

Investor Fact Sheet - Q1 FY2014

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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. Core business refers to the company's Global Voice Services (GVS) and Global Data Services (GDS) collectively.
 4. Startup business refers to the Company's South African Operations (Neotel) and United Telecom Limited (UTL) Nepal.
 5. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.
 6. The previous period's figures have been rearranged wherever necessary to make them comparable with the current period's figures to the extent possible.
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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



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CEO Blog: <http://tatacommunications-newworld.com>

PROFIT AND LOSS ACCOUNT SUMMARY
 (consolidated figures)

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

Particulars	Quarter ended		Growth % in Q1 FY14 over Q1 FY13	Quarter ended Mar 31, 2013	Growth % in Q1 FY14 over Q4 FY13	Year ended		Growth % in FY13 over FY12
	Jun 30, 2013	Jun 30, 2012				Mar 31, 2013	Mar 31, 2012	
REVENUE								
INCOME FROM OPERATIONS	44,979.8	41,073.9	9.5%	44,004.6	2.2%	172,129.5	141,960.5	21.3%
EXPENDITURE								
Network and transmission expenses	24,678.8	22,681.3		24,892.5		96,563.3	78,936.1	
Employee benefits expense	6,022.1	6,003.9		6,048.6		24,114.6	21,199.1	
Operating and other expenses	7,763.4	7,061.1		8,198.1		30,854.5	23,910.4	
	38,464.3	35,746.3		39,139.2		151,532.4	124,045.6	
OPERATING EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION (EBITDA)	6,515.5	5,327.6	22.3%	4,865.4	33.9%	20,597.1	17,914.9	15.0%
Operating EBITDA (% of Gross Revenue)	14.5%	13.0%		11.1%		12.0%	12.6%	
Depreciation / amortization	5,037.2	5,290.1		4,272.8		20,270.5	18,200.4	
OPERATING EARNINGS BEFORE INTEREST AND TAX (EBIT)	1,478.3	37.5	3842.1%	592.6	149.5%	326.6	(285.5)	
Operating EBIT (% of Gross Revenue)	3.3%	0.1%		1.3%		0.2%	-0.2%	
Interest expense, net	1,662.9	2,062.8		1,878.1		7,941.4	8,342.7	
Other Income	263.6	1,132.5		413.7		2,265.9	1,448.0	
PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	79.0	(892.8)		(871.8)		(5,348.9)	(7,180.2)	
Exceptional Items	(2,162.2)			(1,833.2)		(1,041.8)	-	
PROFIT/(LOSS) BEFORE TAX (PBT)	2,241.2	(892.8)	133.1%	961.4		(4,307.1)	(7,180.2)	
PBT (% of Total Income)	5.0%	-2.1%		2.2%		-2.5%	-5.0%	
Tax expenses	1,298.4	528.0		1,080.8		2,202.0	659.5	
PROFIT/ (LOSS) AFTER TAX BEFORE MINORITY INTEREST	942.8	(1,420.8)		(119.4)		(6,509.1)	(7,839.7)	
Minority interest	(5.1)	(9.0)		63.7		273.5	(65.0)	
Share in profit / (loss) of associates (net)	7.5	1.2		3.7		2.5	(41.8)	
NET PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST (PAT)	945.2	(1,428.6)		(52.0)		(6,233.1)	(7,946.5)	
PAT (% of Total Income)	2.1%	-3.4%		-0.1%		-3.6%	-5.5%	
EARNINGS PER SHARE (Basic and diluted earnings per equity shares of par value Rs 10/ each)	3.32	(5.01)		(0.18)		(21.87)	(27.88)	

TATA COMMUNICATIONS**DEBT PROFILE**

Particulars	As on		
	Mar 31, 2012	Mar 31, 2013	Jun 30, 2013
CORE BUSINESS (In USD million)			
Gross Debt			
Foreign Currency Loans	\$ 1,326	\$ 1,596	\$ 1,651
Rupee Loans	\$ 255	\$ 127	\$ 117
	\$ 1,581	\$ 1,723	\$ 1,768
Average cost of loans	5.34%	4.97%	4.39%
Cash and cash equivalent	\$ 31	\$ 244	\$ 249
Net Debt	\$ 1,550	\$ 1,479	\$ 1,519
NEOTEL (In ZAR million)			
Gross Debt	4,469	5,023	5,100
Net Debt	4,272	4,807	4,918

In Rs. Million

CORE BUSINESS AND STARTUP BUSINESS PROFITABILITY

CORE BUSINESS	Quarter ended		Growth % in Q1 FY14 over Q1 FY13	Quarter ended Mar 31, 2013	Growth % in Q1 FY14 over Q4 FY13	Year Ended		Growth % in FY13 over FY12
	Jun 30, 2013	Jun 30, 2012				Mar 31, 2013	Mar 31, 2012	
Gross Revenue	40,188	36,464	10.2%	39,345	2.1%	153,181	124,580	23.0%
Direct cost	23,085	20,556		23,031		88,792	68,255	
Net Revenue	17,103	15,908	7.5%	16,314	4.8%	64,389	56,325	14.3%
Operating and other expenses	11,595	11,174		11,791		45,740	38,274	
EBITDA	5,508	4,734	16.3%	4,523	21.8%	18,649	18,050	3.3%
<i>EBITDA as % of Gross Revenue</i>	13.7%	13.0%		11.5%		12.2%	14.5%	
Depreciation	4,447	4,493		3,727		17,643	15,487	
EBIT	1,061	241	340.1%	795	33.4%	1,006	2,563	-60.7%
<i>EBIT as % of Gross Revenue</i>	2.6%	0.7%		2.0%		0.7%	2.1%	
Interest expenses	915	1,086		1,087		4,370	3,876	
Other Income and Interest Income	177	1,107		287		2,093	2,497	
Profit Before Tax and Exceptional Items	323	262	23.1%	(4)		(1,272)	1,184	
Exceptional Items	(2,162)	-		(1,833)		(1,042)	-	
PBT	2,485	262	847.2%	1,829	35.9%	(230)	1,184	
Tax expense	1,298	528		1,081		2,217	666	
Minority interest	(5)	(7)		(4)		(16)	(25)	
PAT after minority interest	1,182	(273)		744	58.8%	(2,463)	493	
NORMALIZING CORE BUSINESS PERFORMANCE FOR ONE OFF AND EXCEPTIONAL ITEMS								
One time revenue from CDN license sale	-	688		-		-	688	
Normalized Gross Revenue	40,188	36,464	10.2%	39,345	2.1%	153,181	123,892	23.6%
Add: Actuarial impact on Canada Pension	403	8		417		728	280	
Normalized EBITDA	5,911	4,742	24.7%	4,940	19.7%	19,377	17,642	9.8%
<i>Normalized EBITDA as % of Gross Revenue</i>	14.7%	13.0%		12.6%		12.6%	14.2%	
Normalized EBIT	1,464	249	487.7%	1,212	3.1%	1,734	2,155	-19.5%
<i>Normalized EBIT as % of Gross Revenue</i>	3.6%	0.7%		3.1%		1.1%	1.7%	
Less: DOT interest received	-	-		-		1,105	-	
Normalized PBT (Before exceptional items)	726	270	168.5%	413	75.9%	(1,649)	776	
STARTUP BUSINESS								
STARTUP BUSINESS	Quarter ended		Growth % in Q1 FY14 over Q1 FY13	Quarter ended Mar 31, 2013	Growth % in Q1 FY14 over Q4 FY13	Year Ended		Growth % in FY13 over FY12
	Jun 30, 2013	Jun 30, 2012				Mar 31, 2013	Mar 31, 2012	
Gross Revenue	4,791	4,610	3.9%	4,660	2.8%	18,948	17,381	9.0%
Operating expenses	3,784	4,016		4,317		17,000	17,516	
EBITDA	1,007	594	69.7%	343	193.7%	1,949	(135)	
<i>EBITDA as % of Gross Revenue</i>	21.0%	12.9%		7.4%		10.3%	-0.8%	
Depreciation	590	798		546		2,628	2,713	
EBIT	417	(204)		(203)		(679)	(2,849)	
<i>EBIT as % of Gross Revenue</i>	8.7%	-4.4%		-4.4%		-3.6%	-16.4%	
Interest expense and other financial charges, net	661	951		665		3,398	5,516	
PBT	(244)	(1,154)		(867)		(4,077)	(8,364)	
Tax expense	(0)	(0)		(0)		(15)	(6)	
Minority interest	7	(1)		72		292	(81)	
PAT after minority interest	(236)	(1,155)		(796)		(3,770)	(8,439)	
NORMALIZING STARTUP BUSINESS PERFORMANCE FOR ONE OFF AND EXCEPTIONAL ITEMS								
Add: Previous period regulatory payments in the joint venture (UTL Nepal)	-	-		274		274	-	
Normalized EBITDA	1,007	594	69.7%	617	63.3%	2,223	(135)	
<i>Normalized EBITDA as % of Gross Revenue</i>	21.0%	12.9%		13.2%		11.7%	-0.8%	
Normalized EBIT	417	(204)		71	485.9%	(405)	(2,849)	
<i>Normalized EBIT as % of Gross Revenue</i>	8.7%	-4.4%		1.5%		-2.1%	-16.4%	


CONSOLIDATED OPERATING METRICS

Gross Revenue by Segment					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Global Voice Solutions (GVS)	50%	50%	49%	48%	50%
Global Data Services (GDS)	39%	40%	40%	40%	39%
South Africa Operations (Neotel)	11%	11%	11%	12%	11%
Others	0%	0%	0%	0%	0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Gross Revenue by Currency					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Indian Rupees (INR)	21%	22%	21%	22%	21%
South African Rand (ZAR)	11%	11%	11%	12%	11%
Other International Currencies	67%	68%	68%	66%	68%
Total	100%	100%	100%	100%	100%

Core Business Capital Expenditure (USD mn) - Spent during the period (Cash view)				
	Quarter ended	Year ended		
	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013	
Sustenance Capex				
Voice	\$ 0.6	\$ 6.5	\$ 3.7	
Data	\$ 2.4	\$ 7.5	\$ 13.4	
	\$ 3.0	\$ 14.0	\$ 17.1	
Growth Capex				
Voice	\$ 1.9	\$ 6.0	\$ 8.9	
Data	\$ 34.8	\$ 191.0	\$ 201.6	
	\$ 36.7	\$ 197.0	\$ 210.4	
Strategic projects ¹	\$ 6.6	\$ 162.2	\$ 35.8	
Others ²	\$ 8.2	\$ 23.6	\$ 28.4	
Total Capital Expenditure (Capex)	\$ 54.5	\$ 396.8	\$ 291.7	

Core Business Capital Expenditure (USD mn) - Capitalization View				
	Quarter ended	Year ended		
	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013	
Sustenance Capex				
Voice	\$ 1.0	\$ 4.1	\$ 6.4	
Data	\$ 3.5	\$ 8.9	\$ 14.2	
	\$ 4.5	\$ 13.0	\$ 20.6	
Growth Capex				
Voice	\$ 1.5	\$ 11.8	\$ 9.9	
Data	\$ 33.3	\$ 187.5	\$ 181.0	
	\$ 34.8	\$ 199.4	\$ 190.9	
Strategic projects ¹	\$ 1.7	\$ 351.0	\$ 99.4	
Others ²	\$ 5.0	\$ 26.3	\$ 35.3	
Total Capital Expenditure (Capex)	\$ 46.0	\$ 589.7	\$ 346.2	

1. Strategic projects include new submarine cables and data centers.

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

Neotel Capital Expenditure (ZAR mn) - Cash View			
	Quarter ended	Year ended	
	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Neotel Capex (ZAR million)	110	417	460

Neotel Capital Expenditure (ZAR mn) - Capitalization View			
	Quarter ended	Year ended	
	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Neotel Capex (ZAR million)	111	420	471



GLOBAL VOICE SERVICES (GVS) METRICS

GVS P&L (Rs million) - Management estimate based on internal MIS and cost allocation assumptions					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Gross Revenue	20,485	21,882	22,231	68,118	85,647
<i>Gross Revenue Growth Y-o-Y</i>	27.1%	15.4%	8.5%	4.4%	25.7%
<i>Gross Revenue Growth Q-o-Q</i>	8.0%	-1.2%	1.6%		
Less: Direct cost	16,782	18,082	18,097	55,801	71,188
Net Revenue	3,703	3,800	4,134	12,317	14,459
<i>Net Revenue Growth Y-o-Y</i>			11.6%	16.4%	17.4%
<i>Net Revenue Growth Q-o-Q</i>			8.8%		
Less: Operating Expenses	1,753	1,675	1,619	6,874	7,153
EBITDA	1,950	2,125	2,515	5,443	7,306
<i>EBITDA margin (% of gross revenue)</i>	9.5%	9.7%	11.3%	8.0%	8.5%
Less: Depreciation	496	507	504	2,120	2,046
EBIT	1,455	1,618	2,010	3,323	5,259
<i>EBIT margin (% of gross revenue)</i>	7.1%	7.4%	9.0%	4.9%	6.1%
Volume Split in Billion Minutes					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
International Long Distance (ILD)	13.1	13.7	13.9	46.7	53.7
National Long Distance (NLD) - India	2.7	1.6	1.5	8.6	8.3
Total Volume (ILD+NLD)	15.8	15.4	15.4	55.3	62.0

GLOBAL DATA SERVICES (GDS) METRICS

GDS P&L (Rs. million) - Management estimate based on internal MIS and cost allocation assumptions					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Gross Revenue	15,980	17,463	17,958	56,462	67,534
<i>Gross Revenue Growth Y-o-Y</i>	26.4%	8.3%	12.4%	17.8%	19.6%
<i>Gross Revenue Growth Q-o-Q</i>	-0.9%	0.4%	2.8%		
Less: Direct cost	3,774	4,949	4,988	12,454	17,604
Net Revenue	12,206	12,514	12,970	44,008	49,930
<i>Net Revenue Growth Y-o-Y</i>			6.3%	12.9%	13.5%
<i>Net Revenue Growth Q-o-Q</i>			3.6%		
Less: Operating Expenses	9,422	10,117	9,976	31,400	38,587
EBITDA	2,784	2,397	2,994	12,608	11,343
<i>EBITDA margin (% of gross revenue)</i>	17.4%	13.7%	16.7%	22.3%	16.8%
Less: Depreciation	3,997	3,220	3,943	13,367	15,596
EBIT	(1,213)	(822)	(949)	(760)	(4,253)
<i>EBIT margin (% of gross revenue)</i>	-7.6%	-4.7%	-5.3%	-1.3%	-6.3%
Gross Revenue By Segment					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Service Provider / Carrier	52%	51%	49%	51%	51%
Enterprise	48%	49%	51%	49%	49%
	100.0%	100.0%	100.0%	100.0%	100.0%
Gross Revenue By Service Line of Business					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Network Services ¹	72%	70%	68%	75%	71%
Managed Services ²	28%	30%	32%	25%	29%
	100.0%	100.0%	100.0%	100.0%	100.0%
1. Network services primarily include traditional services (IPL, NPL, IP-T, IRUs, ILL, DIA) and VPN services (MPLS, VNO, Ethernet).					
2. Managed services primarily include Data Centers, InstaCC, Mobility, CDN, Messaging, MVOIP, Telepresence, Audio-web conference, Voice VPN, Tata Communications Payment Solutions Ltd (TCPSSL), and Tata Communications Transformation Services Limited (TCTSL)					
Gross Revenue By Geography					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
India	48%	53%	51%	47%	51%
Rest of the World (RoW)	52%	47%	49%	53%	49%
	100.0%	100.0%	100.0%	100.0%	100.0%
Tata Communications Payment Solutions Ltd. (TCPSSL) - Key metrics					
	As on			As on	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Total ATMs managed	12,610	15,038	16,307	11,282	15,038
Total POS managed	9,430	12,211	12,802	9,048	12,211
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
Revenue ¹ (Rs million)	713	881	1,150	1,700	3,425
¹ TCPSSL (formerly known as TCBIL) revenues are included in enterprise segment/ managed service line of business					

TATA COMMUNICATIONS					
EXCHANGE RATES					
AVERAGE EXCHANGE RATES					
	Quarter Ended			Year Ended	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
INR / USD	53.98	54.19	55.83	47.91	54.38
ZAR / USD	8.12	8.94	9.48	7.45	8.50
INR / ZAR	6.65	6.07	5.89	6.44	6.41
CLOSING EXCHANGE RATES					
	As on			As on	
	Jun 30, 2012	Mar 31, 2013	Jun 30, 2013	Mar 31, 2012	Mar 31, 2013
INR / USD	55.89	54.34	59.27	50.92	54.34
ZAR / USD	8.27	9.25	10.00	7.67	9.25
INR / ZAR	6.75	5.87	5.93	6.64	5.87