

Bharti Airtel Limited

Consolidated Revenues up 9.2% Y-o-Y

Consolidated EBITDA up 19.3% Y-o-Y

India Mobile Data: Traffic and Revenues grow 117.0% and 91.5% respectively Y-o-Y

Bharti Airtel announces consolidated IFRS results for the first quarter ended June 30, 2013

Highlights for the first quarter ended June 30, 2013

- ~ Consolidated total revenues up by 9.2 % Y-o-Y.
- ~ Consolidated EBITDA up by 19.3% Y-o-Y.
- ~ India revenues up 5.7% Q-o-Q; 11.6% Y-o-Y.
- ~ India voice revenue per minute up 1.4p Q-o-Q; 0.7p Y-o-Y.
- ~ India data traffic up 13.9% Q-o-Q; 117.0% Y-o-Y.
- ~ India EBITDA up 9.0% Q-o-Q; 22.1% Y-o-Y
- ~ India EBITDA margin expansion 1.1% Q-o-Q; 3.0% Y-o-Y.
- ~ Data picking well in Africa; 24.2% customers already on data.

New Delhi, India, July 31, 2013: Bharti Airtel Limited (“Bharti Airtel” or “the Company”) today announced its audited consolidated IFRS results for the quarter ended June 30, 2013.

Effective April 1, 2013, accounting standard “IFRS 11 on Joint Arrangements” became mandatory whereby accounting for investments in joint ventures changed from proportionate consolidation method (line by line consolidation) to equity method. Accordingly the company has adopted IFRS 11 and restated previous periods for comparison with current period.

Consolidated revenues at ₹ 20,264 crore grew by 9.2%, over the corresponding period last year, led by 10.9% growth in Mobile India, 34.0% in Digital TV, 17.9% in ‘airtel business’ (B2B) and 37.1% in South Asia. Mobile Data continues its growth trajectory with revenue up Y-o-Y by 91.5% in India and 65.8% in Africa.

Mobile revenues in India grew on the back of ARPU moving to ₹ 200 in Q1’14, up by ₹ 16 over corresponding period last year. The voice rate increase (up from 35.68p last year to 36.39p) coupled with higher usage per customer (up from 433 minutes last year to 455) has enabled this improvement in ARPU.

Reported International revenues comprising of Africa and South Asia operations grew by 4.6% Y-o-Y in INR terms. Mobile termination rates were revised downward in several key countries in Africa, including Nigeria. Net Revenue in Africa, after netting off inter-connect costs and cost of goods sold, has grown by 8.9% Y-o-Y in INR terms.

Consolidated EBITDA at ₹ 6,545 crore reports a growth of 19.3% Y-o-Y with margin expanding to 32.3% from 29.6% in corresponding period last year. India EBITDA margin improved from 31.9% last year to 34.9%, while International margins improved from 24.0% to 25.4%.

Derivative and exchange fluctuation losses during the quarter were ₹ 534 crore, mainly caused by the Rupee depreciation, compared to gains of ₹ 160 crore in the same period last year, Consolidated tax charges at ₹ 968 crore have increased from ₹ 454 crore last year, mainly increasing in Africa. Consequently, the consolidated net income stands at ₹ 689 crore, as against ₹ 762 crore in the corresponding quarter last year. Consolidated Operating Free Cash Flows for the quarter were at ₹ 4,249 crore, a Y-o-Y growth of 100.8%.

Consequent to the additional equity infusion of ₹ 6,796 crore by Qatar Foundation Endowment and after considering the full debt in the Qualcomm subsidiaries, the consolidated net debt has decreased by \$908 mn during the quarter to close at \$9,779 mn. The Net Debt to EBITDA ratio (USD terms) now stands at 2.21 as compared to 2.50 at the end of the previous quarter.

In a statement, **Mr. Sunil Bharti Mittal, Chairman, Bharti Airtel Limited**, said:

“Our results for the quarter reflect the overall stability of our operations, and demonstrate the potential for growth, particularly seeing robust data growth across all geographies. Results for Airtel India reflect rationality returning to the sector which needs to be complemented by a more enabling regulatory environment for a deeper penetration of telecom and broadband services.”

Summary of the Consolidated Statement of Income – represents consolidated Statement of Income as per International Financial Reporting Standards (IFRS)

(Amount in ₹ crore, except ratios)

Particulars	Quarter Ended		Y-o-Y Growth
	Jun 2013	Jun 2012	
Total revenues	20,264	18,560	9.2%
EBITDA	6,545	5,486	19.3%
<i>EBITDA/ Total revenues</i>	<i>32.3%</i>	<i>29.6%</i>	
Profit before tax	1,613	1,229	31.2%
Net Income	689	762	-9.6%
Operating free cash flow	4,249	2,117	100.8%

Customer Base

(Figures in nos, except ratios)

Parameters	Unit	Jun 2013	Mar 2013	Q-o-Q Growth	Jun 2012	Y-o-Y Growth
Mobile Services	000's	263,176	259,844	1.3%	250,038	5.3%
India	000's	190,948	188,220	1.4%	187,302	1.9%
Africa	000's	64,203	63,718	0.8%	55,855	14.9%
South Asia	000's	8,025	7,906	1.5%	6,881	16.6%
Telemidia Services	000's	3,289	3,283	0.2%	3,272	0.5%
Digital TV Services	000's	8,452	8,100	4.3%	7,400	14.2%
Total	000's	274,917	271,227	1.4%	260,710	5.4%

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 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 nearly 275 million customers across its operations at the end of June 2013. To know more please visit, www.airtel.com

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