

17th September, 2009

Investor presentation

Update on Unitech Wireless

The Unitech logo consists of the word "unitech" in a lowercase, sans-serif font. The letter "u" is red, and the remaining letters "nitech" are teal. The logo is positioned in the bottom right corner of the slide.

unitech

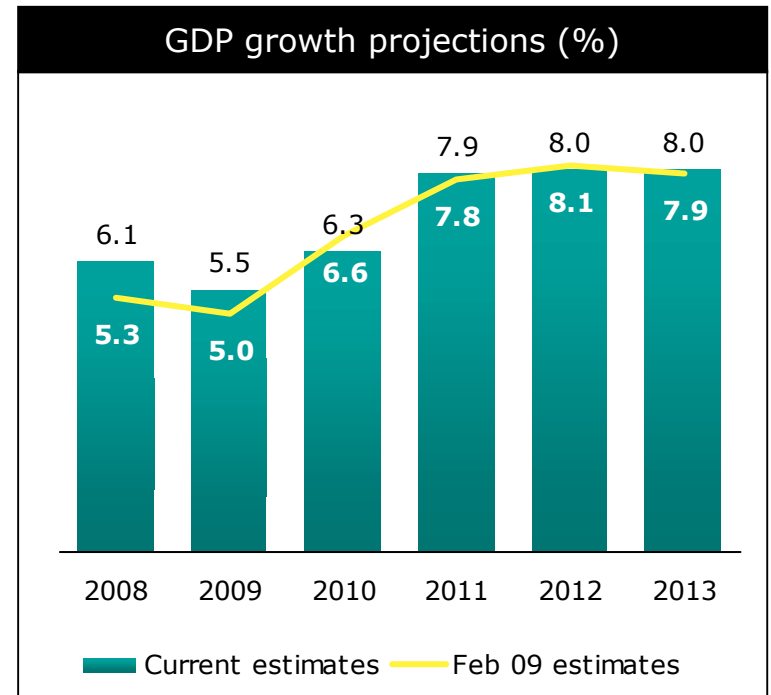
Delivering the telecom business plan

- High market growth with huge potential
- Integrated go-to-market strategy
- Efficient and scalable operating model
- On track to secure funding
- Management is confident to deliver on business plan



Indian economy is still growing

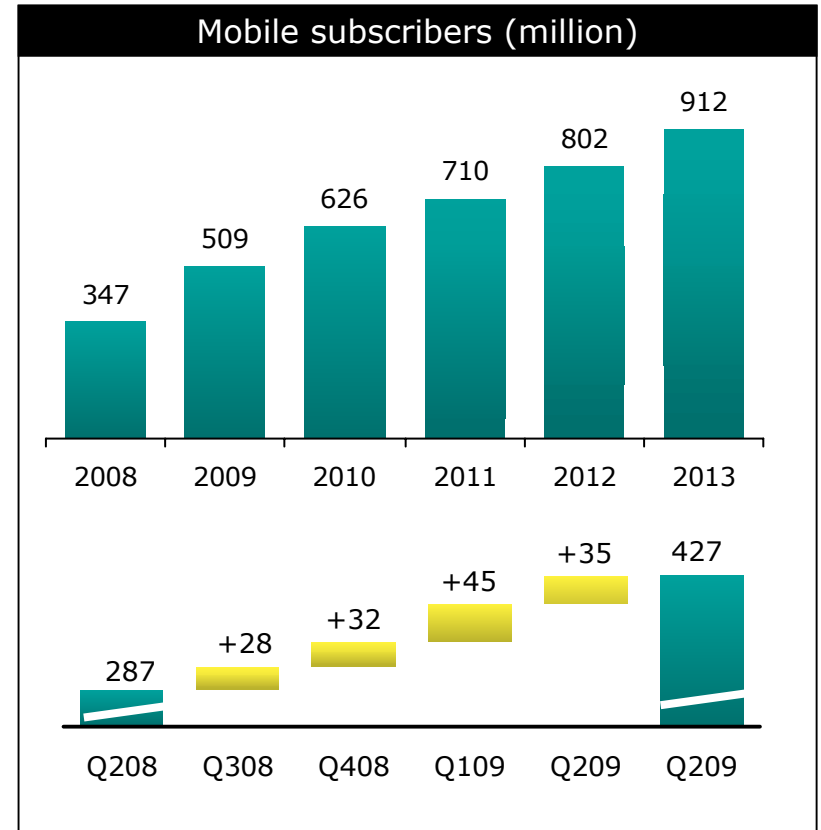
- Outlook for sustained GDP growth of more than 7%
- Impact of global recession is limited
- Majority Congress government expected to provide political stability
- India's benchmark stock market index has increased significantly YTD



Source: Economist Intelligence Unit

Mobile growth continues

- Indian mobile market exceeding 500 million subscribers in 2009
- Penetration level around 35% indicates significant growth remaining
- Average monthly net adds of 12 million from Q208 to Q209
- Mobile status as a necessity in consumer purchase basket



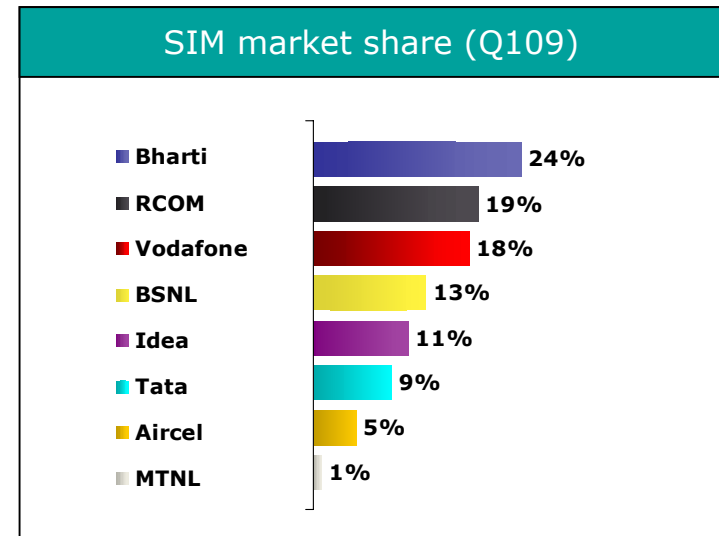
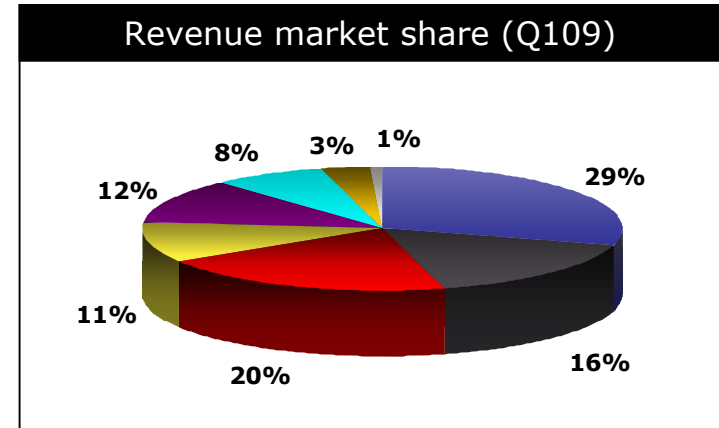
Source: Unitech Wireless estimates 2009-2013, TRAI figures up to Q209

Competitive intensity

- Currently 6-8 operators in most circles
- New launches from April 2009 to date:
 - Aircel in 8 circles
 - Tata DoCoMo in 7 circles
 - MTS in 3 circles
 - Idea in 2 circles
- New entrants pushing ARPU lower
- Churn remains high and may increase with new entrants

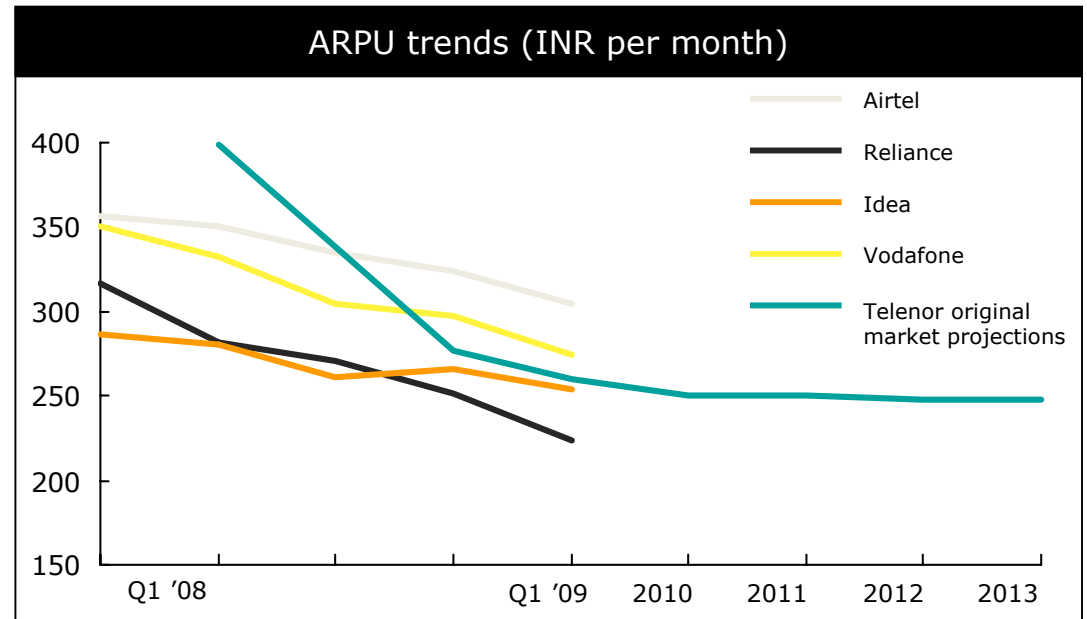
Revenues Q109 on a 4 quarter rolling basis

Sources: Cellular Operators Association of India, TRAI Association of Unified Telecom Service Providers of India



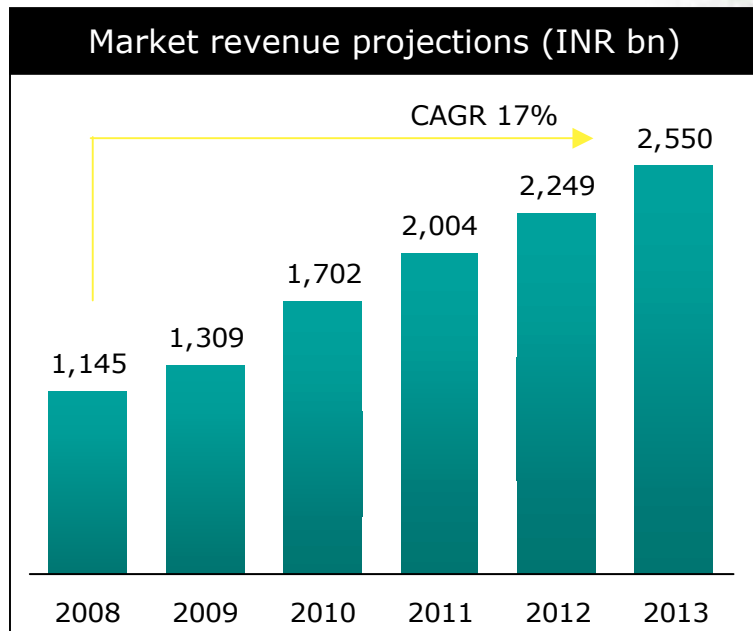
ARPU decline has continued in 2009

- ARPU already at the lower end of most Asian markets
- Spectrum scarcity and continued GDP growth will act as a buffer
- Significant number of inactive and multiple SIMs
- ARPU decline expected to continue for next few years before stabilizing



Sources: Cellular Operators Association of India, Association of Unified Service Providers of India, Pyramid research

Market revenue growth expected to remain robust



Sources: Cellular Operators Association of India,
Association of Unified Service Providers of India,
Pyramid research

Spectrum scarcity

- Spectrum scarcity continues, especially in dense urban areas
- Established operators face severe spectrum constraints in key cities
- Government to decide on methodology for allocation of further 2G spectrum
- 3G spectrum reserve price set at INR 35 bn for pan-Indian licence



Integrated go-to-market strategy

Distinct value proposition

- Higher ARPU customers: Offer best value for money
- Mass-market: Offer simple products at attractive prices

Targeted and simple offerings

- Provide attractive offers based on customer insight and local tailoring
- Focus on selected markets where we can build a strong position

Superior channel management

- Establish traditional reach at par with competitors soon after launch
- Create compelling value propositions for the distributor and retailer

Customer lifecycle management

- Focus on micro segmentation
- Offers designed to stimulate ARPU and drive customer loyalty

Regulations encouraging competition and partners' reputation create a strong platform

Recent policy changes are attempting to level the playing field for new entrants

Active & passive infrastructure sharing

- Passive sharing will decrease upfront capex and time to launch
- Active sharing will further reduce capex requirement and time to launch

Intra circle roaming

- Allows new operators to roam on each others networks within a circle thereby allowing new operators to share/split the network roll out costs and time

Mobile number portability

- With MNP, customers will reward operators with superior service. It will also help new operators to capture churn customers

MVNO

- New entrants would be able to enter into MVNO arrangements in circles where they lack spectrum

Owners' reputation and brand make UW one of the most attractive new entrants

Telenor experience and expertise

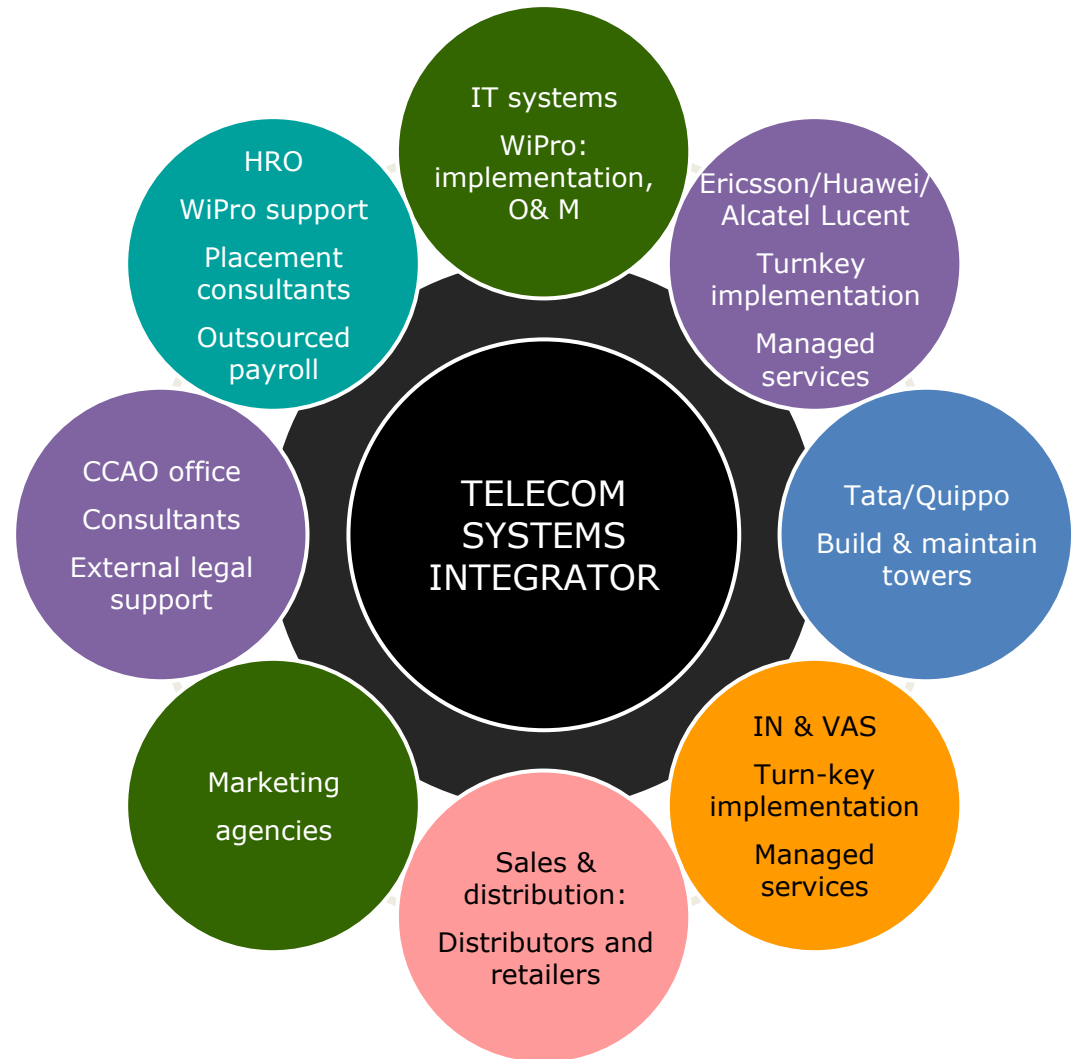
- Access to high caliber management team and well qualified employee base
- Experience of establishing successful operations in multiple South-East Asian countries
- Expertise in setting up and offering high end technology based services e.g., 3G platform

Unitech reach and local relationships

- Unitech presence in all major cities across India
- Reputation for ethics and integrity
- Enduring partnerships with vendors and retailers
- Strong ties with financial institutions

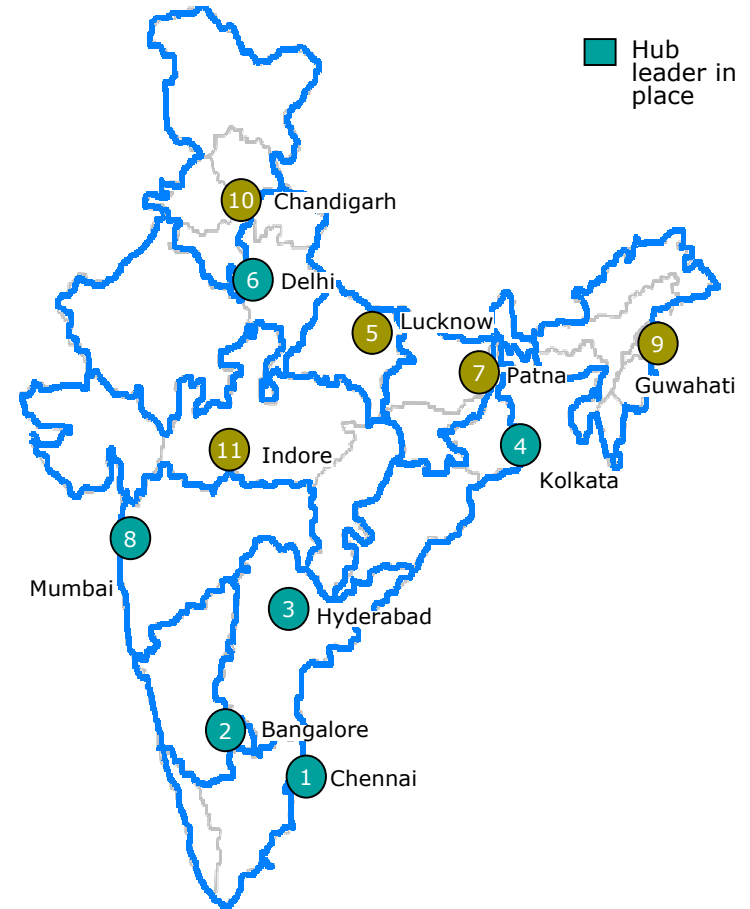
Unique operating model set up

- Pan-Indian passive sharing contract with Tata/Quippo for towers and transmission
- IT systems outsourced to WiPro
- Network installation and managed services contracts in all circles
- Empowered local leadership

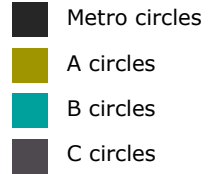


Organisation model based on 11 hubs

#	Hub HQ	Circles covered
1	Chennai	RoTN Chennai Kerala
2	Bangalore	Karnataka
3	Hyderabad	Andhra Pradesh
4	Kolkata	Kolkata West Bengal Orissa
5	Lucknow	UP (E)
6	Delhi (NCR)	UP (W) (Inc. Uttaranchal) Delhi (Inc. NCR) Rajasthan
7	Patna	Bihar (Inc. Jharkhand)
8	Mumbai	Mumbai Maharashtra (Inc. Goa)
9	Guwahati	Assam North East (6 States)
10	Chandigarh	Punjab Himachal Haryana J&K
11	Indore	Madhya Pradesh Gujarat



Significant differences across circles



Punjab	55%
Population:	28.3
Subscribers :	15.7

Haryana	43%
Population:	24.6
Subscribers:	10.7

UP (East)	32%
Population:	96.9
Subscribers:	31.0

UP (West)	20%
Population :	106.5
Subscribers:	21.8

M. Pradesh	24%
Population:	93.5
Subscribers:	22.5

Rajasthan	39%
Population:	65.7
Subscribers:	25.9

West Bengal	25%
Population:	70.5
Subscribers:	17.9

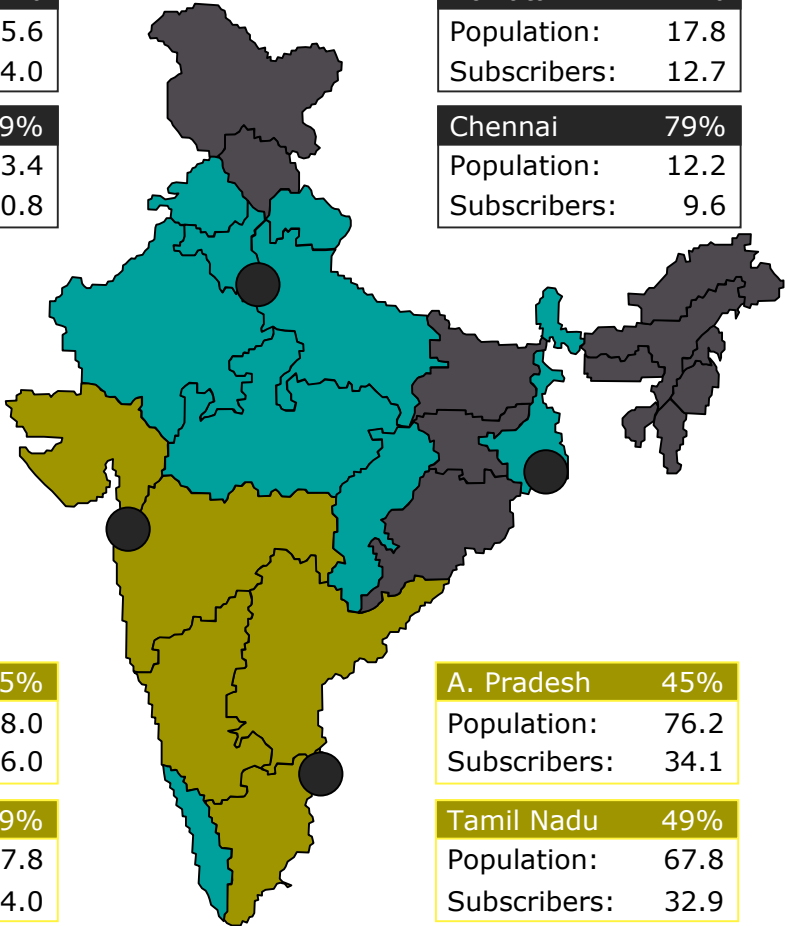
Kerala	53%
Population:	34.1
Subscribers:	18.2

Delhi	94%
Population:	25.6
Subscribers:	24.0

Mumbai	89%
Population):	23.4
Subscribers:	20.8

Kolkata	71%
Population:	17.8
Subscribers:	12.7

Chennai	79%
Population:	12.2
Subscribers:	9.6



Gujarat	45%
Population:	58.0
Subscribers:	26.0

Maharashtra	39%
Population:	87.8
Subscribers:	34.0

A. Pradesh	45%
Population:	76.2
Subscribers:	34.1

Tamil Nadu	49%
Population:	67.8
Subscribers:	32.9

Karnataka	45%
Population:	58.2
Subscribers:	26.0

J&K	37%
Population:	11.4
Subscribers:	4.2

H. Pradesh	55%
Population:	6.7
Subscribers:	3.7

Bihar	20%
Population:	125.6
Subscribers:	25.0

Assam	22%
Population:	29.8
Subscribers:	6.5

North East	28%
Population:	13.5
Subscribers:	3.8

Orissa	26%
Population:	40.0
Subscribers:	10.4



Source: TRAI, NCAER, Unitech Wireless estimates. All numbers in million as of Q109

Local micro market understanding is critical – Andhra Pradesh example

Adilabad (Telengana)

- Population: 2.5m
- Pop. density: 154/sq km
- Mobile penetration: 30-35%
- Largely Telugu speaking with some Urdu
- Some agriculture, but less than in the coastal belt
- People naturally linked upwards, e.g. Maharashtra

Greater Hyderabad

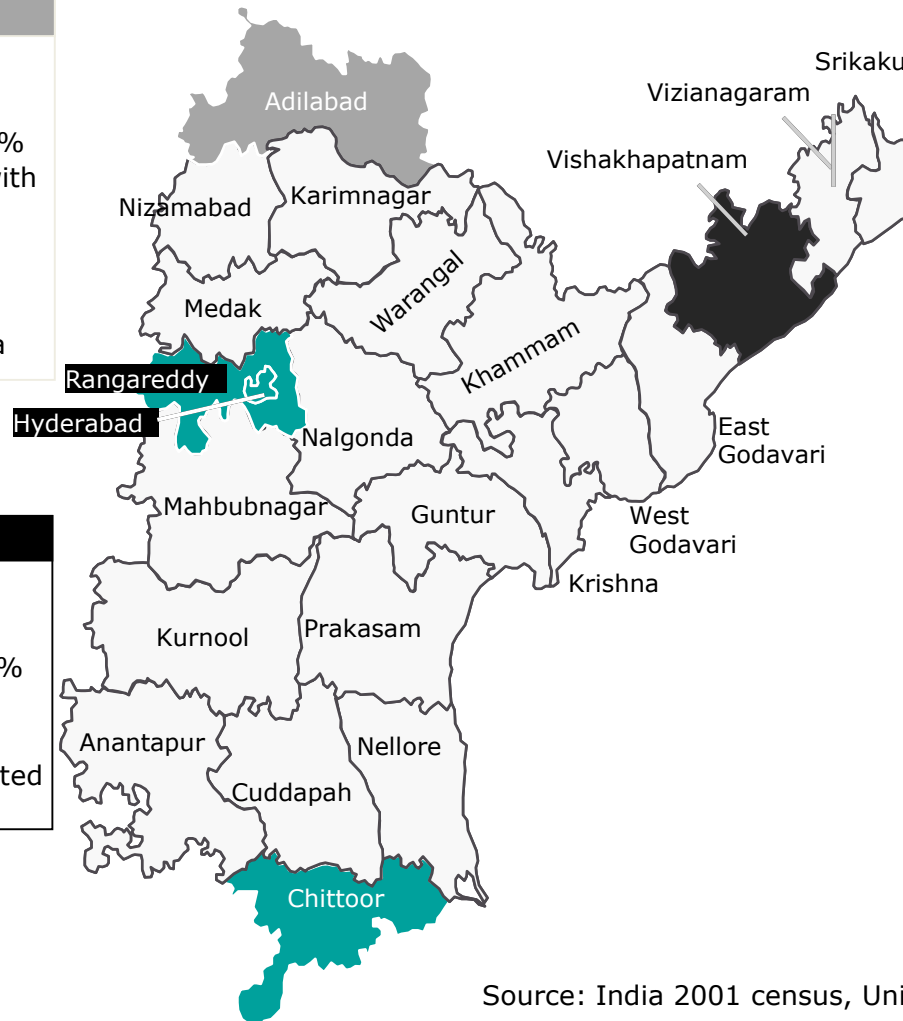
- Population: 7.3m
- Pop. density: 1,086/sq km
- Mobile penetration: 75-80%
- Capital of AP with a large business community
- Hub of AP and well connected to rest of region

Visakhapatnam (coastal belt)

- Population: 3.8m
- Pop. density: 343/sq km
- Mobile penetration: 45-50%
- Often referred to as the "wealth of Andhra"
- Very economically active in agriculture
- Large Hindu population with Telugu as main language

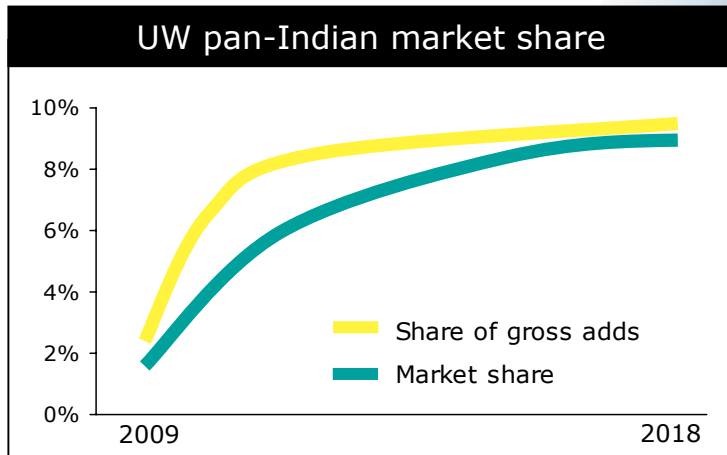
Chittoor (Rayalaseema)

- Population: 3.7m
- Pop. density: 244/sq km
- Mobile penetration: 30-35%
- Market center for various produce and industries
- Considerable tourism due to its famous temples
- Mixed population with Telugu as the predominant language



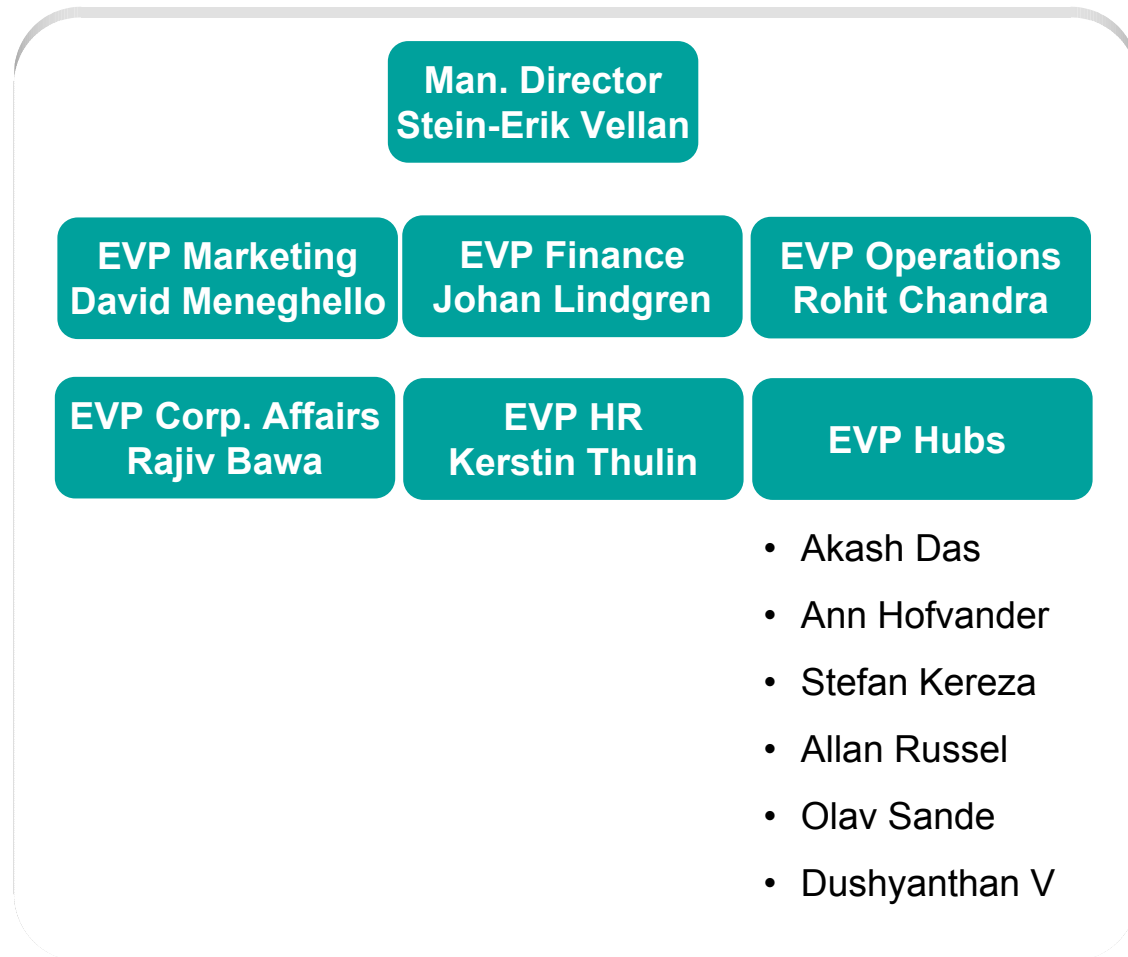
Targeting 8% pan-Indian market share

- Targeting both churners and new subscribers
- Large share of net adds first years due to low churn from own subs
- Significant differences in market share between circles
- Sub-market ARPU first years



Organization in place and launch well underway

- More than 8,500 BTS sites installed
- More than 900 people on-board
- More than 1,200 distributors shortlisted
- Major vendor and outsourcing contracts signed



Financing on track

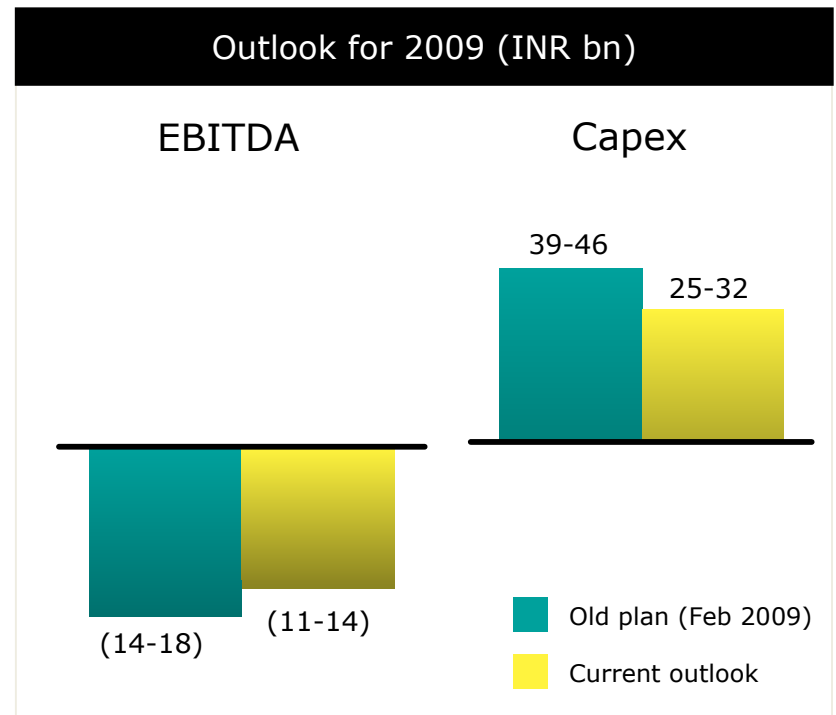
- INR 61 bn from Telenor Group in 2009
- No more equity assumed
 - 67/33 ownership long term
- Bridge facility of INR 50 bn from State Bank of India
- Work on long term project financing started



Financial outlook and long term ambitions

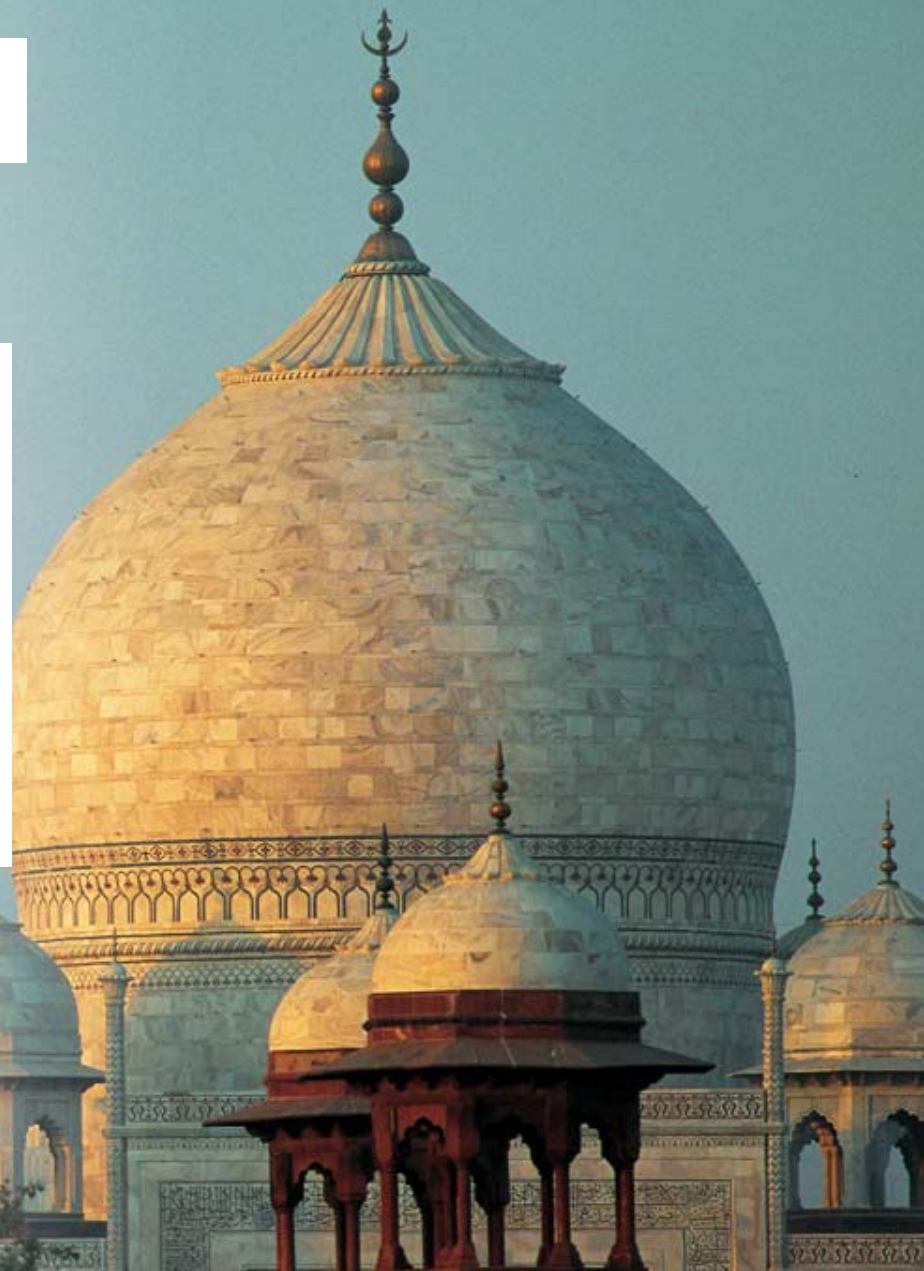
- Capex of INR 25-32 bn and EBITDA loss of INR 11-14 bn in 2009
- EBITDA breakeven in approximately three years from launch
- OCF* breakeven in approx five years from launch
- Accumulated OCF loss of INR 155 bn before breakeven
- Long term ambition of 30% EBITDA margin and 20% OCF margin

* OCF: Operating cash flow (EBITDA-capex)



Summary

- Have the right formula to win and are building the necessary tools
- On track for launch in Q4 2009
- Highly committed management team
- Focus on delivering on the business plan and creating shareholder value



Thank You

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