
Quarterly report on the results for the third quarter ended December 31, 2017

Tata Communications Limited

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Supplemental Disclosures

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A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

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Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company's results of operations that have been derived from amounts calculated in accordance with Indian Accounting Standards (INDAS), but are not in themselves GAAP measures. They should not be viewed in isolation as alternatives to the equivalent INDAS measures and should be read in conjunction with the equivalent INDAS measures.

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Section 1**TATA COMMUNICATIONS – PERFORMANCE AT A GLANCE**

Particulars	UNITS	Full Year Ended		Quarter Ended				
		2016	2017	Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
<u>Core Operating Highlights</u>								
95 th Percentile Bandwidth Usage	Tbps/month	8.67	8.95	9.44	8.33	8.14	8.64	9.10
Data Revenue by Segment								
Service Provider	%	42.0%	42.0%	42.2%	44.0%	43.2%	43.0%	43.0%
Enterprise	%	58.0%	58.0%	57.8%	56.0%	56.8%	57.0%	57.0%
Data Revenue by Line of Business								
Traditional Services	%	76.0%	71.4%	71.2%	70.7%	70.8%	68.6%	67.8%
Growth & Innovation Service	%	12.5%	15.8%	16.1%	17.0%	17.1%	19.8%	20.1%
Subsidiaries	%	11.5%	12.8%	12.6%	12.3%	12.1%	11.5%	12.1%
Total Voice Minutes	Bn, Minutes	43.1	42.9	10.5	10.0	10.8	10.5	9.2
International Long Distance	Bn, Minutes	40.0	38.6	9.5	9.0	9.9	9.7	8.2
National Long Distance	Bn, Minutes	3.1	4.3	1.1	1.0	0.9	0.8	1.0
<u>Core Financials</u>								
Gross Revenue	₹, Mn	186,529	176,200	43,605	42,938	43,100	42,177	41,146
Net Revenue	₹, Mn	86,013	83,928	20,668	21,316	20,894	21,011	21,217
EBITDA	₹, Mn	27,470	23,600	5,478	4,961	5,586	5,645	6,128
EBIT	₹, Mn	7,584	4,943	802	285	1,140	808	1,400
Profit Before Tax	₹, Mn	4,448	(5305)	928	(10063)	822	(1911)	1244
Profit After Tax	₹, Mn	1,909	(7640)	12	(9839)	323	(2500)	101
Capex	₹, Mn	17,184	15,879	3,461	4,241	3,290	4,827	3,703
Free Cash Flow	₹, Mn	10,286	7,721	2,017	720	2,296	818	2,425
Total Capital Employed	₹, Mn	94,137	90,547	101,593	90,547	92,153	85,072	87,590
Net Debt / (Net Cash)	₹, Mn	95,225	74,628	85,635	74,628	77,869	78,945	80,046
<u>Key Ratios</u>								
EBITDA Margin	%	14.7%	13.4%	12.6%	11.6%	13.0%	13.4%	14.9%
EBIT Margin	%	4.1%	2.8%	1.8%	0.7%	2.6%	1.9%	3.4%
Net Profit Margin	%	1.0%	(4.3%)	0.0%	(22.9%)	0.7%	(5.9%)	0.2%
Net Debt to EBITDA (LTM)	Times	3.5	3.2	2.9	3.2	3.4	3.6	3.6
Weighted Average Cost of Debt	%	3.41%	3.12%	3.48%	3.04%	3.24%	3.30%	3.60%
Interest Coverage Ratio (LTM)	Times	1.84	1.34	2.64	1.34	1.17	0.89	1.10
Return on Capital Employed	%	8.1%	5.5%	10.1%	5.5%	4.5%	3.6%	4.1%
<u>Valuation Indicators</u>								
Market Capitalisation	₹, Bn	107.62	205.78	178.87	205.78	206.03	195.30	194.24
Enterprise Value	₹, Bn	223.13	280.41	264.50	280.41	283.90	274.24	274.29
EV / EBITDA (LTM)	Times	7.20	11.88	8.99	11.88	12.58	12.66	12.29

Note : FY 16 are reported numbers

Section 2

AN OVERVIEW

2.1 Company Overview

Tata Communications is the leading global provider of a 'new world of communications'. With a leadership position in emerging markets, and an infrastructure that spans the globe, Tata Communications leverages its advanced solutions capabilities and domain expertise across its global network to deliver managed solutions to multinational companies and service providers. We're proud to provide 66% of the Fortune 500 companies with our state-of-the-art solutions, including a wide range of communication, collaboration, cloud, mobility, network and data center services.

The Tata Communications global network includes one of the most advanced and largest submarine cable networks. We are in the Top 5 IP providers on 5 continents and offer public and private network connectivity to more than 240 countries and territories. Our major service/solutions are Network engineering, development & management, Unified Communication & Collaboration solutions such as video, audio and web conferencing, in addition to an array of Data Center, Cloud and Security Services."

Products, Services, and Solutions

Every industry is going through profound upheavals as digital technology rapidly and radically transforms how business engages with the marketplace and all stakeholders. IT decision makers have started leveraging the growing sophistication of hybrid solutions to re-engineer IT economics, liberate more funds for innovation and enhance core business processes. This trend is driving greater demands for higher level performance from ICT providers. Whether it be mature enterprises looking to transform themselves or start up enterprises creating new products and services.

Tata Communications' portfolio of products, services and solutions have been uniquely designed to deliver these new levels of performance and is based on following fundamentals of our business strategy 2.0 roadmap.

Our offerings enable information and computing to work smarter and harder for the business users. Wherever they are. Whenever they need it. We put into their hands a unique range of performance technologies from our "best in class" platforms such as the world's only global Tier 1 infrastructure and IZO Cloud Enablement to 'industry specific' solutions for businesses be it manufacturing, media, BFSI or E-commerce industries.

Tata Communications categorizes its offerings into 2 major groupings: Data and Voice. In addition to these books of business we also have an ATM network

subsidiary in India (Tata Communications Payment Solutions Ltd.) and a network management outsourcing subsidiary that supports global service providers (Tata Communications Transformation Services Ltd.)

Data Services: Enterprises are evolving their enterprise networks to deal with business communication transformations. This is driven by advances in Cloud computing, the Internet of Everything, Smartphone proliferation for both consumer and enterprise uses, tighter supply chain integration/automation, and providing richer and more agile connections with their customers and partners.

Network Services: Our service offering includes a comprehensive selection of networking services including IZO™ Internet WAN, IZO Private Connect, IZO Public Connect enabling enterprise cloud adoption and core network services including WAN Ethernet, Global VPN and International private lines spanning over 100 countries. On the Internet, we're a major Tier-1 IP provider, consistently ranked in the top five telecommunications companies on five continents, by internet route. In fact, we handle more than 24% of the global internet route, totaling more than 7,300 petabytes a month. Our infrastructure features the world's largest wholly-owned subsea cable network, 4th largest tier 1 IPv6 enabled internet and backbone, and the most extensive reach into the emerging markets around the world. So, no matter where in the world your business takes you, we're there to provide the connectivity services you need.

Unified Communications and Collaboration (UCC): With our modular portfolio of Unified Communications (UC) services we help companies leverage their existing assets while enabling an advanced, future-proof UC strategy that delivers seamless connectivity and a globally consistent experience for internal teams, customers, partners and other external constituents. Our UCC portfolio includes Global SIP Connect, UCaaS Skype for Business and managed video services, cloud contact center, unified conferencing including WebEx CCA in collaboration with Cisco, and real time communication APIs. Our UCaaS proposition helps our clients chart their own journey looking at where they currently stand and the transformation required to implement their step-wise UCC strategy.

Cloud, Hosting and Data Centre Services: With over 1 million square feet of collocation space in 44 locations worldwide and global partnership to extend our reach and capacity, our portfolio offers access to Colocation, Dedicated Hosting, Virtualization, IZO Private Cloud and IZO Cloud Storage solutions: a single pathway to

managing multiple complex workloads and computing environments, with an integrated view. Getting the right Cloud and Data Centre solution often means contracting and coordinating with multiple suppliers around the world, working through layers of complexity and ultimately incurring additional costs. Our portfolio offers a flexible and cost efficient compute and storage options to meet the ever-growing needs of our clients.

Managed Security Services: As more cloud based services are adopted, there is a growing threat to data security and privacy, which Tata Communications helps solve for its customers. Right from end-user authentication to security critical assets in Data Centres through firewalls and threat mitigation solutions, we offer comprehensive security services partnering with the best vendors in the business and a 24/7 proactive support through our Security Operations Center.

Media and Entertainment Services: Our 'Media Ecosystem' provides solutions for every kind of enterprise in all segments of media and entertainment, including gaming, sports, news, cable, and broadcasting. The Tata Communications' Media Ecosystem, combines its traditional video contribution services with IP-based connectivity to create a highly innovative cloud based global media platform. The global media ecosystem—first of its kind—provides a comprehensive solution that includes asset management, workflow management, channel origination, video contribution and distribution feeds, OTT platform as a service, Live OTT delivery and transcoding as service.

Customer Services: Customer services are a key differentiator in a crowded marketplace, and businesses are increasingly looking to outsource network and IT services to dedicated experts. Our best-in-class services support Tata Communications' entire product & service portfolio and we deliver value through a services portfolio that covers program management, service delivery, service management, advanced solutions delivery and other personalized support services. We are also championing the 'whatever it takes' philosophy within the Tata Communications services team to build a culture

where we want to do the right things for the customer, where we're always flexible, always available, and always positive. More than an SLA, it's a state of mind – constantly checking that we are doing everything within our power to help our customers.

Voice Services: In voice, we are the world's largest wholesale voice provider, carrying over a billion minutes a week. Through our 1600+ telecom partnerships our network handles 1 out of every 10 international calls and connects more than 70% of the world's mobile carriers. We also we offer a comprehensive portfolio of high-quality transport and termination services, including Voice Direct Transit and HD Voice.

Tata Communications - Core			
Data			Voice
<u>Traditional Services</u> <ul style="list-style-type: none"> - International Private Line - Ethernet Service - VPN - Internet Leased Line / DIA - Internet Protocol - Transit - Mobility 	<u>Growth Services</u> <ul style="list-style-type: none"> - UCC / SIP - Trunking - Managed Hosting - GHCC - V-Connect / Streaming - IZO - Managed Security Services 	<u>Innovation</u> <ul style="list-style-type: none"> - Mobile Innovation - IoT 	<u>Subsidiaries</u> <ul style="list-style-type: none"> - Tata Communications Transformation Services - Tata Communications Payment Solutions

2.2 Product Overview

Tata Communications' portfolio of products, services and solutions have been uniquely designed to deliver new levels of performance and connectivity. Major product offerings are:

- 1. International Private Line:** Tata Communications' International Private Line service offers greater diversity of route, uptime and multiple service options for all international and India data transport requirements, backed by the world's largest and most advanced cable system, owned and maintained by Tata Communications. It securely transfers voice, video and data on the access backed by reliable service, route diversity and industry-leading service level guarantees.
IPL is a Point to point dedicated bandwidth between two sites provided by a licensed international telecom operator to end-user customers, which crosses over one or more international boundaries.
- 2. Ethernet Service:** Tata Communications delivers certified dedicated Ethernet services using its reliable & protected network across the globe with unmatched SLA to connect point to point or point to multipoint locations within India or outside India.
It provides flexible bandwidth options with greater scalability option to cater to the dynamic business requirement for bandwidth.
- 3. Virtual Private Network:** Tata Communications' global VPN services provide MPLS based secure, cost-effective VPN solutions that enable seamless convergence of voice, data, video, and multimedia on a seamless global network reaching all major markets and maximum emerging markets.
Global VPN range of services help enterprises improve operational efficiencies and quality of service for basic, real-time and mission critical applications.
- 4. International Leased Line:** A single worldwide service providing un-contended, mission critical Internet access to Tier 1 global IP network for the customers.
With a IP Backbone of over 1600 Gbps which spans across six continents and peering of over 1400 Gbps with all major Service providers and Internet Exchanges across the globe, Tata communications is the only true global tier 1 ISP in India with 200+ Global point of presence.
With one of the biggest submarine cable capacities, the widespread network reach connects 6 continents. This allows diverse redundancy and protection capabilities to all the customers with Industry level SLA.
- 5. Direct Internet Access (DIA):** Tata Communications' Direct Internet Access provides easy and affordable Internet connections across customer's offices over Tier-1 global IP backbone with a single AS6453 in over 50 countries. We also

provide Internet access to emerging markets with extensive reach in India, China, and Africa.

- 6. IP Transit:** Tata Communications' IP Transit provides high speed, secure and reliable Internet connection via our Tier-1 global IP backbone reaching more than 230 global PoPs in over 30 countries. Together with the largest Internet backbone in India, our customers grow with optimal routing performance.
With over 230 Internet PoPs conveniently located in over 30 countries at carrier neutral Internet Exchanges (IX), we reduce access cost to the Internet. This is further enriched by our Indian Internet PoPs enabling reach to the explosive Internet growth in Asia, and over 3500Gbps peering connectivity with all other global Tier-1 ISPs.
This rides on Tata Global Network (TGN), world's first wholly owned fibre optic subsea cable network ring round the globe that spans 210,000 kilometers of terrestrial and 500,000 kilometers of subsea network.
- 7. Content Delivery Network:** Tata Communications' content delivery network or content distribution network (CDNs) is a cloud based solution that caches/stores customers content at locations around the globe and serves it to end user with a lightning speed.
CDN deployed over Tier -1 IP Network leveraging reach on to 200 countries and peering with leading ISP's across the globe to provide highest quality of user experience.
CDN helps to deliver streaming, online video platform, Electronic software delivery & whole site acceleration using global platform.
- 8. Mobility**

Voice – international voice wholesale, including support for LTE based voice services (Mobile VoIP, VoLTE and HD Voice).

Signaling (SCCP & Diameter) – The signaling services help in international roaming, our signaling services can be delivered over a number of network options, including TDM, IP, Global VPN, and IPX Connect (SCCP over IPX). Also supported is signaling evolution from SCCP to Diameter, including Sigtran, ready for IMS based services and for LTE roaming capabilities.

Mobile Messaging - our messaging network ensures delivery of quality application-to-person (A2P) messaging across the mobile ecosystem, including mobile network operators, SMS aggregators, enterprises and next generation service providers (OTT providers). Mobile Network Operators get protection from fraud, spam and grey routing, through working with Tata Communications as a single trusted source to help securely monetize A2P

message traffic termination and also through use of our comprehensive SMS Firewall.

IPX+ - a framework that lets MNOs support mobile applications with greater efficiency through a consolidated network, with optimal network utilization, simplified interconnect and managed service options. Voice, Signaling and Roaming services are integrated within the IPX+ framework, which includes support for LTE Roaming, VoLTE, HD voice, video and enablement solutions for real-time rich media applications.

Roaming - Combining our Diameter Signaling Exchange (DSX) platform together with IPX Connect service for 3G/4G data roaming, Tata Communications provides a comprehensive LTE roaming solution. We support 2G, 3G and 4G roaming within a single solution framework, which addresses signaling, steering, routing, inter-working, transport, clearing & settlement, business intelligence (Roampulse), security and service assurance for a successful LTE roaming launch.

9. **Unified Communications:** Tata Communications' Unified communications involves services for enterprise Voice, Video & Collaboration. Through UC portfolio Tata Communication provides; On premises & cloud based managed UC services. Unified Communications includes Video Conferencing, Jamvee (On Demand Video), Telepresence, Audio Conference, IP Telephony, Global SIP services, VOIP services, Toll Free no, Skype for Business, Contact Centre, Click2 RTC as Major services.
10. **SIP Trunking:** Tata Communications' systems are integrated with over 1600 carriers, 785 mobile providers and over 700 VoIP operators. Expansive reach is the best in the industry – via ITFS in 110+ countries, UIFN in 45+ countries and LNS (Local Number Services) in 62+ countries and 300+ cities. Global SIP Connect is a multimodal functionality which connects an enterprise to the world; over our state-of-the-art global IP network — making global voice and video communications and collaboration simpler, easier to manage, and more economical than ever before. Our new multimodal functionality is an industry first, enabling Global SIP Connect to transport enterprise video collaboration traffic on SIP trunks. It unifies voice and video services traffic on a single network access link.
11. **Managed Hosting:** Tata Communications' Managed hosting service is a fully managed IT Infrastructure solution integrated across Tata Communications Data Centers located globally. It includes designing Data Center Hardware, provisioning & managing the infrastructure with defined SLA for the Infrastructure till operating system.

This is an end to end service for the outsourcing of the Data center infrastructure by providing stringent Service level. It helps reduce the capex investment, technical obsolescence of the hardware & provides business continuity for the enterprise. The service is offered from the data centers which are connected over the secure MPLS network of Tata Communications & infrastructure is managed by the state of art SOC globally.

Hosting service comes in a form of dedicated, Virtualized, & Hybrid model.

12. **Global Hosted Contact Centre:** InstaCC Global, is a reliable and efficient cloud-based contact center solution that delivers a consistently excellent customer experience. It all comes in one easy-to-manage, cost-efficient package with a state-of-the-art physical transport infrastructure, a global MPLS network, and leading-edge voice, data center, and contact center applications. As a global leader in communications, we have everything that an enterprise needs, in place and ready to go on demand. We also give something no other provider can offer—a single, unified Service Level Agreement (SLA) for all voice, network, infrastructure, and application services. It's a complete, end-to-end, fully managed solution.
13. **Managed Security Service:** Tata Communications is offering Managed Security Services (MSS) to meet the operational security needs of customers across the globe. The services are managed by a team at the state of art Security Services Operations Center (SSOC) in Chennai, India. Tata Communications offers complete portfolio of security services with premise based & cloud based solutions offering which includes Firewall/UTM, WAF, Data Leak Protection(DLP), Proxy, DDoS, Two Factor Authentication, IDS-IPS, Vulnerability-Penetration testing & professional services.
14. **IZO™**
IZO Connect: The IZO™ network platform combines the public internet uniquely engineered for predictable routing, with enterprise private and public cloud connectivity and interconnected data centers to deliver a total cloud solution. IZO Connect has three service offerings of IZO Private Connect, IZO Internet WAN & IZO Public Connect.

IZO Private Connect - IZO™ Private Connect links businesses to leading cloud service providers such as Amazon Web Services, Microsoft Azure, Office 365 and Salesforce.com. Customers can connect using MPLS or Ethernet via one single provider globally, to ensure network performance.

IZO Internet WAN - A global Internet-based WAN service that gives businesses the security, flexibility and predictability of a private network, with the global reach of the Internet. The enterprises can also integrate IZO™ Internet WAN with Tata Communications' Global VPN service to build a global hybrid network with guaranteed performance levels.

IZO Public Connect - IZO™ Public Connect is a cloud enablement service that provides a dedicated and deterministic route for Tata Communications' enterprise customers by tagging their data packets for pre-determined delivery over the public Internet.

IZO Private Cloud: IPC is an enterprise private cloud platform which offers a flexible, scalable and reliable cloud environment. It provides a flexible platform that allows end-users to create the appropriate combination of compute, network, security, storage, and traffic management services that meet business needs, & have the flexibility to grow with business. The IPC service is delivered on a dedicated or a logically separated infrastructure within Tata Communications' data centers.

IZO Cloud Storage: It is an integrated solution for diverse data requirements, ranging from long term archival to high performance storage. Integrated with the global tier-1 network and security services, IZO™ Cloud Storage offers an always available, highly durable and fully secure environment, delivered from across multiple global locations.

15. **Video Connect:** Tata Communications' Video Connect service ensures premium quality video delivery. We leverage the constant bandwidth availability and the video transmission is done at reliable bit rates on protected fibre paths to optimize end users' viewing experience.
16. **Mobile Innovation:** Our new generation mobility services are designed to provide solutions to help enterprise customers and mobile communications services providers succeed in this complex market environment:

MNOs and MVNOs - solutions to help increase revenue and secure customer loyalty, including MVNE services to help globalize an MVNO offering, together with sponsored data exchange, mobile messaging exchange, Wi-Fi connectivity and our API suite (Payments, Authentication, WebRTC).

Next generation service providers - we enable connectivity between the on-net OTT world and the off-net Telco world with Local Number Services and mobile messaging services to extend service reach. We support MVNE services, providing access to our Mobile Network as a Service (MNaaS) platform.

Enterprises - mobile customer engagement solutions, to improve customer experience, loyalty and adoption of mobile devices – Sponsored Data Exchange, Mobile Data Rewards, Mobile Messaging Exchange and MVNE services, providing access to our Mobile Network as a Service (MNaaS) platform as well as access for global IOT service connectivity.

WiFi+ - is a new WiFi Cloud Communication solution, which enables mobile network operators' customers to access the internet for browsing; messaging; calling and other data applications while roaming. The user gets seamless and unlimited access to more than 44 million hot-spots globally at a predictable price preventing roaming bill-shock. It helps the Operators to monetize their silent roamers and keep them on board.

MOVE (Mobile Virtual Enabler) – is a platform based service, that provides virtual global mobile connectivity for MVNOs (MNO extensions, enterprise MVNO etc.) and is also used to provide global connectivity for IOT services.

- **MVNE** – a complete MVNE stack incorporating signaling, SIM provisioning, BSS/OSS and customer support for MVNOs of any type (MNO brand extensions, Enterprise, M2M, Roaming etc.)
- **IOT** – Providing global connectivity for M2M / IOT services that need to take an international approach to service deployment (Automotive, Transportation, Logistics, Travel, Hospitality etc.).
- **India IOT** – IOT in India is offered on dedicated wireless network based on LORA technology. We provide end to end customer service and the major products are for the following categories: Asset tracking, Smart Street lights, Employee Health and safety, Smart Button / feedback solutions, Human safety solution and Automated metering solutions (GAS /WATER/ POWER).

Section 3

MANAGEMENT DISCUSSION AND ANALYSIS

3.1 Results of Operations

The financial results presented in this section are compiled based on the limited review consolidated financial statements prepared in accordance with Indian Accounting Standards (IND AS) and the underlying information. The consolidated financial results represent results of the Company and its subsidiaries.

Key Highlights - For the quarter ended December 31, 2017

- **Consolidated –**
 - Revenues declined 2.4% QoQ and 5.6% YoY. The decline in revenue is primarily due to de-growth in Voice and YoY decline in Payment Solutions business.
 - EBITDA grew by 8.6% with margin expansion of 150 BPs on QoQ basis; aided by higher margin in Data on the back of strong revenue growth and cost optimization initiatives.
 - On a YoY basis, the EBITDA grew by 11.9%, the margins expanded by 230 BPs YoY due to improvement in both Voice (130 BPs) and Data business (130 BPs) margins.
 - Other income was high this quarter due to interest received on advance paid to Tata Sons limited for Docomo settlement. This one-time interest income was Rs. 29.7 Crores.
 - Tax looks high because of change in US tax rate due to which the value of deferred tax assets had to be brought down. The one-time impact on this account was Rs 16 Crores.
 - Core PAT was positive at Rs. 10 crores against a negative PAT of Rs. 250 Crore last quarter.
 - The Tata Tele Services investment was written off in TCL books in Q2 FY18 and the value of that investment stands Nil in our books.
 - Q3 capex at USD 57 Mn. On a YTD basis, the capex was at USD 183 Mn which is in-line with the guidance of USD 250-275 Mn annual capex.
 - Net debt at the end of quarter was at USD 1,254 Mn and increase of USD 45 Mn over last quarter due to increase in working capital gap.
 - Q3 Cost of debt is at 3.6% higher by 30 BPs QoQ attributable to one time hit of arrangement fees in refinancing Long-Term loan. Normalized for this impact the Cost of debt would have been flat.
 - **Data –**
 - Data business revenue increased by 6.8% YoY and 3.6% on QoQ basis. This growth was primarily led by strong revenue traction across the data services portfolio.
 - The data EBITDA for the quarter came in at Rs.539 Crores, a growth of 16.7% QoQ and 14.9% YoY. The EBITDA margin expanded by 210 BPs QoQ and 130 BPs on YoY basis due to higher margin in Traditional Services on back of cost optimization initiatives.
 - Traditional services witnessed a revenue growth of 1.6% QoQ and 5.7% YoY during Q3. The EBITDA for the quarter came in at USD 95.3 Mn; witnessing a strong growth of 16.4% QoQ and 22.7% YoY. Despite industry headwinds Traditional services have reverted to their usual growth trajectory.
 - Growth services showed exceptional traction this quarter with a 38.5% revenue growth YoY. The momentum in the portfolio continues to build up as we grow in scale and increase customer engagement. For 9M FY18 revenue grew by 35% YoY. The EBITDA losses were little higher this quarter due to change in product mix.
 - Transformation services revenue increased by 12.5% YoY and 10.5% on QoQ basis. This was due to new customer wins and increased revenue from existing customers.
 - Payment Solutions business continues to be impacted by demonetization and the cash handling is still at 50% - 60 % of the pre-demonetization levels.
 - **Voice –**
 - The pressure on voice business continues in-line with global trends. This quarter Voice revenue declined by 14.2% QoQ and 25.9% YoY.
 - Through cost optimization initiatives, we have been able to maintain Voice EBITDA margins in the range of 5.5% to 6%.
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Section 4**FINANCIAL HIGHLIGHTS**

The financial results presented in this section are compiled based on the limited review consolidated financial statements prepared in accordance with Indian Accounting Standards (IND AS) and the underlying information. The consolidated financial results represent results of the Company and its subsidiaries.

4.1 Summary of Consolidated Financial Statements**4.1.1 Summarized Consolidated Statement of Operations**

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	41,146	42,177	43,604	(2.4%)	(5.6%)	126,423	133,261	(5.1%)
Net Revenue	21,217	21,011	20,668	1.0%	2.7%	63,121	62,612	0.8%
EBITDA ¹	6,128	5,645	5,478	8.6%	11.9%	17,359	18,639	(6.9%)
EBITDA Margin	14.9%	13.4%	12.6%			13.7%	14.0%	
Depreciation & Amortisation	4,728	4,837	4,677	(2.2%)	1.1%	14,011	13,981	0.2%
EBIT	1,400	808	802	73.2%	74.6%	3,348	4,658	(28.1%)
Other Income	808	530	919	52.3%	(12.1%)	1,949	2,455	(20.6%)
Finance Cost	896	877	995	2.3%	(9.9%)	2,534	2,904	(12.7%)
Profit Before Tax	1244	(1911)	923		34.7%	155	4,754	
Tax Expense	1050	588	923	78.6%	13.8%	2,099	2,555	(17.9%)
Profit After Tax	101	(2500)	7		1371.8%	(2076)	2,194	
Capex	3,703	4,827	3,461	(23.3%)	7.0%	11,821	11,638	1.6%
Free Cash Flow	2,425	818	2,018	196.5%	20.2%	5,538	7,001	(20.9%)

1. Revenue, EBITDA, EBIT are excluding other income.

4.1.2 Summarized Statement of Consolidated Financial Position

Amount in ₹, Cr

Particulars	As at Dec. 31, 2017	As at March 31, 2017
Shareholder's Fund		
Share Capital	285	285
Reserves and Surplus	469	1307
Minority Interest Liability	5	18
Non-Current Liabilities	10,102	11,099
Current Liabilities	8,532	8,393
Total Liabilities	18,639	19,510
Total Equity and Liabilities	19,393	21,102
Assets		
Non-Current Assets	14,720	15,916
Fixed Assets	11,334	11,679
Investments	1,154	1,635
Others	2,231	2,602
Current Assets	4,673	5,186
Total Assets	19,393	21,102

4.2 Summarized Statement of Segments - Statement of Operations

4.2.1 Tata Communications - Data

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	28,844	27,832	27,013	3.6%	6.8%	84,441	80,781	4.5%
Net Revenue	19,585	19,104	18,756	2.5%	4.4%	57,693	56,041	2.9%
EBITDA	5,389	4,616	4,691	16.7%	14.9%	14,717	15,632	(5.9%)
EBITDA Margin	18.7%	16.6%	17.4%			17.4%	19.4%	
EBIT	776	(96)	230	(908.4%)	237.3%	1,058	2,338	(54.7%)
Capex ¹	2,945	4,150	2,912	(29.0%)	1.2%	9,314	9,951	(6.4%)
Free Cash Flow	2,444	467	1,779	423.7%	37.4%	5,403	5,681	(4.9%)

4.2.2 Tata Communications – Data (Traditional Services)

Amount in \$ Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	302.0	297.2	285.6	1.6%	5.7%	904.2	862.9	4.8%
Net Revenue	245.9	243.2	233.9	1.1%	5.1%	734.5	702.1	4.6%
EBITDA	95.3	81.9	77.7	16.4%	22.7%	264.9	256.3	3.3%
EBITDA Margin	31.6%	27.6%	27.2%			29.3%	29.7%	

4.2.3 Tata Communications – Data (Growth Services)

Amount in \$ Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	89.6	85.8	64.7	4.5%	38.5%	248.9	184.5	34.9%
Net Revenue	41.3	41.1	33.3	0.5%	24.0%	119.9	99.1	21.1%
EBITDA	(9.6)	(8.9)	(9.1)			(29.1)	(29.0)	
EBITDA Margin	(10.7%)	(10.4%)	(14.0%)			(11.7%)	(15.7%)	

4.2.4 Tata Communications – Data (Innovation Services)

Amount in \$ Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	0.1	0.1	0.1	54.8%	80.9%	0.2	0.1	186.1%
Net Revenue	(0.3)	(0.2)	(0.3)		n/a	(0.6)	(0.8)	n/a
EBITDA	(9.1)	(7.0)	(2.5)		n/a	(23.8)	(6.6)	n/a
EBITDA Margin	n/a		n/a			n/a		

4.2.5 Tata Communications – Data (Transformation Services - Standalone)

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	2,944	2,664	2,617	10.5%	12.5%	8,314	7,507	10.7%
Net Revenue	835	648	685	28.8%	21.8%	2,185	1,804	21.2%
EBITDA	404	338	365	19.6%	10.6%	1,115	852	30.8%
EBITDA Margin	13.7%	12.7%	14.0%			13.4%	11.3%	

4.2.6 Tata Communications – Data (Payment Solutions - Standalone)

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	911	937	1,214	(2.8%)	(25.0%)	2,828	4,262	(33.7%)
Net Revenue	161	206	106	(21.5%)	51.5%	392	705	(44.5%)
EBITDA	(18)	(17)	(89)			(212)	128	
EBITDA Margin	(2.0%)	(1.8%)	(7.3%)			(7.5%)	3.0%	

4.2.7 Tata Communications – Voice

Amount in ₹, Mn; except ratios

Particulars	Quarter Ended					Nine Month Ended		
	Dec 2017	Sep 2017	Dec 2016	QoQ Growth	YoY Growth	Dec 2017	Dec 2016	YoY Growth
Gross Revenue	12,302	14,345	16,592	(14.2%)	(25.9%)	41,981	52,480	(20.0%)
Net Revenue	1,632	1,907	1,913	(14.4%)	(14.7%)	5,428	6,571	(17.4%)
EBITDA	738	1,029	787	(28.2%)	(6.2%)	2,643	3,007	(12.1%)
EBITDA Margin	6.0%	7.2%	4.7%			6.3%	5.7%	
EBIT	624	904	572	(31.0%)	9.2%	2,289	2,320	(1.3%)
Capex	36	17	66	116.3%	(45.7%)	59	156	(62.2%)
Free Cash Flow	702	1,012	721	(30.6%)	(2.6%)	2,583	2,851	(9.4%)

4.2.8 Tata Communications – Average Exchange Rate

Particulars	Quarter Ended			Nine Month Ended	
	Dec 2017	Sep 2017	Dec 2016	Dec 2017	Dec 2016
INR / USD	64.8	64.3	67.4	64.5	67.1

Section 5

OPERATING HIGHLIGHTS

5.1 Tata Communications - Consolidated

5.1.1 Gross Revenue by Segments

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Voice	%	38.0%	35.2%	35.6%	34.0%	29.9%
Data	%	62.0%	64.8%	64.4%	66.0%	70.1%
Traditional Services	%	71.2%	70.7%	70.8%	68.6%	67.8%
Growth & Innovation Services	%	16.1%	17.0%	17.1%	19.8%	20.1%
Subsidiaries	%	12.6%	12.3%	12.1%	11.5%	12.1%

5.1.2 Gross Revenue by Currency

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Indian Rupee (INR)	%	33.0%	32.0%	32.0%	31.0%	31.0%
Other International Currencies	%	67.0%	68.0%	68.0%	69.0%	69.0%

5.1.3 EBITDA by Segments

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Voice	%	14.4%	22.8%	15.7%	18.2%	12.0%
Data	%	85.6%	77.2%	84.3%	81.8%	88.0%
Traditional Services	%	111.7%	124.9%	120.1%	114.0%	114.5%
Growth & Innovation Services	%	(16.6%)	(33.4%)	(25.1%)	(22.1%)	(22.4%)
Subsidiaries	%	4.9%	8.6%	5.1%	8.1%	7.9%

5.1.4 Capital Expenditure

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Voice	USD, Mn	1.0	0.2	0.1	0.3	0.6
Data						
Sustenance	USD, Mn	30.4	35.5	22.7	52.1	21.4
Growth	USD, Mn	12.8	16.8	11.6	12.2	24.1
Other ¹	USD, Mn	7.2	10.7	16.6	10.4	11.1
Total Core Capex	USD, Mn	51.3	63.2	51.0	75.0	57.2

1. Others include sustenance capex towards network engineering, IT, customer service operations etc.

5.1.5 Debt Profile

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Core Business						
Gross Debt						
Foreign Currency Loans	USD, Mn	1,384	1,360	1,383	1,301	1,307
INR Loans	USD, Mn	23	73	88	89	68
Weighted Average Cost of Debt	%	3.48%	3.04%	3.24%	3.30%	3.60%
Cash & Cash Equivalent	USD, Mn	146	283	267	181	121
Net Debt	USD, Mn	1,261	1,150	1,204	1,209	1,254

5.2 Tata Communications – Data Services

5.2.1 Data Traffic carried

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
95 th Percentile Bandwidth Usage	Tbps/month	9.44	8.33	8.14	8.64	9.1

5.2.2 Data Revenue by Geography

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
India	%	51.0%	52.0%	51.1%	51.0%	51.0%
Rest of World	%	49.0%	48.0%	48.9%	49.0%	49.0%

5.2.3 Data Revenue by Segment

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Service Provider / Carrier	%	42.2%	44.0%	43.2%	43.0%	43.0%
Enterprise	%	57.8%	56.0%	56.8%	57.0%	57.0%

5.2.4 Data Revenue by Product Segments

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Traditional Services ¹	%	71.2%	70.7%	70.8%	68.6%	67.8%
Growth Services ²	%	16.1%	17.0%	17.1%	19.8%	20.1%
Subsidiaries ³	%	12.6%	12.3%	12.1%	11.5%	12.1%

1. Traditional services include Virtual Private Network, International Private Line, Internet Leased Line, Ethernet, Internet Protocol –Transit, Inmarsat, Content Delivery Network, National Private Line, Mobility.

2. Growth services include IZO, Managed Hosting, Managed Security Services, Broadcast, Video Connect, UCC/SIP- Trunking, Global Hosted Contact Center, Video Streaming, Mobile New Services, Healthcare, Media Management.

3. Subsidiaries include Tata Communications Payment Solutions Ltd (TCPSTL) and Tata Communications Transformation Services Limited (TCTSL)

5.2.5 Data Revenue mix by Product (Traditional Services)

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
VPN	%	24.9%	24.8%	25.6%	26.1%	26.1%
IPL	%	20.2%	21.6%	22.6%	21.0%	21.4%
ILL	%	14.6%	14.5%	14.7%	15.1%	15.4%
Ethernet	%	13.8%	13.8%	14.3%	14.6%	14.7%
IP-T	%	11.7%	11.6%	10.5%	10.7%	10.6%
Others	%	14.9%	13.6%	12.4%	12.5%	11.8%

5.2.6 YoY Revenue growth by Product (Traditional Services)

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
VPN	%	7.8%	8.6%	14.1%	8.0%	10.9%
IPL	%	(12.2%)	(2.0%)	7.6%	(5.7%)	12.0%
ILL	%	16.1%	14.7%	19.8%	14.0%	11.6%
Ethernet	%	11.9%	14.3%	19.0%	14.5%	13.2%
IP-T	%	6.5%	6.8%	1.1%	2.4%	(4.2%)
Others	%	(45.9%)	(48.6%)	(19.8%)	(18.6%)	(16.0%)

5.2.7 Data Revenue mix by Product (Growth Services)

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
UCC / SIP-T	%	43.5%	48.5%	44.9%	41.5%	37.7%
Hosting	%	13.7%	13.6%	10.9%	14.5%	12.0%
GHCC	%	5.4%	3.8%	3.8%	3.2%	4.4%
V Connect	%	9.6%	5.2%	8.3%	7.2%	8.9%
VS & IPT	%	11.2%	8.8%	11.8%	10.7%	10.9%
Others	%	16.5%	20.1%	20.4%	23.0%	26.1%

5.2.8 YoY Revenue growth by Product (Growth Services)

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
UCC / SIP-T	%	14.7%	26.9%	14.2%	20.4%	20.2%
Hosting	%	(4.2%)	26.2%	17.1%	77.4%	21.3%
GHCC	%	39.7%	(24.1%)	(31.1%)	(35.8%)	12.9%
V Connect	%	58.4%	(21.1%)	58.9%	78.9%	28.3%
VS & IPT	%	104.4%	91.3%	24.6%	29.4%	34.0%
Others	%	56.8%	88.1%	83.5%	104.7%	118.5%

5.2.9 Operating Metrics

Particulars	UNITS	Quarter Ended		
		June 2017	Sep 2017	Dec 2017
Consolidated				
Total Active Customers	No.	4,924	5,030	5,112
Innovation Services				
IoT India				
PoCs Completed	No.	8	15	26
Customers	No.	6	11	19
Devices Ordered (Cum.)	No.	905	3,918	9,588
Base Stations (Cum.)	No.	925	2,519	4,337
Cities Covered	No.	7	29	37
MOVE				
Customers	No.	1	12	26
SIMs Ordered (Cum.)	No.	198	3,418	38,112
Security & Hosting				
Instances Managed	No.	23,819	25,265	31,099
Devices Managed (Cum.)	No.	3,369	3,642	3,807
Block / Object Storage (Provisioned)	TB	15,074	19,509	19,572

5.3 Tata Communications – Payment Solutions

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Third Party / Managed ATMs	No.	11592	10780	9444	8682	8023
White Label ATMs	No.	8456	8107	8395	8116	8317
Total ATMs Managed	No.	20048	18887	17839	16798	16340
Total POS Managed	No.	12905	10844	15088	15788	15737

5.4 Tata Communications – Voice

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
International Long Distance	Bn, Minutes	9.5	9.0	9.9	9.7	8.2
National Long Distance	Bn, Minutes	1.1	1.0	0.9	0.8	1.0
Total Volume	Bn, Minutes	10.5	10.0	10.8	10.5	9.2

5.5 Human Resource Analysis

5.5.1 Tata Communications – Consolidated¹

Particulars	UNITS	Quarter Ended				
		Dec 2016	Mar 2017	June 2017	Sep 2017	Dec 2017
Tata Communications	No.	5472	5596	5797	5978	6051
TCTSL	No.	4524	4608	4555	4531	4363
Total Employees	No.	9996	10204	10352	10509	10414

1. Exit Headcount as on date

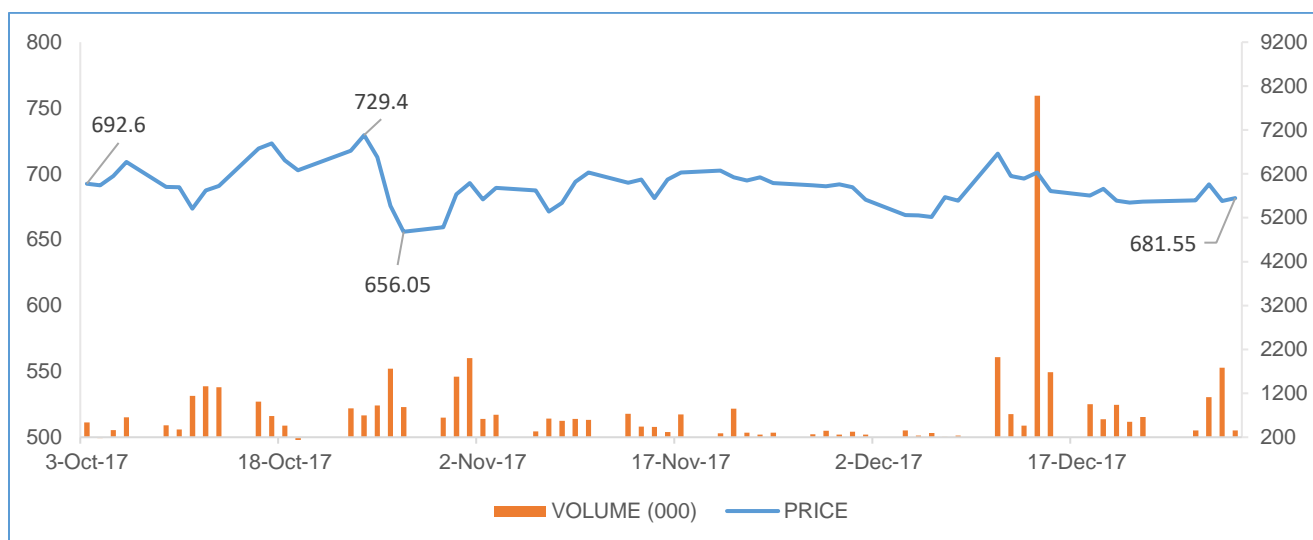
Section 6**STOCK MARKET HIGHLIGHTS****6.1 General Information**

Shareholding and Financial Data	UNITS	Quarter Ended Dec 31, 2017
Code / Exchange		TATA COMM / NSE
Bloomberg		TCOM IN
No. of Shares Outstanding (31/12/2017)	Mn, No	285
Closing Market Price - NSE (31/12/2017)	₹ / Share	681.55
Combined Average Daily Volume (NSE and BSE)	Nos in 000/day	802
Combined Average Daily Value (NSE and BSE)	₹ Mn/day	553.77
Market Capitalisation (31/12/2017)	₹, Bn	194.24
Enterprise Value	₹, Bn	274.29
Enterprise Value / EBITDA (LTM)	Times	12.29

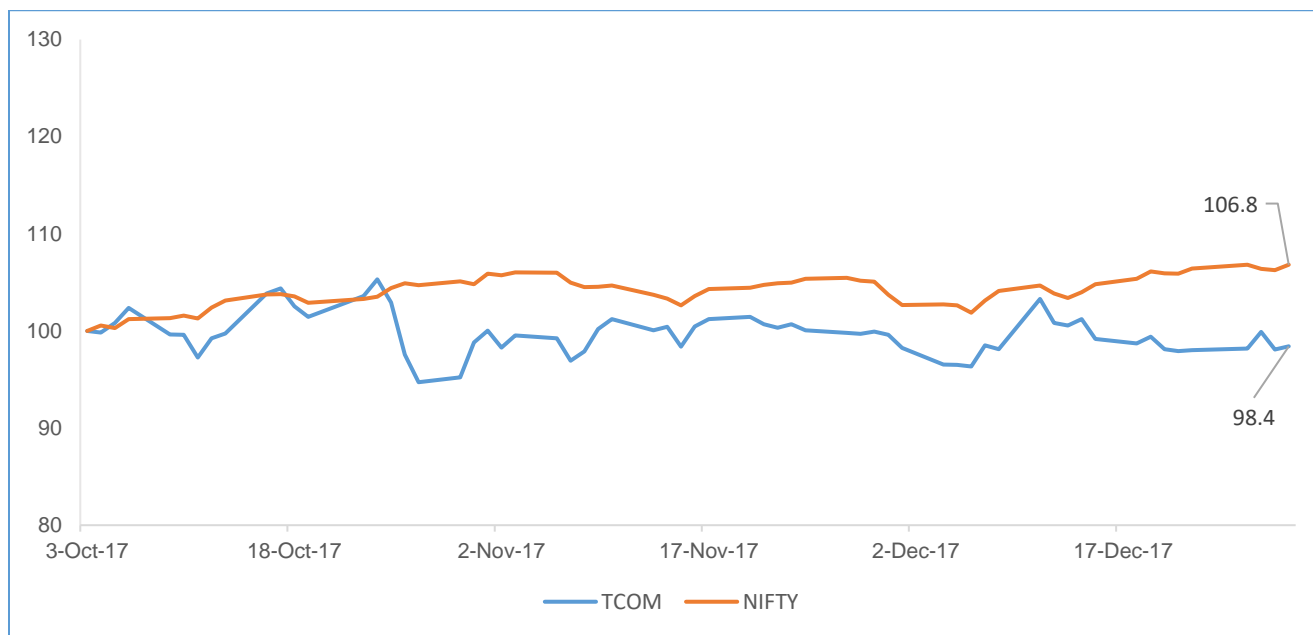
6.2 Summarized Shareholding pattern as of December 31, 2017

Category	% Holding
Promoter & Promoter Group	
Tata Group	48.9%
Government of India	26.1%
Sub-Total	75.0%
Public Shareholding	
Domestic Institutions	5.4%
Foreign Institutions	13.4%
Non-Institutions (Retail)	6.2%
Sub-Total	25.0%
Total	100%

6.3 Tata Communications daily stock price (NSE) and volume (BSE & NSE Combined) movement



6.4 Comparison of Tata Communications with Nifty



Nifty and Tata Communications Stock price rebased to 100.

Section 7**DETAILED FINANCIAL AND RELATED INFORMATION**

The financial results presented in this section are compiled based on the limited review consolidated financial statements prepared in accordance with Indian Accounting Standards (IND AS) and the underlying information. The consolidated financial results represent results of the Company and its subsidiaries.

7.1 Extracts from Audited Consolidated Financial Statements prepared in accordance with Indian Accounting Standards (IND AS)
7.1.1 Consolidated Statement of Income

(₹ in Lakhs)

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017							
	Particulars	For the quarter ended			For the nine months ended		For the year ended
		December 31	September 30	December 31	December 31	December 31	March 31 2017
		2017	2017	2016	2017	2016	
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
	CONTINUING OPERATION						
1	Income from operations	411463	421761	436005	1264226	1332600	1761973
2	Other income, net	7402	2916	9087	14755	25914	36029
3	Total income from operations (1 + 2)	418865	424677	445092	1278981	1358514	1798002
4	Expenses						
	a. Network and transmission expense	190679	203742	217181	607832	671186	881189
	b. Employee benefits expense	75729	74259	69013	222282	209316	283941
	c. Finance costs	8963	8765	9992	25341	28917	36719
	d. Depreciation and amortisation expense	47281	48369	46769	140115	139808	186577
	e. Other expenses	83778	87310	92902	260521	261745	356253
	Total expenses (4a to 4e)	406430	422445	435857	1256091	1310972	1744679
5	Profit before exceptional items, tax & share of profit/(loss) of associate (3 -4)	12435	2232	9235	22890	47542	53323
6	Exceptional items:						
	a. Provision for contractual obligation (Refer note 2)	-	(18559)	-	(18559)	-	(87201)
	b. Impairment of Goodwill	-	-	-	-	-	(16959)
	c. Staff cost optimization (Refer note 6)	-	(1238)	-	(1238)	-	(2173)
	d. Provision for Contingencies (Refer note 4)	-	(1544)	-	(1544)	-	-
7	Profit/(Loss) from operations before tax and share of profit/(loss) of associate (5 - 6)	12435	(19109)	9235	1549	47542	(53010)
8	Tax (benefit)/ expense:						
	a. Current tax	9606	6779	5667	25679	25942	27030
	b. Deferred tax	893	(899)	3559	(4693)	(388)	(3392)
9	Profit/(Loss) before share of profit/(loss) of associate (7 - 8)	1936	(24989)	9	(19437)	21988	(76648)
10	Share in Profit/(Loss) of Associates	(902)	147	117	(1077)	113	508
11	Profit/ (Loss) for the period from continuing operations (9+10)	1034	(24842)	126	(20514)	22101	(76140)

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017						
Particulars	For the quarter ended			For the nine months ended		For the year ended
	December 31 2017	September 30 2017	December 31 2016	December 31 2017	December 31 2016	March 31 2017
(Refer notes below)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(audited)
DISCONTINUED OPERATION						
Profit/(Loss) before tax from discontinued operations	-	-	7060	-	16238	12331
Gain on sale of business and subsidiaries (Including impairment of goodwill)	-	-	188777	-	167077	242051
Profit /(Loss) from Discontinued operations (before tax) (12+13)	-	-	195837	-	183315	254382
Tax expense on Discontinued operations	-	-	54623	-	55789	54696
Profit /(Loss) from discontinued operations after tax (14-15)	-	-	141214	-	127526	199686
Net Profit/(Loss) from total operations (11+16)	1034	(24842)	141340	(20514)	149627	123546
Attributable to:						
Shareholder of the Company	1012	(25000)	141288	(20763)	149462	123287
Non controlling interest	22	158	52	249	165	259
Other Comprehensive Income/(Loss) (net of tax)	13163	(56572)	(29924)	(42399)	(41258)	86475
Total Comprehensive Income/(Loss) (17+18)	14197	(81414)	111416	(62913)	108369	210021
Attributable to:						
Shareholder of the Company	14175	(81572)	111364	(63162)	108204	209762
Non controlling interest	22	158	52	249	165	259
Paid up Equity Share Capital (Face value of `10 per share)	28500	28500	28500	28500	28500	28500
Reserve excluding Revaluation Reserve	-	-	-	-	-	110084
Earnings Per Share (of `10/- each) (not annualised)						
Basic and diluted earnings per share `						
(i) Continuing Operations	0.36	(8.77)	0.03	(7.29)	7.70	(26.81)
(ii) Total Operations	0.36	(8.77)	49.57	(7.29)	52.44	43.26

7.2 Use of Non-GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with IND AS, but this information is not in itself an expressly permitted GAAP measure. Such non - GAAP measures should not be viewed in isolation as alternatives to the equivalent GAAP measures.

A summary of non - GAAP measures included in this report are shown below.

7.2.1 Reconciliation of Non- GAAP financial information based on IND AS

a) Derivation of Operating Free Cash Flow from EBITDA (Core)

Amount in ₹, Mn

Particulars	Quarter Ended	Full Year Ended
	Dec 2017	Mar 2017
EBITDA	6,128	23,600
Less: Capex	3,703	15,879
Free Cash Flow	2,425	7,721

b) Derivation of Cash Profit from Operations from Profit before tax (Core)

Amount in ₹, Mn

Particulars	Quarter Ended	Full Year Ended
	Dec 2017	Mar 2017
Profit Before Tax	1244	(5305)
Add: Depreciation and Amortisation	4,728	18,657
Less: Exceptional Items	0	10,372
Less: Other Income	808	323
Cash Profit from Operations	5,164	2,658

c) Calculation of Capital Employed (Core)

Amount in ₹, Mn

Particulars	Quarter Ended
	Dec 2017
Shareholders' Fund	7,544
Add: Net Debt / (Net Cash)	80,046
Capital Employed	87,590

Section 8

GLOSSARY

8.1 Company Related Terms

Capex	It includes investment in Gross Fixed Assets capitalized during the quarter and capital work in progress during the relevant period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity shareholders and net debt / (net cash).
Earnings Per Share (EPS)-Basic	It is computed by dividing net profit or loss attributable for the period to equity shareholders by the weighted average number of equity shares outstanding during the period.
Earnings Per Share (EPS)- Diluted	Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period for the effects of all dilutive potential equity shares.
EBIT	Earnings before interest, taxation excluding other income for the relevant period.
EBIT (Including Other Income)	Earnings before interest, taxation including other income for the relevant period.
EBITDA	Earnings before interest, taxation, depreciation and amortization and charity and donation excluding other income for the relevant period. It is defined as operating income and does not include depreciation and amortization expense, finance cost and tax expense.
EBITDA (Including Other Income)	Earnings before interest, taxation, depreciation and amortization and charity and donation including other income for the relevant period.
Enterprise Value (EV)	Calculated as sum of Market Capitalization plus Net Debt / (Net Cash) as at the end of the relevant period.
EV / EBITDA (times)(LTM)	Computed by dividing Enterprise Value as at the end of the relevant period (EV) by EBITDA for the preceding (last) 12 months from the end of the relevant period.
Free Cash Flow	It is defined as EBITDA adjusted for Capex.
GAAP	Generally Accepted Accounting Principle
INDAS	Indian Accounting Standard
Intangibles	Comprises of acquisition cost of software.
NA/∞	Not ascertainable (infinite)
Interest Coverage Ratio(LTM)	It is computed by dividing EBIT for the preceding (last) 12 months from the end of relevant period by interest on borrowing for the preceding (last) 12 months.
LTM	Last Twelve months
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (NSE) as at end of the period.
Mn	Million
Net Debt / (Net Cash)	Total Borrowings Less Cash and Cash Equivalents on the last day of the quarter.
Net Debt / (Net Cash) to EBITDA (LTM)	It is computed by dividing net debt / (net cash) as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
PE Ratio	Price to Earnings ratio is calculated as closing market price (NSE) as at the end of relevant period, divided by diluted annual earnings per share. Annual Diluted Earnings per share is calculated by adding the preceding last four quarters diluted Earnings per share
ROC	Registrar of Companies

Return On Capital Employed (ROCE) Pre Tax - (LTM)	For the full year computations, ROCE is computed by dividing the sum of EBIT for the period by average (of opening and closing) capital employed. For the quarterly computations, it is computed by dividing sum of EBIT for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) capital employed during the relevant periods.
CSR	Corporate social responsibility

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