

BHARTI TELE-VENTURES ACHIEVES STRONG GROWTH AND FINANCIAL PERFORMANCE- NEAR BREAK-EVEN IN THIRD QUARTER

Un-audited Results for Quarter ended December 31, 2002

- Revenue for the nine-month period was Rs. 2,043 crores – a year-on-year increase of 96%. EBITDA for the same period was Rs.499 crores – a year-on-year increase of 71%.
- Revenue for quarter was Rs. 847 crores – a year-on-year increase of 103% and a sequential increase of 29%.
- EBITDA for the quarter was Rs. 240 crores – a sequential increase of 98% and a year-on-year increase of 93%.
- Quarter on quarter net loss reduced by 95% to near break-even at just Rs 7.1 crores.
- Bharti's mobile customer base doubled in nine months with 28 lakh customers as on December 31, 2002 as compared to 13.5 lakh customers as on March 31, 2002.
- Bharti maintains market leadership with a market share of 26.5% of all India mobile customer base.

Delhi, January 20, 2003 – Bharti Tele-Ventures Limited exhibited over 100% growth in revenues and achieved near break-even as it announced today its unaudited results for the quarter ended December 31, 2002.

The Q3 results illustrate the Company's transition from the level of losses in the last quarter to a near break-even quarter.

The, over 100% revenue growth to Rs 847 crores, during this quarter, puts Bharti amongst the top five listed service companies in India. During the quarter ended December 31, 2002, the operating profit (EBITDA) of BTVL grew by 98% to Rs. 240 crores. Infact, the company has registered a sequential growth in every parameter compared to the previous quarter.

This strong performance is a result of Bharti's unprecedented quick and successful rollout of its 16 new projects, clearly demonstrating its strong management capability and execution skills. This has provided the Company with an early mover advantage resulting in a high share of customers in its new mobile and fixed line operations. Bharti's customer base has grown from 13 lakhs to 31 lakhs within a period of twelve months. Further, the growth of long distance traffic on India's mobile networks has been very encouraging and has put its long distance (STD/ISD) business on the growth path. Recently Bharti received security clearance for its submarine cable landing station to offer international data services. This is likely to further improve its long distance revenues.

The key results (as per IAS on a consolidated basis) are as under:

	Quarter ended				
	Dec. 31, 2002	Sept. 30, 2002	Q3-on-Q2 growth	Dec. 31, 2001	Y-on-Y growth
Customers					
Mobile	2,774,558	2,293,198	21%	1,109,481	150%
Fixed line	317,220	260,974	22%	139,327	128%
Total	3,091,778	2,554,172	21%	1,248,808	148%
Financials in (Rs crores)					
Revenue	847	658	29%	417	103%
EBITDA	240	121	98%	124	93%
Cash Profit from operations	164	44	271%	78	110%
Net Profit/(Loss)	(7)	(129)	95%	(42)	83%

The funded equity of the company as on December 31, 2002 was approximately Rs. 5,184 crores, while the net debt was Rs. 3,084 crores resulting in a net debt to funded equity of 0.59.

Commenting on the key achievements during the quarter, Mr. Sunil Bharti Mittal, Chairman & Group Managing Director, Bharti Tele-Ventures said: "We are committed to provide the best value to our customers and investors by enhancing operational efficiencies and by leveraging our economies of scale. A clear testimony of this is our performance in this quarter. We have been able to contain our expenses to the level of the previous quarter and hence significantly improve our profitability to bring about a sequential reduction of 95% in our net losses."

About Bharti Tele-Ventures

Bharti Tele-Ventures is India's leading private sector provider of telecommunications services based on an aggregate of approximately 3,092,000 customers as of December 31, 2002, consisting of approximately 2,775,000 mobile and 317,000 fixed line. The Company through its subsidiaries also provides fixed-line, long distance and group data and broadband services.

The company seeks to capitalise 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.

Bharti Tele-Ventures is a holding company and has two principal businesses. The mobile leaders drive the mobile businesses and Infotel Leaders comprise of the fixed line, long distance and group data and broadband services. The services are offered through its wholly owned subsidiaries. The mobile operations are operated through Bharti Cellular Limited while the Company intends to merge all other non-mobile businesses into Bharti Infotel Limited. Currently, Bharti Telenet operates fixed line operations, Bharti Telesonic operates the national and international long distance services while Bharti Broadband Networks offers group data and broadband services..

The Company today offers mobile services in fifteen out of 22 circles in India. As of December 31, 2002, approximately 93% of India's total 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 services in the Madhya Pradesh & Chattisgarh circle in June 1998. BTVL recently launched its fixed-line services in the license areas of Haryana, Delhi, Tamil Nadu and Karnataka and thus became the first private sector service provider to provide fixed-line services in all its licensed areas.

Bharti Tele-Ventures has always believed in creating strong partnerships with its joint venture partners. Today, SingTel and Warburg Pincus are its leading partners. The other partners include leading international financial investors such as International Finance Corporation, Asian Infrastructure Fund Group and New York Life Insurance.

For Further Information

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