

BHARTI AIRTEL LIMITED

Registered Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

Financial results for the second quarter and half year ended September 30, 2011

1. Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per International Financial Reporting Standards (IFRS)

(In Rs. Million except per share data)

S. No.	Particulars	Quarter Ended September 30,		Half Year Ended September 30,		Year Ended March 31,
		2011	2010	2011	2010	2011
		Audited	Audited	Audited	Audited	Audited
1	Total Sales / Income	172,764	152,319	342,592	275,158	596,018
	(a) Net Sales/ Income from Operations	172,698	152,311	342,447	274,732	595,383
	(b) Other Operating Income	66	8	145	426	635
2	Total Expenditure	146,452	126,731	290,535	223,617	496,384
	(a) Employee Cost	8,691	8,816	17,937	14,417	32,784
	(b) Depreciation & Amortisation	31,839	25,790	63,153	45,257	102,066
	(c) License Fees & Spectrum Charges	14,507	13,052	29,446	25,152	52,600
	(d) Access & Interconnection Charges	23,311	18,839	45,469	33,066	74,718
	(e) Network Operating Expenses	38,038	32,527	75,346	59,623	127,163
	(f) Sales & Marketing	16,613	16,886	33,682	26,594	64,245
	(g) Administration & others	13,391	10,818	25,297	19,272	42,516
	(h) Other Expenditure	62	3	205	236	292
3	Profit from Operations before Other Income, Interest, Share of Loss / (Gain) in Associates, Exceptional Items and Tax (1-2)	26,312	25,588	52,057	51,541	99,634
4	Other Income	-	-	-	-	-
5	Profit before Interest, Share of Loss / (Gain) in Associates, Exceptional Items and Tax (3+4)	26,312	25,588	52,057	51,541	99,634
6	Interest Expense / (Income) Net	11,186	3,319	19,736	7,517	21,813
7	Share of Loss / (Gain) in Associates	-	2	-	56	57
8	Profit after Interest, Share of Loss / (Gain) in Associates but before Exceptional Items and Tax	15,126	22,267	32,321	43,968	77,764
9	Exceptional Items	-	-	-	982	982
10	Profit (+) / Loss (-) from Ordinary Activities after Exceptional Items but before Tax	15,126	22,267	32,321	42,986	76,782
11	Tax Expense	4,900	5,678	10,041	9,428	17,790
12	Net profit (+) / loss (-) from Ordinary Activities after tax	10,226	16,589	22,280	33,558	58,992
13	Extraordinary items (net of tax expenses)	-	-	-	-	-
14	Profit (+) / Loss (-) for the period / year	10,226	16,589	22,280	33,558	58,992
15	Minority Interest	(44)	(23)	(142)	130	(1,475)
16	Net Profit/(Loss) for the period / year	10,270	16,612	22,422	33,428	60,467
17	Paid-up equity share capital (Face value Rs.5/- each)	18,988	18,988	18,988	18,988	18,988
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	473,151	432,494	473,151	432,494	454,909
19	Earnings per share (in Rs.)					
	a. Basic and diluted EPS before Extraordinary items					
	i) Basic	2.707	4.378	5.909	8.810	15.935
	ii) Diluted	2.706	4.378	5.907	8.809	15.934
	b. Basic and diluted EPS after Extraordinary items					
	i) Basic	2.707	4.378	5.909	8.810	15.935
	ii) Diluted	2.706	4.378	5.907	8.809	15.934
20	Public Shareholding					
	a. Number of shares	1,202,592,443	1,220,148,754	1,202,592,443	1,220,148,754	1,204,117,754
	b. Percentage of shareholding	31.67%	32.13%	31.67%	32.13%	31.71%
21	Promoters and Promoter Group Shareholding					
	a) Pledged/ Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered					
	- Number of Shares	2,594,937,653	2,577,381,342	2,594,937,653	2,577,381,342	2,593,412,342
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	68.33%	67.87%	68.33%	67.87%	68.29%

2. Segment Reporting – Prepared as per International Financial Reporting Standards (IFRS) (as Consolidated Entity)

(In Rs Million)

Particulars	Quarter Ended September 30,		Half Year Ended September 30,		Year Ended March 31,
	2011	2010	2011	2010	2011
	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue					
Net sales/income from each segment					
a) Mobile Services India and South Asia	97,827	88,206	196,231	176,556	363,400
b) Mobile Services Africa	47,032	38,906	90,816	48,488	130,834
c) Telemedia Services	9,527	9,118	18,985	18,078	36,324
d) Enterprise Services	11,041	10,382	21,451	20,611	41,463
e) DTH	3,134	1,690	6,069	3,072	7,760
f) Passive Infrastructure Services	23,766	21,161	46,533	41,573	85,555
g) Others	859	597	1,650	1,192	2,670
Total	193,186	170,060	381,734	309,570	668,006
Less: Inter Segment Eliminations	20,488	17,749	39,287	34,838	72,623
Net sales/Income	172,698	152,311	342,447	274,732	595,383
2. Segment Results					
Profit/(Loss) before tax and interest from each segment					
a) Mobile Services India and South Asia	19,776	21,206	40,631	43,458	85,551
b) Mobile Services Africa	3,768	1,353	6,039	1,088	2,381
c) Telemedia Services	2,124	2,239	4,345	4,093	8,290
d) Enterprise Services	1,053	1,480	1,735	2,932	5,546
e) DTH	(1,806)	(1,370)	(3,298)	(2,496)	(5,181)
f) Passive Infrastructure Services	3,521	2,885	6,953	5,458	11,688
g) Others	(2,119)	(2,202)	(4,334)	(4,012)	(9,680)
Total	26,317	25,591	52,071	50,521	98,595
Less: Inter Segment Eliminations	5	5	14	18	-
Total profit/(loss) before tax and interest	26,312	25,586	52,057	50,503	98,595
Less:					
Interest	11,186	3,319	19,736	7,517	21,813
Total profit before tax	15,126	22,267	32,321	42,986	76,782
3. Capital Employed					
(Segment assets - Segment liabilities)					
a) Mobile Services India and South Asia	476,458	399,839	476,458	399,839	439,026
b) Mobile Services Africa	450,737	461,119	450,737	461,119	306,387
c) Telemedia Services	31,927	23,232	31,927	23,232	27,559
d) Enterprise Services	56,728	51,398	56,728	51,398	54,429
e) DTH	(15,512)	(9,495)	(15,512)	(9,495)	(11,944)
f) Passive Infrastructure Services	163,074	163,183	163,074	163,183	162,372
g) Others	(18,859)	11,014	(18,859)	11,014	(20,706)
g) Unallocated (net of eliminations)*	(631,971)	(606,101)	(631,971)	(606,101)	(440,892)
Total	512,582	494,189	512,582	494,189	516,231

*Comprises of borrowings (including borrowings for acquisition of Africa operations and other borrowings of Africa operations) of Rs 501,413 mn (USD 10.25 bn), Rs 467,626 mn (USD 10.41 bn) and Rs 460,966 mn (USD 10.32 bn) and for 3G and BWA licenses of Rs 61,099 mn, Rs 78,946 mn and Rs 63,765 mn, as at September 30, 2011, September 30, 2010 and March 31, 2011, respectively, and provision for taxes, deferred tax assets/liabilities and fair value of derivative financial instruments.

Notes to accounts

- The above financial results for the second quarter and half year ended September 30, 2011 have been reviewed by the Audit Committee in its meeting held on November 3, 2011 and approved by the Board of Directors in its meeting held on November 4, 2011.
- In terms of clause 41 of the listing agreement, the Company has voluntarily adopted International Financial Reporting Standards (IFRS) notified by the International Accounting Standards Board, in the preparation of consolidated financial statements w.e.f. April 1, 2010 and has decided to publish only the consolidated financial results in the newspapers. However, the standalone financial results of the Company for the second quarter and half year ended September 30, 2011 are being submitted to the stock exchanges and will also be available on the Company's website (www.airtel.in).
- Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statements have been furnished to provide information about overall business of the Company, its subsidiaries, joint ventures and associates.
- With a view to reflect the performance of Digital TV Services separately, the Company has revised its reporting segments in the second quarter. Under the revised segment, Digital TV Services which was earlier reported as part of 'Others' is now being reported as a separate segment. Further, costs pertaining to Africa headquarters which were earlier reported as part of 'Others' is now being reported as part of 'Mobile Services Africa' segment to enable better reflection of the performance. Accordingly, previous year's / periods' figures have been regrouped.
- During the quarter, Airtel Rwanda Limited, a wholly owned step down subsidiary has been awarded license to provide 2G and 3G mobile services in Rwanda. Airtel Rwanda has initiated steps to implement the project in Rwanda.

6. Audited financial results of Bharti Airtel Limited as per IGAAP (standalone information in terms of clause 41 (IV) (b) of the Listing agreement) are as follows:

(In Rs Million)

Sl. No.	Particulars	Quarter ended September 30		Half year ended September 30		Financial year ended March 31
		2011	2010	2011	2010	2011
1	Net Sales / Income from operations	101,645	92,999	203,445	186,236	380,158
2	Profit before tax and exceptional items	15,832	23,981	34,229	46,035	87,258
3	Profit after tax and before exceptional items	13,075	21,003	27,397	40,312	77,169
4	Profit after tax and exceptional items	13,075	21,003	27,397	40,312	77,169

7. Consolidated statement of assets and liabilities as per IFRS in terms of clause 41 of the listing agreement is as follows:

(In Rs Million)

PARTICULARS	As At	
	September 30, 2011	September 30, 2010
	Audited	Audited
Assets		
Property, plant and equipment	680,946	613,486
Intangible assets	648,939	638,704
Other non current and current assets	181,154	149,225
Inventories	2,410	2,039
Short term investments	13,146	19,212
Cash and cash equivalents	15,701	19,137
Total assets	1,542,296	1,441,803
Equity and liabilities		
Equity		
Issued capital	18,988	18,988
Treasury shares	(315)	(78)
Reserves and surplus	465,813	443,264
Equity attributable to equity holders of parent	484,486	462,174
Non-controlling interest	28,096	32,015
Total equity	512,582	494,189
Liabilities		
Borrowings	674,907	640,067
Provisions	8,483	6,986
Other non current and current liabilities	346,324	300,561
Total equity and liabilities	1,542,296	1,441,803

8. Pursuant to the approval of the shareholders in its Annual General Meeting held on September 1, 2011, the Company has paid dividend @ Re. 1/- per equity share of Rs. 5/- each aggregating to Rs. 3,797.53 million.

9. Previous year's / periods' figures have been regrouped/ rearranged, wherever required.

10. Status of investor complaints as on September 30, 2011 is as follows:

Complaints pending as on July 1, 2011	Nil
Complaints received and resolved during the quarter	4
Complaints pending as on September 30, 2011	Nil

For Bharti Airtel Limited

For Bharti Airtel Limited

Sd/-

Sd/-

Sunil Bharti Mittal
Chairman and Managing Director

Sanjay Kapoor
CEO (India & South Asia)

New Delhi
November 4, 2011

"Bharti Airtel", or "the Company", wherever stated stands for Bharti Airtel Limited.
Group, wherever stated stands for Bharti Airtel together with its subsidiaries
For more details on the financial results, please visit our website www.airtel.in