



Press Release

For Immediate circulation

Scrip Codes

BSE: 532775	NSE: GTLINFRA	Reuters: GTLI.BO	Bloomberg: GTLI.IN
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GTL Infrastructure agrees to purchase Aircel's Telecom Tower Assets Emerges as World's Largest Independent Tower Company

Mumbai, January 14, 2010

GTL Infrastructure Limited (GTL Infra), a Global Group Enterprise, has reached a definitive agreement to purchase the telecom tower business of Aircel Limited and its subsidiaries (Aircel) in an all cash deal valued at an enterprise value of Rs 8400 Crores. This transaction will make GTL Infra the World's largest independent tower company with a portfolio of more than 32,500 towers across all 23 telecom circles after the completion of the deal. This creates a "partnership" between Aircel, one of the leading telecom operators and GTL Infra, the leading telecom infrastructure company.

GTL Infra, has structured the transaction through a SPV, to purchase Aircel's 17,500 existing towers, that comprise 21,000 tenancies (i.e. a tenancy ratio of 1.20x). In addition to the existing towers, Aircel will also commit 20,000 towers over a 3 year period. On completion of this roll-out, GTL Infra is expected to have a portfolio of more than 50,000 towers across India.

Aircel is the 5th largest GSM mobile service provider and the fastest growing telecom operator in India with over 31 million subscribers. Aircel is promoted by Maxis Communications Berhad, which has a telecom presence in Malaysia, Indonesia and India and the Apollo Hospitals Group, a première healthcare provider in India.

Referring to the transaction, Ms. Suneeta Reddy, Chairperson of Aircel Limited said "Aircel is proud to be part of this significant transaction in India. We have a long standing relationship with GTL Infra and believe in their telecom engineering and infrastructure capabilities in servicing our future requirements. We see this as not just a deal but a long term partnership. Following the transaction, Aircel will be reinvesting proceeds to better serve its customers across India".

Commenting on the transaction, Mr. Manoj Tirodkar, Chairman, GTL Infra, said, "This is a transformational deal for GTL Infra, Global Group and the Indian Telecom Industry. It significantly enhances our scale and presence, cementing our leadership in telecom infrastructure space. We will continue to be an independent and neutral player that focuses on reducing the capital and operational expenditure of service providers,



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in turn ensuring lower telecom tariffs for Indian consumers. We are also developing several innovative service offerings like energy management and Operation & Maintenance with emphasis on rural India so that the service providers can offer services at lower tariffs in rural areas. I am thankful to the Management of Maxis and Aircel for their commitment to this transaction, in particular, Gurdeep Singh, Sudhir Mathur and their teams”.

On completion of the transaction, GTL Infra would have deployed a capital of Rs. 14,000 Crores, for the development of passive telecom infrastructure in India. We expect to fund this transaction through fresh equity of Rs. 3,400 Crore and the balance through debt funded by a consortium of banks syndicated by SBI Caps.

The transaction is transformational for GTL Infra and will enable it to target

- Tower base of over 50,000 by FY 2013
- Pan-India presence across all the 23 telecom circles
- Industry leading tenancy of 2.3 on towers by FY 2013
- Decisive competitive advantage to attract new tenants due to pan India presence and enhanced scale

Gurdeep Singh, COO of Aircel said “We believe this deal will help our respective organizations to focus on our core competencies and benefit from economies of scale. I am also thankful to our bankers, led by SBI, for their understanding of our business needs and for their support in this landmark transaction”.

The transaction will also help significantly improve operational efficiencies of GTL Infra. Talking about the synergies, Mr. Prakash Ranjalkar, Whole Time Director, GTL Infra said “The resulting higher density of sites in overlapping circles will result in reduced Opex per site due to economies of scale. We expect that our network will benefit the new 2G operators and will also play a significant role to help 3G operators to launch their services immediately. By FY 2011, GTL Infra expects have a recurring revenue base of Rs. 1,800 Crore with an EBIDTA of more than Rs. 1,200 Crore.”

This transaction is subject to regulatory and other approvals, and is expected to be consummated over next 4 to 5 months. GTL Infra has been advised Citi and Barclays as financial advisors for this transaction. Nomura, Rothschild and Standard Chartered were the advisors to Aircel.

About GTL Infrastructure Limited

GTL Infra, a Global Group Enterprise, is a pioneer in Shared Passive Telecom Infrastructure. GTL Infra builds, owns, operates and maintains passive network infrastructure (towers) in order to cater to the rapidly growing infrastructure needs of cellular telecom operators. The towers located across semi urban and rural India will help bringing in connectivity at affordable prices to the poorest of poor, creating a positive impact on Indian economy.

Global Holding Corporation Pvt. Ltd. is the holding company of “Global Group” that has 7 operating companies, two of which are listed on Indian Stock Exchanges. The Group has executed projects across 44 countries, employs 25,000 professionals of 22



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nationalities and supports 18 social causes. Post this transaction the group is expected to have revenue of US\$ 1.2 bn and a balance sheet size of over US\$ 5 bn, making it the single largest telecom engineering group. The group is likely to employ more than 35,000 professionals by FY 2011.

For over 2 decades Global Group has been partnering with leading telecom operators and OEMs offering its expertise in wireless communications. From 2G Networks to 3G, from WiMAX to IPTV, Global Group provides complete life-cycle solutions around Network Services and infrastructure. The services include Network Planning and Design, Network Deployment, Network Operations and Maintenance, Infrastructure Management, Energy Management and Professional services.

By 2012, the Group plans to Erect, Engineer and Manage 100,000 Cell Sites across 150 Networks. These Networks are expected to connect more than 100 million subscribers in 50 countries across the world.

Global Group Enterprises have received more than 25 accolades and awards for excellence in Business, Corporate Social Responsibility, Corporate Governance, Human Resources and Entrepreneurship. The group flagship company GTL Limited features amongst Top 10 in the Standard & Poor's ESG India Index, is the recipient of "Performance Excellence" trophy from IMC RBNQA, "Certificate for strong commitment towards sustainability" from CII-ITC center of excellence for sustainable development and Greentech Environment Excellence Award from Greentech Foundation.

About Aircel

Aircel, a part of Maxis Communications Berhad, Malaysia, is India's fifth largest GSM mobile service provider with a subscriber base of around 31 million and is one of the fastest growing mobile operators in the country. It is the market leader in Tamil Nadu, Assam, North-East and Chennai. Aircel is now present in 18 Telecom Circles and with spectrum secured for all the remaining circles (a total of 23 circles in India); the company is on track to become a leading Pan-India Operator.

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