

Bharti Airtel Limited

Revenues up 13.4%, lifted by Africa and Non Voice Businesses

Bharti Airtel announces consolidated IFRS results for the second quarter and half year ended September 30, 2011

Highlights for the second quarter ended September 30, 2011

- Overall customer base stands at 237 million, across 19 countries
- Total revenues at ₹17,270 crore, up by 13.4% Y-o-Y
- Non Voice revenues at ₹ 2,803 crore, up by 30.1% Y-o-Y
- India & South Asia revenues at ₹12,679 crore, up by 11.7% Y-o-Y
- Africa revenues cross \$ 1 Billion per quarter for the first time. Q2 revenues at \$ 1,030 million, up by 22.9% Y-o-Y
- Consolidated EBITDA of ₹ 5,815 crore, up by 13.2% Y-o-Y, sustains margins at 33.7%

New Delhi, India, November 4, 2011: Bharti Airtel Limited (“Bharti Airtel” or “the Company”) today announced its audited consolidated IFRS results for the second quarter and half year ended September 30, 2011.

The consolidated total revenues for the second quarter ended Sept 30, 2011 of ₹17,270 crore grew by 13.4% over last year. This is the first full quarter of comparable consolidated results post the Africa acquisition. India & South Asia continued its double digit revenue growth (Y-o-Y 11.7%). The recent tariff increase in India has begun to take effect, offsetting some of the inflationary and other cost increases impacting the entire industry. Africa revenues at \$1,030 million recorded a healthy Y-o-Y growth of 22.9%.

Consolidated EBITDA margins have been sustained at 33.7% (Q2 FY11: 33.7%), despite the cost pressures. Africa margins have shown a healthy improvement from 23.2% to 26.2% (Y-o-Y). The Digital TV business in India has achieved break even EBITDA in less than 3 years from commencement.

During the quarter, the US Dollar appreciated against the Indian Rupee and several African currencies, resulting in forex restatement losses of ₹ 239 crore. (Q2 FY11: gain of ₹ 249 crore). The rollout of 3G has resulted in higher amortisation costs (impact of ₹ 164 crore) and increased net interest costs (higher by ₹ 115 crore). The impacts of recent judicial pronouncements on regulatory matters have been prudently considered in the quarter’s financials. Consequently, the income before taxes for Q2 FY12 was ₹ 1,513 crore (Q2 FY11: ₹ 2,227 crore). The resultant net income for the quarter came in at ₹1,027 crore (Q2 FY11: ₹1,661 crore).

The Consolidated Operating Free Cash Flow in the first half at ₹ 2,444 crore was lifted by a strong performance in India. The Net Debt – Equity ratio is 1.33 (Q1 FY12: 1.20) and Net Debt - EBITDA ratio has improved to 2.59 (Q1 FY12: 2.63).

In a statement, **Mr. Sunil Bharti Mittal, Chairman & Managing Director, Bharti Airtel Limited**, said “This year is progressing well for Bharti Airtel. India has achieved double digit growth fueled by non voice businesses. The arrest of continuously declining prices in India augurs well for the telecom industry. We look forward to constructive deliberations on the draft National Telecom Policy 2011 and TRAI recommendations, for promoting the Government’s broadband vision and viability of the sector. Africa has notched up strong revenue growth of 23%. The company has launched 3G services in Congo B and airtel money in Zambia and Kenya. We continue to expand our footprint across Africa, with our recent acquisition of a 2G and 3G license in Rwanda.”

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
	Sep 2011	Sep 2010	
Total revenues	17,270	15,231	13%
EBITDA	5,815	5,138	13%
Cash profit from operations	4,697	4,806	-2%
Income before income taxes	1,513	2,227	-32%
Net income	1,027	1,661	-38%

Customer Base

(Figures in nos, except ratios)

Parameters	Unit	Sep 30, 2011	June 30, 2011	Q-o-Q Growth	Sep 30, 2010	Y-o-Y Growth
Mobile Services	000's	227,044	221,247	3%	187,708	21%
India & South Asia	000's	178,606	174,941	2%	147,626	21%
Africa	000's	48,437	46,306	5%	40,082	21%
Telemedia Services	000's	3,328	3,322	0%	3,216	3%
Digital TV Services	000's	6,614	6,262	6%	3,899	70%
Total	000's	236,986	230,831	3%	194,823	22%

About Bharti Airtel Limited

Bharti Airtel Limited is a leading global telecommunications company with operations in 19 countries across Asia and Africa. The company offers mobile voice & data services, fixed line, high speed broadband, IPTV, DTH, turnkey telecom solutions for enterprises and national & international long distance services to carriers. Bharti Airtel has been ranked among the six best performing technology companies in the world by Business Week. Bharti Airtel had over 237 million customers across its operations at the end of September 2011. To know more please visit, www.airtel.com

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