



Idea Cellular Limited

Investor Presentation

Disclaimer



The information contained in this presentation is only current as of its date. All actions and statements made herein or otherwise shall be subject to the applicable laws and regulations as amended from time to time. There is no representation that all information relating to the context has been taken care of in the presentation and neither we undertake any obligation as to the regular updating of the information as a result of new information, future events or otherwise. We will accept no liability whatsoever for any loss arising directly or indirectly from the use of, reliance of any information contained in this presentation or for any omission of the information. The information shall not be distributed or used by any person or entity in any jurisdiction or countries where such distribution or use would be contrary to the applicable laws or regulations. It is advised that prior to acting upon this presentation, independent consultation / advice may be obtained and necessary due diligence, investigation etc may be done. You may also contact us directly for any questions or clarifications.

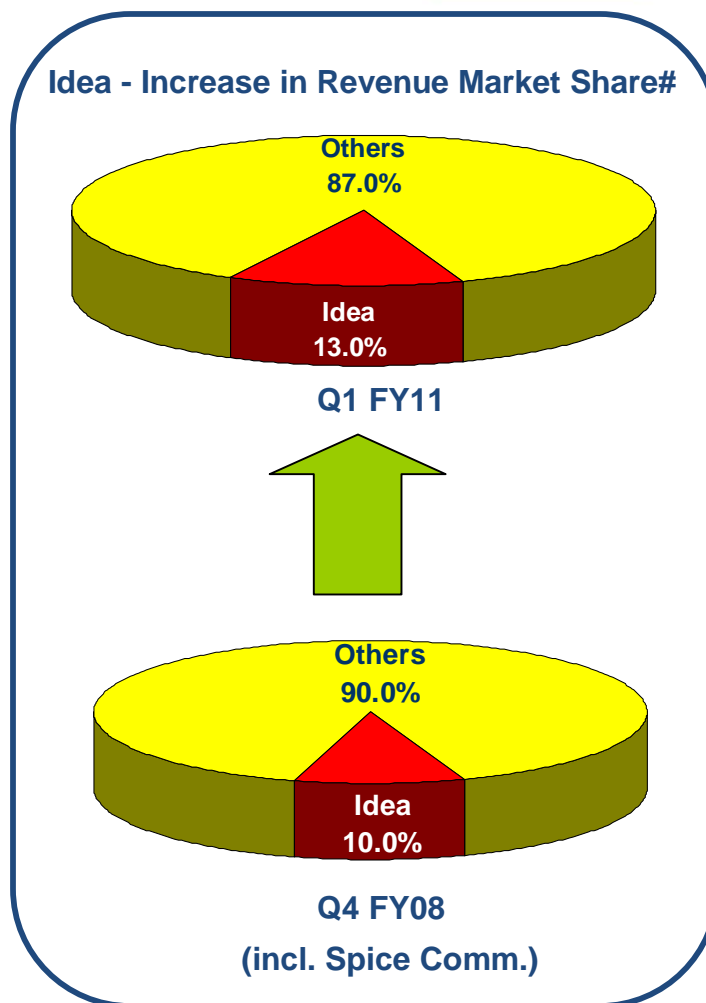
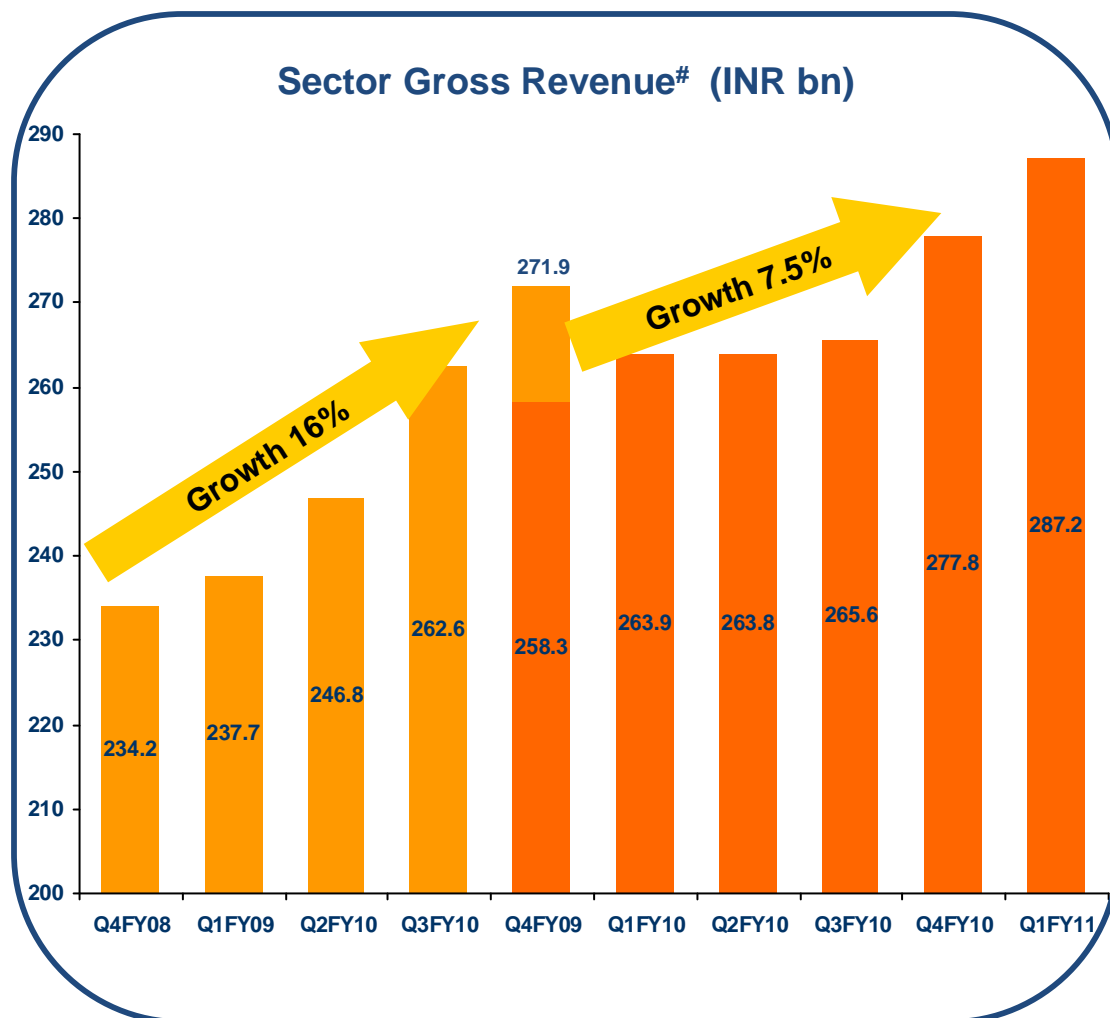
This presentation contains certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects, and future developments in our sector and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue' and similar expressions identify forward looking statements.

Actual results, performances or events may differ materially from these forward-looking statements including the plans, objectives, expectations, estimates and intentions expressed in forward looking statements due to a number of factors, including without limitation, future changes or developments in our business, our competitive environment, telecommunications technology and application, and political, economic, legal and social conditions in India. It is cautioned that the foregoing list is not exhaustive.

This presentation is not being used in connection with any invitation of an offer or an offer of securities and should not be used as a basis for any investment decision.

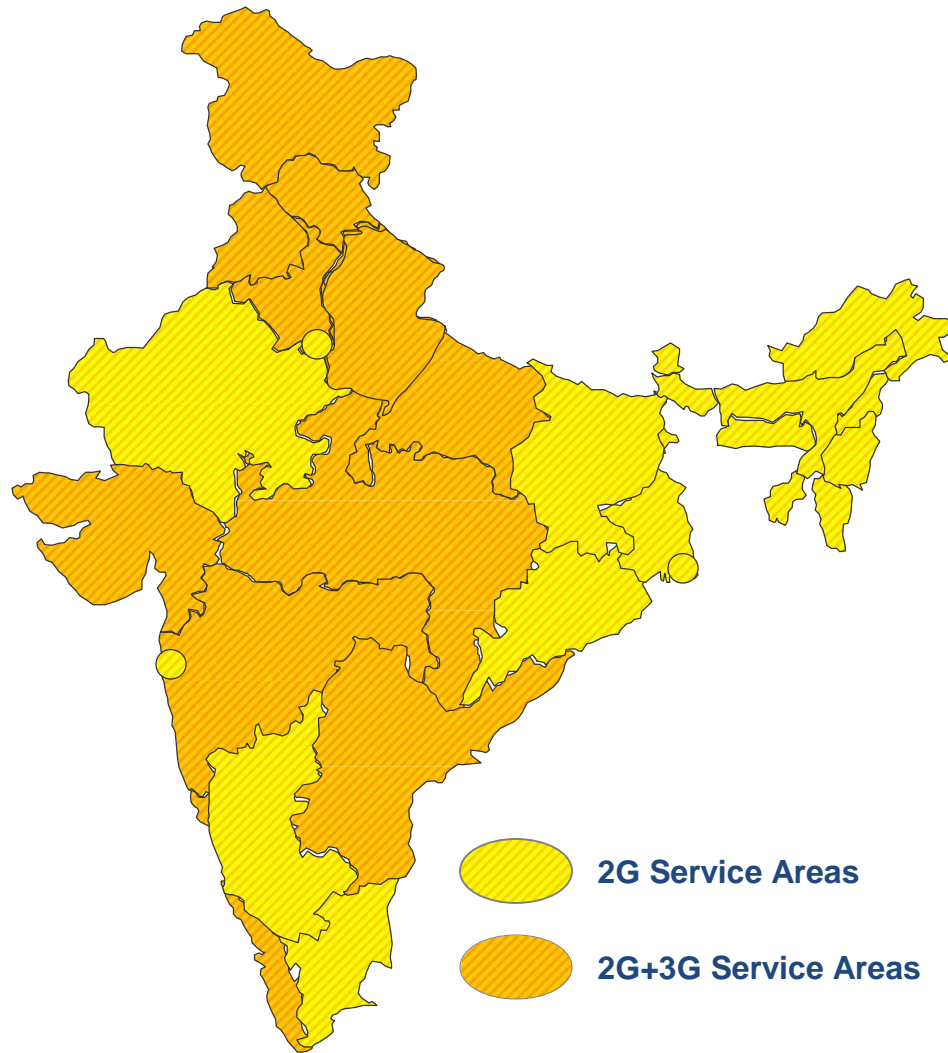
"The information contained herein does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements. No money, securities or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted."

Indian Wireless Sector – Revenue Trend



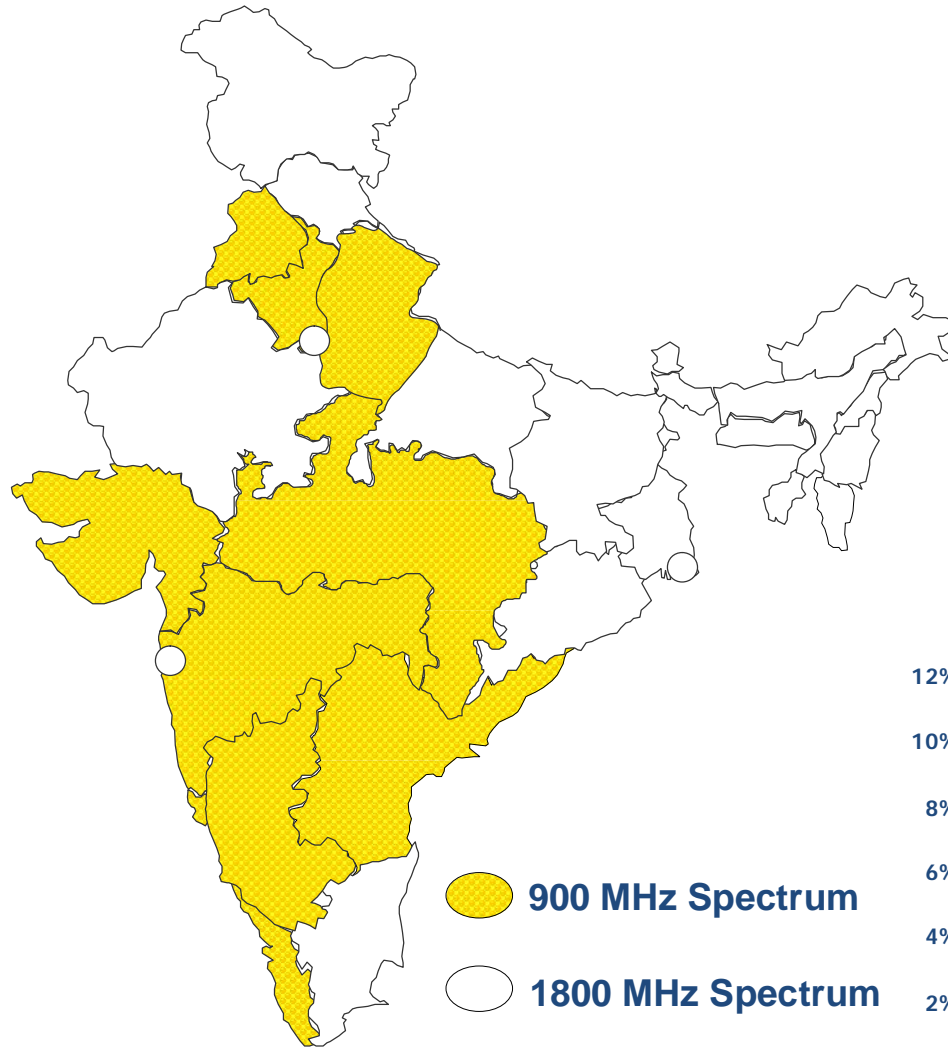
Source: Data released by the TRAI; revenue for UAS and Mobile licenses only

Idea – An Overview

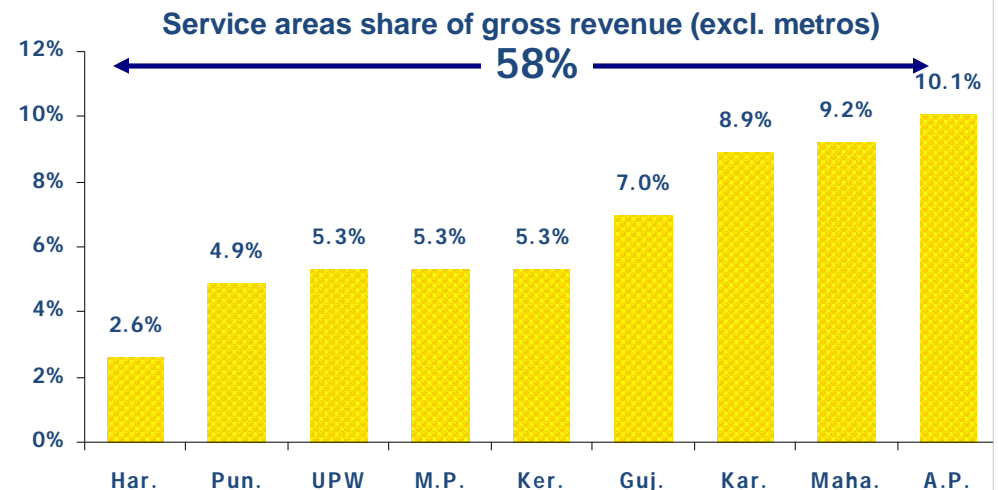


- A pan India 2G service provider, with all 22 licenses under a single legal entity
- > 329bn minutes of use on network (Annualised based on Q1FY11)
- Winner of 3G spectrum in 11 service areas

Competitiveness Lever 1 - Spectrum



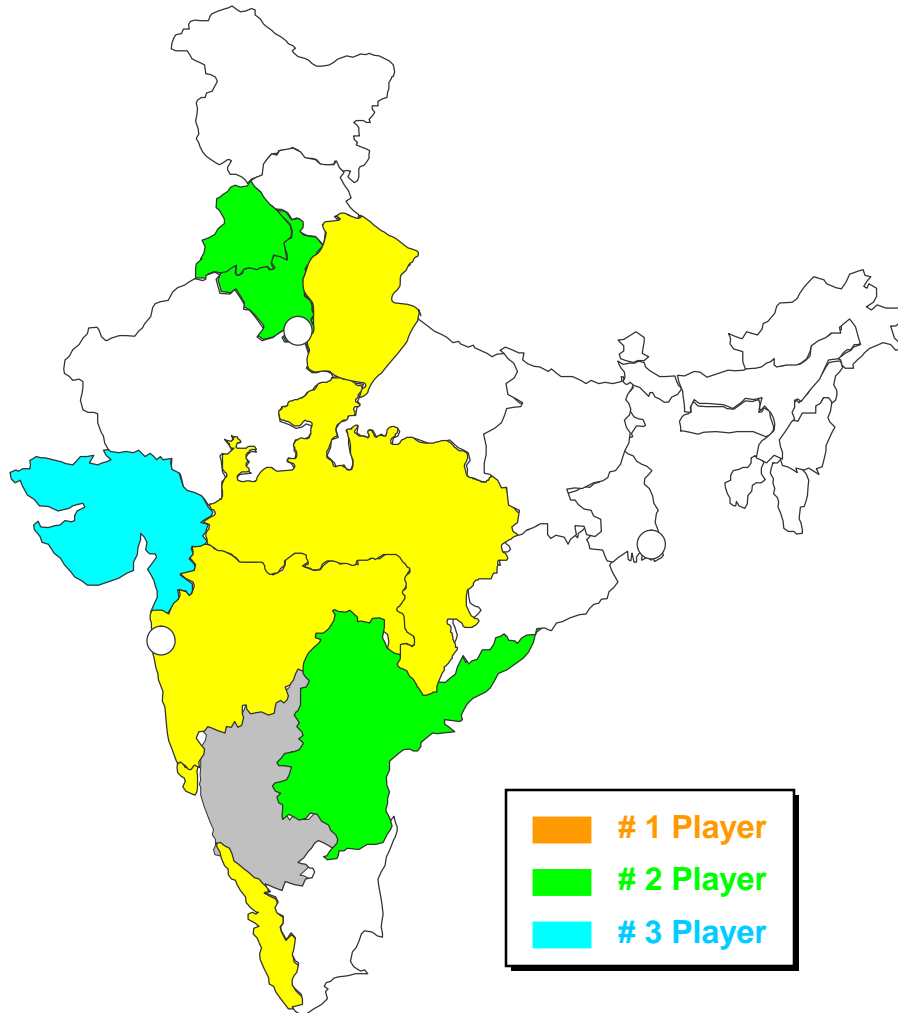
- 900 MHz spectrum band provides capex/opex advantage, compared to 1800 MHz
- 900 MHz spectrum also accompanied by early mover advantage
- Idea holds 900 MHz spectrum in 9 service areas, covering
 - ~ 48% of national revenue and ~78% of Idea's revenue
 - ~ 58% of national revenue base (excl. metros*)
- Idea's spectrum profile is very attractive across all private operators



Source: Data released by the TRAI for Jun'10 quarter; revenue for UAS and Mobile licenses only

* Metros as Mumbai, Delhi and Kolkata

Competitiveness Lever 2 - Scale within Service Area



Service Area (900 MHz)	Revenue Mkt Share ¹ (RMS)	Rank ²
M.P.	31.2%	1
Kerala	29.4%	1
Maharashtra	29.9%	1
UP (W)	27.8%	1
Haryana	19.9%	2
Punjab	18.9%	2
A.P	16.3%	2
Gujarat	17.8%	3
Karnataka	6.6%	5
Total	21.1%	2

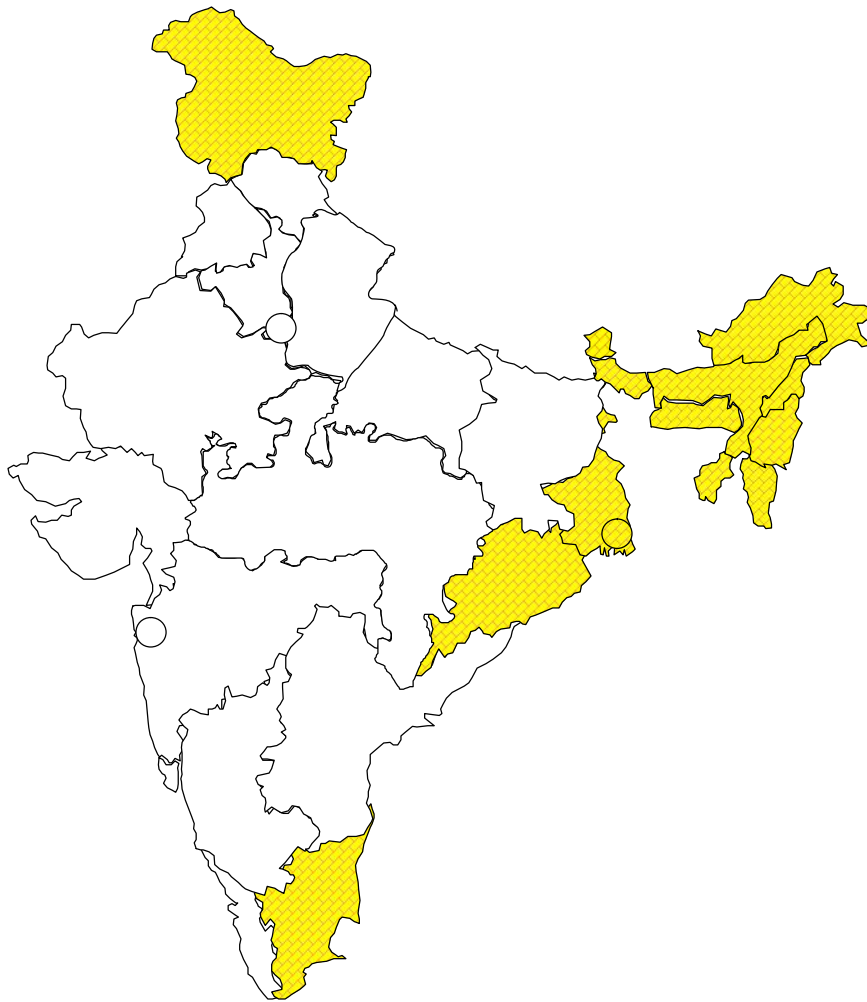
¹Based on gross revenue for Jun'10 quarter, as released by TRAI

²Based on revenue market share

In 9 service areas, comprising ~ 48% of national revenue market, Idea's competitiveness is intrinsically strong based on a) 900 MHz spectrum and b) scale of operations

1800 MHz New Operations (7 Service Areas)

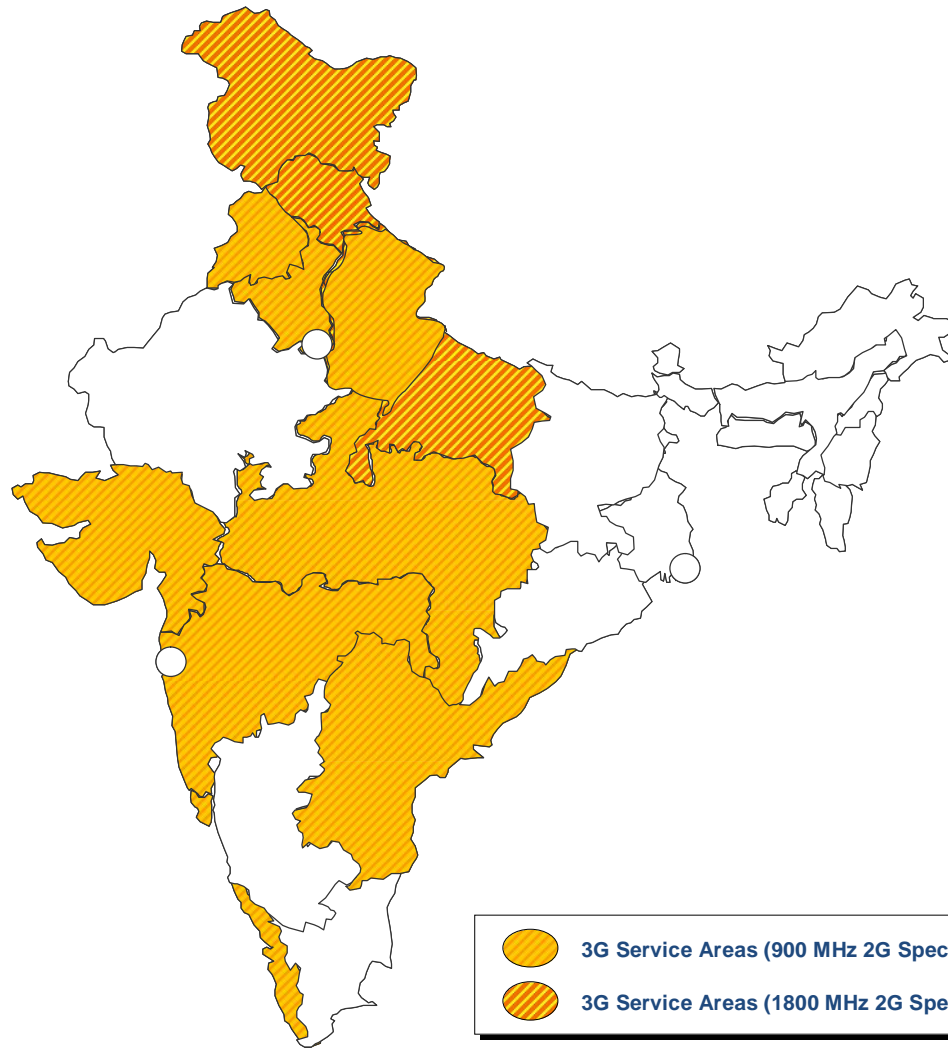
Focus On Optimisation, Not Maximisation



- Providing pan India footprint
- Leverage synergies of pan India operations i.e. roaming, NLD, ad spend, common network elements, etc.
- Infra sharing to reduce capex, and quicker time to market
- Focus on operational and financial goals, not league tables

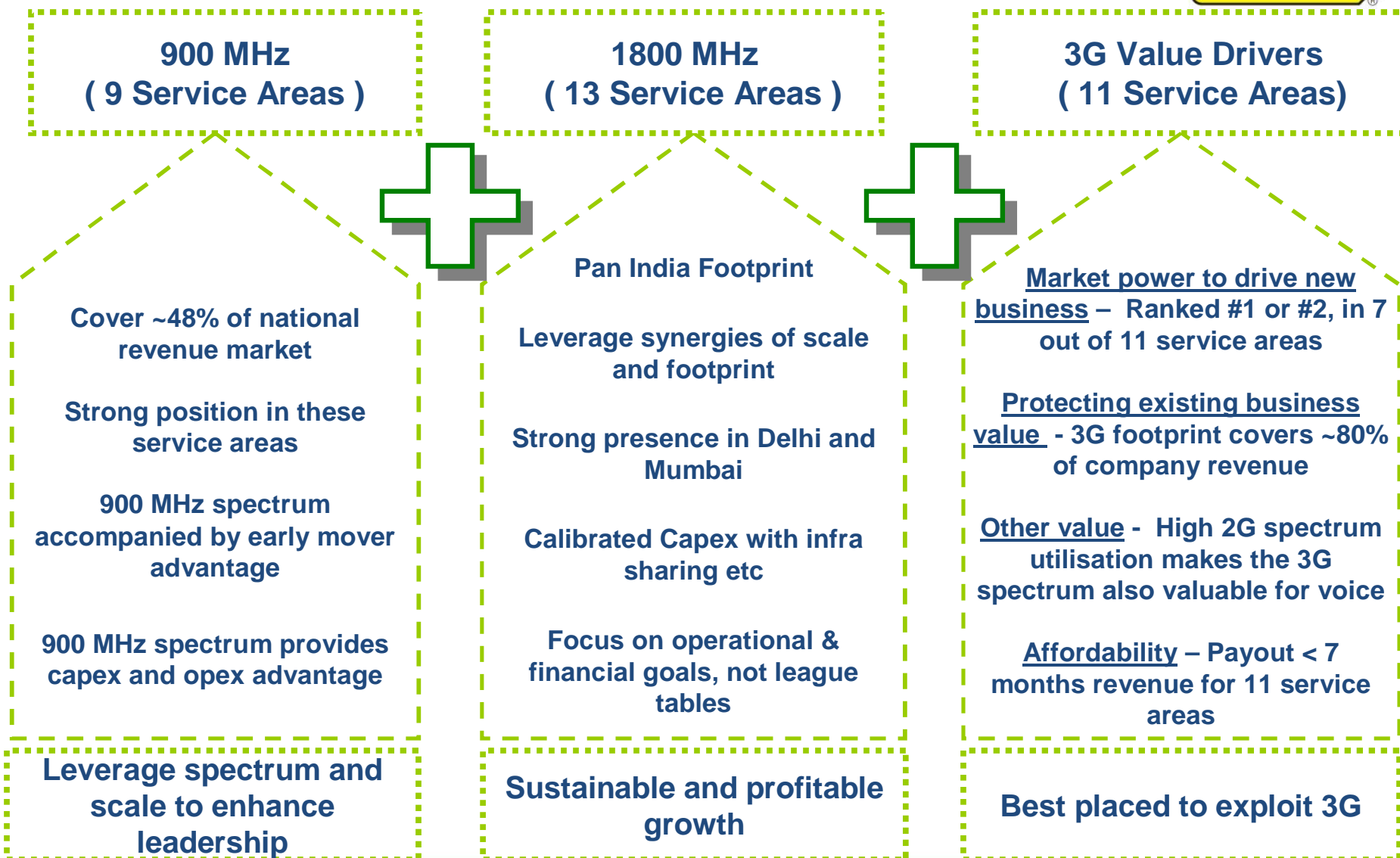
3G Auction

Winner Where It Counts

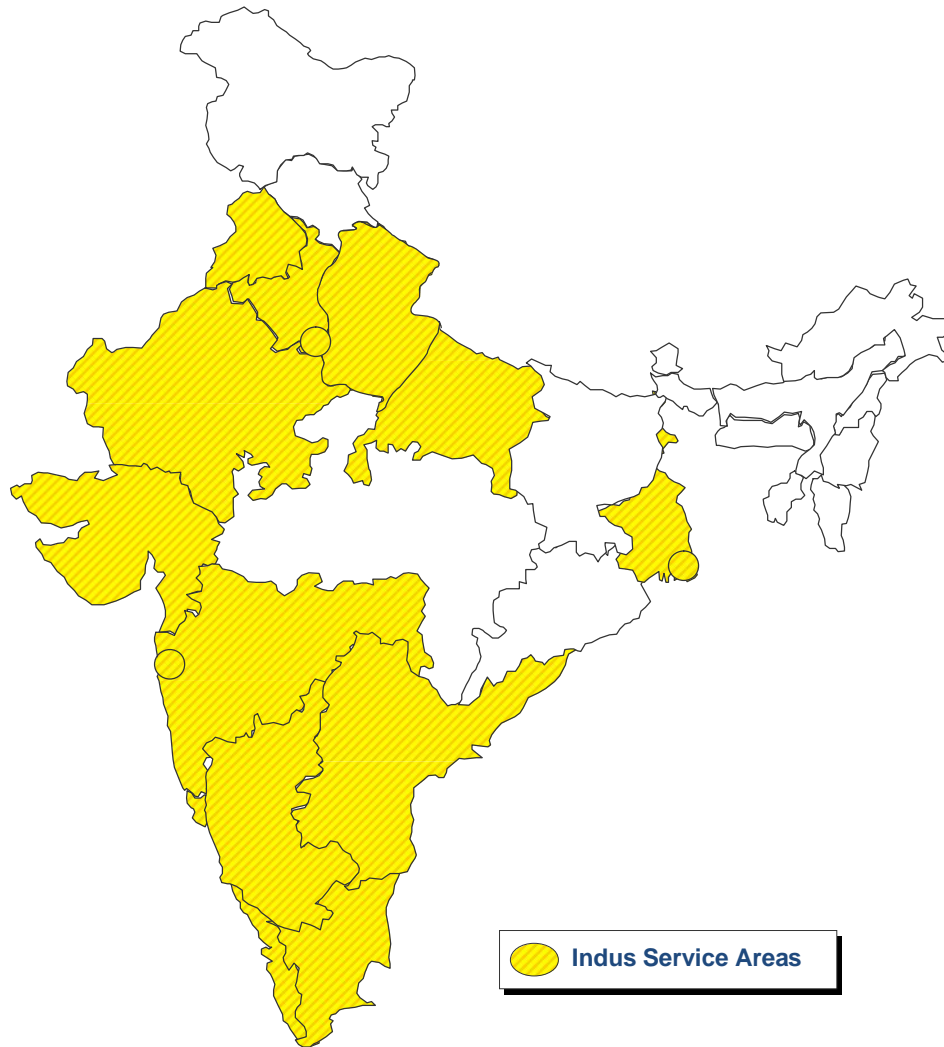


- Winner in 11 service areas, covering ~50% of all India revenue
- All 8 Service Areas where Idea is #1/2/3 are covered
- Covers 80% of Idea's revenue
- Total payment Rs 57.69bn, lowest among major operators
- Intra-Circle roaming arrangements may provide further opportunity

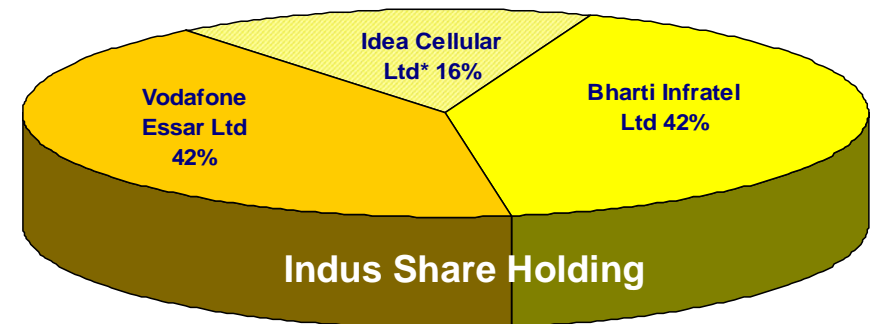
Idea – Long Term Shareholder Value



The Indus Advantage



- Provides passive infrastructure services in 15 service areas
- Largest independent tower company in the world with ~ 105,000 towers
- Indus benefits from assured tenancy from promoters (combined revenue market share of ~66%*), apart from other operators
- Idea benefits by reduced capex, speed to market, and embedded value of shareholding



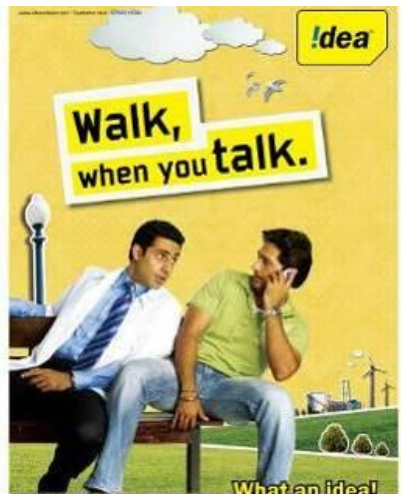
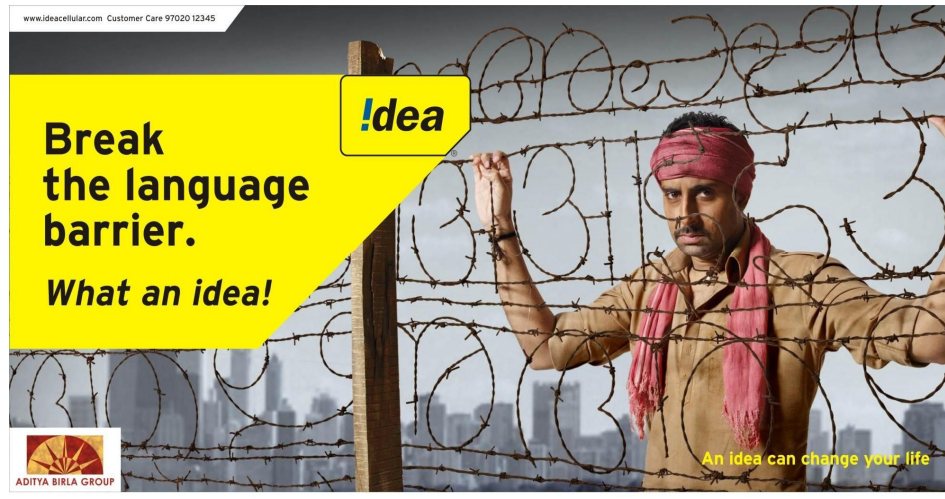
* Data released by the TRAI; revenue for UAS and Mobile licenses only

*through Aditya Birla Telecom Ltd.

Idea – A Power Brand

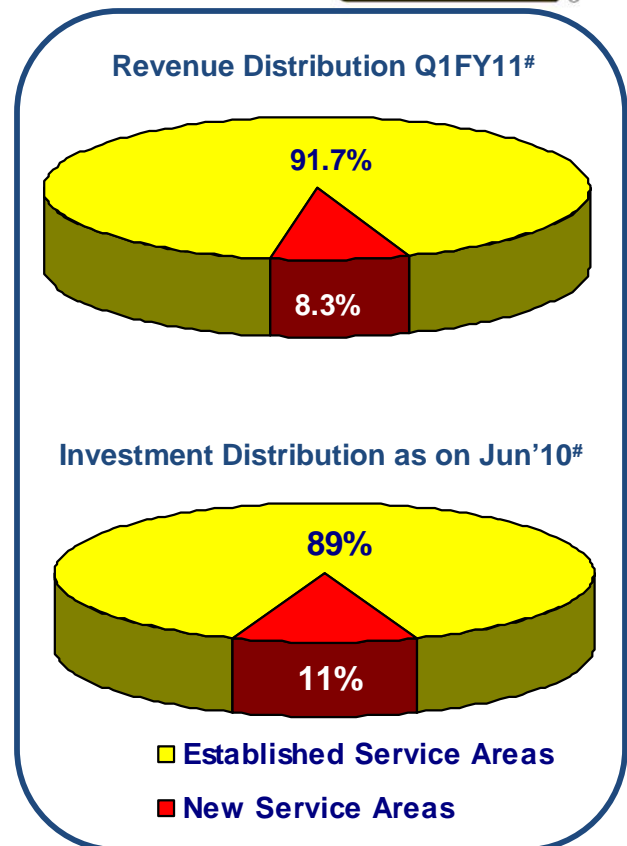
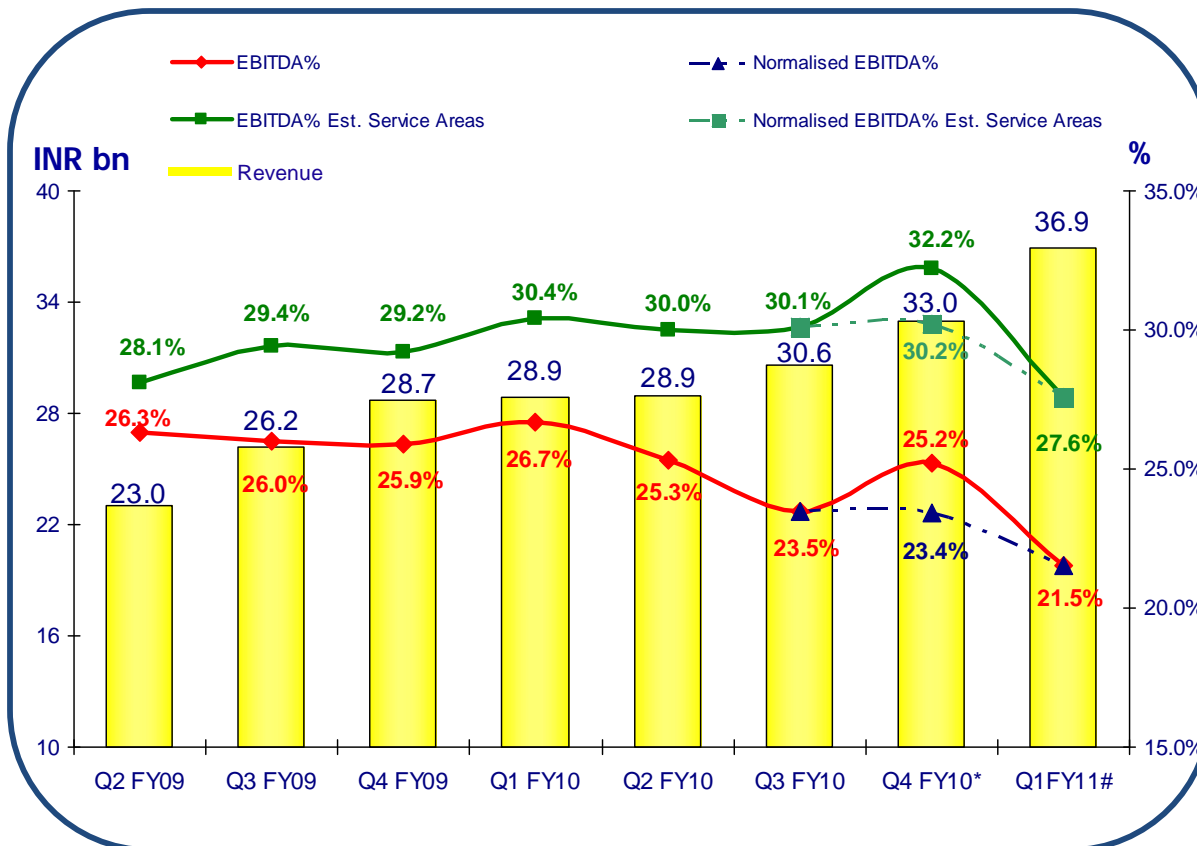


No. 4 Buzziest Brand in India Across All Categories – Third year in a row*



* Buzziest Brands of the Year Poll 2009

Margins that tell a story¹



- Operational margins stable despite ARPM dropping by ~5.4% QoQ to 44p
- Q1FY11 EBITDA% for Est. Service Areas impacted by ~ 2.6% (from 30.2% to 27.6%) due to (a) Spice merger; (b) Spectrum charges
- Q1FY11 EBITDA% for Idea impacted by ~ 1.9% (from 23.4% to 21.5%) (a) Spice merger; (b) Spectrum charges
- Q4FY10 EBITDA% was higher due to reversal of expenses provision of Rs 600mn

* incl. figures for erstwhile Spice comm. for the month of / as of Mar'10

Incl. figures for erstwhile Spice comm. for Q1FY11

¹Idea and its 100% subsidiaries

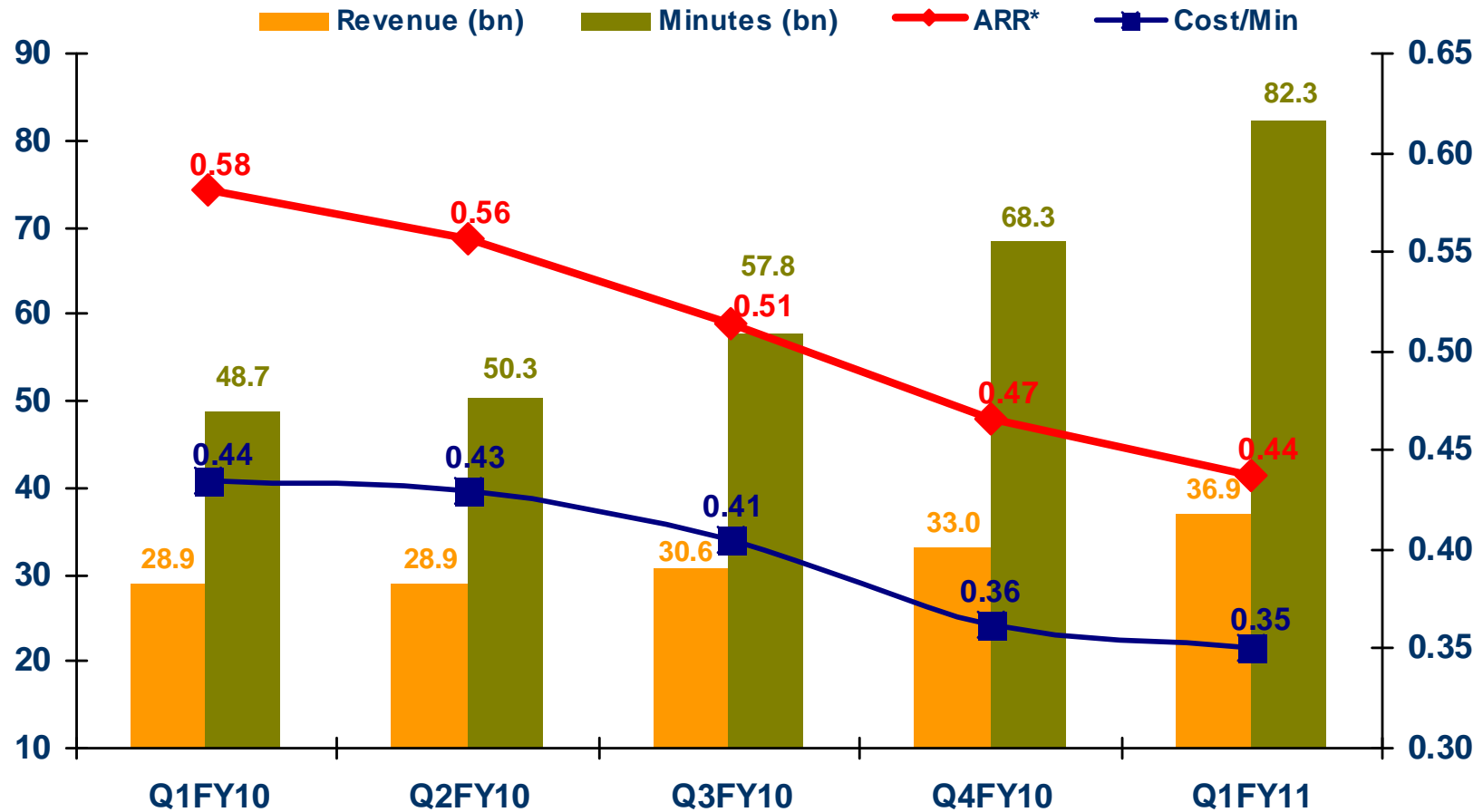
Strong Balance Sheet to Support Strategic Intent



INR bn	Q1 FY09	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	Q1 FY11
Balance Sheet¹						
Gross debt	97.4	60.9	59.2	57.5	65.3	97.8
Cash & Cash equivalent	9.2	26.6	23.1	20.0	14.0	1.2
Net Debt	88.3	34.3	36.1	37.5	51.3	96.6
Net Worth	38.1	136.5	139.0	141.2	114.1	116.1
Cash Profit¹	5.7	7.3	7.1	7.0	7.7	7.2
Financial Ratios¹						
Net Debt to Net Worth	2.32	0.25	0.26	0.27	0.45	0.83
Net Debt to Annualised EBITDA	3.06	1.11	1.23	1.30	1.54	3.04
ROCE	14.7%	9.3%	7.7%	6.4%	8.7%	6.4%

¹Figures for Idea including its 100% subsidiaries and excluding Joint Venture Spice (till February 28,2010) and Indus.

World Class Operations and Cost Management



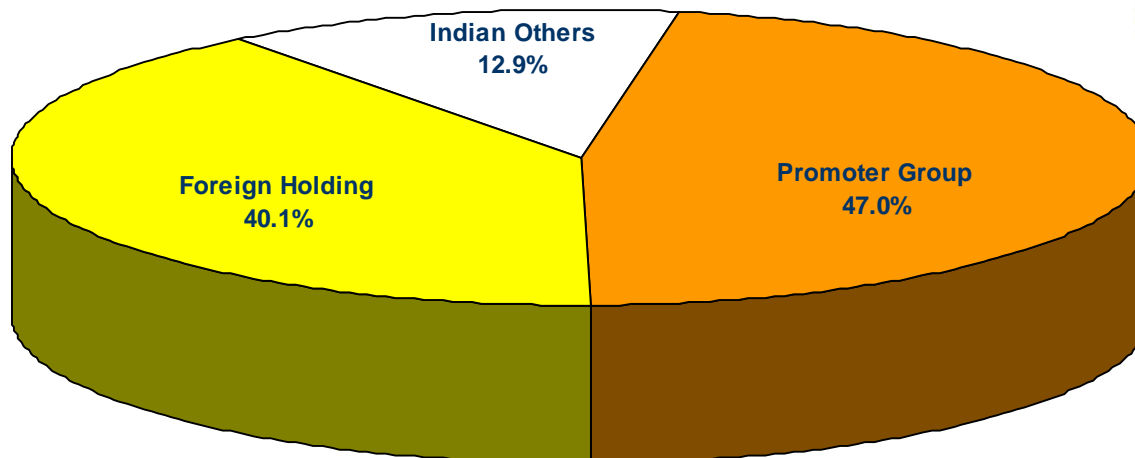
● In an over-crowded sector , Idea is among the very few companies which have the capability to maintain and grow quality operations at a realised rate of 44p, and still turn in reasonable profits

● Arguably, Idea among the most competitive operators in the world

**ARR is based on service revenue (exclusive of infrastructure revenues)*

Shareholding

As on 30th Jun'10



PROMOTERS' HOLDING

ADITYA BIRLA NUVO LIMITED	25.4%
BIRLA TMT HOLDINGS PVT LTD	8.6%
HINDALCO INDUSTRIES LIMITED	6.9%
GRASIM INDUSTRIES LTD	5.2%
OTHERS	0.9%

TOP 5 SHAREHOLDERS

TMI MAURITIUS	14.1%
P5 ASIA INVESTMENTS (MAURITIUS)	10.0%
TMI INDIA LTD.	5.0%
MONET LIMITED	2.7%
BAJAJ ALLIANZ LIFE INSURANCE	2.0%



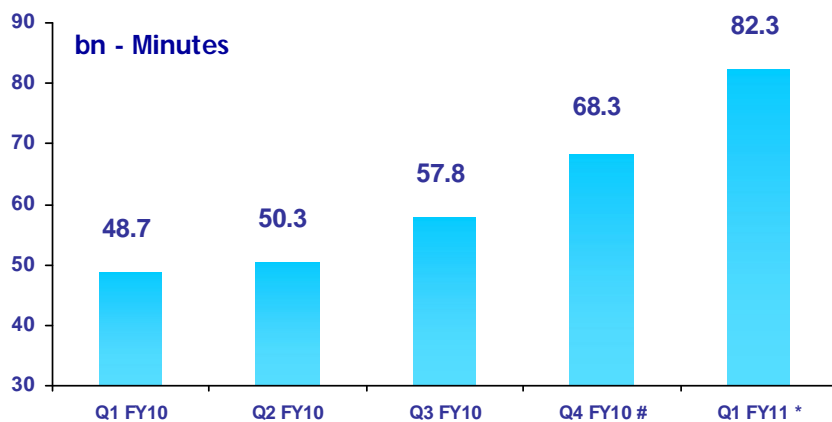
Appendix



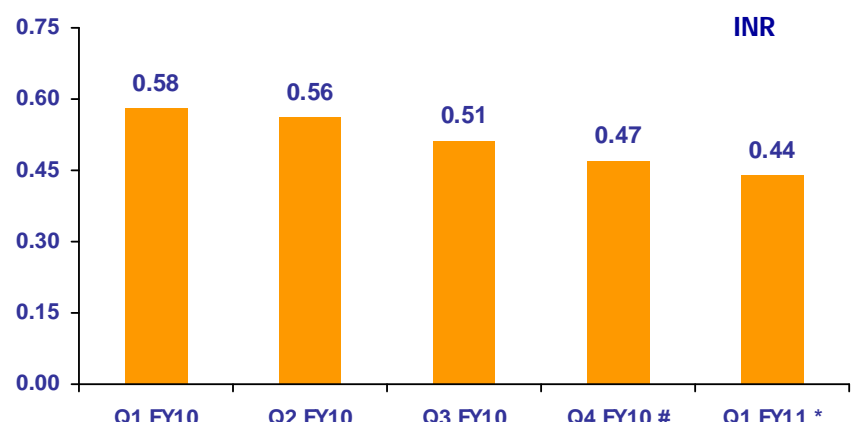
Key Trends (Quarterly)



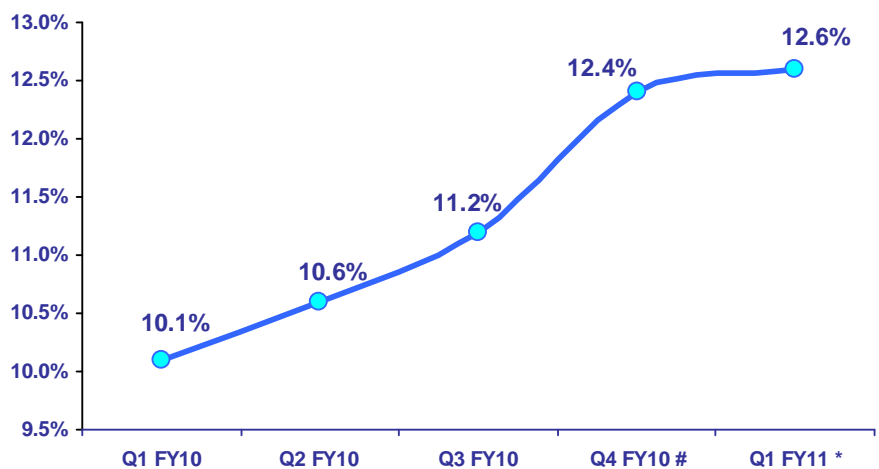
Minutes of use on Network (QoQ)



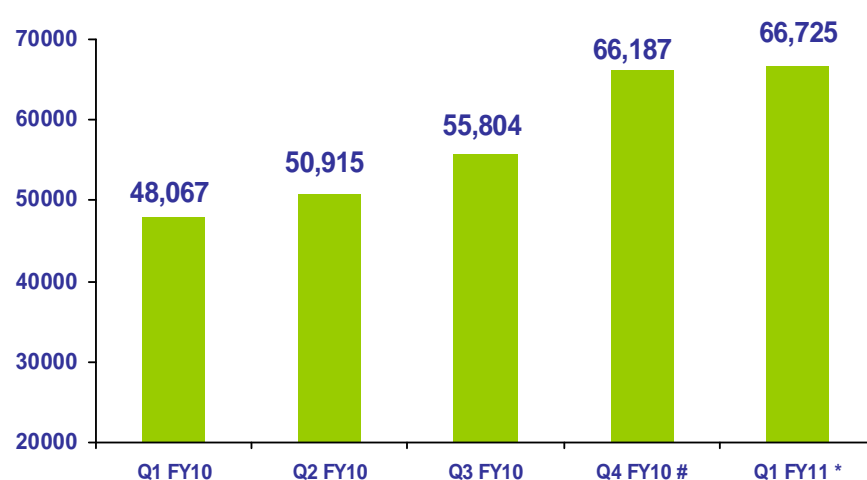
Realized rate per minute



VAS as a % of Revenue



Cell Sites



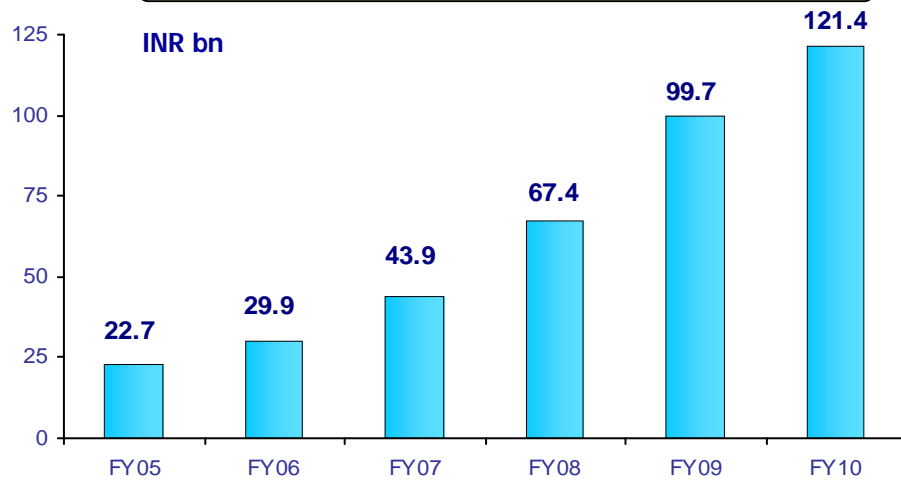
#Includes figures for erstwhile Spice comm. for the month of /as of March'10

*Includes figures for erstwhile Spice comm. for Q1FY11

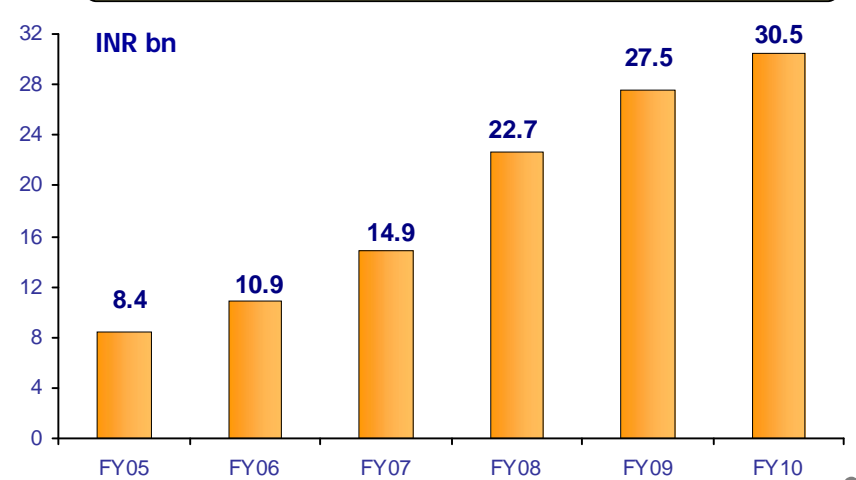
Financial Matrix (Idea* - Annual)



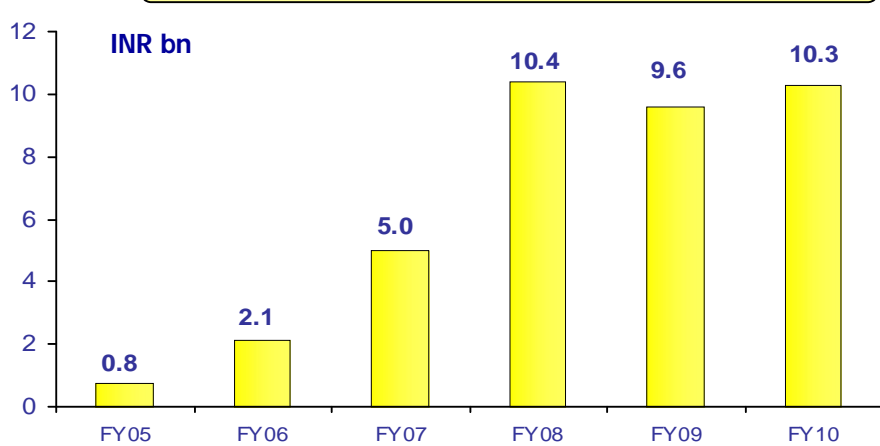
Robust Growth in Top Line



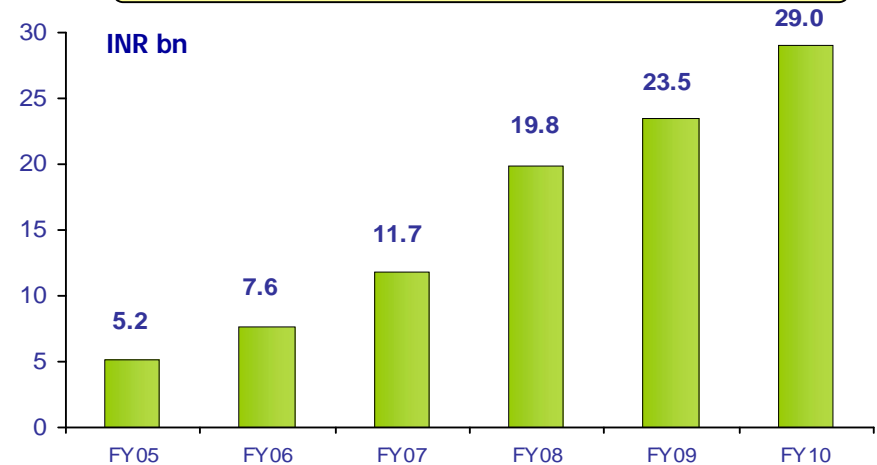
Robust Growth in EBITDA



Robust Growth in Net Profits



Robust Growth in Cash Profits

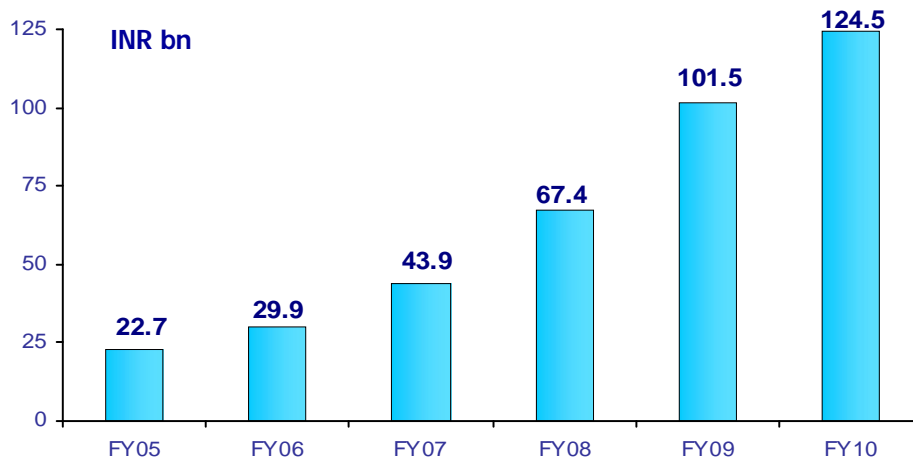


*Represents Idea and its 100% subsidiaries

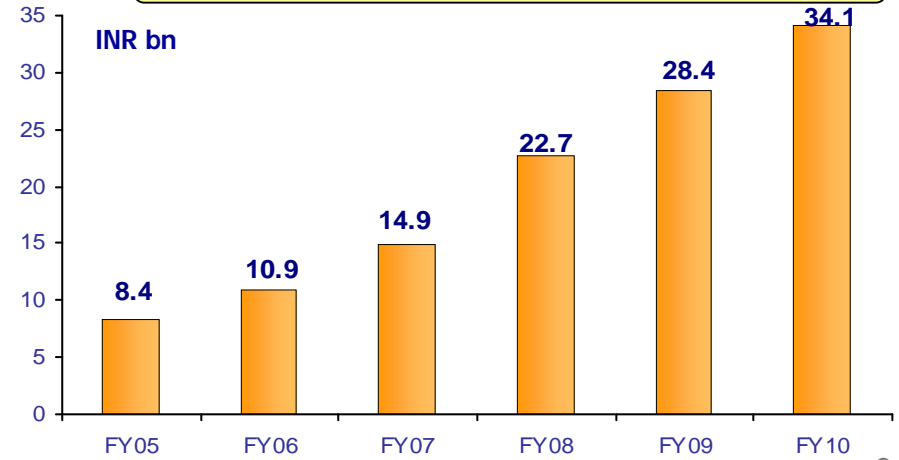
Financial Matrix (Consolidated* - Annual)



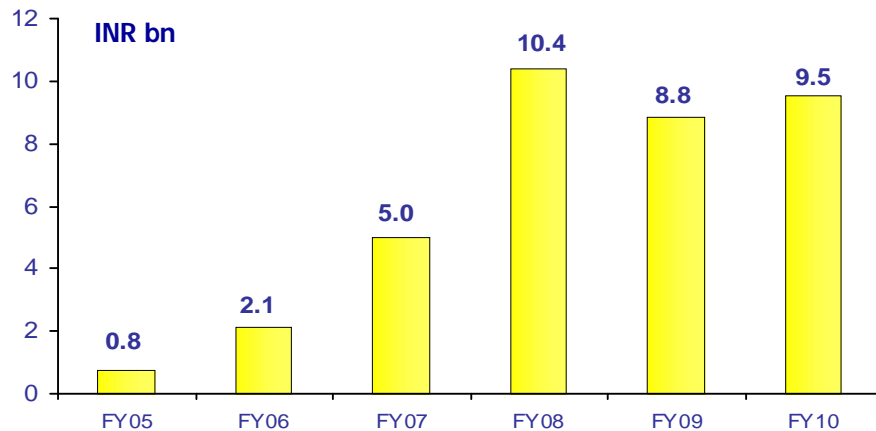
Robust Growth in Top Line



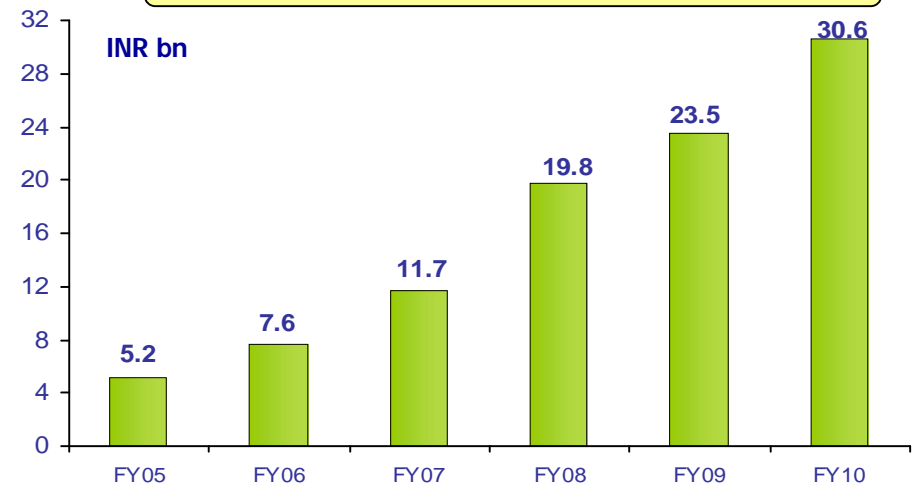
Robust Growth in EBITDA



Robust Growth in Net Profits



Robust Growth in Cash Profits



*Represents Idea, its 100% subsidiaries and Joint Ventures



Thank You