BHARTI AIRTEL LIMITED

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

Financial results for the third quarter and nine months ended December 31, 2010

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

(In Rs. Million except per share data)

S. No.	Particulars	Quarter Ended December 31,		Nine Months Ended December 31,		Year ended March 31, 2010
		2010	2009	2010	2009	
		Audited	Audited	Audited	Audited	Audited
1	**Net Sales/ Income from Operations**	**157,560**	**103,053**	**432,018**	**310,981**	**418,472**
2	**Total Expenditure**	**134,853**	**78,156**	**358,470**	**230,236**	**312,876**
	(a) Employee Cost	8,833	4,512	23,250	14,481	19,028
	(b) Depreciation & Amortisation	27,107	15,881	72,364	45,879	62,832
	(c) License Fees & Spectrum Charges	13,561	9,934	38,713	30,282	40,875
	(d) Access & Interconnection Charges	20,273	11,166	53,339	33,236	44,806
	(e) Network Operating Expenses	32,896	21,973	92,519	65,293	89,316
	(f) Sales & Marketing	19,395	7,237	45,989	20,113	27,682
	(g) Administration & others	12,786	7,409	32,058	20,773	28,156
	(h) Other Expenditure	2	44	238	179	181
3	**Profit from Operations before Other Income, Interest, Share of Loss / (Gain) in Associates, Exceptional Items and Tax (1-2)**	**22,707**	**24,897**	**73,548**	**80,745**	**105,596**
4	Other Income	258	182	958	483	697
5	**Profit before Interest, Share of Loss / (Gain) in Associates, Exceptional Items and Tax (3+4)**	**22,965**	**25,079**	**74,506**	**81,228**	**106,293**
6	Interest Expense / (Income) Net	7,470	(266)	14,987	534	178
7	Share of Loss / (Gain) in Associates	-	10	56	16	48
8	**Profit after Interest, Share of Loss / (Gain) in Associates but before Exceptional Items and Tax**	**15,495**	**25,335**	**59,463**	**80,678**	**106,067**
9	Exceptional Items	-	-	982	-	976
10	**Profit (+) /Loss(-) from Ordinary Activities after Exceptional Items but before Tax**	**15,495**	**25,335**	**58,481**	**80,678**	**105,091**
11	**Tax Expense**	**3,366**	**2,980**	**12,794**	**10,038**	**13,453**
12	**Net profit (+)/ loss(-) from Ordinary Activities after tax**	**12,129**	**22,355**	**45,687**	**70,640**	**91,638**
13	Extraordinary items (net of tax expenses)	-	-	-	-	-
14	**Profit (+)/ Loss (-) for the period**	**12,129**	**22,355**	**45,687**	**70,640**	**91,638**
15	Minority Interest	(904)	407	(774)	1,317	1,870
16	**Net Profit/(Loss) for the period**	**13,033**	**21,948**	**46,461**	**69,323**	**89,768**
17	Paid-up equity share capital (Face value Rs.5/- each)	18,988	18,985	18,988	18,985	18,988
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	441,514	356,602	441,514	356,602	402,188
19	**Earnings per share (in Rs.)- Post Stock split**					
	a. Basic and diluted EPS before Extraordinary items					
	i) Basic	3.435	5.787	12.244	18.278	23.666
	ii) Diluted	3.435	5.786	12.243	18.271	23.660
	b. Basic and diluted EPS after Extraordinary items					
	i) Basic	3.435	5.787	12.244	18.278	23.666
	ii) Diluted	3.435	5.786	12.243	18.271	23.660
20	**Public Shareholding**					
	a. Number of shares	1,207,716,754	1,221,158,638	1,207,716,754	1,221,158,638	1,221,736,754
	b. Percentage of shareholding	31.80%	32.16%	31.80%	32.16%	32.17%
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	2,589,813,342	2,575,793,342	2,589,813,342	2,575,793,342	2,575,793,342
	- 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)	68.20%	67.84%	68.20%	67.84%	67.83%

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

(In Rs Million)

Particulars	Quarter Ended December 31,		Nine Months Ended December 31,		Year ended March 31, 2010
	2010	2009	2010	2009	
	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue					
Net sales/income from each segment					
a) Mobile Services India and South Asia	91,458	80,898	267,740	248,101	331,275
b) Mobile Services Africa	40,531	-	89,019	-	-
c) Telemedia Services	9,066	8,550	27,146	25,644	34,154
d) Enterprise Services	10,503	11,049	31,113	34,030	44,798
e) Passive Infrastructure Services	21,972	18,407	63,545	51,393	70,852
f) Others	2,793	1,413	7,003	3,730	5,825
Total	**176,323**	**120,317**	**485,566**	**362,898**	**486,904**
Less: Inter Segment Eliminations	18,763	17,264	53,548	51,917	68,432
Net sales/Income	**157,560**	**103,053**	**432,018**	**310,981**	**418,472**
2. Segment Results					
Profit/(Loss) before tax and interest from each segment					
a) Mobile Services India and South Asia	21,519	22,028	64,977	72,910	94,403
b) Mobile Services Africa	393	-	2,722	-	-
c) Telemedia Services	2,036	2,082	6,129	5,753	7,543
d) Enterprise Services	1,182	2,460	4,114	7,010	9,336
e) Passive Infrastructure Services	3,559	2,048	9,017	4,913	7,362
f) Others	(5,723)	(3,543)	(13,473)	(9,201)	(13,195)
Total	**22,966**	**25,075**	**73,486**	**81,385**	**105,449**
Less: Inter Segment Eliminations	1	6	18	173	180
Total profit/(loss) before tax and interest	**22,965**	**25,069**	**73,468**	**81,212**	**105,269**
Less :					
Interest	7,470	(266)	14,987	534	178
Total profit before tax	**15,495**	**25,335**	**58,481**	**80,678**	**105,091**
3. Capital Employed					
(Segment assets - Segment liabilities)					
a) Mobile Services India and South Asia	420,936	313,992	420,936	313,992	359,743
b) Mobile Services Africa	359,447	-	359,447	-	-
c) Telemedia Services	25,442	17,391	25,442	17,391	19,168
d) Enterprise Services	54,647	46,298	54,647	46,298	34,051
e) Passive Infrastructure Services	160,684	153,495	160,684	153,495	160,219
f) Others	62,667	(23,360)	62,667	(23,360)	(36,729)
g) Unallocated (net of eliminations)*	(586,658)	(114,432)	(586,658)	(114,432)	(89,227)
Total	**497,165**	**393,384**	**497,165**	**393,384**	**447,225**

* Comprises of borrowings (including borrowings for acquisition of Africa operations and other borrowings of Africa operations of USD 10.53 bn (Rs 472,049 mn) and 3G and BWA licences of Rs 63,801 mn), provision for taxes, deferred tax asset/ liabilities and fair value of derivative financial instruments as of December 31, 2010.

Notes to accounts

1. The above financial results for the third quarter and nine months ended December 31, 2010 have been reviewed by the Audit Committee in its meeting held on February 1, 2011 and approved by the Board of Directors in its meeting held on February 2, 2011.

2. 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 quarter and nine months ended December 31, 2010 are being submitted to the stock exchanges and will also be available on the Company's website (www.airtel.in).

3. Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statement has been furnished to provide information about overall business of the Company, its subsidiaries, joint ventures and associates.

4. During the quarter, the Company made equity investments in its following subsidiaries:

   - USD 17.43 million in Bharti Airtel International (Mauritius) Limited, Mauritius.
   - USD 10.77 million in Bharti International (Singapore) Pte Limited, Singapore.
   - USD 5 million in Bharti Airtel Holdings (Singapore) Pte Limited, Singapore.

5. During the quarter, Bharti Airtel Zambia Holdings B.V., an indirect subsidiary of the Company, acquired an additional stake of 17.47% in its existing subsidiary Celtel Zambia Plc through an open public offer thereby increasing its stake in the Company from existing 78.89% to 96.36% for a net consideration of USD 126.6 million.

6. On January 12, 2011, the Company entered into a Joint Venture (JV) agreement with the State Bank of India with equity participation of SBI and Bharti Airtel in the ratio of 51:49 to offer banking products and services in India.

7. During the quarter ended December 31, 2010, Bharti Airtel Employee Welfare Trust (a trust set up for administration of ESOP Schemes of the Company) has acquired 350,025 Bharti Airtel equity shares from the open market at an average price of Rs 347.14 per share. Out of the shares so acquired, the Company has transferred 277,541 shares to the employees upon exercise of stock options, under ESOP Scheme 2005. As of December 31, 2010, the Trust holds 100,849 shares.

8. Audited Financial Results of Bharti Airtel Limited as per IGAAP (Standalone Information in terms of Clause 41 (IV) (b) of the Listing agreement)

(In Rs Million)

Sl. No.	Particulars	Quarter ended December 31,		Nine months ended December 31,		Year ended March 31,
		2010	2009	2010	2009	2010
		Audited	Audited	Audited	Audited	Audited
1	Revenues	95,637	87,555	281,873	266,976	356,095
2	Profit Before Tax and exceptional Items	20,395	25,567	66,430	81,735	106,993
3	Profit after Tax and before exceptional items	18,478	23,121	58,790	72,965	94,262
4	Profit after Tax and exceptional items	18,478	23,121	58,790	72,965	94,262

9. Status of investor complaints as on December 31, 2010 is as follows:

Complaints pending as on October 1, 2010	Nil
Complaints received and resolved during the quarter	6
Complaints pending as on December 31, 2010	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
February 2, 2011

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