



Idea Cellular Limited

Investor Presentation

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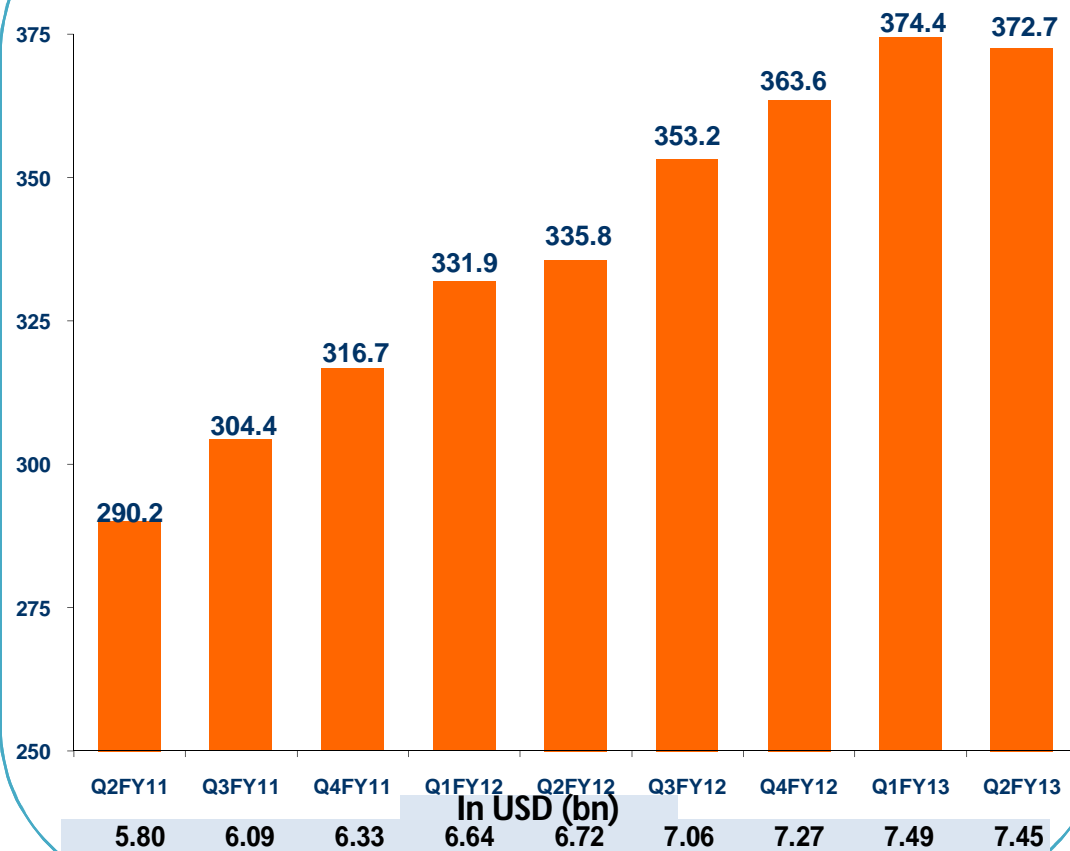
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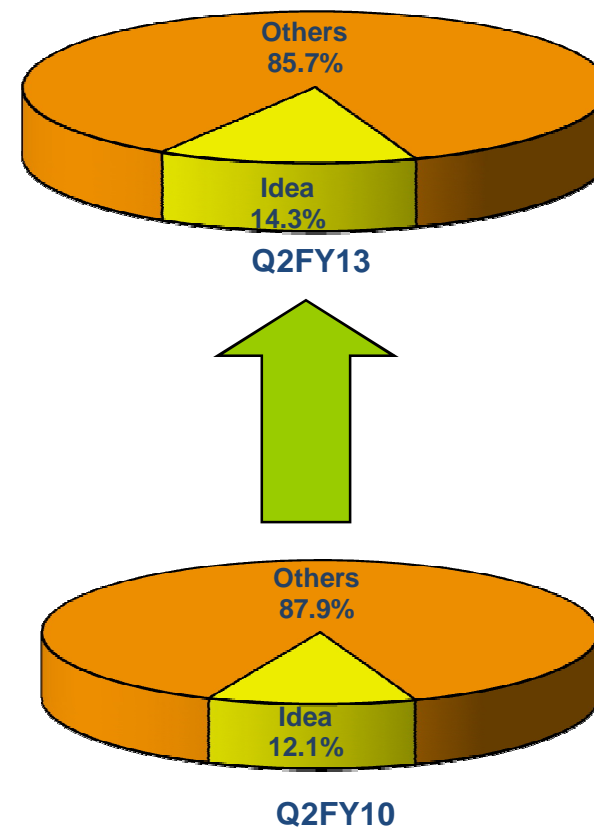
Indian Wireless Sector – Revenue Trend



Sector Gross Revenue (INR bn)

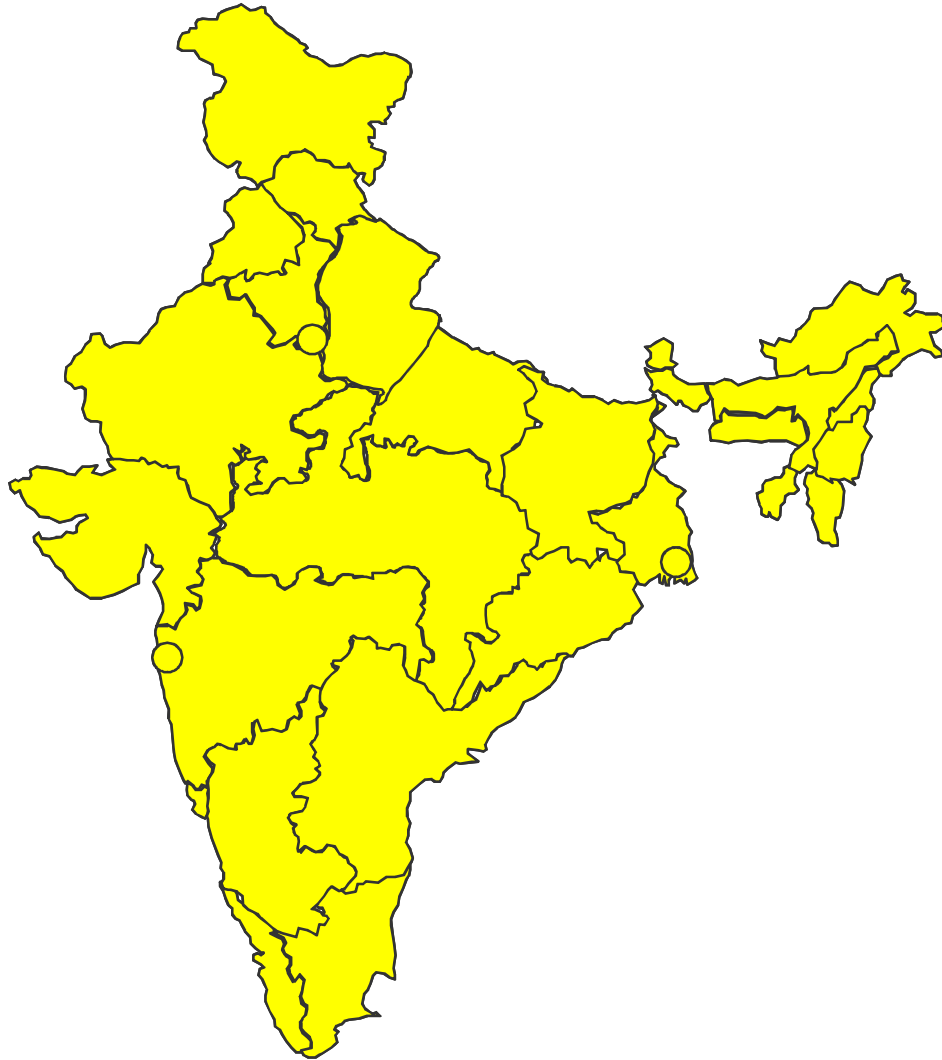


Idea - Increase in Revenue Market Share



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

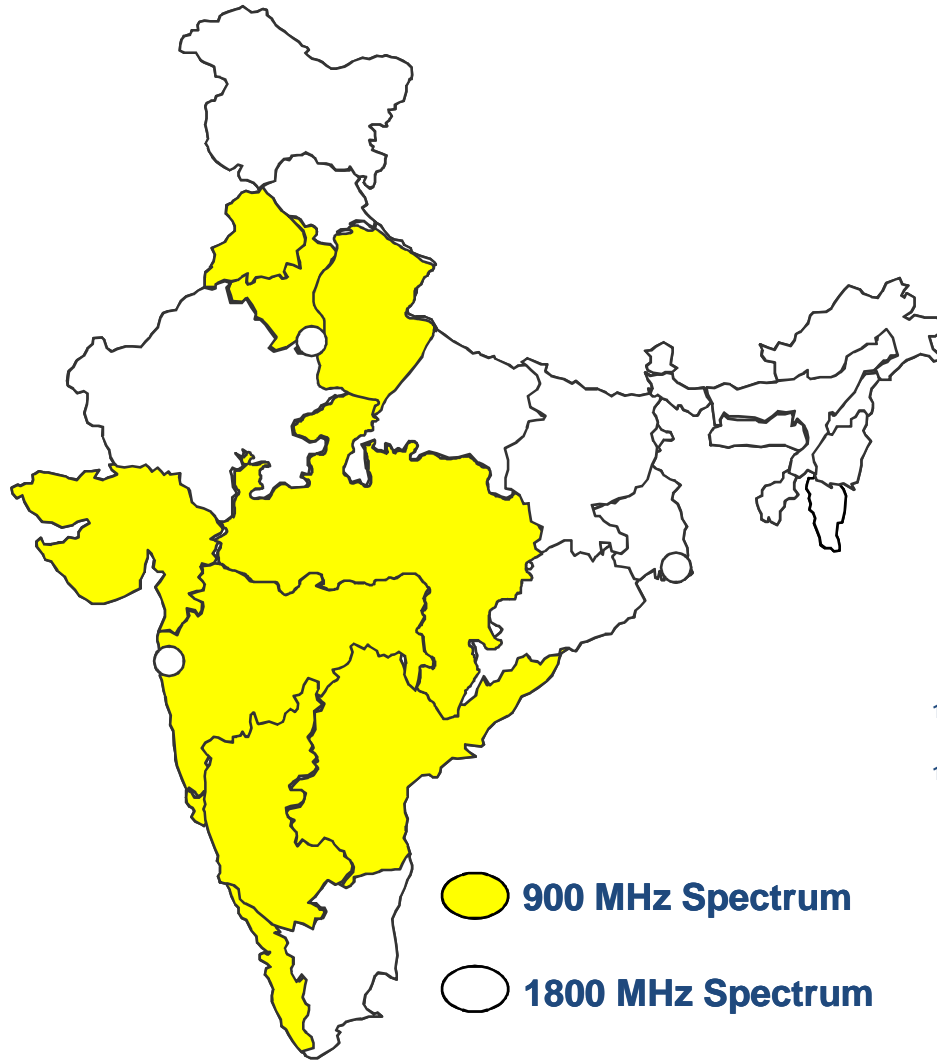
Idea – An Overview



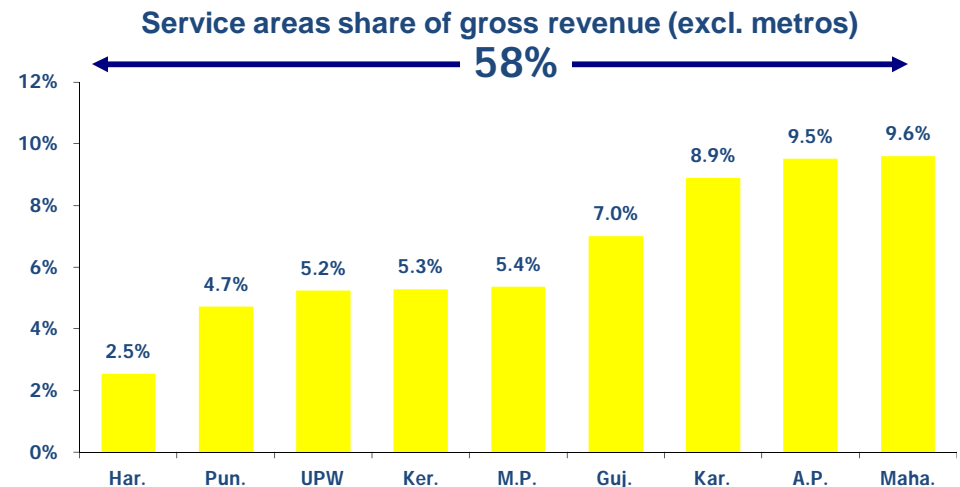
- A pan India 2G service provider.
- Won 1800 MHz spectrum in auction for all 7 service areas, for which licenses were cancelled by Hon'ble supreme court
- Won 3G spectrum in 11 service areas
- Third largest operator in India, by Mobility Revenues#
- Minutes on network around 1.37 bn per day (Q2FY13), placing it among the top 10 operators globally
- Leads the industry, in terms of active subscribers, as more than 94% of reported subscribers are on VLR
- Owns 9,302 towers, besides 11,094 towers transferred to Indus under IRU
- Over 70,000 km optical fibre cable (OFC) network
- Idea's NLD carries ~95% of captive outgoing minutes
- Idea's International Long Distance Operations (ILDs) carry 98% of captive outgoing minutes. Total Minutes carried on ILD ~ 914mn in Q2FY13
- Idea ISP carries ~70% of it's own data traffic. Total data traffic carried is over 100 TB per day

Data released by the TRAI & Company estimates; revenue for UAS and Mobile licenses only

Competitiveness Lever 1 - Spectrum



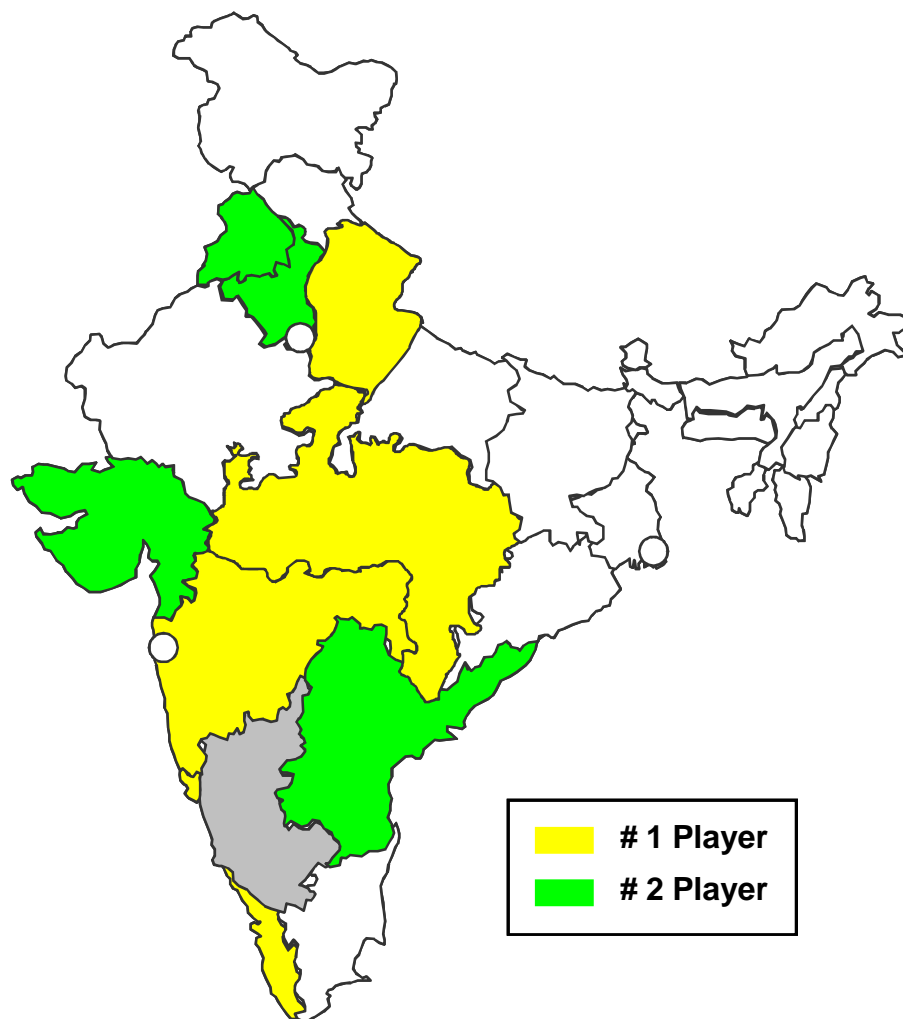
- 900 MHz spectrum band provides capex/opex advantage, compared to 1800 MHz
- 900 MHz spectrum also accompanied by early mover advantage
- Idea holds 900 MHz spectrum in 9 service areas, covering
 - ~ 48% of national revenue and ~73% of Idea's revenue
 - ~ 58% of national revenue base (excl. metros*)
- Idea's spectrum profile is very attractive across all private operators



Source: Data released by the TRAI & Company estimates for Q2FY13, revenue for UAS and Mobile licenses only

* Metros as Mumbai, Delhi and Kolkata

Competitiveness Lever 2 - Scale within Service Area



1 Player
 # 2 Player

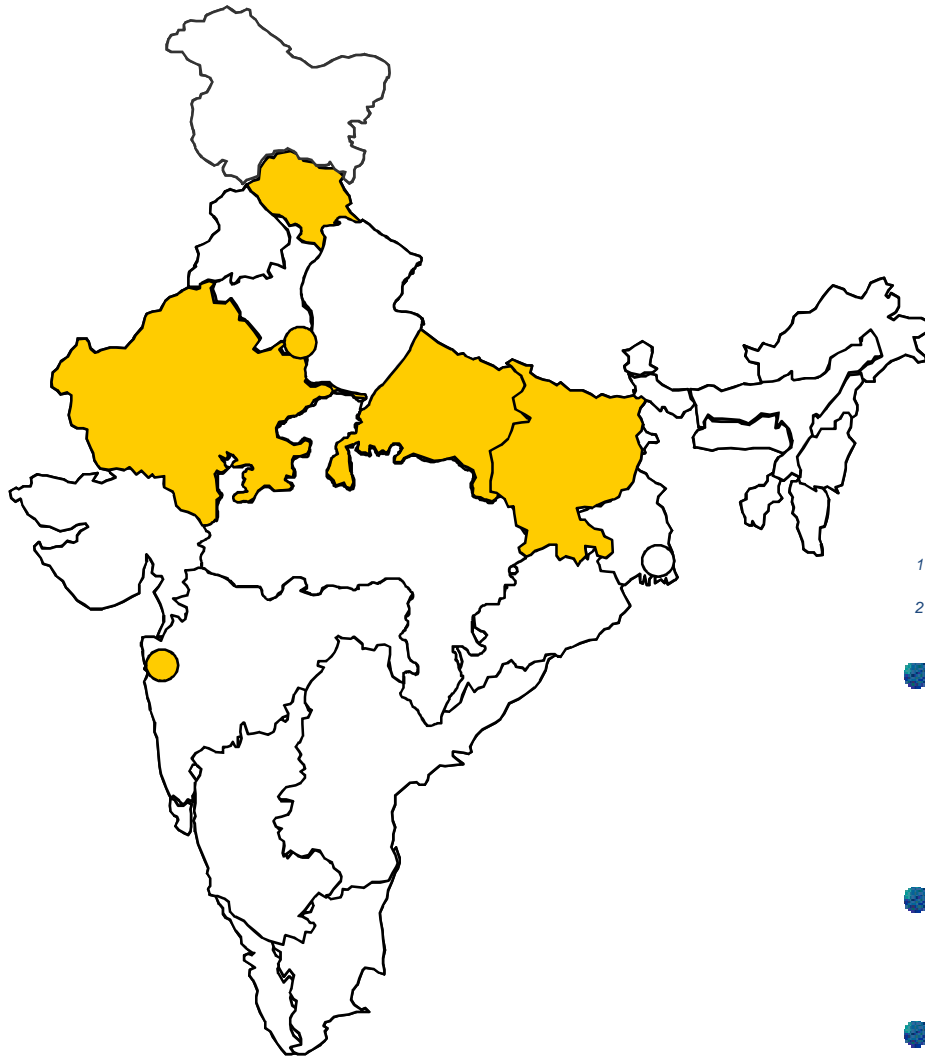
Service Area (900 MHz)	Revenue Mkt Share ¹ (RMS)	Rank ²
Kerala	33.0%	1
M.P.	31.9%	1
Maharashtra	26.3%	1
UP (W)	25.5%	1
Haryana	22.7%	2
Punjab	20.6%	2
Gujarat	17.6%	2
A.P.	17.9%	2
Karnataka	9.1%	4
Total	21.7%	2

Improved combined revenue market share from 20.7% in Q2FY11 to 21.7% in Q2FY13

In 9 service areas, comprising ~ 48% of national revenue market & ~72% of Idea's revenue, Idea's competitiveness is intrinsically strong based on a) 900 MHz spectrum and b) scale of operations

1800 MHz Operations (6 Service Areas)

Emerging Stronger – Ranked #3



Service Area	Revenue Mkt Share ¹ (RMS)	Rank ²
UPE	12.3%	3
Rajasthan	11.1%	3
Delhi	10.7%	3
Bihar	9.9%	4
H.P.	9.0%	5
Mumbai	8.2%	5
Total	10.4%	3

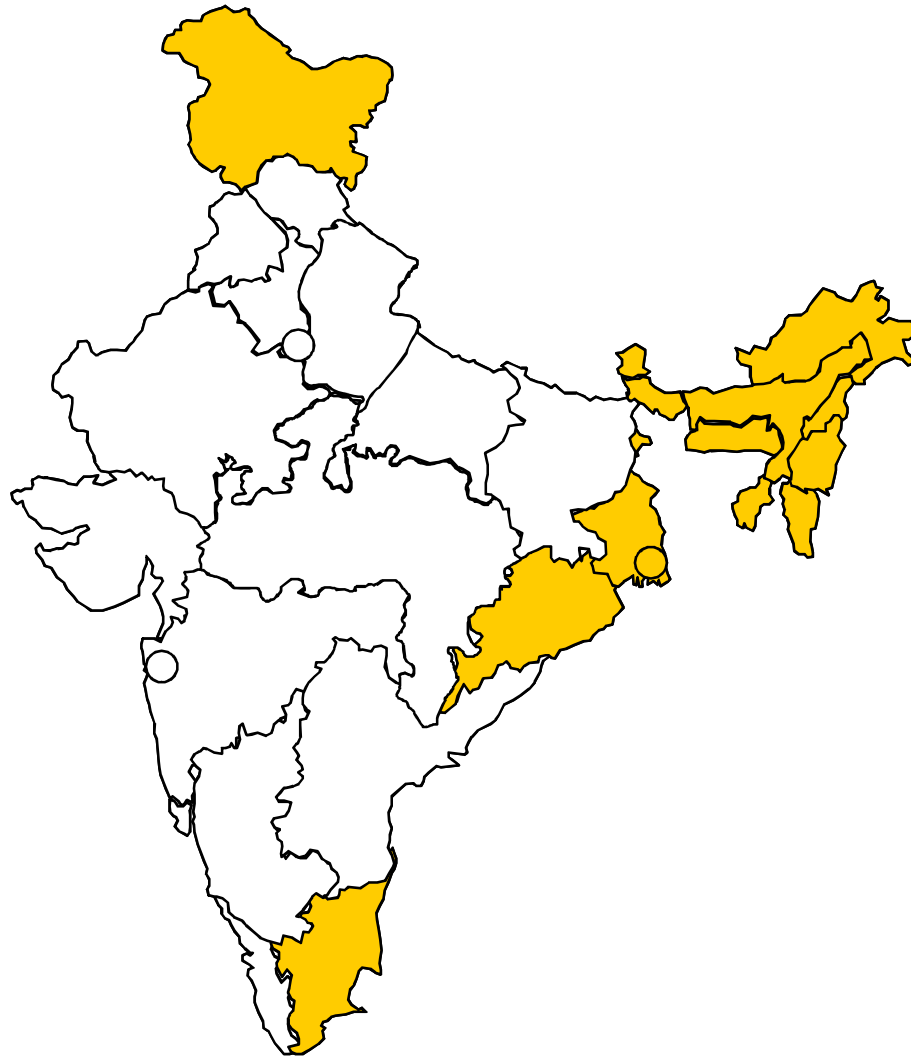
¹Based on gross revenue for Q2FY13, as released by TRAI & Company estimates

²Based on revenue market share

- Idea has increased its combined RMS from 8.5% in Q2FY11 to 10.4% in Q2FY13, improving its position from 4th to 3rd ranked operator, in these service areas
- These service areas cover ~31% of all India revenue and ~23% of Idea's revenue
- With continuous improvement in RMS, Idea is emerging stronger

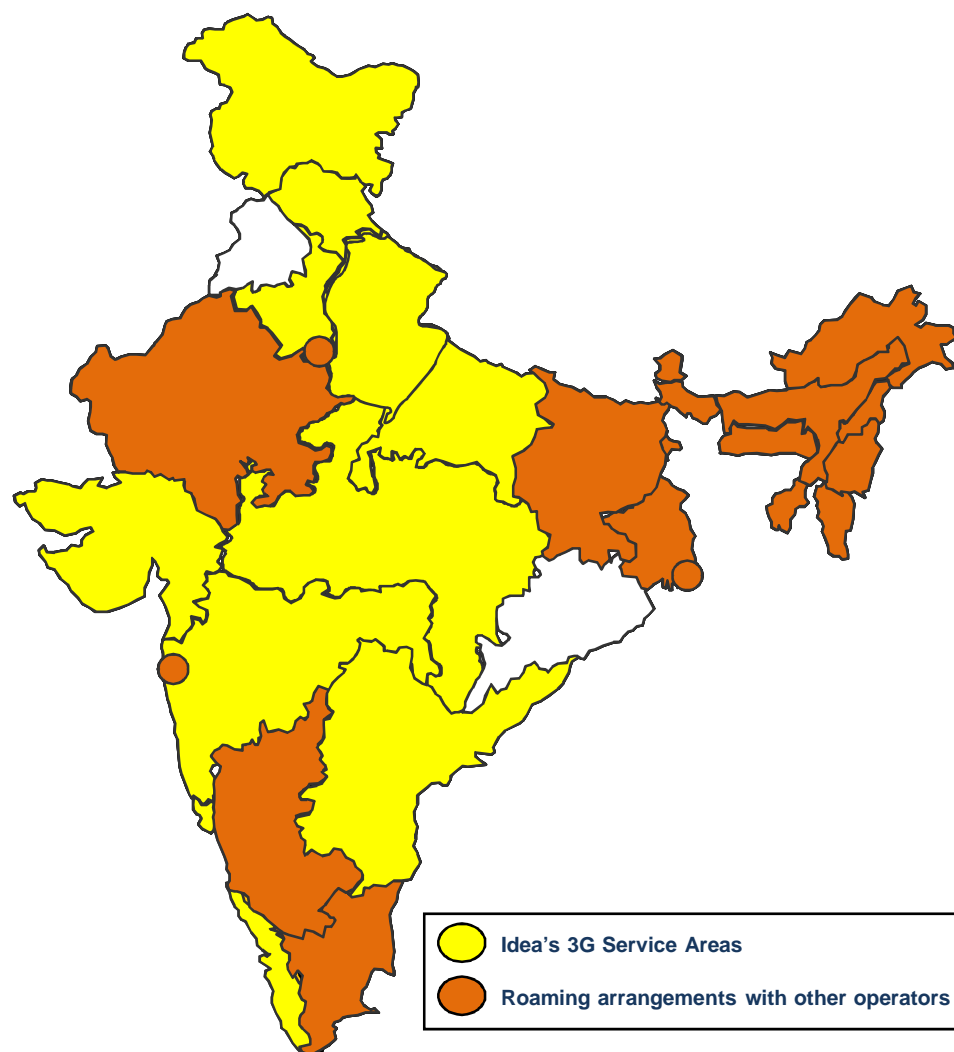
1800 MHz Operations (7 New Service Areas)

Focus On Optimisation, Not Maximisation



- In recently concluded 1800 MHz spectrum auction, Idea acquired liberalized spectrum for 20 years for an amount of Rs. 19.9 bn.
- 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
- Combined RMS of 3.3% in Q2FY13. Inevitably, as the number of operators in the Indian market shrink, these new market will offer good growth potential

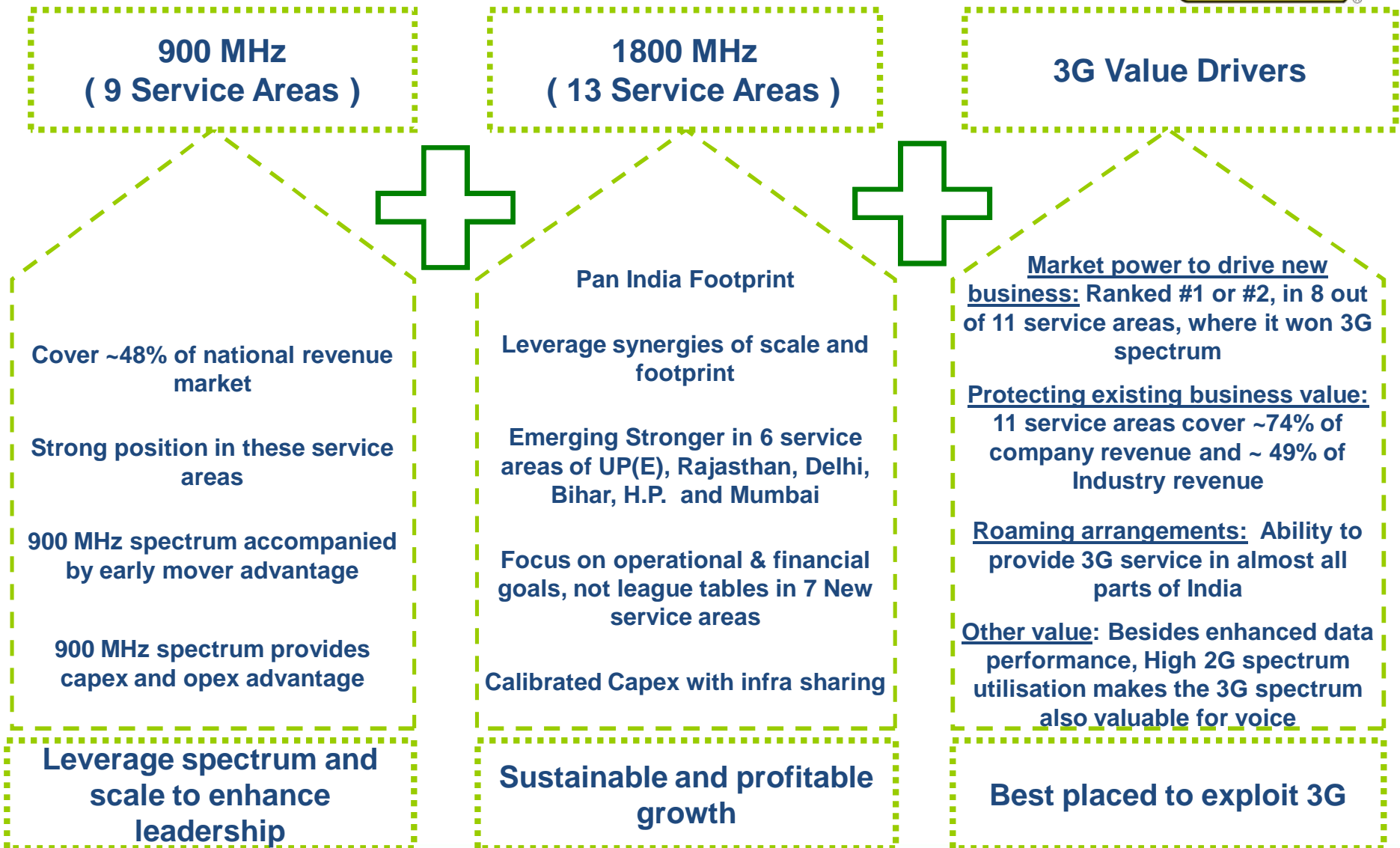
3G Footprint



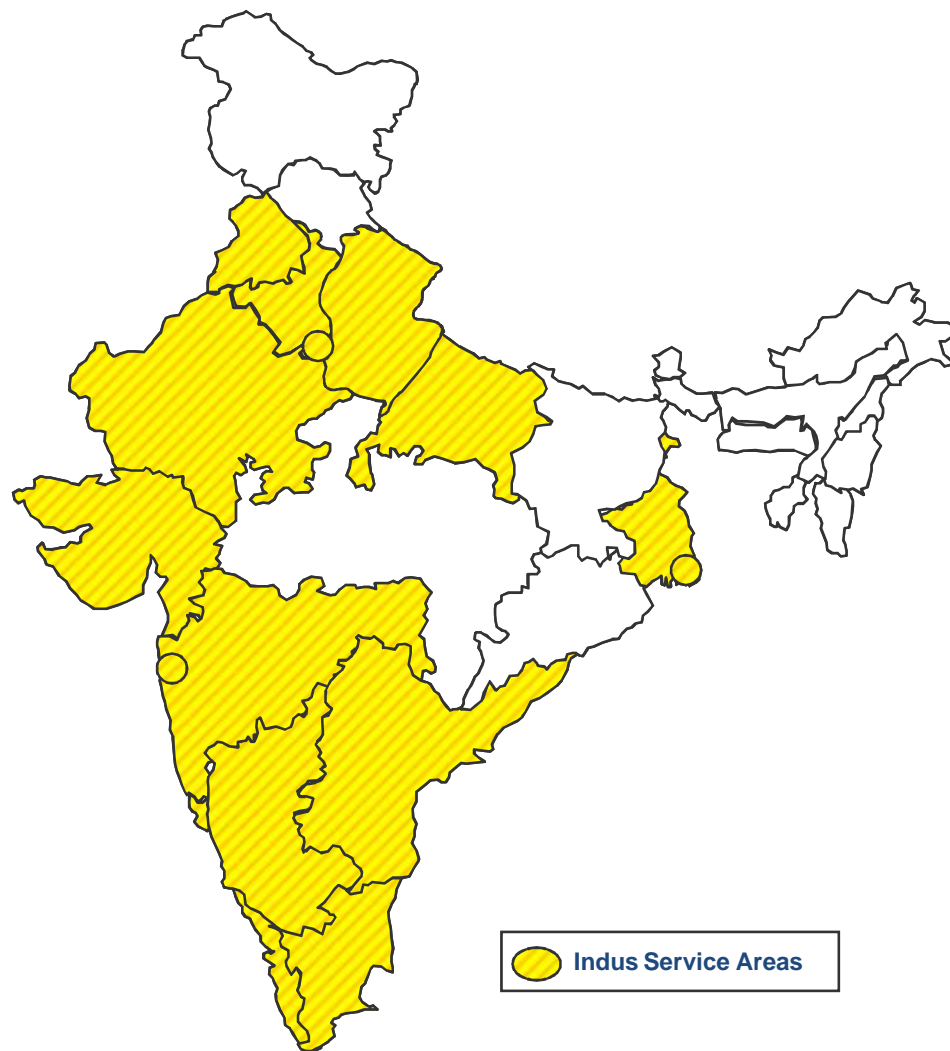
- Idea launched 3G services in 10 service areas, out of 11 service areas where it won 3G spectrum
- Having 14,467 3G sites in these service areas (Q2FY13)
- Launched 3G services under roaming arrangements for the service areas of Mumbai, Bihar, Karnataka, Rajasthan, West Bengal, Delhi, Kolkata, Tamil Nadu (incl. Chennai), Assam and North East
- With these arrangements Idea currently offers 3G services in 20 service areas
- Around 3.7 mn 3G subs with data ARPU of Rs. 87
- Existing 18 mn 2G data subscribers & growing, offer excellent long term 3G upgrade opportunity

Note :For Punjab service area, authorisation for commercial use of 3G spectrum is awaited

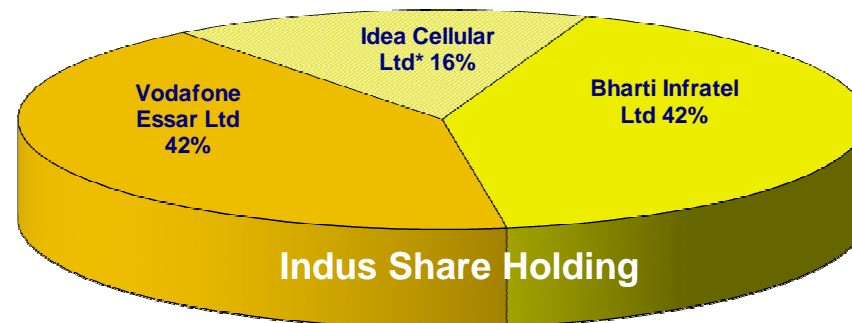
Idea – Long Term Shareholder Value



The Indus Advantage



- Provides passive infrastructure services in 15 service areas
- Largest independent tower company in the world with more than 110,500 towers
- Indus benefits from assured tenancy from promoters (combined revenue market share of ~67%*), apart from other operators
- Idea benefits by reduced capex, speed to market, and embedded value of shareholding



*In addition, Idea also own more than 9,300 towers

*through Aditya Birla Telecom Ltd.

Idea – A Power Brand



Idea Rings all india
What a network!

!idea

1 MILLION HONEYBUNNY

An idea can change your life

ADITYA BIRLA GROUP

!idea

USE MOBILE. SAVE PAPER.

What an Idea!
An idea can change your life

ADITYA BIRLA GROUP

Share every moment

!idea

Idea 3G Smartphone Aurus with video calling.

Android 2.3 | Dual SIM | Free 3G benefits*

An idea can change your life

ADITYA BIRLA GROUP

New idea
Internet search for learning

!idea

!idea

An idea can change your life

ADITYA BIRLA GROUP

Break the language barrier.

!idea

What an idea!

An idea can change your life

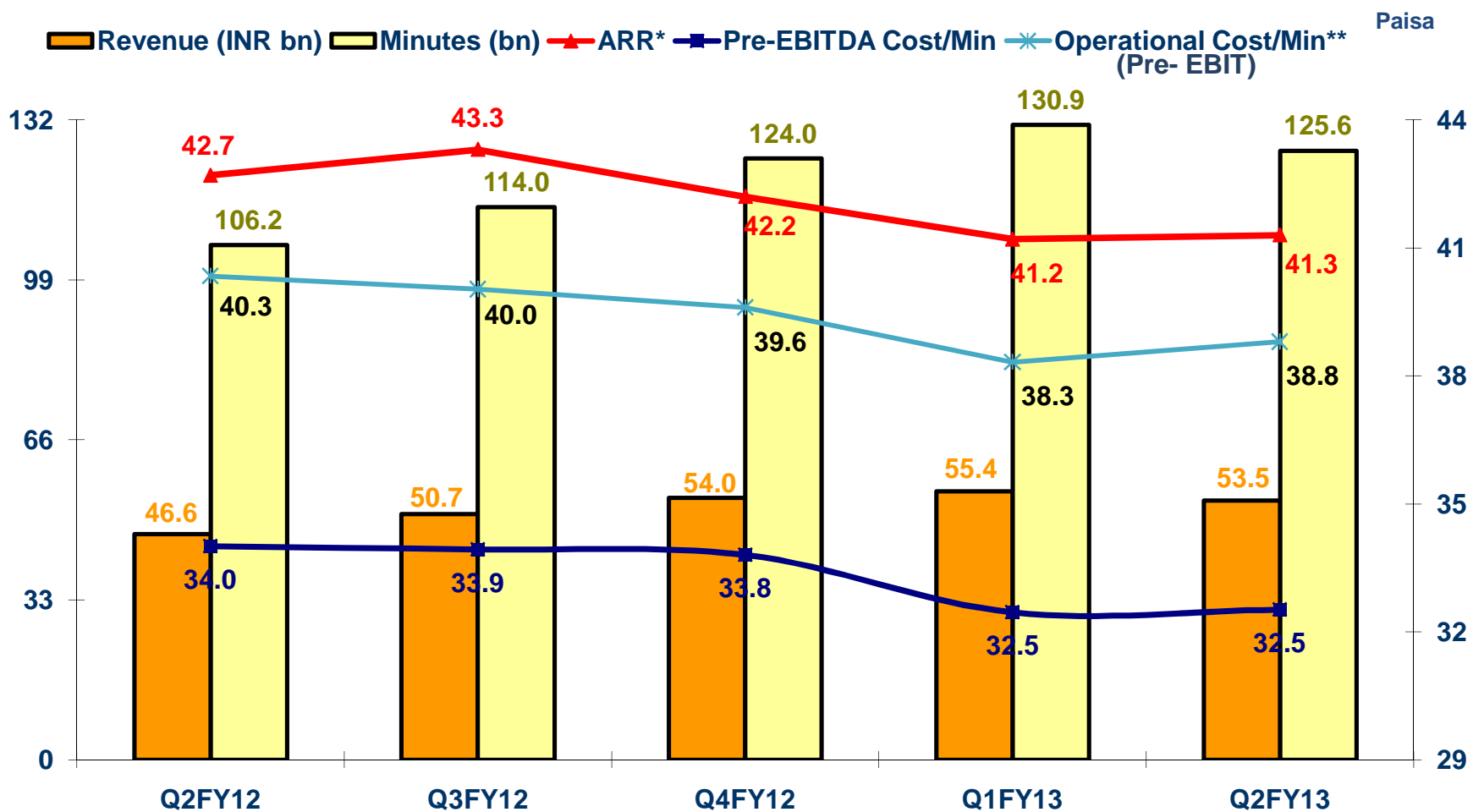
ADITYA BIRLA GROUP

!idea

3G

TM

World Class Operations and Cost Management



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

** Includes Depreciation & Amortisation, but excludes Interest & Finance Cost

Strong Balance Sheet to Support Strategic Intent

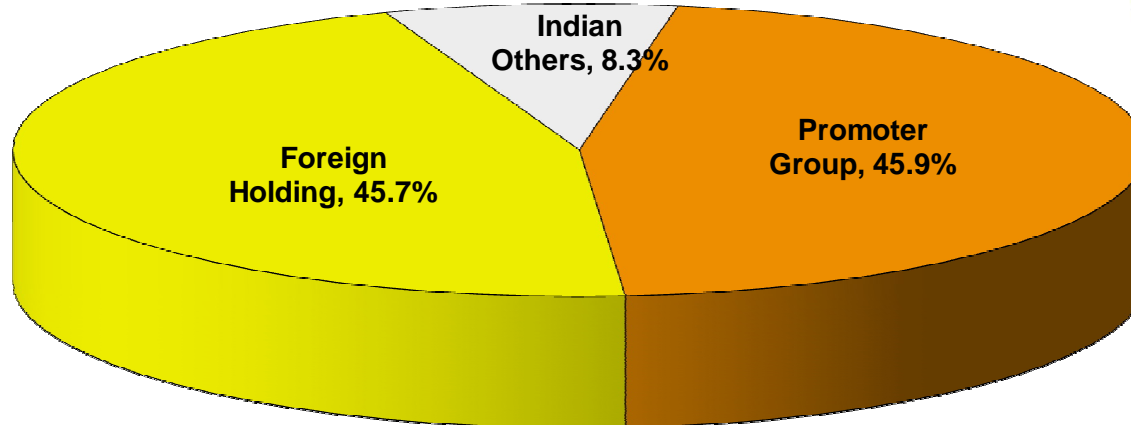


INR Million	Q2 FY10	Q2 FY11	Q2 FY12	Q2 FY13
Gross Debt	59,169	97,541	113,087	115,140
Cash & Equivalent	23,136	5,029	1,080	8,562
Net Debt	36,033	92,512	112,007	106,577
Net Worth	139,029	117,825	125,240	134,661
Cash Profit	7,087	6,982	7,884	12,313
Financial Ratios				
Net Debt to Net Worth	0.26	0.79	0.89	0.79
Net Debt to Annualised EBITDA	1.23	3.04	2.68	2.11
ROCE	7.7%	4.7%	5.2%	7.1%

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

Shareholding

As on 30th Sep'12



PROMOTERS' HOLDING

ADITYA BIRLA NUVO LIMITED	25.3%
BIRLA TMT HOLDINGS PVT LTD	8.6%
HINDALCO INDUSTRIES LIMITED	6.9%
GRASIM INDUSTRIES LTD	5.2%

TOP 5 SHAREHOLDERS

TMI MAURITIUS	14.0%
P5 ASIA INVESTMENTS (MAURITIUS)	10.0%
AXIATA INVESTMENTS 2 (INDIA) LTD.	5.9%
NWB PLC AS DEP. OF FIRST STATE	2.9%
LIFE INSURANCE CORP. OF INDIA	1.5%



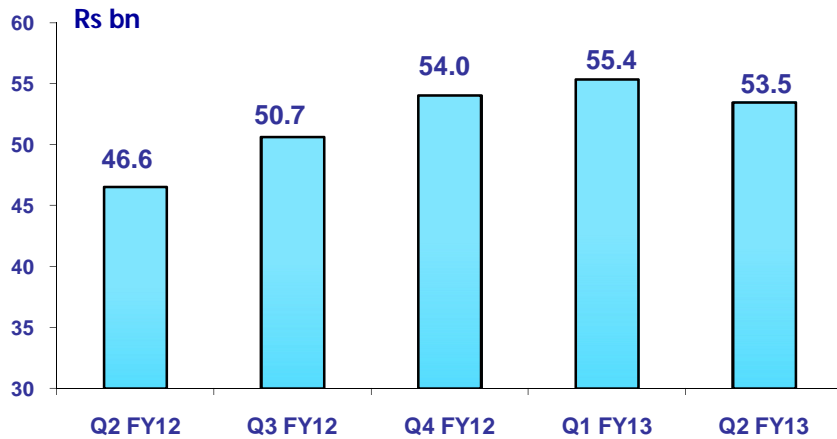
Appendix



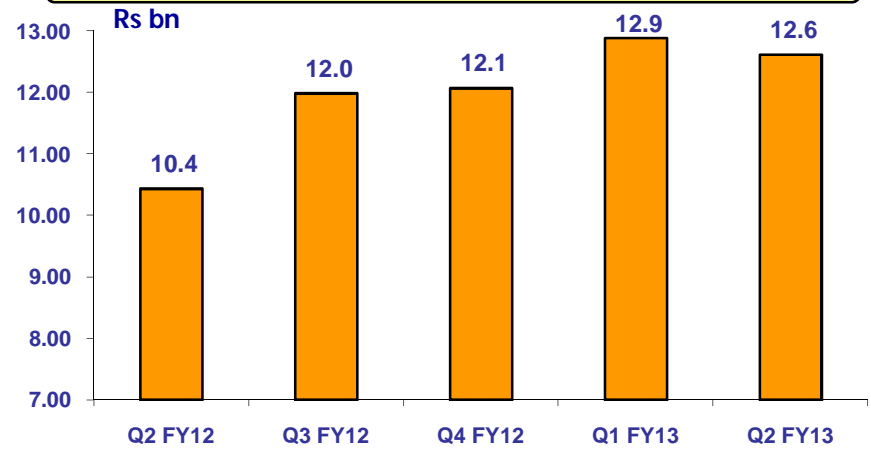
Key Trends - 1* (Quarterly)



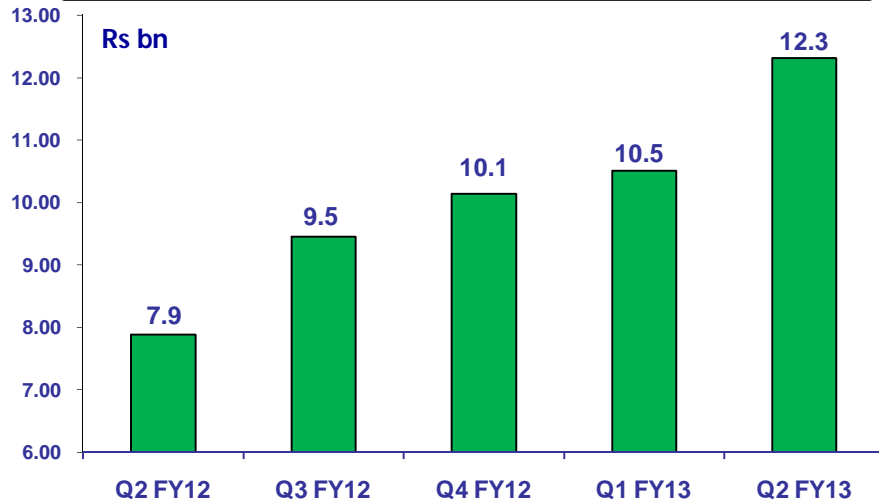
Gross Revenue



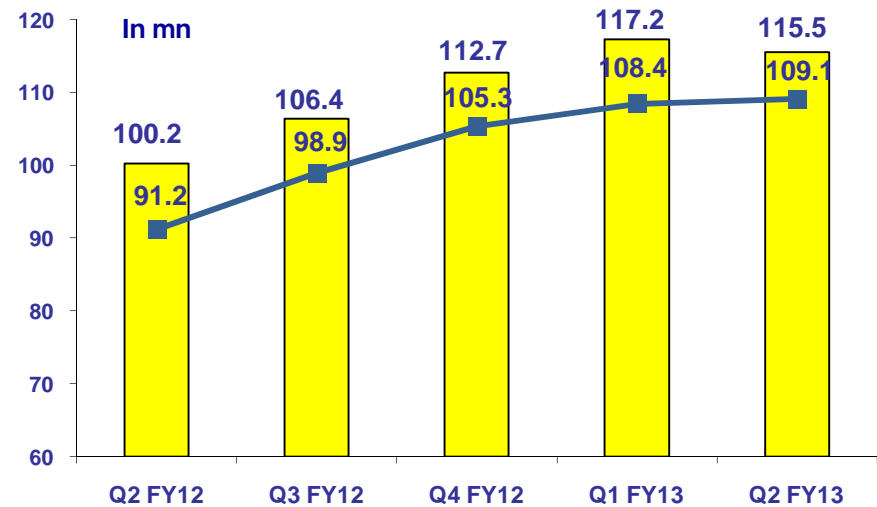
EBITDA



Cash Profits



Subscribers

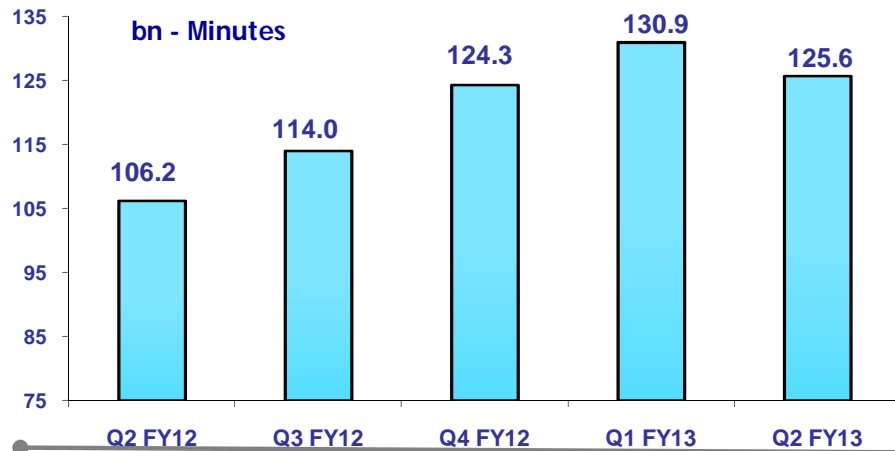


*Represents Idea and its 100% subsidiaries

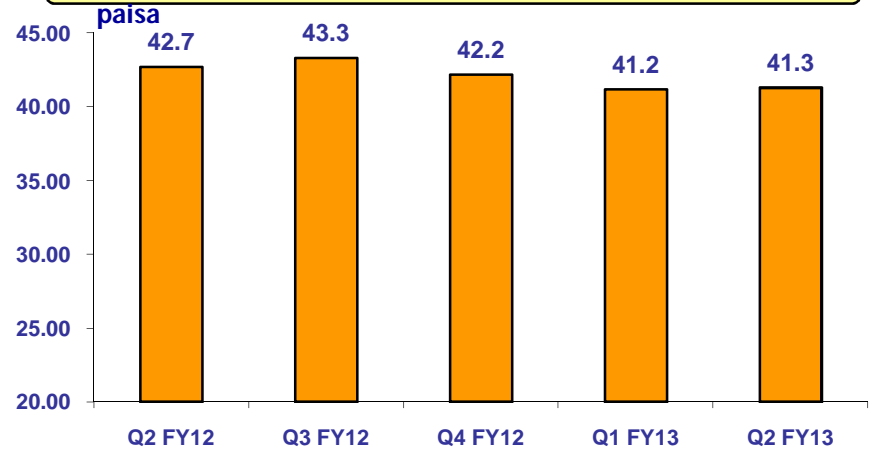
Key Trends – 2* (Quarterly)



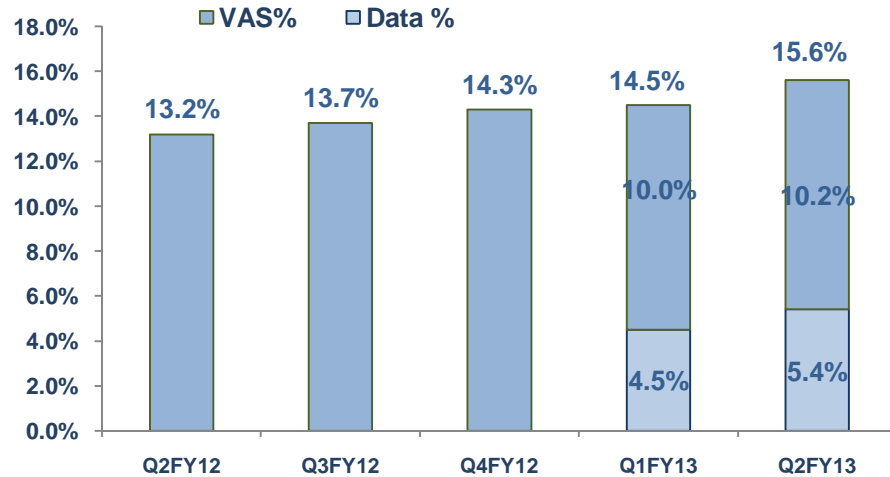
Minutes of use on Network (QoQ)



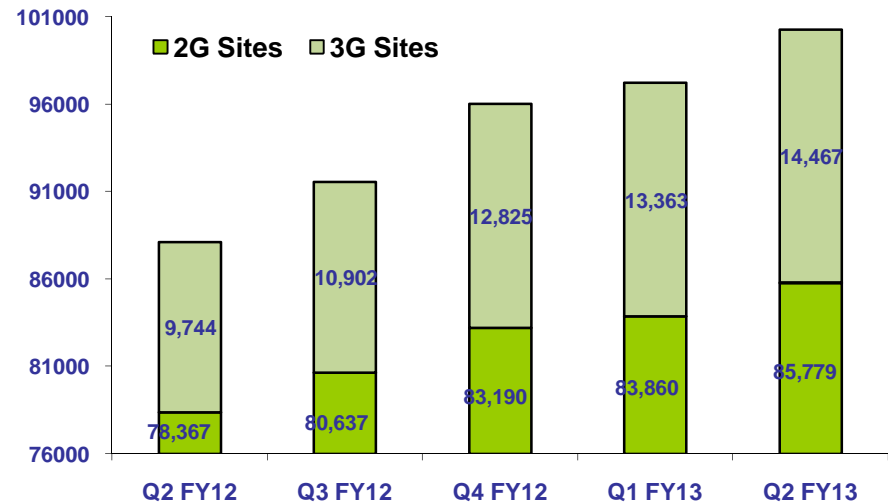
Realized rate per minute



VAS and Data as a % of Revenue



Cell Sites

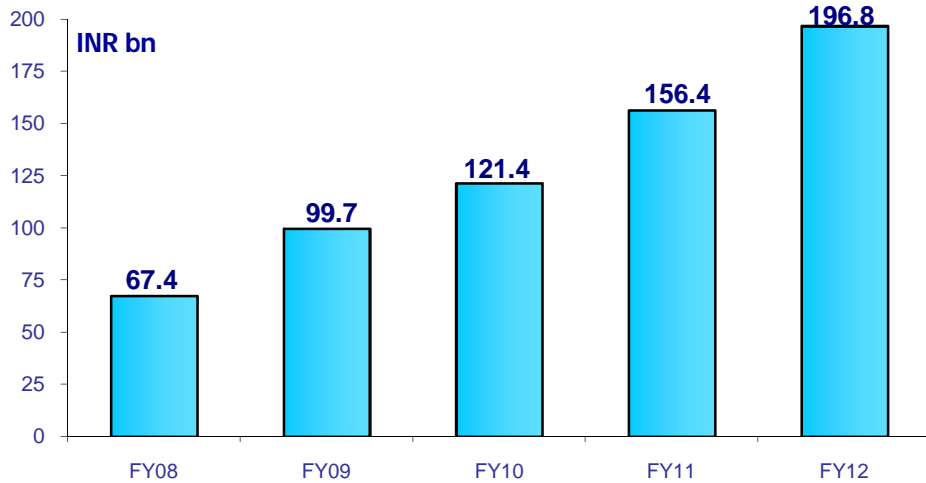


*Represents Idea and its 100% subsidiaries

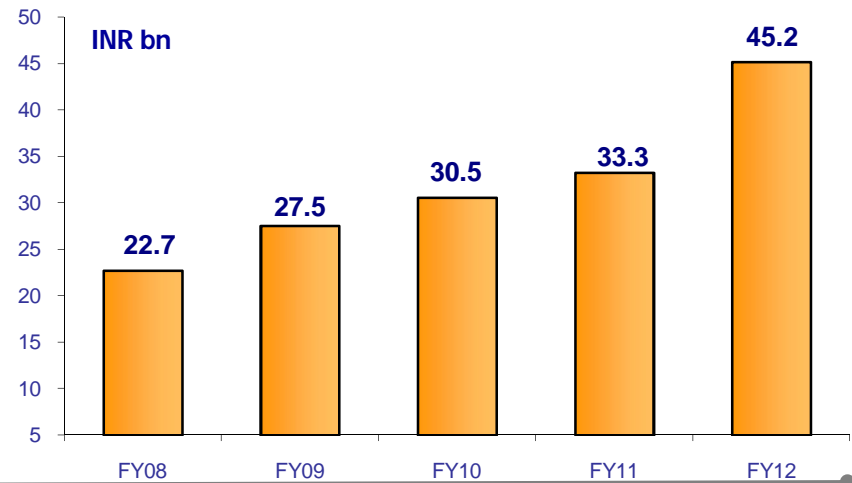
Financial Matrix (Standalone* - Annual)



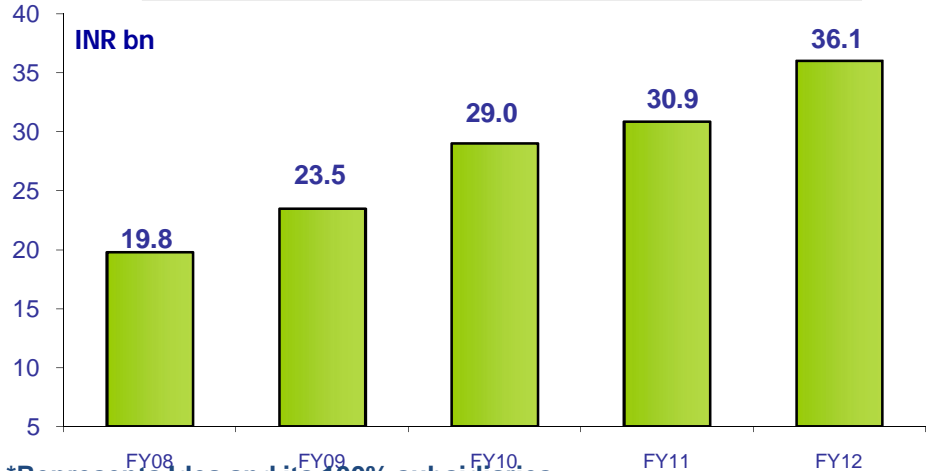
Robust Growth in Top Line



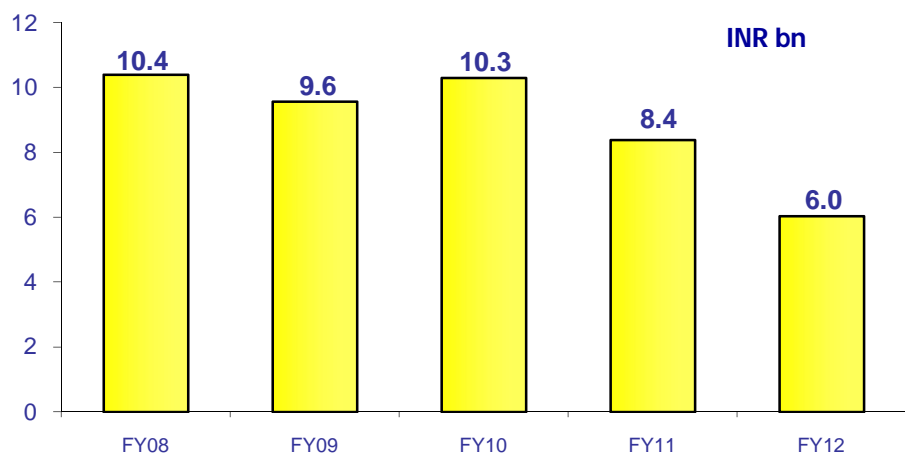
Robust Growth in EBITDA



Robust Growth in Cash Profits



Net Profits

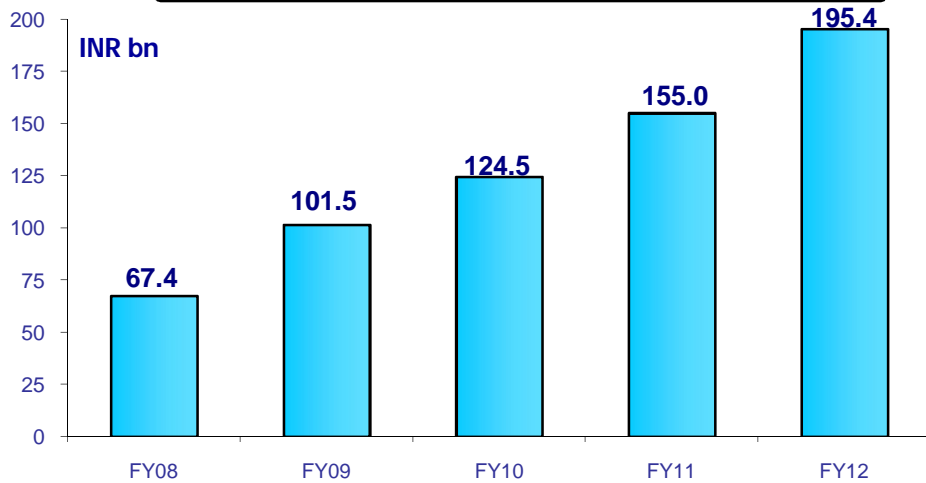


*Represents Idea and its 100% subsidiaries

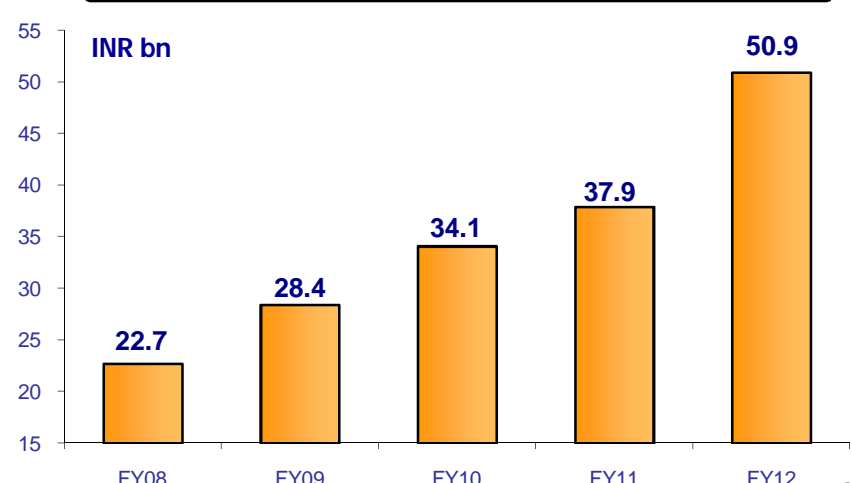
Financial Matrix (Consolidated* - Annual)



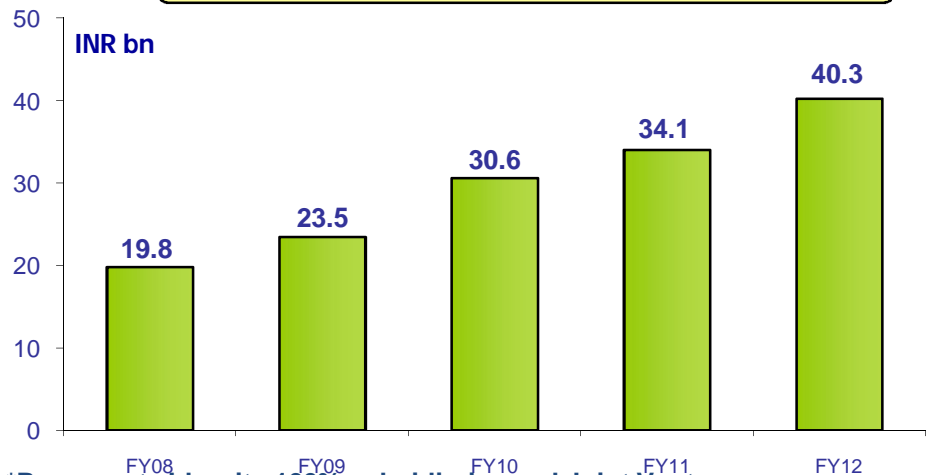
Robust Growth in Top Line



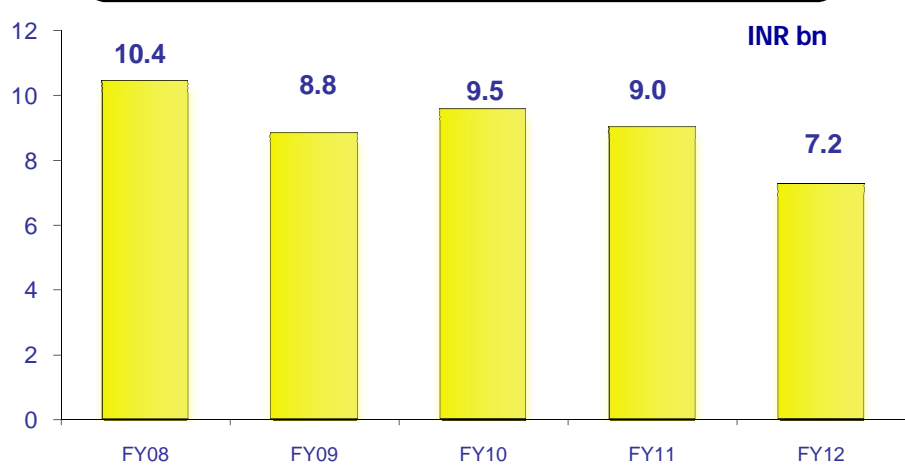
Robust Growth in EBITDA



Robust Growth in Cash Profits



Net Profits



*Represents Idea, its 100% subsidiaries and Joint Ventures



Thank You