TATA COMMUNICATIONS

Investor Fact Sheet - Q4 and FY2015

S. No.	Index
1	Consolidated profit & loss statement for the quarter and year ended March 31, 2015
2	Debt profile as on March 31, 2015
3	Profitability of Core Business and Startup Business
4	Consolidated Operating Metrics
5	Voice Solutions Operating metrics
6	Data Services Operating metrics
7	Exchange rates

Notes

1. The financial and operating information in this document refer to consolidated financial statements and business, unless specified otherwise.
2. This document contains management estimates based on internal MIS and cost allocation assumptions. While these measures provide additional information in understanding the performance of the businesses, they should not be viewed in isolation or as replacements for, or alternatives to the published Indian GAAP financials.
3. Financial numbers in this investor fact sheet is net of interco and differs with GAAP numbers where these have been represented on gross basis as part of discontinuing operations accounting for Neotel.
4. FY15 and Q4 FY15 core and consolidated financials includes exceptional items a) Loss of INR 1900 million on Neotel impairment and b) Gain of Rs 848 million from Matunga Mumbai property (non core asset) sale.
5. FY15 startup financials include an other income from profit on sale of customer premise equipment amounting to ZAR 126 million.
6. FY15 core and consolidated financials includes an other income amounting to Rs 1,275 million towards interest on income tax refund.
7. Q4 FY14, Q4 FY15, FY14 and FY15 numbers includes an other operating income which has been shown below EBIT line and has been excluded from revenue growth and operating margin (EBITDA, EBIT) calculations.
8. Core business refers to the company's Voice Solutions and Data Services collectively.
9. Startup business refers to the Company's South African Operations (Neotel) and United Telecom Limited (UTL) Nepal.
10. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Investor Contacts

Mahesh Pratap Singh
Tata Communications
+91 22 6650 2794
mahesh.singh@tatacommunications.com

Siddharth Rangnekar / Vikram Rajput
Citigate Dewe Rogerson (CDR) India
+91 22 6645 1209 / +91 22 6645 1223
siddharth@cdr-india.com / vikramr@cdr-india.com

Website www.tatacommunications.com
YouTube http://www.youtube.com/tatacomms
@tata_comm
CEO Blog: http://tatacommunications-newworld.com

TATA COMMUNICATIONS

PROFIT AND LOSS ACCOUNT SUMMARY
(consolidated figures)

(As per Indian GAAP)
In Rs. million, except per share data

Particulars	Quarter Ended Mar 31, 2015	Quarter Ended Mar 31, 2014	Growth % in Q4 FY15 over Q4 FY14	Quarter Ended Dec 31, 2014	Growth % in Q4 FY15 over Q3 FY15	Year Ended Mar 31, 2015	Year Ended Mar 31, 2014	Growth % in FY15 over FY14
REVENUE								
REVENUE FROM OPERATIONS	**48,112.0**	**52,153.1**	**-7.7%**	**49,145.1**	**-2.1%**	**199,090.2**	**196,195.5**	**1.5%**
EXPENDITURE								
Network and transmission expenses	24,615.1	28,496.9		25,191.0		105,542.5	107,457.2	
Employee benefits expense	7,177.5	6,923.5		6,661.4		27,948.3	24,976.1	
Operating and other expenses	9,146.4	8,934.5		9,282.4		35,702.1	33,346.1	
	40,939.0	44,354.9		41,134.8		169,192.9	165,779.4	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	**7,173.0**	**7,798.2**	**-8.0%**	**8,010.3**	**-10.5%**	**29,897.3**	**30,416.1**	**-1.7%**
Operating EBITDA (% of Revenue from Operations)	**14.9%**	**15.0%**		**16.3%**		**15.0%**	**15.5%**	
Depreciation / amortization	5,616.7	5,243.3		5,462.3		21,610.9	20,913.7	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	**1,556.3**	**2,554.9**	**-39.1%**	**2,548.0**	**-38.9%**	**8,286.4**	**9,502.4**	**-12.8%**
Operating EBIT (% of Revenue from Operations)	**3.2%**	**4.9%**		**5.2%**		**4.2%**	**4.8%**	
Other Operating Income	43.2	40.0		-		43.2	463.5	
Interest expense, net	1,817.3	1,960.7		1,829.8		7,507.9	7,617.0	
Other Income	649.1	530.0		1,038.1		3,964.6	1,433.0	
PROFIT/(LOSS) BEFORE TAX WITHOUT EXCEPTIONAL ITEMS	**431.3**	**1,164.2**	**-63.0%**	**1,756.3**	**-75.4%**	**4,786.3**	**3,781.9**	**26.6%**
Exceptional Items (gain) / loss	1,052.2	1,500.0		-		1,052.2	(662.2)	
PROFIT/(LOSS) BEFORE TAX (PBT)	**(620.9)**	**(335.8)**	**84.9%**	**1,756.3**	**-135.4%**	**3,734.1**	**4,444.1**	**-16.0%**
PBT (% of Total Income)	**-1.3%**	**-0.6%**		**3.5%**		**1.8%**	**2.2%**	
Tax expenses	1,157.6	893.7		666.0		3,704.6	3,432.8	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	**(1,778.5)**	**(1,229.5)**		**1,090.3**		**29.5**	**1,011.3**	
Minority interest	(4.4)	(2.6)		(5.3)		(18.0)	(14.0)	
Share in profit / (loss) of associates (net)	0.4	0.2		0.3		1.4	16.9	
NET PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	**(1,782.5)**	**(1,231.9)**	**44.7%**	**1,085.3**	**-264.2%**	**12.9**	**1,014.2**	**-98.7%**
PAT (% of Total Income)	**-3.7%**	**-2.3%**		**2.2%**		**0.0%**	**0.5%**	
EARNINGS PER SHARE (Basic and diluted earnings per equity shares of par value Rs 10/ each)	(6.25)	(4.32)		3.81		0.05	3.56	

TATA COMMUNICATIONS

DEBT PROFILE

Core Business (In USD Million)	As on			
	Mar 31, 2013	Mar 31, 2014	Dec 31, 2014	Mar 31, 2015
Gross Debt				
Foreign Currency Loans	$ 1,596	$ 1,612	$ 1,630	$ 1,619
Rupee Loans	$ 127	$ 172	$ 33	$ 46
	$ 1,723	$ 1,784	$ 1,663	$ 1,665
Average cost of loans	4.97%	4.28%	3.82%	3.80%
Cash and cash equivalent	$ 244	$ 404	$ 307	$ 338
Net Debt *	**$ 1,479**	**$ 1,380**	**$ 1,356**	**$ 1,327**

**SGD 561 Mn Debt is fully swapped into USD but appears at USD/SGD closing rates. As on 31st March 2015, considering closing rate of 1.3746 against hedge rate of 1.2449, net debt would be higher by $42.5 mn if considered at the hedge rate.*

TATA COMMUNICATIONS

CORE BUSINESS AND STARTUP BUSINESS PROFITABILITY

In Rs. Million

CORE BUSINESS	Quarter Ended		Growth % in Q4 FY15 over Q4 FY14	Quarter Ended	Growth % in Q4 FY15 over Q3 FY15	Year Ended		Growth % in FY15 over FY14
	Mar 31, 2015	Mar 31, 2014		Dec 31, 2014		Mar 31, 2015	Mar 31, 2014	
Revenue from Operations	**43,457**	**45,793**	**-5.1%**	**44,081**	**-1.4%**	**177,675**	**174,509**	**1.8%**
Direct cost	24,238	26,630		24,614		101,329	100,817	
Net Revenue	**19,219**	**19,162**	**0.3%**	**19,467**	**-1.3%**	**76,346**	**73,692**	**3.6%**
Operating and other expenses	13,044	13,407		12,891		52,100	49,982	
EBITDA	**6,175**	**5,756**	**7.3%**	**6,575**	**-6.1%**	**24,245**	**23,710**	**2.3%**
EBITDA as % of Revenue from Operations	*14.2%*	*12.6%*		*14.9%*		*13.6%*	*13.6%*	
Depreciation	5,055	4,525		4,890		19,386	18,464	
EBIT	**1,120**	**1,231**	**-9.0%**	**1,685**	**-33.5%**	**4,859**	**5,245**	**-7.4%**
EBIT as % of Revenue from Operations	*2.6%*	*2.7%*		*3.8%*		*2.7%*	*3.0%*	
Other Operating Income	43	40		-		43	464	
Interest expenses	972	1,143		936		3,998	4,268	
Other Income and Interest Income	563	523		310		2,925	1,434	
Profit Before Tax without Exceptional Items	**754**	**651**	**15.9%**	**1,060**	**-28.8%**	**3,830**	**2,875**	**33.2%**
Exceptional Items (gain) / loss	1,052	1,500		-		1,052	(662)	
PBT	**(298)**	**(849)**		**1,060**		**2,778**	**3,537**	**-21.5%**
Tax expense	1,158	894		666		3,705	3,447	
Minority interest	(4)	(3)		(5)		(15)	(14)	
PAT after minority interest	**(1,459)**	**(1,746)**		**389**		**(942)**	**76**	
NORMALIZING CORE BUSINESS PERFORMANCE FOR ONE OFF AND EXCEPTIONAL ITEMS								
Normalized Revenue from Operations	**43,457**	**45,793**	**-5.1%**	**44,081**	**-1.4%**	**177,675**	**174,509**	**1.8%**
Add: Actuarial impact on Canada Pension	(159)	306		(48)		278	588	
Normalized EBITDA	**6,016**	**6,062**	**-0.8%**	**6,527**	**-7.8%**	**24,523**	**24,298**	**0.9%**
Normalized EBITDA as % of Revenue from Ops	*13.8%*	*13.2%*		*14.8%*		*13.8%*	*13.9%*	
Normalized EBIT	**961**	**1,537**	**-37.5%**	**1,637**	**-41.3%**	**5,137**	**5,833**	**-11.9%**
Normalized EBIT as % of Revenue from Ops	*2.2%*	*3.4%*		*3.7%*		*2.9%*	*3.3%*	
Less: Other Income on Tax refund	-	-		-		1,275	-	
Less: Other Op. Income towards export benefits	43	40		-		43	464	
Normalized PBT (without exceptional items)	**552**	**917**	**-39.8%**	**1,012**	**-45.5%**	**2,790**	**2,999**	**-7.0%**

STARTUP BUSINESS	Quarter Ended		Growth % in Q4 FY15 over Q4 FY14	Quarter Ended	Growth % in Q4 FY15 over Q3 FY15	Year Ended		Growth % in FY15 over FY14
	Mar 31, 2015	Mar 31, 2014		Dec 31, 2014		Mar 31, 2015	Mar 31, 2014	
Revenue from Operations	**4,655**	**6,360**	**-26.8%**	**5,064**	**-8.1%**	**21,415**	**21,687**	**-1.3%**
Operating expenses	3,657	4,318		3,629		15,763	14,980	
EBITDA	**998**	**2,042**	**-51.1%**	**1,435**	**-30.5%**	**5,652**	**6,707**	**-15.7%**
EBITDA as % of Revenue from Operations	*21.4%*	*32.1%*		*28.3%*		*26.4%*	*30.9%*	
Depreciation	561	718		572		2,224	2,450	
EBIT	**436**	**1,324**	**-67.0%**	**863**	**-49.4%**	**3,427**	**4,257**	**-19.5%**
EBIT as % of Revenue from Operations	*9.4%*	*20.8%*		*17.0%*		*16.0%*	*19.6%*	
Interest expense and other financial charges, net	759	811		166		2,471	3,350	
PBT	**(323)**	**513**	**-162.8%**	**697**	**-146.3%**	**957**	**907**	**5.4%**
Tax expense	(0)	(0)		0		(0)	(15)	
Minority interest	(0)	0		(0)		(1)	17	
PAT after minority interest	**(323)**	**514**	**-162.9%**	**696**	**-146.4%**	**955**	**939**	**1.7%**
NORMALIZING STARTUP BUSINESS PERFORMANCE FOR ONE OFF AND EXCEPTIONAL ITEMS								
Backdated revenues recognized in Neotel post billing dispute resolution	-	600		-		-	600	
Normalized Revenue from Operations	**4,655**	**5,760**	**-19.2%**	**5,064**	**-8.1%**	**21,415**	**21,087**	**1.6%**
Less: write back in network cost w.r.t. Neotel pertaining to earlier years	-	-		-		-	337	
Normalized EBITDA	**998**	**1,442**	**-30.8%**	**1,435**	**-30.5%**	**5,652**	**5,770**	**-2.0%**
Normalized EBITDA as % of Revenue from Ops	*21.4%*	*22.7%*		*28.3%*		*26.4%*	*26.6%*	

TATA COMMUNICATIONS

CONSOLIDATED OPERATING METRICS

Revenue from Operations by Currency	Quarter Ended			Year Ended	
	Mar 31, 2014	Dec 31, 2014	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015
Indian Rupees (INR)	21%	24%	24%	21%	23%
South African Rand (ZAR)	12%	10%	10%	11%	11%
Other International Currencies	67%	66%	66%	68%	66%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Core Business Capital Expenditure (USD mn) - Spent during the period (Cash view)	Year Ended	
	Mar 31, 2014	Mar 31, 2015
Sustenance Capex		
Voice	$ 2.3	$ 1.9
Data	$ 10.6	$ 18.7
	$ 12.8	$ 20.6
Growth Capex		
Voice	$ 5.8	$ 4.6
Data	$ 163.7	$ 185.9
	$ 169.5	$ 190.4
Strategic projects[1]	$ 35.9	$ 52.8
Others[2]	$ 34.7	$ 34.7
Total Capital Expenditure (Capex)	**$ 253.0**	**$ 298.5**

Core Business Capital Expenditure (USD mn) - Capitalization View	Year Ended	
	Mar 31, 2014	Mar 31, 2015
Sustenance Capex		
Voice	$ 2.3	$ 1.7
Data	$ 10.6	$ 20.3
	$ 12.9	$ 22.0
Growth Capex		
Voice	$ 4.0	$ 4.5
Data	$ 134.9	$ 188.1
	$ 138.9	$ 192.6
Strategic projects[1]	$ 49.4	$ 58.5
Others[2]	$ 17.9	$ 45.5
Total Capital Expenditure (Capex)	**$ 219.2**	**$ 318.6**

1. Strategic projects include new submarine cables and data centers.
2. Others include capex towards network engineering, IT, customer service operations etc.

TATA COMMUNICATIONS

VOICE SOLUTIONS METRICS

Voice P&L (Rs million) - Management estimate based on internal MIS and cost allocation assumptions	Quarter Ended			Year Ended	
	Mar 31, 2014	Dec 31, 2014	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015
Revenue from Operations	24,244	20,983	20,555	93,024	87,761
Gross Revenue Growth Y-o-Y		*-10.5%*	*-15.2%*		*-5.7%*
Gross Revenue Growth Q-o-Q		*-8.0%*	*-2.0%*		
Less: Direct cost	20,865	17,856	17,636	78,207	75,316
Net Revenue	3,379	3,127	2,919	14,817	12,445
Net Revenue Growth Y-o-Y		*-8.3%*	*-13.6%*		*-16.0%*
Net Revenue Growth Q-o-Q		*3.7%*	*-6.7%*		
Less: Operating Expenses	1,705	1,403	1,308	6,525	6,085
EBITDA	1,673	1,725	1,611	8,292	6,360
EBITDA margin (% of Revenue from Operations)	*6.9%*	*8.2%*	*7.8%*	*8.9%*	*7.2%*
Less: Depreciation	420	521	478	2,186	2,027
EBIT	1,253	1,203	1,132	6,106	4,333
EBIT margin (% of Revenue from Operations)	*5.2%*	*5.7%*	*5.5%*	*6.6%*	*4.9%*

Volume Split in Billion Minutes	Quarter Ended			Year Ended	
	Mar 31, 2014	Dec 31, 2014	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015
International Long Distance (ILD)	11.8	10.6	10.7	50.6	44.7
National Long Distance (NLD) - India	1.5	1.1	1.0	5.9	4.5
Total Volume (ILD+NLD)	**13.3**	**11.7**	**11.7**	**56.5**	**49.2**

TATA COMMUNICATIONS

DATA SERVICES METRICS

Data P&L (Rs. million) - Management estimate based on internal MIS and cost allocation assumptions

	Quarter Ended			Year Ended	
	Mar 31, 2014	**Dec 31, 2014**	**Mar 31, 2015**	**Mar 31, 2014**	**Mar 31, 2015**
Revenue from Operations	21,549	23,098	22,902	81,485	89,914
Gross Revenue Growth Y-o-Y		*10.5%*	*6.3%*		*10.3%*
Gross Revenue Growth Q-o-Q		*4.4%*	*-0.8%*		
Less: Direct cost	5,765	6,758	6,603	22,610	26,013
Net Revenue	15,784	16,339	16,300	58,875	63,901
Net Revenue Growth Y-o-Y		*8.4%*	*3.3%*		*8.5%*
Net Revenue Growth Q-o-Q		*3.6%*	*-0.2%*		
Less: Operating Expenses	11,701	11,489	11,736	43,457	46,015
EBITDA	4,082	4,851	4,564	15,417	17,886
EBITDA margin (% of Revenue from Operations)	*18.9%*	*21.0%*	*19.9%*	*18.9%*	*19.9%*
Less: Depreciation	4,105	4,369	4,577	16,278	17,360
EBIT	(23)	482	(13)	(861)	526
EBIT margin (% of Revenue from Operations)	*-0.1%*	*2.1%*	*-0.1%*	*-1.1%*	*0.6%*

Revenue from Operations By Segment

	Quarter Ended			Year Ended	
	Mar 31, 2014	**Dec 31, 2014**	**Mar 31, 2015**	**Mar 31, 2014**	**Mar 31, 2015**
Service Provider / Carrier	45%	42%	44%	47%	43%
Enterprise	55%	58%	56%	53%	57%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Revenue from Operations By Service Line of Business

	Quarter Ended			Year Ended	
	Mar 31, 2014	**Dec 31, 2014**	**Mar 31, 2015**	**Mar 31, 2014**	**Mar 31, 2015**
Network Services[1]	65%	64%	65%	65%	64%
Managed Services[2]	35%	36%	35%	35%	36%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**

1. Network services primarily include traditional connectivity services (IPL, NPL, IRUs), Internet Transit (IP-T, ILL) and VPN services (Ethernet, VPN).

2. Managed services primarily include Data Centers, Mobility, Unified Communication and Collaboration (UCC), Media Services, Tata Communications Payment Solutions Ltd (TCPSL), and Tata Communications Transformation Services Limited (TCTSL)

Revenue from Operations By Geography

	Quarter Ended			Year Ended	
	Mar 31, 2014	**Dec 31, 2014**	**Mar 31, 2015**	**Mar 31, 2014**	**Mar 31, 2015**
India	50%	51%	53%	51%	52%
Rest of the World (RoW)	50%	49%	47%	49%	48%
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Tata Communications Payment Solutions Ltd. (TCPSL) - Key metrics

	As on			As on	
	Mar 31, 2014	**Dec 31, 2014**	**Mar 31, 2015**	**Mar 31, 2014**	**Mar 31, 2015**
Total ATMs managed					
Third party / Managed ATMs	17,848	18,007	17,725	17,848	17,725
White Label ATMs (WLA)	1,182	3,720	5,163	1,182	5,163
	19,030	21,727	22,888	19,030	22,888
Total POS managed	13,324	13,119	13,247	13,324	13,247
	Quarter Ended			**Year Ended**	
	Mar 31, 2014	**Dec 31, 2014**	**Mar 31, 2015**	**Mar 31, 2014**	**Mar 31, 2015**
Revenue[1] (Rs million)	1,198	1,322	1,345	4,737	5,157

[1] TCPSL revenues are included in enterprise segment/ managed service line of business

TATA COMMUNICATIONS

EXCHANGE RATES

AVERAGE EXCHANGE RATES					
	Quarter Ended			Year Ended	
	Mar 31, 2014	Dec 31, 2014	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015
INR / USD	61.83	61.91	62.26	60.48	61.13
ZAR / USD	10.87	11.20	11.73	10.13	11.06
INR / ZAR	5.69	5.53	5.31	5.98	5.53

CLOSING EXCHANGE RATES					
	As on			As on	
	Mar 31, 2014	Dec 31, 2014	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015
INR / USD	59.90	63.15	62.55	59.90	62.55
ZAR / USD	10.62	11.57	12.22	10.62	12.22
INR / ZAR	5.64	5.46	5.12	5.64	5.12