



HQ/CS/CL.24B/14353
17 January 2011

Sir,

Sub: Press Release - Videotron and Tata Communications sign strategic sourcing agreement.

Please find sent here with a copy of the press release on the captioned subject being issued today.

Thanking you,

Yours faithfully,
For Tata Communications Limited

Rishabh Aditya
Deputy Company Secretary & VP

To:

- 1) Security Code 23624, The Stock Exchange, Mumbai. Fax No.(22) 22722037,39,41
- 2) Security Code 5251, The Asst. Manager (Listing), National Stock Exchange of India Limited. Fax Nos.: (22) 66418125/26.
- 3) National Securities Depository Ltd. Fax Nos. : 2497 29 93.
- 4) The Bank of New York. Fax No.2204 49 42.
- 5) Sharepro Services. Fax No. 2837 5646
- 6) Marc H. Iyeki, Director, New York Stock Exchange, Fax No: (212) 656-5071 /72 / Managing Director, New York Stock Exchange, Fax No: (212) 265-2016
- 7) Central Depository Services (India) Limited. Fax : 2267 3199.
- 8) Mr. R. Gangadharan for SEC information requirements.

TATA COMMUNICATIONS

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PRESS RELEASE

For immediate release

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Videotron and Tata Communications sign strategic sourcing agreement

Tata Communications becomes the sole provider of international voice termination for Videotron

Montreal – January 17, 2011 – Tata Communications, a global communications service provider and Videotron, one of Canada's largest integrated communications companies, today announce that they have signed a mutually beneficial sourcing agreement. Under this agreement, Videotron will route 100% of its international voice traffic through Tata Communications network and Videotron will continue to be one of Tata Communications' key suppliers of telecommunication services in Canada.

This is a win-win partnership for both companies. Through it, Tata Communications will become Videotron's sole provider of international voice termination. By tapping into Tata Communications' extensive and robust voice infrastructure, Videotron will be able to offer its customers higher quality international calls at competitive rates. Tata Communications' advanced voice traffic management tools will also allow Videotron to effectively manage operational costs and increase focus on its core businesses and key growth areas.

Tata Communications' strategic voice traffic outsourcing enables providers to leverage Tata Communications' scale and routing expertise while reducing their exposure in the low-margin, high-risk international voice termination business.

According to Courtney Munroe, Group Vice President of Worldwide Telecommunications Research at IDC, "This agreement is another great win for Tata Communications, which has emerged as a leader in the provision of global wholesale voice services."

Jean Novak, President **Videotron Business Solutions**, said: "Tata Communications is a recognized leader in the international wholesale voice business, with the most extensive network globally, making it a perfect partner to help us achieve economies of scale. We are confident this partnership will provide enhanced international call service quality to our subscribers, boosting our standing in the market place and cementing our position as one of Canada's leading telecommunication providers."

Michel Guyot, President of Global Voice Solutions, **Tata Communications**, said, "We are proud to become Videotron sole provider for international voice termination and benefit from Videotron's strengths in the Canadian marketplace. Our flexible partnership model has made this strategic sourcing agreement with Videotron possible. The confidence that Videotron has showed in our solutions only reiterates that we can replicate in North America, the successes we are enjoying in other parts of the world. The solutions that we offer allow our customers to become more competitive in their regions by reducing costs, streamlining operations and improving service quality, while allowing them to focus limited resources on core services and key growth segments."



PRESS RELEASE

For immediate release

"Effective wholesale partnerships enable modern telecoms service providers to concentrate on what they do best and to use partners to extend their reach, capabilities and service portfolios. Tata Communications' commanding position in the international wholesale voice market is a result of its extensive network of bilateral relationships and close partnerships with telcos around the globe. Tata Communications' flexible approach to partnerships combines the strengths of each of its partners with its own extensive experience, global reach and economies of scale," said David James, Principal Analyst, Wholesale Telecoms, **Ovum**

Tata Communications has recently been awarded the Best Global Wholesale Services Provider by Capacity Magazine for its network reach, its strategic partnership approach and its commitment to improving capacity to the fastest growing emerging markets.

Tata Communications' flexible partnership approach includes route outsourcing and infrastructure sharing. Videotron will be able to grow their voice revenues while reducing capital commitments to traffic management platforms, back-office capabilities and next-generation IP networks.

About Tata Communications

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 Global Network includes one of the most advanced and largest submarine cable networks, a Tier-1 IP network, with connectivity to more than 200 countries across 400 PoPs, and nearly 1 million square feet of data center and collocation space worldwide.

Tata Communications' depth and breadth of reach in emerging markets includes leadership in Indian enterprise data services, leadership in global international voice, and strategic investments in operators in South Africa (Neotel), Sri Lanka (Tata Communications Lanka Limited) and Nepal (United Telecom Limited).

Tata Communications Limited is listed on the Bombay Stock Exchange and the National Stock Exchange of India and its ADRs are listed on the New York Stock Exchange. (NYSE: TCL)

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' various filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov. Tata Communications is under no obligation to, and expressly disclaims any obligation to, updates or alters its forward-looking statements.