

Bharti Airtel Limited

Q3 FY11 Revenues up by 52.9% Y-o-Y, global customer base crosses 200 million

Bharti Airtel announces consolidated IFRS results for the third quarter and nine months ended December 31, 2010

Highlights for the third quarter ended December 31, 2010

- Overall customer base stands at 207.8 million, across 19 countries
- Successful launch of the new airtel brand across 19 countries
- Total revenues at ₹ 15,756 Cr., up by 52.9% Y-o-Y
- Underlying EBITDA margin¹ sustained at 33.8%
- India & South Asia business revenue growth accelerates to 13.7% Y-o-Y (Q1 FY11: 8.2%, Q2 FY11: 9.2%)
- Africa revenues came in at \$ 911 million, 8.7% growth over Q2 FY11
- Total minutes on network for the quarter at 227.3 billion; up by 41.2% (by 66 billion) Y-o-Y

¹ Before one time brand relaunch costs of ₹ 340 Cr., across India, South Asia & Africa.

New Delhi, India, February 2, 2011: Bharti Airtel Limited (“Bharti Airtel” or “the Company”) today announced its audited consolidated IFRS results for the third quarter and nine months ended December 31, 2010.

The consolidated total revenues for the third quarter ended December 31, 2010 of ₹ 15,756 Cr. grew by 52.9% Y-o-Y. Africa revenues came in at \$ 911 million (Q2 FY11: \$ 838 million), a growth of 8.7% over last quarter. India & South Asia accelerated its Y-o-Y growth to 13.7%, up from 9.2% in Q2 FY11. Underlying EBITDA margin¹ for the quarter was sustained at 33.8% (Q2 FY11: 33.7%, Q3 FY10: 39.6%). India and South Asia continued its robust operating performance and delivered underlying EBITDA margin¹ of 37.3% (Q2 FY11: 37.3%, Q3 FY10: 39.6%). Africa operations delivered a healthy performance with underlying EBITDA margin¹ of 25.1%, up from 24.0% in Q2 FY11.

Adverse currency movements in Africa and India resulted in exchange fluctuations related restatement losses of ₹ 151 Cr. in Q3 FY11 (Q2 FY11 gains: ₹ 249 Cr., Q3 FY10 gains: ₹ 152 Cr.). The income before taxes for Q3 FY11 thereby came in at ₹ 1,549 Cr. On Q-o-Q basis the income before taxes got impacted by one time brand relaunch costs (₹ 340 Cr.) and restatement losses (adverse swing of ₹ 400 Cr.). On a Y-o-Y basis the income before taxes dropped on account of increase in spectrum charges in India (₹ 80 Cr.) and increase in net interest outgo (₹ 471 Cr.) apart from one time brand relaunch costs (₹ 340 Cr.) and restatement losses (adverse swing of ₹ 303 Cr.).

Consequently the net income for Q3 FY11 came in at ₹ 1,303 Cr. (Q2 FY11 ₹ 1,661 Cr., Q3 FY10: ₹ 2,195 Cr.). Net income of India & South Asia in Q3 FY11 stood at ₹ 1,828 Cr. (Q2 FY11 ₹ 2,040 Cr., Q3 FY10: ₹ 2,195 Cr.).

The Consolidated Operating Free Cash Flow in the first nine months was at ₹ 5,055 Cr. (\$ 1.11 billion). The Net Debt – Equity ratio as at December 31, 2010 stands at 1.28, and Net Debt - EBITDA ratio is 2.88.

In a statement, **Mr. Sunil Bharti Mittal, Chairman & Managing Director, Bharti Airtel Limited**, said “Bharti Airtel continues to sustain its growth momentum across India, South Asia and Africa, The new airtel brand was successfully launched across 19 countries in one go, breaking barriers of language and culture. In India, we have commenced a new journey with the roll-out of 3G services and pilot launch of *airtel money*. In Africa, we have been focused on developing a long-term sustainable business model that will transform the Africa market in terms of network coverage, quality of service and affordability”.

Bharti Airtel Limited – Media Release February 2, 2011

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

(Amount in ₹ Cr., except ratios)

Particulars	Quarter Ended		Y-o-Y Grow th
	Dec 2010	Dec 2009	
Total revenues	15,756	10,305	53%
EBITDA	4,982	4,082	22%
Cash profit from operations	4,235	4,109	3%
Income before income taxes	1,549	2,534	-39%
Net income	1,303	2,195	-41%

Operating Highlights

(Figures in nos, except ratios)

Parameters	Unit	Dec 31, 2010	Sep 30, 2010	Q-o-Q Grow th	Dec 31, 2009	Y-o-Y Grow th
Mobile Services	000's	199,610	187,708	6%	120,231	66%
India & South Asia	000's	157,485	147,626	7%	120,231	31%
Africa	000's	42,124	40,082	5%	-	-
Telemedia Services	000's	3,257	3,216	1%	2,989	9%
Digital TV Services	000's	4,932	3,899	27%	2,044	141%
Total	000's	207,799	194,823	7%	125,263	66%

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 207 million customers across its operations at the end of December 2010. To know more visit www.airtel.in

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