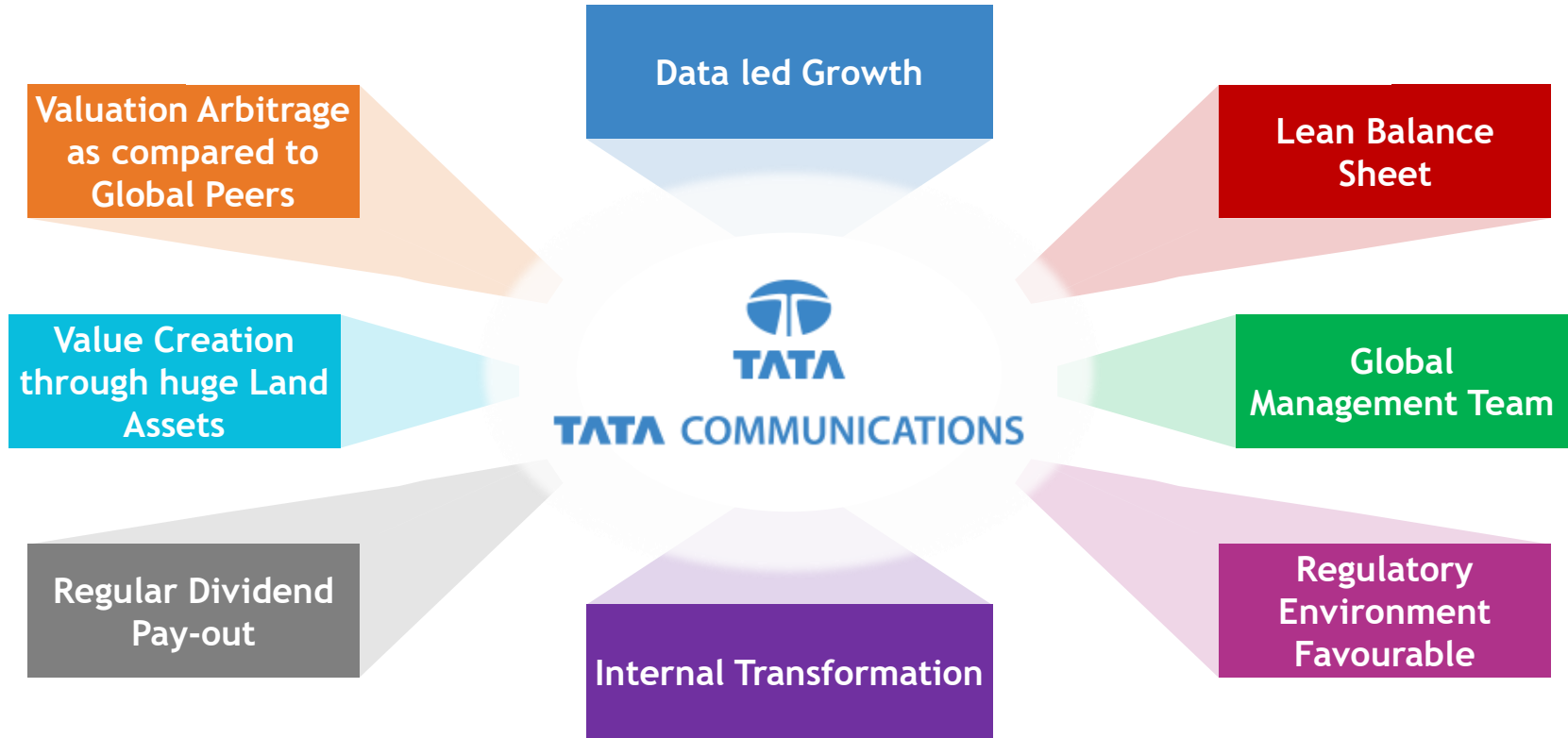
- Transformation services revenue increased by 12.5% YoY and 9.8% YoY on a full year basis; this was due to new customer wins and increased revenue from existing customers
- Full Year EBITDA increased by 25.6% YoY due to improved quality of revenue and cost optimisation

PERFORMANCE HIGHLIGHTS | TCPSL - STANDALONE



- *Payment Solutions business broke even in Q4 on the back of improved money supply and cost efficiencies*

INVESTMENT THESIS



KEY TAKE AWAY

- ❑ Riding on global data growth
- ❑ Digital Transformation and Cloud adoption to drive the business growth
- ❑ Transformation driving demand for SD WAN and network virtualisation services
- ❑ Tata Communications is part of HKA Consortium which along with Alcatel Submarine Networks will roll out new trans-Pacific optical communications system linking Hong Kong to America over 13,000 kilometres
- ❑ Positioned for the first time by Gartner in its 2017 Magic Quadrant for Managed Hybrid Cloud Hosting, Asia/Pacific as a niche player
- ❑ Positioned as “Leader” in Gartner magic quadrant for network services, global for 5th consecutive year.
- ❑ Digital push through partnerships
 - ❑ Partnership with Surbana Jurong, JUSCO, Chunghwa Telecom, Omate
- ❑ Increased sales push through internal reorganisation and partnerships
- ❑ The revamped GTM strategy has started to show positive results with an improvement both in funnel adds as well as in closed sales. We added 493 new customers during the year; product penetration ratio which is the number of products sold to each customer has improved from 1.75 in FY17 to 1.93 in FY18
- ❑ Growth services continued to witness strong momentum with a YoY growth of 35.6%. The growth rate has doubled from 18.4% in FY17
- ❑ Core Net Debt at USD 1.15Bn, a decrease of USD 103Mn over last quarter - Net Debt to EBITDA at 3.2x
- ❑ FY18 Dividend of INR 4.5/share which is 45% of face value of each share
- ❑ Demerger of surplus land filed with NCLT and approved by shareholders - 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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