BHARTI AIRTEL LIMITED

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

Audited consolidated financial results for the quarter ended June 30, 2015 as per IFRS

Part I

(In Rs. Million except per share data)

S.No.	Particulars	Quarter Ended June 30, 2015 Audited	Quarter Ended March 31, 2015 Audited	Quarter Ended June 30, 2014 Audited	Year Ended March 31, 2015 Audited
1	**Total Sales / Income**	**236,808**	**230,398**	**230,055**	**921,351**
	(a) Net Sales / Income from Operations	236,709	230,155	229,616	920,394
	(b) Other Operating Income	99	243	439	957
2	**Expenses**				
	(a) Access Charges	27,419	27,988	27,889	112,759
	(b) Network Operating Expenses	51,548	48,276	51,236	203,372
	(c) Depreciation & Amortisation	40,404	38,401	40,365	155,311
	(d) License Fees, revenue share and Spectrum Charges	23,101	21,735	21,925	87,391
	(e) Employee Cost	12,115	11,881	11,680	47,123
	(f) Sales & Marketing Expenses	23,641	23,003	21,976	90,070
	(g) Administration & other expenses	16,280	16,943	17,304	65,463
	(h) Other Expenses	142	(551)	767	1,290
	Total Expenses	**194,650**	**187,676**	**193,142**	**762,779**
3	**Profit from Operations before Other Income, Net Finance Charges (including exchange fluctuation and related expenses), Share of Loss / (Gain) in Joint Ventures / Associates, Exceptional Items and Tax (1-2)**	**42,158**	**42,722**	**36,913**	**158,572**
4	Other Income	-	-	-	-
5	**Profit before Net Finance Charges (including exchange fluctuation and related expenses), Share of Loss / (Gain) in Joint Ventures / Associates, Exceptional Items and Tax (3+4)**	**42,158**	**42,722**	**36,913**	**158,572**
6	Net Finance Charges (including exchange fluctuation and related expenses)	19,276	19,703	9,643	50,133
7	Share of Loss / (Gain) in joint ventures / associates	(2,126)	(2,136)	(1,578)	(7,223)
8	**Profit after Net Finance Charges (including exchange fluctuation and related expenses), Share of Loss / (Gain) in Joint Ventures / Associates but before Exceptional Items and Tax**	**25,008**	**25,155**	**28,848**	**115,662**
9	Exceptional Items (Refer Note 10 below)	(14,314)	1,469	1,820	8,532
10	**Profit (+) / Loss(-) from Ordinary Activities after Exceptional Items but before Tax**	**39,322**	**23,686**	**27,028**	**107,130**
11	Tax Expense (including expense of Rs 8,300 Mn for the quarter ended Jun,15, expense of Rs 143 Mn for the quarter ended Mar,15, expenses of Rs 699 Mn for the quarter ended Jun,14 and expenses of Rs 1,121 Mn for the year ended Mar,15 on exceptional items) (Refer Note 10 below)	21,781	10,811	15,326	54,047
12	**Net profit (+) / loss(-) from Ordinary Activities after tax**	**17,541**	**12,875**	**11,702**	**53,083**
13	Extraordinary items - Loss / (Gain) (net of tax expenses)	-	-	-	-
14	**Profit (+) / Loss (-) for the period / year**	**17,541**	**12,875**	**11,702**	**53,083**
15	Minority Interest (including impact of Rs 1,433 Mn for the quarter ended Jun,15, Rs. (20) Mn for the quarter ended Mar,15, Rs Nil for the quarter ended Jun,14 and and Rs (658) Mn for the year ended Mar'15 on exceptional items) (Refer Note 10 below)	1,998	322	617	1,248
16	**Net Profit / (Loss) for the period / year**	**15,543**	**12,553**	**11,085**	**51,835**
17	Paid-up equity share capital (Face value Rs.5/- each)	19,987	19,987	19,987	19,987
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	671,203	651,707	605,783	651,707
19	**Earnings per share (Face value Rs.5/- each) (in Rs.)**				
	a. Basic and diluted EPS before Extraordinary items				
	i) Basic	3.890	3.141	2.775	12.973
	ii) Diluted	3.888	3.140	2.773	12.968
	b. Basic and diluted EPS after Extraordinary items				
	i) Basic	3.890	3.141	2.775	12.973
	ii) Diluted	3.888	3.140	2.773	12.968

Part II

S.No.	Particulars	Quarter Ended June 30, 2015 Audited	Quarter Ended March 31, 2015 Audited	Quarter Ended June 30, 2014 Audited	Year Ended March 31, 2015 Audited
A	**Particulars of Shareholding**				
1	**Public Shareholding**				
	a. Number of shares	1,379,999,090	1,382,770,714	1,381,968,084	1,382,770,714
	b. Percentage of shareholding	34.52%	34.59%	34.57%	34.59%
2	**Promoters and Promoter Group Shareholding**				
	a) Pledged / Encumbered				
	- Number of Shares	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
	b) Non-encumbered				
	- Number of Shares	2,616,286,801	2,613,218,746	2,613,218,746	2,613,218,746
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	65.45%	65.37%	65.37%	65.37%
3	**Non Promoter - Non Public shareholding**				
	- Number of Shares	1,114,211	1,410,642	2,213,272	1,410,642
	- Percentage of shareholding	0.03%	0.04%	0.06%	0.04%

S.No.	Particulars	Quarter Ended June 30, 2015
B	**Status of investor complaints as on June 30, 2015 is as follows:**	
	Complaints pending as on April 1, 2015	Nil
	Complaints received during the quarter	Nil
	Complaints resolved during the quarter	Nil
	Complaints pending as on June 30, 2015	Nil

Segment Reporting

(In Rs Million)

Particulars	Quarter Ended June 30, 2015 Audited	Quarter Ended March 31, 2015 Audited	Quarter Ended June 30, 2014 Audited	Year Ended March 31, 2015 Audited
1. Segment Revenue				
Net sales / income from each segment				
a) Mobile Services India	137,987	134,135	127,525	519,636
b) Mobile Services South Asia	3,886	3,707	4,371	15,759
c) Mobile Services Africa	61,595	62,152	69,685	269,070
d) Telemedia Services	11,427	11,289	10,705	44,325
e) Airtel Business	19,690	17,805	16,110	67,130
f) Digital TV Services	6,848	6,347	5,915	24,759
g) Tower Infrastructure Services	13,946	13,518	13,328	54,282
h) Others	799	716	781	2,914
i) Unallocated	-	-	-	-
Total	**256,178**	**249,669**	**248,420**	**997,875**
Less: Inter Segment Eliminations	19,469	19,514	18,804	77,481
Net sales/Income	**236,709**	**230,155**	**229,616**	**920,394**
2. Segment Results [$]				
Profit / (Loss) before tax, Finance Charges (including exchange fluctuation and related expenses) and exceptional items from each segment				
a) Mobile Services India	33,747	33,955	29,516	124,703
b) Mobile Services South Asia	(1,829)	(1,939)	(1,076)	(6,138)
c) Mobile Services Africa	761	1,947	2,773	11,727
d) Telemedia Services	2,967	2,849	1,756	8,689
e) Airtel Business	2,425	1,542	1,755	7,713
f) Digital TV Services	415	81	(626)	(1,581)
g) Tower Infrastructure Services	6,087	5,950	4,964	21,731
h) Others	12	(25)	15	16
i) Unallocated	(501)	330	(499)	(1,064)
Total	**44,084**	**44,690**	**38,578**	**165,796**
Less: Inter Segment Eliminations	(200)	(168)	87	1
Total profit / (loss) before tax , Finance Charges (including exchange fluctuation and related expenses) and exceptional items	**44,284**	**44,858**	**38,491**	**165,795**
Less :				
Finance costs (including exchange fluctuation and related expenses)	19,276	19,703	9,643	50,133
Exceptional Items - Loss / (Gain)	(14,314)	1,469	1,820	8,532
Total profit before tax	**39,322**	**23,686**	**27,028**	**107,130**
3. Capital Employed				
(Segment assets - Segment liabilities)				
a) Mobile Services India	809,724	842,718	746,297	842,718
b) Mobile Services South Asia	17,567	18,340	21,240	18,340
c) Mobile Services Africa	494,478	475,393	586,417	475,393
d) Telemedia Services	57,530	54,754	48,325	54,754
e) Airtel Business	82,861	81,321	76,777	81,321
f) Digital TV Services	(35,188)	(35,425)	(34,040)	(35,425)
g) Tower Infrastructure Services	191,504	186,788	188,284	186,788
h) Others	(330)	(335)	(362)	(335)
i) Unallocated (net of eliminations)*	(927,963)	(955,465)	(982,862)	(955,465)
Total	**690,183**	**668,089**	**650,076**	**668,089**

*Comprises borrowings, including borrowings for acquisition of Africa operations and other borrowings of Africa operations of Rs. 535,430 Mn (USD 8.4 Bn), Rs.554,776 Mn (USD 8.86 Bn) and Rs 619,093 Mn (USD 10.30 Bn), for 3G and BWA licenses (including spectrum) of Rs. 31,580 Mn, Rs. 45,153 Mn and Rs 39,285 Mn as of June 30, 2015, March 31, 2015 and June 30, 2014, respectively, provision for taxes, deferred tax asset/ liabilities and fair value of derivative financial instruments.

$ Segment results include share of results of the joint ventures and associates.

Notes to the financial results

1. The financial results for the quarter ended June 30, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on August 04, 2015.

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, for the purpose of 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 are being submitted to the stock exchanges and will also be available on the Company's website (www.airtel.in).

3. During the quarter ended June 30, 2015, the Company made an additional equity investment of USD 500 Mn (Rs. 31,952 Mn) in Bharti Airtel International (Mauritius) Limited - a wholly owned subsidiary of the Company.

4. During the quarter ended June 30, 2015, the Government of India ('GOI') issued Letters of Intent for earmarking the spectrum won by the Group in all the 17 service areas in the auctions conducted during March 2015. Subsequent to the balance sheet date, the GOI has allotted certain portion of earmarked spectrum to the Group. Accordingly, deferred payment liability of Rs. 43,519 Mn has been recognized. The balance amount of Rs. 134,025 Mn, attributable towards the spectrum not yet allotted to the Group, has been disclosed as part of capital commitments.

5. During the quarter ended June 30, 2015, the Company has issued 4.375% Senior Unsecured USD 1,000 Mn (Rs. 63,885 Mn approximately) Notes at the price of 99.304 % that are due for repayment in March 2025. The said Notes are listed on Singapore Exchange.

6. During the quarter ended June 30, 2015, the agreement for sale of tower assets in Tanzania and Chad with Helios Towers Africa have lapsed and therefore stands terminated thereby. Additionally, subsequent to the balance sheet date, the agreements for sale of tower assets in Democratic Republic of Congo with Helios Towers Africa have lapsed and therefore stand terminated thereby. Accordingly, assets and the related liabilities have been re-classified from held for sale to its earlier classification and the related depreciation charge of Rs. 1,643 Mn pertaining to previous quarters has been considered as an exceptional item.

7. Subsequent to the balance sheet date, Bharti Airtel International Netherlands B.V. (a subsidiary of the Company), has entered into non-binding but exclusive agreement with Orange S.A. to explore the possible acquisition of Group's subsidiaries in Burkina Faso, Chad, Congo Brazzaville and Sierra Leone.

8. During the quarter ended June 30, 2015, Bharti Airtel Employee Welfare Trust (a trust set up for administration of Employee Stock Options Plan ('ESOP') schemes of the Company) has transferred 286,431 shares to the employees upon exercise of stock options, under ESOP Scheme 2005. As of June 30, 2015, the trust holds 44,070 equity shares.

9. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs 52,013 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, The Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.

10. Exceptional items during the quarter comprises of: (i) net gain of Rs. 22,687 Mn pertaining to the divestment of telecom tower assets in Uganda, Ghana, Congo Brazzaville and Nigeria; (ii) regulatory fee provisions of Rs. 1,286 Mn arising out of re-assessment of positions consequent to a recent judicial pronouncement, (iii) depreciation charge of Rs. 1,643 Mn arising out of the termination of the tower sale agreement as referred to in note 6 above, (iv) charge of Rs. 2,096 Mn towards de-recognition of embedded derivative assets arising from amendment of terms in the related long-term contract, (v) provision against certain disputed receivables / expired claims amounting to Rs. 2,829 Mn, (vi) Rs. 519 Mn towards restructuring activities in a few countries, and (vii) net tax charge of Rs. 8,300 Mn and impact on minority interests of Rs. 1,433 Mn on the above.

11. The figures for the quarter ended March 31, 2015 are calculated as the difference between the audited figures in respect of the full financial year and the audited year to date figures up to the third quarter of the financial year 2014-15.

12. Audited financial results of the Company as per Indian GAAP are as follows:

(In Rs Million)

S.No.	Particulars	Quarter Ended June 30, 2015 Audited	Quarter Ended March 31, 2015 Audited	Quarter Ended June 30, 2014 Audited	Year Ended March 31, 2015 Audited
1	Income from operations	148,213	142,921	136,278	554,964
2	Profit before tax and exceptional items	29,129	44,222	28,140	156,553
3	Profit before tax but after exceptional items	27,843	44,794	28,140	156,553
4	Profit after tax but before exceptional items	20,792	37,863	21,604	132,005
5	Profit after tax and exceptional items	19,951	38,240	21,604	132,005

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

For Bharti Airtel Limited
Sd/-

Gopal Vittal
Managing Director and CEO (India & South Asia)

New Delhi
August 04, 2015

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