Welcome to the New World

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Sr. Vice President, Corporate Strategy

21 FEBRUARY 2008
CONTENTS

- The New World
- A New World of Communications
- The Tata Communications Journey
Our Market Environment

- Globalization
- Web 2.0
- India & China
Globalization & Increased Role of Developing Countries

Exports from Developing and Developed Countries, 2005-2030 (US$2001 Trillions)

- High income countries: 45%
- Developing countries: 22%

Source: World Bank
Growing Importance of India & China in the New World

Working Population 2010, millions

- China: 978
- India: 762
- Europe: 497
- SE Asia: 395
- LatAm: 390
- USA: 210
- W Asia: 149
- Japan: 82
- Africa: 64

Addition to Working Pops 2005-2010

- India: 27%
- Africa: 24%
- China: 16%
- SE Asia: 12%
- LatAm: 11%
- W Asia: 6%
- USA: 4%
- Japan: 0%
- Europe: 0%

Source: Morgan Stanley; Tata Communications Research
**Rapid Consumer Adoption of New Products & Technologies**

<table>
<thead>
<tr>
<th># of Years for 80% countries adoption</th>
<th>YouTube Daily Page Views ('000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1750-1900</strong></td>
<td><img src="image" alt="Graph" /></td>
</tr>
<tr>
<td>Railways</td>
<td></td>
</tr>
<tr>
<td>Steel <em>(open-hearth furnace)</em></td>
<td></td>
</tr>
<tr>
<td>Telephones</td>
<td></td>
</tr>
<tr>
<td><strong>1900-50</strong></td>
<td></td>
</tr>
<tr>
<td>Steel <em>(electric-hearth furnace)</em></td>
<td></td>
</tr>
<tr>
<td>Radio</td>
<td></td>
</tr>
<tr>
<td>Aviation</td>
<td></td>
</tr>
<tr>
<td><strong>1950-75</strong></td>
<td></td>
</tr>
<tr>
<td>Personal computers</td>
<td></td>
</tr>
<tr>
<td>Internet use</td>
<td></td>
</tr>
<tr>
<td>CAT scan</td>
<td></td>
</tr>
<tr>
<td><strong>1975-2000</strong></td>
<td></td>
</tr>
<tr>
<td>Mobile phones</td>
<td></td>
</tr>
</tbody>
</table>

Source: The Economist, citing the World Bank; Alexa
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Enterprises Demand Managed & Converged Services

New Sourcing Plans / Strategies being considered by CIOs

- Converged services
- Centralised application hosting
- Managed services consolidation
- New contracts/suppliers
- IP/VPN migration
- Infrastructure outsourcing
- Offshore applications
- Business process outsourcing
- Bringing control back in-house
- Other
- None

Source: Ovum
Consumer Networking is Back in Fashion

Internet Traffic Mix (PageViews)

| Source: Nielson Netratings |

<table>
<thead>
<tr>
<th></th>
<th>2005 (Bn)</th>
<th>2006 (Bn)</th>
<th>2007 (Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content</td>
<td>35%</td>
<td>30%</td>
<td>26%</td>
</tr>
<tr>
<td>Communication</td>
<td>22%</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>Community</td>
<td>9%</td>
<td>21%</td>
<td>33%</td>
</tr>
<tr>
<td>Commerce</td>
<td>21%</td>
<td>15%</td>
<td>11%</td>
</tr>
<tr>
<td>Search</td>
<td>13%</td>
<td>13%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Total (Bn) | 94 | 139 | 174 |

Note: This diagram illustrates the distribution of internet traffic mix (PageViews) from 2005 to 2007, categorized into Content, Communication, Community, Commerce, and Search. The percentages indicate the share of each category in the total traffic.
# Video is the Driver of the Internet Now

<table>
<thead>
<tr>
<th>Site</th>
<th>Unique Viewers</th>
<th>Rank</th>
<th>Videos</th>
<th>Rank</th>
<th>Minutes</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Internet</td>
<td>133,646</td>
<td></td>
<td>9,076,567</td>
<td></td>
<td>24,163</td>
<td></td>
</tr>
<tr>
<td>YouTube</td>
<td>66,146</td>
<td>1</td>
<td>2,369,151</td>
<td>1</td>
<td>6,253</td>
<td>1</td>
</tr>
<tr>
<td>Yahoo!</td>
<td>34,934</td>
<td>2</td>
<td>386,542</td>
<td>2</td>
<td>1,007</td>
<td>2</td>
</tr>
<tr>
<td>MySpace</td>
<td>32,399</td>
<td>3</td>
<td>267,164</td>
<td>3</td>
<td>730</td>
<td>3</td>
</tr>
<tr>
<td>AOL</td>
<td>22,550</td>
<td>4</td>
<td>148,111</td>
<td>5</td>
<td>403</td>
<td>6</td>
</tr>
<tr>
<td>MSN</td>
<td>16,318</td>
<td>5</td>
<td>137,968</td>
<td>6</td>
<td>283</td>
<td>7</td>
</tr>
<tr>
<td>Disney Online</td>
<td>13,907</td>
<td>8</td>
<td>182,416</td>
<td>4</td>
<td>189</td>
<td>12</td>
</tr>
<tr>
<td>iFilm</td>
<td>9,211</td>
<td>13</td>
<td>33,532</td>
<td>21</td>
<td>40</td>
<td>22</td>
</tr>
<tr>
<td>ESPN</td>
<td>7,733</td>
<td>18</td>
<td>75,389</td>
<td>12</td>
<td>98</td>
<td>16</td>
</tr>
<tr>
<td>Weather.com</td>
<td>6,498</td>
<td>21</td>
<td>14,262</td>
<td>28</td>
<td>11</td>
<td>29</td>
</tr>
<tr>
<td>Photobucket</td>
<td>6,230</td>
<td>22</td>
<td>14,943</td>
<td>26</td>
<td>16</td>
<td>27</td>
</tr>
<tr>
<td>ABC</td>
<td>3,089</td>
<td>26</td>
<td>17,709</td>
<td>24</td>
<td>10</td>
<td>30</td>
</tr>
<tr>
<td>Heavy.com</td>
<td>2,592</td>
<td>28</td>
<td>12,641</td>
<td>29</td>
<td>22</td>
<td>24</td>
</tr>
<tr>
<td>Facebook</td>
<td>2,454</td>
<td>29</td>
<td>7,064</td>
<td>30</td>
<td>13</td>
<td>28</td>
</tr>
</tbody>
</table>
VoIP users to increase globally at 60-120% CAGR

Worldwide consumer VoIP users

- CAGR (04-08)
  - 92%
  - 93%
  - 122%
  - 58%
  - 110%
  - 104%

- Years
  - 1-5
  - 3-5
  - 5+

Convergence

- Network convergence
- Device convergence
- Application, feature & user interface convergence
- Commercial convergence

What’s happening around us?

VoIP users to increase globally at 60-120% CAGR
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### Transformation to a Global Challenger

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Monopoly ILD Voice</td>
<td>Voice, Data, IP, Mobility, Outsourcing, Broadband</td>
</tr>
<tr>
<td></td>
<td>ILD (89%); Others (11%)</td>
<td>Carriers, Large &amp; Mid-sized Enterprises, Mobile Operators, Consumers</td>
</tr>
<tr>
<td>Customers</td>
<td>Carriers; Retail (Dial-up)</td>
<td>India-Centric Play; negligible global operations</td>
</tr>
<tr>
<td>Reach</td>
<td>India-Centric Play; negligible global operations</td>
<td>Global Infrastructure, Global Customers</td>
</tr>
<tr>
<td>Financials#</td>
<td>Revenues: $1.6 bn</td>
<td>Revenues: $2 bn</td>
</tr>
<tr>
<td></td>
<td>Market Cap: $1.2 bn</td>
<td>Market Cap: $5 bn (Current)</td>
</tr>
</tbody>
</table>

# March 31st of the year (FY02 and FY07)
Our Strengths

**India Enablement**
- #1 International and Enterprise data services in India
- Relationships with Top 2000 enterprises in India including Fortune 500 companies
- Best connectivity to India and expanded reach within

**Global Submarine & IP Reach**
- Owned cable network across the globe: $1Bn investment
- Tier-1 Global IP Network and leading ISP in India
- Unique assets and connectivity in Asia, Middle East, Africa

**Integrated Wholesale Services**
- #1 wholesale international voice provider
- Suite of voice, data, IP, signaling and outsourcing services
- Over 1500 carrier relationships including 600+ mobile operators
Our Vision

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

NEW WORLD OF COMMUNICATIONS

Emerging Markets
INDIA, ASIA incl CHINA, SOUTH AFRICA

Converged IP Solutions

Managed Services
Major Investments: Cables

**Existing Cables**
- TGN-Atlantic
- TGN-Pacific
- TGN-Western Europe
- TGN-Northern Europe
- TGN-India Asia
- SMW-3
- SMW-4
- SAFE/SAT-3
- others…

**New / Planned**
- **TGN-Intra Asia** S’pore-HK-Japan H2 2008
- **TGN-Eurasia** India-Europe H2 2009
- IMEWE
- SEACOM
- Africa
Major Investments | MPLS & Ethernet Expansion

- New IP, MPLS & Ethernet PoPs
- NNIs
- Fiber (MAN) roll-out in India
Major Investments | Managed Services

**Managed IT Infrastructure Services**
- Colocation Services
- Managed Hosting Services
- Managed Storage Services

**Managed Security Services**
- CPE-Based Services
- Cloud-Based Services
- Professional Services

**Managed Application Services**
- Audio and Web Conferencing Services
- Business Messaging & Collaboration Services
- Hosted Contact Center Services
- Managed Voice Services
Major Investments | WiMAX for Last Mile in India and South Africa

**Businesses**
- Supplement Fiber roll-out in major metros
- Expand access reach (~ E1) to all major business towns
- Current Status: 30 towns
- March 2009: 115 towns

**Consumers**
- Primary access mechanism for Broadband
- Provide reliable 1Mbps experience + content/apps
- Current Status: 1 city
- March 2009: 15 cities
Our Organization

- 5000 employees
- 20% outside India
- 37 nationalities
- 36 yrs avg age
Global Industry Recognition

The only Indian telco on the list – BCG 2008 New Global Challengers

2006 Best Wholesale Carrier Winner – World Communications Awards

2006 Best Pan-Asian Wholesale Provider – Capacity Global Wholesale Awards

CEO of the Year – N. Srinath: 2006 – TelecomAsia

Other recent awards:

- Atlantic ACM Excellence in Wholesale: 2008
- Frost & Sullivan #1 Enterprise Data Services Provider in India: 2007
- Voice & Data Top ILD Operator Award: 2001-2006
TAKING YOU FARThER
Thank You