



Idea Cellular Limited

Investor Presentation

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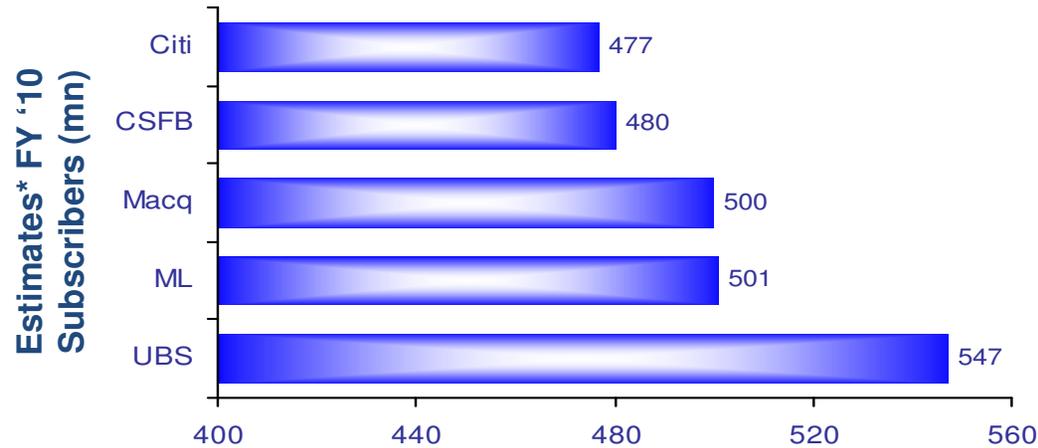
This presentation contains certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects, and future developments in our industry and our competitive and regulatory 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.

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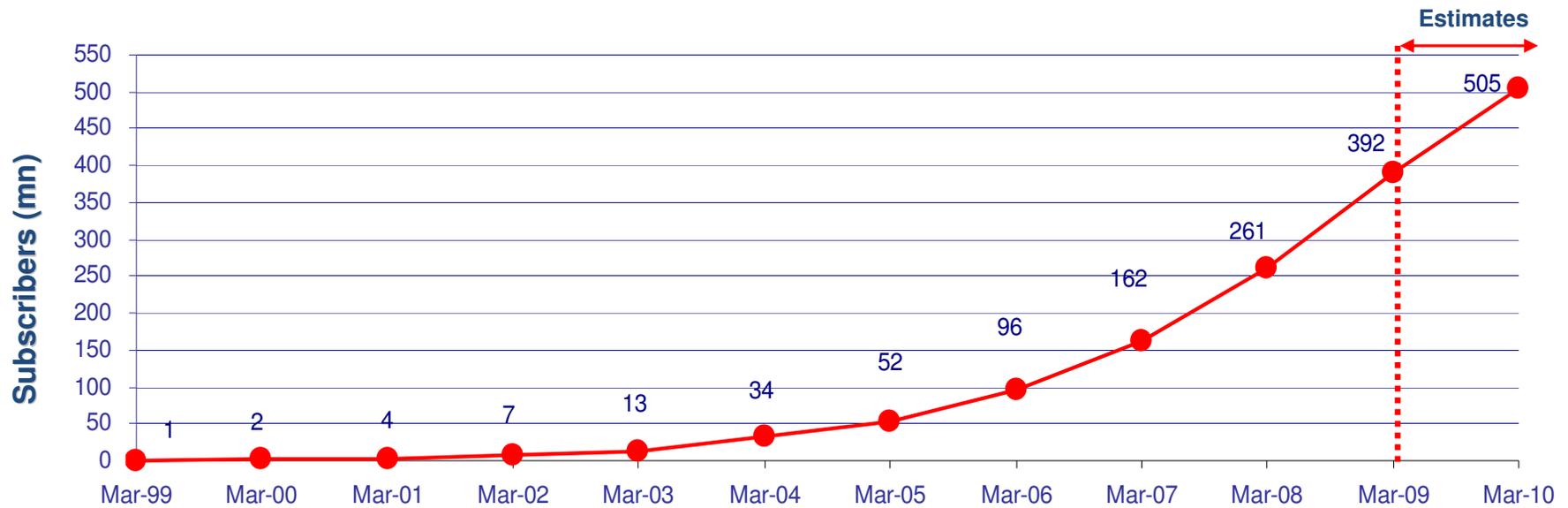
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Indian Wireless – Fastest Growing



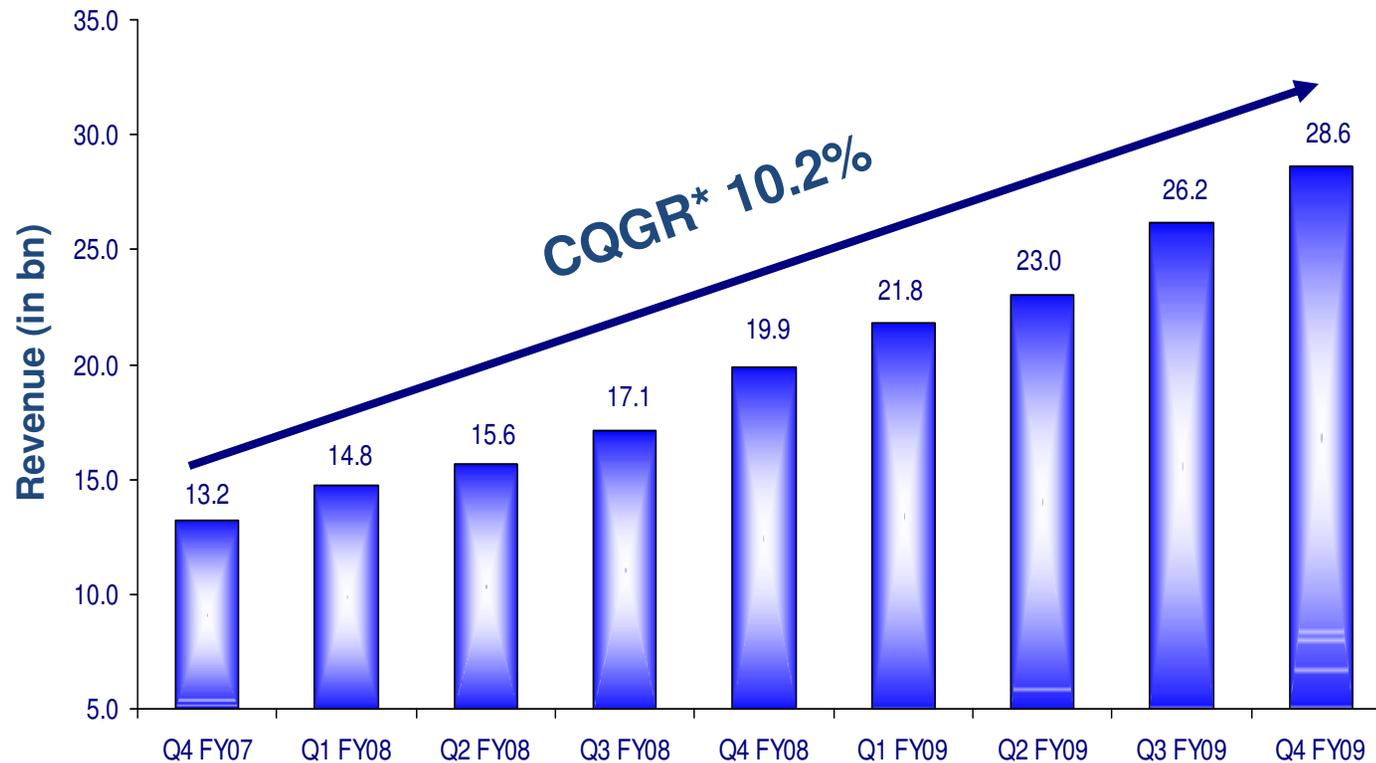
Drivers

- ↓ Cost of Service
- ↓ Cost of Handset
- ↑ Network Coverage
- ↑ Disposable Income



* estimates by research houses (as of 20th April'09)

Idea – Fastest Growing in India

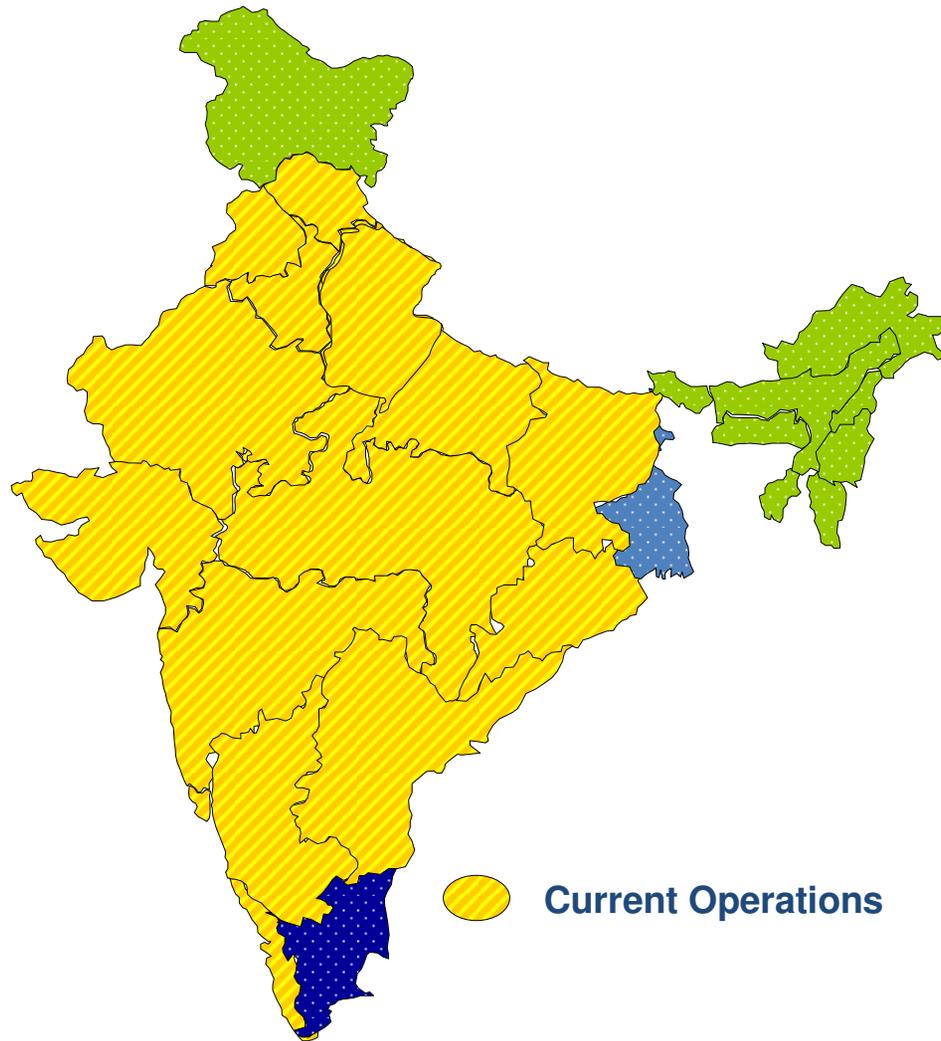


- Back to back YoY revenue growth of 48% and 54%
- Indicative of Idea's strengthening market position
- Idea – the fastest growing major telco in the world's fastest growing major market

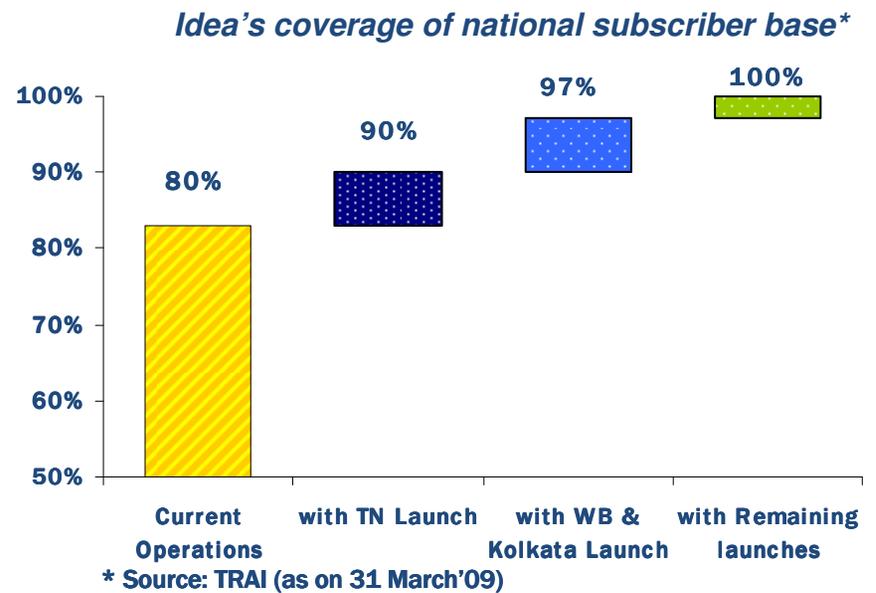
figures only for Idea, excluding joint ventures

* CQGR base Q4FY07

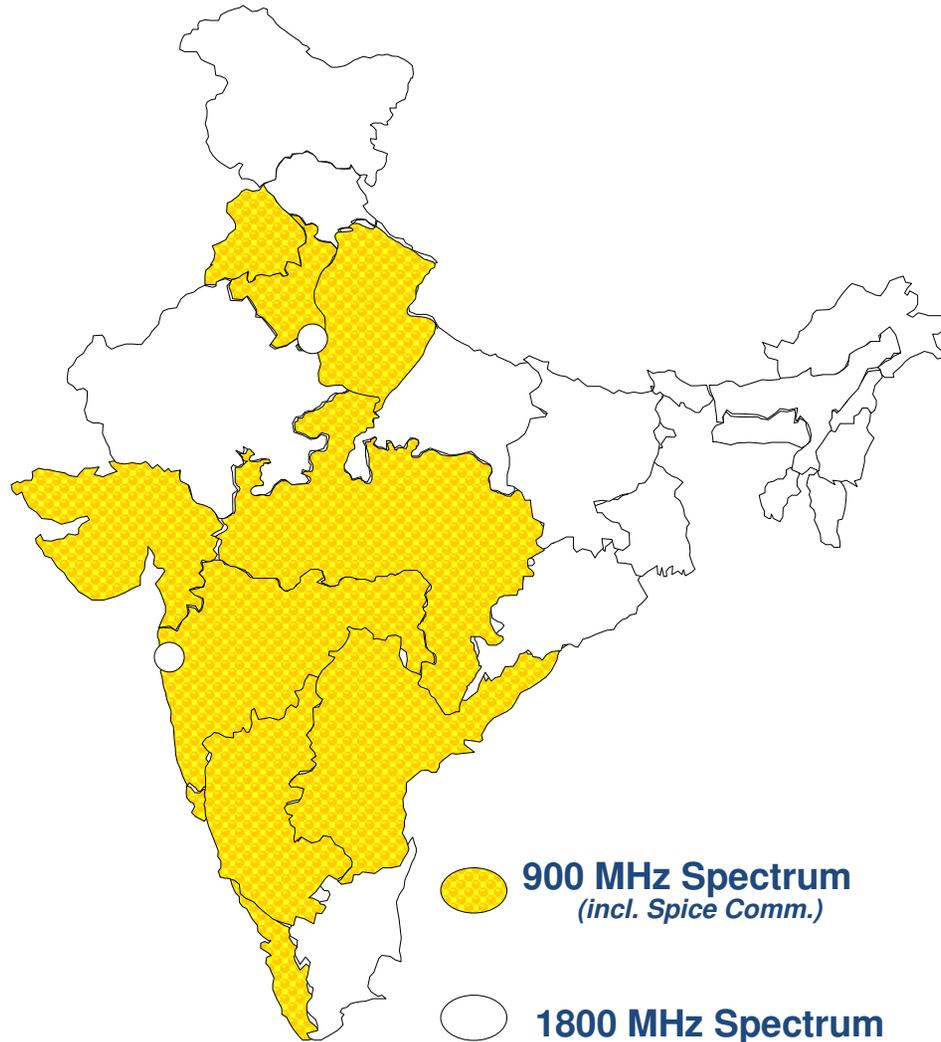
Idea – An Overview



- Operates in 16 service areas (incl. Spice)
- 43.02 mn subscribers as on Mar'09
- Operating service areas cover ~ 80% of national subscriber base
- With Orissa launched April'09, Tamil Nadu by Jun'09 quarter, and remaining before Dec'09, Idea will have pan-India operations

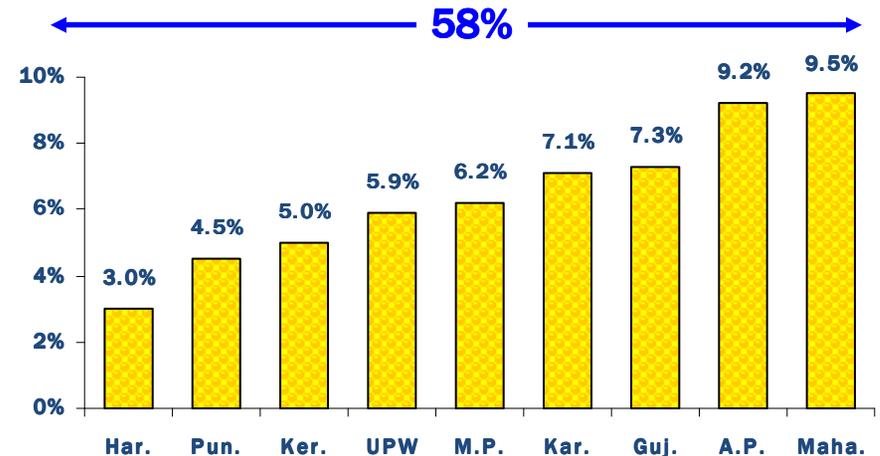


Competitiveness Lever 1 = Spectrum



- 900 MHz spectrum band provides capex/opex advantage, compared to 1800 MHz
- 900 MHz spectrum usually accompanied by early mover advantage
- Idea holds 900 MHz spectrum in 9 service areas
 - ~ 50% of national subs base (total)
 - ~ 58% of national subs base (excl. 4 metros)
- Idea's spectrum profile is very attractive across all private operators

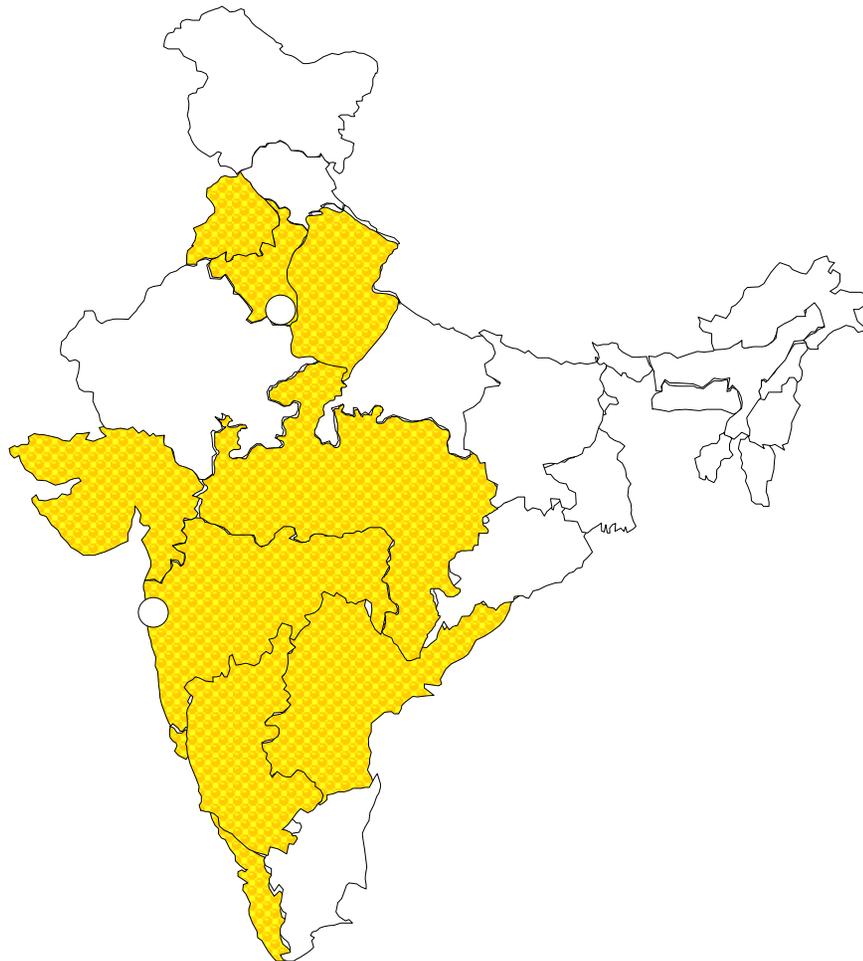
Service areas share of national subs base (excl. metros)*



* Source: TRAI (as on 31 March'09)

Competitiveness Lever 2 = Scale

Ranks 2nd in 900 MHz Service Areas



Service Area (900 MHz)	Idea - Subs Mkt share*	Rank
Kerala	26.7%	1
M.P.	24.4%	1
Maharashtra	23.9%	1
UP (W)	21.0%	2
A.P	16.6%	3
Gujarat	16.3%	4
Haryana	16.0%	4
Punjab [#]	16.7%	3
Karnataka [#]	7.0%	5
Total	18.7%	2

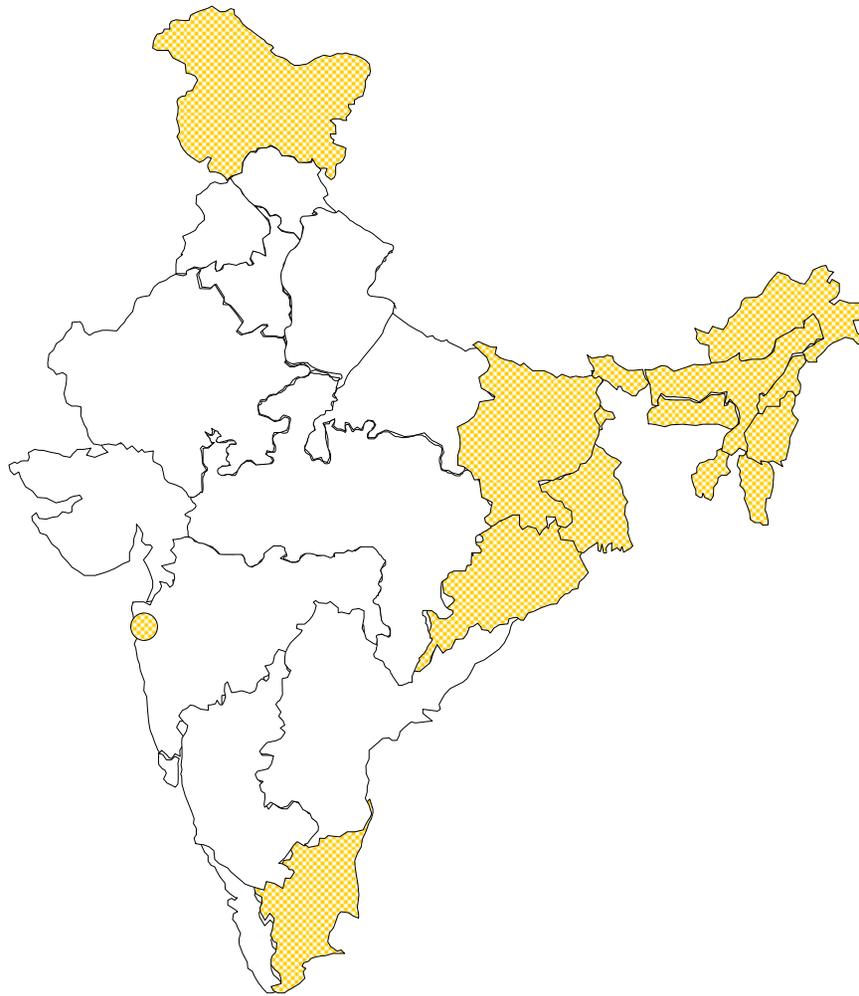
* Source: TRAI (as on 31 Mar '09)

[#] Spice Comm. service areas – new in Idea fold

In 9 service areas, comprising ~ 50% of national market, Idea's competitiveness is intrinsically strong based on a) quality of spectrum and b) scale of operations

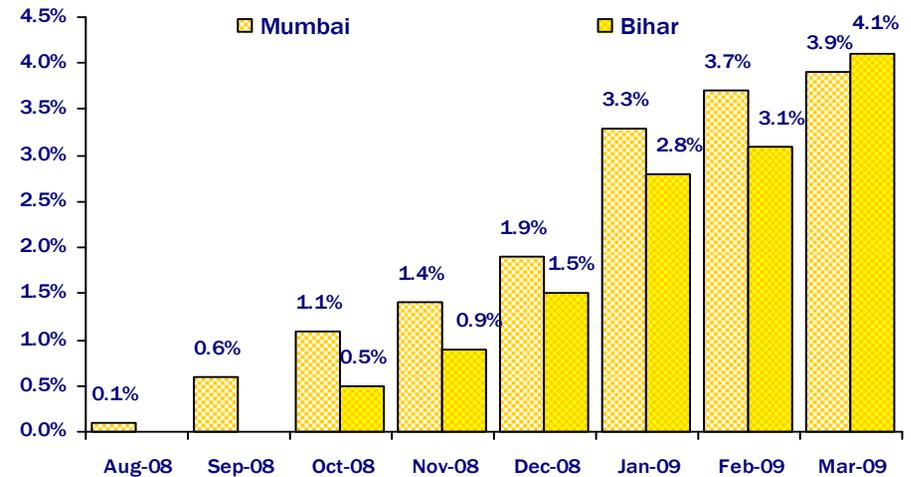
1800 MHz New Launches

Focus On Optimisation, Not Maximisation



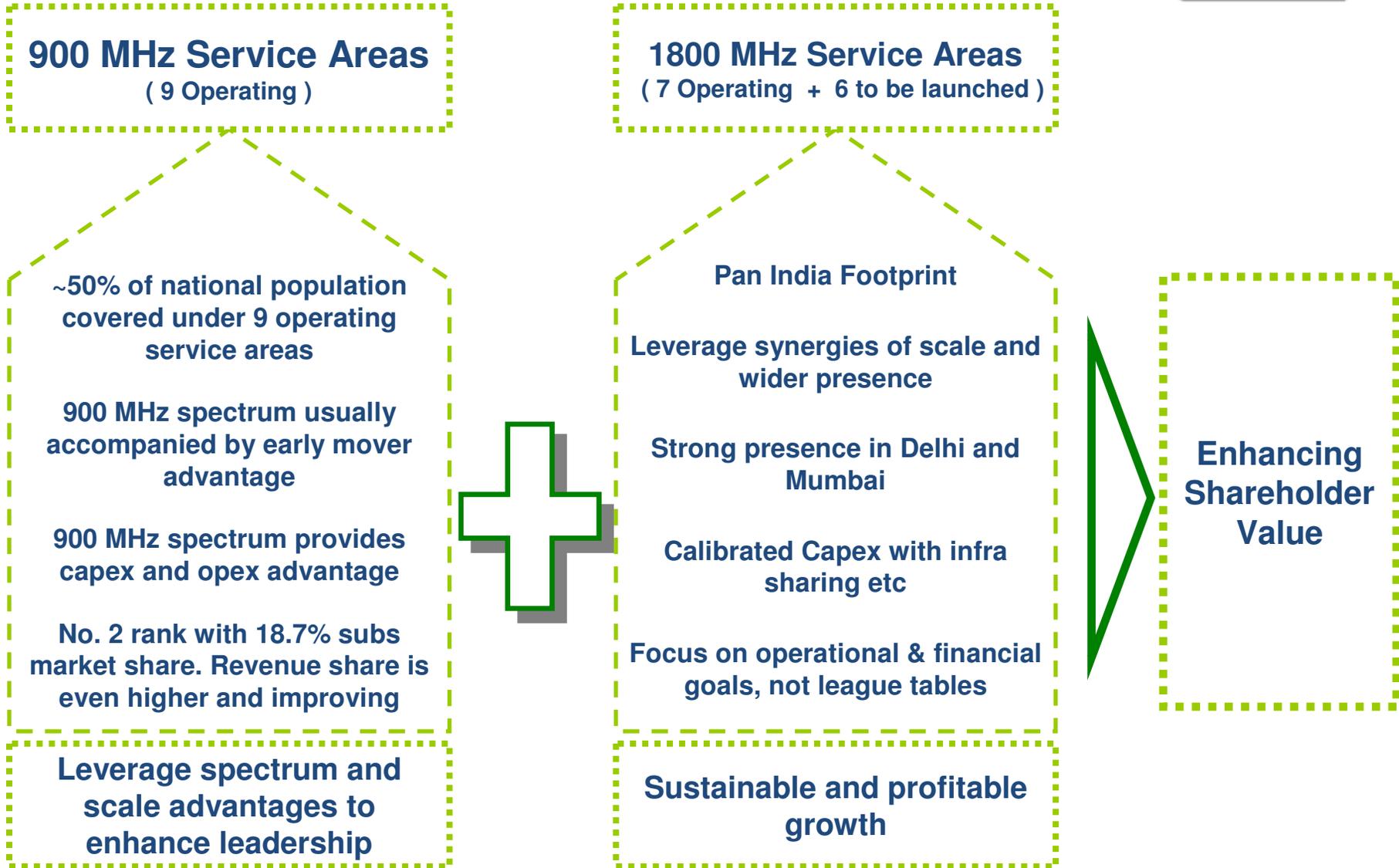
- Mumbai launch Aug'08, Bihar Oct'08, Orissa Apr'09, Tamil Nadu launch by Jun'09 and West Bengal, Kolkata, Assam, North East and J&K by Dec'09
- Leverage synergies of pan India operations i.e. roaming, NLD, ad spend, common network elements, etc.
- Infra sharing to reduce capex, and time to market
- Focus on operational and financial goals, not league tables

Market share movement for Mumbai and Bihar

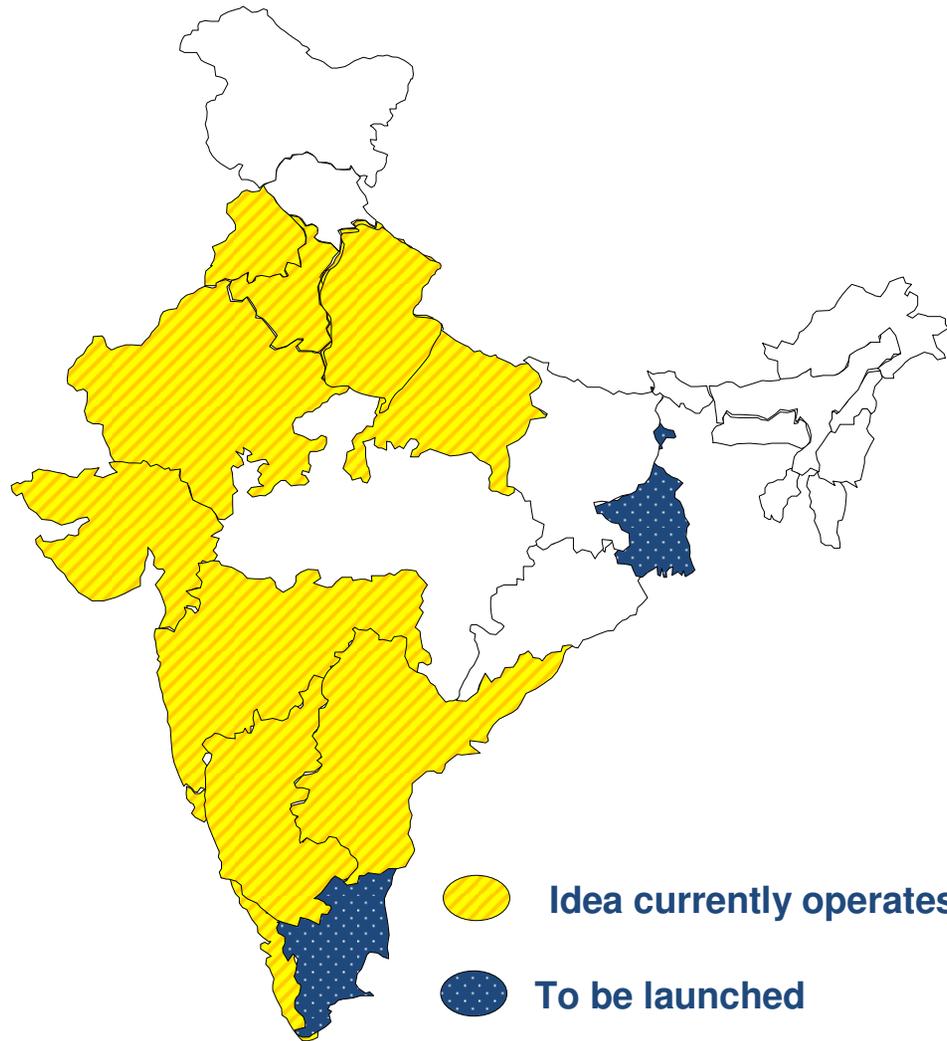


*Source: TRAI (as on 31 March'09)

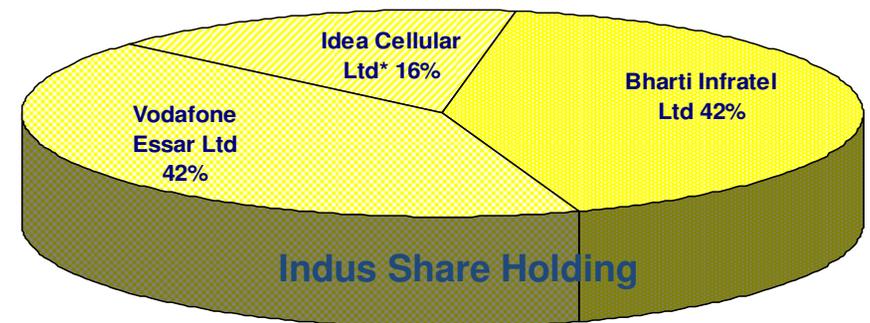
Idea – Creating Long Term Shareholder Value



The Indus Advantage



- Provides passive infrastructure services in 15 service areas
- Largest independent tower company in the world - ~ 100,000 towers
- Indus benefits from assured tenancy from promoters, and from other operators
- Idea benefits by reduced capex, speed to market, and embedded value of shareholding



*through ABTL

Strong Balance Sheet to Drive Strategic Intent



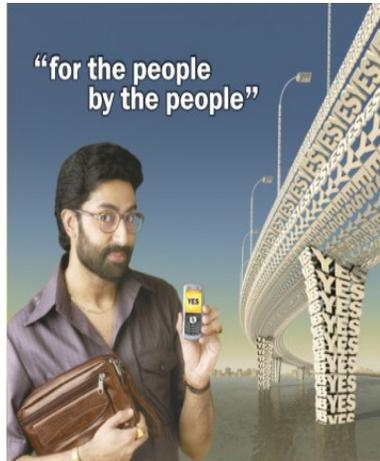
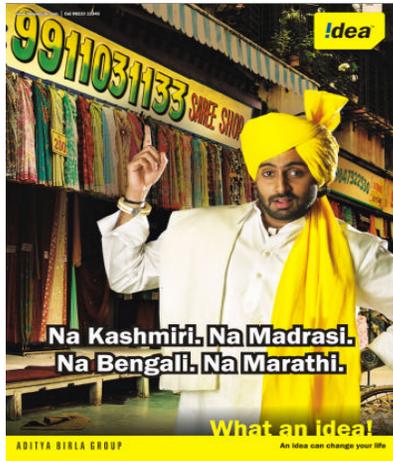
INR bn	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09
Balance Sheet								
Gross debt	41.7	48.1	52.8	65.2	97.4	97.3	99.2	77.6
Cash & Cash equivalent	15.9	8.9	13.8	10.5	9.2	66.9	79.6	49.6
Net Debt	25.9	39.2	39.0	54.6	88.3	30.4	19.6	28.0
Net Worth	27.2	30.3	32.6	35.4	38.1	112.4	136.0	139.0
Cash Flow								
Cash Profit	5.0	4.5	4.9	5.5	5.7	4.6	6.2	6.9
Leverage Ratios								
Net Debt to Net Worth	0.95	1.29	1.20	1.54	2.32	0.27	0.14	0.20
Net Debt to Annualised EBITDA	1.22	1.58	1.71	2.03	3.06	1.25	0.72	0.94
ROCE	20.5%	17.7%	17.4%	17.9%	14.7%	9.3%	8.9%	8.9%

Note: figures are for Idea standalone including subsidiaries on a standalone basis.

Idea – A Power Brand



No. 4 Buzziest Brand in India Across All Categories*

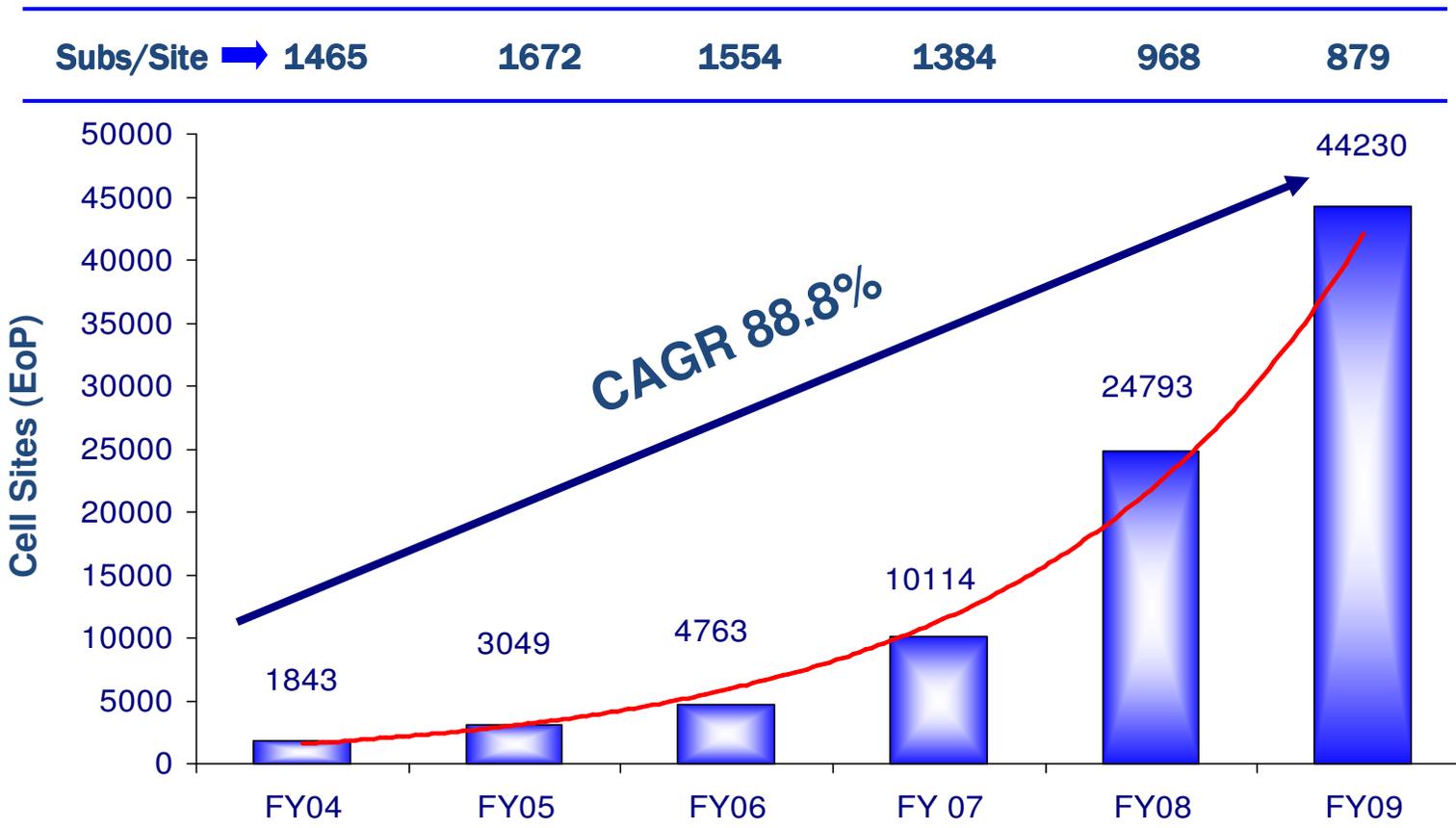


The TOP 25*				
2009		2008	Brand	Voter %
1	◆	1	Airtel	46.7
2	●	-	Facebook	45.4
3	▲	6	Google	35.5
4	◆	4	Idea	33.0
5	◆	5	Nokia	31.5
6	▲	8	Tata	30.5
7	●	-	Vodafone	24.5
8	▼	7	The Times of India	24.4
9	●	-	Taj Group of Hotels	23.9
10	▼	2	Kingfisher	22.5
11	▼	3	Reliance	20.5
12	▼	10	ICICI	15.7
13	●	-	LIC	11.9
14	▲	31	HDFC	11.9
15	●	-	Virgin Mobile	11.7
16	▲	36	Asian Paints	10.9
17	▲	53	Lux	9.6
18	▲	21	Pepsi	6.3
19	▼	14	Cadbury	5.6
20	◆	20	Maruti Suzuki	5.3
21	▼	12	Coca Cola	4.8
22	▼	16	SBI	4.1
23	▼	9	Happydent	3.9
24	▲	37	LG	3.7
25	▼	13	HUL	3.6

▲ Moved Up ▼ Moved Down ◆ No Change ● New Entrant

* Buzziest Brands of the Year Poll 2009

Idea Has Quadrupled Capacities last 2 Years

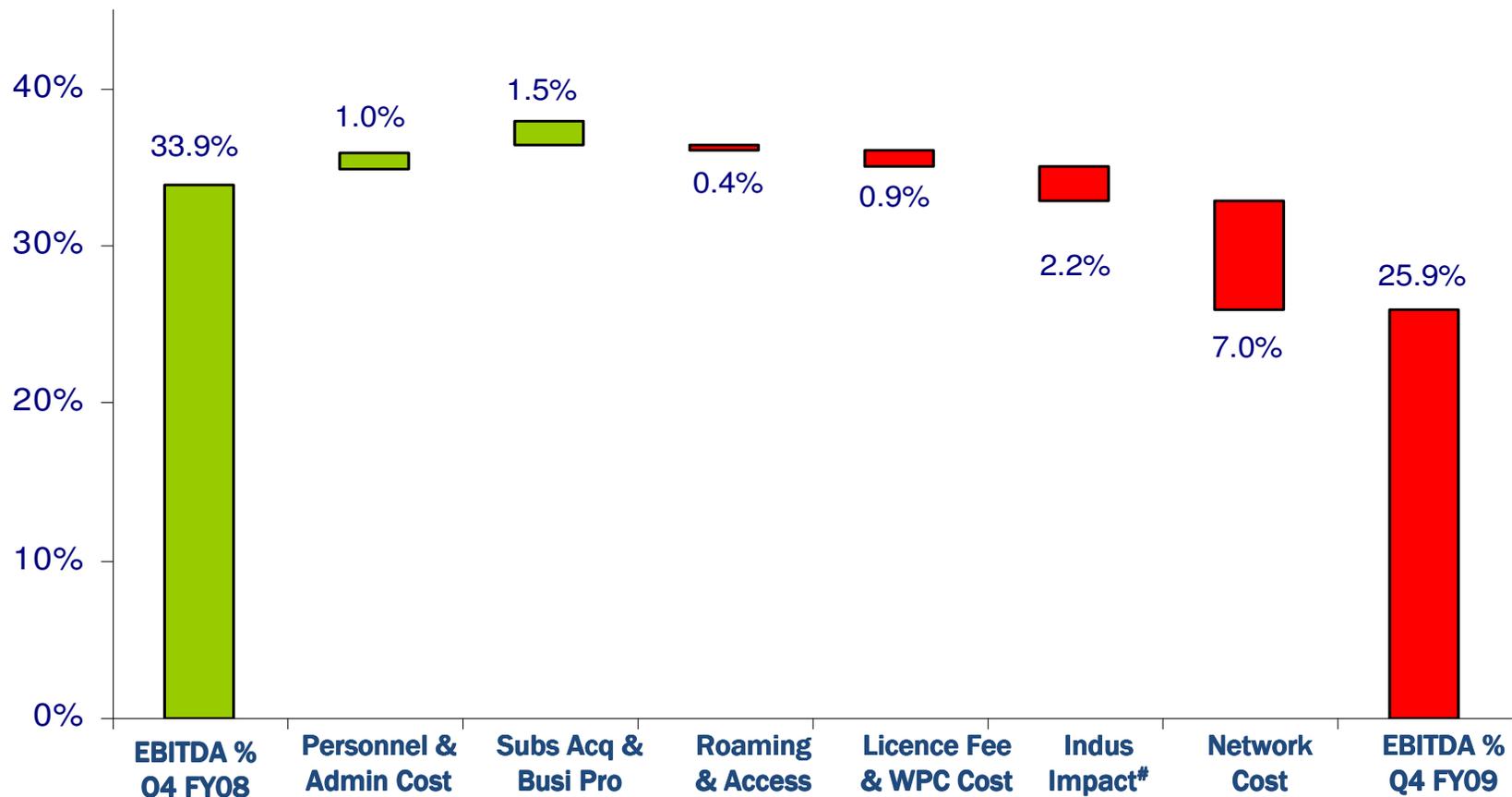


- Added ~34000 sites in last two years, representing 4.4x enhancement
- Built foundation for sustained growth; capex intensity to reduce in FY'10

Note : figures only for Idea, excluding Spice Comm.

Idea – EBITDA Margin Bridge*

Q4 FY08 to Q4 FY09



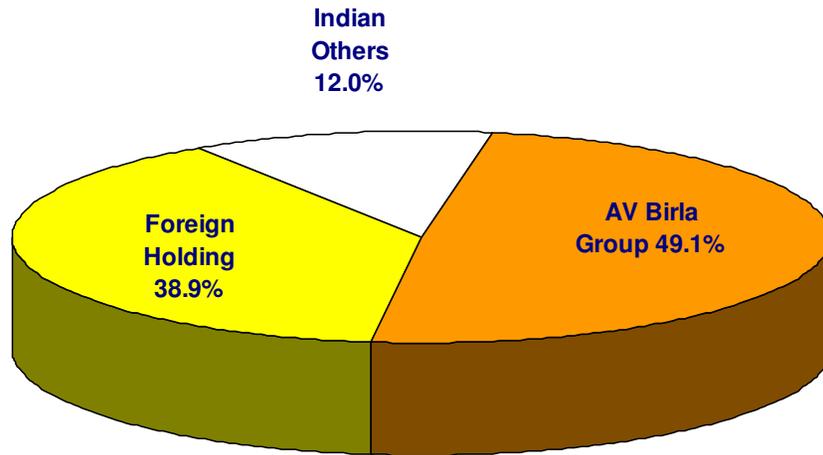
- Decline in EBITDA margin is ~ increase in network cost
- Idea has absorbed ARR decline and also EBITDA losses in Mumbai & Bihar ~3.3% of revenue in Q4 FY09
- Capacity built up in last 2 fiscals will drive future benefit

* figures are for Idea standalone including subsidiaries on a standalone basis.

impact only for Q4

Shareholding

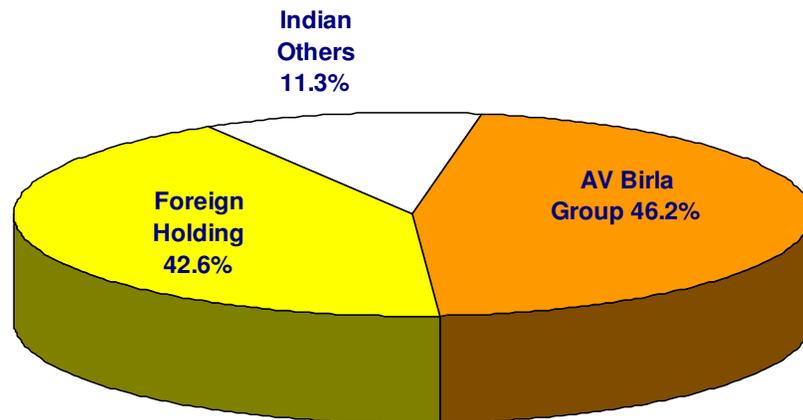
As on 31st Mar '09



TOP 5 shareholders (excluding Promoters)

TMI MAURITITUS	15.0%
P5 ASIA INVESMENT	10.6%
MONET LIMITED	2.9%
WAGNER LIMITED	2.2%
HSBC GLOBAL INVESTMENT	2.0%

Post Spice merger*



TOP 5 shareholders (excluding Promoters)

TMI MAURITITUS	20.0%
P5 ASIA INVESMENT	10.0%
MONET LIMITED	2.7%
WAGNER LIMITED	2.1%
HSBC GLOBAL INVESTMENT	1.8%

* assuming no change in other shareholding

Idea - Awards & Recognitions



- ❖ Awarded “Mobile Operator of the Year - India ” for 2007 and 2008 at the Annual Asian Mobile News Awards

WINNER



GLOBAL
MOBILE
AWARDS 07



- ❖ Annual GSM Association Global Mobile Awards winner– in competition with top international nominees;

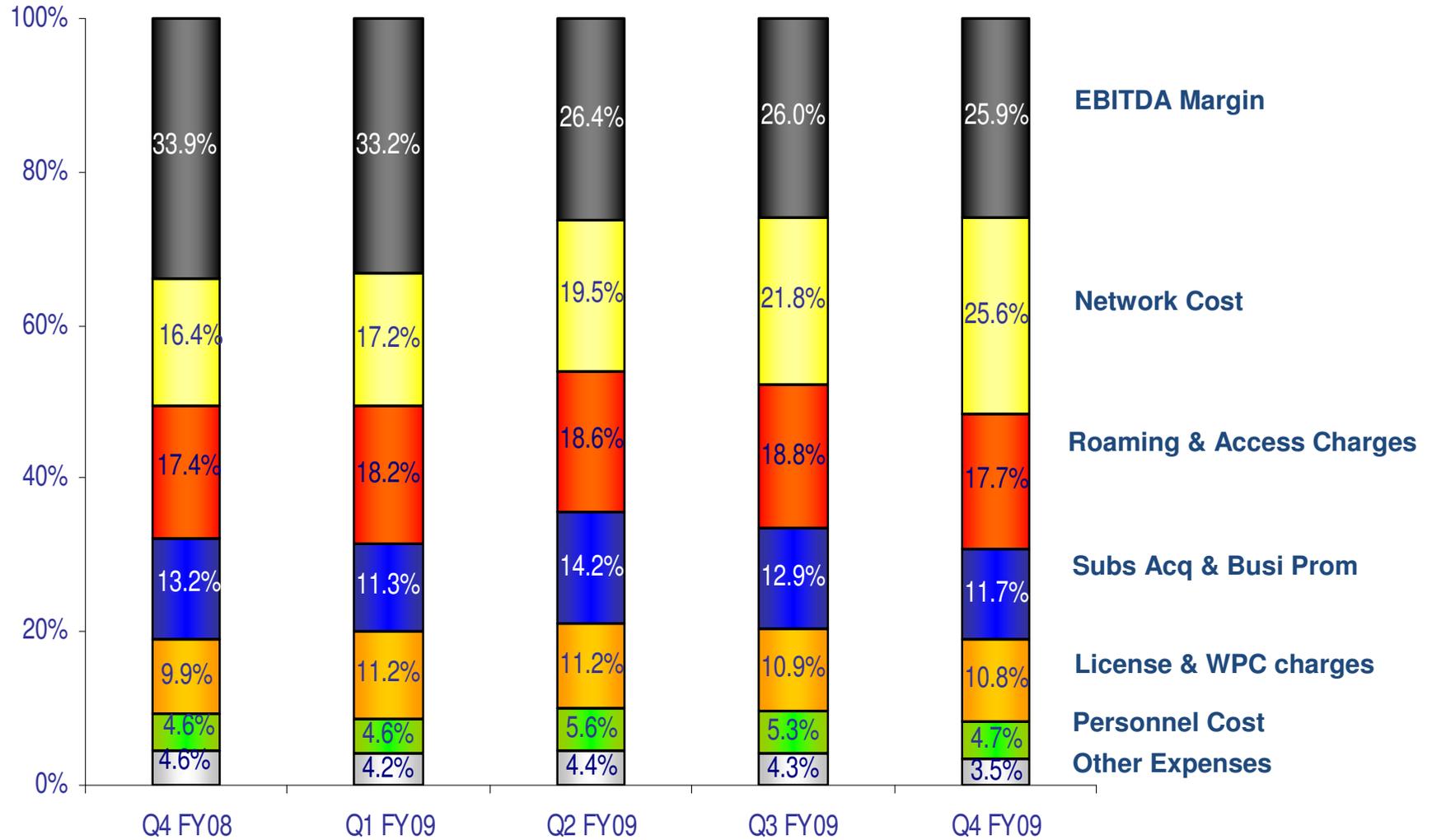
2007: “CARE” service in the “Best Billing or Customer Care Solution” category

2006: “Bill Flash” service in the “Best Billing or Customer Care Solution” category.

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Appendix

Revenue Break Up

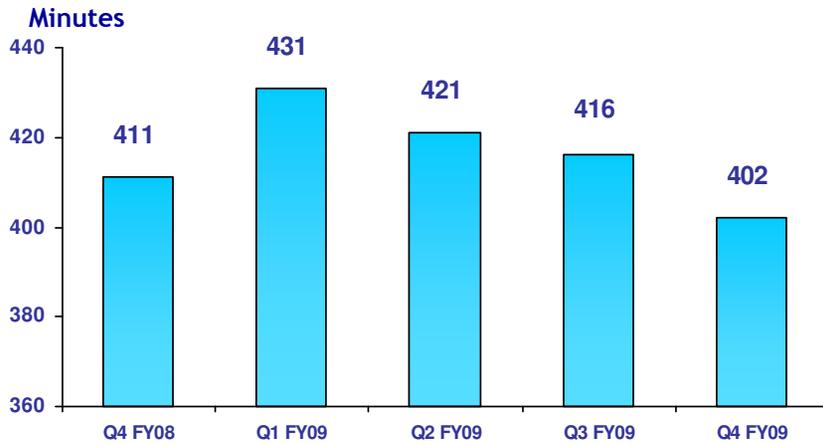


Note: Idea standalone including subsidiaries on a standalone basis.

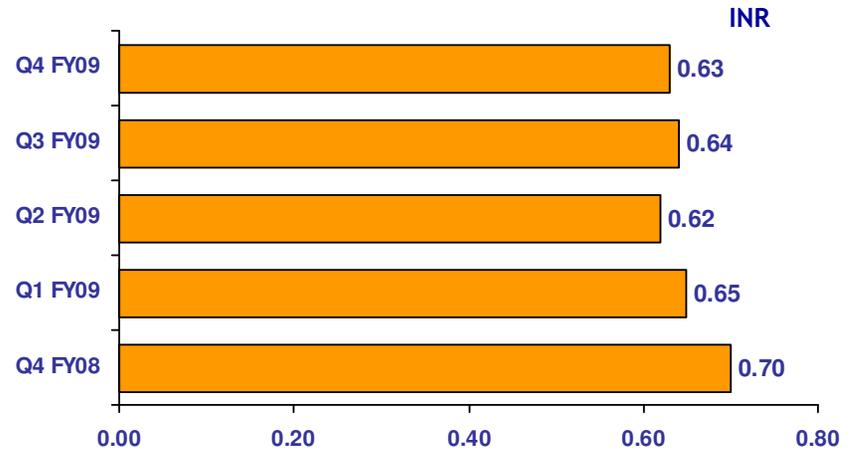
Key Trends (Idea)



Minutes of use per user per month



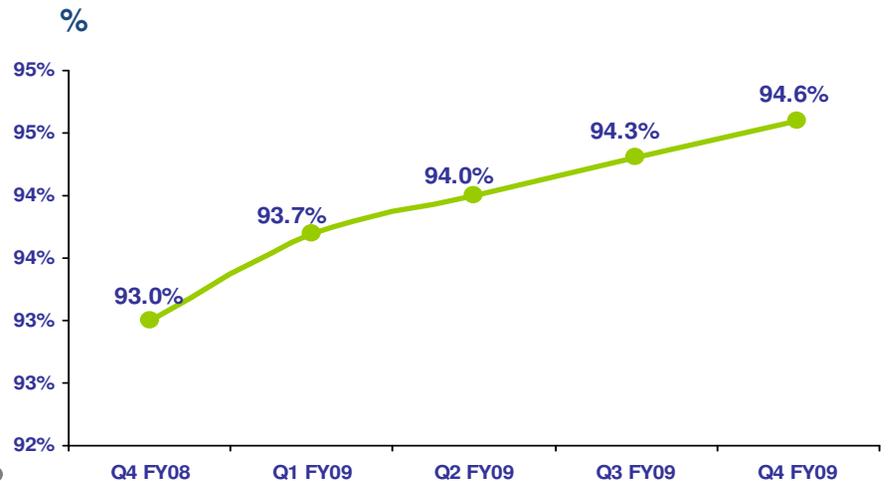
Realized rate per minute



Average revenue per user per month



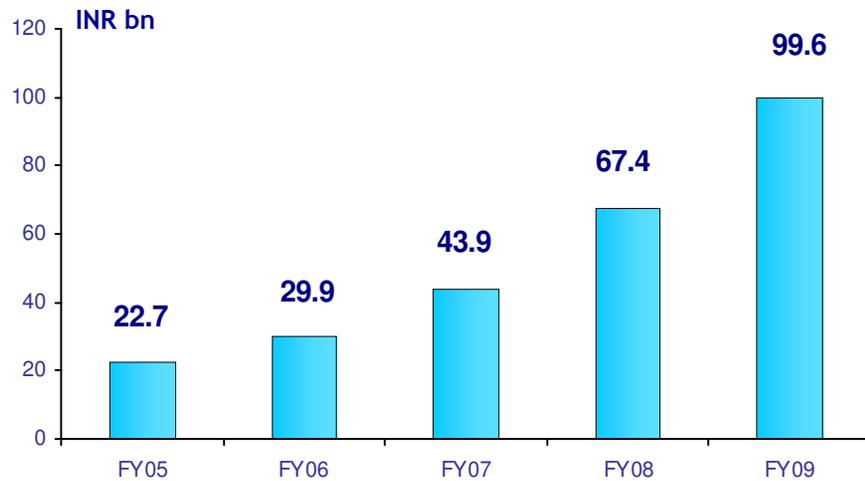
Pre paid subscribers as % of total sub



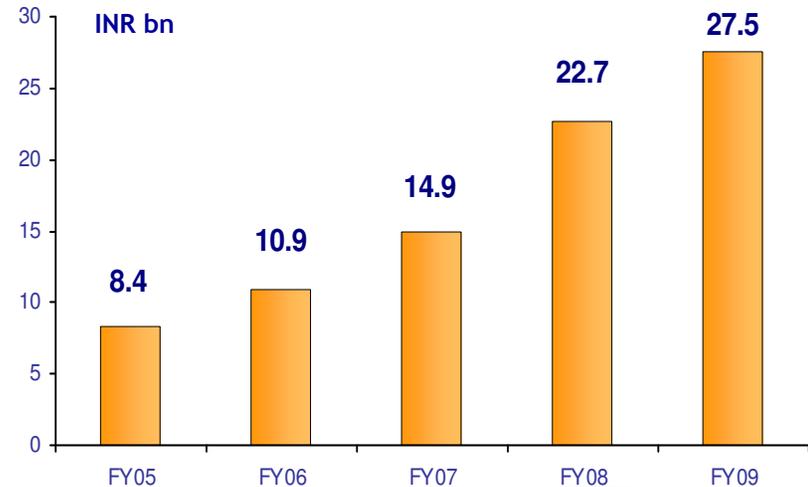
Financial Matrix (Idea)



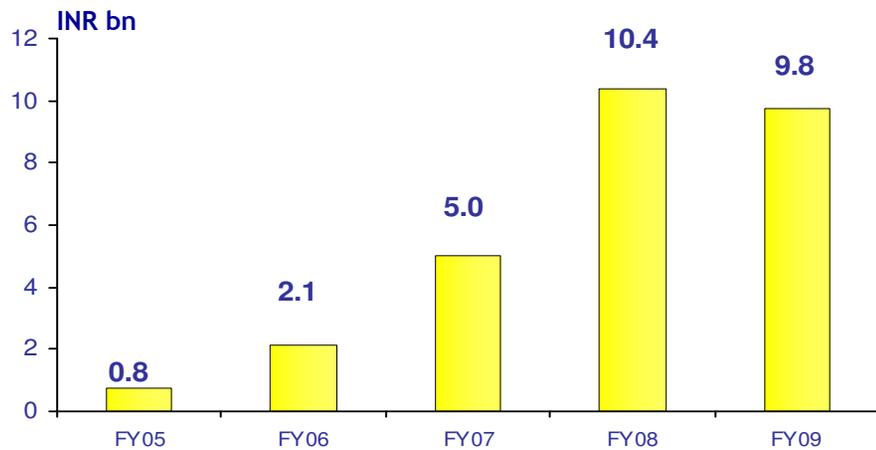
Robust Growth in Top Line



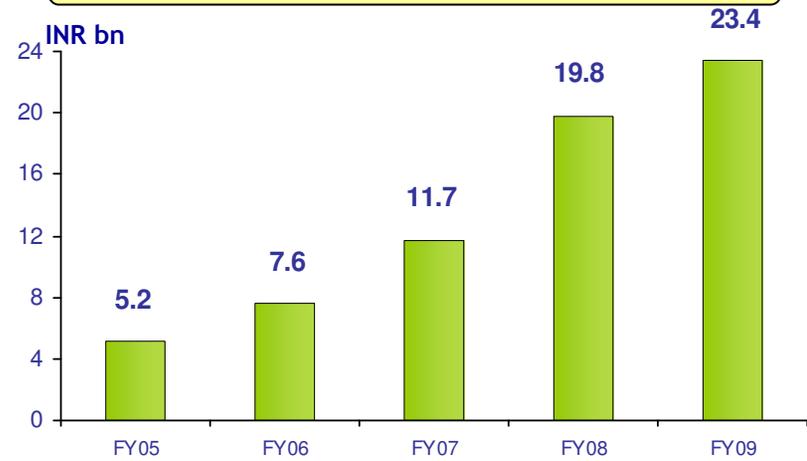
Robust Growth in EBITDA



Robust Growth in Net Profits



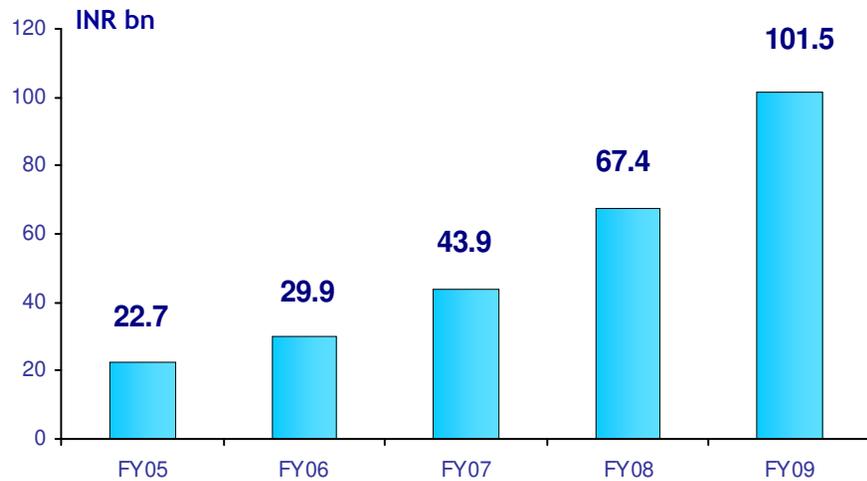
Robust Growth in Cash Profits



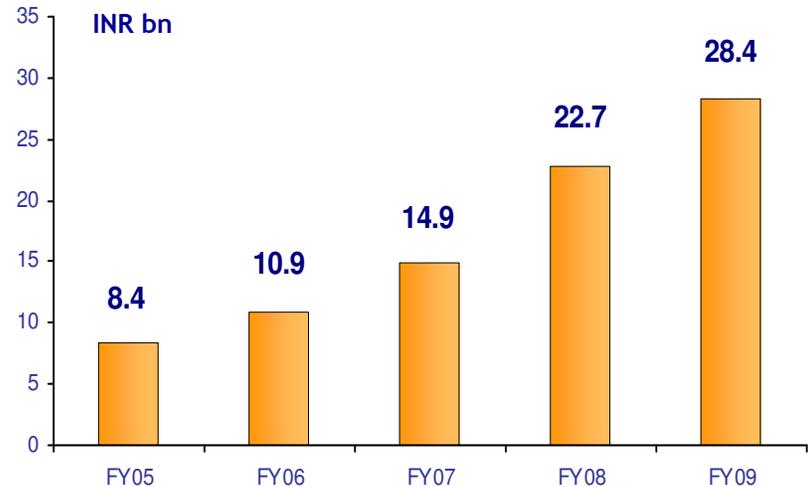
Financial Matrix (Consolidated)



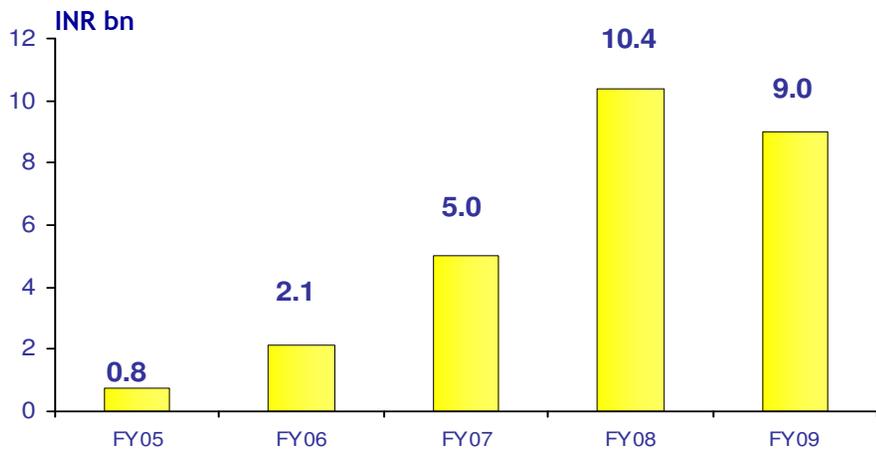
Robust Growth in Top Line



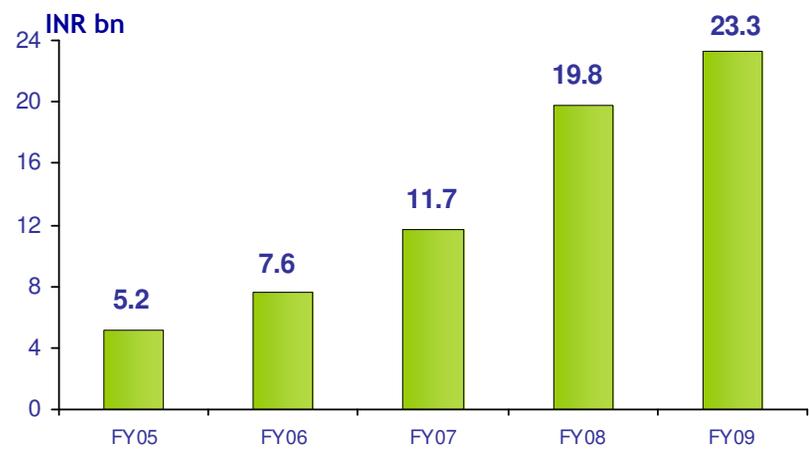
Robust Growth in EBITDA



Robust Growth in Net Profits



Robust Growth in Cash Profits



The logo for Idea, featuring the word "Idea" in a bold, italicized sans-serif font with a blue exclamation mark, enclosed in a black outline of a speech bubble or rounded rectangle.

Thank You