

**China Joint Venture
Announcement**

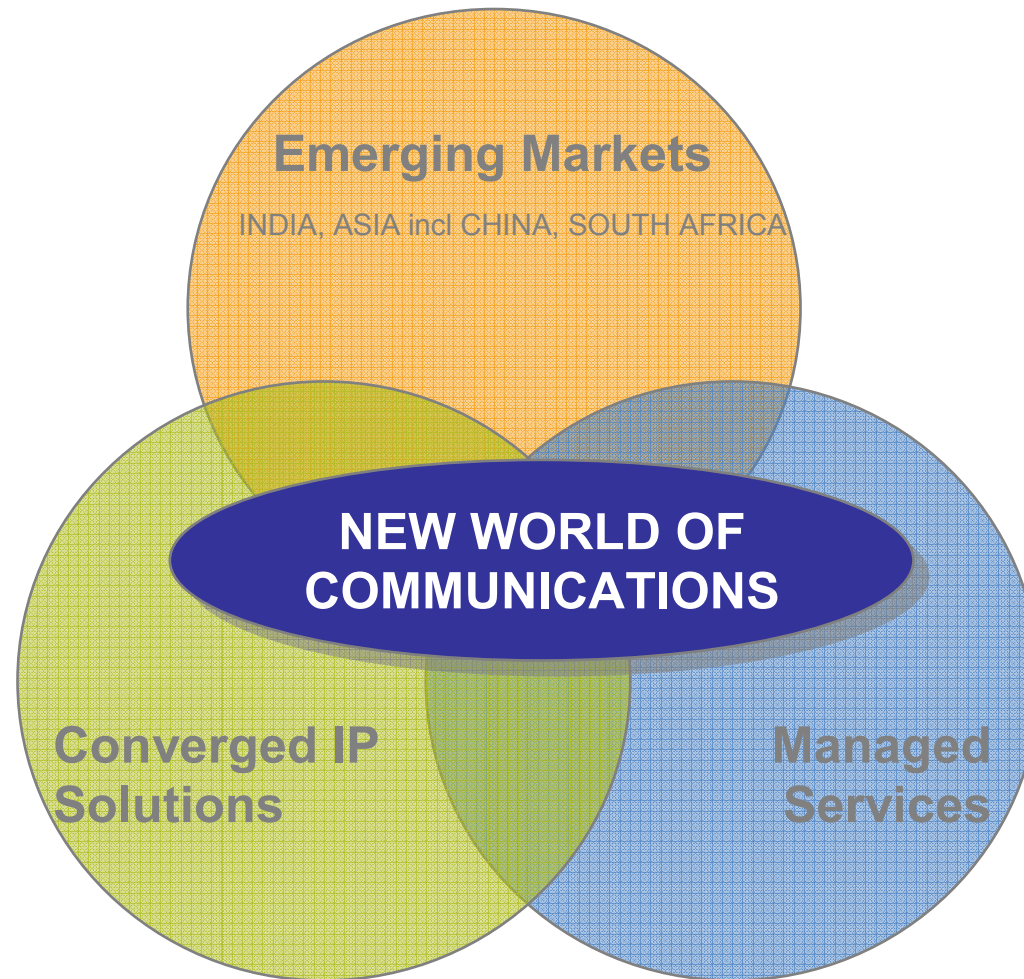
CORPORATE

JUNE 18 2008



Our Vision

Deliver a new world of communications to advance the reach and leadership of our customers



Our Focus on Emerging Markets

India Leadership

- #1 in Enterprise Data Services
- #1 in International Long Distance and Internet Services
- Most robust international connectivity into India

South Africa Entry

- Neotel: First converged services provider
- Launched wholesale, enterprise and consumer broadband services

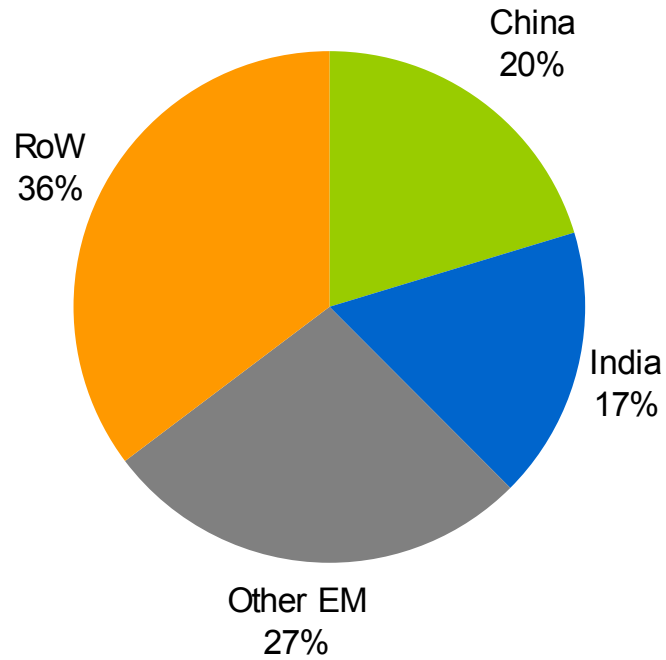
Asia, ME, Africa Investments

- Cables: TGN-Intra Asia, TGN-Eurasia, IMEWE, SEACOM,...
- MPLS PoP Expansion (Indonesia, Thailand, Vietnam,...)
- NNI & Strategic Partnerships (Egypt, China, UAE,...)

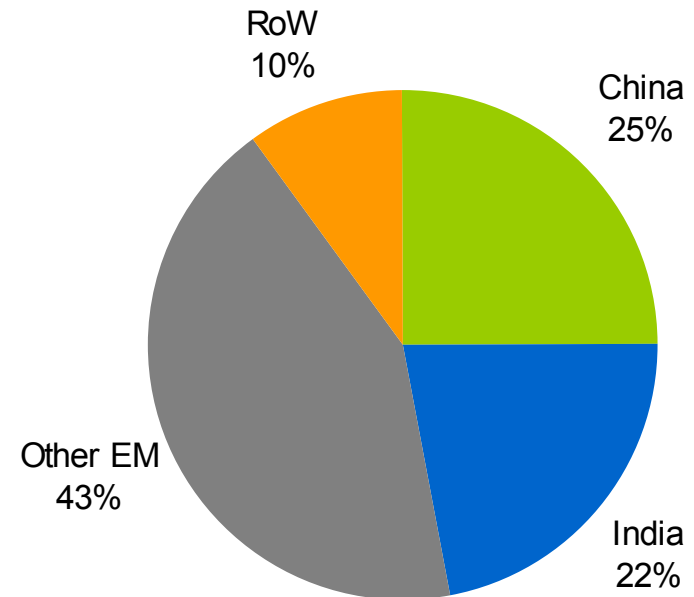


Growing Importance of India & China in the New World

Population Distribution (2007)



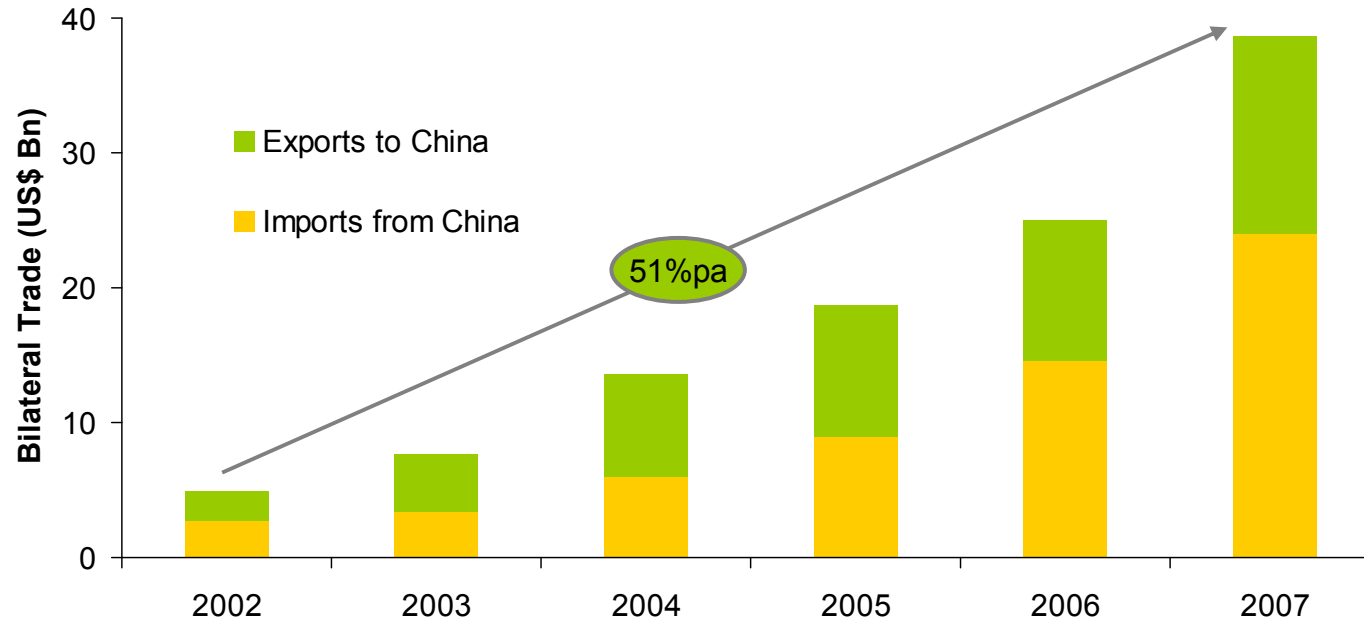
Mobile Subscriber Adds (2007-10)



Source: Morgan Stanley, Gartner, Tata Comms Research



India - China Bilateral Trade Growing Rapidly



- India-China trade target \$20B by 2008 has been reached two years ahead of schedule. Revised target of \$40 B by 2010 is also likely to be achieved two years ahead of schedule

(Dr. Manmohan Singh at the India- China Economic, Trade and Investment Summit - January 14, 2008)

- ~ 150 Indian Companies (incl. 5 Tata Group cos.) have major presence in China
- ~10 Chinese companies have major presence in India

Source: China Customs Statistics

Project Shanghai

- **Tata Communications has signed an agreement with the shareholders of China Entercom (CEC) to create a 50:50 equity joint venture (EJV)**
- **It provides Tata Communications access to one of the fastest growing telecom and enterprise connectivity markets in the world.**
- **The EJV reflects Tata Communications' commitment to emerging markets in general and the Chinese market in particular**



About China Entercom (CEC)

Business Description

- Value-added telecommunications services and integrated IT solutions provider based in Beijing, China
- Awarded nationwide IP-VPN service license by China's MII
 - First such license granted to a non-facility based service provider

Strengths & Capabilities

- VPN connectivity reach into 347 cities in China
 - Dual-pops in cities like Beijing, Shanghai, Guangzhou and Shenzhen
- Over 100 employees
- Chinese enterprise customers and international Wholesale partnerships

Current Shareholders

- Majority owned by CITIC (China International Trust and Investment Corporation);
 - The CITIC group is a state-owned investment company of China
- SASAC (State-owned Assets Supervision and Administration Commission) is the other major investor



CEC Licenses

Type I VATB

- Online data processing and transaction processing
- Domestic multi-party communication
- Domestic Internet Virtual Private Network

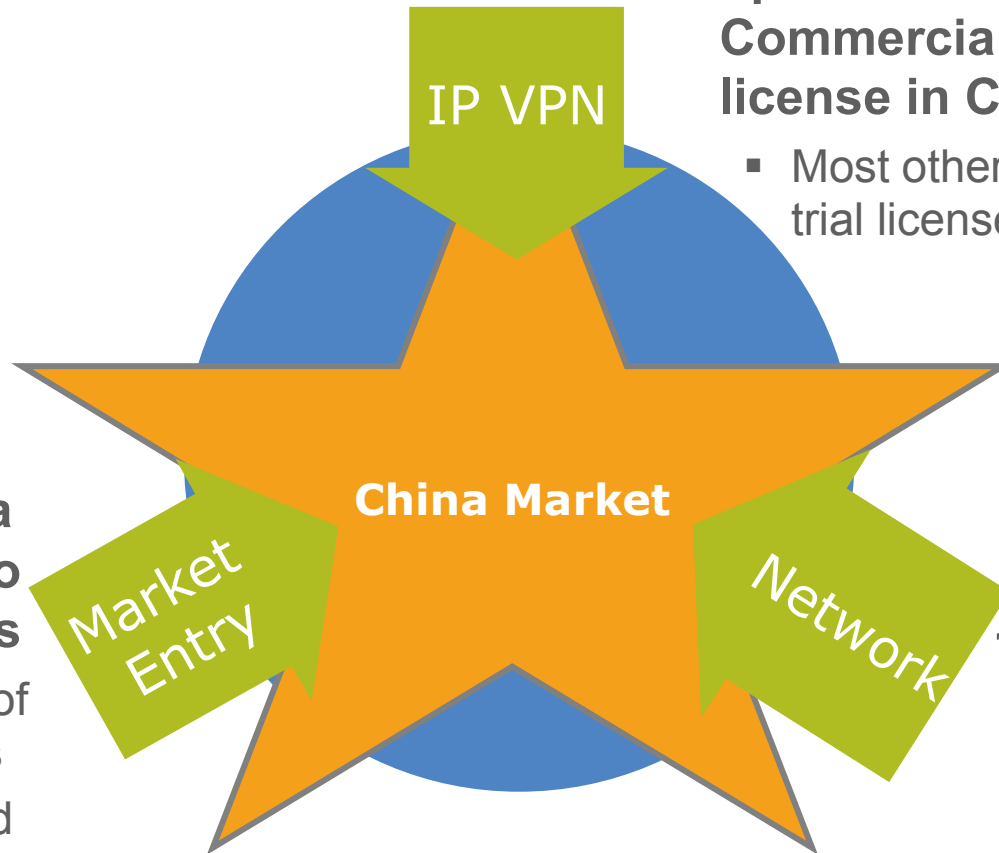
Type II VATB

- Storage & Forwarding Type
- Call Center Services (105 cities)
- Internet Access Service (44 cities)

- Currently only IP VPN services being offered in China
- Scope to introduce new Internet and Managed Services



Strategic Rationale for CEC EJV



First Non-Facilities based operator to have a valid Commercial IP VPN license in China

- Most others have only a trial license

Gives Tata Comm a foothold in China to grow other services

- Potential leverage of CEC other licenses
- Local operating and service presence

19 PoPs in China

- Existing relationship with operators to offer last mile connectivity Pan-china
- Open access



Next Steps

- **Agreement subject to regulatory & Government approvals**
- **Commercial relationship will continue and be strengthened meanwhile**



**Thank you;
Questions?**



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