Idea Cellular Limited

Investor Presentation

ADITYA BIRLA GROUP

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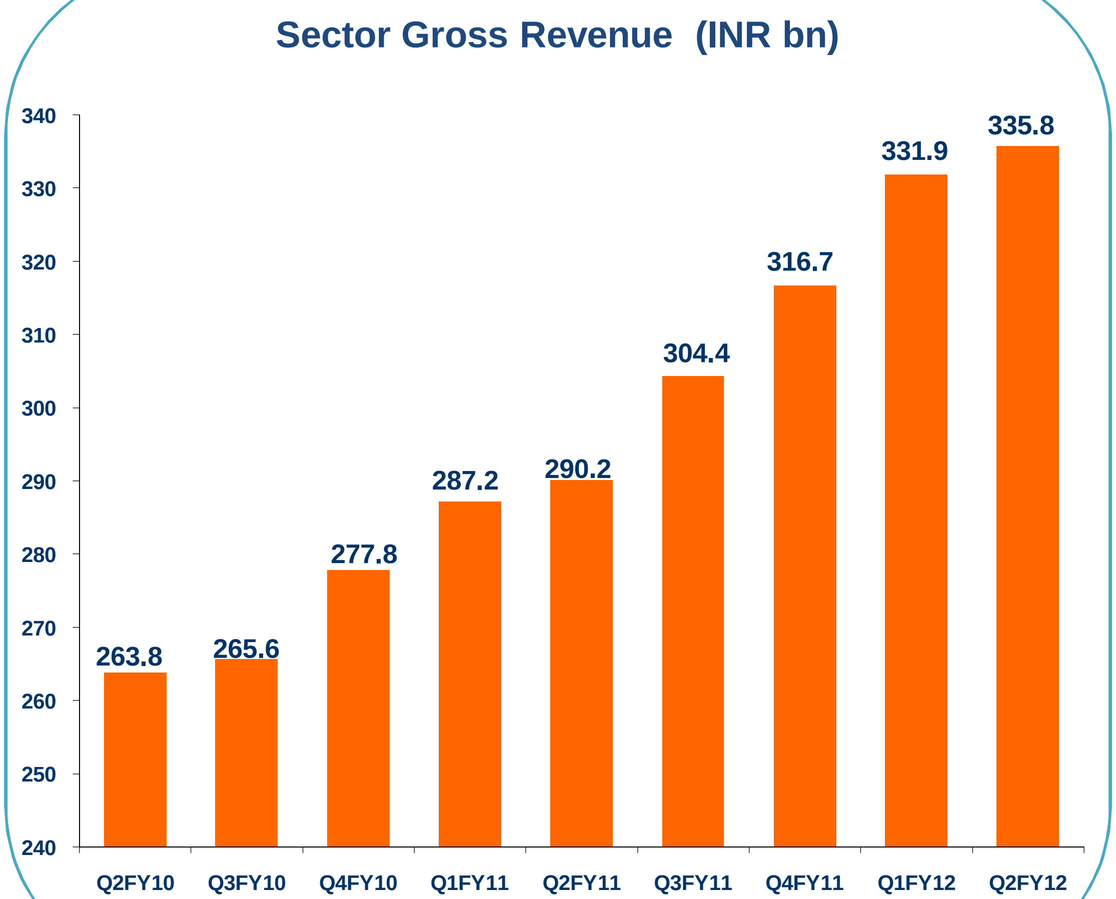
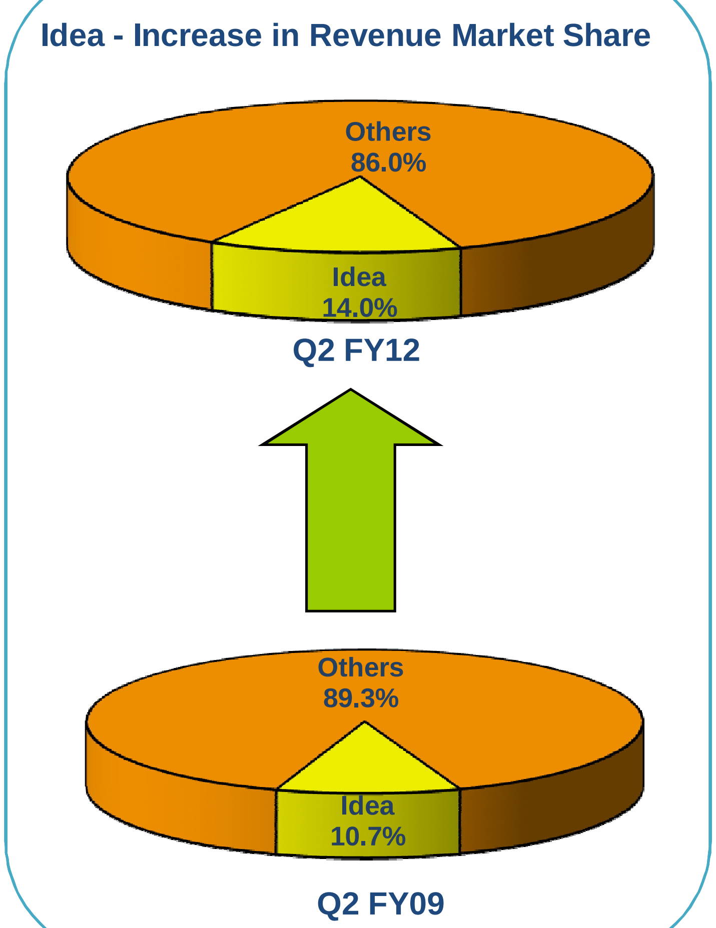
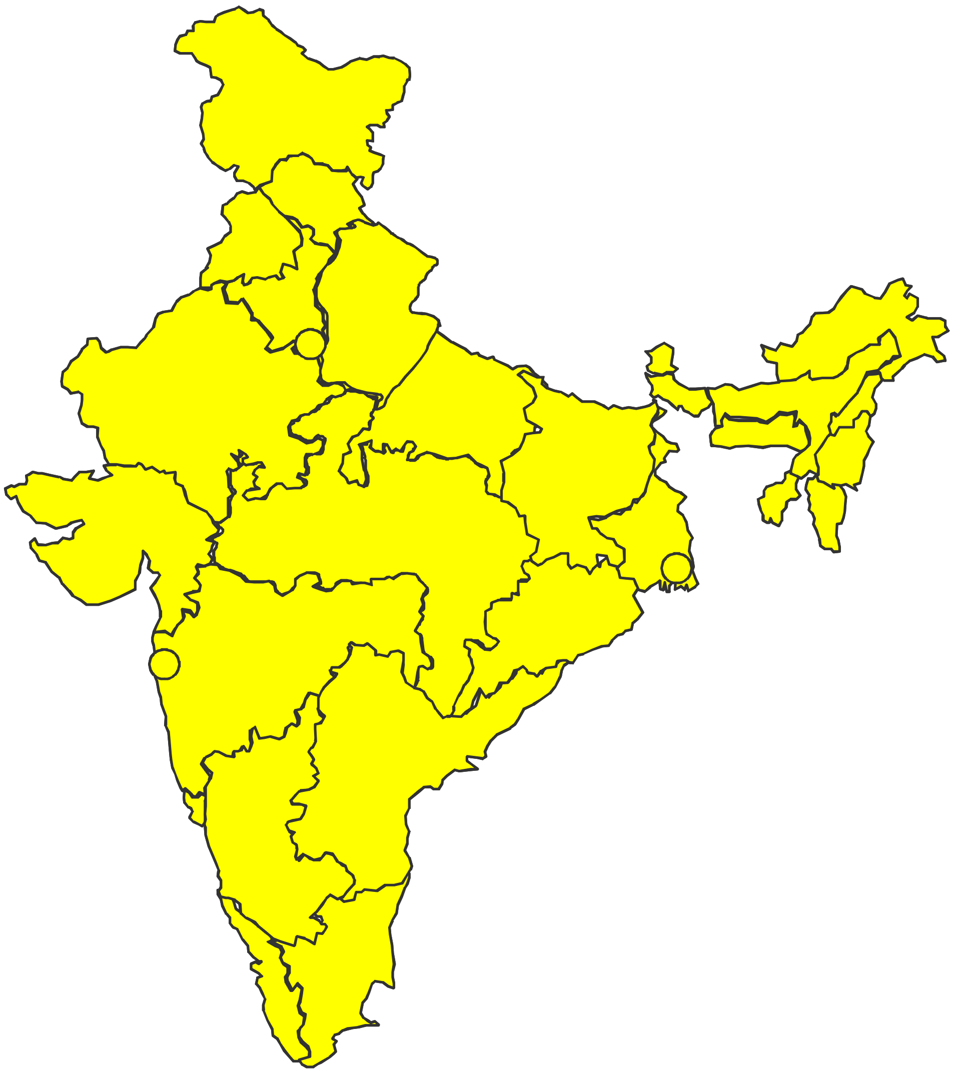
Indian Wireless Sector – Revenue Trend





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

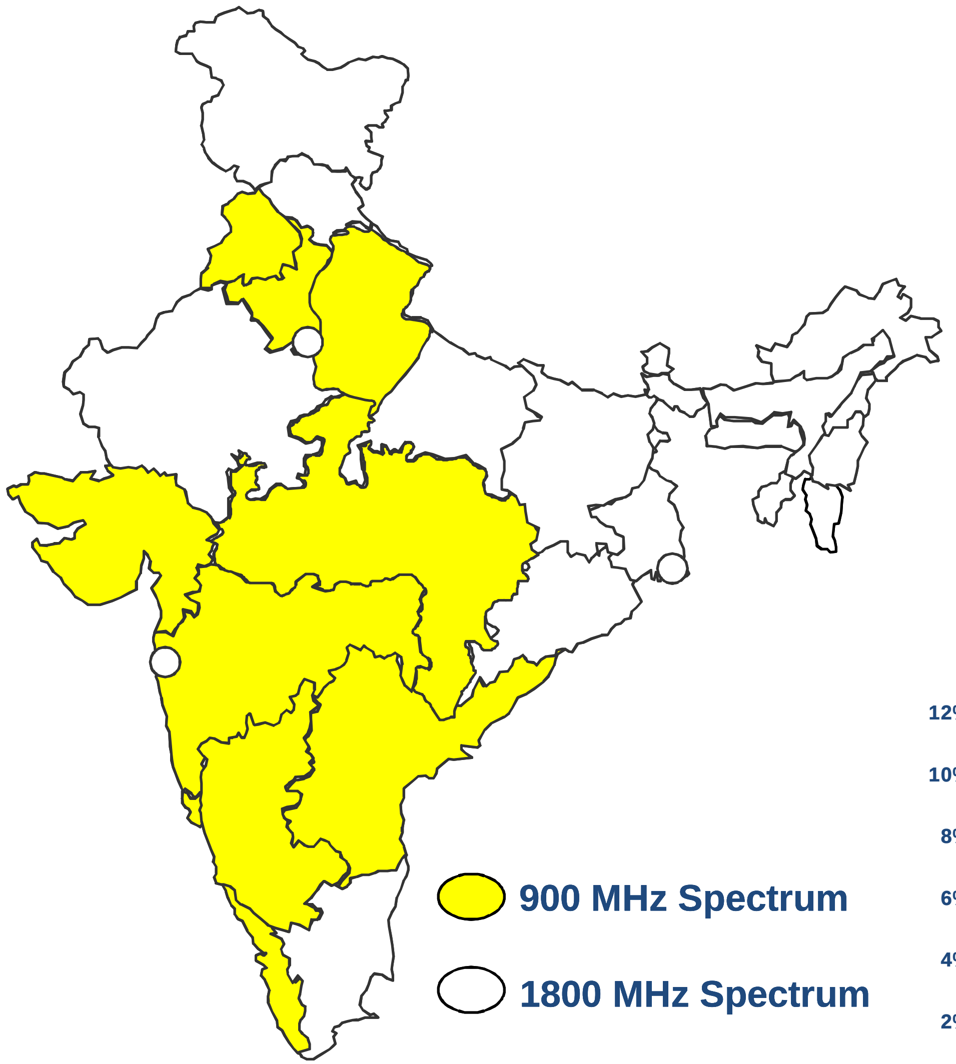
Idea – An Overview



- A pan India 2G service provider
- Won 3G spectrum in 11 service areas
- Third largest operator in India, in terms of Mobility Revenues#
- Minutes on network > 1.15bn per day, placing it among the top 10 operators in the world
- Currently owns ~9,000 towers, besides 11,094 towers transferred to Indus under IRU
- Have over 58,000 km optical fibre cable (OFC) transmission network
- Idea's NLD and ILD capacities, currently carry ~94% of captive outgoing minutes
- Leads the industry, in terms of active subscribers, as more than 91% of reported subscribers are on VLR
- Highest number of Net subscribers additions under Mobile Number Portability

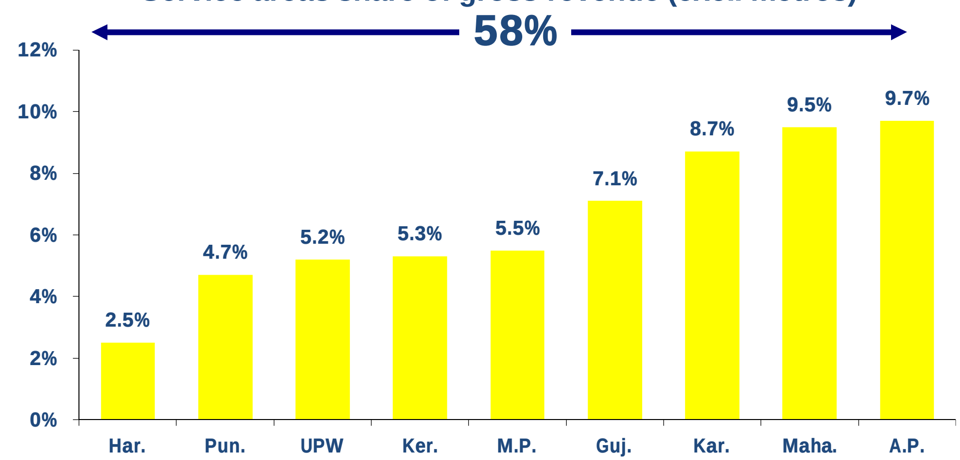
Data released by the TRAI; revenue for UAS and Mobile licenses only

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 ~74% of Idea's revenue
  - ~ 58% of national revenue base (excl. metros*)
- Idea's spectrum profile is very attractive across all private operators

Service areas share of gross revenue (excl. metros)

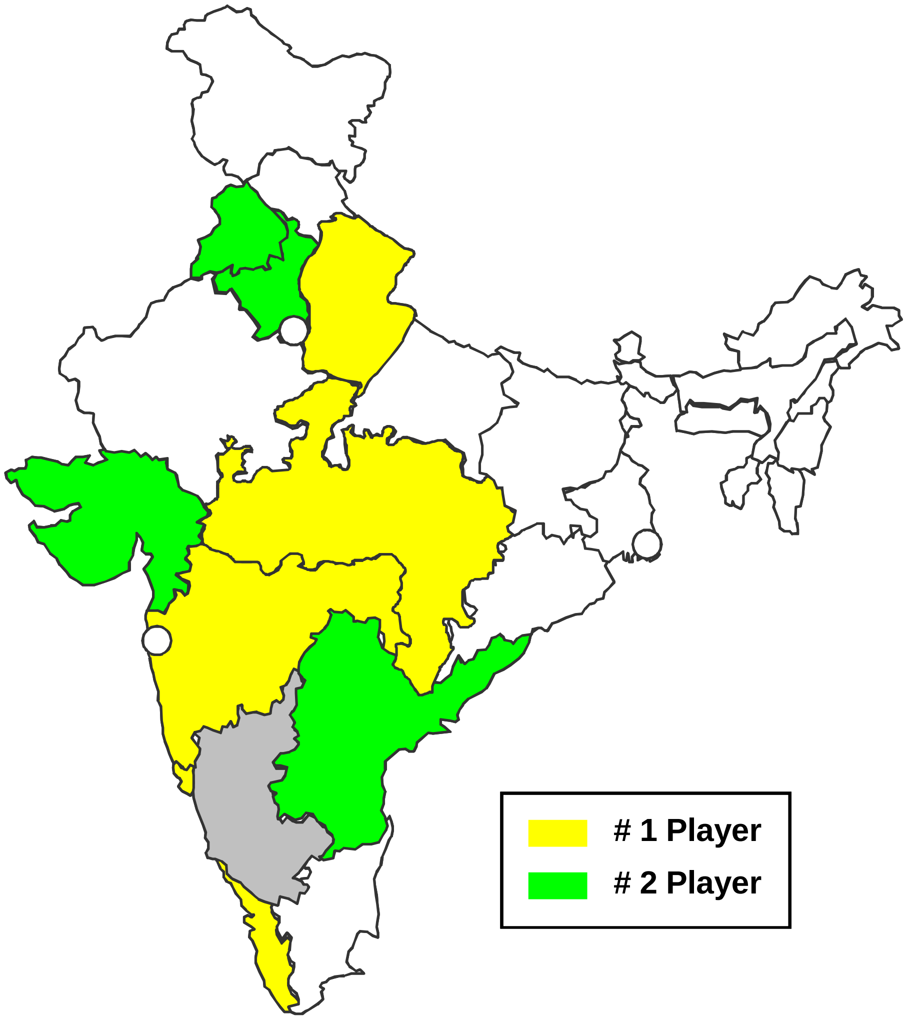


Source: Data released by the TRAI for Q2FY12 quarter, revenue for UAS and Mobile licenses only

*Metros as Mumbai, Delhi and Kolkata

Competitiveness Lever 2 - Scale within Service Area

Idea



Service Area (900 MHz)	Revenue Mkt Share [1] (RMS)	Rank [2]
Kerala	32.0%	1
M.P.	30.9%	1
Maharashtra	28.1%	1
UP (W)	28.1%	1
Haryana	21.8%	2
Punjab	19.6%	2
Gujarat	17.4%	2
A.P.	17.3%	2
Karnataka	8.6%	4
Total	**21.7%**	**2**

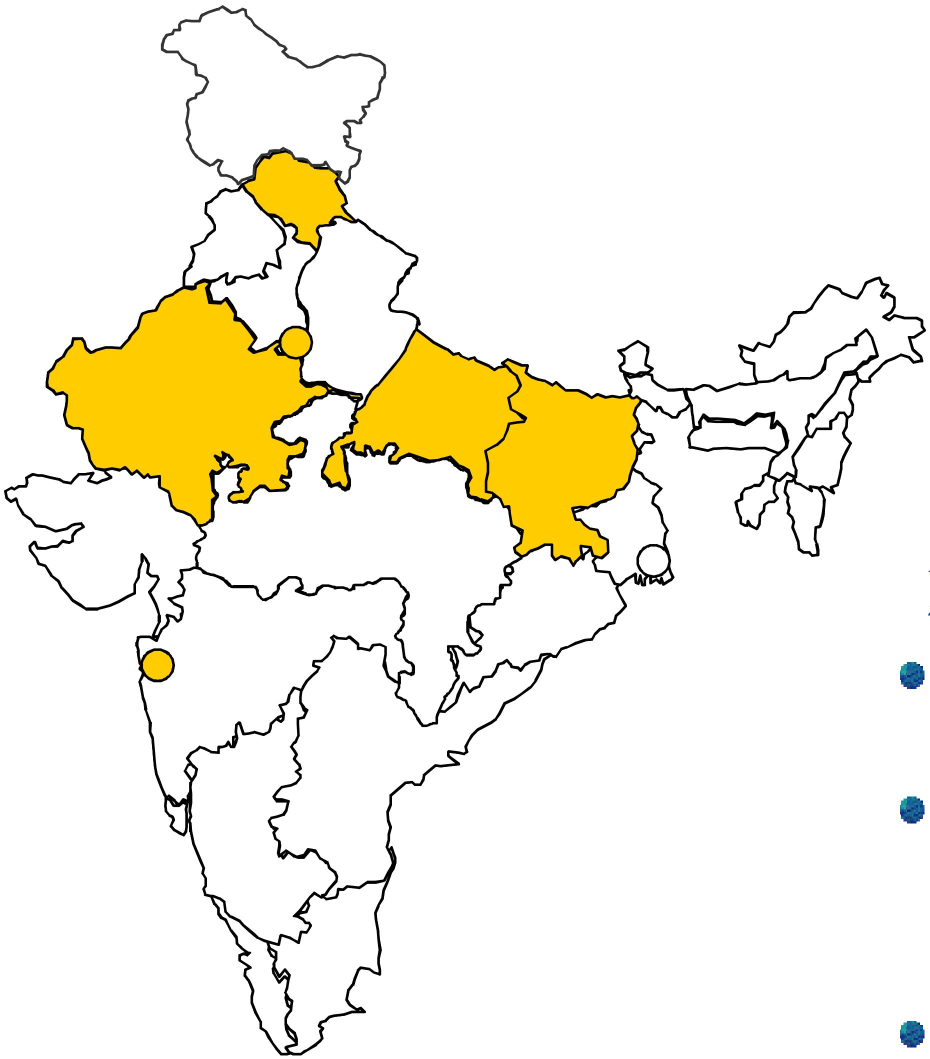
[1] Based on gross revenue for Q2FY12, as released by TRAI

[2] Based on revenue market share

In 9 service areas, comprising ~ 48% of national revenue market & ~74% 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



Service Area	Revenue Mkt Share [1] (RMS)	Rank [2]
UPE	11.8%	3
Rajasthan	10.3%	3
Delhi	10.3%	4
Bihar	8.9%	4
H.P.	7.6%	5
Mumbai	7.2%	6
Total	**9.6%**	**4**

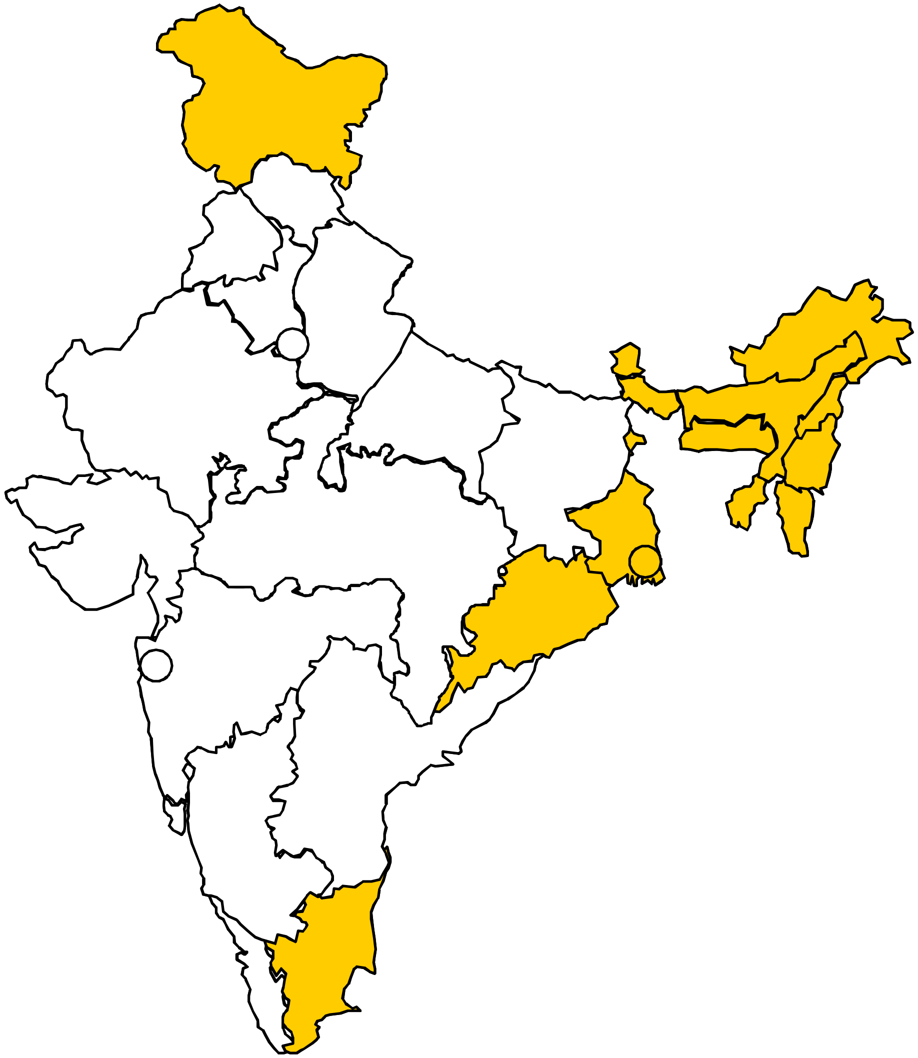
[1]Based on gross revenue for Q2FY12 as released by TRAI

[2]Based on revenue market share

- **These service areas cover ~32% of all India revenue and ~22% of Idea's revenue**
- **Idea has increased its combined RMS from 6.4% in Q2FY10 to 9.6% in Q2FY12, improving its position from 6th to 4th ranked operator, in these service areas**
- **With continuous improvement in RMS, Idea is emerging stronger**

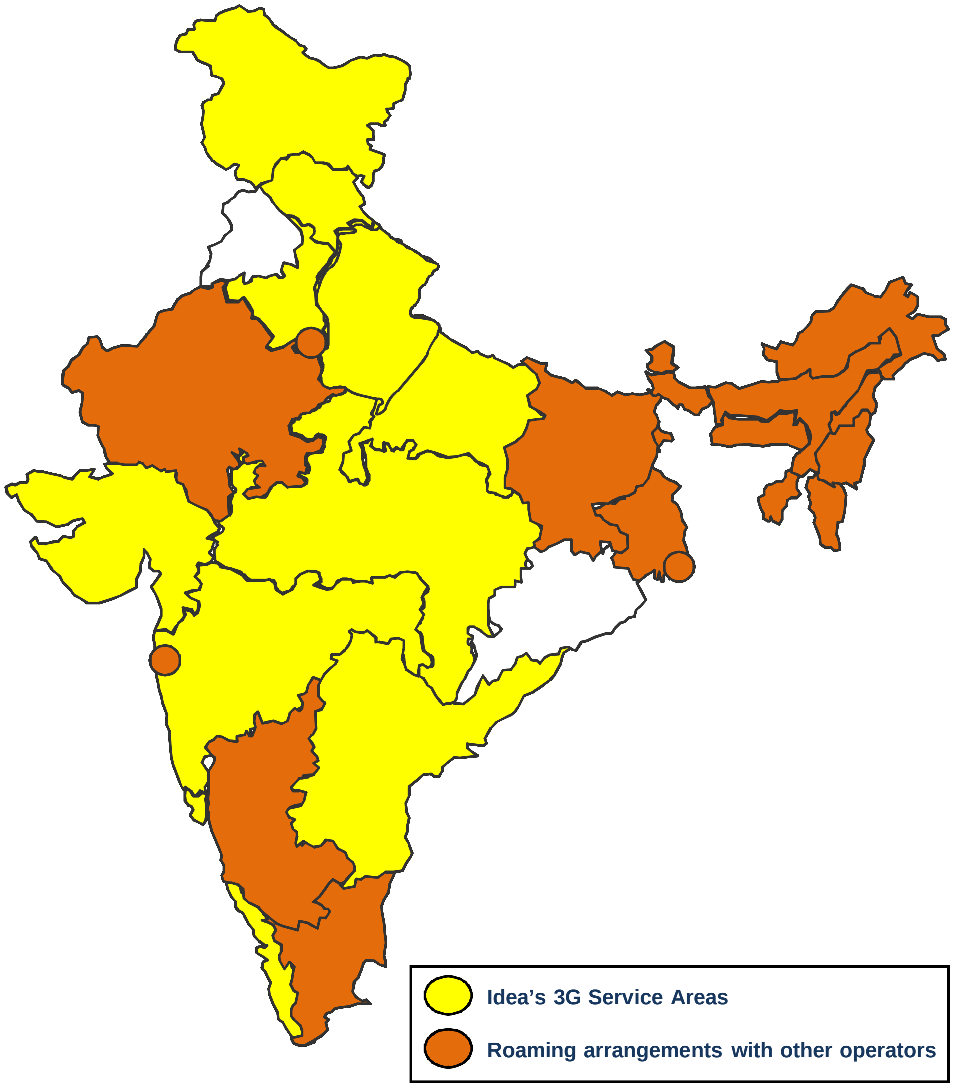
1800 MHz Operations (7 New Service Areas)

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
- Combined RMS of 2.6% in Q2FY12, potential for future growth

3G Footprint



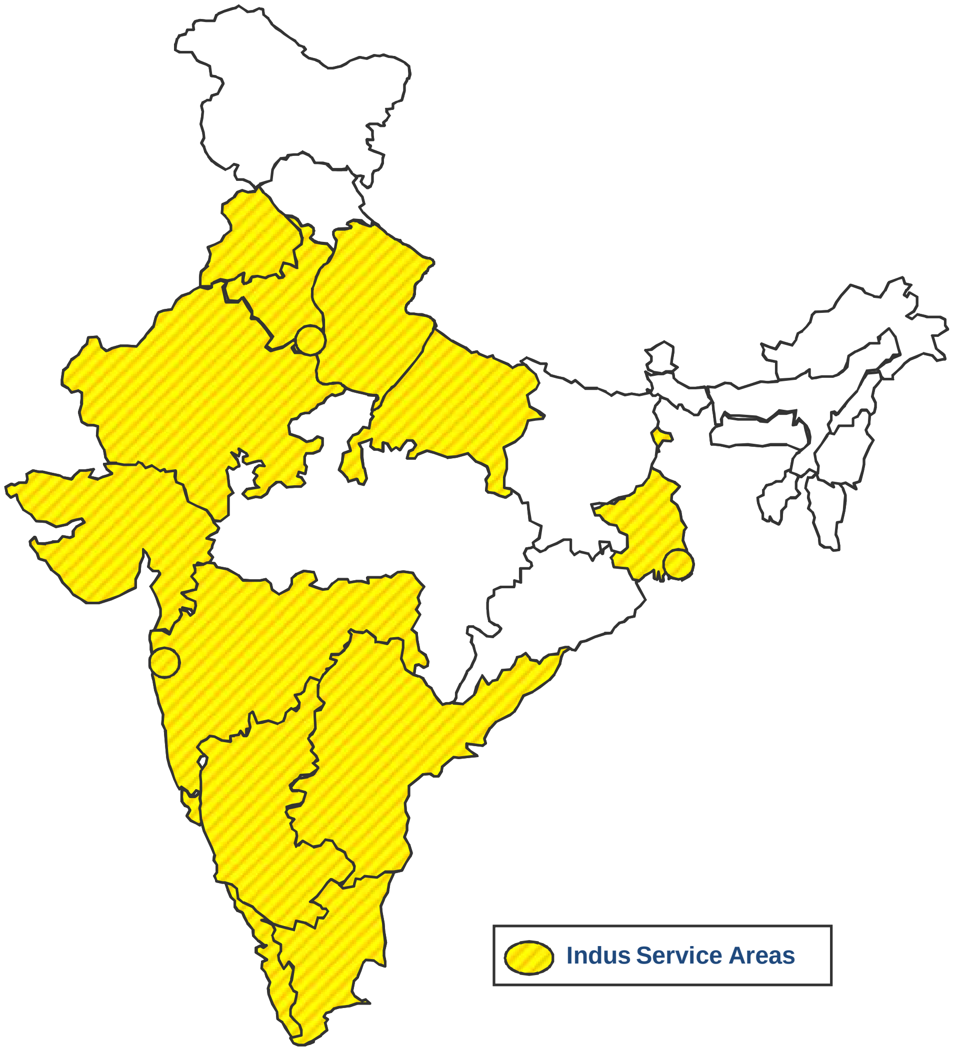
- Idea launched 3G services in 10 service areas, out of 11 service areas where it won 3G spectrum
- Around 9,750 3G sites in these service areas (Sep'11)
- Launched 3G services under roaming arrangements for the service areas of Mumbai, Bihar, Karnataka, Rajasthan, West Bengal, Delhi, Kolkata, Tamil Nadu (incl. Chennai), Assam and North East
- With these arrangements Idea currently offers 3G services in 20 service areas
- Committed to offer 3G services in 3,000 towns by end of this financial year

Idea – Long Term Shareholder Value

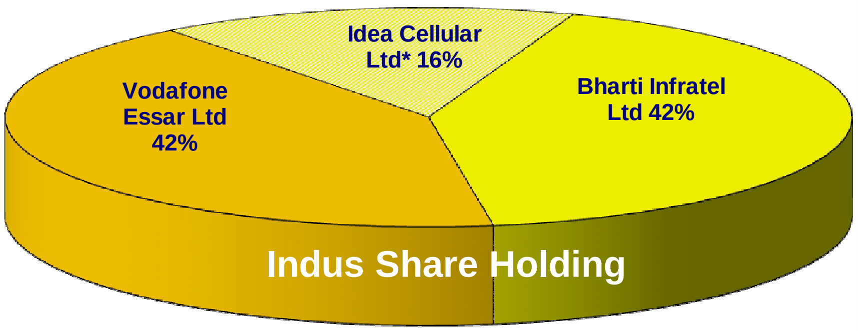
Idea

900 MHz (9 Service Areas)	1800 MHz (13 Service Areas)	3G Value Drivers
Cover ~48% of national revenue market Strong position in these service areas 900 MHz spectrum accompanied by early mover advantage 900 MHz spectrum provides capex and opex advantage	Pan India Footprint Leverage synergies of scale and footprint Emerging Stronger in 6 service areas of UP(E), Rajasthan, Delhi, Bihar, H.P. and Mumbai Focus on operational & financial goals, not league tables in 7 New service areas Calibrated Capex with infra sharing	<u>Market power to drive new business:</u> Ranked #1 or #2, in 7 out of 11 service areas, where it won 3G spectrum <u>Roaming arrangements:</u> Ability to provide 3G service in almost all parts of India <u>Other value</u>: Besides enhanced data performance, High 2G spectrum utilisation makes the 3G spectrum also valuable for voice
Leverage spectrum and scale to enhance leadership	**Sustainable and profitable growth**	**Best placed to exploit 3G**

The Indus Advantage



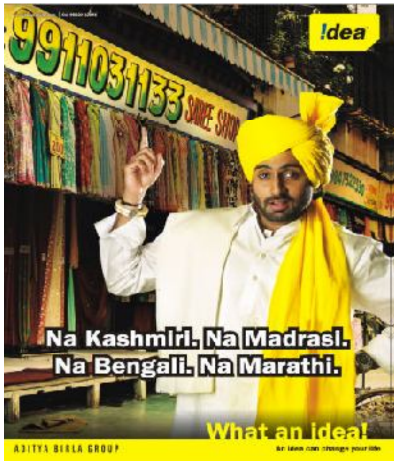
- Provides passive infrastructure services in 15 service areas
- Largest independent tower company in the world with over 109,000 towers
- Indus benefits from assured tenancy from promoters (combined revenue market share of ~66%*), apart from other operators
- Idea benefits by reduced capex, speed to market, and embedded value of shareholding

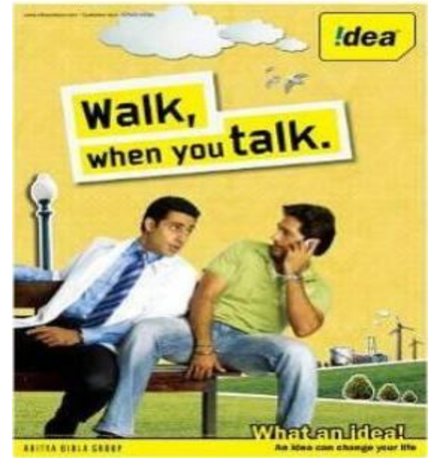


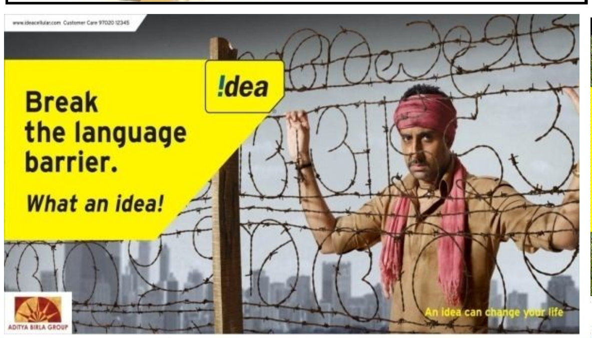
*through Aditya Birla Telecom Ltd.

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

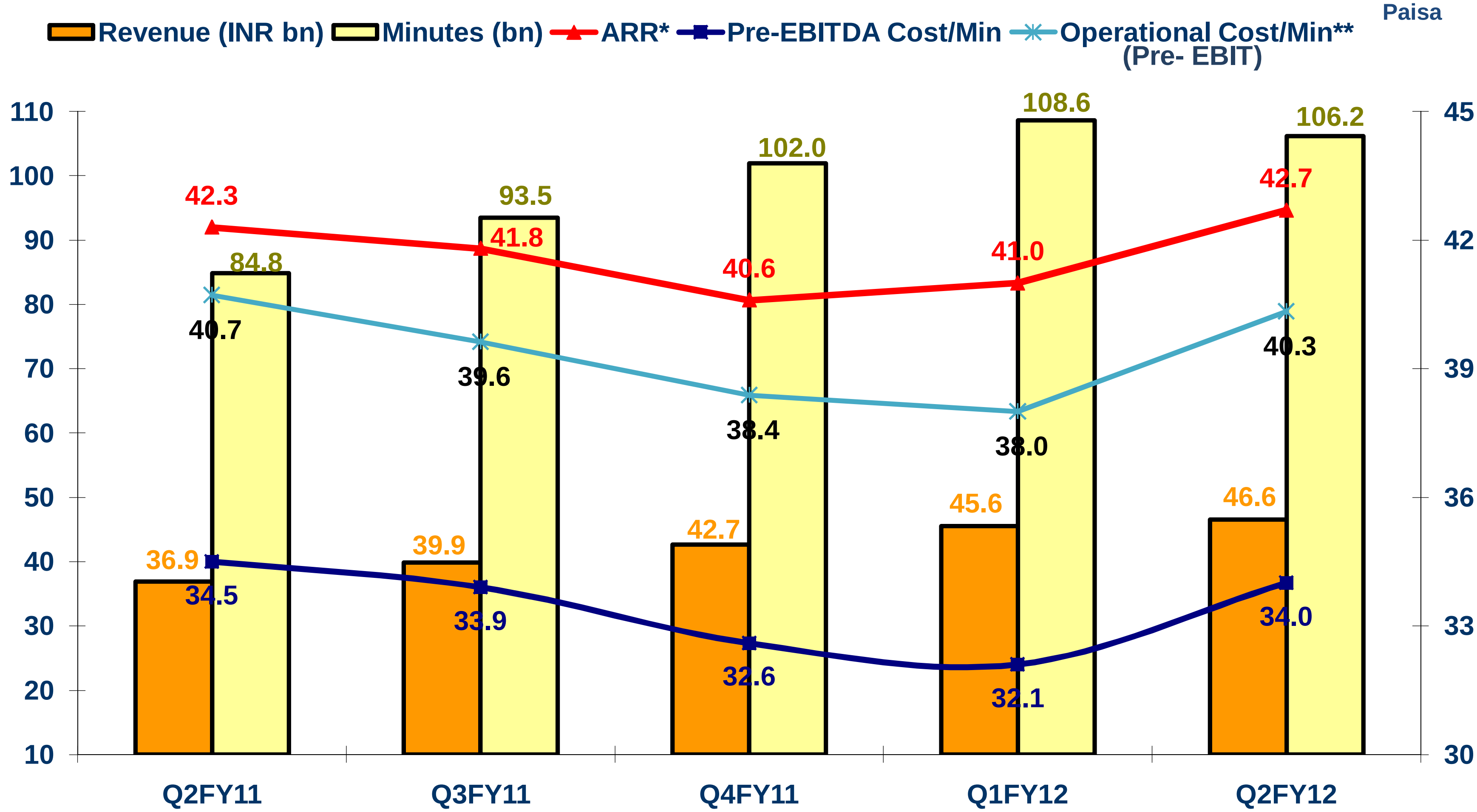
Idea – A Power Brand







World Class Operations and Cost Management



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

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

Strong Balance Sheet to Support Strategic Intent

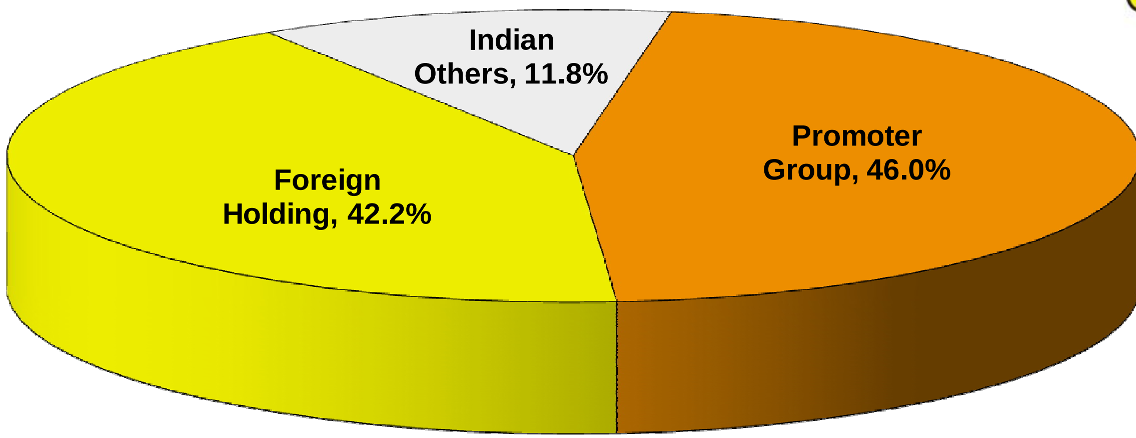
INR bn	Q2 FY09	Q2 FY10	Q2 FY11#	Q2 FY12#
Balance Sheet*				
Gross debt	98.9	59.2	97.5	113.0
Cash & Cash equivalent	67.1	23.1	5.0	1.0
Net Debt	31.9	36.0	92.5	112.0
Net Worth	112.3	139.0	117.8	125.2
Cash Profit[1]	4.7	7.1	7.0	7.9
Financial Ratios[1]				
Net Debt to Net Worth	0.28	0.26	0.79	0.89
Net Debt to Annualised EBITDA	1.32	1.23	3.04	2.68
ROCE	9.1%	7.7%	4.7%	5.2%

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

#Post payment for 3G spectrum fee

Shareholding

As on 30th Sep'11



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%

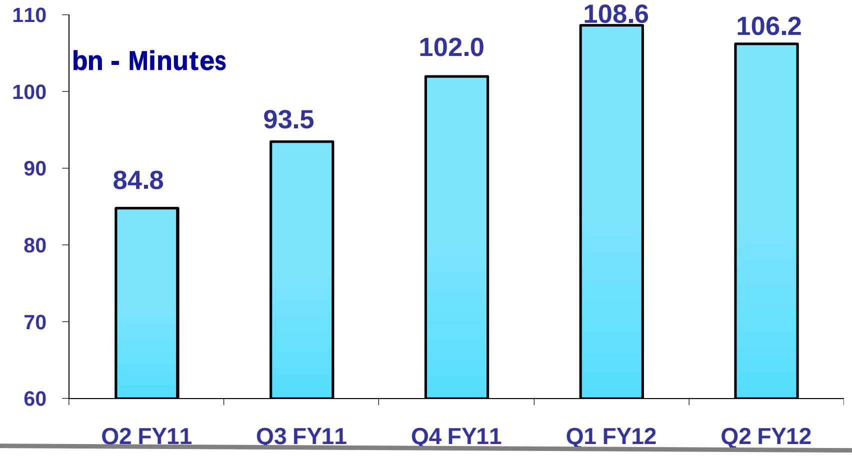
TOP 5 SHAREHOLDERS

TMI MAURITIUS	14.1%
P5 ASIA INVESTMENTS (MAURITIUS)	10.0%
AXIATA INVESTMENTS 2 (INDIA) LTD.	5.9%
THE RBS PLC AS DEP. OF FIRST STATE	1.7%
LIC OF INDIA MONEY PLUS	1.3%

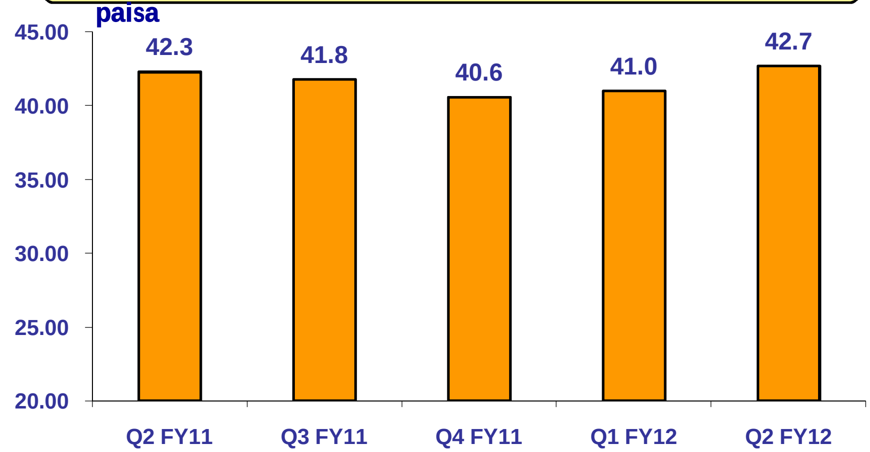
Appendix

Key Trends (Quarterly)

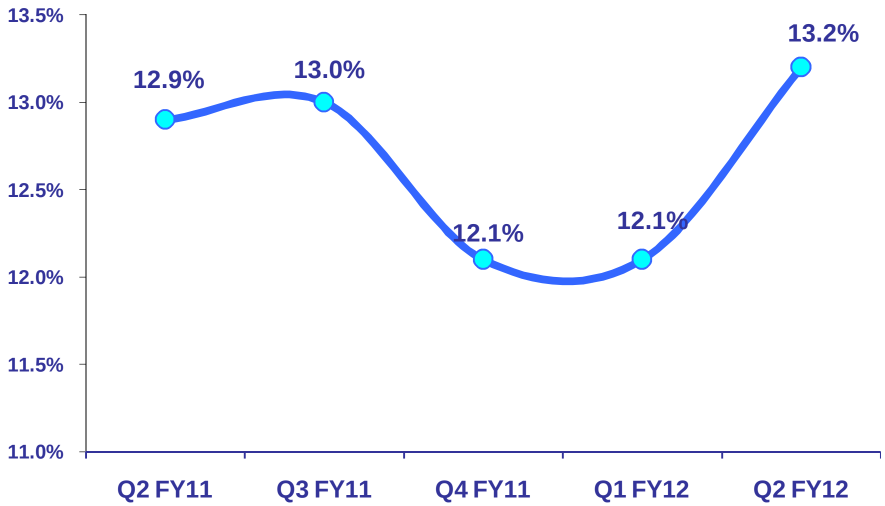
Minutes of use on Network (QoQ)



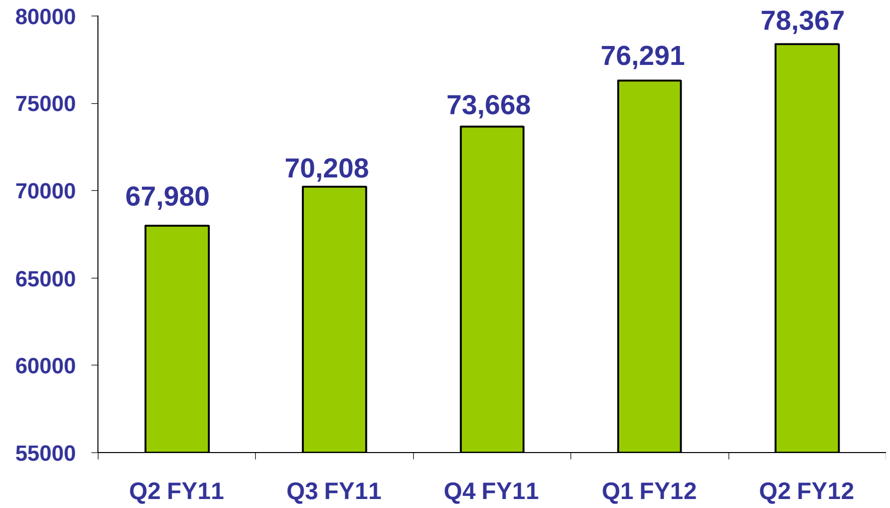
Realized rate per minute



VAS as a % of Revenue

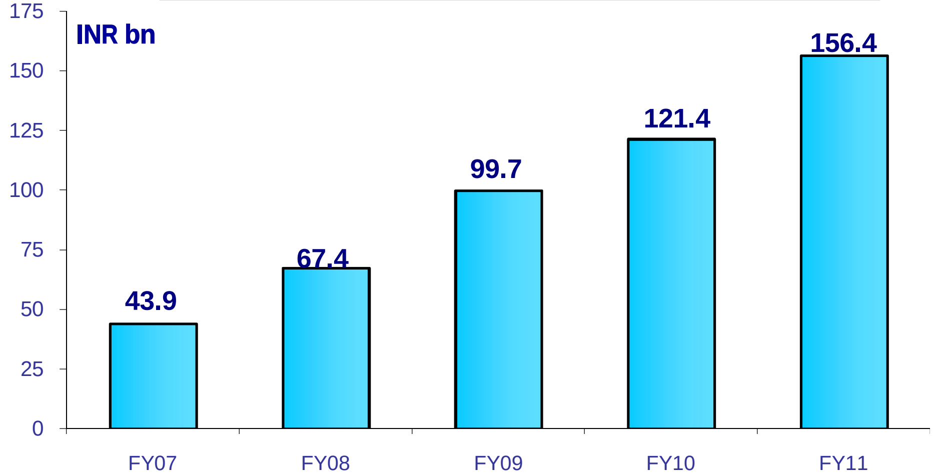


2G - Cell Sites

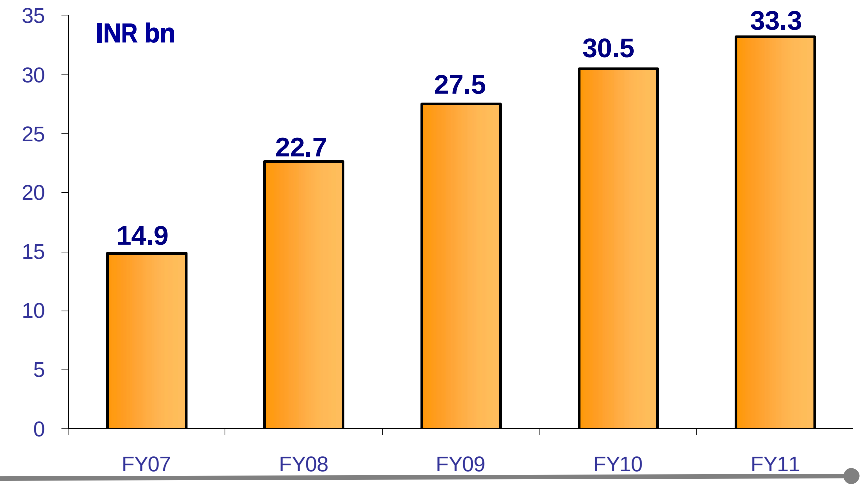


Financial Matrix (Standalone*- Annual)

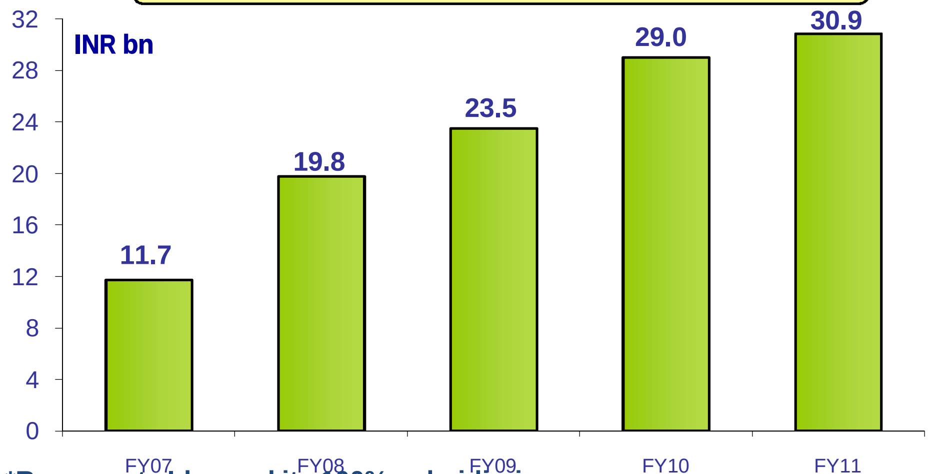
Robust Growth in Top Line



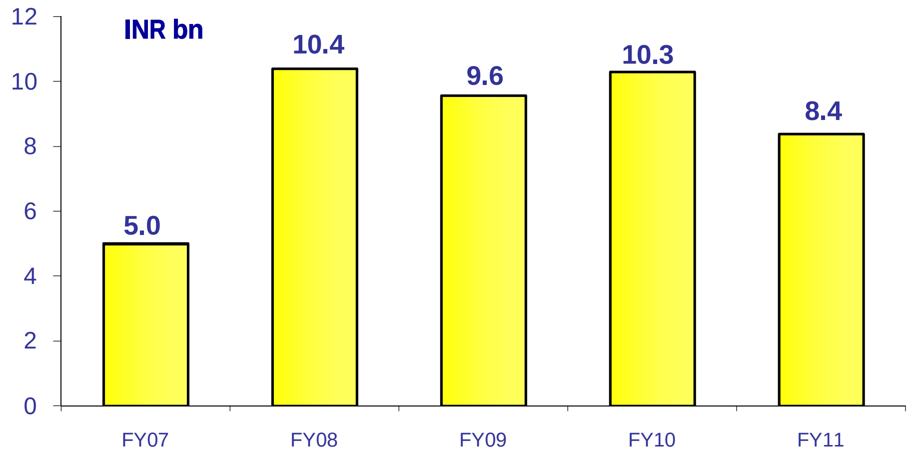
Robust Growth in EBITDA



Robust Growth in Cash Profits



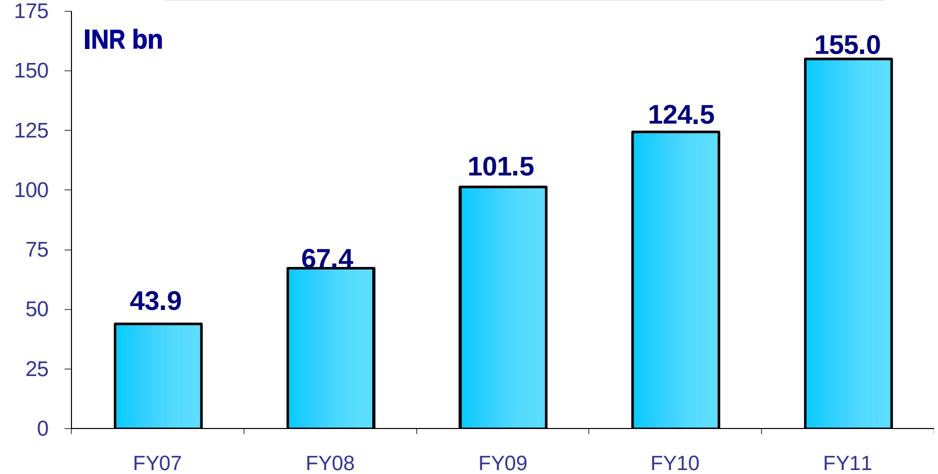
Stable Net Profits



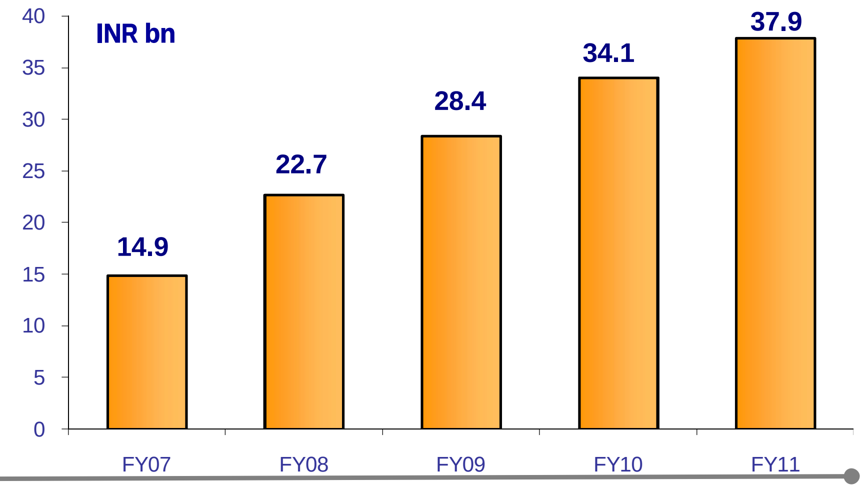
*Represents Idea and its 100% subsidiaries

Financial Matrix (Consolidated*- Annual)

Robust Growth in Top Line



Robust Growth in EBITDA



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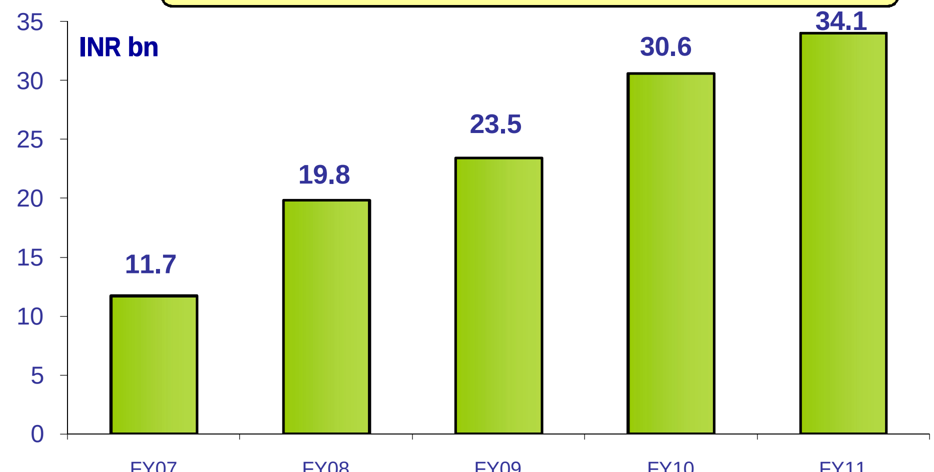

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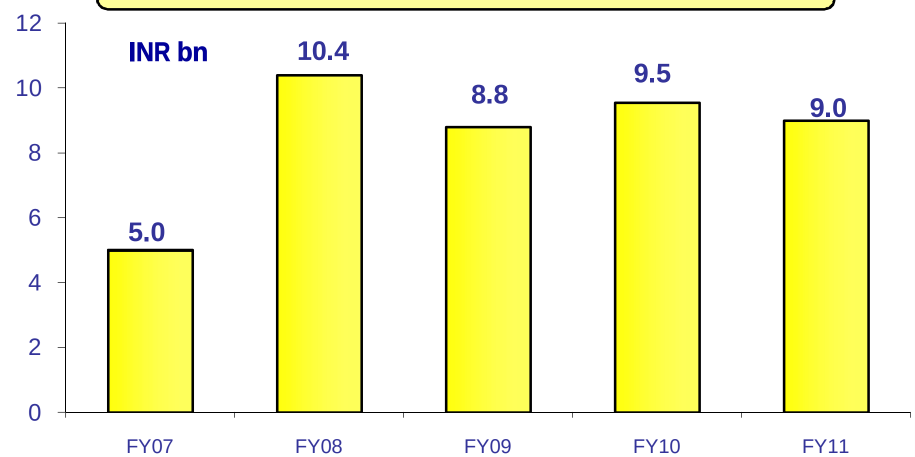

*Represents Idea, its 100% subsidiaries and Joint Ventures

Thank You