

**BHARTI TELE-VENTURES' JOINS THE BILLION DOLLAR CLUB AND  
NET PROFIT JUMPS THREE FOLD**

**Bharti announces results for second quarter & half year ended September 30, 2003**

- **Bharti declares PAT of Rs. 93 crores for Q2 FY-04 compared to a profit of Rs.31 crore in Q1 FY 04 and against a loss of Rs.129 crores in the corresponding quarter last year .**
- **Total Revenue for the second quarter of FY-04 is Rs. 1,144 crores - a 74% year-on-year growth. Thus making Bharti a \$1 Billion revenue company on an annualized basis.**
- **EBITDA for the second quarter of FY-04 is Rs. 377 crores, representing a year on year growth of over 200% and a sequential growth of 30%.**
- **Cash Profit for the quarter at Rs. 306 crores multiplies nearly seven times compared to last year.**
- **All new mobile operations have individually turned EBITDA positive and the consolidated fixed line operations have turned EBIT (Earnings before interest & tax) positive.**
- **During the quarter, Bharti Tele-Ventures became the first private operator to cross the 5 million-customer mark**
- **“AirTel” more than doubles its mobile customer base to over 4.61 million as on September 30, 2003, from 2.29 million as on September 30, 2002.**

**New Delhi, October 23, 2003:** Bharti Tele-Ventures Limited has improved its revenues and profits in the quarter ended September 30, 2003 (Q 2 FY 04) as it announced its un-audited results today.

During the second quarter of FY04, the Company's net profit zooms three times to **Rs. 93 crores** compared to Rs. 31 crores last quarter (Q1 FY 04). The continuous success of each of its businesses has resulted in a turnaround from a loss of Rs. 129 crores in the corresponding quarter last year. The net profit margin has improved from 3% in first quarter to 8% in the second quarter of FY04.

Commenting on the results for the quarter **Mr. Sunil Bharti Mittal, Chairman & Group Managing Director, Bharti Tele-Ventures** said, *“The performance during the quarter has further strengthened our position in the industry. The strong improvement in profits during the quarter illustrates the benefits of scale and size that Bharti possesses now.”*

Financial Highlights as per International Accounting standard (IAS)

*( In Rs. Crores except ratios)*

Particulars	Quarter Ended					Half Year ended		
	Sept. 2003	Sept. 2002	Y-on-Y Growth	June 2003	Q2-on-Q1 Growth	Sept. 2003	Sept. 2002	Y-on-Y Growth
Total revenue	1,144	658	74%	1,036	10%	2,181	1,196	82%
EBITDA	377	121	211%	289	30%	665	259	157%
Cash profit from operations	306	44	590%	226	35%	532	120	342%
Earnings before tax	94	(130)	-	31	204%	125	(198)	-
Net profit / (loss)	93	(129)	-	31	201%	124	(197)	-
EBITDA Margin	33%	18%		28%		31%	22%	
Net profit Margin	8%	-20%		3%		6%	-16%	

During the quarter ended September 30, 2003, on a year on year basis, the company more than tripled its EBITDA, and improved its cash profit by nearly seven times. This is a result of growth in revenue of 74%, on a year on year basis, while corresponding operating expenses increased by merely 13% from Rs. 349 crores to Rs. 393 crores. Further the operating efficiencies have lead to an improvement in EBITDA margin for the quarter to 33%, compared to 18% for the corresponding period last year.

Individually, all the nine new mobile operations have turned EBITDA positive. Fixed line investments have started showing positive returns. During the quarter ended September 2003, consolidated fixed line operations have turned EBIT (Earnings before interest & tax) positive with an EBIT of Rs 14 crores.

For the half year ended September 2003, the company registered revenues of Rs.2,181 crores, an increase of 82% over the same period last year. The EBITDA has improved by 157% on a year on year basis to Rs. 665 crores for the half year ended September 30,2003. The company registered a net profit of Rs. 124 crores for the half year ended September 2003 compared to a loss of Rs.197 crores for similar period last year.

The investment made by the company in building telecom in India is over Rs. 11,000 crores as on September 30,2003.

During the quarter, the company strengthened its leadership position by improving its GSM market share to 25.3% from 24.8% last quarter. During the quarter, Bharti Tele-Ventures became the first private operator to cross the 5 million-customer mark. The company added approximately one million customers during the quarter.

### Operational Highlights

	Quarter ended		
	Sept 30, 2003	Sept. 30, 2002	Y-o-Y Growth
<b>Customers (Nos.)</b>	<b>5,113,719</b>	2,554,172	<b>100%</b>
Mobile	<b>4,617,018</b>	2,293,198	<b>101%</b>
Fixed-line	<b>496,701</b>	260,974	<b>90%</b>
<b>Net Additions (Nos.)</b>	<b>938,972</b>	742,043	<b>27%</b>
Mobile	<b>866,029</b>	686,496	<b>26%</b>
Fixed-line	<b>72,943</b>	55,547	<b>31%</b>

### About Bharti

Bharti Tele-Ventures (BTVL) is India's leading private sector provider of telecommunications services with an aggregate of 51.1 lakhs customers as of September 30, 2003, consisting of approximately 46.2. lakhs mobile and 496 thousand fixed line customers.

We are the largest GSM mobile service provider in the country. Our all India market share as on September 30, 2003 was 25.3%. Mobile services constitute the largest portion of our business both in terms of total revenues and total customers. We also provide fixed-line, long distance, group data and enterprise services including VSAT and Internet services.

The company seeks to capitalize on the growth opportunities that it believes are available in the Indian market and consolidate its position to be an integrated telecommunications service provider, with a focus on mobile services.

For the year ended March 31, 2003, our revenue and EBITDA as per un-audited IAS accounts were Rs.3,050 crore (US\$ 642 million) and Rs.759 crore (US\$ 160 million) respectively.

For the quarter ended September 30, 2003, our revenue and EBITDA as per un-audited IAS accounts were Rs. 1,145 crore (US\$ 250 million) and Rs. 377 crore (US\$ 82 million) respectively. This makes Bharti a \$1 Billion revenue company on an annualized basis. The company has registered a profit of Rs. 93 crores (US\$ 20 million) for the quarter. During the quarter-ended September 30, 2003, mobile services represented approximately 66% of our total revenues.

As on September 30,2003, the company has made a gross investment of over Rs.11,228 crore (US\$ 2.5 billion) in building telecom in India.

The Company today offers mobile services in fifteen out of 23 circles in India. As of September 30, 2003, approximately 91% of India's total number of mobile subscribers resided in Bharti's mobile circles, according to COAI reports. Bharti Tele-Ventures was the first private sector operator to provide fixed-line services in India when it commenced providing fixed-line services in the Madhya Pradesh & Chattisgarh circle in June 1998. The Company also provides fixed – line services in Haryana, Delhi, Karnataka and Tamil Nadu circles. BTVL believes that these circles have high telecommunications revenue potential, especially for carrying data traffic.

The company complements its mobile and fixed-line services with national and international long distance services. The company also has a submarine cable landing station at Chennai, which connects the submarine cable connecting Chennai and Singapore. The long distance and data enterprise services has enormous support from this connectivity and facilitates in offering best value to our customers. The company provides reliable end-to-end data & enterprise services to the corporate customers by leveraging its nationwide fiber optic backbone, last mile connectivity in fixed-line and mobile circles, VSATs, ISP and international bandwidth access through the gateways and landing station.