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# Media Release

*Mumbai – June 13, 2011*

Idea Cellular[1] announces un-audited results for FY11 and the fourth quarter (Q4) ended March 31, 2011

## Highlights – Q4 FY 11 over Q3 FY 11

- Idea – Standalone[2] – Revenue up 7.0%, EBITDA up 15.6%, PAT up 16.6%
- Idea – Consolidated[3] – Revenue up 7.1%, EBITDA up 13.4%, PAT up 12.9%

INR mn

| | Idea Standalone[2] | | | | Idea Consolidated[3] | | | |
|---|---|---|---|---|---|---|---|---|
| | Q4FY11 | Q3 FY11 | FY11 | FY10 | Q4FY11 | Q3 FY11 | FY11 | FY10 |
| Revenue - Established Service Areas[4] | 38,298 | 35,941 | 141,579 | 113,019 | | | | |
| Revenue - New Service Areas[5] | 4,393 | 3,960 | 14,801 | 8,394 | | | | |
| Total Revenue | 42,691 | 39,901 | 156,380 | 121,413 | 42,347 | 39,556 | 155,032 | 124,470 |
| EBITDA - Established Service Areas[4] | 10,667 | 9,597 | 38,648 | 34,722 | | | | |
| EBITDA - New Service Areas[5] | (1,173) | (1,384) | (5,386) | (4,184) | | | | |
| Total EBITDA | 9,494 | 8,214 | 33,262 | 30,538 | 10,752 | 9,482 | 37,907 | 34,071 |
| EBITDA% - Established Service Areas[4] | 27.9% | 26.7% | 27.3% | 30.7% | | | | |
| EBITDA% - New Service Areas[5] | -26.7% | -34.9% | -36.4% | -49.9% | | | | |
| Total EBITDA% | 22.2% | 20.6% | 21.3% | 25.2% | 25.4% | 24.0% | 24.5% | 27.4% |
| Depreciation & Amortisation | 5,940 | 5,362 | 21,728 | 17,615 | 6,572 | 5,925 | 23,973 | 20,149 |
| Other Receipt | - | - | - | (663) | - | - | - | (837) |
| EBIT | 3,554 | 2,852 | 11,534 | 13,586 | 4,180 | 3,557 | 13,933 | 14,758 |
| Interest and Financing Cost (Net) | 486 | 572 | 2,489 | 2,063 | 854 | 941 | 3,965 | 4,005 |
| PBT | 3,068 | 2,280 | 9,046 | 11,523 | 3,326 | 2,616 | 9,969 | 10,753 |
| PAT | 2,576 | 2,209 | 8,378 | 10,298 | 2,745 | 2,430 | 8,987 | 9,539 |
| Cash Profit[6] | 9,031 | 7,674 | 30,899 | 29,043 | 9,921 | 8,573 | 34,068 | 30,636 |

*Note: Spice Communications[1] was amalgamated into Idea Cellular with an appointed date of March 01, 2010. Accordingly, previous year figures (FY10) for Idea Standalone exclude Spice Communications[1], and for Idea Consolidated include proportionate consolidation.*

Continuing its long term trajectory of expanding market share, Idea Standalone Revenue grew 7.0% QoQ, on the back of a sequential quarterly growth of 9.0% in Total Minutes on Network. The Average Realised Rate declined to 40.6p compared to 41.8p in the previous quarter. Idea is the third largest wireless operator in the country with a Revenue Market Share of 13.6% (TRAI, Q4FY11), and also the fastest growing major operator.

Idea carried 362.6 billion minutes on its network during FY11, placing it among the top 10 operators in the world in voice minutes. On a normalised annual basis, Idea minutes grew 46.5%, whereas standalone annual revenue grew 18.2%, both significantly faster than the sector growth.

Idea added over 9.6 mn active subscribers during the quarter, taking the VLR subscriber base to 83.3 mn, with the highest ratio of active subscribers to reported subscribers in the sector at 93.1%, as on 31st March 2011. Idea continues also to be among the biggest net gainers nationally in the Mobile Number Portability program; a strong indicator of the popular appeal of Idea's services.

During the quarter, EBITDA on a standalone basis increased sequentially by 15.6%, driven by a 1.2% improvement of EBITDA margin in the Established Service Areas, coupled with reduced EBITDA losses of the New Service Areas by Rs 211 mn.

Interest of Rs. 1,240 mn has been capitalised during Q4 against the payment for 3G spectrum fees. On a standalone basis, the PAT figure for the quarter stands at Rs. 2,576 mn, up 16.6%, on a sequential quarterly basis, while cash profit of Rs. 9,031 mn, grew by 17.7%.

Idea has rolled out its 3G services in the service areas of Maharashtra & Goa, Andhra Pradesh, Kerala, MP & Chhattisgarh, Gujarat, UP (West) and Uttaranchal, UP (East), Haryana & Himachal Pradesh. Additionally, Idea subscribers would very soon be able to enjoy 3G services, across India, through a combination of home network and roaming arrangements, with select leading quality operators.

Idea is one of the few companies in the world, which is able to run high quality telecom services at the world's lowest price points, and yet extract stable Cash Profits. Idea is poised to benefit from long term sector opportunities, once this over-capacity phase draws to its inevitable close.

**Notes:**

1. ***The erstwhile Spice Communications Limited (Spice) was amalgamated with the Company effective March 1, 2010 pursuant to sanction of the Scheme of Amalgamation by the Hon'ble High Court of Gujarat and the Hon'ble High Court of Delhi. However, on March 30, 2011, upon an application made by DoT, the Hon'ble High Court of Delhi has stayed operation of its order dated February 5, 2010, sanctioning the Scheme of Amalgamation. The Company had filed an application before the Hon'ble High Court of Delhi seeking vacation of the said ex-parte stay, the hearing in respect of which is concluded and the judgment is reserved. On June 2, 2011, the Hon'ble High Court of Delhi, on a further application filed by the Company seeking permission for adoption of accounts by the Board of Directors, permitted the Company to adopt accounts and complete all legal obligations in that behalf. The adoption of the accounts by the Board shall be subject to further orders to be passed by the Hon'ble High Court of Delhi.***
2. Idea Standalone represents Idea, and its 100% subsidiaries. Effectively, this encompasses all operations, excluding the JVs, Spice (till February 28, 2010) and Indus.
3. Idea Consolidated represents Idea, its 100% subsidiaries, and its JVs, grouped together. In addition to Idea Standalone, this covers the proportionate consolidation of Indus (16%), and Spice (41.09%, till February 28, 2010).
4. Established Service Areas represent 13 service areas of Maharashtra & Goa, Gujarat, Andhra Pradesh, Madhya Pradesh & Chhattisgarh, Delhi, Kerala, Haryana, Uttar Pradesh West & Uttaranchal, Uttar Pradesh East, Rajasthan and the Himachal Pradesh service area, and also include the service areas of Punjab and Karnataka of erstwhile Spice from March 01, 2010.
5. New Service Areas represent 9 service areas of Mumbai, Bihar, Orissa, Tamil Nadu, J&K, Kolkata, West Bengal, Assam and the North East service areas.
6. Cash Profit is calculated as summation of PAT, Depreciation, charge on account of ESOPs and Deferred tax, for the relevant period.
7. Figures for past periods have been regrouped, wherever necessary.

**About Idea Cellular Ltd.**

Idea Cellular is the third largest wireless operator in India with a Revenue Market Share of 13.6% (Q4FY11). Idea is listed on the National Stock Exchange (NSE), and the Bombay Stock Exchange (BSE) in India.

Idea is part of the Aditya Birla Group, India's first truly multinational group. The group operates in 27 countries, is anchored by an extraordinary force of over 130,600 employees belonging to 40 nationalities, and derives over 60% of its revenues from operations outside India.