

26th January, 2018

National Stock Exchange of India Limited
"Exchange Plaza",
Bandra - Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sirs,

Sub: Investor Presentation

Ref: "Idea Cellular Limited" (IDEA / 532822)

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The above is for your information and dissemination to the public.

Thanking you,

Yours truly,
For **Idea Cellular Limited**

Pankaj Kapdeo
Company Secretary



Encl: As above





Idea Cellular Limited

Corporate Presentation

January 2018



Agenda

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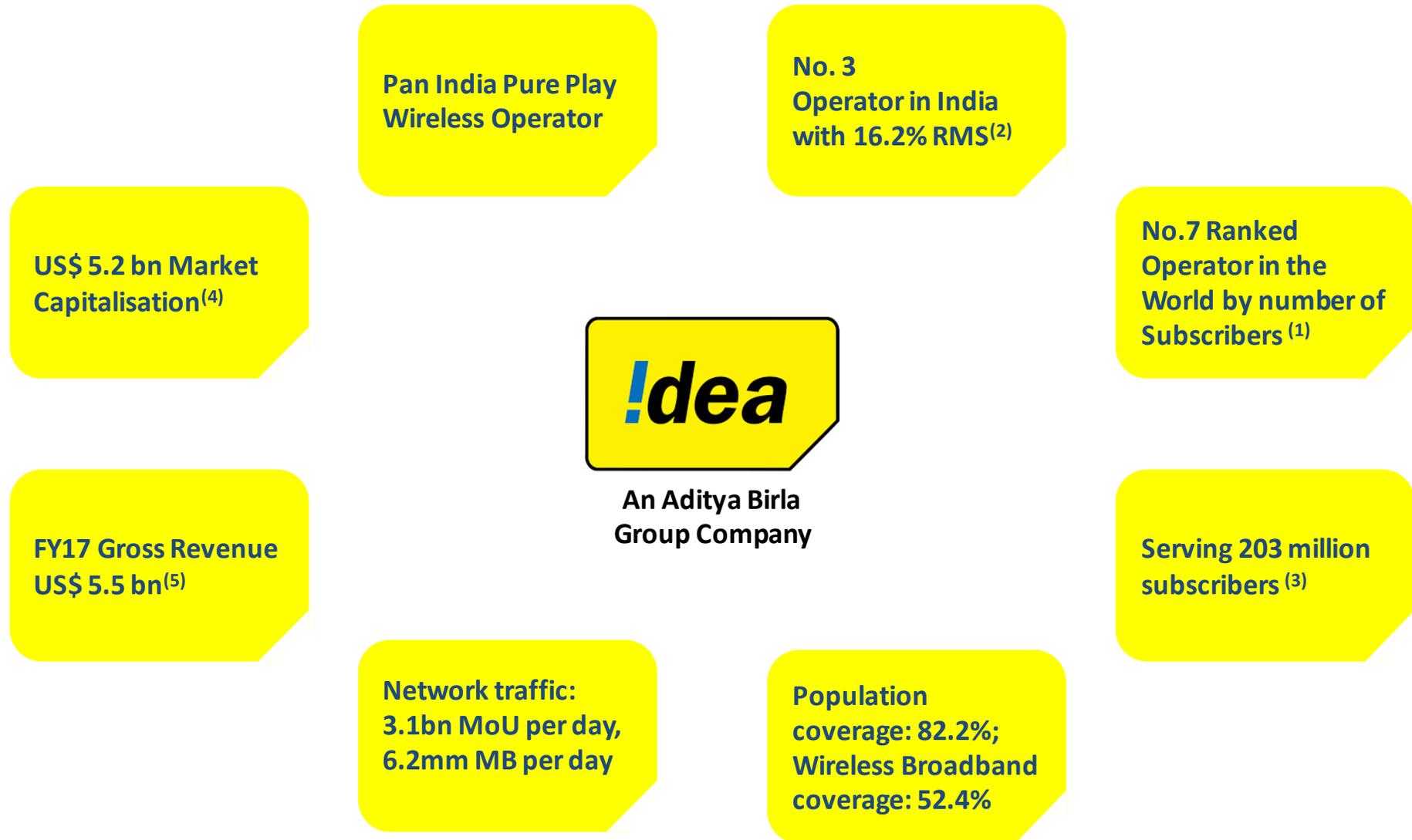
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Introduction

Idea Cellular



Note: Exchange rate of US\$ 1 = INR 64

(1) Basis Subscribers in Single Country Operations, As per data from WCIS as of September 30, 2017

(2) TRAI Q2FY18 gross revenue; For RMS calculations, total industry revenue excludes wireline revenue for BSNL and MTNL

(3) VLR subscribers as of December 31, 2017

(4) As of January 24, 2018

(5) ICL standalone

Aditya Birla Group



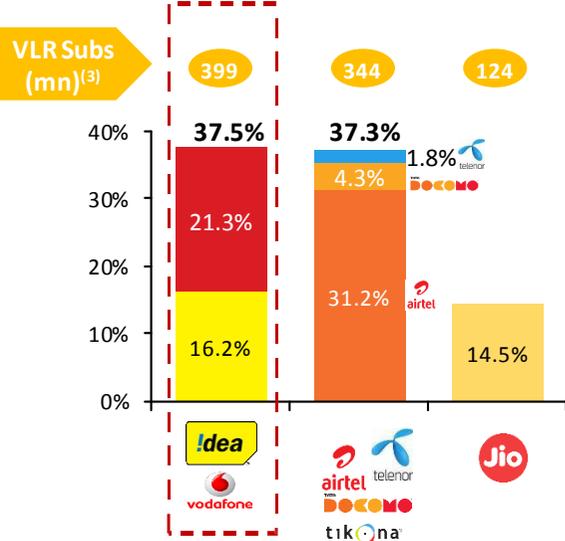
- ❑ One of the largest and most respected business groups in India

- ❑ Operations in 35+ countries
- ❑ History of 50+ years
- ❑ Presence across metals & mining, cement, carbon black, textiles, garments, retail, chemicals, fertilizers, insurance, financial services industry, and mobile telecommunications
- ❑ Ability to attract best-in-class talent
- ❑ Strong confidence of all stakeholders - lenders, vendors and consumers

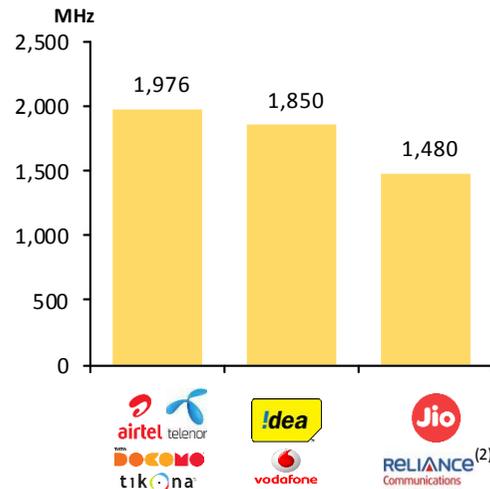
Idea Cellular : An Active Participant in and Beneficiary of Industry Consolidation

1 Idea-Vodafone : Leading Wireless Operator at an Inflexion Point in the Indian Telecom Industry

Revenue Market Share⁽¹⁾

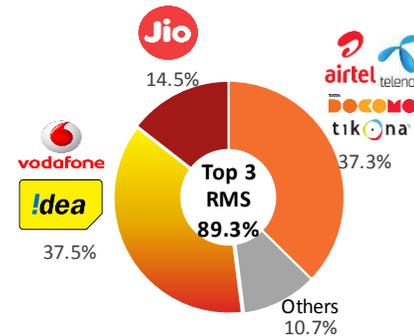


Total Spectrum



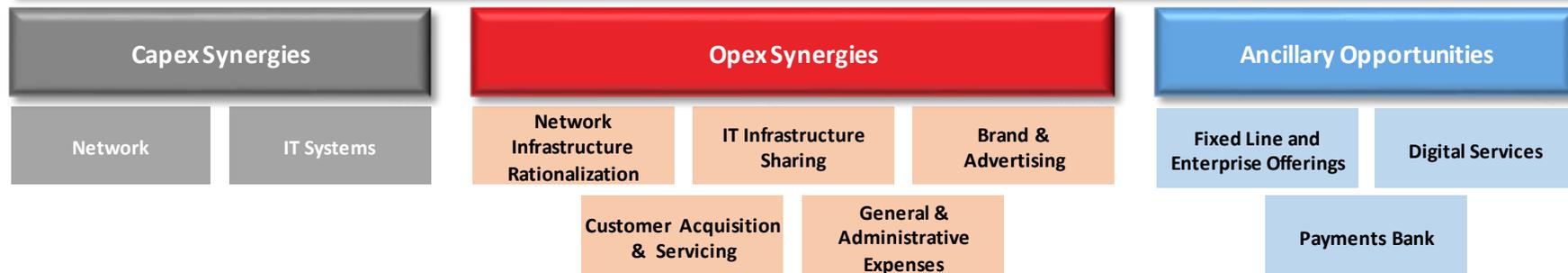
2 Industry Consolidation Has Led to Sustained Increase in Market Share for Top 3 Players

Top 3 Players have 89% Revenue Market Share



- ✓ Industry has consolidated at a rapid pace with only 4 major operators remaining compared to 14 operators in 2011
- ✓ Combined market share for Top 3 players has increased from 65.5% in December 2008 to 89.3% as of September 2017⁽⁴⁾
- ✓ Rapid adoption of smartphones and lower access costs leading to explosion in data consumption

3 Significant Upside From Synergies & Ancillary Opportunities



(1) Based on TRAI reported Q2FY18 Gross Revenue; Combined RMS of Idea & Vodafone and Airtel, Telenor & Tata Teleservices is derived by summation of each operator's current RMS and may get reduced due to a) compliance with M&A guidelines, and b) revenue eliminations; For RMS calculations, total industry revenue excludes wireline revenue for BSNL and MTNL
 (2) Reliance Jio acquired 122.4 x 2 MHz of wireless spectrum, towers, optic fibre and media convergence node assets from Reliance Communications (RCom) in December 2017. Jio market share data does not include any RMS or CMS of RCom
 (3) VLR subscribers as of November 2017
 (4) The top 3 players in December 2008 were RCom, Bharti Airtel & Vodafone and the top 3 players in September 2017 are Idea-Vodafone, Bharti Airtel & Jio; The market share for top 3 players calculated as sum of proforma for Idea Vodafone merged entity, Airtel-Telenor-Tata combined entities and Jio

India Wireless Industry : Recent Trends

Indian Wireless Industry

Recent Developments

2013
to
2016

- Mobile Voice Segment characterized by intense competition - 6 to 10 operators in each service area
- Mobile Broadband Data – emerging segment with lower competition

2016
to
2017

- Launch of free services by Jio for extended period of more than 7 months
- Free Service impacted revenues of all operators; Industry registered first ever annual revenue decline
- Operations of smaller-scale operators turn unviable, forcing them to exit or seek combination with other operators
- RCOM announced closure of its 2G / 3G operations
- To counter Jio - Bharti, Vodafone & Idea introduced range of competitive mass market unlimited voice bundled data price plans with in built free roaming and SMS in phased manner

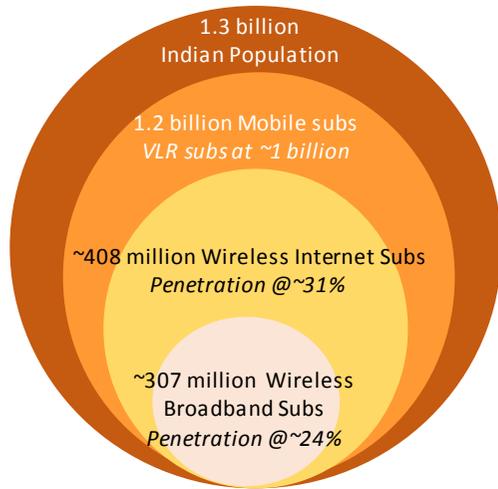
Date	Operator	Details
Mar 2016	Videocon	Spectrum sale (1800MHz) to Bharti Airtel
Apr 2016	Aircel	Spectrum sale (2300MHz) to Bharti Airtel
Feb 2017	Telenor	Merger with Bharti Airtel
Mar 2017	Tikona	Acquisition of 4G business (incl. 2300 MHz BWA spectrum) by Bharti Airtel
Mar 2017	Vodafone - Idea	Merger
Oct 2017	Tata Teleservices	Merger with Bharti Airtel
Dec 2017	Reliance Communications	Sale of spectrum, towers and OFC to Reliance Jio
Dec 2017	Aircel	Closure of operations in 6 circles

2018...

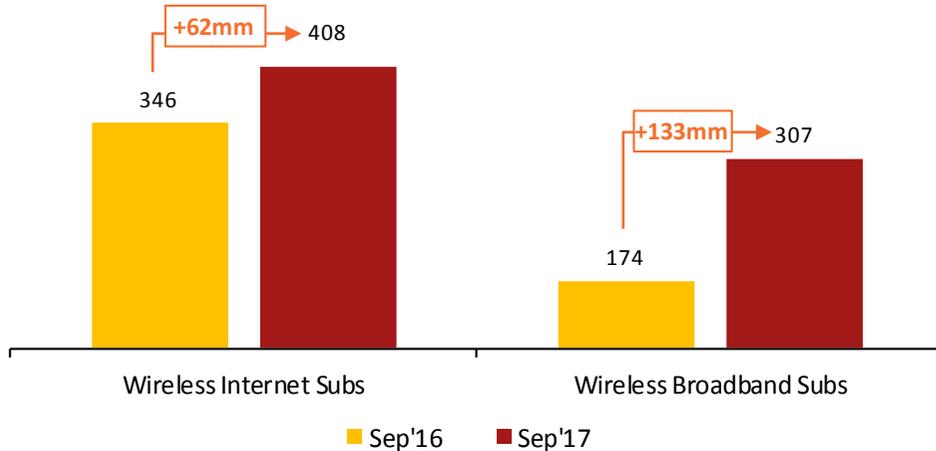
- Structural transition of Indian mobile telecom to a new paradigm
 - Downward rate revision in domestic and international IUC settlement charges
 - Increase in penetration of bundled offerings (unlimited voice with data)
 - Industry consolidation leading to SIM consolidation with only 3-4 operators
 - Continuing steep fall in realization rates
 - Increasing adoption of 4G smartphones

Significant Potential for Wireless Subscriber Growth

Significant Gap in Mobile Penetration⁽¹⁾

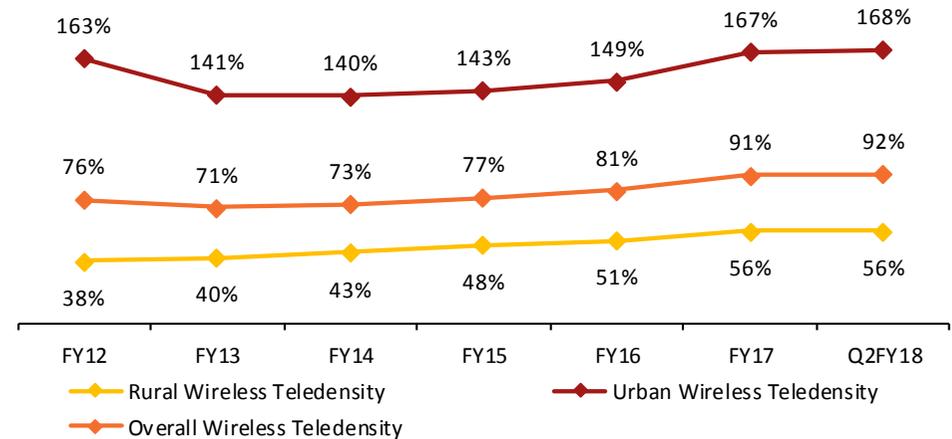


Wireless Broadband Subs as % of Total Wireless Subs Increased from 17% to 26%



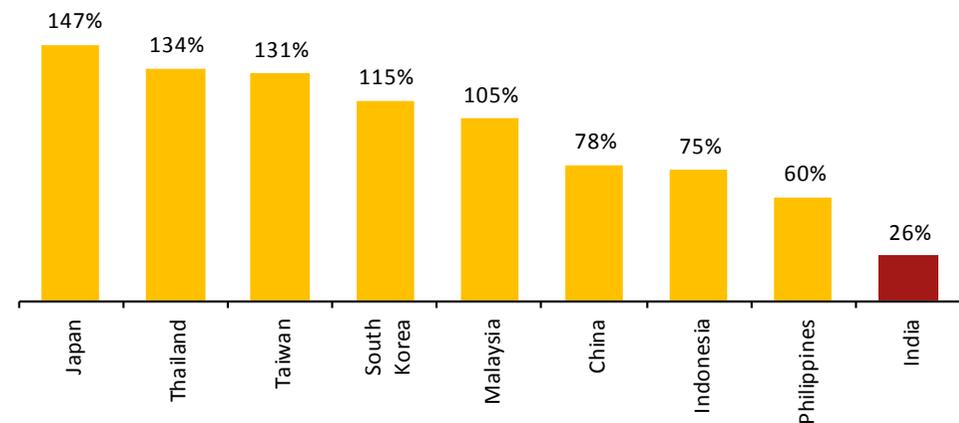
Underpenetrated Rural Areas

Total Rural Population: 885mm⁽³⁾ → Potential for another 300-400mm subs



Significant Mobile Data Opportunity

Wireless Broadband Data Penetration (% of Total Subscribers)⁽²⁾



Low rural & limited broadband penetration offer growth opportunities in mobile voice and wireless broadband

Source: TRAI Performance Indicator report, Subscriber data as of October 2017

(1) TRAI (September 2017)

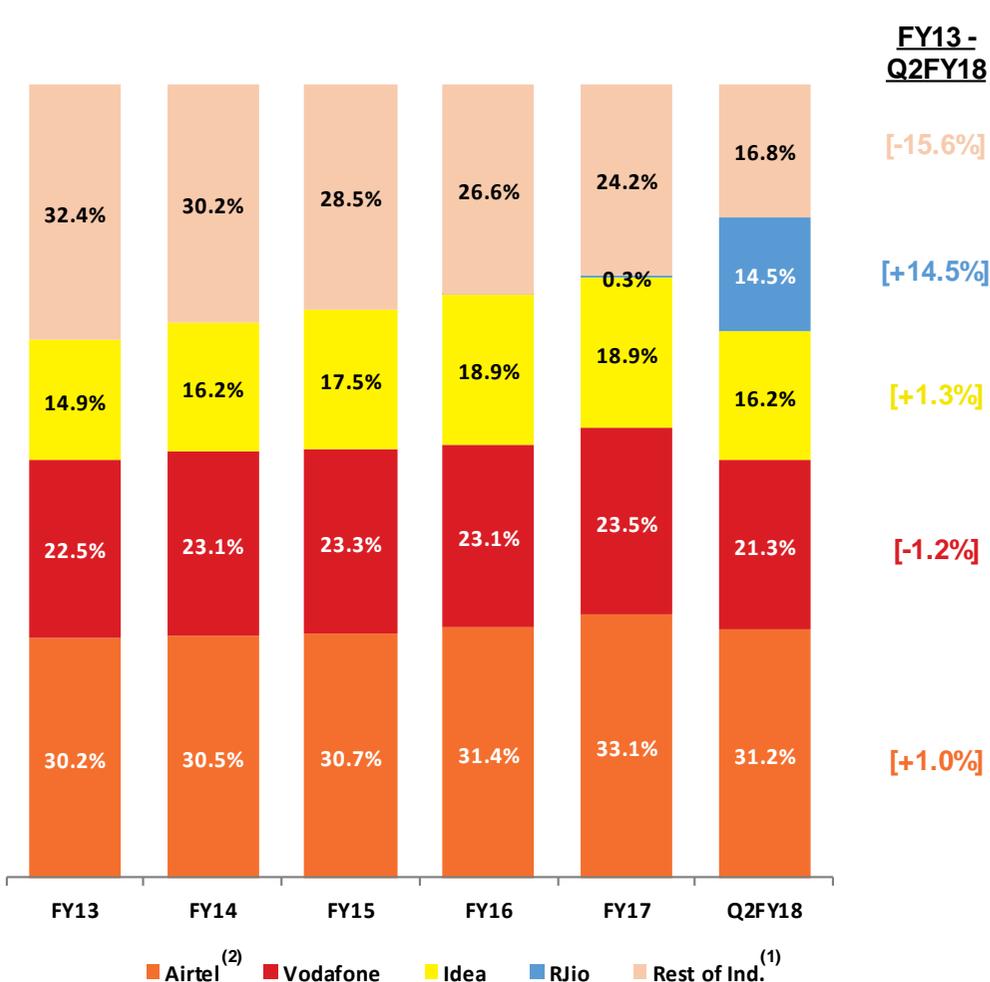
(2) GSMA Intelligence (June 2017)

(3) Arrived at by dividing Rural Wireless Subscribers (498.28mm) with Rural Wireless Teledensity of 56.31% (as of September 30, 2017, TRAI Performance indicator report)

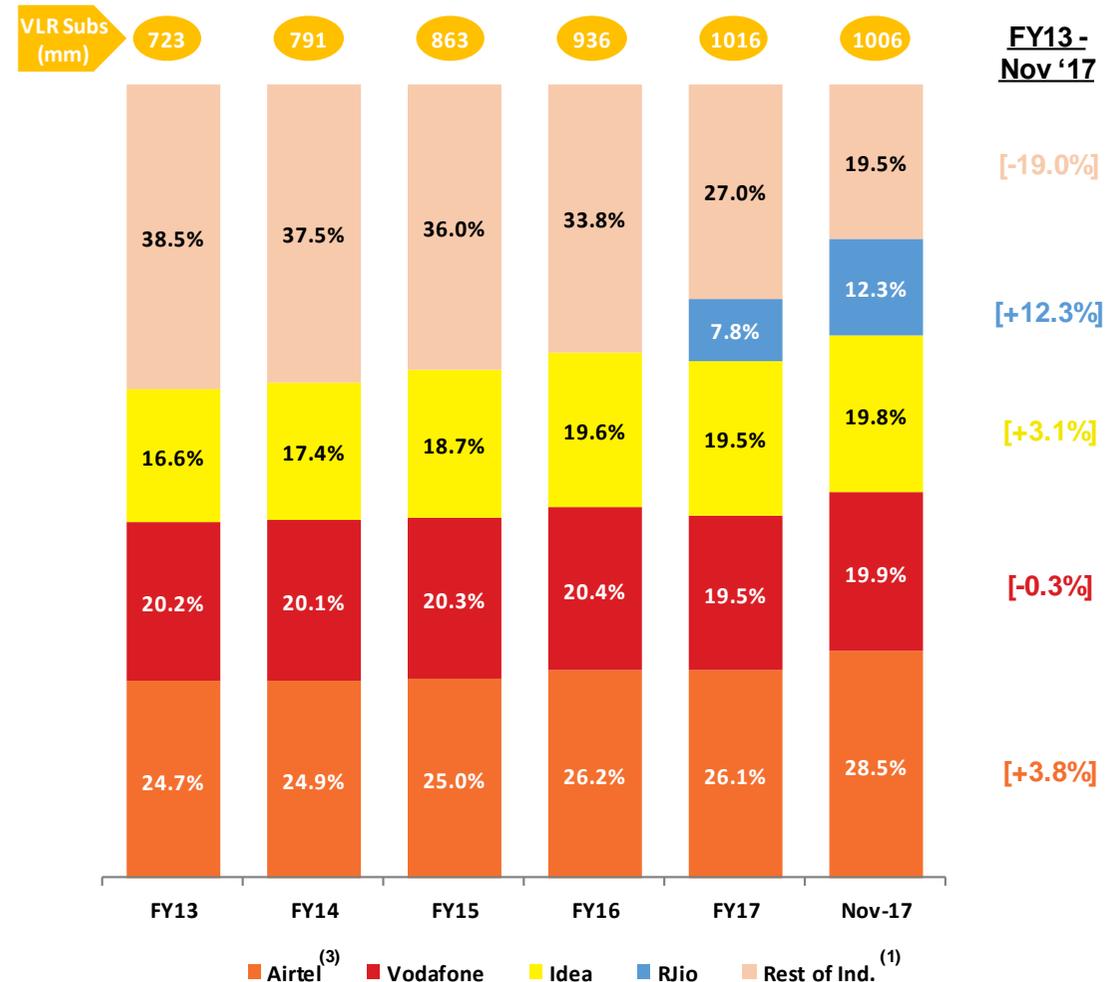
Industry Consolidation Leading to SIM Consolidation

Launch of services by new entrant has led to consolidation of SIM's in favor of Top 3 operators. Other operators have lost 78mn subs between April – Nov 2017

Revenue Market Share (Gross Revenue)



Subscriber Market Share (VLR Subscribers)



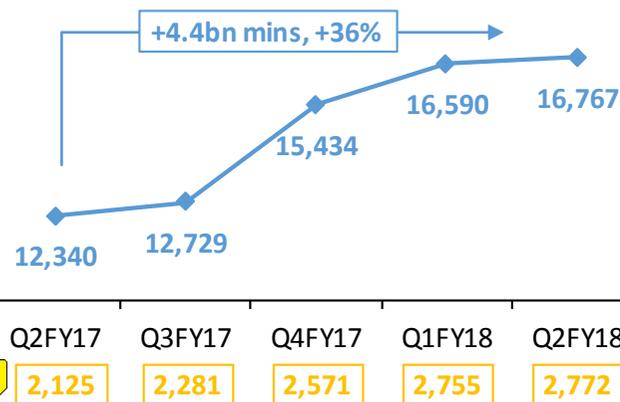
Source: TRAI quarterly financial data and TRAI monthly subscription data
 Note: RMS calculations, total industry revenue excludes wireline revenue for BSNL and MTNL
 (1) Rest of industry denotes all operators except Idea, Vodafone, Bharti and Jio
 (2) Excludes the revenue share of Tata Teleservices and Telenor
 (3) Excludes the subscriber share of Tata Teleservices and Telenor

Industry's Long Term Structural Transition is Offering New Opportunities

Mobile Voice

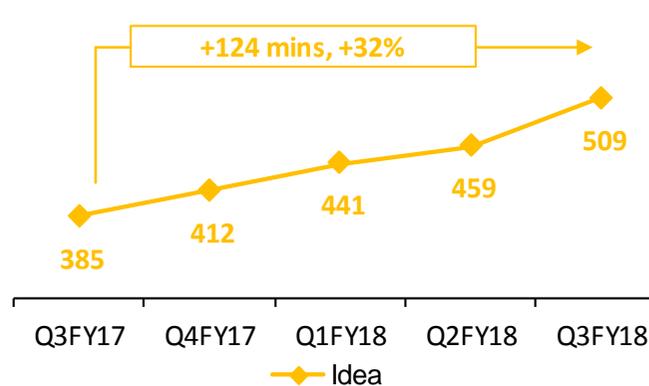
Industry Traffic

MoU / day (mm)



Per Subscriber Consumption

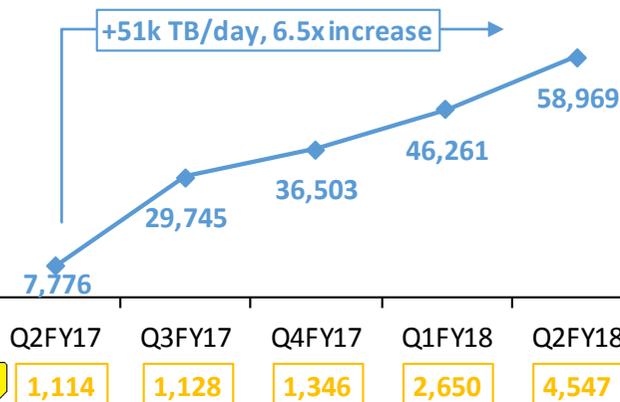
Monthly MoU / Sub



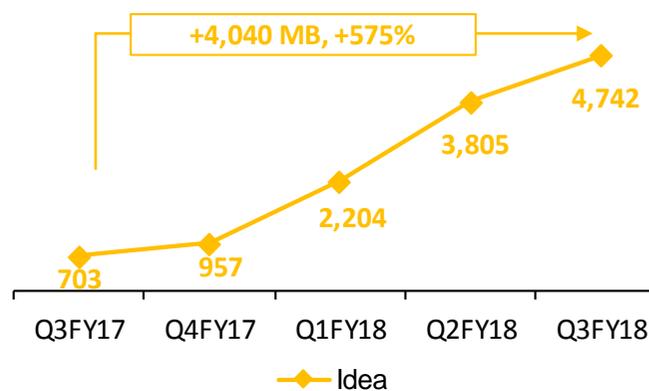
- Unlimited plans driving huge voice minute consumption
- Subscriber addition due to unlimited plans to drive MoU per subscriber

Mobile Data

TB / day



Monthly MB / Sub



- Steep rise in data consumption due to unlimited plans
- India predominantly wireless broadband market as negligible fixed broadband presence
- Industry data traffic multiples 7.5x in last one year

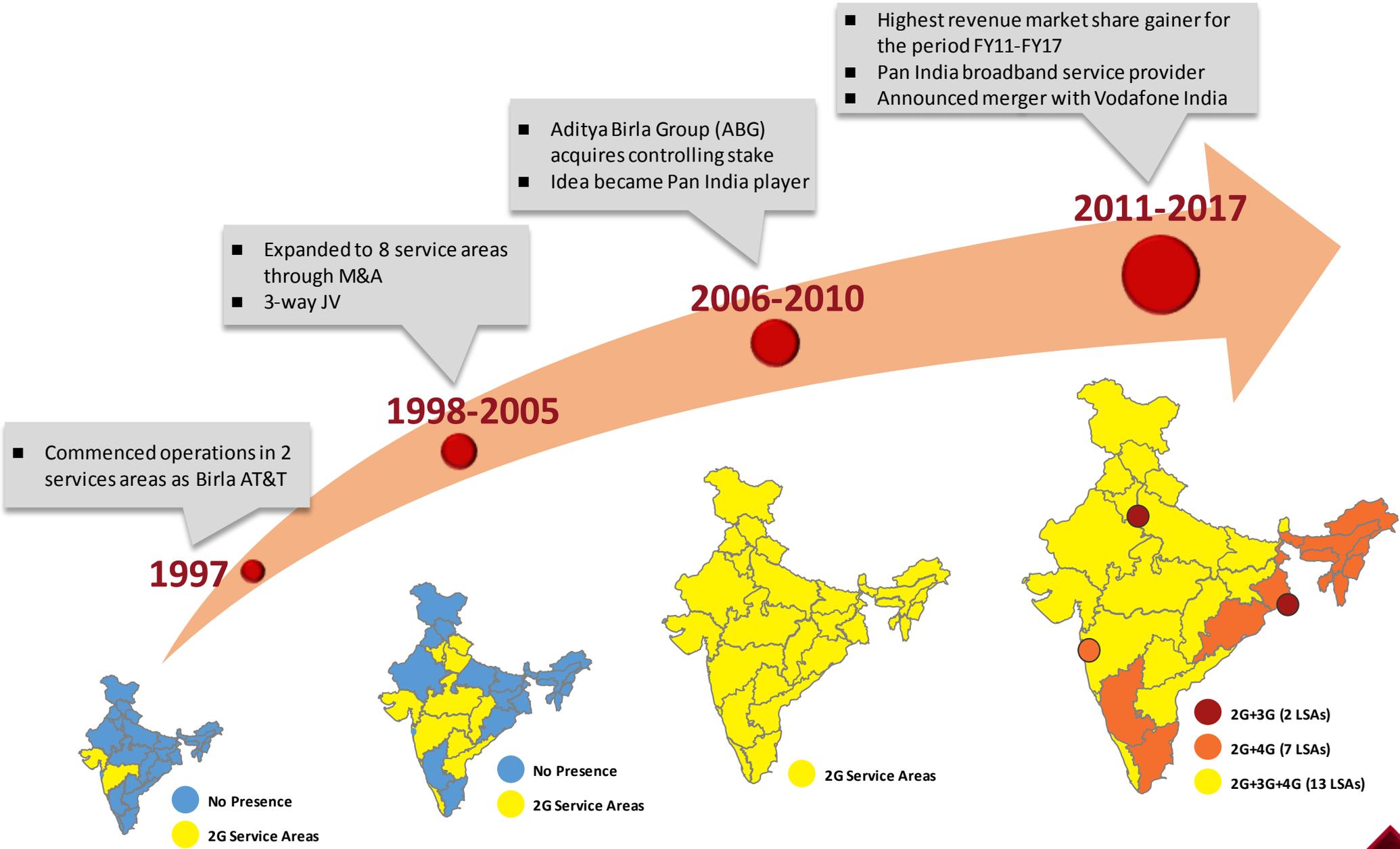
Improving Regulatory Environment

The Government of India has Taken Several Measures to Address the Regulatory Overhang

M&A Guidelines	<ul style="list-style-type: none">■ Approved in February 2014■ Increase of the merged entities' market share cap to 50% (including wireline), potentially enabling larger operators to participate in the M&A process
Easing Spectrum Holding Caps	<ul style="list-style-type: none">■ Telecom Commission has recommended relaxation in Spectrum holdings – pending approval from Cabinet■ An operator can hold up to 35% of the total spectrum assigned across all bands in a circle (currently 25%)■ The 50% cap on holding of total spectrum within a given band in a circle will be scrapped■ Operators can hold up to 50% of the combined spectrum holding in sub-1 GHz bands (700, 800, 900 MHz) in a circle
Spectrum Sharing and Trading	<ul style="list-style-type: none">■ Guidelines approved in 2015■ Spectrum sharing enables operators to supplement existing spectrum holdings and achieve higher spectrum efficiency■ Spectrum trading allows operators to acquire and bolster spectrum holding or monetise unused or under-utilised spectrum
Passive and Active Infrastructure Sharing	<ul style="list-style-type: none">■ Passive network sharing allows operators to expand network coverage in a cost effective manner■ Active infrastructure sharing allows operators to reduce their capex and lower operational costs
Transparency in Spectrum Allocation and Future Auctions Roadmap	<ul style="list-style-type: none">■ Harmonising existing spectrum to help enhancing spectrum quality
Spectrum Usage Charge (SUC)	<ul style="list-style-type: none">■ Cabinet approved 3% flat spectrum usage charge (SUC) for the auction in October 2016
Spectrum Payment Extension	<ul style="list-style-type: none">■ Recommendation for extension of time period for the payment of spectrum bought in auctions by telcos to 16 years from the current 10 years■ Approved lowering of interest rate on penalties imposed on telecom operator

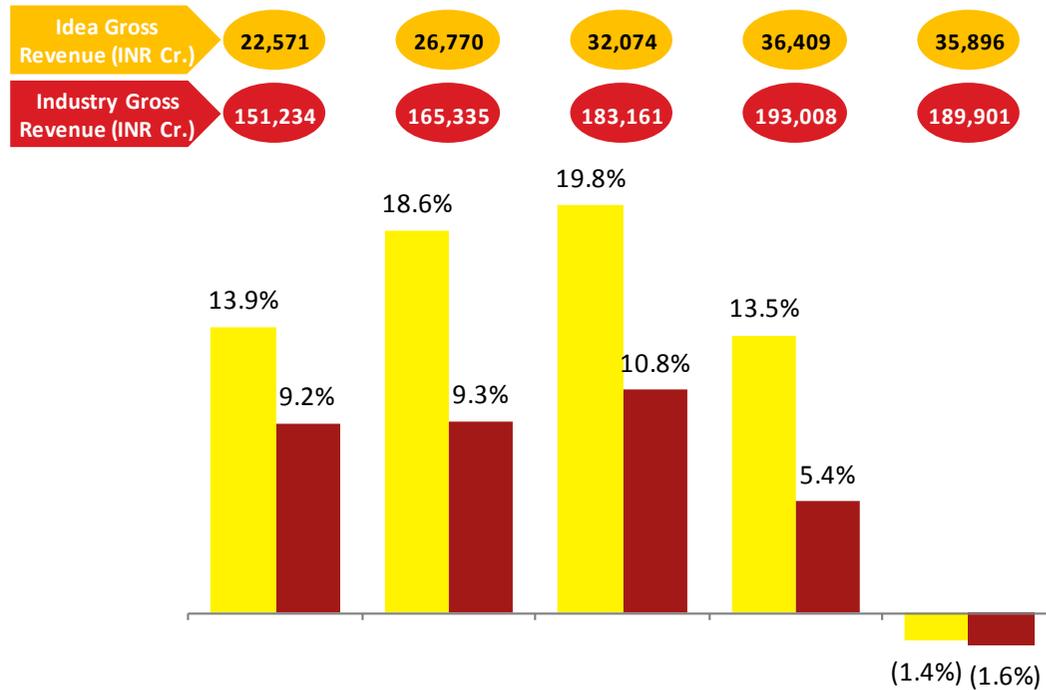
Idea Cellular : Performance Overview

Idea Cellular : Re-invented and Evolved as it Grew



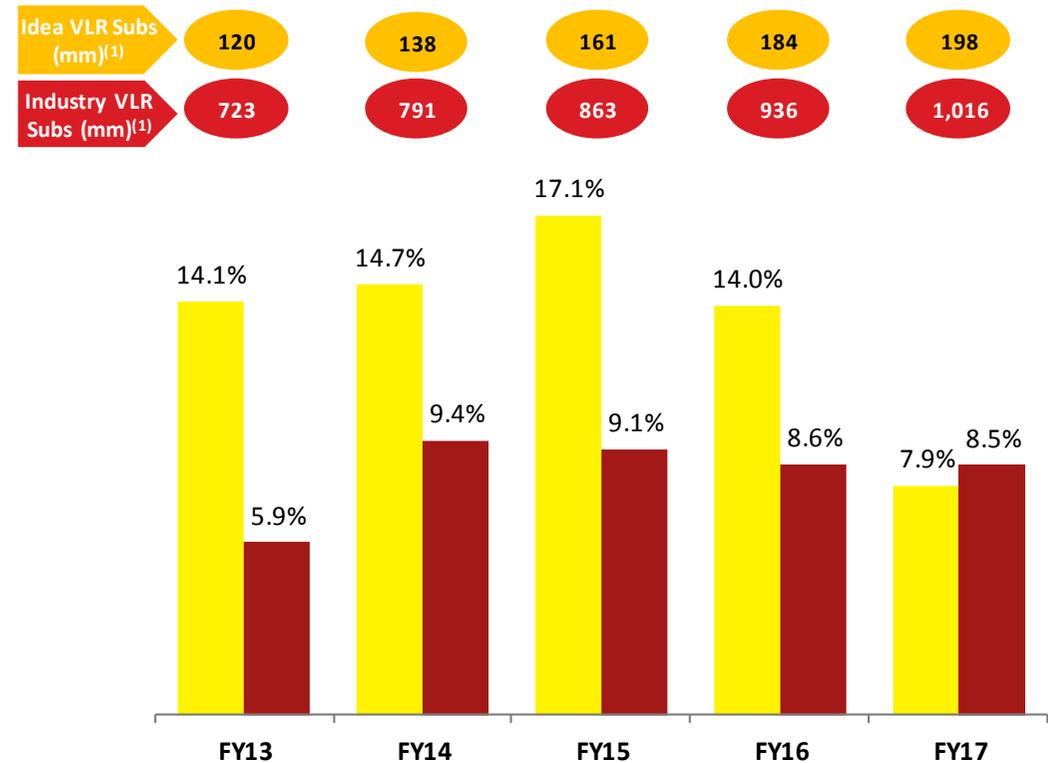
Idea Cellular : Grew Faster than Industry Historically

Idea Growth > 1.5x Industry until FY16, Maintaining Share during Unprecedented Disruptive Phase



Idea (US\$bn)	3.5	4.2	5.0	5.7	5.6
Industry (US\$bn)	23.6	25.8	28.6	30.2	29.7

Idea Gaining among the Highest Incremental Subs Net Adds Share over last 4 Financial Years



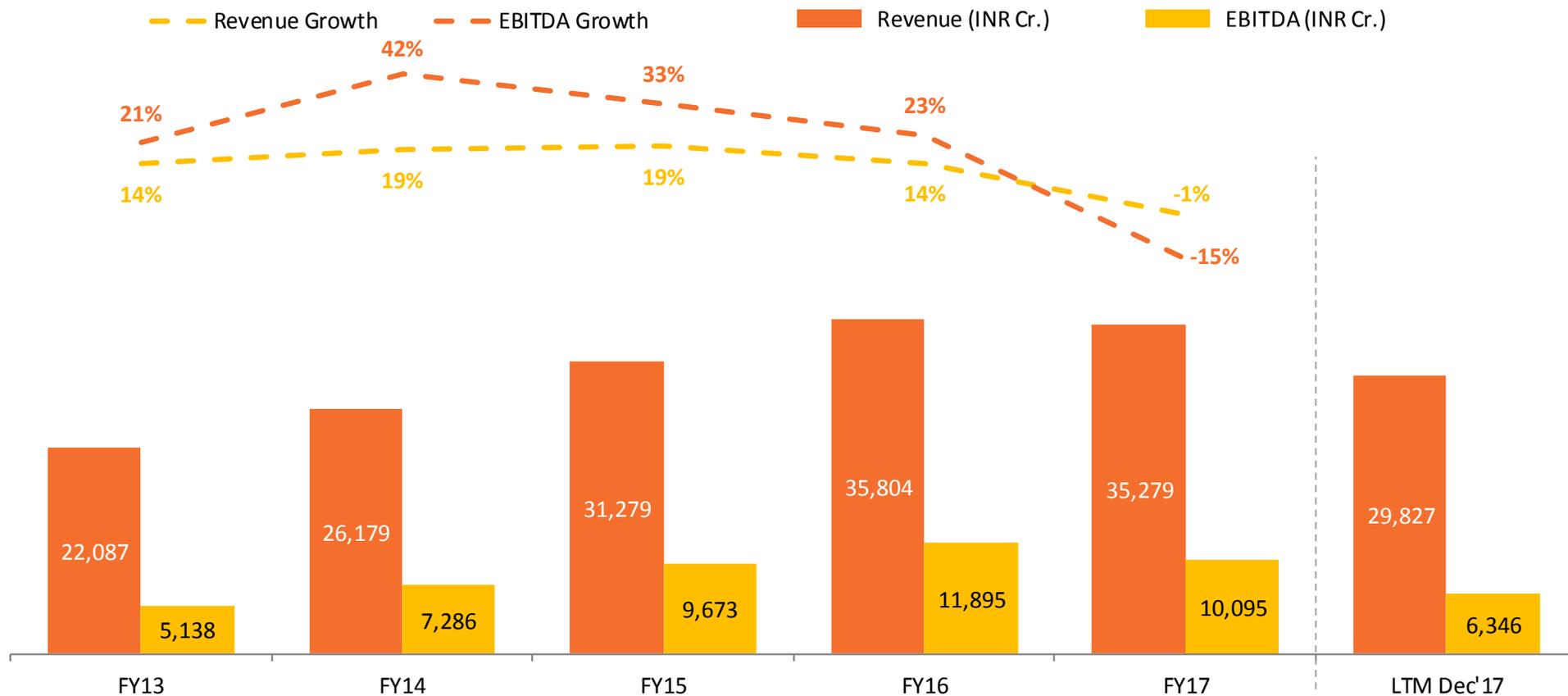
● Idea Growth %
 ● Industry Growth %

■ Idea captured 34.5% of incremental revenue over the last 4 financial years

Note: Gross revenue as per TRAI reports; Exchange rate of US\$ 1 = INR 64; For revenue calculations, total industry revenue excludes wireline revenue for BSNL and MTNL

(1) End of Period subscribers

Idea Cellular : Revenue and EBITDA Trends



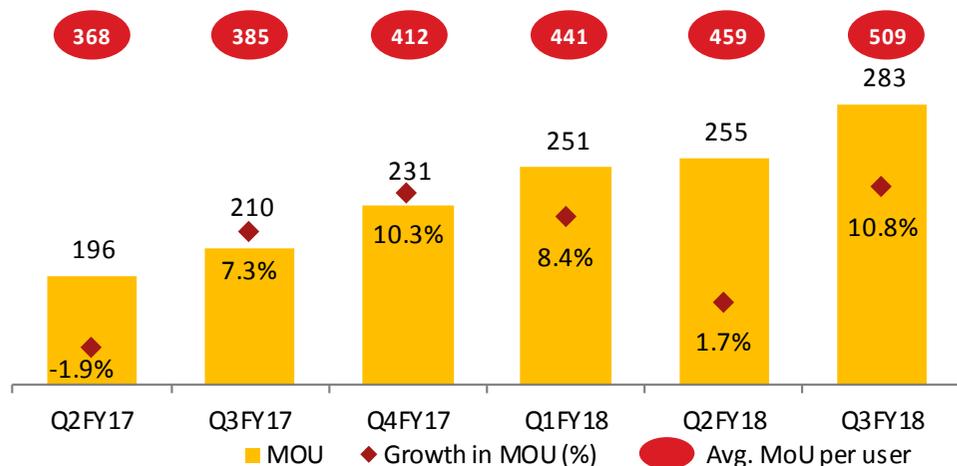
Revenue (US\$mm)	3,451	4,091	4,887	5,594	5,512	4,660
EBITDA (US\$mm)	803	1,138	1,511	1,859	1,577	992

Note: Based on Idea standalone financials (FY16 & FY17 and LTM Dec '17 based on Ind AS; FY13, FY14 and FY15 are based on IGAAP); Exchange rate of US\$ 1 = INR 64; Revenue and EBITDA exclude other income

Idea Cellular : Key Operating Trends

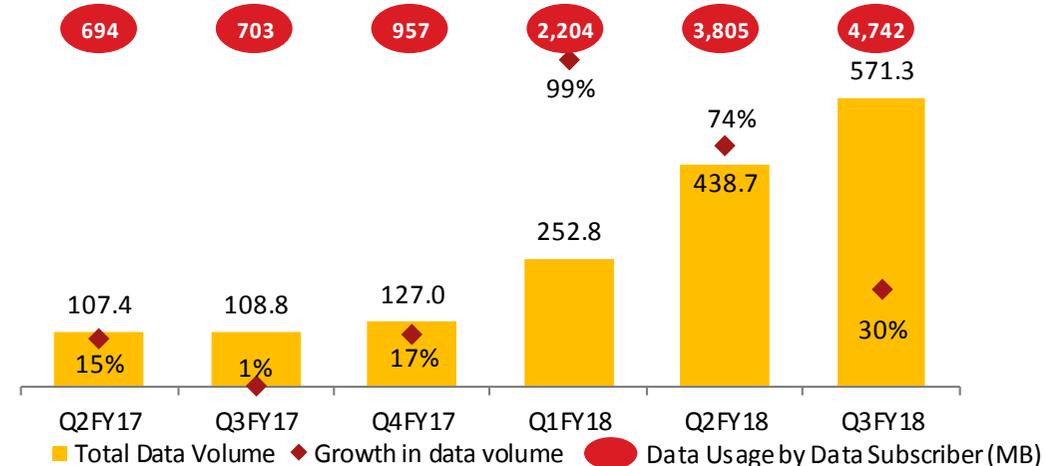
Minutes of Usage (Bn Mins)

MoU per subscriber increasing by over 30% YoY



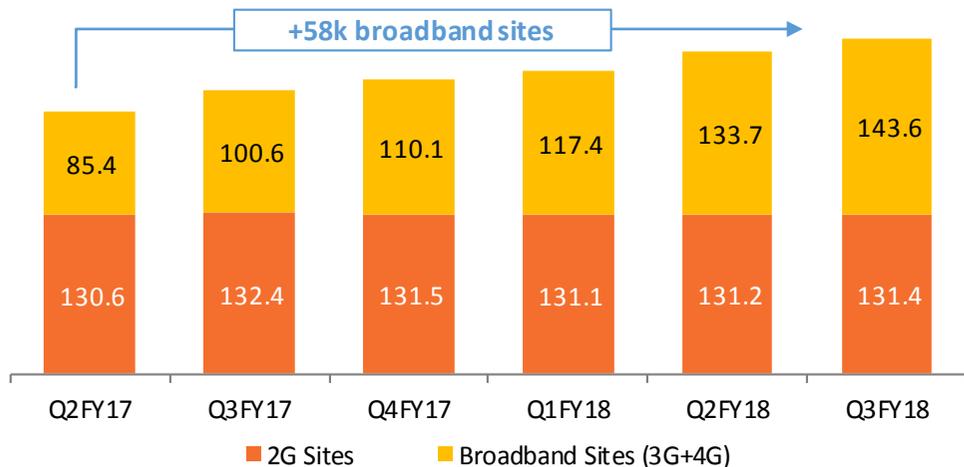
Data Usage (Bn MBs)

Data consumption per subscriber on a steep rise largely on back of unlimited plans



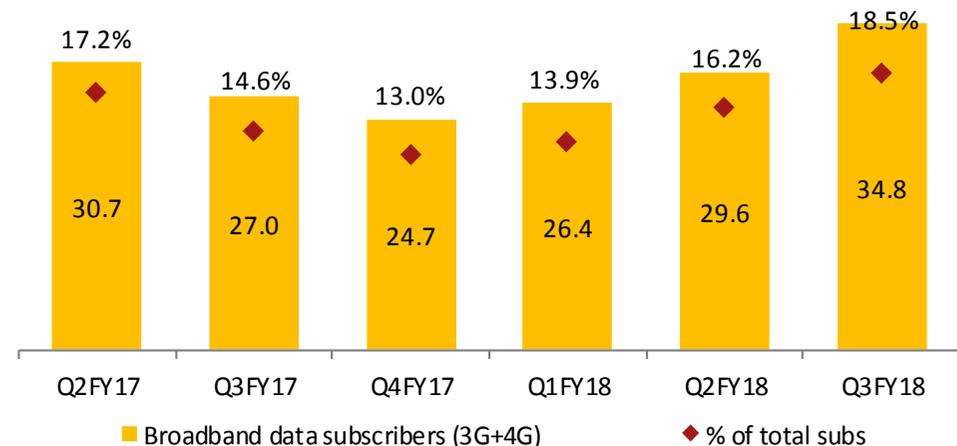
Network Sites (000's)

Total broadband sites increased by ~43% YoY



Broadband Data Subscribers (mm)

Adoption of unlimited data plans has sharply increased broadband subs in Q3FY18



- GSM pop. Coverage: 82.2%, 395k towns & villages⁽¹⁾
- Wireless Broadband coverage: 52.4%, 154k towns & villages⁽¹⁾

Source: Company filings
(1) As of December 31, 2017

Idea Cellular : Competitive Spectrum Footprint

Pan India Mobile Broadband Spectrum

Service Areas	FDD				TDD			FDD ⁽¹⁾ +TDD	GSM (2G) services	Broadband Carrier		
	900	1800	2100	Total	2300	2500	Total			3G	4G	Total
Maharashtra	9.0	11.0	5.0	25.0	10.0	10.0	20.0	70.0	✓	2	5	7
Kerala	6.0	10.0	5.0	21.0	10.0	10.0	20.0	62.0	✓	1	5	6
Madhya Pradesh	7.4	11.6	5.0	24.0	10.0	20.0	30.0	78.0	✓	2	7	9
Uttar Pradesh (West)	5.0	9.4	5.0	19.4		10.0	10.0	48.8	✓	1	4	5
Gujarat	5.0	10.0	5.0	20.0		10.0	10.0	50.0	✓	1	4	5
Andhra Pradesh	5.0	6.0	5.0	16.0		10.0	10.0	42.0	✓	1	3	4
Punjab	5.6	10.0	5.0	20.6				41.2	✓	1	2	3
Haryana	6.0	10.8	5.0	21.8		10.0	10.0	53.6	✓	1	4	5
8 Leadership Circle (Sub Total)	49.0	78.8	40.0	167.8	30.0	80.0	110.0	445.6		10	32	42
Uttar Pradesh (East) ⁽²⁾		6.2	10.0	16.2		10.0	10.0	42.4	✓	1	3	4
Rajasthan ⁽²⁾		11.2	5.0	16.2		10.0	10.0	42.4	✓	1	3	4
Bihar		10.80	5.0	15.8		10.0	10.0	41.6	✓	1	3	4
Himachal Pradesh ⁽²⁾		9.8	5.0	14.8		10.0	10.0	39.6	✓	1	3	4
Delhi ⁽²⁾	5.0	8.6		13.6				27.2	✓	1		1
Mumbai		6.4	5.0	11.4				22.8	✓		1	1
Karnataka	5.0	6.0		11.0				22.0	✓		1	1
7 Emerging Circle (Sub Total)	10.0	59.0	30.0	99.0		40.0	40.0	238.0		5	12	17
Tamil Nadu		11.4		11.4				22.8	✓		1	1
Kolkata		5.0	5.0	10.0				20.0	✓	1		1
West Bengal		11.40		11.4		10.0	10.0	32.8	✓		3	3
Orissa		10.0		10.0		10.0	10.0	30.0	✓		3	3
Assam		10.0		10.0		10.0	10.0	30.0	✓		3	3
North East		11.0		11.0		10.0	10.0	32.0	✓		3	3
Jammu & Kashmir		10.0	5.0	15.0		10.0	10.0	40.0	✓	1	3	4
7 New Circle (Sub Total)		68.8	10.0	78.8		50.0	50.0	207.6		2	14	16
Total 22 Circle	59.0	206.6	80.0	345.6	30.0	170.0	200.0	891.2	22	17	57	74

Large broadband/4G spectrum capacity in leadership circles

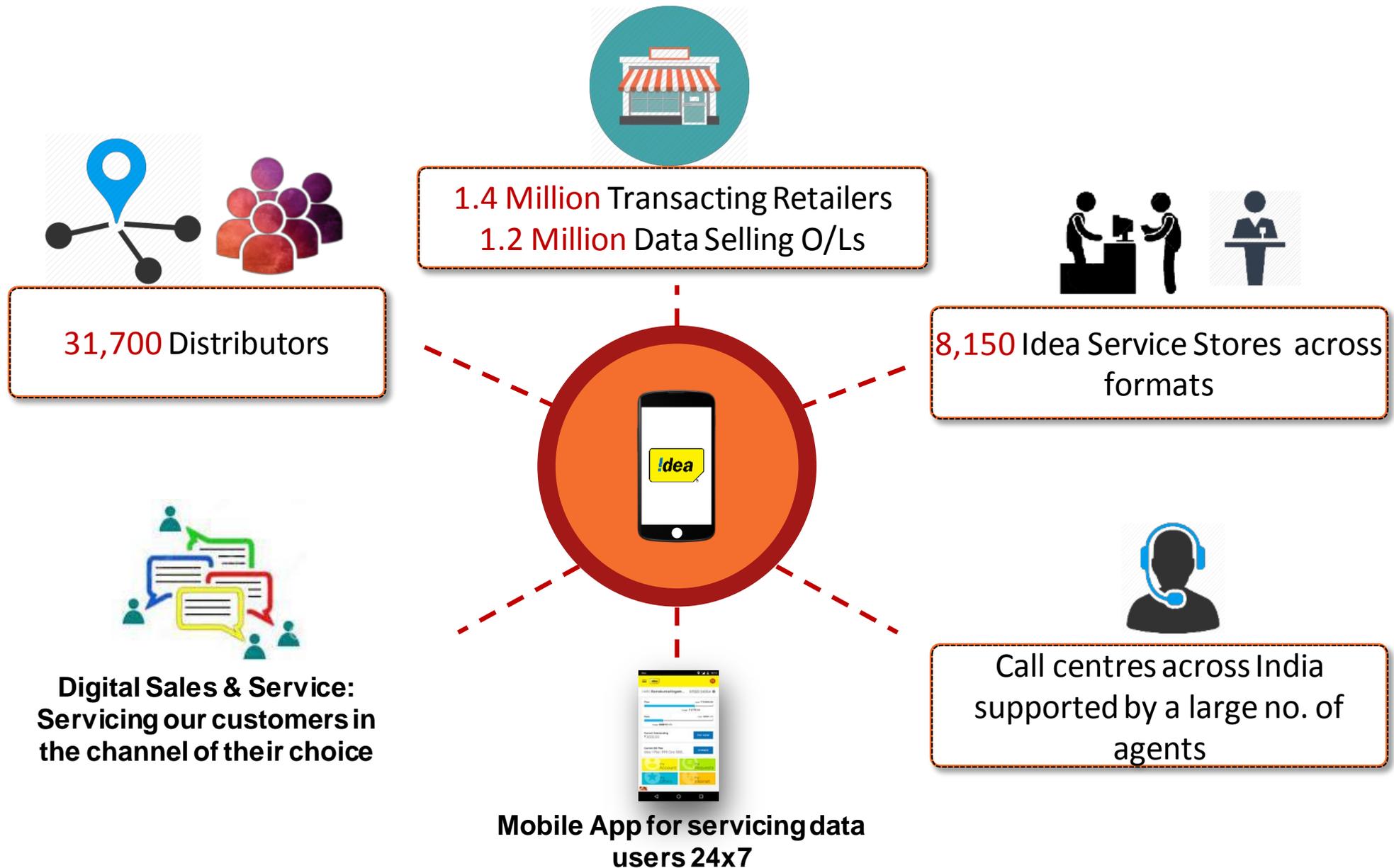
- Idea Cellular has near term (4 circles in 2021 and 2 circles in 2026) spectrum renewal in only 6 of the 22 circles

(1) For calculating total quantum of spectrum, FDD quantum has been multiplied by 2 for equivalence with TDD quantum; 5 MHz of paired FDD spectrum = 1 carrier, 10 MHz of unpaired TDD spectrum = 1.5 carrier

(2) Licenses along with 1800 MHz administratively allocated spectrum in the service areas of UP (East) : 6.2 MHz, Rajasthan : 6.2 MHz, Himachal Pradesh : 4.4 MHz and Delhi : 8 MHz are due for renewal in October 2021 and Mumbai : 4.4 MHz and Bihar : 4.4 MHz are due for renewal in December 2026

Idea Cellular : Innovative Distribution & Servicing Model

A Wide Distribution Channel to Capitalize on Rapid Network Expansion



Idea Cellular : Building Digital Content Services

Own range of Digital Applications

Launched since Q4 FY17



- Nearly 2 mm downloads
- 2,000 games



- 5.5 mm downloads
- 3 mm tracks



- 6.4 mm downloads
- 2 million daily minutes of video viewing
- 6,000+ movies, 260+ Live TV channels

Launched in November 2017



Idea News & Magazines⁽¹⁾

- 4,000+ national and international magazines in 65 languages

Play in Payments space

Digital Wallet



- Existing service
- 13 mm+ subscribers

Payments Bank

- Aditya Birla Idea Payment Bank Ltd. received final banking license from RBI
- Launch expected shortly

MyIdea App

Idea Digital Sales and Service App



- 27 mm installations
- One-stop shop for self-servicing with an integrated news and magazine application for consumers

Source: Company filings as of Q3FY18

(1) Offered within MyIdea App and launched on November 30, 2017

Idea Cellular : Awards and Brand Recognition

Awards

FinanceAsia



Interbrand
BEST INDIAN BRANDS 2017



BW BUSINESSWORLD
www.businessworld.in



JAY CHIAT AWARDS

Brand



Merger with Vodafone India Limited

Idea Cellular – Vodafone Merger

Strong Partnership in the Making



ADITYA BIRLA GROUP

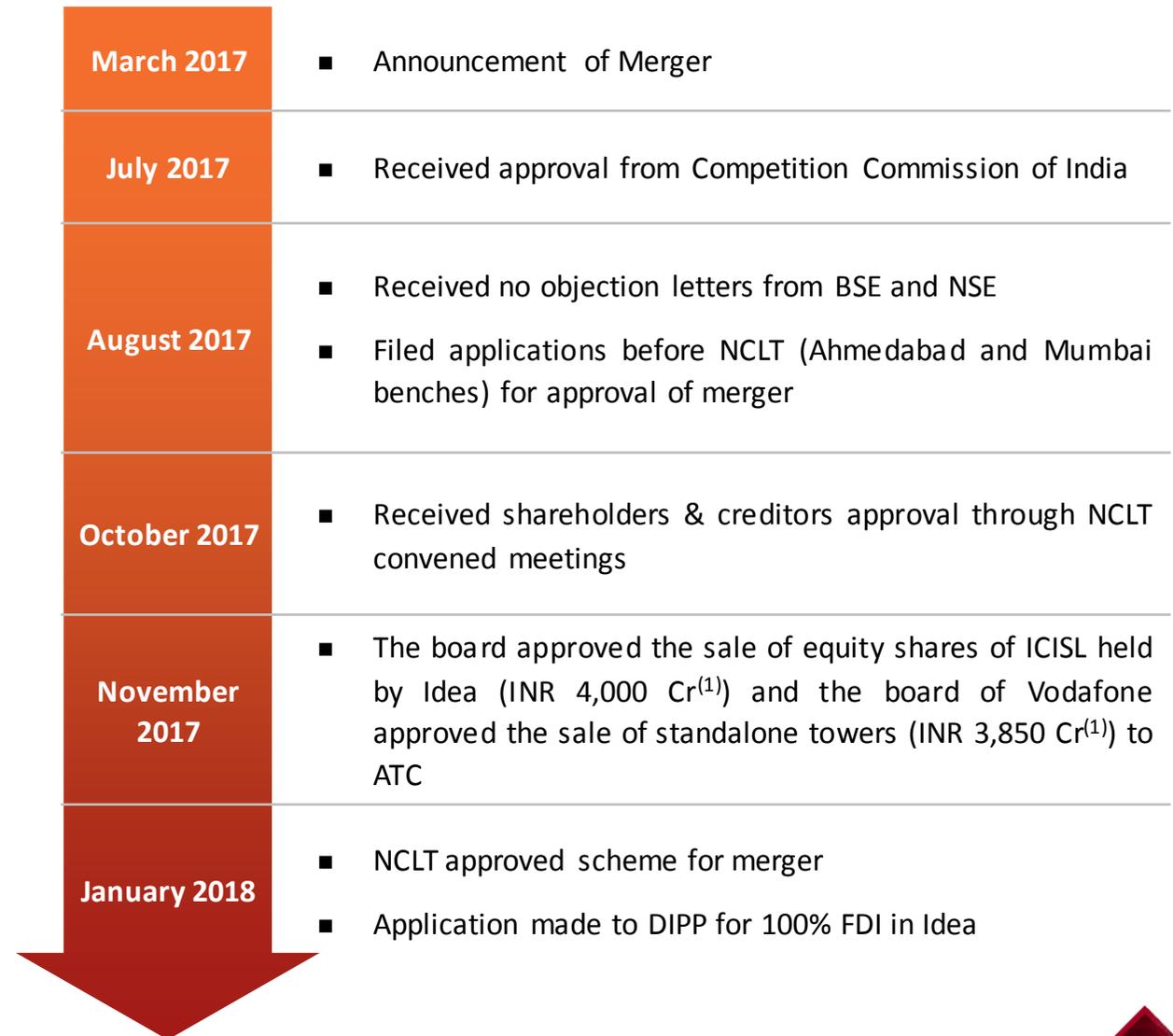


vodafone

Pending Key Regulatory Approvals

- DoT approval (including FDI)
- NCLT approval for Vodafone - Indus capital reduction
- Other customary regulatory approvals

Vodafone Merger Update

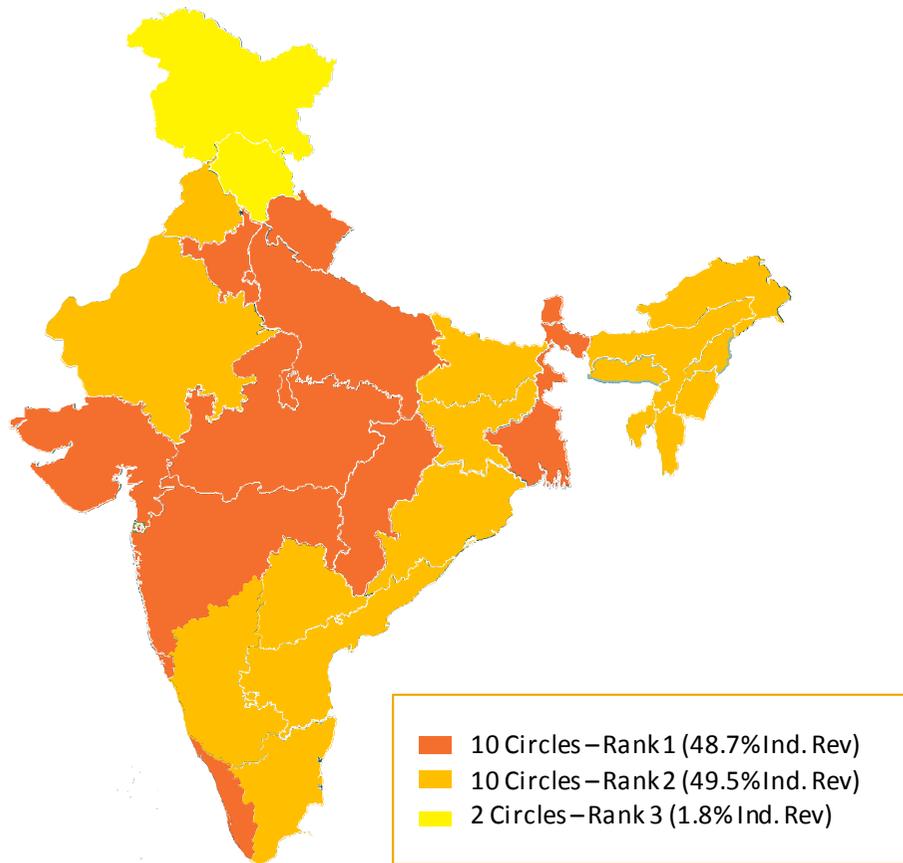


(1) Enterprise Value; ICISL owns and operates passive infrastructure and provides sites, tower leasing and tower sharing services to telecommunication service providers and others

Leadership Position Across Circles

Leadership position across India...

Circles where Vodafone / Idea hold #1 or #2 positions based on RMS, Q2 FY 2018



...and across almost all circles

RMS, Q2 FY 2018

				Combined market position ⁽¹⁾		
Metro	Mumbai	34.6%	8.5%	43.1%	#1	
	Kolkata	30.2%	6.5%	36.8%	#1	
	Delhi	25.8%	10.7%	36.5%	#2	
A circles	Gujarat	32.4%	18.7%	51.1%	#1	
	Mah & Goa	23.2%	29.5%	52.7%	#1	
	Andra Pradesh	8.3%	20.6%	28.9%	#2	
	Tamil Nadu	22.5%	5.5%	27.9%	#2	
	Karnataka	14.4%	9.9%	24.3%	#2	
	B circles	Kerala	23.5%	35.3%	58.9%	#1
Haryana		27.0%	22.0%	49.0%	#1	
UP West		21.2%	27.0%	48.2%	#1	
Madhya Pradesh		8.1%	36.4%	44.5%	#1	
West Bengal		36.2%	8.2%	44.3%	#1	
UP East		27.7%	11.9%	39.6%	#1	
Punjab		13.6%	22.5%	36.2%	#2	
Rajasthan		20.6%	11.4%	32.0%	#2	
C circles		Bihar	11.7%	12.8%	24.5%	#2
		Assam	19.1%	4.7%	23.9%	#2
	North East	17.3%	3.7%	21.0%	#2	
	Odisha	14.3%	5.1%	19.4%	#2	
	Himachal Pradesh	7.8%	9.6%	17.4%	#3	
	Jammu Kashmir	8.3%	5.9%	14.3%	#3	

■ Vodafone ■ Idea

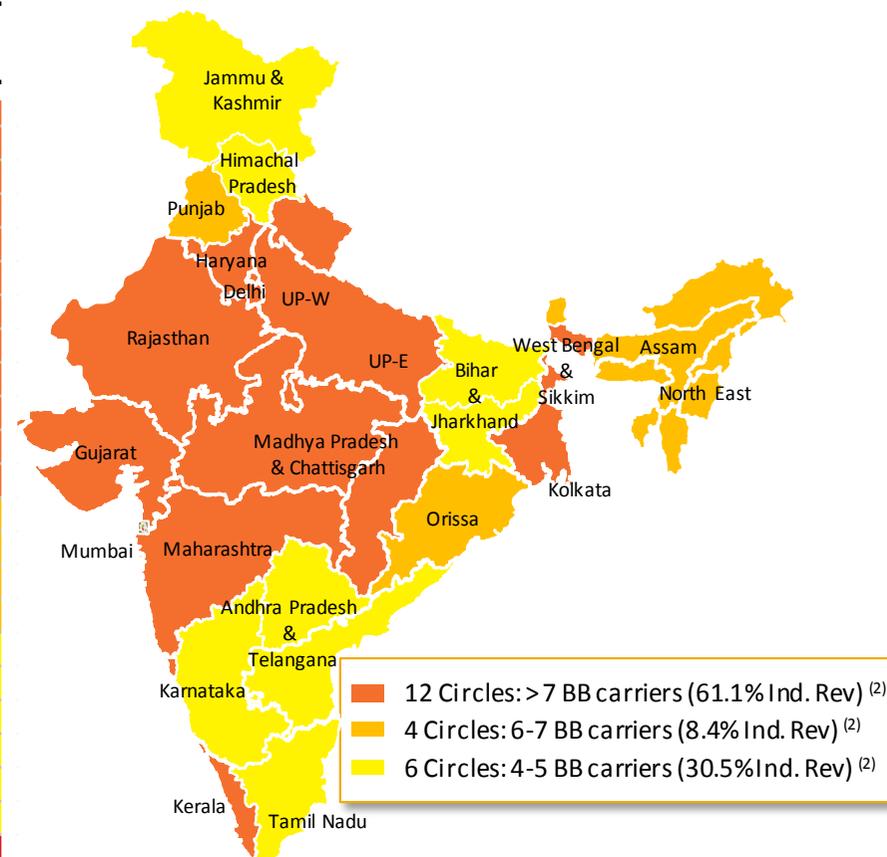
Note: Combined Rankings determined considering combinations of Idea-Vodafone, Bharti-Tata-Uninor and RCom-MTS

(1) Revenue market share and market position based on operator gross revenue by circle, before complying with the thresholds in the M&A guidelines; For RMS calculations, total industry revenue excludes wireline revenue for BSNL and MTNL

Enhanced Spectrum Position: Pan India 3G and 4G offerings

17 circles with 900 MHz spectrum

Circles	Total Spectrum Holding (in MHz)	FDD 900	No of Carriers				
			GSM	3G	4G FDD	4G TDD ⁽¹⁾	3G+4G
Maharashtra	122.8	14.0	22.8	3	3	6	12
Kerala	114.8	12.4	24.8	2	4	5	11
Gujarat	113.6	11.0	23.6	2	4	5	11
Haryana	106.0	12.2	26.0	2	4	3	9
Uttar Pradesh (East)	100.8	5.6	20.8	2	4	3	9
Rajasthan	95.2	6.4	15.2	2	4	3	9
Madhya Pradesh	92.0	7.4	22.0	2	2	5	9
West Bengal	90.0	6.6	20.0	1	4	3	8
Mumbai	91.2	11.0	21.2	2	3	3	8
Kolkata	84.0	7.0	14.0	2	3	3	8
Delhi	87.2	10.0	17.2	2	3	3	8
Uttar Pradesh (West)	91.2	11.2	22.4	2	3	3	8
North East	81.6		21.6	1	3	3	7
Assam	80.0		20.0	1	3	3	7
Orissa	74.0	5.0	14.0	1	3	3	7
Punjab	83.6	5.6	23.6	1	4	2	7
Tamil Nadu	67.2	6.2	17.2	1	4	0	5
Bihar	55.6		15.6	1	2	2	5
Jammu and Kashmir	54.0		14.0	1	2	2	5
Andhra Pradesh	55.6	5.0	15.6	1	2	2	5
Himachal Pradesh	51.2		11.2	1	2	2	5
Karnataka	58.0	5.0	18.0	1	3	0	4
No. of Carriers⁽¹⁾				34	69	60	163
Spectrum Holding (MHz)⁽¹⁾	1850	142	421	340	689	400	1429



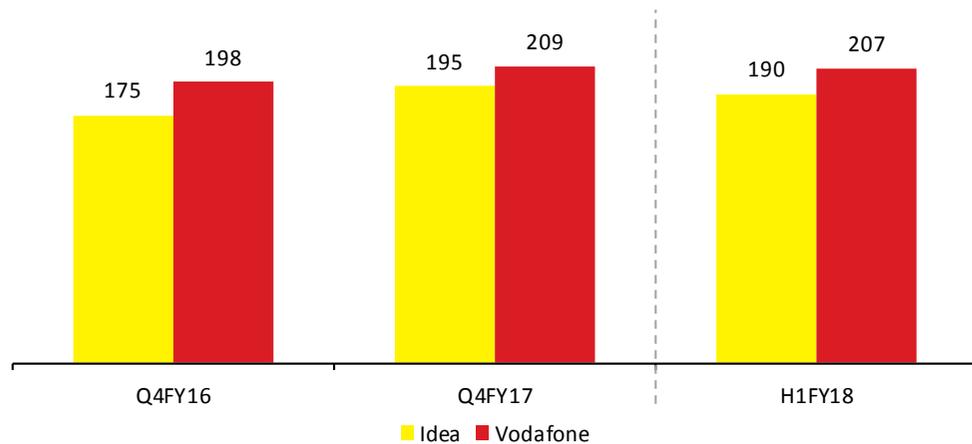
Highest number of broadband carriers, well positioned to meet future capacity requirement

(1) For calculating total quantum of spectrum, FDD quantum has been multiplied by 2 for equivalence with TDD quantum. 5 MHz of FDD spectrum (paired) = 1 Carrier / 10 MHz of TDD Spectrum (unpaired) = 1.5 carrier. Spectrum quantity for combined entity is based on summation of Idea & Vodafone current holding and may get reduced in compliance with M&A guidelines. For combined company, maximum of 2 carriers are considered under 3G (except Maharashtra) for combined entity, extra 3G carriers are considered as deployed towards 4G. Considering additional carrier in on 1800 MHz in 12 markets post combination and additional carrier in 4 markets of Delhi, UPE, Rajasthan and HP post liberalization/renewal of Idea 1800 MHz spectrum. Deployment of 900 MHz in GSM assumed to remain same

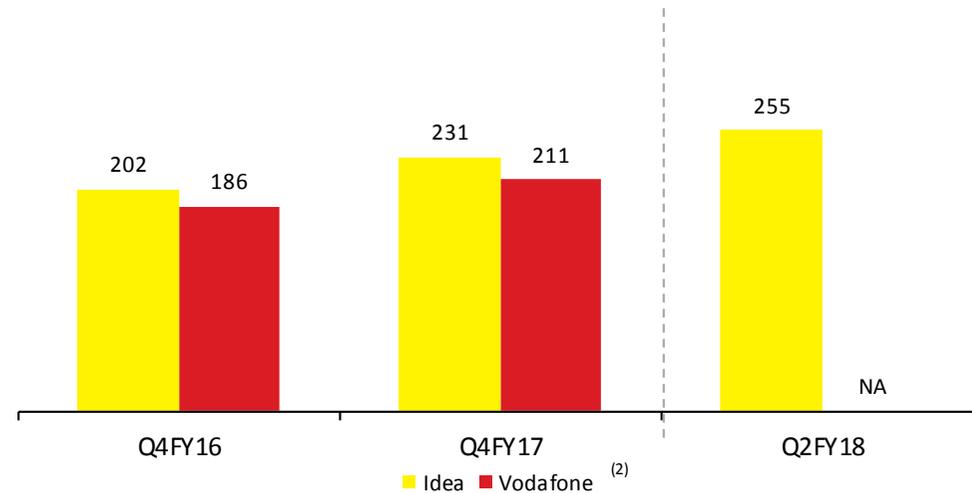
(2) Industry revenue as per Q2FY18; For Revenue calculations, total industry revenue excludes wireline revenue for BSNL and MTNL

Robust Operating Performance

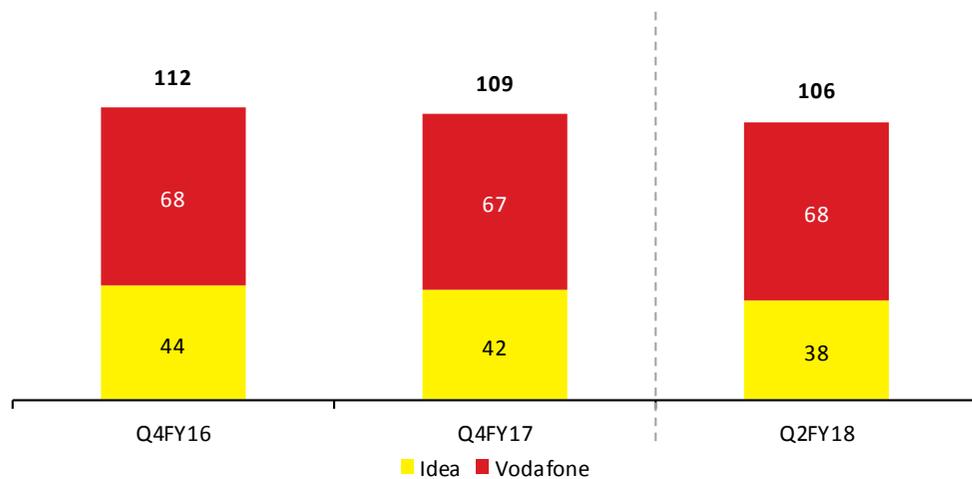
Subscriber Base (mn)⁽¹⁾



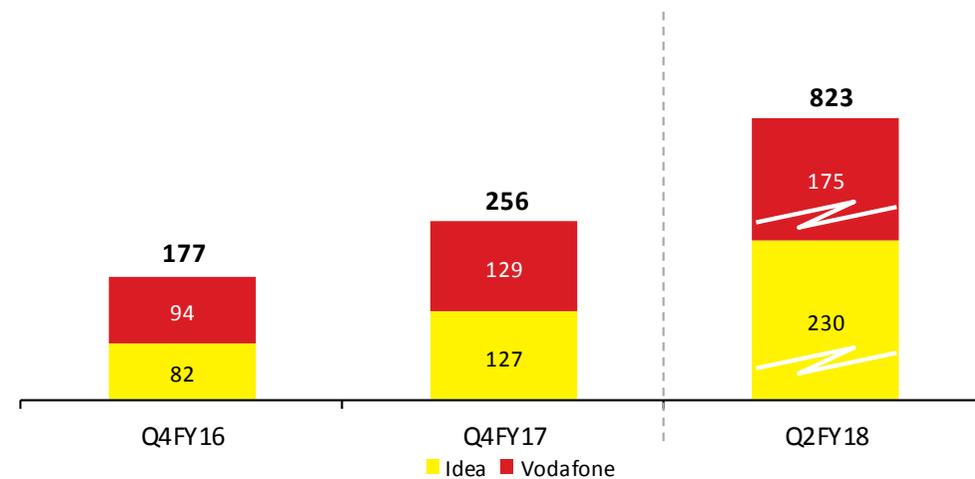
Voice Minutes (Bn mins)



Data Subscribers (mn)



Data Volume (000 TBs)



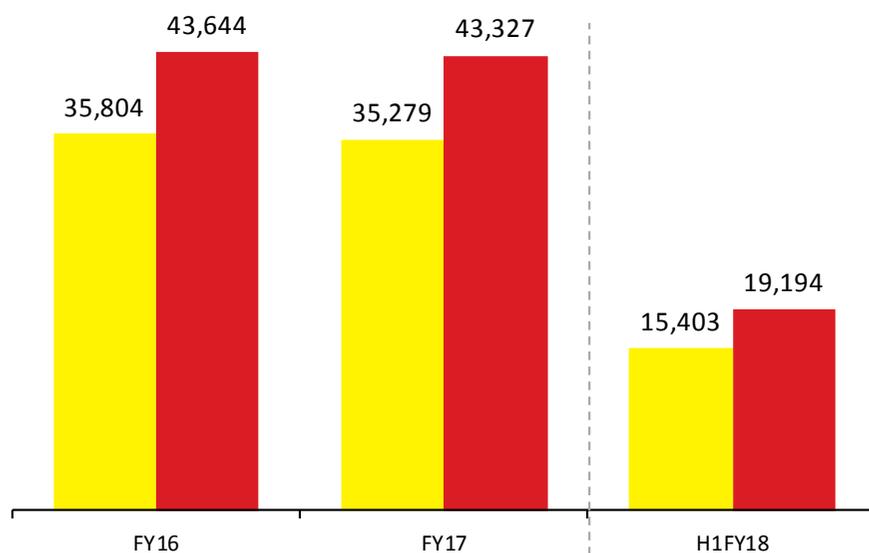
Source : Company filings
Note: 1000 MB = 1 GB

(1) Reported subscriber data from TRAI database

(2) Vodafone reports on-net voice minutes as one leg. The same is not comparable to Idea's reporting definition

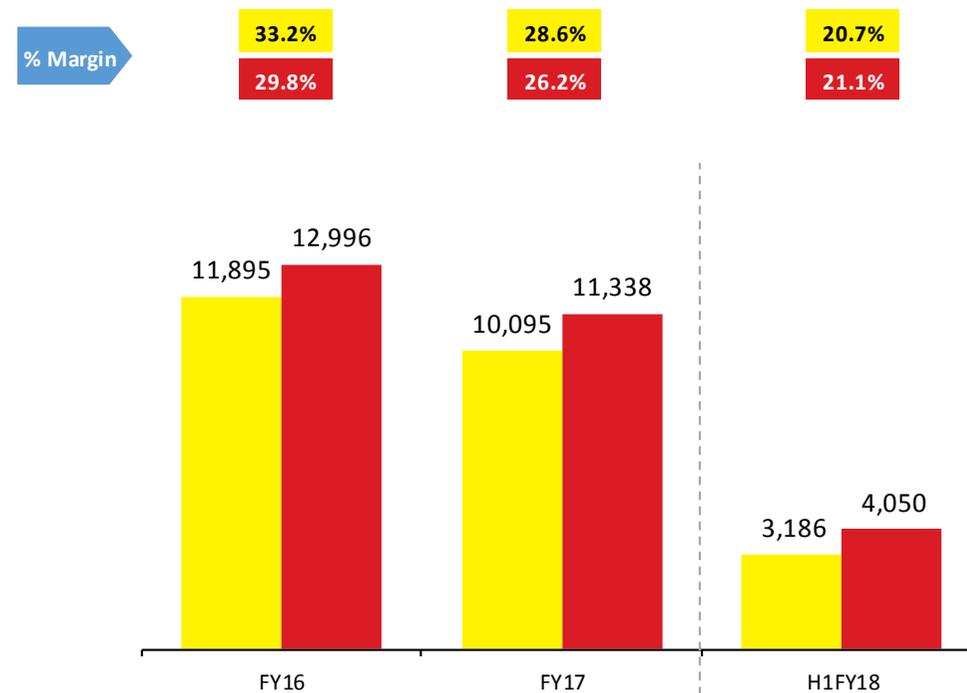
Robust Operating and Financial Performance

Revenue (INR Cr.)⁽¹⁾



Idea (US\$mm)	5,594	5,512	2,407
Vodafone (US\$mm)	6,819	6,770	2,999

EBITDA (INR Cr.)⁽¹⁾



Idea (US\$mm)	1,859	1,577	498
Vodafone (US\$mm)	2,031	1,772	633



■ Idea ■ Vodafone

H2FY17 and H1FY18 performance impacted from free/promotional offerings by new operator

Source : Company filings

Note : Exchange rate used US\$ 1 = INR 64

(1) Based on Idea's standalone IndAS financials; Based on Vodafone India consolidated IndAS financials; EBITDA for Vodafone adjusted by adding back the brand royalty fee. H1FY18 accounts for Vodafone are unaudited; Revenue and EBITDA exclude other income for ICL;

Significant Value Creation Through Synergies

Key Areas of Synergies

Opex Related	Network	<ul style="list-style-type: none"> ■ Rationalisation of co-located sites following network consolidation ■ Energy savings & operational efficiencies with elimination of older GSM sites ■ Savings related to small cells, IBS and connectivity cost
	Customer Acquisition & Servicing	<ul style="list-style-type: none"> ■ Service centres, back office and distribution efficiencies
	IT	<ul style="list-style-type: none"> ■ Infrastructure sharing resulting in lower cost
	Brand & Advertising	<ul style="list-style-type: none"> ■ Combined advertising & business promotion ■ Leverage strong affinity of two powerful decade old brands
	Others	<ul style="list-style-type: none"> ■ Reduction in General & Other administrative expenses
Capex Related	Network	<ul style="list-style-type: none"> ■ Higher spectrum availability & high capacity SRAN⁽¹⁾ deployment resulting in lower capex ■ Re-deployment of overlapping broadband equipment & avoidance of duplicate 4G network expansion and upgrades ■ Lower fibre and electronic rollout needed for building large broadband capacity
	IT	<ul style="list-style-type: none"> ■ Large scale to drive cost efficiencies for IT platforms ■ Common IT systems for the combined entity

(1) SRAN – Single Radio Access Network

Structure of the Integration

Large team of across various work streams (Network, Regulatory, Talent etc.) spearheading the integration process

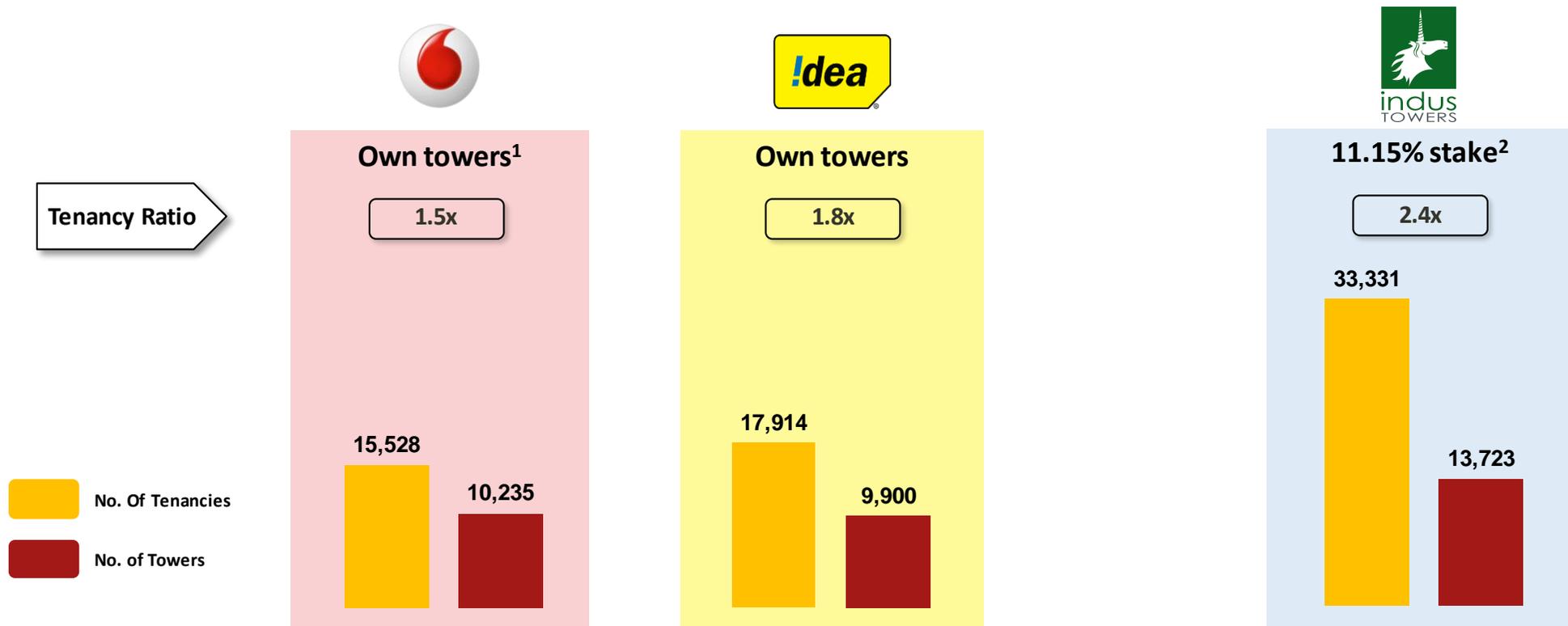
Dedicated Integration Team

- **Chairman's Council**
 - Overall transaction oversight
 - Select 3-4 decisions
- **Integration Steering Committee**
 - Key decision making body for integration
- **Integration Management Office**
 - Master planning of Deliverables, Activities, Milestones, and Decisions
 - Project management

Network Integration

- **Cluster wise Consolidation Approach**
 - Divide circles into clusters and build required capacities
 - Shutdown co-located sites and integrate sites to achieve the best Network grid, coverage and capacity
 - Use ICR approach to fast reach-out of 2G,3G,4G coverage
- **Coverage & Capacity enhancement**
 - Dynamic spectrum sharing, as suitable, to maximize business impact. Flexible allocation of spectrum across 2G/3G/4G based on traffic demand
 - Higher number of receiver ports to increase cell radius
 - Refarm 2100 from 3G to 4G, where applicable, to improve capacity and spectral productivity
- **Leverage both groups best practices (tools, automation, processes) to disrupt cost of production**
 - Cloud enabled capacity additions, agile, just-in-time.
 - Move to Open standards, machine learning, automation, tools, processes to capture next efficiencies

Unlocking further Value through Tower Assets



- Agreement with American Towers (ATC) reached for sale of above portfolio for an enterprise value of INR 78.5 bn (\$1.2 bn)
- Enterprise value of INR 40 billion (US\$615 mn) for Idea Cellular standalone towers
- ~6,300 co-located tenancies to collapse into single tenancies over a 2 year period without the payment of exit penalties

- Idea is evaluating monetization of its 11.15% stake in Indus towers which will provide additional capital to the combined entity

(1) Excludes tenancies in IBS, COW and MSC towers

(2) Data as of September 30, 2017, Proportionate number of tenancies based on Idea's 11.15% stake in Indus Towers

Joint Management Team & Governance



Kumar Mangalam Birla
Chairman of MergeCo

Governance Structure

Equal Partnership

- Idea promoters and Vodafone Group will be joint promoters of the combined entity
- Equal affirmative rights to both promoters on key matters

Board Composition

- 12 member Board with 6 independent directors
- Each party to have 3 director appointment rights

Key Management

- CEO and COO to be selected jointly on a 'best person for the role' principle, shortly before closing
- Vodafone to appoint the CFO

The Way Forward

Expand Broadband Coverage and Capacity



- Expand coverage to 1 bn Indians
- Re-deployment of overlapping 3G & 4G sites
- Built Capacity
- Rollout TDD spectrum in 2300 / 2500 MHz in dense areas
- Spectrum refarming from 2G to 4G

Capture Incremental Growth, High ARPU Subs

- Capture incremental subscriber growth – Competitive share on 4G and larger share on 2G
- Focus on high ARPU customers through unlimited bundle customer growth and attractive postpaid plans
- Counter handset strategy with cash backs on 2G & 4G
- Encourage digital buying and bring down distribution cost

Build Portfolio of New Age Offerings

- Create one-stop entertainment platform through digital content applications
- Mobile apps across categories of Music, Games, Movies, New and Magazine etc.
- Targeted digital services in developing sectors like agriculture, health, education etc. through M2M communication and IoT for growth in enterprise business

Derive Synergies



- Opportunities to realize opex and capex synergies including the following:
- Rationalization and surrender of over 60,000 overlapping sites
- Overlapping 3G and 4G sites to be used to expand broadband coverage
- Consolidation of spectrum leading to increased number of broadband carriers

Roll-out VoLTE



- VoLTE to be introduced starting end of FY2018 and to be offered along with the existing circuit switched voice services
- Optimize spectrum utilization between voice and data services to enhance customer experience

Fixed Line and Home Broadband



- Utilize robust, nation wide last mile fiber infrastructure to offer fixed line and broadband services to homes and enterprises
- Focus on enterprise broadband segment – MPLS, ILD, Video conferencing etc.

THE END