Bharti Airtel Limited

Consolidated Q3'16 revenues at Rs 24,066 crore

Quarterly mobile data revenues cross Rs 4,000 crore, data volumes grow 80.2% Y-o-Y

Bharti Airtel announces consolidated IFRS results for the third quarter ended December 31, 2015

Highlights for the third quarter ended December 31, 2015

~ Overall customer base crosses 350 million and stands at 350.9 million across 20 countries, up 12.1% Y-o-Y.
~ Consolidated total revenues at Rs 24,066 crore, up 5.9% Y-o-Y on an underlying basis.
~ India revenues up 11.6% Y-o-Y on an underlying basis.
~ Mobile data traffic at 161.3 billion megabytes in the quarter; growth of 80.2% Y-o-Y.
~ Consolidated Mobile Data revenues at Rs 4,135 crore, up 44.0% Y-o-Y; growth across geographies.
~ Consolidated EBITDA at Rs 8,475 crore, up by 8.3% Y-o-Y, EBITDA margin up 1.5% Y-o-Y.
~ India EBITDA margin at 40.6%, up 1.5% Y-o-Y.
~ Africa underlying EBITDA margin at 22.9%, up 1.3% Y-o-Y.
~ Net Income for the quarter at Rs 1,117 crore vs Rs 1,436 crore in the corresponding quarter last year.

New Delhi, India, January 28, 2016: Bharti Airtel Limited ("Bharti Airtel" or "the Company") today announced its audited consolidated IFRS results for the third quarter ended December 31, 2015.

The consolidated revenues for Q3'16 at Rs 24,066 crore grew by 5.9% Y-o-Y (3.7% reported Y-o-Y) on an underlying basis, adjusted for India termination rates reduction and Africa tower asset divestment. Consolidated mobile data revenues crossed Rs 4,000 crore and at Rs 4,135 crore are up 44.0% Y-o-Y.

India revenues for Q3'16 at Rs 17,694 crore grew by 11.6% Y-o-Y (8.8% reported Y-o-Y) on an underlying basis, adjusted for the impact in reduction of termination rates, led by growth of 10.1% in Mobile, 19.1% in 'airtel business' (B2B) and 19.1% in Digital TV on Y-o-Y basis. Mobile Data revenues at Rs 3,184 crore registered a growth of 50.6% Y-o-Y in India, led by increase in the Data customer base by 29.9% and traffic by 73.3%. Data ARPU has moved up by Rs 30 (Y-o-Y) to Rs 200 in Q3'16, led by 35.5% increase in data usage per customer. Mobile Data revenues now contribute to 23.1% of Mobile India revenues vis-à-vis 16.2% in the corresponding quarter last year.

In constant currency terms, Africa revenues adjusted for the impact of divestment of tower assets grew by 4.6% Y-o-Y (3.1% reported Y-o-Y). Data revenues at $ 146 million grew by 40.8% Y-o-Y, led by increase in Data customer base by 37.0% and traffic by 111.6%. Data ARPU increased to $ 3.3 from $ 3.2 in the corresponding quarter last year. Data revenues now contribute to 14.3% of overall Africa revenues vis-à-vis 10.5% in the corresponding quarter last year. Africa underlying EBITDA margin is up by 1.3% to 22.9% vis-à-vis 21.6% in the corresponding quarter last year. Active Airtel Money customer base increased to 8.9 million, boosting the total transaction value on Airtel Money platform by 80.9% to $ 4.9 billion.

Consolidated EBITDA at Rs 8,475 crore grew 8.3% Y-o-Y with EBITDA margin expanding by 1.5% to 35.2%, driven by India's margin expansion of 1.5% Y-o-Y. The consolidated EBIT of Rs 4,097 crore represents a Y-o-Y growth of 2.8%, impacted by higher spectrum amortization expense in India. Net interest costs of Rs 1,360 crore have risen from Rs 492 crore in the same quarter last year. Stable currencies across geographies resulted in much lower forex and derivative losses of Rs 31 crore compared to Rs 553 crore in the corresponding quarter last year. After accounting for exceptional items (net losses of Rs 279 crore), the Consolidated Net Income for the quarter stands at Rs 1,117 crore.

The company's consolidated net debt excluding the deferred payment liabilities to the DOT and finance lease obligations has decreased to $ 7,350 million from $ 7,689 million in the previous quarter. Net debt to EBITDA ratio (LTM) for the quarter is now 2.34.

In a statement, **Mr. Gopal Vittal, MD and CEO, India & South Asia,** said:
"Our focus on acquiring quality customers has resulted in healthy net additions of 8.1 million in mobile. Our strong roll-out of 3G/4G sites has resulted in acceleration of data usage growth to 73.3% along with data ARPU reaching Rs 200. Airtel's revenue grew by 11.6% in Q3 on an underlying basis. Our smaller businesses continue to perform strongly and grew by 15.1% on Y-o-Y basis in aggregate. We have launched "Project Leap", a network transformation programme, to deliver a truly differentiated customer experience and reinforce our commitment to build a future ready network".

In a statement, **Mr. Christian de Faria, MD and CEO, Africa**, said:
"Airtel Africa revenues grew 4.6% in Q3 on an underlying basis. Data consumption and revenues have grown by 111.6% & 40.8% respectively Y-o-Y. Operational efficiencies have resultant in improvement in EBITDA margin for a second consecutive quarter. I am pleased to report that 8.9 million Airtel Money customers are transacting close to $ 5 billion of money every quarter".

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	Nine Months Ended		Y-o-Y
	Dec 2015	Dec 2014	Growth	Dec 2015	Dec 2014	Growth
Total revenues	24,066	23,217	3.7%	71,572	69,024	3.7%
EBITDA	8,475	7,828	8.3%	25,002	23,344	7.1%
EBITDA/ Total revenues	*35.2%*	*33.7%*		*34.9%*	*33.8%*	
EBIT	4,097	3,984	2.8%	12,324	11,528	6.9%
EBIT/ Total revenues	*17.0%*	*17.2%*		*17.2%*	*16.7%*	
Profit before tax	2,946	3,112	-5.3%	7,750	8,993	-13.8%
Net Income	1,117	1,436	-22.2%	4,194	3,928	6.8%
Operating free cash flow	2,967	3,318	-10.6%	10,467	11,122	-5.9%

Customer Base

(Figures in nos, except ratios)

Particulars	Unit	Dec 2015	Sep 2015	Q-o-Q Growth	Dec 2014	Y-o-Y Growth
Mobile Services	**000's**	**336,152**	**325,899**	**3.1%**	**299,706**	**12.2%**
India	000's	243,289	235,212	3.4%	217,215	12.0%
South Asia	000's	10,792	9,852	9.5%	7,892	36.8%
Africa	000's	82,070	80,835	1.5%	74,599	10.0%
Telemedia Services	000's	3,597	3,523	2.1%	3,388	6.2%
Digital TV Services	000's	11,106	10,576	5.0%	9,810	13.2%
Total	**000's**	**350,855**	**339,999**	**3.2%**	**312,904**	**12.1%**

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 350 million customers across its operations at the end of December 2015. To know more please visit, www.airtel.com

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