

**BHARTI AIRTEL LIMITED**

Registered Office: Aravali Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

**Financial results for the second quarter and half year ended September 30, 2009**

1. **Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per United States Generally Accepted Accounting Principles (US GAAP)**

*(In Rs Crore except ratios)*

Particulars	Quarter Ended			Half Year Ended		
	September 2009	September 2008	Y-o-Y Growth	September 2009	September 2008	Y-o-Y Growth
Total revenues	9,845.50	9,020.30	9%	19,787.10	17,503.60	13%
EBITDA	4,141.60	3,699.30	12%	8,293.40	7,221.40	15%
Cash profit from operations	4,098.80	3,125.20	31%	8,511.10	6,464.10	32%
Earnings/(loss) before taxation	2,658.90	1,972.40	35%	5,667.70	4,353.90	30%
Current tax expense / (income)	508.50	176.30	188%	1,190.60	481.60	147%
Earnings/(loss) after current tax expense	2,150.40	1,796.10	20%	4,477.10	3,872.30	16%
Deferred tax expense / (income)	(221.20)	(301.00)	-27%	(459.10)	(278.10)	65%
Net profit / (loss)	2,321.00	2,046.30	13%	4,837.70	4,071.30	19%
EBITDA / Total revenues	42.1%	41.0%		41.9%	41.3%	

2. Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per Indian Generally Accepted Accounting Principles (IGAAP)

(In Rs. Crore except per share data)

S. No.	Particulars	Quarter Ended September 30,		Half Year Ended September 30,		Year ended March
		2009	2008	2009	2008	31, 2009
		Audited	Audited	Audited	Audited	Audited
1	a) Net Sales/ Income from Operations b) Other Operating Income <b>Total Income</b>	10,355.16 - <b>10,355.16</b>	8,923.57 - <b>8,923.57</b>	20,785.10 - <b>20,785.10</b>	17,429.57 - <b>17,429.57</b>	37,352.08 - <b>37,352.08</b>
2	<b>Total Expenditure</b> (a) Employee Cost (b) Depreciation (c) License Fees & Spectrum Charges (d) Access & Interconnection Charges (e) Network Operating Expenses (f) Sales & Marketing (g) Administration & others (h) Other Expenditure	<b>7,632.20</b> 479.83 1,499.68 1,022.25 1,069.85 2,175.38 673.47 642.63 69.11	<b>6,430.62</b> 441.64 1,102.18 909.24 1,290.56 1,432.28 590.48 584.64 79.60	<b>15,268.45</b> 992.04 2,936.86 2,034.82 2,207.00 4,281.07 1,348.86 1,325.23 142.57	<b>12,465.26</b> 843.23 2,099.34 1,763.01 2,532.76 2,650.76 1,140.84 1,261.00 174.32	<b>27,052.17</b> 1,791.65 4,672.77 3,826.99 5,290.87 6,232.79 2,461.17 2,452.30 323.63
3	<b>Profit from Operations before Other Income, Interest, Share of Loss / (Gain) in Associate &amp; Exceptional Items (1-2)</b>	<b>2,722.96</b>	<b>2,492.95</b>	<b>5,516.65</b>	<b>4,964.31</b>	<b>10,299.91</b>
4	Other Income	37.90	29.16	56.65	90.74	152.38
5	<b>Profit before Interest, Share of Loss / (Gain) in Associate &amp; Exceptional Items (3+4)</b>	<b>2,760.86</b>	<b>2,522.11</b>	<b>5,573.30</b>	<b>5,055.05</b>	<b>10,452.29</b>
6	Interest Expense / (Income) Net	159.10	1,099.56	(196.45)	1,005.03	1,861.28
7	Share of Loss / (Gain) in Associate	0.61	-	0.61	-	-
8	<b>Profit after Interest, Share of Loss / (Gain) in associate but before Exceptional Items</b>	<b>2,601.15</b>	<b>1,422.55</b>	<b>5,769.14</b>	<b>4,050.02</b>	<b>8,591.01</b>
9	Exceptional Items	-	-	-	-	-
10	<b>Profit (+) / Loss(-) from Ordinary Activities before tax</b>	<b>2,601.15</b>	<b>1,422.55</b>	<b>5,769.14</b>	<b>4,050.02</b>	<b>8,591.01</b>
11	<b>Tax Expense</b> -Current Tax -Fringe Benefit Tax -Deferred Tax	<b>296.08</b> 224.50 0.00 71.58	<b>(292.10)</b> (24.58) 11.39 (278.91)	<b>768.98</b> 558.97 0.00 210.01	<b>125.36</b> 280.72 20.94 (176.30)	<b>546.83</b> 808.23 40.81 (302.21)
12	<b>Net profit (+)/ loss(-) from Ordinary Activities after tax</b>	<b>2,305.07</b>	<b>1,714.65</b>	<b>5,000.16</b>	<b>3,924.66</b>	<b>8,044.18</b>
13	Extraordinary Items (net of tax expenses Rs. Nil)	-	-	-	-	-
14	<b>Profit (+)/ Loss (-) for the period</b>	<b>2,305.07</b>	<b>1,714.65</b>	<b>5,000.16</b>	<b>3,924.66</b>	<b>8,044.18</b>
15	Minority Interest	50.90	46.53	98.04	89.85	185.23
16	<b>Net Profit/Loss for the period</b>	<b>2,254.17</b>	<b>1,668.12</b>	<b>4,902.12</b>	<b>3,834.81</b>	<b>7,858.95</b>
17	Paid-up equity share capital (Face value Rs.5/- each)	1,898.42	1,898.10	1,898.42	1,898.10	1,898.24
18	Reserves excluding revaluation reserves including employee stock option outstanding (Refer Note 7 below)	32,101.75	23,686.07	32,101.75	23,686.07	27,227.26
19	<b>Earnings per share (in Rs.)- Post Stock split (Refer Note 6 below)</b> <b>a. Basic and diluted EPS before Extraordinary items</b> i) Basic ii) Diluted <b>a. Basic and diluted EPS after Extraordinary items</b> i) Basic ii) Diluted	 5.937 5.936  5.937 5.936	 4.394 4.393  4.394 4.393	 12.911 12.908  12.911 12.908	 10.102 10.100  10.102 10.100	 20.702 20.696  20.702 20.696
20	<b>Public Shareholding</b> a. Number of shares b. Percentage of shareholding	1,226,589,988 32.31%	1,251,624,406 32.97%	1,226,589,988 32.31%	1,251,624,406 32.97%	1,247,018,790 32.85%
21	<b>Promoters and Promoter Group Shareholding</b> a) Pledged/ Encumbered - Number of Shares - Percentage of Shares (as a % of the total shareholding of the promoter and promoter group) - Percentage of Shares (as a % of the total share capital of the company) b) Non-encumbered - Number of Shares - Percentage of Shares (as a % of the total shareholding of the promoter and promoter group) - Percentage of Shares (as a % of the total share capital of the company)	 Nil Nil Nil  2,570,252,342 100% 67.69%	 Nil Nil Nil  2,544,578,802 100% 67.03%	 Nil Nil Nil  2,570,252,342 100% 67.69%	 Nil Nil Nil  2,544,578,802 100% 67.03%	 Nil Nil Nil  2,549,460,802 100% 67.15%

Note : The consolidated financial results includes the results of Bharti Airtel Limited and (i) its subsidiaries, Bharti Hexacom Limited, Bharti Airtel Services Limited, Bharti Aquanet Limited (merged wef from January 1, 2009), Bharti Infratel Limited, Bharti Telemedia Limited, Bharti Airtel (USA) Limited, Bharti Airtel (UK) Limited, Bharti Airtel (Canada) Limited, Bharti Airtel (Hong Kong) Limited, Bharti Airtel Lanka (Private) Limited, Bharti Airtel (Singapore) Private Limited, Bharti Airtel Holdings (Singapore) Pte Limited, Network i2i Limited, Bharti Infratel Lanka (Private) Limited (subsidiary of Bharti Airtel Lanka (Private) Limited) and Bharti Infratel Ventures Limited (subsidiary of Bharti Infratel Limited), (ii) its joint ventures, Indus towers limited ( joint venture of Bharti Infratel Limited), Bridge Mobile Pte limited, Forum 1 Aviation limited, and (iii) its associate companies, Bharti Teleport Limited and Alcatel-Lucent Network Management Services India Limited.

3. Segment Reporting – Audited as per Indian GAAP (as Consolidated Entity)

(In Rs Crore)

Particulars	Quarter Ended September 30,		Half Year Ended September 30,		Year ended March
	2009	2008	2009	2008	31, 2009
	Audited	Audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>					
Net sale/income from each segment					
a) Mobile Services	8,123.04	7,299.38	16,364.47	14,219.86	30,418.85
b) Telemedia Services	855.50	843.60	1,711.73	1,640.97	3,342.60
c) Enterprise Services	2,158.35	2,077.48	4,267.30	4,050.32	8,341.71
d) Passive Infrastructure Services	1,664.20	1,227.87	3,265.84	2,283.70	5,091.30
e) Others	130.47	92.56	233.77	212.17	400.02
<b>Total</b>	<b>12,931.56</b>	<b>11,540.89</b>	<b>25,843.11</b>	<b>22,407.02</b>	<b>47,594.48</b>
Less: Inter Segment Eliminations	2,538.50	2,588.16	5,001.36	4,886.71	10,090.02
<b>Net sales/income</b>	<b>10,393.06</b>	<b>8,952.73</b>	<b>20,841.75</b>	<b>17,520.31</b>	<b>37,504.46</b>
<b>2. Segment Results</b>					
Profit/(Loss) before tax and interest from each segment					
a) Mobile Services	1,809.15	1,589.87	3,739.55	3,148.39	6,874.61
b) Telemedia Services	187.78	225.65	365.76	422.96	818.79
c) Enterprise Services	933.05	768.31	1,798.02	1,506.33	3,163.73
d) Passive Infrastructure Services	123.97	109.00	258.73	256.60	320.42
e) Others	(269.67)	(157.29)	(575.45)	(258.95)	(686.10)
<b>Total</b>	<b>2,764.28</b>	<b>2,535.54</b>	<b>5,586.61</b>	<b>5,075.33</b>	<b>10,491.45</b>
Less: Inter Segment Eliminations	4.03	13.43	13.92	20.28	39.16
<b>Total profit (loss) before tax and interest</b>	<b>2,760.25</b>	<b>2,522.11</b>	<b>5,572.69</b>	<b>5,055.05</b>	<b>10,452.29</b>
Less :					
i) Interest Expense / (Income) Net	159.10	1,099.56	(196.45)	1,005.03	1,861.28
<b>Total profit before tax</b>	<b>2,601.15</b>	<b>1,422.55</b>	<b>5769.14</b>	<b>4050.02</b>	<b>8,591.01</b>
<b>3. Capital Employed</b>					
(Segment assets - Segment liabilities)					
a) Mobile Services	13,340.03	6,025.33	13,340.03	6,025.33	13,352.29
b) Telemedia Services	4,442.36	3,629.65	4,442.36	3,629.65	4,168.07
c) Enterprise Services	5,058.33	3,645.44	5,058.33	3,645.44	4,889.07
d) Passive Infrastructure Services	9,830.59	10,408.05	9,830.59	10,408.05	10,789.81
e) Others	1,822.42	2,602.76	1,822.42	2,602.76	(2,870.87)
<b>Total</b>	<b>34,493.73</b>	<b>26,311.23</b>	<b>34,493.73</b>	<b>26,311.23</b>	<b>30,326.37</b>

4. Summary of differences in net income/ profit between US GAAP (audited) and Indian GAAP (audited).

(In Rs Crore)

Particulars	Quarter Ended	Half Year Ended
	September 30, 2009	September 30, 2009
<b>Net profit / (loss) as per US GAAP</b>	<b>2,321.00</b>	<b>4,837.70</b>
<b>Add: Differences on account of:</b>		
Minority Interest and loss of Joint Venture	(2.43)	(2.53)
Deferred Tax expense	(10.56)	(26.57)
<b>Less: Differences on account of:</b>		
Amortisation of Goodwill/ Intangibles	20.18	40.13
Revenue recognition	(5.24)	(6.44)
License fee amortisation	14.66	29.18
Finance charges	5.15	(189.89)
Remeasurement of financial instruments not applicable in IGAAP	25.79	49.83
Differential depreciation provided in IGAAP due to forex fluctuations not considered in US GAAP	(7.09)	(16.72)
Consolidation of ESOP trust	0.39	0.39
<b>Net profit/(loss) as per Indian GAAP</b>	<b>2254.17</b>	<b>4,902.12</b>

## 5. Audited financial results for the Second quarter ended September 30, 2009 as per Indian GAAP (as Stand alone Entity)

(In Rs. Crore except ratios)

S. No.	Particulars	Quarter Ended September 30,		Half Year Ended September 30,		Year ended March
		2009	2008	2009	2008	31, 2009
		Audited	Audited	Audited	Audited	Audited
1	a) Net Sales/Income from Operations b) Other Operating Income <b>Total Revenue</b>	8,901.66 - <b>8,901.66</b>	8,274.37 - <b>8,274.37</b>	17,942.17 - <b>17,942.17</b>	16,167.37 - <b>16,167.37</b>	34,014.29 - <b>34,014.29</b>
2	<b>Total Expenditure</b> (a) Employee Cost (b) Depreciation (c) License Fees & Spectrum Charges (d) Access & Interconnection Charges (e) Network Operating Expenses (f) Sales & Marketing (g) Administration & others (h) Other Expenditure	<b>6,309.99</b> 392.81 944.00 944.29 1058.92 1859.31 536.57 542.53 31.56	<b>5,916.21</b> 360.59 764.47 856.18 1,269.22 1,571.88 535.05 510.83 47.99	<b>12,716.63</b> 802.03 1,897.04 1,876.31 2,182.51 3,673.69 1,106.41 1,103.87 74.77	<b>11,556.49</b> 718.09 1,489.57 1,858.07 2,489.35 2,968.84 1,038.14 1,115.94 78.49	<b>24,229.51</b> 1,498.34 3,206.28 3,582.18 5,203.41 6,326.89 2,176.40 2,087.53 148.48
3	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>2,591.67</b>	<b>2,358.16</b>	<b>5,225.54</b>	<b>4,610.88</b>	<b>9,784.78</b>
4	Other Income	25.44	28.43	41.21	87.75	140.74
5	<b>Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>2,617.11</b>	<b>2,386.59</b>	<b>5,266.75</b>	<b>4,698.63</b>	<b>9,925.52</b>
6	Interest Expense / (Income) Net	80.02	1,075.99	(350.15)	1,017.52	1,763.98
7	<b>Profit after Interest but before Exceptional Items</b>	<b>2,537.09</b>	<b>1,310.60</b>	<b>5,616.90</b>	<b>3,681.11</b>	<b>8,161.54</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit (+) / Loss(-) from Ordinary Activities before tax</b>	<b>2,537.09</b>	<b>1,310.60</b>	<b>5,616.90</b>	<b>3,681.11</b>	<b>8,161.54</b>
10	<b>Tax Expenses</b> -Current Tax -Fringe Benefit Tax -Deferred Tax	<b>240.15</b> 188.65 - 51.50	<b>(294.18)</b> 9.00 10.02 (313.20)	<b>632.45</b> 474.73 - 157.72	<b>29.55</b> 276.63 18.43 (265.51)	<b>417.70</b> 777.73 35.87 (395.90)
11	<b>Net profit (+) / loss(-) from Ordinary Activities after tax</b>	<b>2,296.94</b>	<b>1,604.78</b>	<b>4,984.45</b>	<b>3,651.56</b>	<b>7,743.84</b>
12	Extraordinary items (net of tax expenses Rs. Nil)	-	-	-	-	-
13	<b>Net Profit(+)/ Loss (-) for the period</b>	<b>2,296.94</b>	<b>1,604.78</b>	<b>4,984.45</b>	<b>3,651.56</b>	<b>7,743.84</b>
14	Paid-up equity share capital (Face value Rs. 5/- each)	1,898.42	1,898.10	1,898.42	1,898.10	1,898.24
15	Reserves excluding revaluation reserves including employee stock option outstanding (Refer Note 7 below)	30,787.39	22,031.30	30,787.39	22,031.30	25,743.30
16	<b>Earnings per share (in Rs.)- Post Stock split (Refer Note 6 below)</b> <b>a. Basic and diluted EPS before Extraordinary items</b> i) Basic ii) Diluted <b>a. Basic and diluted EPS after Extraordinary items</b> i) Basic ii) Diluted	6.050 6.048  6.050 6.048	4.227 4.226  4.227 4.226	13.128 13.125  13.128 13.125	9.620 9.617  9.620 9.617	20.399 20.393  20.399 20.393
17	<b>Public Shareholding</b> a. Number of shares b. Percentage of shareholding	1,226,589,988 32.31%	1,251,624,406 32.97%	1,226,589,988 32.31%	1,251,624,406 32.97%	1,247,018,790 32.85%
18	<b>Promoters and Promoter Group Shareholding</b> a) Pledged/ Encumbered - Number of Shares - Percentage of Shares (as a % of the total shareholding of the promoter and promoter group) - Percentage of Shares (as a % of the total share capital of the company) b) Non-encumbered - Number of Shares - Percentage of Shares (as a % of the total shareholding of the promoter and promoter group) - Percentage of Shares (as a % of the total share capital of the company)	Nil Nil Nil 2,570,252,342 100% 67.69%	Nil Nil Nil 2,544,578,802 100% 67.03%	Nil Nil Nil 2,570,252,342 100% 67.69%	Nil Nil Nil 2,544,578,802 100% 67.03%	Nil Nil Nil 2,549,460,802 100% 67.15%

### Notes to accounts for the second quarter and half year ended September 30, 2009

- The above financial results for the second quarter and half year ended September 30, 2009 have been reviewed by the Audit Committee in its meeting held on October 29, 2009 and approved by the Board of Directors in its meeting held on October 30, 2009.
- Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statement has been furnished to provide information about overall business of the Company and its subsidiaries.
- The Company has merged two segments, "Enterprise Services – Carriers" and "Enterprise Services – Corporates" into a single segment "Enterprise Services" with effect from July 1, 2009, in line with the internal organization and management structure and its system of internal financial reporting. Accordingly, segment information for the previous periods/year have been regrouped/reclassified in these financial results.
- Previous year's / periods' figures have been regrouped / rearranged, wherever required.
- During the quarter ended September 30, 2009, the Company has allotted 47,885 new equity shares (pre sub-division) to the employees upon exercise of stock options as per ESOP Scheme 2005. As a result, the paid up equity share capital of the Company stands increased from Rs. 1898.37 crore to Rs. 1898.42 crore as on September 30, 2009.
- In terms of the shareholders' approval dated July 11, 2009, the Company has sub-divided one equity share of Rs. 10/- each into two equity share of Rs. 5/- each. The demat accounts of the shareholders holding shares as on July 30, 2009 were credited with the

new shares on July 31, 2009 and the new share certificates were dispatched to the shareholders holding the shares in physical form on August 4, 2009 . Accordingly, the basic and diluted earning per shares and number of shares disclosed above have been computed for the current quarter and recomputed for the previous periods based on the revised face value of Rs. 5 each.

7. Reserves and surplus as at September 30, 2009 include Rs 162.94 crore for the Company and Rs. 212.02 crore for the Group, towards employee stock option outstanding (net of the related deferred cost) account.

8. During the quarter ended September 30, 2009, the Company in its annual general meeting held on August 21, 2009 declared and paid its maiden dividend at the rate of Rs. 2/- per equity share of Rs. 10/- each aggregating Rs. 379.68 crore.

9. During the quarter ended September 30, 2009, the Company invested Rs. 9 crore into 9,000,004 equity shares of Rs. 10/- each comprising 26% of the equity in Alcatel-Lucent Network Management Services India Limited

10. In October 2009, the Company acquired additional 55% equity stake in its subsidiary, Bharti Telemedia Limited for a consideration of Rs. 7.38 crore. Consequently, the total equity interest of the Company in Bharti Telemedia Limited has increased to 95%.

11. Status of investor complaints as on September 30, 2009 is as follows:

Complaints pending as on July 1, 2009	Nil
Complaints received during the quarter	50
Complaints resolved during the quarter	50
	=====
Pending as on September 30, 2009	Nil
	=====

6. Segment Reporting - Audited as per Indian GAAP (as Stand alone entity)

(In Rs Crore)

Particulars	Quarter Ended September 30,		Half Year Ended September 30,		Year ended March
	2009	2008	2009	2008	31, 2009
	Audited	Audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>					
Net sale/income from each segment					
a) Mobile Services	7,463.67	6,797.88	15,045.47	13,252.64	28,273.28
b) Telemedia Services	846.28	835.91	1,693.57	1,626.53	3,311.54
c) Enterprise Services	2,117.53	1,977.97	4,189.76	3,904.64	8,125.46
d) Others	0.84	0.23	1.49	35.88	36.19
<b>Total</b>	<b>10,428.32</b>	<b>9,611.99</b>	<b>20,930.29</b>	<b>18,819.69</b>	<b>39,746.47</b>
Less: Inter Segment Eliminations	1,501.22	1,309.19	2,946.90	2,564.57	5,591.44
<b>Net sales Income</b>	<b>8,927.10</b>	<b>8,302.80</b>	<b>17,983.39</b>	<b>16,255.12</b>	<b>34,155.03</b>
<b>2. Segment Results</b>					
Profit/(Loss) before tax and interest from each segment					
a) Mobile Services	1,684.20	1,481.48	3,482.52	2,923.33	6,399.44
b) Telemedia Services	186.46	224.56	362.97	421.35	814.93
c) Enterprise Services	917.60	789.32	1,762.44	1,530.71	3,147.14
d) Others	(171.15)	(108.77)	(341.18)	(176.76)	(435.99)
<b>Total profit (loss) before tax and interest</b>	<b>2,617.11</b>	<b>2,386.59</b>	<b>5,266.75</b>	<b>4,698.63</b>	<b>9,925.52</b>
Less :					
i) Interest Expense / (Income) Net	80.02	1,075.99	(350.15)	1,017.52	1,763.98
<b>Total profit before tax</b>	<b>2,537.09</b>	<b>1,310.60</b>	<b>5,616.90</b>	<b>3,681.11</b>	<b>8,161.54</b>
<b>3. Capital Employed</b>					
(Segment assets - Segment liabilities)					
a) Mobile Services	11,794.53	5,418.71	11,794.53	5,418.71	12,634.60
b) Telemedia Services	4,477.18	3,623.02	4,477.18	3,623.02	4,240.29
c) Enterprise Services	4,846.78	3,642.87	4,846.78	3,642.87	4,762.01
d) Others	10,731.56	10,700.57	10,731.56	10,700.57	5,590.54
<b>Total</b>	<b>31,850.05</b>	<b>23,385.17</b>	<b>31,850.05</b>	<b>23,385.17</b>	<b>27,227.44</b>

For Bharti Airtel Limited

Sd/-

New Delhi  
October 30, 2009

Manoj Kohli  
CEO & Joint Managing Director

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