Bharti Airtel Limited

Growth accelerated in India & Africa

High speed 4G services commercially launched in 334 towns across India;

Consolidated Mobile Data traffic & revenues grow 76.3% and 49.8% respectively Y-o-Y

Bharti Airtel announces consolidated IFRS results for the second quarter ended September 30, 2015

Highlights for the second quarter ended September 30, 2015

~ Overall customer base stands at 340.0 million across 20 countries, up 11.9% Y-o-Y.
~ Consolidated total revenues at Rs 23,836 crore, up 6.6% Y-o-Y on an underlying basis.
~ India revenues up 13.3% Y-o-Y on underlying basis.
~ Mobile data traffic at 137.7 billion megabytes in the quarter; growth of 76.3% Y-o-Y.
~ Consolidated Mobile Data revenues at Rs 3,806 crore, up 49.8% Y-o-Y; growth across geographies.
~ Consolidated EBITDA at Rs 8,265 crore, up by 6.7% Y-o-Y, EBITDA margin up 0.8% Y-o-Y.
~ India EBITDA margin at 40.2%, up 1.6% Y-o-Y.
~ Net Income reported at Rs 1,523 crore, up 10.1% Y-o-Y.

New Delhi, India, October 26, 2015: Bharti Airtel Limited ("Bharti Airtel" or "the Company") today announced its audited consolidated IFRS results for the second quarter ended September 30, 2015.

The consolidated revenues for Q2'16 at Rs 23,836 crore grew by 6.6% (4.3% reported Y-o-Y) on an underlying basis, adjusted for India termination rates reduction and Africa tower assets divestment over the corresponding quarter last year. Consolidated Mobile data revenues at Rs 3,806 crore grew by 49.8% Y-o-Y, uplifted by data traffic growth of 76.3%.

Adjusted for the impact in reduction of termination rates, India revenues growth accelerated to 13.3% Y-o-Y (10.3% reported Y-o-Y). On an underlying basis, Mobile revenues grew by 12.3%, 'airtel business' (B2B) by 19.0% and Digital TV by 22.6% Y-o-Y. Mobile Data revenue at Rs 2,893 crore registered a growth of 60.3% Y-o-Y in India, led by increase in the Data customer base by 27.2% and traffic by 69.9%. Data ARPU has moved up by Rs 42 (Y-o-Y) to Rs 193 in Q2'16, led by 35.9% increase in data usage per customer. Mobile Data revenues contribute to 21.5% of Mobile India revenues vis-à-vis 14.5% in the corresponding quarter last year.

In constant currency terms, Africa revenues adjusted for the impact of divestment of tower assets grew by 5.1% Y-o-Y (4.0% reported Y-o-Y). Data revenues at $ 138 Mn grew by 40.6% Y-o-Y, led by increase in Data customer base by 29.4% and traffic by 104.5%. Data ARPU increased to $ 3.4 from $ 3.1 in the corresponding quarter last year. Data revenues contribute to 13.5% of overall Africa revenues vis-à-vis 10.1% in the corresponding quarter last year. Active Airtel Money customer base grew by 59.3% Y-o-Y to 8.4 million.

Consolidated EBITDA at Rs 8,265 crore grew by 6.7% Y-o-Y with EBITDA margin expanding by 0.8% to 34.7%, driven by India's margin expansion by 1.6% Y-o-Y. The resultant consolidated EBIT of Rs 4,011 crore represents a Y-o-Y growth of 4.1%, impacted by higher spectrum amortization expense in India post recent auctions. Net interest costs of Rs 1,053 crore have risen from Rs 687 crore in the same quarter last year. Adverse currency movements resulted in forex and derivative losses of Rs 809 crore, significantly higher than Rs 219 crore in the corresponding quarter last year. After accounting for exceptional items (net gains of Rs 756 crore), the Consolidated Net Income growing by 10.1% Y-o-Y to Rs 1,523 crore.

The company's consolidated net debt excluding the deferred payment liabilities to the DOT and finance lease obligations is at $ 7,689 Mn. Net Debt to EBITDA ratio (LTM) at 2.11 times in Q2'16.

In a statement, **Mr. Gopal Vittal, MD and CEO, India & South Asia,** said:
"Airtel's revenue growth in India has accelerated to 13.3% in Q2 on an underlying basis, the highest in the last 12 quarters. Our smaller businesses – home broadband, DTH and our business segment all continue to perform strongly. Mobile data revenues has grown by 60%. With the commercial launch of high speed 4G services across 334 towns and roll-out of 3G services in our gap circles, we are now best positioned in the industry to leverage the fast growing data market. On the regulatory front, we welcome the guidelines issued by DOT on spectrum sharing and trading".

In a statement, **Mr. Christian de Faria, MD and CEO, Africa**, said:
"Airtel Africa performance has improved, with underlying revenue growth of 5.1% in Q2, the highest in the last 4 quarters. Data revenue has grown by 40.6%. Strong demand is being witnessed both in voice and data with our consumption increasing by 19.5% and 104.5% respectively. Consistent net additions have expanded our customer base to more than 80 million with growth of 13.3%. In first half of the year, we have divested tower assets of $ 1.7 billion".

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 2015	Sep 2014	Growth	Sep 2015	Sep 2014	Growth
Total revenues	23,836	22,845	4.3%	47,507	45,807	3.7%
EBITDA	8,265	7,749	6.7%	16,527	15,516	6.5%
EBITDA/ Total revenues	*34.7%*	*33.9%*		*34.8%*	*33.9%*	
EBIT	4,011	3,852	4.1%	8,227	7,544	9.1%
EBIT/ Total revenues	*16.8%*	*16.9%*		*17.3%*	*16.5%*	
Profit before tax	2,303	2,997	-23.1%	4,804	5,882	-18.3%
Net Income	1,523	1,383	10.1%	3,077	2,492	23.5%
Operating free cash flow	3,231	4,022	-19.7%	7,501	7,804	-3.9%

Customer Base

(Figures in nos, except ratios)

Particulars	Unit	Sep 2015	Jun 2015	Q-o-Q Growth	Sep 2014	Y-o-Y Growth
Mobile Services	**000's**	**325,899**	**318,004**	**2.5%**	**290,798**	**12.1%**
India	000's	235,212	230,662	2.0%	211,752	11.1%
South Asia	000's	9,852	9,019	9.2%	7,678	28.3%
Africa	000's	80,835	78,323	3.2%	71,367	13.3%
Telemedia Services	000's	3,523	3,444	2.3%	3,372	4.5%
Digital TV Services	000's	10,576	10,412	1.6%	9,540	10.9%
Total	**000's**	**339,999**	**331,860**	**2.5%**	**303,709**	**11.9%**

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 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 DSL broadband, IPTV, 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 339 million customers across its operations at the end of September 2015. To know more please visit, www.airtel.com

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