TATA COMMUNICATIONS LIMITED

33RD ANNUAL GENERAL MEETING

2 AUGUST 2019

AGM PRESENTATION

TATA COMMUNICATIONS

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
- Road Ahead

BUSINESS OVERVIEW

DELIVERING A NEW WORLD OF COMMUNICATIONS ™

Powering the platform economy, the internet and globalisation

A global company with **8,000** employees in 38 countries

We offer connectivity to more than **200** countries and territories across 400 PoPs worldwide

Our customers and partners can reach **99.7%** of the world's GDP

provider of international wholesale voice services

We've invested **$1.5bn** building the only wholly-owned subsea cable network that circles the globe

The only Tier-1 network provider in the top **5** on five continents

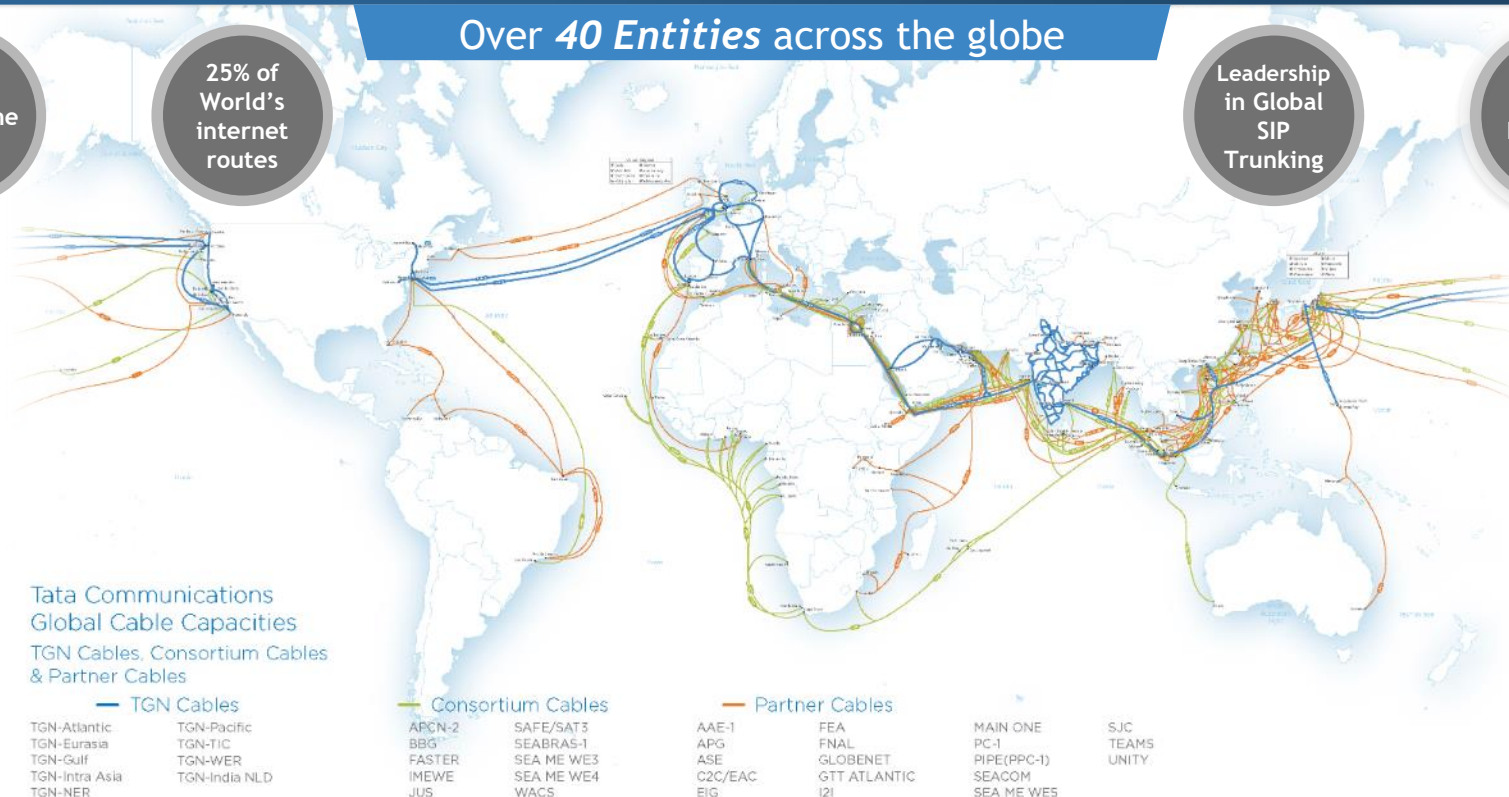# GLOBAL REACH – PROVIDING CONNECTIVITY ACROSS THE WORLD

Over *40 Entities* across the globe

"Ring Around the World"

25% of World's internet routes

Leadership in Global SIP Trunking

Global Backbone

Tata Communications
Global Cable Capacities

TGN Cables, Consortium Cables & Partner Cables

— TGN Cables

TGN-Atlantic	TGN-Pacific
TGN-Eurasia	TGN-TIC
TGN-Gulf	TGN-WER
TGN-Intra Asia	TGN-India NLD
TGN-NER	

— Consortium Cables

APCN-2	SAFE/SAT3
BBG	SEABRAS-1
FASTER	SEA ME WE3
IMEWE	SEA ME WE4
JUS	WACS

— Partner Cables

AAE-1	FEA	MAIN ONE	SJC
APG	FNAL	PC-1	TEAMS
ASE	GLOBENET	PIPE(PPC-1)	UNITY
C2C/EAC	GTT ATLANTIC	SEACOM	
EIG	I2I	SEA ME WE5	

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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	

Growth Services				
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

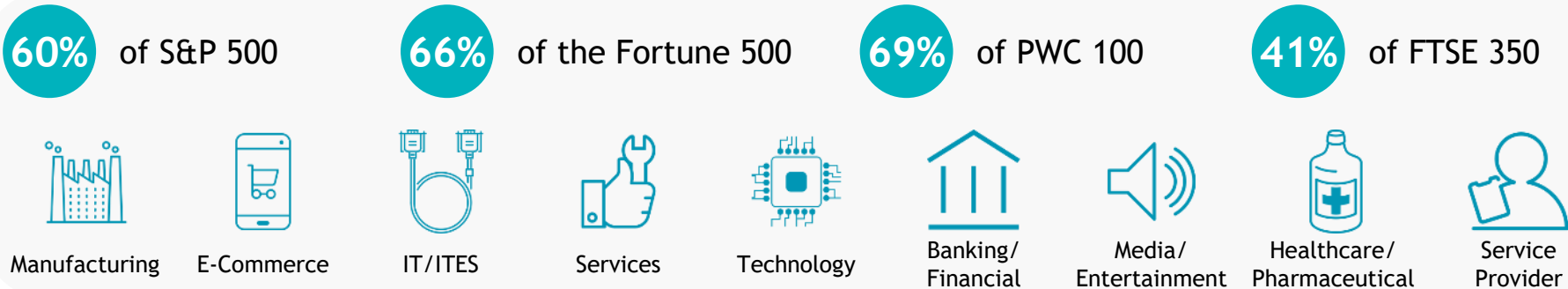| Voice Solutions		
	International Long Distance	National Long Distance

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

Pfizer | Hindustan Unilever Limited | SAMSUNG | HDFC WITH YOU, RIGHT THROUGH | AIRFRANCE KLM | Microsoft

Panasonic | Mphasis Unleash the Next | ESSAR | TATA SKY | GM | Formula 1

TATA TECHNOLOGIES

FY19 KEY CUSTOMER WINS & PARTNERS

TATA COMMUNICATIONS

TATA

APAC

CHINA TELECOM

PRODUCT: MOVE

AMERICAS

American multinational technology company

PRODUCT: IPL, NPL, UCC SIP

INDIA

INDRAPRASTHA GAS LIMITED

PRODUCT: LoRaWAN IoT

EUROPE

British multinational automotive company

PRODUCT: MOVE

AMERICAS

Global social media and social networking services company

PRODUCT: IPL Lease

INDIA

Indian multinational providing business consulting, IT and outsourcing

PRODUCT: CISCO powered solution

EUROPE

Carlsberg

PRODUCT: HYBRID NETWORK

IZO™ Internet WAN a
Global Virtual Private Network,
with an IZO™ SDWAN

INDIA

Indian automobile manufacturer

PRODUCT: GHCC

KEY HIGHLIGHTS - DIGITAL TRANSFORMATION PROJECT

Lead to Order journey for 5 product

IAS, GVPN, NPL, Global SIP Connect, IZO Private Cloud

1,500+ opportunities

Logged in Optimus portal; 700 logged Jun'19

500+ orders placed

Totaling to ~180 Mn INR; NPL leading the way with 300+ orders

1,000+ customer accounts

created; 100+ sales account managers onboarded

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

Frost & Sullivan India ICT Awards:

- **Enterprise Data Service Provider** of the Year (4th Year in a row)
- **Enterprise Telecom Service Provider** of the Year - Large Enterprises (10th Year in a row)
- **IoT New Product/Service Innovation Award** (2nd Year in a row)
- **Third Party Managed Hybrid Cloud Provider of the Year** (First time winner)
- **SDWAN (Software-defined WAN) New Product/Service Innovation Award** (First time winner)
- **Conferencing Service Provider of the Year** (First time winner)

Great Place to Work globally

AON
BESTEMPLOYER

| INDIA 2018 | 2017 | 2016 |
| HONG KONG 2018 | 2017 |

GREAT PLACE TO WORK CERTIFIED

| INDIA 2019 | 2018 | 2017 | 2016 | SINGAPORE 2018 | 2017 |
| HONG KONG 2018 | 2019 | CANADA 2018 | GR. CHINA 2018 |

GREAT PLACE TO WORK
Asia's Best Workplaces 2019

| TOP 100 INDIA 2018 | 2017 |
| HONG KONG Best Small and Medium Workplaces (No 10) 2019 |

LinkedIn Top Attractors
Where India Wants to Work Now

| INDIA 2018 | 2017 |

TATA COMMUNICATIONS POSITIONED AS A LEADER IN THE 2019 GARTNER MAGIC QUADRANT FOR NETWORK SERVICES, GLOBAL - 6 YEARS IN A ROW

Ability to Execute

Gartner evaluates providers on the quality and efficacy of the processes, systems, methods or procedures that enable IT provider performance to be competitive, efficient and effective; and to positively impact revenue, retention and reputation within Gartner's view of the market. Our emphasis is on a vendor's service quality, pricing and track record. These elements are particularly important for global networks because the issues of infrastructure, language and culture are more challenging than if applicable to only one country.

Completeness of Vision

Gartner evaluates providers on their ability to convincingly articulate logical statements. This includes current and future market direction, innovation, customer needs and competitive forces, and how well they map to Gartner's view of the market. Visionary providers should have a clearly articulated strategy in evolving areas of enterprise networking, including, but not limited to, networking for cloud services, SD-WAN, SDN, NFV and vCPE. The portfolio should be broad enough to satisfy the evolving requirements of most enterprises, not just a specific vertical industry or customer size..

Figure 1. Magic Quadrant for Network Services, Global

Source: Gartner (February 2019)

Latest reprint link: http://www.gartner.com/reprints/tata-communications-international-pte--l?id=1-6AM1UID&ct=190228&st=sb

Source: Gartner, Inc. "Magic Quadrant for Network Services, Global" by Neil Rickard, Bjarne Munch, Danellie Young, February 25, 2019

FINANCIAL PERFORMANCE

FY19 PERFORMANCE

Consolidated

Revenue

16,525   1.5% YoY ↓

Decline due to Voice business
Strong growth in Data business helped mitigate the decline

EBITDA

2,745   13.8% YoY ↑

Shift in favour of more profitable Data business
Increase in Data EBITDA

Data

Revenue

12,655   10.4% YoY ↑

Revenue up on back of strong performance in Growth services (+15.1%)

EBITDA

2,409   16.6% YoY ↑

Growth Services achieving profitability

Voice

Revenue

3,870   27.1% YoY ↓

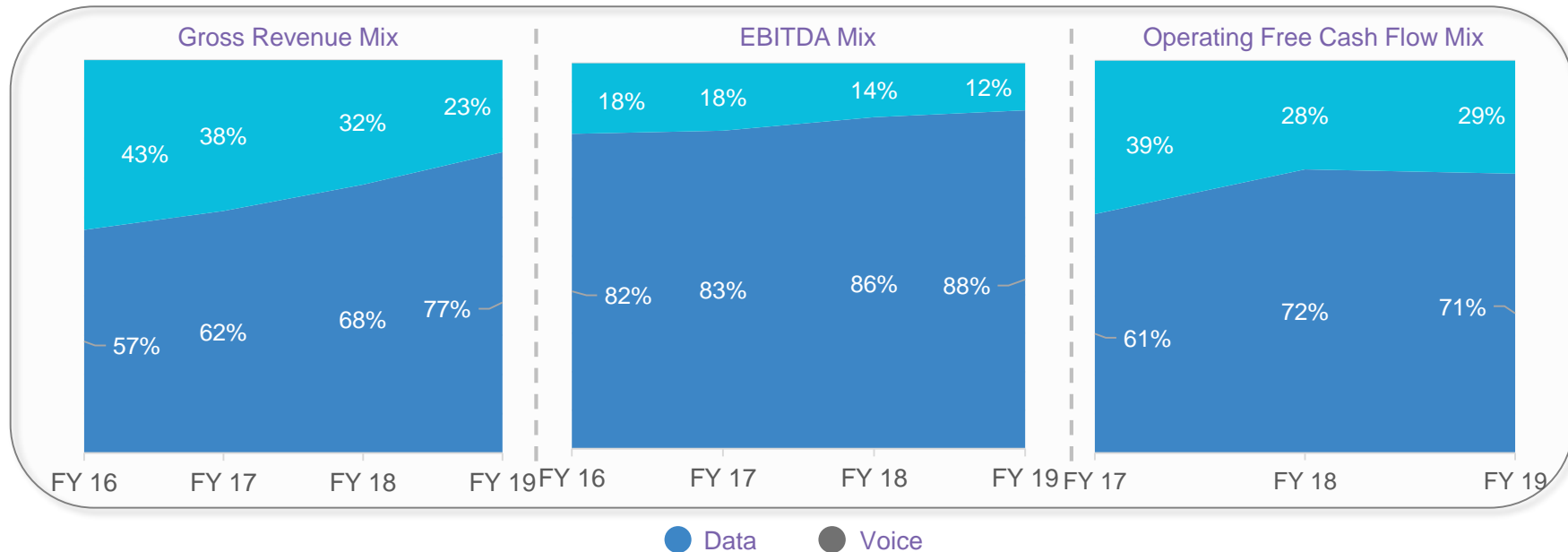# Global decline in voice business
Volume decline (-24%)

EBITDA

336   4.2% YoY ↓

In line with revenue decline

* INR Cr.

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PERFORMANCE HIGHLIGHTS | PORTFOLIO MIX

Gross Revenue Mix

	FY 16	FY 17	FY 18	FY 19
Voice	43%	38%	32%	23%
Data	57%	62%	68%	77%

EBITDA Mix

	FY 16	FY 17	FY 18	FY 19
Voice	18%	18%	14%	12%
Data	82%	83%	86%	88%

Operating Free Cash Flow Mix

	FY 17	FY 18	FY 19
Voice	39%	28%	29%
Data	61%	72%	71%

● Data ● Voice

- *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 dependence on Voice can be clearly seen above*
- *Traditional Connectivity services is our mainstay, and represents a majority portion of both our Revenue and EBITDA*
- *However, our investment in Growth & Innovation Services will drive the business in the future*

Note: USD-INR: FY15 – 61.13; FY16 – 65.44; FY17 – 67.07; FY18 – 64.47, FY19 – 69.9; Q4FY17 – 67.09; Q1FY18 – 64.48; Q2FY18 – 64.30; Q3FY18 – 64.77; Q4FY18 – 64.35; Q1FY19 – 66.94; Q2 FY19 – 70.10; Q3 FY19 – 72.13, Q4 FY19 – 70.47;FY15, FY16 are reported numbers, and include Data centre business

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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

❑ 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 6th consecutive year.

❑ Working very closely with our large customers, we have identified 900 customers as deep engagement customers. These customers constitute 80% of our revenues

❑ Revamped GTM strategy has started to show positive results with an improvement both in funnel adds as well as in closed sales. Product penetration ratio (which is the number of products sold to each customer) of Top 300 customer has improved from 5.20 in Q4 FY18 to 5.25 in Q4 FY19.

❑ Growth services continued to witness strong momentum with a full year YoY growth of 15.1% and turned EBITDA positive in Q4

❑ IZO services grew by 111%, Media services grew by 393% and Mobility grew by 60% YoY

❑ FY19 Proposed dividend of INR 4.5/share which is 45% of face value of each share

❑ Demerger of surplus land approved by shareholders and NCLT, we are waiting for MCA approval post which scheme will become effective - 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

ROAD AHEAD

We have identified the key execution priorities for our future growth

Revenue Growth

Profitability

Asset Efficiency

Digitization

Partner-ships

Focussed GTM

Focus will be to:
- Accelerate growth and innovation services
- Expand India access for sustained competitive advantage

- Sharp focus on costs
- Significantly streamline processes & digitize for the future
- Operating leverage in growth services through scale

- Sweat underlying cable assets
- Focus on asset-lite business models
- Improve procurement efficiency

- Digitization required to improve customer experience and operational efficiency

- Building alliances with leading SIs
- Partnerships with OTTs and OEMs eg Microsoft, Amazon, Cisco

Go deeper with fewer on enterprise account (<1000 accounts) with equal emphasis on India and International

THANK YOU

tatacommunications.com