Bharti Airtel Limited

Overall customer base crosses 300 million;

Quarterly mobile internet revenues cross Rs 2,500 crore

Bharti Airtel announces consolidated IFRS results for the Second quarter ended September 30, 2014

Highlights for the Second quarter ended September 30, 2014

~ Customer base crosses mark of 300 million and stands at 303.7 million across 20 countries, up 8.4% Y-o-Y.
~ Consolidated total revenues at Rs 22,845 crore, up by 7.1% Y-o-Y.
~ India revenues up 12.3%; Africa revenues (in local currency) up 6.4% Y-o-Y.
~ Consolidated Mobile Data revenue at Rs 2,540 crore, up by 66.7% Y-o-Y; growth across geographies
~ Consolidated EBITDA at Rs 7,705 crore, up by 12.1% Y-o-Y, EBITDA margin up 1.5% Y-o-Y.
~ India EBITDA margin at 38.3%, up by 3.2% Y-o-Y.
~ Net Income at Rs 1,383 crore, up by 170.2% Y-o-Y.

New Delhi, India, October 30, 2014: Bharti Airtel Limited ("Bharti Airtel" or "the Company") today announced its audited consolidated IFRS results for the Second quarter ended September 30, 2014.

The consolidated revenues for Q2'15 at Rs 22,845 crore grew by 7.1% over the corresponding quarter last year. Consolidated Mobile data revenues at Rs 2,540 crore grew by 66.7% Y-o-Y, contributing more than two-thirds of the incremental revenues.

India revenues accelerated by 12.3% Y-o-Y, growth was witnessed across segments, led by 11.3% in Mobile, 14.4% in Telemedia and 23.5% in Digital TV. Mobile voice realisation in India improved to 37.69p per minute (up 0.90p Y-o-Y). Mobile Data revenue at Rs 1,805 crore registered a growth of 73.8% Y-o-Y in India, uplifted by increase in data customer base by 43.0% and higher usage per customer by 31.2%. Mobile data revenues contribute to 14.5% of Mobile India revenues vis-à-vis 9.4% in the corresponding quarter last year.

Africa revenues grew by 6.4% in local currency terms, but the USD appreciation depressed the reported growth to 1.9% Y-o-Y. Data revenues stood at $ 115 Mn with growth of 56.8% Y-o-Y, led by increase in data customer base by 50.4% and higher usage per customer by 24.5%. Data revenues contribute to 10.1% of overall Africa revenues vis-à-vis 6.6% in the corresponding quarter last year. Active Airtel Money customers have risen to 5.3 Mn with the total value of transactions on the Airtel money platform crossing $ 3.3 Bn during the quarter.

Consolidated EBITDA at Rs 7,705 crore grew by 12.1% Y-o-Y, with margin expanding by 1.5% to 33.7%. The resultant consolidated EBIT of Rs 3,852 crore represents a Y-o-Y growth of 31.3%, with EBIT margin improving by 3.1%. Improved operational efficiency, lower forex & derivative losses in the current quarter and higher MTM losses on investment in the corresponding quarter last year have resulted in consolidated Net Income growing by 170.2% Y-o-Y to Rs 1,383 crore. This is the highest quarterly profit since March 2011.

Consequent to an addition of Rs 6,445 crore of deferred payment liabilities for the 2G spectrum, the Company's consolidated net debt has increased to $ 10,098 Mn and the Net Debt to EBITDA ratio (LTM) has moved marginally to 2.06 times from 2.04 in the previous quarter.

In a statement, **Mr. Gopal Vittal, MD and CEO, India & South Asia,** said:
"Airtel's revenue growth in India has further accelerated to 12.3% in Q2. We continue to see strong momentum in mobile data which has grown by 74% in this quarter. Airtel's pioneering 4G roll-out in 15 cities is now witnessing stronger customer acceptance. On the regulatory front, the recent TRAI recommendations on making more contiguous spectrum available in the upcoming auctions have the potential of transforming the industry. We believe that this is critical to realise the exciting vision of "Digital India" that the Government has articulated".

In a statement, **Mr. Christian de Faria, MD and CEO, Africa**, said:
"I am delighted to note that mobile data revenues in Africa have grown by 57% Y-o-Y to clock $115 Mn in this quarter, which is now 10% of the total revenues. Our robust 3G networks have supported the doubling of data volumes Y-o-Y, and we have been gearing up for much more growth. Airtel money transaction values have also crossed $ 1 Bn a month. More than 5 Mn customers are carrying out a daily average of 1.4 million transactions on Airtel Money. We are delighted to be in the forefront of this twin opportunity – mobile data and m-commerce, both of which have enormous potential to change quality of lives of people in Africa. The contraction in voice revenues in Q2 and the consequent pressure on EBITDA were mainly due to seasonal and regulatory factors, and the impact of both was somewhat more pronounced than what we anticipated. We are optimistic about the potential in Africa, despite these aberrations".

Summary of the Consolidated Statement of Income – represents consolidated Statement of Income as per International Financial Reporting Standards (IFRS)

(Amount in Rs crore, except ratios)

Particulars	Quarter Ended		Y-o-Y	Six Months Ended		Y-o-Y
	Sep 2014	Sep 2013	Growth	Sep 2014	Sep 2013	Growth
Total revenues	22,845	21,324	7.1%	45,807	41,588	10.1%
EBITDA	7,705	6,873	12.1%	15,433	13,424	15.0%
EBITDA/ Total revenues	*33.7%*	*32.2%*		*33.7%*	*32.3%*	
EBIT	3,852	2,934	31.3%	7,544	5,637	33.8%
EBIT/ Total revenues	*16.9%*	*13.8%*		*16.5%*	*13.6%*	
Profit before tax	2,997	1,447	107.1%	5,882	3,059	92.3%
Net Income	1,383	512	170.2%	2,492	1,201	107.5%
Operating free cash flow	3,978	4,734	-16.0%	7,720	8,989	-14.1%

Customer Base

(Figures in nos, except ratios)

Particulars	Unit	Sep 2014	Jun 2014	Q-o-Q Growth	Sep 2013	Y-o-Y Growth
Mobile Services	**000's**	**290,798**	**287,147**	**1.3%**	**268,177**	**8.4%**
India	000's	211,752	209,411	1.1%	193,457	9.5%
South Asia	000's	7,678	8,650	-11.2%	8,342	-8.0%
Africa	000's	71,367	69,086	3.3%	66,378	7.5%
Telemedia Services	000's	3,372	3,350	0.6%	3,338	1.0%
Digital TV Services	000's	9,540	9,388	1.6%	8,572	11.3%
Total	**000's**	**303,709**	**299,885**	**1.3%**	**280,087**	**8.4%**

About Bharti Airtel Limited

Bharti Airtel Limited is a leading global telecommunications company with operations in 20 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 4 mobile service providers globally in terms of subscribers. In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G wireless services and mobile commerce. Bharti Airtel had over 303 million customers across its operations at the end of September 2014. To know more please visit, www.airtel.com

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