bharti

November 14, 2019

National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051, India

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001, India

Ref: Bharti Airtel Limited (BHARTIARTL/532454)

Sub: Press Release w.r.t. financial results for the second quarter (Q2) and half year ended September 30, 2019

Dear Sir / Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the press release being issued by the Company with regard to the audited financial results of the Company for the second quarter (Q2) and half year ended September 30, 2019.

Kindly take the same on record.

Thanking you,

Sincerely Yours,

For Bharti Airtel Limited

Bharti Airtel Limited New Delhi

Rohit Krishan Puri
Dy. Company Secretary & Compliance Officer

Bharti Airtel Limited

Consolidated Revenues at Rs 21,131 crore up 4.9% Y-o-Y (6.9% on an underlying basis)

India revenues at Rs 15,361 crore up 3.0% Y-o-Y (5.7% on an underlying basis)

Consolidated EBITDA at Rs 8,936 crore; EBITDA Margin at 42.3%

Net loss (before exceptional items) at Rs 1,123 crore

Net loss (after exceptional items) at Rs 23,045 crore

Consolidated Mobile data traffic on network grew 81% Y-o-Y

Bharti Airtel announces consolidated Ind AS results for the second quarter ended September 30, 2019

Effective April 1, 2019, the Company adopted Ind AS116 "Leases". The results for the quarter and half year ended September 30, 2019 includes the impact of Ind AS116 and the same are not comparable with the prior period results.

Highlights for the second quarter ended September 30, 2019 *(including impact of Ind AS 116)*

~ Overall customer base stands at 411 million across 16 countries
~ Consolidated total revenues at Rs 21,131 crore, up 4.9% Y-o-Y. (Underlying growth of 6.9% Y-o-Y)
~ India revenues up 3.0% Y-o-Y (5.7% on an underlying basis); Africa revenues up 12.6% Y-o-Y
~ Mobile data traffic on the network grew to 4,661 PBs in the quarter; growth of 81% Y-o-Y
~ Consolidated EBITDA at Rs 8,936 crore. Consolidated EBITDA margin at 42.3%, up 10.8% Y-o-Y
~ India EBITDA margin at 41.2%, up 12.7% Y-o-Y
~ Africa EBITDA margin at 44.0%, up 5.1% Y-o-Y
~ Net Loss (before exceptional items) for Q2'20 at Rs 1,123 crore
~ Net Loss (after exceptional items) for Q2'20 at Rs 23,045 crore
~ Total Capex spend for the quarter of Rs 3,790 Cr

New Delhi, India, November 14, 2019: Bharti Airtel Limited ("Bharti Airtel" or "the Company") today announced its audited consolidated Ind AS results for the second quarter ended September 30, 2019.

Q2'20 Performance:

The consolidated revenues for Q2'20 at Rs 21,131 crore grew 6.9% Y-o-Y (reported increase of 4.9%) on an underlying basis. Consolidated mobile data traffic at 4,661 PBs in the quarter has registered a healthy Y-o-Y growth of 81%.

India revenues for Q2'20 at Rs 15,361 crore have increased by 5.7% Y-o-Y (reported increase of 3.0%) on an underlying basis. Mobile revenues have witnessed a Y-o-Y growth of 7.1%. Mobile data traffic has nearly doubled to 4,497 PBs in the quarter as compared to 2,478 PBs in the corresponding quarter last year. Mobile 4G data customers increased by 56.9% to 103.1 Mn from 65.7 Mn in the corresponding quarter last year. Digital TV revenue witnessed a growth of 17.1% Y-o-Y on an underlying basis (decline of 22.9% on reported basis due to reporting changes in DTH pursuant to the new tariff order. Airtel Business has sustained its performance on a Y-o-Y basis.

Consolidated EBITDA at Rs 8,936 crore increased 40.9% Y-o-Y. Consolidated EBITDA margin increased by 10.8% to 42.3% in the quarter as compared to 31.5% in the corresponding quarter last year. Consolidated EBIT increased by 85.2% Y-o-Y to Rs 1,993 crore. The Consolidated Net Loss before exceptional items for the quarter stands at Rs 1,123 crore. The Consolidated Net Loss after exceptional items for the quarter stands at Rs 23,045 crore.

On October 24, 2019, the Hon'ble Supreme Court of India delivered a judgement in relation to a long outstanding industry-wide case upholding the view considered by Department of Telecommunications ("DoT") in respect of the definition of Adjusted Gross Revenue ("AGR") ('Court Judgement'). This Court Judgement has significant financial

implications on the Company. The Hon'ble Supreme Court has allowed a period of three months to the affected parties to pay amounts due to DoT.

The Company is hopeful of relief and in the absence of the same, has provided for an additional amount aggregating Rs. 28,450 crore as a charge for the quarter (comprising of Principal of Rs. 6,164 crore, interest of Rs. 12,219 crore, penalty of Rs. 3,760 crore, and interest on penalty of Rs. 6,307 crore) with respect to the license fee as estimated based on the Court Judgement and spectrum usage charges (SUC) as estimated based on the definition of AGR.These provisions have been made without prejudice to the company's right to contest DoT's demands on facts as well as on rights available in law.

Thus the liabilities / provisions as at September 30, 2019 aggregate Rs. 34,260 crore (comprising of principal of Rs. 8,747 crore, interest of Rs. 15,446 crore, penalty of Rs. 3,760 crore and interest on penalty of Rs. 6,307 crore).

In a statement, Gopal Vittal, MD and CEO, India & South Asia, said:

Despite being a seasonally weak quarter, we witnessed positive revenue growth in Q2 on the back of various initiatives aimed at providing superior differential services through our Thanks platform. We continue to witness strong data traffic growth of ~ 81% Y-o-Y and added ~8 Mn 4G customers on our network during the quarter. We remain committed to strengthening our network and providing a superior experience to our customers.

On the AGR verdict of the Hon'ble Supreme Court, we continue to engage with the government and are evaluating various options available to us. We are hopeful that the government will take a considerate view in this matter given the fragile state of the industry.

Note - Pursuant to its listing at the London Stock Exchange (LSE) and Nigeria Stock Exchange (NSE), our subsidiary, Airtel Africa Plc has already declared results and investors can visit its website www.africa.airtel.com to access its results.

Summary of the Consolidated Statement of Income – ***represents consolidated Statement of Income as per Indian Accounting Standards (Ind-AS)***

(Amount in Rs crore, except ratios)

Particulars	Quarter Ended		Y-o-Y Growth
	Sep 2019	Sep 2018	
Total revenues	21,131	20,148	4.9%
EBITDA	8,936	6,343	40.9%
EBITDA/ Total revenues	*42.3%*	*31.5%*	10.8%
EBIT	1,993	1,076	85.2%
EBIT/ Total revenues	*9.4%*	*5.3%*	4.1%
Profit before tax	(623)	(1,853)	nm
Net Income	(23,045)	119	nm
Operating free cash flow (EBITDA - Capex)	5,146	(1,341)	nm

Amounts for the period ended September 30, 2019 are not comparable with prior period due to adoption of IndAS 116 w.e.f April 1, 2019.

Customer Base

(Figures in nos, except ratios)

Particulars	Unit	Sep 2019	Jun 2019	Q-o-Q Growth	Sep 2018	Y-o-Y Growth
India	000's	304,703	301,451	1.1%	351,539	-13.3%
South Asia	000's	2,840	2,573	10.4%	2,428	17.0%
Africa	000's	103,881	99,670	4.2%	94,096	10.4%
Total	**000's**	**411,424**	**403,695**	**1.9%**	**448,062**	**-8.2%**

About Bharti Airtel Limited

Bharti Airtel Limited is a leading global telecommunications company with operations in 18 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 home broadband, 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 411 million customers across its operations at the end of September 2019. To know more please visit, www.airtel.com

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