bharti

July 26, 2018

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

**BSE Limited**
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001, India

***Ref: Bharti Airtel Limited (532454 / BHARTIARTL)***

***Sub: Press Release w.r.t. financial results for the fisrt quarter (Q1) ended June 30, 2018***

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the press release being issued by the Company with regard to the audited financial results of the Company for the first quarter (Q1) ended June 30, 2018.

Kindly take the same on record.

Thanking you,

Sincerely Yours,

**For Bharti Airtel Limited**

**Rohit Krishan Puri**
**Dy. Company Secretary**

BHARTI AIRTEL LIMITED NEW DELHI

# Bharti Airtel Limited

## Consolidated Q1'19 Revenues at Rs 20,080 crore and Net income at Rs 97 crore

## Consolidated Mobile data and voice traffic grew 328% and 59% respectively Y-o-Y

## Africa net revenue grew 16.6% Y-o-Y and EBITDA margin at 36.4%

## Airtel completes the acquisition of the Indian unit of Norway's Telenor

## *Bharti Airtel announces consolidated Ind-AS results for the first quarter ended June 30, 2018*

### Highlights for the first quarter ended June 30, 2018

~ Acquisition of Telenor India completed.
~ Overall customer stands at 457 million across 16 countries, up 21.2% Y-o-Y excluding divested units.
~ Consolidated total revenues at Rs 20,080 crore, down 2.3% Y-o-Y on an underlying basis.
~ India revenues down 7.0% Y-o-Y on an underlying basis; Africa revenues up 13.9% Y-o-Y.
~ Mobile data traffic grows to 2,236 Bn MBs in the quarter; growth of 328% Y-o-Y.
~ Africa EBITDA margin at 36.4%, up 7.8% Y-o-Y.
~ Consolidated EBITDA at Rs 6,837 crore.
~ Consolidated EBITDA margin at 34.0%, down 1.6% Y-o-Y.
~ Net Income for the quarter at Rs 97 crore (Q4'18: Rs 83 crore) vs. Rs 367 crore in the corresponding quarter last year.
~ Total Capex spends for the quarter at Rs 8,217 Cr.

**New Delhi, India, July 26, 2018:** Bharti Airtel Limited ("Bharti Airtel" or "the Company") today announced its audited consolidated Ind-AS results for the first quarter ended June 30, 2018.

**Q1 Performance:**

During the quarter, Bharti Airtel acquired Telenor's operations in India. Financial and operational parameters of the combined entity are part of India results. The consolidated revenues for Q1'19 at Rs 20,080 crore de-grew 2.3% Y-o-Y (reported drop of 8.6%) on an underlying basis (viz. adjusted for India domestic & international termination rate reduction and divested operating units). Consolidated mobile data traffic at 2,236 Bn MBs in the quarter has registered a robust Y-o-Y growth of 328%.

India revenues for Q1'19 at Rs 14,930 crore have declined by 7.0% Y-o-Y (declined 13.5% on reported) on an underlying basis. Mobile segment continues to be impacted by aggressive industry pricing and has witnessed Y-o-Y de-growth of 11.0%. India other business have witnessed healthy Y-o-Y growth e.g. 10.6% in Digital TV and 11.8% in Airtel Business on an underlying basis. Mobile data traffic has quadrupled to 2,151 Bn MBs in the quarter as compared to 472 Bn MBs in the corresponding quarter last year. Mobile broadband customers increased by 75.2% to 85.7 Mn from 48.9 Mn in the corresponding quarter last year.

In constant currency (1st Mar'18) terms, Africa revenues grew by 13.9% Y-o-Y led by strong growth in data and Airtel money transaction value. Mobile data traffic has grown by 75% to 78 Bn MBs in the quarter as compared to 44 Bn MBs in the same quarter last year. Data customers increased by 45.2% to 26.4 Mn from 18.2 Mn in the corresponding quarter last year. Active Airtel Money customer base increased to 11.8 million, boosting the total transaction value on Airtel Money platform by 43% to $ 6.1 billion. Our continuous cost control initiatives have resulted in improvement of EBITDA margin by 7.8% Y-o-Y and stands at 36.4%.

Consolidated EBITDA at Rs 6,837 crore declined 12.6% Y-o-Y. Consolidated EBITDA margin decreased by 1.6% to 34.0% in the quarter as compared to 35.6% in the corresponding quarter last year. Consolidated EBIT dropped by 43.8% Y-o-Y to Rs 1,680 crore. The Consolidated Net Income after exceptional items for the quarter stands at Rs 97 crore (Q4'18: Rs 83 crore) compared to Rs 367 crore in corresponding quarter last year.

In a statement, **Mr. Gopal Vittal, MD and CEO, India & South Asia,** said:
"The acquisition of Telenor's India unit was completed during the quarter, and I am delighted to welcome all the Telenor customers into the Airtel family. Industry pricing continues to remain untenable. However, led by our successful bundles, content partnerships and handset upgrade programs, our mobile data traffic surged 355% on a YoY basis. Non-mobile portfolio also continues to witness healthy growth on back of investments in home passes and HD content. Aggressively expanding our 4G capacities and continuing to offer highest data speeds to customers remains a key priority for us, and towards this end, Q1'19 has seen our highest quarterly capex spends of Rs 7,887 Cr. Our investments have led to some opex headwinds in this quarter but we remain focused on structural cost containment through our 'War on Waste' program. With consolidation largely done, the secular opportunity of the Indian telecom market continues to excite us and we remain committed to offer best-in-class services to all consumers."

In a statement, **Mr. Raghunath Mandava, MD and CEO, Africa**, said:
"Airtel Africa's Gross Revenue grew by 14% on a Y-o-Y basis. Data traffic grew by 75%, voice minutes increased by 44% and Airtel Money throughput grew by 43% on a Y-o-Y basis. Consequently, EBITDA margin has expanded by 7.8% Y-o-Y. Q1 EBITDA margin is 36.4%. With 4G services live across 9 countries and continuing up-gradation of capacities across the OPCOs, we remain best placed to capture the ever growing data market. We have rolled out ~1,000 broadband towers during the quarter. We continue our focus on profitable growth through superior customer offerings and expanding our Airtel money base - which now transacts more than USD 24 Bn on an annualized basis."

**Summary of the Consolidated Statement of Income** – ***represents consolidated Statement of Income as per Indian Accounting Standards (Ind-AS)***

*(Amount in Rs crore, except ratios)*

| Particulars | Quarter Ended | | Y-o-Y Growth |
|---|---|---|---|
| | Jun 2018 | Jun 2017 | |
| Total revenues | 20,080 | 21,958 | -8.6% |
| EBITDA | 6,837 | 7,823 | -12.6% |
| *EBITDA/ Total revenues* | *34.0%* | *35.6%* | |
| EBIT | 1,680 | 2,988 | -43.8% |
| *EBIT/ Total revenues* | *8.4%* | *13.6%* | |
| Profit before tax | (285) | 1,482 | -119.2% |
| Net Income | 97 | 367 | -73.5% |
| Operating free cash flow (EBITDA - Capex) | (1,380) | 1,237 | -211.5% |

**Customer Base**

*(Figures in nos, except ratios)*

| Particulars | Unit | Jun 2018 | Mar 2018 | Q-o-Q Growth | Jun 2017 | Y-o-Y Growth |
|---|---|---|---|---|---|---|
| **Mobile Services** | **000's** | **438,040** | **395,722** | **10.7%** | **362,676** | **20.8%** |
| India | 000's | 344,564 | 304,192 | 13.3% | 280,647 | 22.8% |
| South Asia | 000's | 2,283 | 2,267 | 0.7% | 1,990 | 14.7% |
| Africa | 000's | 91,193 | 89,262 | 2.2% | 80,039 | 13.9% |
| Homes | 000's | 2,189 | 2,172 | 0.8% | 2,137 | 2.4% |
| Digital TV Services | 000's | 14,646 | 14,168 | 3.4% | 13,314 | 10.0% |
| Airtel Business | 000's | 1,766 | 1,760 | 0.4% | 1,743 | 1.4% |
| **Total** | **000's** | **456,641** | **413,822** | **10.3%** | **379,870** | **20.2%** |

## About Bharti Airtel Limited

Bharti Airtel Limited is a leading global telecommunications company with operations in 16 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 3 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 home broadband, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G, 4G wireless services and mobile commerce. Bharti Airtel had over 456 million customers across its operations at the end of Jun 2018. To know more please visit, www.airtel.com

**Disclaimer:**

*[This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.]*