

BHARTI TELE-VENTURES LIMITED

Registered Office: Qutab Ambience, H-5/12, Mehrauli Road, New Delhi – 110030

Financial Results for the quarter and nine months ended December 31, 2004

1. Consolidated Financial Results as per International Financial Reporting Standards (IFRS)- Unaudited

(In Rs. Crore, except ratios)

Particulars	Quarter Ended		Nine Months Ended	
	Dec. 2004	Dec. 2003	Dec. 2004	Dec. 2003
Revenues				
Service Revenue	2,125.27	1,253.59	5,641.06	3,407.99
Equipment Sales	27.68	15.11	76.32	41.22
Total revenues	2,152.95	1,268.70	5,717.38	3,449.21
Other income	13.35	7.91	20.38	10.54
Access and interconnection charges	460.48	249.66	1,231.96	769.22
Equipment Costs	29.18	20.62	80.23	41.47
Employee costs	133.91	94.44	369.02	270.42
Other costs	547.41	276.86	1,392.55	838.04
Licence fee	201.73	154.36	542.11	391.89
Pre-operating costs	15.85	0.00	38.17	0.00
Depreciation & amortisation	303.10	223.98	782.08	633.24
Donations	1.01	0.00	1.87	0.00
Operating Income	473.63	256.70	1,299.77	515.47
Loss of Joint Venture and/ or Associate Company	0.00	0.00	2.69	0.00
Finance costs (net)	19.11	72.91	138.90	206.73
Gain on sale of investment*	0.00	30.00	0.00	30.00
Non operating expenses	0.00	0.00	0.00	0.00
Earnings / (Loss) before taxation	454.52	213.79	1,158.18	338.74
Income tax expense / (income)	76.83	21.93	150.49	22.00
Profit / (loss) to minority shareholders	5.05	0.56	5.24	1.04
Net profit/(loss)	372.64	191.30	1,002.45	315.70

Note: Any discrepancies in any table between totals and sums of the amounts listed are due to rounding.

Ratios:				
Total Stockholders equity	6,304.45	4,851.33	6,304.45	4,851.33
Net Debt	3,624.46	3,759.77	3,624.46	3,759.77
Net Debt to EBITDA (LTM)	1.38	2.69	1.38	2.69
Issued, subscribed and fully paid up share capital (Face value of Rs. 10)	1,853.37	1,853.37	1,853.37	1,853.37
Earning Per Share Data: (Rs.)				
Net profit/(loss) per common share	2.01	1.03	5.41	1.70
Net profit/(loss) per diluted share	2.11	1.03	5.40	1.70

'LTM' denotes Last Twelve Months

*Denotes unusual income/ non-frequently recurring item.

Notes:

- Bharti Cellular Limited, a subsidiary of Bharti Tele-Ventures (BTVL), which holds Unified Access Service Licences (UASL) for providing telecom services, has formally launched its commercial operations in following new circles:
Orissa - 16 December 2004
Bihar (including Jharkhand) - 17 January 2005 and 18 January 2005
- Bharti Infotel Limited, a wholly owned subsidiary of the Company launched its broadband & telephone services operations on January 19, 2005 in Uttar Pradesh starting with Noida.

2. Segment information as per International Financial Reporting Standards (IFRS)-Unaudited

(In Rs. Crore)

Particulars	Quarter Ended		Nine Months Ended	
	Dec. 2004	Dec. 2003	Dec. 2004	Dec. 2003
1. Segment Revenue				
Mobile Services	1,482.58	858.05	3,821.09	2,271.23
Broadband & Telephone Services	294.18	205.81	816.10	552.33
Long Distance Services	490.68	273.30	1,358.74	810.13
Enterprise Services	140.70	73.09	385.66	166.30
Total	2,408.14	1,410.25	6,381.59	3,799.99
Inter Segment Eliminations	(255.19)	(141.55)	(664.21)	(350.78)
Consolidated	2,152.95	1,268.70	5,717.38	3,449.21
2. Operating Profit before Interest, Depreciation, Tax, Amortization and Pre-operating Expenses				
Mobile Services	483.58	316.43	1,284.48	729.39
Broadband & Telephone Services	84.63	39.75	235.23	115.02
Long Distance Services	149.72	88.46	410.76	230.29
Enterprise Services	68.12	29.98	181.54	65.99
Others	(14.44)	(7.94)	(37.88)	(25.83)
Total	771.61	466.68	2,074.13	1,114.86
Inter Segment Eliminations	8.61	6.09	27.37	23.33
EBITDA	780.22	472.77	2,101.50	1,138.19
3. Segment Results:- Profit/(Loss) before Interest and tax				
Mobile Services	277.17	198.55	758.80	393.61
Broadband & Telephone Services	41.97	8.60	107.02	20.34
Long Distance Services	111.56	58.85	307.97	152.42
Enterprise Services	59.57	30.45	165.01	59.03
Others	(16.42)	(39.54)	(38.81)	(109.38)
Total	473.85	256.91	1,299.99	516.02
Inter Segment Eliminations	(0.22)	(0.18)	(0.22)	(0.55)
Less: Interest/Other Unallocable expenditure net off unallocable income	19.11	42.94	141.59	176.73
Total Profit/(Loss) Before Tax	454.52	213.79	1,158.18	338.74

Note: Operating Profit before Interest, Depreciation, Tax, Amortization and Pre-operating Expenses represents EBITDA

3. Consolidated Financial statement as per Indian Generally Accepted Accounting Principles (IGAAP)-Audited

(In Rs. Crore)

Particulars	Quarter Ended	Nine Months Ended
	Dec. 2004	Dec. 2004
	Audited	Audited
Total Income	2,171.57	5,821.79
Operating profit before finance income and expenses, depreciation, amortisation, preoperative expenditure, charity and donation, significantly non recurring items and taxation	799.45	2,139.14
Finance expenses (net)	21.99	191.41
Depreciation	285.00	732.08
Amortisation	52.09	154.89
Preoperative Expenditure Written off	15.85	38.17
Charity & Donation	1.01	1.87
Profit Before tax	423.52	1,020.71
Tax Expenses/ (Income)	101.65	163.99
Profit After Tax	321.87	856.73
Minority Interest	4.29	6.59
Profit for the period	317.58	850.14

Note: Operating profit before finance income and expenses, depreciation, amortisation, preoperative expenditure, charity and donation, significantly non recurring items and taxation represents EBITDA

4. Summary of differences in net profit / (loss) between IGAAP and IFRS

(In Rs. Crore)

Particulars	Quarter Ended	Nine Months Ended
	Dec. 2004	Dec. 2004
Net profit / (loss) as per IFRS	372.64	1,002.45
Add: Differences on account of:		
Minority Interest and loss of Joint Venture	0.76	8.36
Being difference in revenue recognition	5.37	5.25
Remeasurement of financial instruments as per IFRS 39 not applicable in per IGAAP	1.19	(4.87)
Less: Differences on account of:		
Deferred Tax expense	24.82	15.96
Differences in accounting for finance charges	0.05	43.74
Differential depreciation provided in IGAAP due to forex fluctuations not considered in IFRS.	0.42	(6.99)
Amortisation of Goodwill	22.22	63.83
License fee amortisation	14.84	44.52
Net profit/(loss) as per Indian GAAP	317.58	850.14

5. Bharti Tele-Ventures Limited financial results as per Indian GAAP – Stand alone entity – Audited

(In Rs. Crore except ratios)

Particulars	Quarter Ended December 31,		Nine Months Ended December 31,		Year Ended March 31,
	2004	2003	2004	2003	2004
	Audited	Unaudited	Audited	Unaudited	Audited
Net Income from Sales/Service	-	-	-	-	-
Other Income	14.21	7.13	32.84	22.97	30.08
Total Revenue	14.21	7.13	32.84	22.97	30.08
Total Expenditure					
Staff Cost	7.57	4.90	21.50	18.62	25.39
Administration & Other expenditure	8.73	3.04	18.49	7.21	10.37
Financial Expense / (Income) (Net)	(29.08)	(2.36)	(12.14)	(7.43)	(11.71)
Depreciation	1.01	0.97	3.03	2.92	3.87
Personnel - Deferred ESOP cost written off	(0.29)	0.47	0.74	1.44	1.91
Profit/(Loss) before tax	26.27	0.11	1.23	0.21	0.25
Provision for Taxation written back for previous years	-	-	-	0.15	0.15
Provision for Taxation	0.10	-	0.10	0.07	0.03
Net profit/(loss) after tax	26.17	0.11	1.13	0.29	0.37
Paid-up equity share capital (Face value Rs.10 each)	1,853.37	1,853.37	1,853.37	1,853.37	1,853.37
Reserves	2,946.69	2,971.41	2,946.69	2,971.41	2,971.49
Earnings per share (Rs.)					
a. Basic	0.141	0.001	0.006	0.002	0.002
b. Diluted	0.050	0.001	0.006	0.002	0.002
Non-promoter shareholding					
a. Number of shares	989,280,917	989,644,539	989,280,917	989,644,539	989,644,539
b. Percentage	53.38%	53.40%	53.38%	53.40%	53.40%
N/A means not applicable					
Items exceeding 10% of aggregate expenditure					
Legal & professional Charges	0.27	0.45	2.84	0.94	1.71
Travelling & Conveyance	0.70	0.56	2.53	1.57	2.26
Rent	0.00	0.27	0.00	0.81	1.10
Repairs & Maintenance	0.00	0.68	0.00	1.23	1.29
N/A means not applicable					

Notes:

- Previous years figures have been regrouped to conform to current period's classification.
- The above financial results for the third quarter and nine months ended December 31, 2004 have been taken on record in the meeting of the Board of Directors of the Company held on January 27, 2005.
- Investors complaints received and disposed off during third quarter ended December 31, 2004:

	Nos.
Complaints pending at the beginning of the quarter	NIL
Complaints received during the quarter	12
Disposal of complaints	12
Complaints lying unresolved at the end of the quarter	NIL
- The above financials pertain to Bharti Tele-Ventures Limited (BTVL) as a standalone entity. BTVL conducts its operations through its subsidiaries. The consolidated financial statements and segment wise information has been furnished optionally to provide additional information.

New Delhi
January 27, 2005

For Bharti Tele-Ventures Limited

Sunil Bharti Mittal
Chairman & Group Managing Director

"BTVL", or "the Company" wherever stated stands for Bharti Tele-Ventures Limited.
For more details on the financials results, please visit website www.bhartiteleventures.com