Airtel divests telecoms tower assets to Helios Towers Africa

New Delhi/London–July 9, 2014: Bharti Airtel Limited, a leading global telecommunications services provider with operations in 20 countries across Asia and Africa [through its subsidiary company Bharti Airtel International (Netherlands) BV ("Airtel")] and Helios Towers Africa ("HTA"), the leading independent telecoms towers company in Africa, today announced an agreement for the divestment of over 3,100 telecoms towers from Airtel to HTA.

Highlights

- Airtel to divest approximately 3,100 towers to HTA in four countries across its African operations, which will expand HTA's tower coverage in Africa to over 7,800 owned towers;
- Deal will help Airtel deleverage through debt reduction and reduced ongoing capital expenditure;
- Follows Airtel's and HTA's strategies to drive cost efficiencies throughout the industry, the promotion of passive infrastructure and to mitigate against the proliferation of towers;
- Airtel will have full access to the towers from HTA under a long term lease contract;
- The agreement also envisages that tower operations-related personnel will be transferred from Airtel to HTA

The agreements while allowing Airtel to focus on its core business and customers, would also enable it to deleverage through debt reduction, and will significantly reduce its ongoing capital expenditure on passive infrastructure.

HTA being solely focused on providing telecoms infrastructure solutions, helps its customers to achieve their goals of reducing operating cost improving uptime, preserving capital, focusing on their core business, and mitigating the proliferation of towers through infrastructure sharing, as they expand network coverage and capacity to meet demand and improve quality of service.

The agreement is subject to statutory and regulatory approvals in the respective countries.

Commenting on the development, Manoj Kohli, Chairman, Bharti Airtel International Netherlands BV (BAIN), said:

"The agreement is another milestone in Airtel's growth journey in Africa. Airtel pioneered the concept of a separate tower entity to promote infrastructure sharing in India and this agreement is a continuation of that philosophy. It is an important step towards the consolidation of tower assets across Africa that will drive industry-wide cost efficiencies through infrastructure sharing. The agreement will further help in accelerating the growth of telecom services in the Continent and at the same time benefit the environment by avoiding duplication of infrastructure."

Chuck Green, Chief Executive Officer of HTA, added:

"HTA is proud to be chosen by Airtel as its partner for the ownership and management of its existing infrastructure. This is a ground-breaking move for HTA and Airtel's decision is a significant endorsement of HTA's reputation, management team and operating track record."

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Notes to Editors

About Bharti Airtel

- 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 4 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 wireless services and mobile commerce. Bharti Airtel had over 299 million customers across its operations at the end of May 2014.
- To know more please visit, www.airtel.com

About Helios Towers Africa

- Helios Towers Africa (HTA) is the leading, independent, telecom tower company in Africa;
- HTA acquires, builds and manages telecom infrastructure, leasing it to operators in Africa. HTA pioneered the sale-leaseback model in Africa, buying towers held by single operators and leasing them back to the seller and multiple other operators simultaneously;
- Both HTA's model of shared telecoms infrastructure and its scale, help deliver improved efficiency for operators, reduced costs for users and increased accessibility;
- Post transaction, HTA will own c. 7,800 towers, the largest number held by an independent company focused exclusively on Africa. At present, HTA operates in Ghana, Tanzania and the Democratic Republic of Congo; and
- HTA has been operational since 2009. Investors include: Helios Investment Partners, Quantum Strategic Partners, Albright Capital Management, RIT Capital Partners and the International Finance Corporation