

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 and nine months ended December 31, 2012

1. Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per International Financial Reporting Standards (IFRS)

Part I (In Rs. Million except per share data)

S. No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Nine Months Ended	Year ended
		December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
		2012	2012	2011	2012	2011	2012
		Audited	Audited	Audited	Audited	Audited	Audited
1	Total Sales / Income	202,537	202,830	185,078	598,986	527,670	715,058
	(a) Net Sales/ Income from Operations	202,395	202,732	184,767	598,628	527,214	714,508
	(b) Other Operating Income	142	98	311	358	456	550
2	Total Expenditure	179,703	177,882	161,339	530,288	451,874	611,616
	(a) Employee Cost	10,211	9,846	8,505	29,250	26,442	35,159
	(b) Depreciation & Amortisation	39,005	38,560	35,845	115,136	98,998	133,681
	(c) License Fees & Spectrum Charges	16,784	16,469	15,435	49,553	44,881	61,099
	(d) Access & Interconnection Charges	29,157	29,526	26,234	85,728	71,703	97,361
	(e) Network Operating Expenses	48,461	46,297	40,669	140,183	116,015	157,598
	(f) Sales & Marketing	20,521	21,536	19,263	64,446	52,945	71,369
	(g) Administration & others	15,470	15,621	15,222	45,668	40,519	54,940
	(h) Other Expenditure	94	27	166	324	371	409
3	Profit from Operations before Other Income, Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates, Exceptional Items and Tax (1-2)	22,834	24,948	23,739	68,698	75,796	103,442
4	Other Income	-	-	-	-	-	-
5	Profit before Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates, Exceptional Items and Tax (3+4)	22,834	24,948	23,739	68,698	75,796	103,442
6	Net Finance Charges (including exchange fluctuation)	13,319	10,219	7,877	31,749	27,613	38,185
7	Share of Loss / (Gain) in Associates	-	-	56	76	56	74
8	Profit after Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates but before Exceptional Items and Tax	9,515	14,729	15,806	36,873	48,127	65,183
9	Exceptional Items	-	-	-	-	-	-
10	Profit (+) /Loss(-) from Ordinary Activities after Exceptional Items but before Tax	9,515	14,729	15,806	36,873	48,127	65,183
11	Tax Expense	6,675	7,714	5,585	19,267	15,626	22,602
12	Net profit (+)/ loss(-) from Ordinary Activities after tax	2,840	7,015	10,221	17,606	32,501	42,581
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	Profit (+) / Loss (-) for the period / year	2,840	7,015	10,221	17,606	32,501	42,581
15	Minority Interest	3	(197)	108	(65)	(34)	(13)
16	Net Profit/(Loss) for the period / year	2,837	7,212	10,113	17,671	32,535	42,594
17	Paid-up equity share capital (Face value Rs.5/- each)	18,988	18,988	18,988	18,988	18,988	18,988
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	523,275	503,740	483,227	523,275	483,227	493,433
19	Earnings per share (Face value Rs.5/- each) (in Rs.)						
	a. Basic and diluted EPS before Extraordinary items						
	i) Basic	0.748	1.900	2.665	4.657	8.574	11.225
	ii) Diluted	0.747	1.900	2.664	4.655	8.571	11.221
	b. Basic and diluted EPS after Extraordinary items						
	i) Basic	0.748	1.900	2.665	4.657	8.574	11.225
	ii) Diluted	0.747	1.900	2.664	4.655	8.571	11.221

Part II

S. No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Nine Months Ended	Year ended
		December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
		2012	2012	2011	2012	2011	2012
		Audited	Audited	Audited	Audited	Audited	Audited
A	Particulars of Shareholding						
1	Public Shareholding						
	a. Number of shares	1,196,402,920	1,196,402,920	1,196,402,920	1,196,402,920	1,196,402,920	1,196,402,920
	b. Percentage of shareholding	31.50%	31.50%	31.50%	31.50%	31.50%	31.50%
2	Promoters and Promoter Group Shareholding						
	a) Pledged/ Encumbered						
	- Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered						
	- Number of Shares	2,601,127,176	2,601,127,176	2,601,127,176	2,601,127,176	2,601,127,176	2,601,127,176
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	68.50%	68.50%	68.50%	68.50%	68.50%	68.50%
S. No.	Particulars						Quarter Ended
							December 31,
							2012
B	Status of investor complaints as on December 31, 2012 is as follows:						
	Complaints pending as on October 1, 2012						1
	Complaints received during the quarter						3
	Complaints resolved during the quarter						3
	Complaints pending as on December 31, 2012						1

2. Segment Reporting – Prepared as per International Financial Reporting Standards (IFRS) (as Consolidated Entity)

(In Rs Million)

Particulars	Quarter Ended December 31,	Quarter Ended September 30,	Quarter Ended December 31,	Nine Months Ended December 31,	Nine Months Ended December 31,	Year ended March 31,
	2012	2012	2011	2012	2011	2012
	Audited	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue						
Net sales/income from each segment						
a) Mobile Services India and South Asia	109,364	111,170	101,764	327,382	297,995	403,091
b) Mobile Services Africa	61,694	60,512	53,577	179,792	144,393	198,265
c) Telemedia Services	9,566	9,529	9,128	28,537	28,112	37,271
d) Airtel Business ®	14,219	13,934	11,881	40,059	33,332	44,541
e) Digital TV Services §	4,280	3,937	3,327	11,875	9,395	12,960
f) Tower Infrastructure Services ^	26,350	25,567	24,393	75,965	70,926	95,109
g) Others	821	976	680	2,633	2,364	3,117
h) Unallocated	-	-	-	-	-	-
Total	226,294	225,625	204,750	666,243	586,517	794,354
Less: Inter Segment Eliminations	23,899	22,893	19,983	67,615	59,303	79,846
Net sales/Income	202,395	202,732	184,767	598,628	527,214	714,508
2. Segment Results						
Profit/(Loss) before tax and interest from each segment						
a) Mobile Services India and South Asia	16,713	18,438	20,176	52,163	60,806	82,221
b) Mobile Services Africa	4,406	4,397	2,999	12,208	9,038	14,147
c) Telemedia Services	1,642	1,803	1,287	4,778	5,632	7,172
d) Airtel Business ®	888	770	713	2,249	2,448	2,629
e) Digital TV Services §	(1,828)	(2,228)	(1,955)	(6,321)	(5,254)	(7,198)
f) Tower Infrastructure Services ^	4,200	4,090	3,758	11,710	10,711	14,641
g) Others	(172)	(159)	(8)	(464)	(15)	(416)
h) Unallocated	(3,021)	(2,177)	(3,289)	(7,765)	(7,614)	(9,866)
Total	22,828	24,934	23,681	68,558	75,752	103,330
Less: Inter Segment Eliminations	(6)	(14)	(2)	(64)	12	(38)
Total profit/(loss) before tax and Net Finance Charges (including exchange fluctuation)	22,834	24,948	23,683	68,622	75,740	103,368
Less :						
Net Finance Charges (including exchange fluctuation)	13,319	10,219	7,877	31,749	27,613	38,185
Total profit before tax	9,515	14,729	15,806	36,873	48,127	65,183
3. Capital Employed						
(Segment assets - Segment liabilities)						
a) Mobile Services India and South Asia	608,546	590,716	498,975	608,546	498,975	518,296
b) Mobile Services Africa	565,413	535,552	490,962	565,413	490,962	449,753
c) Telemedia Services	39,431	37,777	33,160	39,431	33,160	34,699
d) Airtel Business ®	62,467	60,085	59,712	62,467	59,712	58,466
e) Digital TV Services §	(26,167)	(24,263)	(17,569)	(26,167)	(17,569)	(19,511)
f) Tower Infrastructure Services ^	198,892	160,796	164,798	198,892	164,798	162,913
g) Others	106	300	(263)	106	(263)	(375)
h) Unallocated (net of eliminations) *	(890,433)	(841,141)	(710,278)	(890,433)	(710,278)	(670,433)
Total	558,255	519,822	519,497	558,255	519,497	533,808

* Comprises borrowings (including borrowings for acquisition of Africa operations and other borrowings of Africa operations of Rs 532,385 Mn (USD 9.72 bn), Rs 509,407 Mn (USD 9.67 bn), 553,989 Mn (USD 10.40 bn) and Rs 508,113 Mn (USD 9.93 bn)), for 3G and BWA licences of Rs 52,225 Mn, Rs 54,750 Mn, Rs 61,606 Mn and Rs 61,117 Mn, as at December 31, 2012, September 30, 2012, December 31, 2011 and March 31, 2012, respectively, provision for taxes, deferred tax asset/ liabilities and fair value of derivative financial instruments.

® Previously known as Enterprise Services.

§ Previously known as DTH.

^ Previously known as Passive Infrastructure Services

Notes to accounts

- The above financial results for the third quarter and nine months ended December 31, 2012 have been reviewed by the Audit Committee in its meeting held on February 1, 2013 and approved by the Board of Directors in its meeting held on February 1, 2013.
- In terms of clause 41 of the listing agreement, the Company has voluntarily adopted International Financial Reporting Standards (IFRS) notified by the International Accounting Standards Board, in the preparation of consolidated financial statements w.e.f. April 1, 2010 and has decided to publish only the consolidated financial results in the newspapers. However, the standalone financial results of the Company for the third quarter and nine months ended December 31, 2012 are being submitted to the stock exchanges and will also be available on the Company's website (www.airtel.in).

3. Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statements have been furnished to provide information about overall business of the Company, its subsidiaries, joint ventures and associates.
4. During the quarter ended December 31, 2012, Bharti Infratel Limited (BIL), a subsidiary of the Company, made an Initial Public Offering (IPO) through book building process of 188,900,000 equity shares of Rs 10 each. The IPO comprised of fresh issue of 146,234,112 equity shares of Rs 10 each by BIL and an offer for sale of 42,665,888 equity shares of Rs 10 each by the existing shareholders. BIL has raised Rs 32,303 Mn from fresh issue of shares. Post the issue, the holding of the Company in BIL has reduced from 86.09% to 79.42%, with the resultant change in the share of net assets recognized directly in consolidated statement of changes in equity.
5. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs. 52,013 Mn towards levy of one time spectrum charge. The demand includes a retrospective charge of Rs. 9,090 Mn for holding GSM Spectrum beyond 6.2 Mhz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of Rs. 42,923 Mn for GSM spectrum held beyond 4.4 Mhz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses. In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing, scheduled for March 1, 2013. The Company, based on independent legal opinions, has not given effect for the one time spectrum charges in these financial results.
6. During the quarter ended December 31, 2012,
 - i) The Company made additional equity investment of USD 229 Mn in Bharti Airtel International (Mauritius) Limited, its wholly owned subsidiary.
 - ii) The Company increased its equity investment in the following wholly owned subsidiaries by way of conversion of loan into equity
 - By USD 177 Mn in Bharti Airtel International (Mauritius) Limited
 - By USD 1203.30 Mn in Bharti Airtel International (Netherlands) B.V
 - By USD 237.48 Mn in Bharti International (Singapore) Pte Limited
7. During the quarter ended December 31, 2012, Bharti Airtel Employee Welfare Trust (a trust set up for administration of ESOP Schemes of the Company) has transferred 233,910 shares to the employees upon exercise of stock options, under ESOP Scheme 2005. As of December 31, 2012, the trust holds 2,617,156 equity shares.
8. Audited financial results of the Company as per IGAAP (standalone information in terms of clause 41 (IV) (b) of the Listing agreement) are as follows:

(In Rs Million)

Sl. No.	Particulars	Quarter Ended December 31,	Quarter Ended September 30,	Quarter Ended December 31,	Nine Months Ended December 31,	Nine Months Ended December 31,	Year ended March 31,
		2012	2012	2011	2012	2011	2012
1	Net Sales / Income from operations	112,990	115,230	105,011	338,026	308,466	416,038
2	Profit before tax and exceptional items	9,928	22,532	16,829	49,118	51,058	69,562
3	Profit after tax and before exceptional items	7,503	17,916	14,160	40,119	41,557	57,300
4	Profit after tax and exceptional items	7,503	17,916	14,160	40,119	41,557	57,300

9. Previous year's / periods' figures have been regrouped/ rearranged, wherever required.

For Bharti Airtel Limited

For Bharti Airtel Limited

Sd/-

Sd/-

Manoj Kohli
Joint Managing Director & CEO (International)

Sanjay Kapoor
CEO (India & South Asia)

Gurgaon
February 1, 2013

"Bharti Airtel", or "the Company", wherever stated stands for Bharti Airtel Limited.
Group, wherever stated stands for Bharti Airtel together with its subsidiaries .
For more details on the financial results, please visit our website www.airtel.in