

The logo for Spice Communications Limited is a horizontal bar divided into five colored segments: orange, purple, green, teal, and yellow. The text "Spice Communications Limited" is centered in white across the purple and green segments.

Spice Communications Limited

March 2008

Operating Parameters

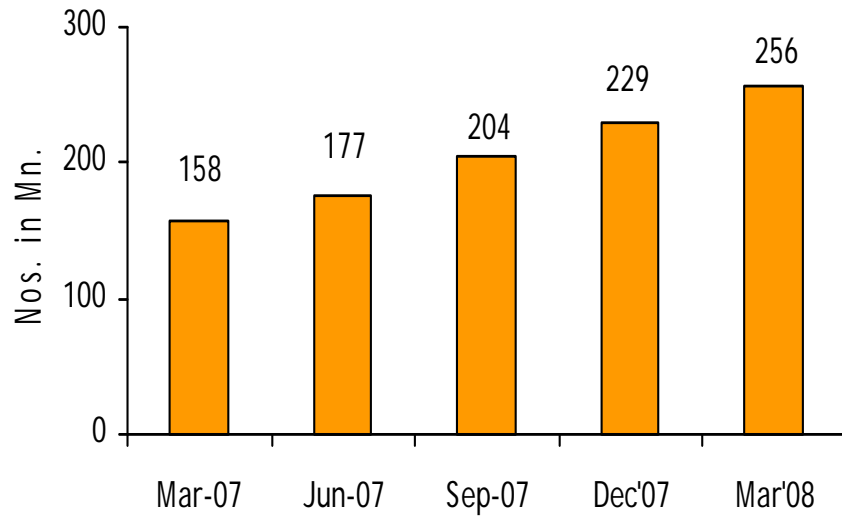
Revenue & Profitability

Operating Parameters

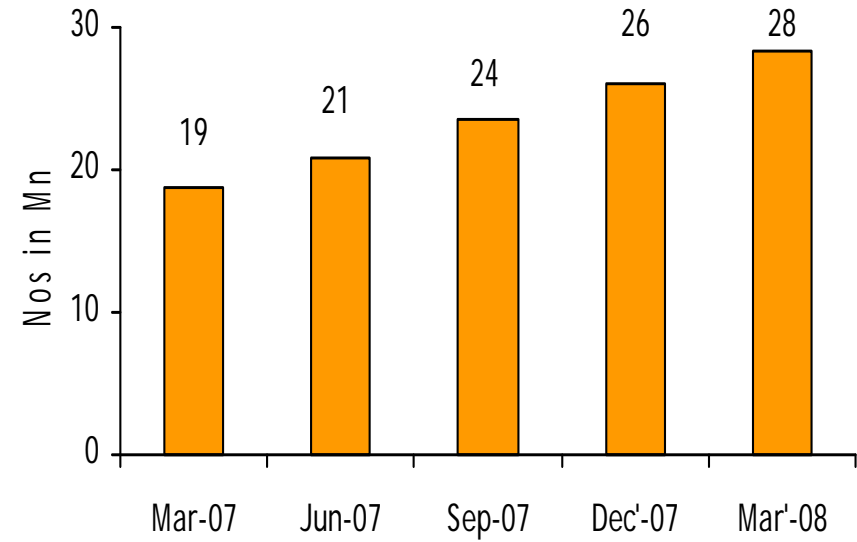
Revenue & Profitability

Subscribers Growth

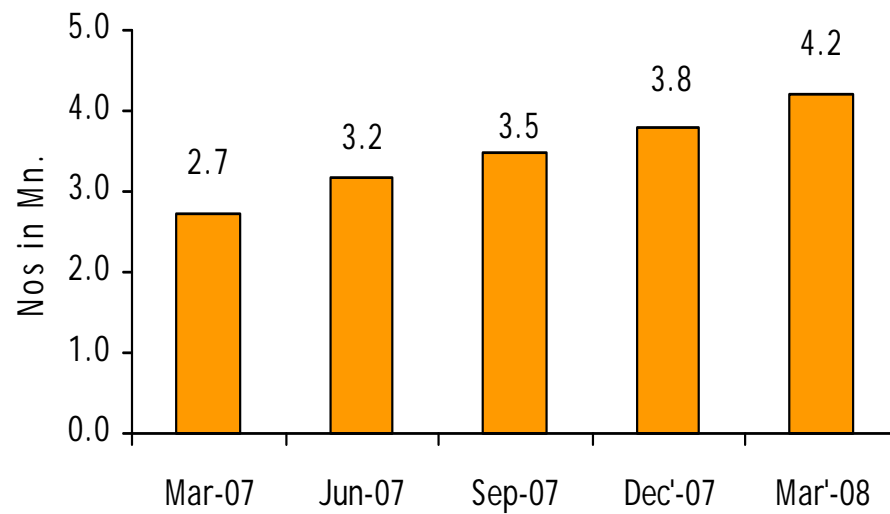
All India Subscribers



State Subscribers (Punjab & Karnataka)



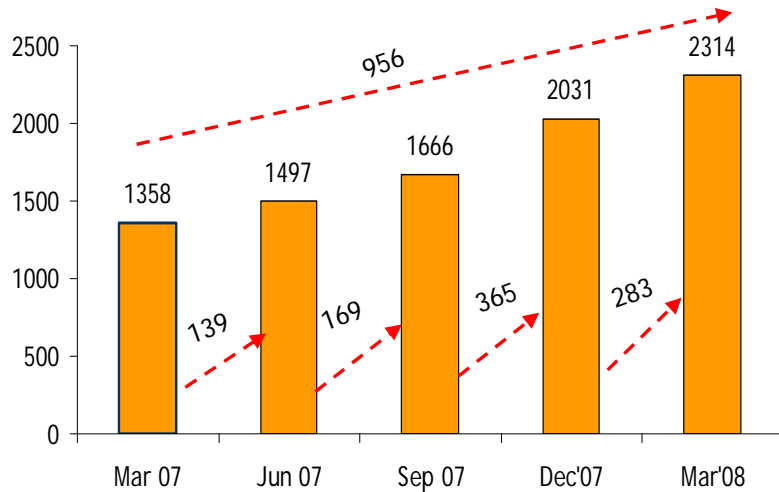
Subscribers - Spice (Punjab + Karnataka)



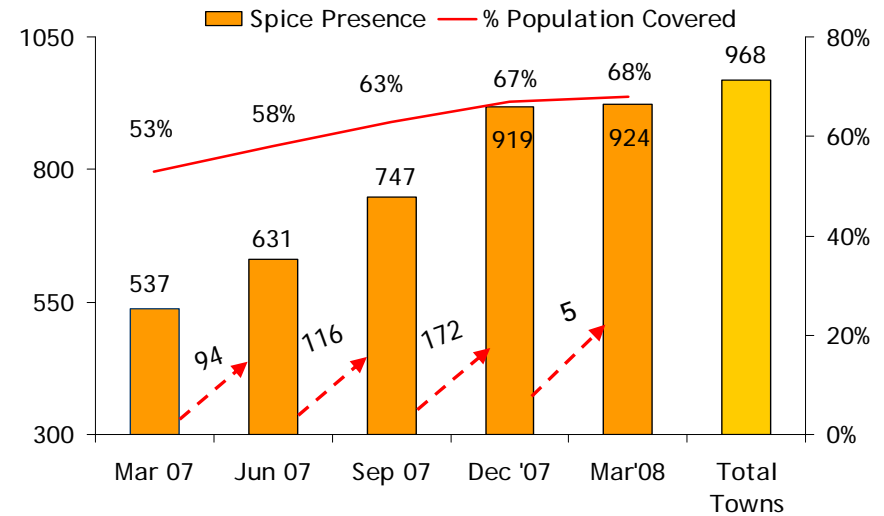
- All India Subscribers grew by 62%
- Two States Subscribers grew by 47%
- Spice Subscribers grew by 56%

Punjab | Expanding network and subscriber base

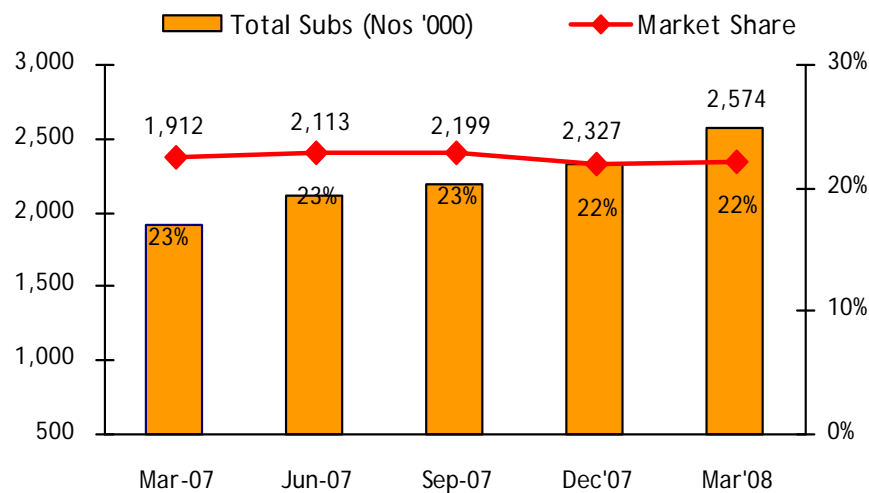
70% increase in Cell Sites in one year



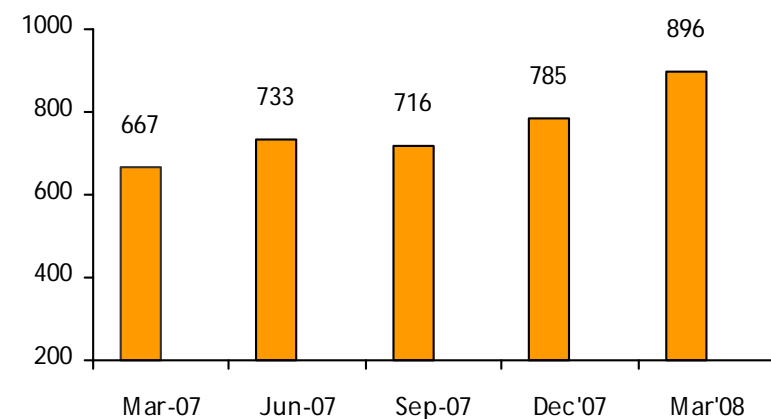
387 New towns covered since Mar 07



Total Market Share



Network Minutes (Mn per month)

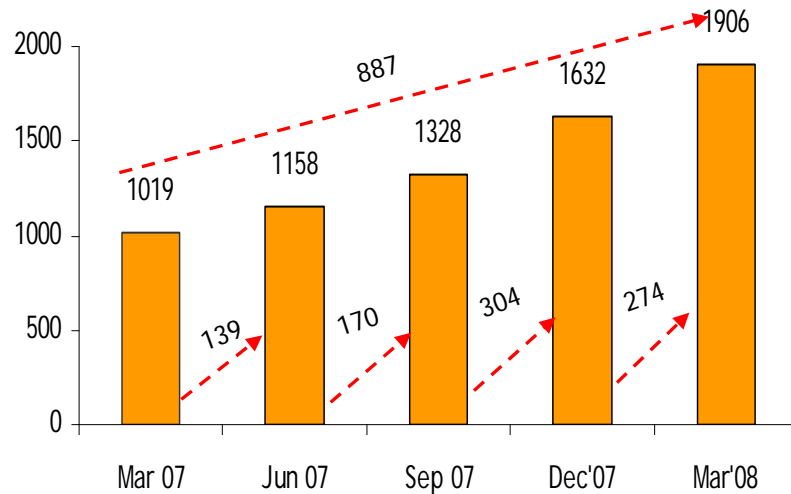


Network expansion strategy to maintain Spice position as top two operators

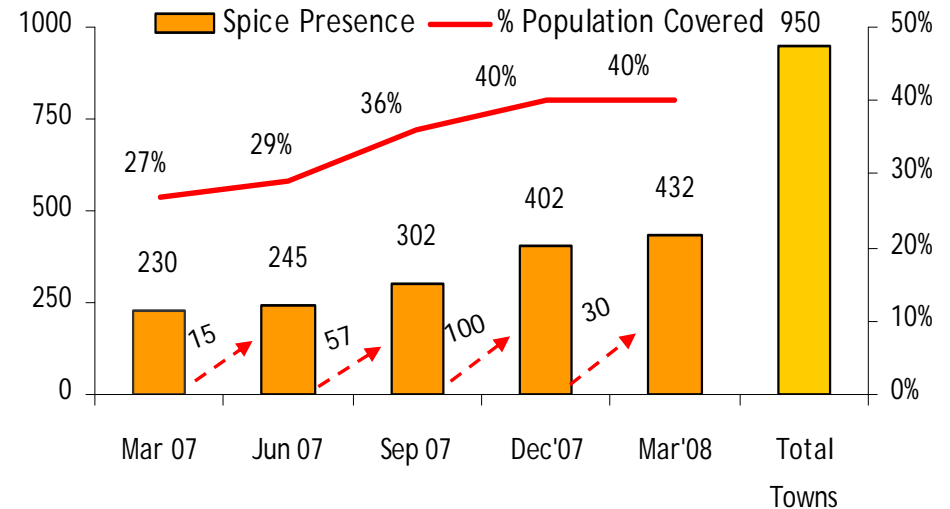


Karnataka | Expanding network and subscriber base

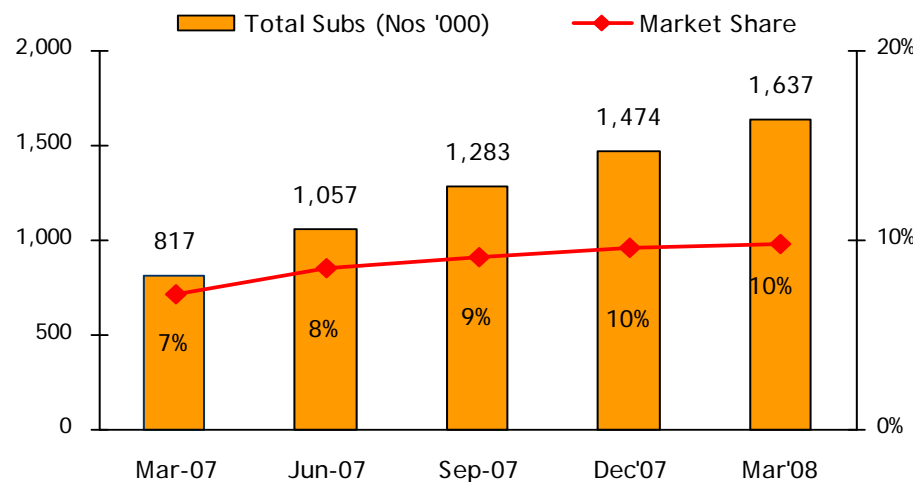
87% increase in Cell Sites in One year



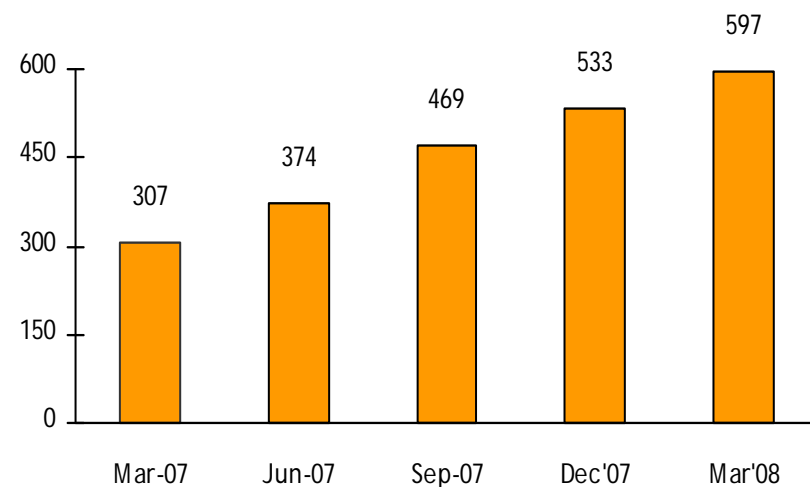
202 New towns covered since Mar 07



Expansion strategy leading market share gain



Network Minutes (Mn per month)

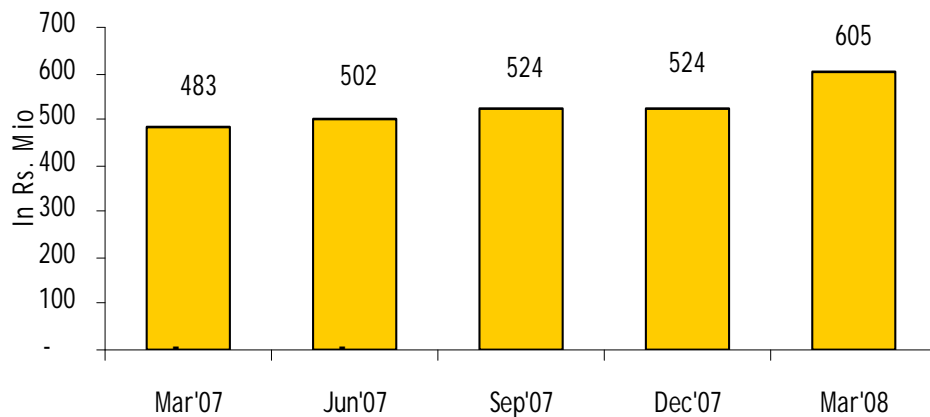


Network investments & increasing coverage has led to growth in market share

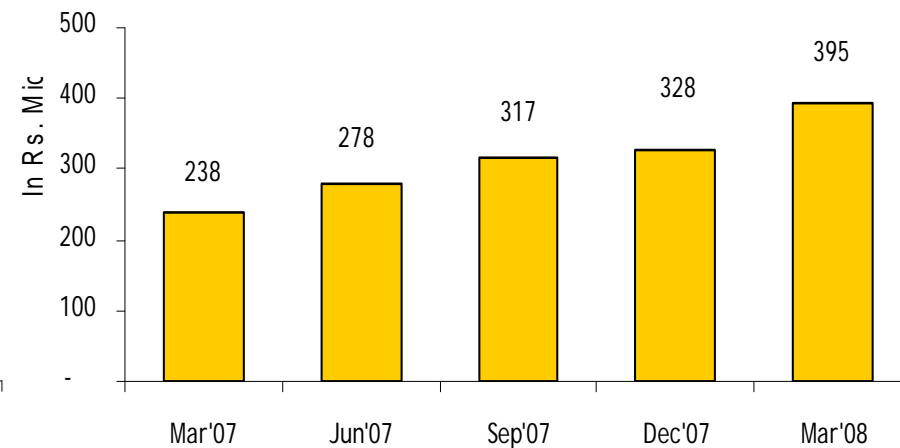


Spice | Investments Beginning to Yield Results

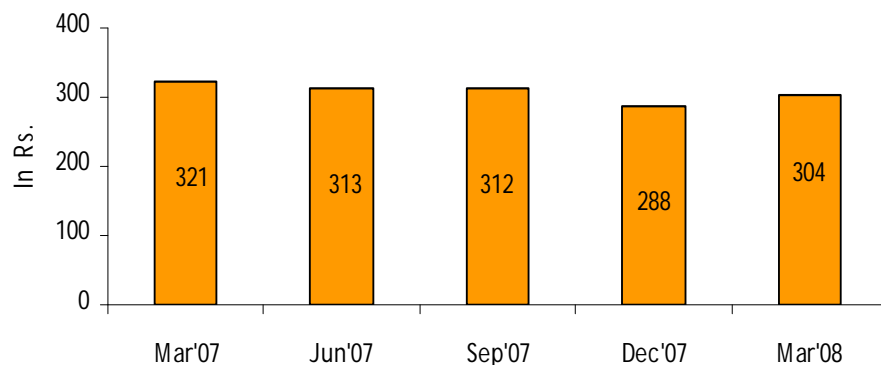
Punjab - Revenue Run Rate*



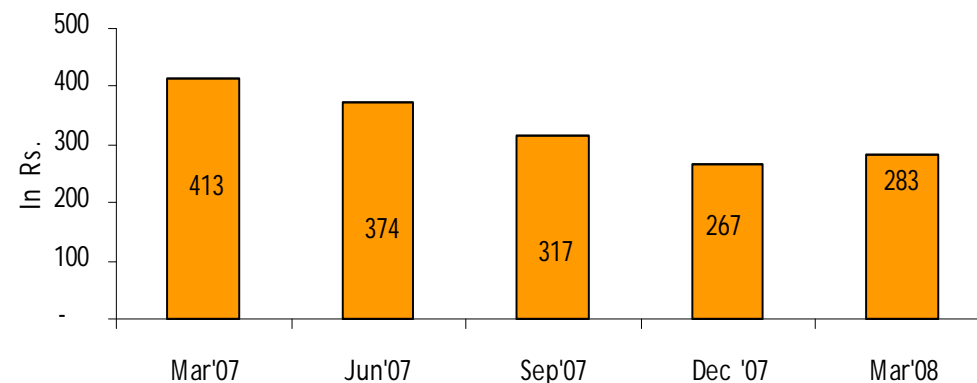
Karnataka - Revenue Run Rate*



Punjab - ARPU



Karnataka - ARPU



* Revenues are given as the average monthly revenues for the quarter ended

Increasing Subscriber Base Leading to Strong Growth in Revenues



Operating Parameters

Revenue & Profitability

Spice | P&L Account

Rupees (Million)	Quarter Ended				
	Mar'07	Jun'07	Sep'07	Dec'07	Mar'08
Sales & Service Revenues	2,162	2,339	2,522	2,556	2,998
Other Income	73	231	159	305	98
Profit on Sale of Passive Infrastructure	-	-	-	4,393	-
Total Revenues	2,235	2,570	2,681	7,253	3,097
Total Operating Expenses	1,685	1,856	1,890	1,912	2,183
Operating EBITDA	477	483	632	644	815
Operating EBITDA %	22%	21%	25%	25%	27%
EBITDA	550	714	791	5,342	914
EBITDA %	25%	28%	29%	74%	30%

Spice | Operating Expenses

Rupees (Million)	Quarter Ended				
	Mar'07	Jun'07	Sep'07	Dec'07	Mar'08
License fees & WPC charges	188	208	223	229	267
Network Operating Expenses	858	933	994	940	1,195
Personnel Expenses	140	120	150	91	99
Sales & Marketing Costs	262	367	354	408	382
Administrative Costs	179	194	168	230	227
Purchase of traded goods	58	29	16	17	22
Increase/Decrease in Stock & WIP	(1)	5	(14)	(3)	(9)
Total Operating Expenses	1,685	1,856	1,890	1,912	2,183

Operating EBITDA	477	483	632	644	815
Operating EBITDA %	22%	21%	25%	25%	27%

EBITDA	550	714	791	5,342	914
EBITDA %	25%	28%	29%	74%	30%

Spice | P&L Account Quarter Ended Mar-08

Rupees (Million)	Quarter Ended			Growth	
	Mar'08	Dec'07	Mar'07	QoQ	YoY
Sales & Services Revenues	2998	2556	2162	17.3%	38.7%
Other Income	98	305	73	-67.7%	34.8%
Profit on Sale of Passive Infrastructure	-	4393	-	-100.0%	
Total Revenues	3097	7253	2235	-57.3%	38.6%
Total Operating Expenses	2183	1912	1685	14.2%	29.5%
Operating EBITDA	815	644	477	26.6%	71.1%
EBITDA	914	5342	550	-82.9%	66.3%
Finance Cost	555	584	328	-5.1%	69.0%
Depreciation & Amortisation	718	686	365	4.7%	96.9%
Profit before Tax	-359	4072	-143	-108.8%	-150.3%
Prior period (Income)/Expense	3	-	-		
Tax	3	73	4	-95.7%	-15.7%
Profit after Tax	-365	3999	-147	-109.1%	-148.1%

Spice | Operating Expenses Quarter Ended March '08

Rupees (Million)	% of		% of		% of	
	Mar'-08	Operating Revenues	Dec'-07	Operating Revenues	Mar'07	Operating Revenues
License fees & WPC charges	267	8.9%	229	8.9%	188	8.7%
Network Operating Expenses	1195	39.9%	940	36.8%	858	39.7%
Personnel Expenses	99	3.3%	91	3.6%	140	6.5%
Sales & Marketing Costs	382	12.7%	408	16.0%	262	12.1%
Administrative Costs	227	7.6%	230	9.0%	179	8.3%
Purchase of traded goods	22	0.7%	17	0.7%	58	2.7%
Increase/Decrease in Stock & WIP	-9	-0.3%	-3	-0.1%	-1	0.0%
Total Operating Expenses	2183	72.8%	1912	74.8%	1685	78.0%
Operating EBITDA	815		644		477	
EBITDA	914		5342		550	

Thank You

