



September 22, 2016

National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E),
Mumbai-400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400001

Ref: Bharti Airtel Limited (532454 / BHARTIARTL)

Sub: Presentation to Analysts

Dear Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we hereby submit that Bharti Airtel Limited had attended the CLSA Conference held in Hong Kong on September 21 and 22, 2016. The presentation made by the Company to the Institutional investors / analysts is enclosed.

Kindly take the same on record.

Thanking you,

Sincerely Yours

For Bharti Airtel Limited



Rajendra Chopra
Sr. Vice President & Company Secretary

Bharti Airtel Limited
(a Bharti Enterprise)

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CIN: L74899DL1995PLC070609



Bharti Airtel



Investor Conference Presentation –
September 2016



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Actual results, performances or events may differ materially from these forward-looking statements including the plans, objectives, expectations, estimates and intentions expressed in forward looking statements due to a number of factors, including without limitation future changes or developments in our business, our competitive environment, telecommunications technology and application, and political, economic, legal and social conditions in India. It is cautioned that the foregoing list is not exhaustive

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Certain numbers in this presentation have been rounded off for ease of representation

Investor Relations :- <http://www.airtel.in>
For any queries, write to: ir@bharti.in



What Guides Us

Customer Centricity

- Win customers for life through differentiated experience, products and world class technology

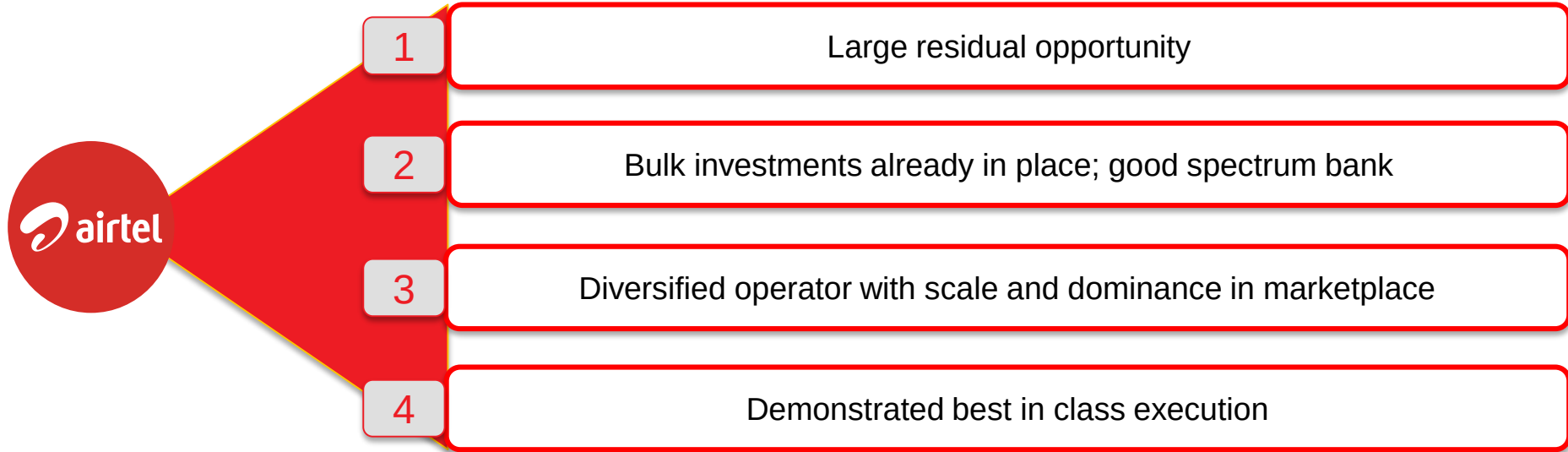
Performance Excellence

- Growth despite challenges
- Grow market share, strip out waste
- Accelerate non-mobile businesses

Transparency & Ethical Governance

- Highest corporate governance and disclosure rankings

Investment Highlights



1. LARGE RESIDUAL OPPORTUNITY

Voice Secularity

- Under-penetrated geographies
- Unique mobile users at c. 50% of total SIMs (large dual-SIM user base)¹
- Declining age dependency²
- Industry consolidation, top 3 operators account for 73% RMS³

Data

- India mobile broadband (3G/4G) penetration under 13%³
- Smartphone shipments show tremendous growth
- Smartphone data traffic growth forecasted to grow 22x over 6 years⁴

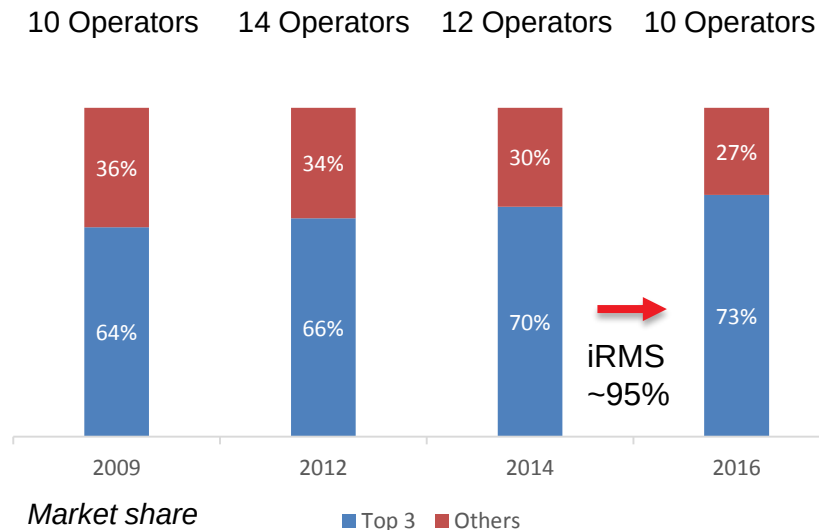
Untapped Opportunities

- Payments Bank and other non-mobile businesses



Source: 1. Cisco VNI forecasts, Ericsson Mobility Report 2. UN estimates, 3. TRAI, 4. Ericsson Mobility Report

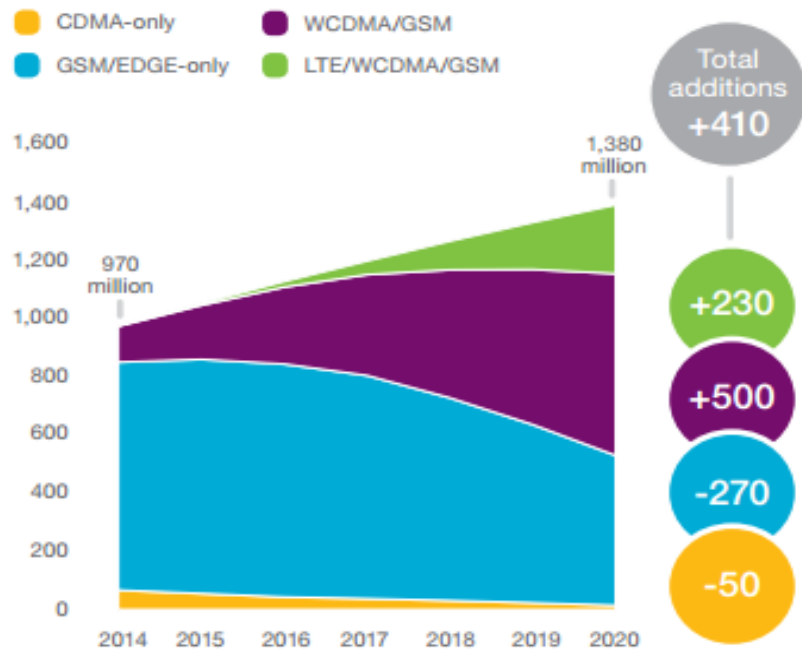
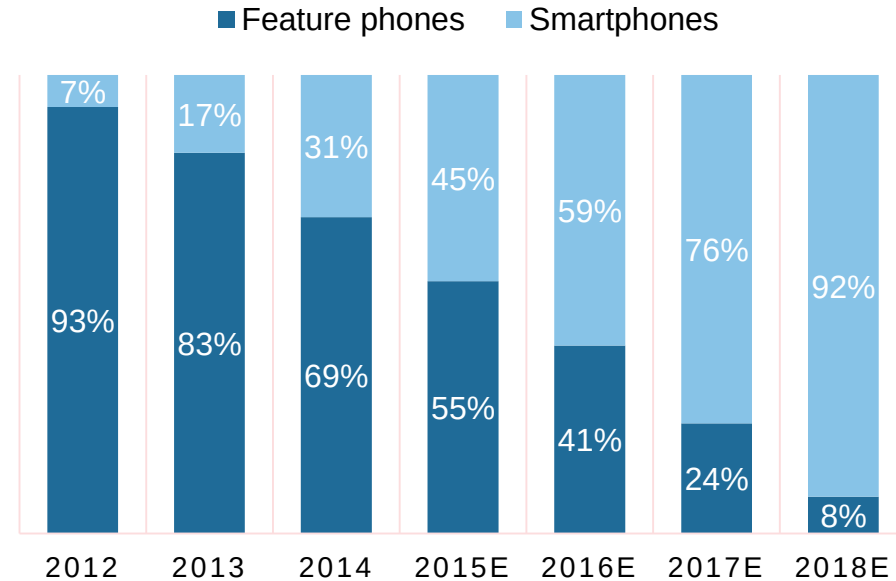
India: Industry Consolidation Underway via Revenue Shares



- Industry consolidation via market share gains, with top 3 now accounting for over 73% of the industry revenues
- Exits by many operators post Feb 2012 SC verdict (122 licenses cancelled), many rationalized their footprints
- Spectrum auctions fortified consolidation story

Industry wide focus on improving operational and financial health

India: Transitioning to a Smartphone Market

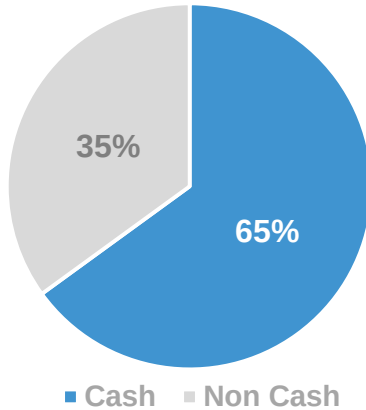


148M smartphones expected in 2016 - 60% would be 4G capable

Payments Bank –Untapped Opportunity

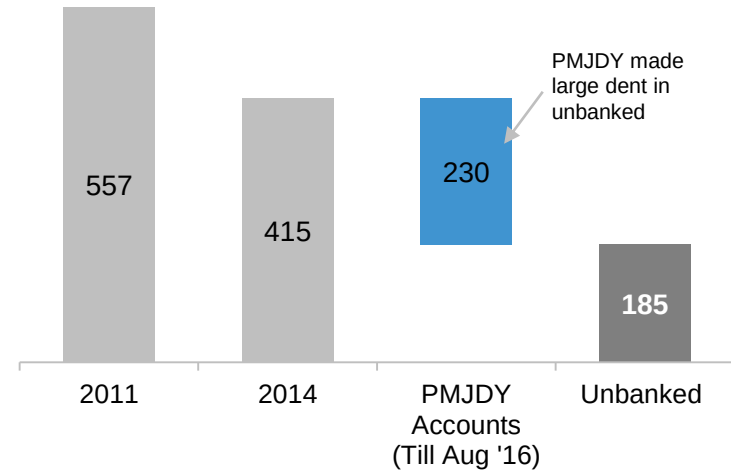
There is a need to drive Financial Inclusion in India to digitize cash and bring the unbanked in the folds for organized banking sector

Cash v/s non-cash transaction value



~65% percent consumer transaction by value are currently in cash

Unbanked Population (Mn)



Out of 230 Mn accounts opened in PMJDY, 25% are zero balance accounts and a higher number are non transacting

2. BULK INVESTMENTS IN PLACE

Spectrum Bank

- Successful re-farming of sub-GHz spectrum for 3G
- 3G gap circles covered
- 4G coverage pan-India

Largest network of towers and base stations

- 95.1% voice population coverage
- Mobile broadband towers up 89% over the last year

Largest network of optic fiber

- Global and national long distance fiber – over 444,031 RKms
- Added c. 8,876 RKms over the past quarter

India: Investments to Yield Results

Nominal value of liberalized spectrum at USD 13.4 billion¹

Industry leading revenue yield/MHz at 2x avg with same cost/MHz²

Wide spectrum presence: 21.0% spectrum market share

Largest optical fiber network amongst private players

Prime spectrum to yield data growth: Virtually Pan India 3G & 4G

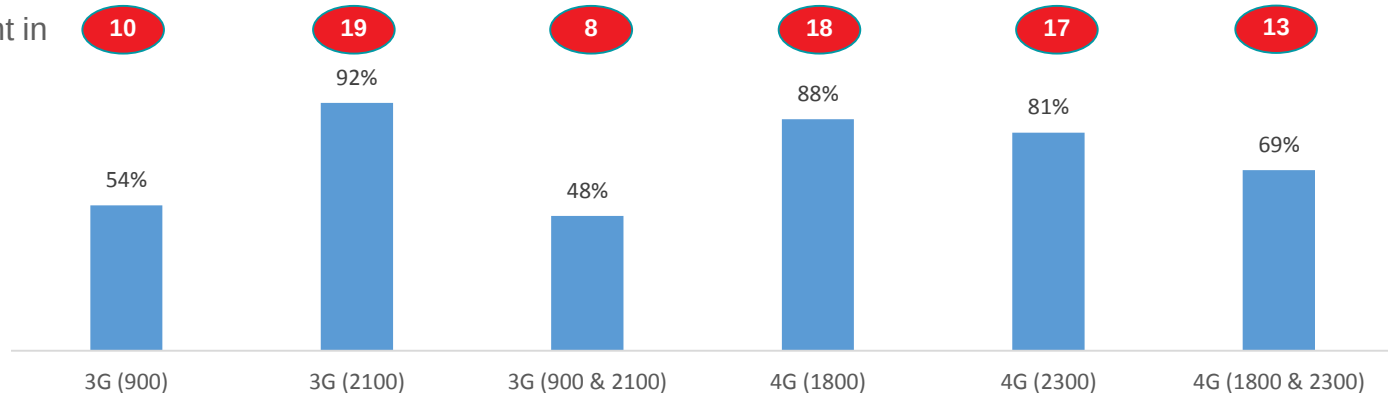
India: Superior Spectrum Position

Spectrum Band	Industry Spectrum (MHz)	Industry Spectrum ex BSNL/MTNL (MHz)	Spectrum held by Bharti (MHz)	Bharti spectrum Market Share ex BSNL/MTNL
900	421.0	282.8	110.2	39.0%
1800	991.5	925.3	212.1	22.9%
2100	520.0	410.0	100.0	24.4%
2300	580.0	440.0	170.0	38.6%

- ✓ Pan India 4G, 3G available in 21 circles
- ✓ 3G sub-Ghz available in 10 circles covering 50% of own revenues and 45% of industry revenue
- ✓ 4G Carrier aggregation covers 69% of own revenues and 64% industry revenues

Spectrum holdings across bands; % of own revenues covered¹

No. of circles present in

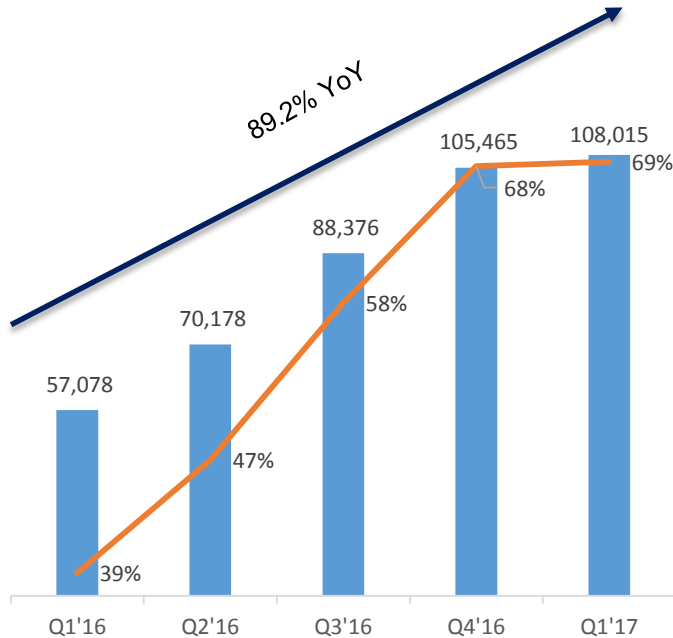


Source: TRAI, Department of Telecom, Company Filings

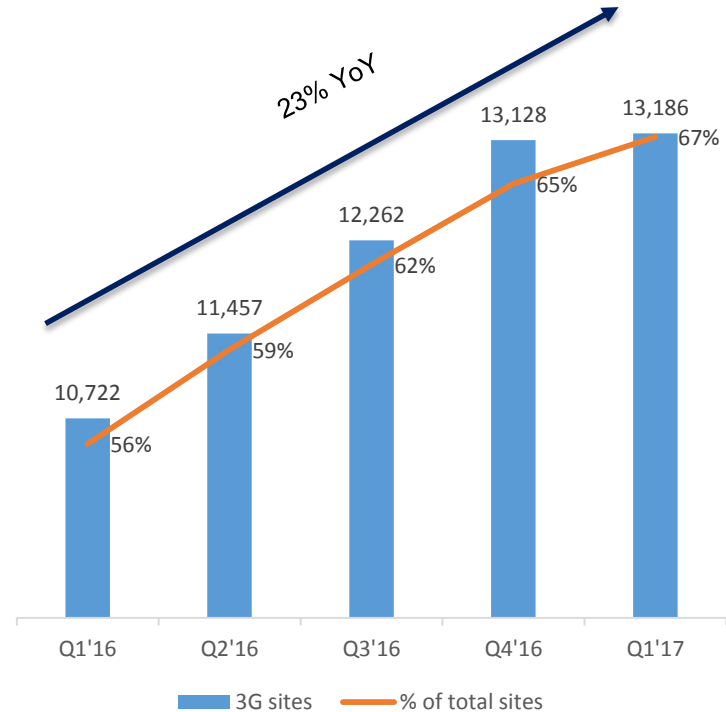
1. Including Qualcomm, Videocon, Airtel licenses, excluding administered spectrum

Aggressive Network Build - Monetize Spectrum

Mobile broadband network towers - India



Total 3G Network Sites - Africa



Africa: Invested for Growth

2010

2016

Data/Mobile Money

- 3G: All 15 Countries
- Mobile Money: All 15 Countries
- 4G: Seychelles, Rwanda, Gabon

Countries: 15

Sites: 10,000

Customers: 35 mm

Countries: 15

Sites: 19,793

Customers: 77 mm



- ✓ Capex Investments till date: \$ 5.1 bn
- ✓ Well funded out of EBITDA: \$ 6.0 bn till date
- ✓ **Thus OFCF = \$ 0.9 bn**

Further focus on business re-contouring

- ✓ Tower Sales in 11 countries
- ✓ Divestment of 2 countries to Orange
- ✓ **Total proceeds: \$ 3.25 bn**
- ✓ **Already received: \$ 2.8 bn**

3. AIRTEL: DIVERSIFIED OPERATOR WITH SIGNIFICANT SCALE

Profitability and scale across diversified segments

- Dominant position to capitalize with bulk investments in place
- Only operator with diversified portfolio
- Scale leading to operating leverage
- Generating c. \$1 bn yearly organic free cash

Leadership across geographies

- Leader in India, #1 or #2 in 12 African countries

Leading market shares

- Highest revenue market share and subscriber market share¹
- Incremental RMS 53.4%¹ Y-o-Y
- Incremental subscriber share 39.3%¹ Y-o-Y

Allowing Airtel the best chance to capitalize on the opportunities ahead, with bulk of investments already done



Source: 1. TRAI. Incremental RMS is Mar'15-Mar'16. Incremental CMS is Apr'15 – Apr'16

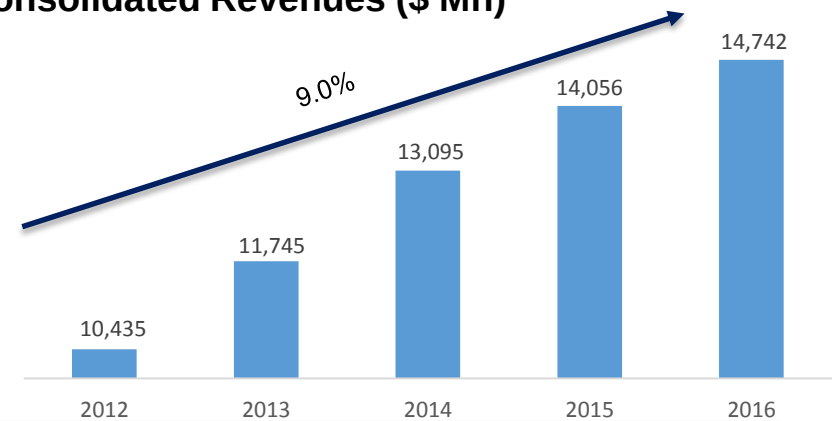
Scale brings Operating Leverage¹

Scale

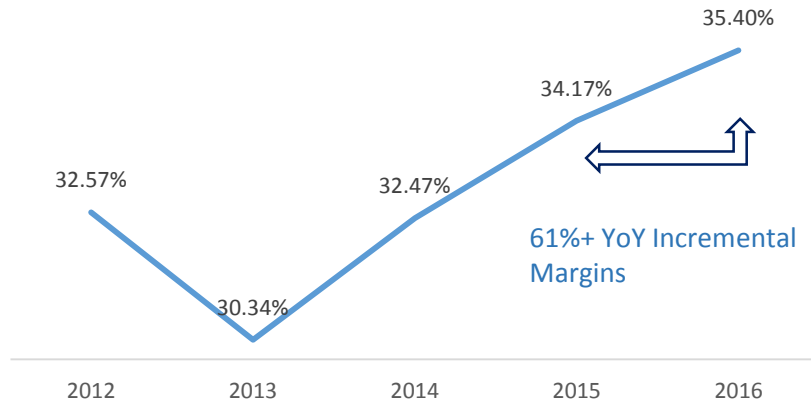
Overview

- ✓ Presence in 18 countries
- ✓ #3 Operator in the World
- ✓ #1 in India & #1 or #2 in 12 countries in Africa
- ✓ US\$ 14.74 bn Revenue
- ✓ US\$ 5.22 bn EBITDA
- ✓ 2.02 addressable population
- ✓ Only operator with Pan India 3G & 4G

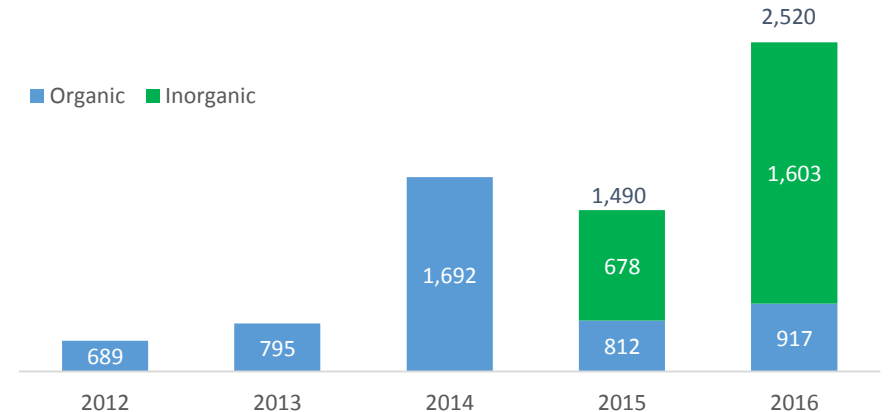
Consolidated Revenues (\$ Mn)²



Significant Margin Expansion



Operating Free Cash (\$ Mn)



Source: Company filings

1. As of FY 2016

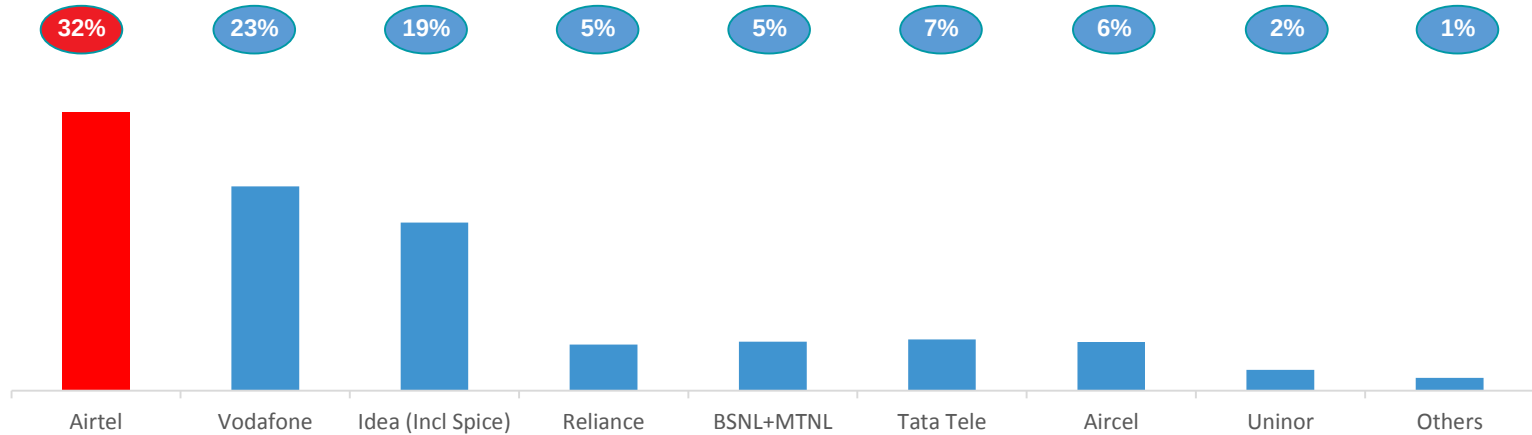
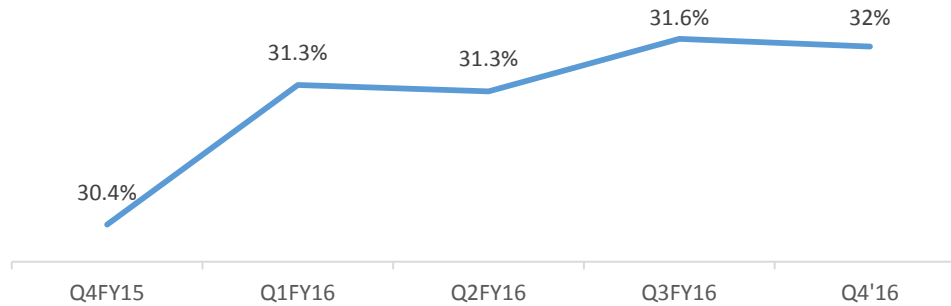
2. Adjusted for constant currency

4. BEST IN CLASS EXECUTION

Q1'17 highlights

- **India**
 - Broad based revenue growth across mobile, DTH, Homes, Enterprise segments
 - Mobile revenue up 9.1% YoY via industry leading net subscriber additions, incremental RMS
 - Data volumes up 55%, Data ARPU up 12% YoY
 - Voice volumes grew 8.3% YoY
- **Africa**
 - Revenue growth 3.8% YoY
 - Data volumes up by 106% YoY, now 16.5% of mobile revenues
 - Voice volumes up 7.6% YoY
 - Airtel Money has 8.6 mn active customers, up 23% YoY, transacting c. \$5 bn / quarter
- **Strong operating leverage**
 - EBITDA margin expansion of 310 bps YoY
 - Net Income before exceptional items up 25.5% YoY

Leader in India Revenue Market Share¹

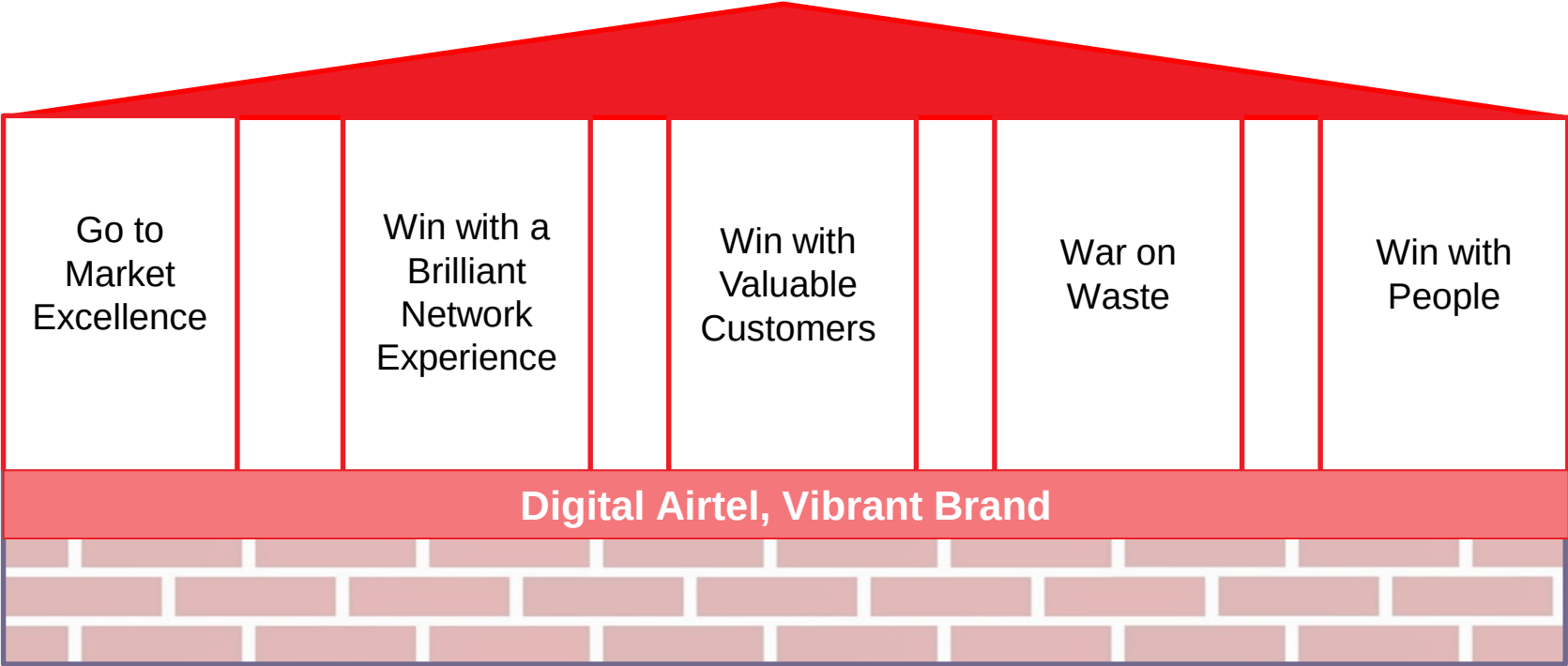


Airtel
Incremental
revenue
market share
53.4% YoY



1. RMS is calculated on the basis of gross revenues. Source: TRAI
2. RMS is as of Q4'16

Strategic Pillars for execution



Strategic Pillars: Go to Market Excellence

Game changing innovations

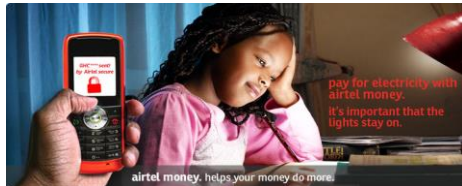
Creating opportunities

- Night cash back, night plans – Reduced rates during night usage
- Myplan – Customized plans as per customer usage
- Family – Tailor made plan and share benefits with family
- Infinity – Options with unlimited benefits
- Wynk – Music, movies, games
- Payments Bank, Airtel Money

Strategic Partnerships

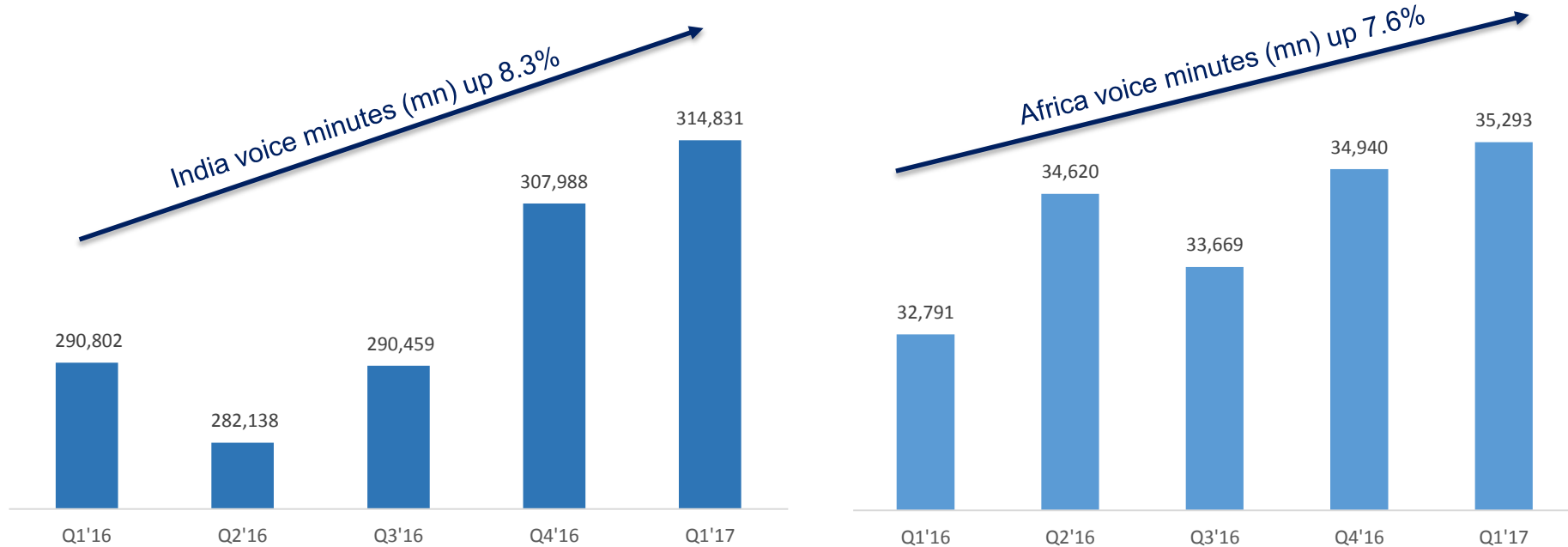
- Airtel + Uber – Integrated mobile money wallet & free 4G internet usage in parts of the country
- Airtel + Oyo – Partners for WiFi and DTH services

Understanding data plan impacts usage

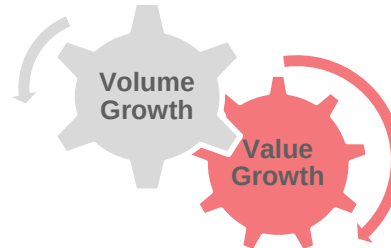


Source: Ericsson Mobility Report

Voice: Significant growth



Airtel carries over 1.41 trillion minutes
Secular volume growth 8.2% Y-o-Y

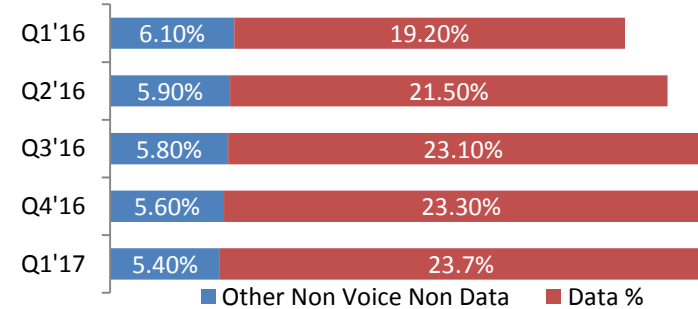


Significant gap b/w realized & rack rates;
1 paise upside adds \$200 mn to top line

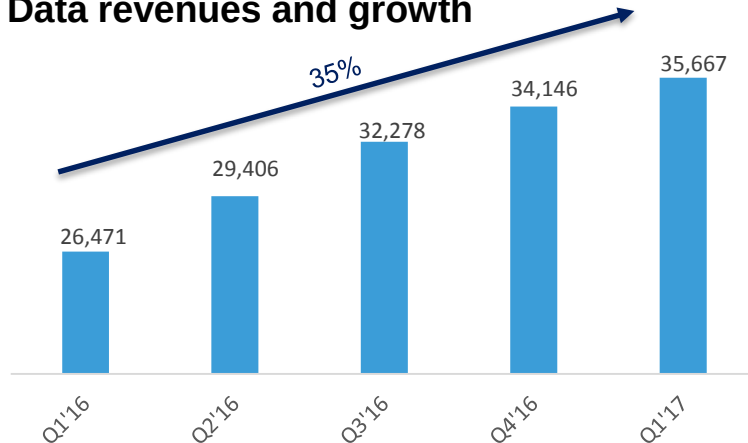
Fastest Growing Data Business in India

- ✓ First brand to own and launch 4G in India
- ✓ 4G services Pan India post spectrum deals with Aircel and Videocon
- ✓ 4G at 3G prices
- ✓ Annualized data revenues c. \$2.12 bn
- ✓ Airtel recognized as the smartphone network
- ✓ Data usage per customer up 28% YoY

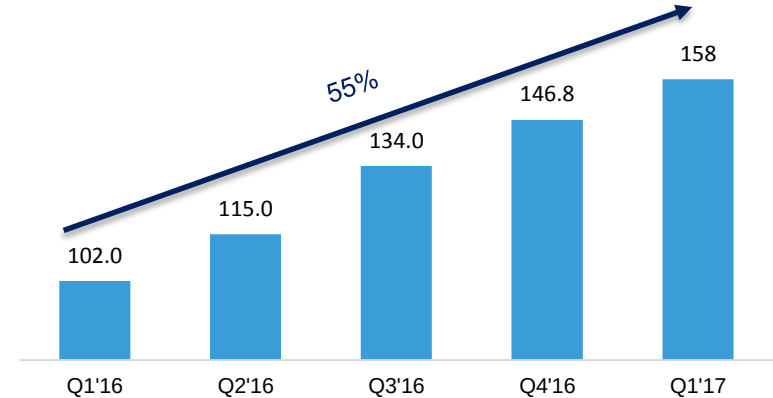
Data as a % of Mobile revenues



Data revenues and growth

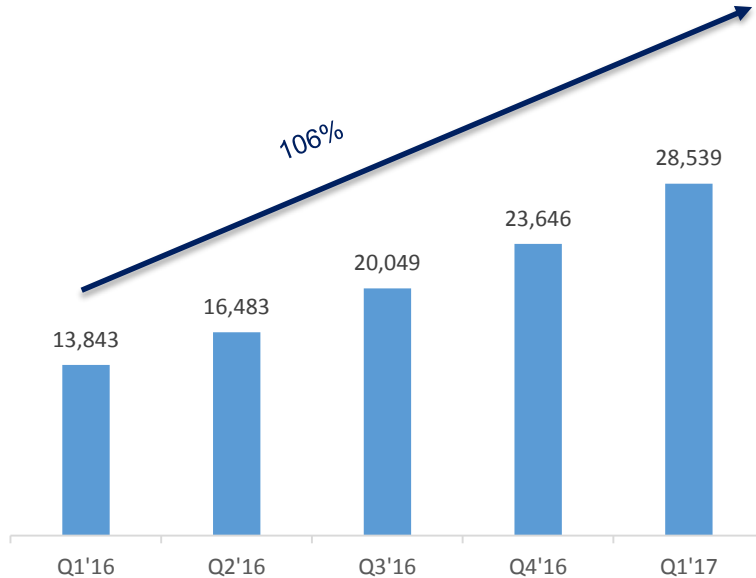


Data volumes growth (bn MBs)

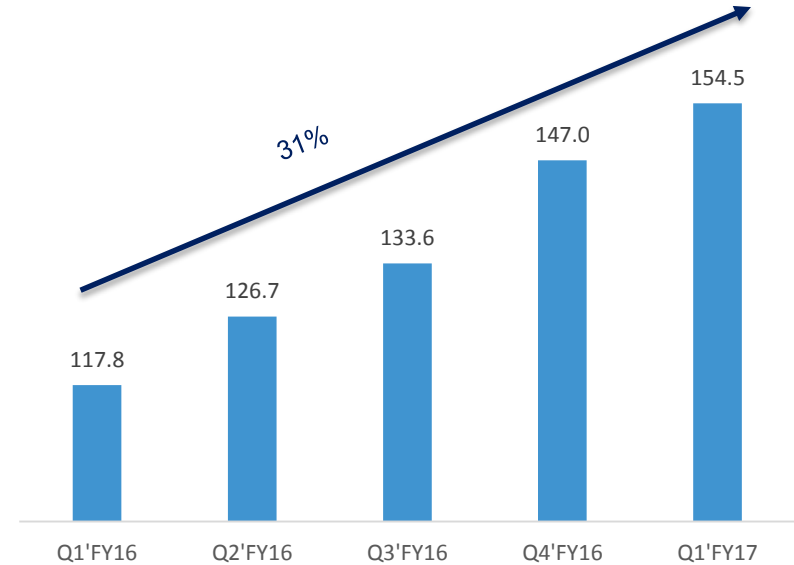


Data Growing Exponentially in Africa

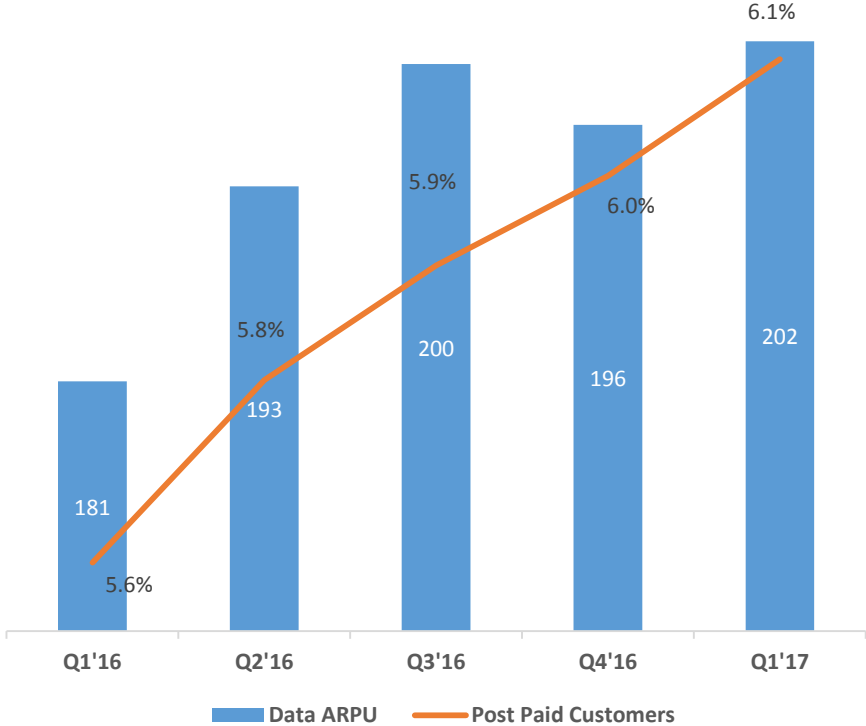
Africa data volumes (mn MBs)



Africa data revenues (USD mn¹)



Strategic Pillars: Win with Valuable Customers



✓ **Airtel India:** Postpaid subscriber base inching up, Data ARPU up 12% YoY



Source: Company Filings

Strategic Pillars: Win with Brilliant Network Experience

PROJECT LEAP

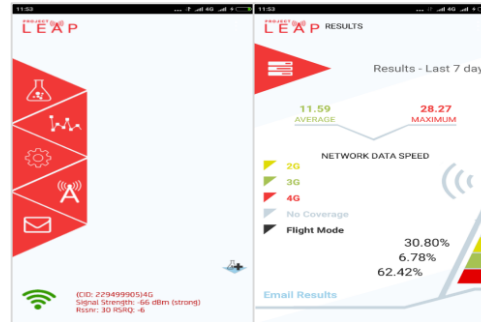
Eliminate frustration

Blocked calls Repeat calls Dropped

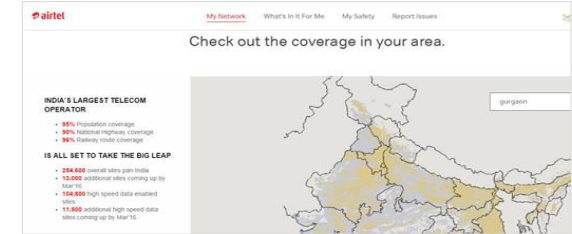


Frustration index

Invest in tools



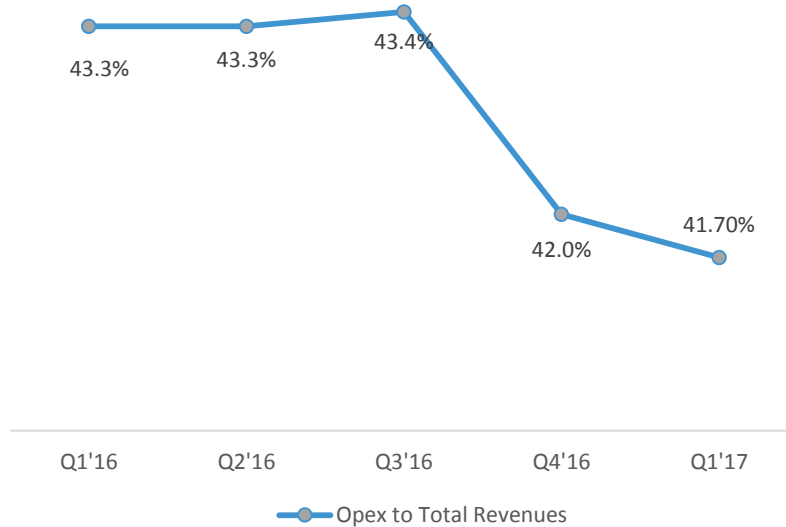
An open network



Capex Outflow	FY'16 (mn)	Guidance (bn)	Q1'17
India & SA	\$2,379	\$2.2 - \$2.4	~ \$620mn
Africa	\$771	\$0.7 - \$0.8	\$112mn

- ✓ Largest capital expenditure of Rs. 60,000 crore over 3 years towards a comprehensive network transformation

Strategic Pillars: Win with War on Waste



- Increasing Opex Productivity
- Smart procurement
- Frugal cost structure
- Maximizing sharing
- Network re-design
- Divestment of towers

STRONG
CORPORATE
PROFILE

Financial flexibility & Balance Sheet Focus

Diversified debt profile; focus on deleveraging

Over last 3 years:

-  *Leverage:* Net Debt to EBITDA down from 3x to 2.4x
-  *Average Maturity:* Average tenors pushed out from 2 years to 6 years
-  *Diversified debt mix:* 100% bank to a mix of bonds, bank, ECA and DoT debt
-  *Currency diversification:* 75% USD to a mix of USD (40%), INR (37%), EUR (16%), Rest (7%)
-  *Interest:* 100% floating to predominantly a fixed portfolio

*Strategic initiatives undertaken include Airtel QIP, Infratel IPO & further sell down
Deleveraging in Africa via tower sales and divestment of 2 countries to Orange*

Highest Standards of Corporate Governance



Credit Rating and Information Services of India (“CRISIL”) has assigned its Governance and Value Creation rating “CRISIL GVC Level 1” to the corporate governance and value creation practices of Bharti Airtel

Quarterly financials audited on Ind-AS basis

IG rating from 3 International Rating Agencies

Diversified Board – 50% independent directors

SingTel representatives on the Board of the company

Ranked first in a listing of 100 emerging market multinational companies as part of a study on corporate transparency and reporting by Transparency International

Ranked #1 in FTI Consulting’s “India Disclosure Index” for Mandatory & Voluntary disclosure practices, for the second year in a row

Summary

India & Africa remain attractive markets, with large opportunities

Bulk investments in place, asset restructuring in progress

- Spectrum
- Network
- Deleveraging via asset monetization (Tower sales, sale to Orange, Bangladesh merger)

We are extremely well positioned

- Large customer base
- Only operator with diversified portfolio
- Scale leading to operating leverage
- Generating c. \$1 bn yearly organic free cash

We have to continue to drive best in class execution

.....while maintaining strong balance sheet focus for returns as well as enhanced financial flexibility

THANK YOU