

For immediate release

PRESS RELEASE

Media Contact:

Divya Anand
Tata Communications
+94 (0) 713361744
divya.anand@tatacommunications.com

Investor Contact:

Maresh Pratap Singh
Tata Communications
+91 981 916 2113
maresh.singh@tatacommunications.com

Tata Communications continues growth trajectory in Q3 FY15

Posts an increase in net profit; up by 197% YoY

Mumbai – February 12th 2015 - Tata Communications today announces its financial results for the quarter (Q3) and nine months (9M) ended December 31st 2014.

Highlights for Q3 FY2015

- Consolidated revenue stood at INR 49,145 million (USD 794 million @average INR/USD exchange rate of 61.91)
- Consolidated EBITDA margins improved by 130 basis points QoQ to 16.3%
- Consolidated PAT stood at INR 1,085 million (USD 17.9 million)

Highlights for 9M FY2015

- Consolidated revenue from operations improved by 4.8% YoY to INR 1,50,978 million (USD 2,485 million @average INR/USD exchange rate of 60.76)
- Consolidated EBITDA grew by 0.5% YoY at Rs. 22,724 million (USD 374 million)
- Consolidated PAT stood at INR 1,795 million (USD 30 million)
- Core business revenue from operations grew by 4.3% YoY while the start-up business revenues were up by 9.4% YoY

A significant increase in data revenues coupled with an upswing in the enterprise segment especially from managed services were the main contributors to the robust growth in performance. The enterprise segment posted an increase in enterprise data revenues for the nine months period by 24% over the corresponding period last year – a growth that supersedes the average industry growth.

Improved operational execution in the data segment strengthened the EBITDA margins to 21% for the quarter. The voice business continues to be a steady generator of free cash in spite of a decline in volumes. Core business profitability is on an upward trajectory with PAT coming in at INR 389 million for the quarter (USD 6 million), up 27.6% QoQ, a significant turnaround from the corresponding period last year.

Commenting on the Q3 & 9M FY15 results, Vinod Kumar, MD and CEO, Tata Communications, says, "Tata Communications' performance remains in line with our expectations. The improved margins in our data business is representative of the exponential growth of digital demand coupled with our ongoing commitment in driving our network capabilities and global reach. Looking ahead, we will remain focused on driving innovation and strategic investments in transformational services such as cloud and mobility – ensuring long-term stakeholder value."

Business highlights for Q3 FY2015

- Tata Communications ushers in a new era of internet to drive hybrid cloud adoption: Tata Communications launched IZO™, a global network platform for enhanced hybrid cloud enablement. A game changing new network platform – IZO™ brings a new way of tackling the complications and challenges that businesses face in realising the potential of the cloud. For the first time, a single provider offers access to a full ecosystem

For immediate release**PRESS RELEASE**

of network, cloud and data centre connectivity making it simple for a business to connect and build its cloud, their way – be it private, hybrid or public.

- Tata Communications and Google join forces to provide businesses a predictable way to 'Cloud Interconnect' over the Internet: Tata Communications became a Google Cloud Platform Authorised Services Partner. Under the terms of this agreement, Google's new service, Google Cloud Interconnect will connect with Tata Communications' IZO™ Public, a cloud enablement service that provides a dedicated and deterministic route, for businesses, into Google's cloud. Through the IZO™ Public cloud enablement service, Tata Communications and Google will be collaborating to provide businesses with a simple and future-proof way to connect and build their cloud over the public Internet – providing unparalleled performance, reach, and capacity ensuring a consistently good user experience for enterprise end-customers.
- Tata Communications launches mobile LNS: Tata Communications launched mobile Local Number Service (LNS). This new service enables OTTs and cloud communications companies to open their communication ecosystem to telecommunication services such as voice calls and text messages, by assigning dedicated local numbers to their customers in countries of their choice. This allows the OTT's customer's contacts or employees in those countries to call and text the customer using a local number - significantly reducing the cost to the contact or employee. It also gives mobile operators a new revenue stream from leasing mobile phone numbers, offering growth opportunities to the entire mobile ecosystem.

A fact sheet and results presentation providing a detailed analysis of the results for the quarter and nine months ended December 31st 2014 has been uploaded on the Tata Communications website and can be accessed at the below links:

[Tata Communications Q3 FY15 – Investor fact sheet](#)

[Tata Communications Q3 FY15 – Analyst presentation](#)

Ends...**About Tata Communications**

Tata Communications Limited (CIN no: L64200MH1986PLC039266) along with its subsidiaries (Tata Communications) is a leading global provider of A New World of Communications™. With a leadership position in emerging markets, Tata Communications leverages its advanced solutions capabilities and domain expertise across its global and pan-India network to deliver managed solutions to multi-national enterprises, service providers and Indian consumers.

The Tata Communications global network includes one of the most advanced and largest submarine cable networks and a Tier-1 IP network with connectivity to more than 240 countries and territories across 400 PoPs, as well as nearly 1 million square feet of data centre and collocation space worldwide.

Tata Communications' depth and breadth of reach in emerging markets includes leadership in Indian enterprise data services and leadership in global international voice.

Tata Communications Limited is listed on the Bombay Stock Exchange and the National Stock Exchange of India.

<http://www.tatacommunications.com>

Forward-looking and cautionary statements

Certain words and statements in this release concerning Tata Communications and its prospects, and other statements, including those relating to Tata Communications' expected financial position, business strategy, the future development of Tata Communications' operations, and the general economy in India, are forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors, including financial, regulatory and environmental, as well as those relating to industry growth and trend projections, which may cause actual results, performance or achievements of Tata Communications, or industry results, to differ materially from those expressed or implied by such forward-looking statements. The important factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements include, among others, failure to increase the volume of traffic on Tata Communications' network; failure to develop new products and services that meet customer demands and generate acceptable margins; failure to successfully complete commercial testing of new technology and information systems to support new products and services, including voice transmission services; failure to stabilize or reduce the rate of price compression on certain of the company's communications services; failure to integrate strategic acquisitions and changes in government policies or regulations of India and, in particular, changes relating to the administration of Tata Communications' industry; and, in general, the economic, business and credit conditions in India. Additional factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements, many of which are not in Tata Communications' control, include, but are not limited to, those risk factors discussed in Tata Communications Limited's Annual Reports. The Annual Reports of Tata Communications Limited are available at www.tatacommunications.com. Tata Communications is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements.