

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 & nine months ended December 31, 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			Nine Months Ended		
	December 2009	December 2008	Y-o-Y Growth	December 2009	December 2008	Y-o-Y Growth
	Audited	Audited		Audited	Audited	
Total revenues	9,772.20	9,633.40	1%	29,559.30	27,137.00	9%
EBITDA	3,911.20	3,945.00	-1%	12,204.60	11,166.40	9%
Cash profit from operations	4,088.10	3,754.60	9%	12,599.20	10,218.70	23%
Earnings/(loss) before taxation	2,571.60	2,462.90	4%	8,239.30	6,816.70	21%
Current tax expense/ (income)	536.90	280.60	91%	1,727.50	762.20	127%
Earnings/(loss) after current tax expense	2,034.70	2,182.30	-7%	6,511.80	6,054.50	8%
Deferred tax expense / (income)	(217.70)	(24.80)	778%	(676.80)	(302.90)	123%
Net profit / (loss)	2,209.80	2,159.30	2%	7,047.50	6,230.60	13%
EBITDA / Total revenues	40.0%	41.0%		41.3%	41.1%	

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 December 31,		Nine Months Ended December 31,		Year ended March 31, 2009
		2009	2008	2009	2008	
		Audited	Audited	Audited	Audited	
1	a) Net Sales/ Income from Operations b) Other Operating Income Total Income	10,304.95 - 10,304.95	9,667.37 - 9,667.37	31,090.05 - 31,090.05	27,096.94 - 27,096.94	37,352.08 - 37,352.08
2	Total Expenditure (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	7,851.69 450.35 1,591.45 993.38 1,116.03 2,201.70 728.51 693.86 76.41	7,040.31 462.98 1,248.79 1,003.20 1,342.63 1,591.67 673.07 645.20 72.77	23,120.13 1,442.39 4,528.31 3,028.20 3,323.03 6,540.82 2,019.33 2,019.08 218.97	19,505.58 1,306.21 3,348.13 2,766.22 3,875.40 4,242.43 1,813.92 1,906.20 247.07	27,052.17 1,791.65 4,672.77 3,826.99 5,290.87 6,232.79 2,461.17 2,452.30 323.63
3	Profit from Operations before Other Income, Interest, Share of Loss / (Gain) in Associates & Exceptional Items (1-2)	2,453.26	2,627.06	7,969.92	7,591.36	10,299.91
4	Other Income	22.62	21.13	79.26	111.87	152.38
5	Profit before Interest, Share of Loss / (Gain) in Associates & Exceptional Items (3+4)	2,475.88	2,648.19	8,049.18	7,703.23	10,452.29
6	Interest Expense / (Income) Net	(131.88)	457.56	(328.33)	1,462.59	1,861.28
7	Share of Loss / (Gain) in Associates	0.99	-	1.60	-	-
8	Profit after Interest, Share of Loss / (Gain) in Associates but before Exceptional Items	2,606.77	2,190.63	8,375.91	6,240.64	8,591.01
9	Extraordinary Items (net of tax expenses)	-	-	-	-	-
10	Profit (+) / Loss (-) from Ordinary Activities before tax	2,606.77	2,190.63	8,375.91	6,240.64	8,591.01
11	Tax Expense -Current Tax -Fringe Benefit Tax -Deferred Tax (Credit)/ Charge	327.14 267.66 - 59.48	167.14 226.32 13.50 (72.68)	1,096.11 826.61 - 269.50	292.49 507.03 34.44 (248.98)	546.83 808.23 40.81 (302.21)
12	Net profit (+) / loss (-) from Ordinary Activities after tax	2,279.63	2,023.49	7,279.80	5,948.15	8,044.18
13	Extraordinary items (net of tax expenses)	-	-	-	-	-
14	Profit (+) / Loss (-) for the period	2,279.63	2,023.49	7,279.80	5,948.15	8,044.18
15	Minority Interest	42.73	47.08	140.78	136.93	185.23
16	Net Profit/Loss for the period	2,236.90	1,976.41	7,139.02	5,811.22	7,858.95
17	Paid-up equity share capital (Face value Rs.5/- each)	1,898.48	1,898.22	1,898.48	1,898.22	1,898.24
18	Reserves excluding revaluation reserves including employee stock option outstanding (Refer Note 5 below)	34,411.79	25,646.34	34,411.79	25,646.34	27,227.26
19	Earnings per share (in Rs.)- Post Stock split a. Basic and diluted EPS before Extraordinary items i) Basic ii) Diluted a. Basic and diluted EPS after Extraordinary items i) Basic ii) Diluted	 5.891 5.891 5.891 5.891	 5.206 5.205 5.206 5.205	 18.803 18.795 18.803 18.795	 15.308 15.303 15.308 15.303	 20.702 20.696 20.702 20.696
20	Public Shareholding a. Number of shares b. Percentage of shareholding	1,221,158,638 32.16%	1,246,971,586 32.85%	1,221,158,638 32.16%	1,246,971,586 32.85%	1,247,018,790 32.85%
21	Promoters and Promoter Group Shareholding 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 2,575,793,342 100% 67.84%	 Nil Nil Nil 2,549,460,802 100% 67.15%	 Nil Nil Nil 2,575,793,342 100% 67.84%	 Nil Nil Nil 2,549,460,802 100% 67.15%	 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 I 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 December 31,		Nine Months Ended December 31,		Year ended March
	2009	2008	2009	2008	31, 2009
	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue					
Net sale/income from each segment					
a) Mobile Services	7,980.19	7,956.01	24,344.66	22,175.87	30,418.85
b) Telemedia Services	856.12	842.36	2,567.85	2,483.33	3,342.60
c) Enterprise Services	2,068.18	2,143.58	6,335.49	6,193.90	8,341.71
d) Passive Infrastructure Services	1,824.15	1,349.75	5,089.98	3,633.45	5,091.30
e) Others	142.39	90.80	376.16	302.97	400.02
Total	12,871.03	12,382.50	38,714.14	34,789.52	47,594.48
Less: Inter Segment Eliminations	2,543.46	2,694.00	7,544.83	7,580.71	10,090.02
Net sales/Income	10,327.57	9,688.50	31,169.31	27,208.81	37,504.46
2. Segment Results					
Profit/(Loss) before tax and interest from each segment					
a) Mobile Services	1,629.45	1,851.42	5,369.00	4,999.81	6,874.61
b) Telemedia Services	206.72	198.56	572.48	621.52	818.79
c) Enterprise Services	816.07	817.80	2,614.08	2,324.13	3,163.73
d) Passive Infrastructure Services	180.29	39.21	439.02	295.81	320.42
e) Others	(358.41)	(248.88)	(933.86)	(507.84)	(686.10)
Total	2,474.12	2,658.11	8,060.72	7,733.43	10,491.45
Less: Inter Segment Eliminations	(0.77)	9.92	13.14	30.20	39.16
Total profit/(loss) before tax and interest	2,474.89	2,648.19	8,047.58	7,703.23	10,452.29
Less :					
i) Interest	(131.88)	457.56	(328.33)	1,462.59	1,861.28
Total profit before tax	2,606.77	2,190.63	8,375.91	6,240.64	8,591.01
3. Capital Employed					
(Segment assets - Segment liabilities)					
a) Mobile Services	13,616.95	7,627.96	13,616.95	7,627.96	13,352.29
b) Telemedia Services	4,390.63	3,854.79	4,390.63	3,854.79	4,168.07
c) Enterprise Services	4,994.34	4,231.62	4,994.34	4,231.62	4,889.07
d) Passive Infrastructure Services	9,987.05	11,559.14	9,987.05	11,559.14	10,789.81
e) Others	3,775.21	1,167.28	3,775.21	1,167.28	(2,870.87)
Total	36,764.18	28,440.79	36,764.18	28,440.79	30,328.37

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

(In Rs Crore)

Particulars	Quarter Ended	Nine Month Ended
	December 31, 2009	December 31, 2009
Net profit / (loss) as per US GAAP	2,209.80	7,047.50
Add: Differences on account of:		
Minority Interest and loss of Joint Venture	2.51	(0.03)
Deferred Tax expense	(3.20)	(29.80)
Less: Differences on account of:		
Amortisation of Goodwill/ Intangibles	20.31	60.44
Being difference in revenue recognition	(2.86)	(9.30)
License fee amortisation	14.64	43.81
Differences in accounting for finance charges	(88.04)	(277.94)
Remeasurement of financial instruments not applicable in IGAAP	39.72	89.55
Differential depreciation provided in IGAAP due to forex fluctuations not considered in US GAAP	(11.56)	(28.30)
Consolidation of ESOP trust	0.00	0.39
Net profit/(loss) as per Indian GAAP	2,236.90	7,139.02

5. Audited financial results for the Third quarter ended December 31, 2009 as per Indian GAAP (as Stand alone Entity)

(In Rs. Crore except per share data)

S. No.	Particulars	Quarter Ended December 31,		Nine Months Year Ended December 31,		Year ended March 31, 2009
		2009	2008	2009	2008	
		Audited	Audited	Audited	Audited	
1	a) Net Sales/ Income from Operations b) Other Operating Income Total Revenue	8,755.45 - 8,755.45	8,830.11 - 8,830.11	26,697.62 - 26,697.62	24,997.48 - 24,997.48	34,014.29 - 34,014.29
2	Total Expenditure (a) Employee Cost (b) Depreciation & Amortisation (c) License Fees & Spectrum Charges (d) Access & Interconnection Charges (e) Network Operating Expenses (f) Sales & Marketing (g) Administration & others (h) Other Expenditure	6,440.54 349.47 990.18 910.20 1,107.07 1,855.59 625.99 565.48 36.56	6,290.62 382.04 814.38 938.21 1,321.71 1,685.53 563.52 553.56 31.67	19,157.18 1,151.50 2,887.22 2,786.51 3,289.58 5,529.28 1,732.40 1,669.35 111.34	17,847.11 1,100.13 2,303.95 2,596.28 3,811.06 4,654.37 1,601.66 1,669.50 110.16	24,229.51 1,498.34 3,206.28 3,582.18 5,203.41 6,326.89 2,176.40 2,087.53 148.48
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	2,314.91	2539.49	7,540.44	7,150.37	9,784.78
4	Other Income	16.11	20.14	57.33	107.89	140.74
5	Profit before Interest & Exceptional Items (3+4)	2,331.02	2,559.63	7,597.77	7,258.26	9,925.52
6	Interest Expense / (Income) Net	(225.66)	401.66	(575.81)	1,419.18	1,763.98
7	Profit after Interest but before Exceptional Items	2,556.68	2,157.97	8,173.58	5,839.08	8,161.54
8	Exceptional items	-	-	-	-	-
9	Profit (+) /Loss(-) from Ordinary Activities before tax	2,556.68	2,157.97	8,173.58	5,839.08	8,161.54
10	Tax Expenses -Current Tax -Fringe Benefit Tax -Deferred Tax (Credit)/ Charge	244.58 221.13 - 23.45	140.68 215.85 12.14 (87.31)	877.03 695.86 - 181.17	170.23 492.48 30.57 (352.82)	417.70 777.73 35.87 (395.90)
11	Net profit (+)/ loss(-) from Ordinary Activities after tax	2,312.10	2,017.29	7,296.55	5,668.85	7,743.84
12	Extraordinary Items (net of tax expenses)	-	-	-	-	-
13	Net Profit(+)/ Loss (-) for the period	2,312.10	2,017.29	7,296.55	5,668.85	7,743.84
14	Paid-up equity share capital (Face value Rs.5/- each)	1,898.48	1,898.22	1,898.48	1,898.22	1,898.24
15	Reserves excluding revaluation reserves including employee stock option outstanding (Refer Note 5 below)	33,122.36	24,086.09	33,122.36	24,086.09	25,743.30
16	Earnings per share (in Rs.)- Post Stock split a. Basic and diluted EPS before Extraordinary items i) Basic ii) Diluted a. Basic and diluted EPS after Extraordinary items i) Basic ii) Diluted	6.090 6.089 6.090 6.089	5.314 5.313 5.314 5.313	19.218 19.210 19.218 19.210	14.933 14.929 14.933 14.929	20.399 20.393 20.399 20.393
17	Public Shareholding a. Number of shares b. Percentage of shareholding	1,221,158,638 32.16%	1,246,971,586 32.85%	1,221,158,638 32.16%	1,246,971,586 32.85%	1,247,018,790 32.85%
18	Promoters and Promoter Group Shareholding 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 2,575,793,342 100% 67.84%	Nil Nil Nil 2,549,460,802 100% 67.15%	Nil Nil Nil 2,575,793,342 100% 67.84%	Nil Nil Nil 2,549,460,802 100% 67.15%	Nil Nil Nil 2,549,460,802 100% 67.15%

Notes to accounts for the third quarter and nine months ended December 31, 2009

- The above financial results for the third quarter and nine months ended December 31, 2009 have been reviewed by the Audit Committee in its meeting held on January 21, 2010 and approved by the Board of Directors in its meeting held on January 22, 2010.
- 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.
- Previous years' / periods' figures have been regrouped / rearranged, wherever required.

4. During the quarter ended December 31, 2009, the Company has allotted 109,650 new equity shares 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. 1898.42 crore as on September 30, 2009 to Rs. 1898.48 crore as on December 31, 2009.
5. Reserves and surplus as at December 31, 2009 include Rs 175.60 crore for the Company and Rs. 236.99 crore for the Group, towards employee stock options outstanding (net of the related deferred cost) account.
6. On January 12, 2010 the Company executed agreements for investment of USD 300 Million. in Warid Telecom International Limited, Bangladesh ('Warid Telecom'), a mobile telecommunication service provider in Bangladesh. Pursuant thereto, the Company (through its wholly owned subsidiary Bharti Airtel Holdings (Singapore) Pte Limited, Singapore) will acquire an equity stake of 70% in Warid Telecom by way of subscription and transfer of equity shares. The Company has remitted USD 311 million to its wholly owned subsidiary for further investment in Warid Telecom, Bangladesh.
7. On October 23, 2009, the Company acquired an additional 55% equity stake in its subsidiary, Bharti Telemedia Limited for a consideration of Rs. 7.38 crore. The Company as of date owns 95% of the equity in Bharti Telemedia Limited.
8. Status of investor complaints as on December 31, 2009 is as follows:

Complaints pending as on October 1, 2009	Nil
Complaints received during the quarter	33
Complaints resolved during the quarter	33
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Pending as on December 31, 2009	Nil
	=====

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

(In Rs Crore)

Particulars	Quarter Ended December 31,		Nine Months Ended December 31,		Year ended March
	2009	2008	2009	2008	31, 2009
	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue					
Net sale/income from each segment					
a) Mobile Services	7,330.68	7,384.24	22,376.14	20,636.88	28,273.28
b) Telemedia Services	847.22	834.52	2,540.79	2,461.05	3,311.54
c) Enterprise Services	2,022.27	2,135.75	6,212.02	6,040.39	8,125.46
d) Others	0.76	0.18	2.25	36.06	36.19
Total	10,200.93	10,354.69	31,131.20	29,174.38	39,746.47
Less: Inter Segment Eliminations	1,429.35	1,504.44	4,376.25	4,069.01	5,591.44
Net sales/income	8,771.58	8,850.25	26,754.95	25,105.37	34,155.03
2. Segment Results					
Profit/(Loss) before tax and interest from each segment					
a) Mobile Services	1,534.30	1,705.99	5,016.82	4,629.32	6,399.44
b) Telemedia Services	207.14	197.54	570.11	618.89	814.93
c) Enterprise Services	802.18	803.01	2,564.62	2,333.73	3,147.14
d) Others	(212.59)	(146.91)	(553.78)	(323.68)	(435.99)
Total	2,331.03	2,559.63	7,597.77	7,258.26	9,925.52
Less: Inter Segment Eliminations	-	-	-	-	-
Total profit/(loss) before tax and interest	2,331.03	2,559.63	7,597.77	7,258.26	9,925.52
Less :					
i) Interest	(225.65)	401.66	(575.81)	1,419.18	1,763.98
Total profit before tax	2,556.68	2,157.97	8,173.58	5,839.08	8,161.54
3. Capital Employed					
(Segment assets - Segment liabilities)					
a) Mobile Services	11,863.73	6,017.53	11,863.73	6,017.53	12,634.60
b) Telemedia Services	4,382.21	3,887.95	4,382.21	3,887.95	4,240.29
c) Enterprise Services	4,735.94	4,059.00	4,735.94	4,059.00	4,762.01
d) Others	13,063.49	11,524.79	13,063.49	11,524.79	5,590.54
Total	34,045.37	25,489.27	34,045.37	25,489.27	27,227.44

For Bharti Airtel Limited

Sd/-

New Delhi
January 22, 2010

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