

**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, 2013**

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

Part I		<i>(In Rs. Million except per share data)</i>					
S.No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Nine Months Ended	Year Ended
		December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
		2013	2013	2012	2013	2012	2013
		Audited	Audited	Audited and Restated	Audited	Audited and Restated	Audited and Restated
1	<b>Total Sales / Income</b>	219,607	213,428	193,756	636,030	573,546	769,470
	(a) Net Sales/ Income from Operations	219,385	213,244	193,624	635,268	573,224	769,045
	(b) Other Operating Income	222	184	132	762	322	425
2	<b>Total Expenditure</b>	187,861	184,501	173,360	548,378	511,716	685,039
	(a) Employee Cost	11,579	12,206	9,891	34,711	28,388	38,823
	(b) Depreciation & Amortisation	39,188	39,394	37,351	117,052	110,144	148,148
	(c) License Fees & Spectrum Charges	18,896	19,565	16,784	56,680	49,553	66,486
	(d) Access & Interconnection Charges	28,755	27,475	29,158	83,191	85,728	113,227
	(e) Network Operating Expenses	51,140	49,143	44,302	146,983	127,979	173,333
	(f) Sales & Marketing	22,720	21,963	20,520	63,444	64,442	83,778
	(g) Administration & others	15,472	14,635	15,260	45,933	45,158	60,854
	(h) Other Expenditure	111	120	94	384	324	390
3	<b>Profit from Operations before Other Income, Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Joint Ventures / Associates, Exceptional Items and Tax (1-2)</b>	31,746	28,927	20,396	87,652	61,830	84,431
4	Other Income	-	-	-	-	-	-
5	<b>Profit before Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Joint Ventures / Associates, Exceptional Items and Tax (3+4)</b>	31,746	28,927	20,396	87,652	61,830	84,431
6	Net Finance Charges (including exchange fluctuation)	10,682	16,111	12,309	38,469	28,926	40,084
7	Share of Loss / (Gain) in joint ventures / associates	(1,064)	(1,652)	(943)	(3,538)	(2,631)	(3,506)
8	<b>Profit after Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Joint Ventures / Associates but before Exceptional Items and Tax</b>	22,128	14,468	9,030	52,721	35,535	47,853
9	Exceptional Items - Loss / (Gain) (Refer Note 6 below)	(674)	819	-	(2,107)	-	-
10	<b>Profit (+) /Loss(-) from Ordinary Activities after Exceptional Items but before Tax</b>	22,802	13,649	9,030	54,828	35,535	47,853
11	Tax Expense (including expense of Rs 2,762 Mn for the quarter ended Dec,13, benefit of Rs 246 Mn for the quarter ended Sep,13 and expense of Rs 3,626 Mn for the nine months ended Dec,13 on exceptional items)	16,569	8,634	6,190	34,887	17,929	25,184
12	<b>Net profit (+)/ loss(-) from Ordinary Activities after tax</b>	6,233	5,015	2,840	19,941	17,606	22,669
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	<b>Profit (+) / Loss (-) for the period / year</b>	6,233	5,015	2,840	19,941	17,606	22,669
15	Minority Interest (including impact of Rs 125 Mn for the quarter ended Dec,13, Rs (229) Mn for the quarter ended Sep, 13 and Rs 1,238 Mn for the nine months ended Dec,13 on exceptional items)	131	(105)	3	1,830	(65)	(88)
16	<b>Net Profit/(Loss) for the period / year</b>	6,102	5,120	2,837	18,111	17,671	22,757
17	Paid-up equity share capital (Face value Rs 5/- each)	19,987	19,987	18,988	19,987	18,988	18,988
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	585,089	579,030	523,275	585,089	523,275	517,474
19	<b>Earnings per share (Face value Rs.5/- each) (in Rs.)</b>						
	<b>a. Basic and diluted EPS before Extraordinary items</b>						
	i) Basic	1.528	1.282	0.748	4.599	4.657	5.998
	ii) Diluted	1.527	1.281	0.747	4.595	4.655	5.995
	<b>b. Basic and diluted EPS after Extraordinary items</b>						
	i) Basic	1.528	1.282	0.748	4.599	4.657	5.998
	ii) Diluted	1.527	1.281	0.747	4.595	4.655	5.995
Part II							
S.No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Nine Months Ended	Year Ended
		December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
		2013	2013	2012	2013	2012	2013
		Audited	Audited	Audited	Audited	Audited	Audited
A	<b>Particulars of Shareholding</b>						
1	<b>Public Shareholding</b>						
	a. Number of shares	1,389,895,924	1,389,895,924	1,196,402,920	1,389,895,924	1,196,402,920	1,194,297,918
	b. Percentage of shareholding	34.77%	34.77%	31.50%	34.77%	31.50%	31.45%
2	<b>Promoters and Promoter Group Shareholding</b>						
	a) Pledged/ Encumbered						
	- Number of Shares	Nil	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	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered						
	- Number of Shares	2,607,504,178	2,607,504,178	2,601,127,176	2,607,504,178	2,601,127,176	2,603,232,178
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	65.23%	65.23%	68.50%	65.23%	68.50%	68.55%
S.No.	Particulars						Quarter Ended
							December 31,
							2013
B	<b>Status of investor complaints as on December 31, 2013 is as follows:</b>						
	Complaints pending as on October 1, 2013						Nil
	Complaints received during the quarter						3
	Complaints resolved during the quarter						2
	Complaints pending as on December 31, 2013						1

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

(In Rs Million)

Particulars	Quarter Ended December 31,	Quarter Ended September 30,	Quarter Ended December 31,	Nine Months Ended December 31,	Nine Months Ended December 31,	Year Ended March 31,
	2013	2013	2012	2013	2012	2013
	Audited	Audited	Audited and Restated	Audited	Audited and Restated	Audited and Restated
<b>1. Segment Revenue</b>						
Net sales/income from each segment						
a) Mobile Services India	116,446	113,541	106,992	346,000	320,532	430,705
b) Mobile Services South Asia	4,465	4,537	3,085	12,915	8,877	12,330
c) Mobile Services Africa	72,298	70,258	61,694	201,865	179,792	240,439
d) Telemedia Services	9,869	9,757	8,937	29,110	26,766	35,896
e) Airtel Business	16,195	16,825	14,219	47,056	40,059	53,203
f) Digital TV Services	5,384	5,072	4,281	15,356	11,876	16,295
g) Tower Infrastructure Services	12,592	12,602	12,745	38,026	36,705	49,865
h) Others	784	836	769	2,480	2,554	3,359
i) Unallocated	-	-	-	-	-	-
<b>Total</b>	<b>238,033</b>	<b>233,428</b>	<b>212,722</b>	<b>692,808</b>	<b>627,161</b>	<b>842,092</b>
Less: Inter Segment Eliminations	18,648	20,184	19,098	57,540	53,937	73,047
<b>Net sales/income</b>	<b>219,385</b>	<b>213,244</b>	<b>193,624</b>	<b>635,268</b>	<b>573,224</b>	<b>769,045</b>
<b>2. Segment Results <sup>5</sup></b>						
Profit/(Loss) before tax and net Finance Charges from each segment						
a) Mobile Services India	23,100	21,773	15,199	65,814	49,311	66,552
b) Mobile Services South Asia	(1,129)	(1,051)	(1,183)	(3,188)	(3,994)	(5,117)
c) Mobile Services Africa	4,731	4,769	4,406	13,102	12,208	15,569
d) Telemedia Services	1,278	1,404	1,768	4,121	5,133	6,999
e) Airtel Business	2,676	1,844	727	5,942	1,828	3,110
f) Digital TV Services	(1,081)	(1,473)	(1,828)	(3,710)	(6,321)	(8,105)
g) Tower Infrastructure Services	3,837	4,045	2,750	10,720	7,745	10,894
h) Others	47	10	(3)	77	81	83
i) Unallocated	(644)	(707)	(499)	(1,703)	(1,506)	(2,027)
<b>Total</b>	<b>32,815</b>	<b>30,614</b>	<b>21,337</b>	<b>91,175</b>	<b>64,485</b>	<b>87,958</b>
Less: Inter Segment Eliminations	5	35	(2)	(15)	24	21
<b>Total profit/(loss) before tax and Net Finance Charges (including exchange fluctuation)</b>	<b>32,810</b>	<b>30,579</b>	<b>21,339</b>	<b>91,190</b>	<b>64,461</b>	<b>87,937</b>
Less:						
Net Finance Charges (including exchange fluctuation)	10,682	16,111	12,309	38,469	28,926	40,084
Exceptional Items - Loss / (Gain)	(674)	819	-	(2,107)	-	-
<b>Total profit before tax</b>	<b>22,802</b>	<b>13,649</b>	<b>9,030</b>	<b>54,828</b>	<b>35,535</b>	<b>47,853</b>
<b>3. Capital Employed</b> (Segment assets - Segment liabilities)						
a) Mobile Services India	694,083	670,777	564,101	694,083	564,101	577,782
b) Mobile Services South Asia	11,775	15,087	10,471	11,775	10,471	8,693
c) Mobile Services Africa	635,633	644,413	565,413	635,633	565,413	549,131
d) Telemedia Services	45,421	44,221	40,322	45,421	40,322	41,950
e) Airtel Business	73,220	70,445	62,046	73,220	62,046	62,396
f) Digital TV Services	(32,181)	(31,036)	(26,167)	(32,181)	(26,167)	(28,138)
g) Tower Infrastructure Services	177,789	173,802	162,428	177,789	162,428	166,099
h) Others	(291)	(449)	(452)	(291)	(452)	(476)
i) Unallocated (net of eliminations) *	(971,764)	(958,239)	(819,907)	(971,764)	(819,907)	(833,334)
<b>Total</b>	<b>633,685</b>	<b>629,021</b>	<b>558,255</b>	<b>633,685</b>	<b>558,255</b>	<b>544,103</b>

\*Comprises borrowings, including borrowings for acquisition of Africa operations and other borrowings of Africa operations of Rs 628,073 mn (USD 10.15 bn), Rs 633,707 mn (USD 10.09 bn), Rs 532,385 mn (USD 9.72 bn) and Rs 537,760 mn (USD 9.89 bn), for 3G and BWA licenses of Rs 62,900 mn, Rs 67,950 mn, Rs 52,225 mn and Rs 52,225 mn, as at December 31, 2013, September 30, 2013, December 31, 2012 and March 31, 2013, respectively, provision for taxes, deferred tax asset/ liabilities and fair value of derivative financial instruments.

\$ Segment results include share of (loss) / gain in joint ventures / associates.

**Notes to accounts**

- The above financial results for the third quarter and nine months ended December 31, 2013 have been reviewed by the Audit Committee in its meeting held on January 28, 2014 and approved by the Board of Directors in its meeting held on January 29, 2014.
- 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 third quarter and nine months ended December 31, 2013 are being submitted to the stock exchanges and will also be available on the Company's website ([www.airtel.in](http://www.airtel.in)).

3. Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statements have been furnished to provide information about overall business of the Company, its subsidiaries, joint ventures and associates.
4. In November 2013, the Company's subsidiary, Airtel Congo S.A., has entered into a definitive agreement with the Warid Group to fully acquire Warid Congo S.A. With this acquisition, the Group will become the largest mobile operator in Congo Brazzaville with approximately 2.6 Mn customers in the country. The agreement is subject to regulatory and statutory approvals.
5. During the quarter ended December 31, 2013, the Company's subsidiary, Bharti Airtel International (Netherlands) B.V. successfully raised EUR 750 Mn through issuance of 4% Guaranteed Notes due 2018 at an issue price of 99.756 percent. In January, 2014, it further raised EUR 250 Mn through issuance of Notes of the same series at an issue price of 100.374 percent.
6. Exceptional items during the quarter resulted in a net loss of Rs. 2,213 Mn, comprising of :
  - (i) gain of Rs 674 Mn due to reversal of exceptional charge recorded in previous quarters,
  - (ii) tax expense of Rs 2,762 Mn made up of (a) tax provision of Rs 2,572 Mn on account of settlement of various disputes and (b) a charge of Rs 190 Mn in respect of (i) above, and (iii) a charge of Rs 125 Mn being share of minority interests in respect of (i) and (ii) above.
7. During the quarter ended December 31, 2013, the Company made additional equity investments in its following wholly owned subsidiaries:
  - USD 55 Mn (Rs 3,421 Mn) in Bharti Airtel International (Mauritius) Limited
  - Rs 240 Mn in Airtel M Commerce Services Limited
  - Rs 50 Mn in Nextra Data Limited
8. In January, 2014, the Company transferred its co-ownership rights in a sub marine cable to Network i2i Limited, a wholly owned subsidiary of the Company in exchange of 18.60 Mn equity shares of USD 18.60 Mn (Rs.1,152 Mn).
9. During the quarter ended December 31, 2013, Bharti Airtel Employee Welfare Trust (a trust set up for administration of ESOP Schemes of the Company) transferred 237,597 shares to the employees upon exercise of stock options, under ESOP Scheme 2005. As of December 31, 2013, the trust held 1,472,374 equity shares.
10. 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, has not given effect for the one time spectrum charges in these financial results.

11. Audited financial results of Bharti Airtel Limited as per IGAAP (standalone information in terms of clause 41 (IV) (b) of the Listing agreement) are as follows:

(In Rs Million)

Sl. No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Nine Months Ended	Year Ended
		December 31, 2013	September 30, 2013	December 31, 2012	December 31, 2013	December 31, 2012	March 31, 2013
1	Net Sales / Income from operations	125,142	122,434	112,990	369,820	338,026	453,509
2	Profit before tax and exceptional items	23,767	22,010	9,928	59,786	49,118	64,548
3	Profit after tax and before exceptional items	17,743	17,844	7,503	47,474	40,119	50,963
4	Profit after tax and exceptional items	17,971	17,844	7,503	45,403	40,119	50,963

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

For Bharti Airtel Limited

For Bharti Airtel Limited

Sd/-

Sd/-

Manoj Kohli  
Managing Director and CEO (International)

Gopal Vittal  
Joint Managing Director and CEO (India)

New Delhi  
January 29, 2014

“Bharti Airtel”, or “the Company”, wherever stated stands for Bharti Airtel Limited. Group, wherever stated stands for Bharti Airtel together with its subsidiaries. For more details on the financial results, please visit our website [www.airtel.in](http://www.airtel.in)