



Bharti Airtel Limited

Registered Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India
CIN: L74899DL1995PLC070609

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Statement of Audited Standalone Financial Results for the quarter and nine months ended December 31, 2018

(Rs. Millions, except per share data)

| Particulars | Quarter ended | | | Nine months ended | | Year ended |
|---|-------------------|--------------------|-------------------|-------------------|-------------------|----------------|
| | December 31, 2018 | September 30, 2018 | December 31, 2017 | December 31, 2018 | December 31, 2017 | March 31, 2018 |
| | Audited | Audited | Audited | Audited | Audited | Audited |
| Income | | | | | | |
| Revenue | 123,140 | 123,532 | 126,876 | 370,860 | 411,742 | 536,630 |
| Other income | 602 | 629 | 800 | 1,772 | 2,039 | 2,356 |
| | 123,742 | 124,161 | 127,676 | 372,632 | 413,777 | 538,986 |
| Expenses | | | | | | |
| Network operating expenses | 42,264 | 40,804 | 33,160 | 120,222 | 105,153 | 139,512 |
| Access charges | 21,432 | 20,255 | 16,820 | 60,180 | 59,806 | 78,944 |
| License fee / spectrum charges | 12,308 | 12,557 | 12,882 | 37,160 | 42,922 | 55,630 |
| Employee benefits expense | 4,054 | 3,594 | 4,202 | 10,976 | 12,870 | 17,209 |
| Sales and marketing expenses | 6,725 | 5,706 | 7,695 | 19,016 | 22,123 | 30,519 |
| Other expenses | 9,704 | 10,927 | 9,381 | 30,986 | 29,065 | 36,171 |
| | 96,487 | 93,843 | 84,140 | 278,540 | 271,939 | 357,985 |
| Profit from operating activities before depreciation, amortisation and exceptional items | 27,255 | 30,318 | 43,536 | 94,092 | 141,838 | 181,001 |
| Depreciation and amortisation | 38,230 | 37,205 | 33,474 | 112,076 | 95,953 | 130,486 |
| Finance costs | 18,123 | 26,990 | 15,768 | 59,839 | 45,872 | 59,107 |
| Finance income | (14,954) | (15,104) | (3,939) | (24,150) | (9,125) | (8,417) |
| Non-operating expenses | 720 | 1,074 | 14 | 1,833 | 463 | 596 |
| (Loss) / profit before exceptional items and tax | (14,864) | (19,047) | (1,781) | (55,506) | 8,675 | (771) |
| Exceptional items (net) | (11,511) | 502 | 473 | (8,580) | 1,348 | 6,041 |
| (Loss) / profit before tax | (3,353) | (20,349) | (2,254) | (46,926) | 7,327 | (6,812) |
| Tax expense / (credit) | | | | | | |
| Current tax | 10 | 5 | (1,527) | 15 | 689 | (2,204) |
| Deferred tax | (5,634) | (14,731) | (1,370) | (29,017) | (1,756) | (5,400) |
| Profit / (loss) for the period / year | 2,271 | (5,623) | 643 | (17,924) | 8,394 | 792 |
| Other comprehensive income | | | | | | |
| Items not to be reclassified to profit or loss: | | | | | | |
| - Re-measurement (losses) / gains on defined benefit plans | (19) | 37 | 64 | 149 | 41 | 87 |
| - Tax credit / (charge) | 7 | (13) | (22) | (52) | (14) | (30) |
| Other comprehensive (loss) / income for the period / year | (12) | 24 | 42 | 97 | 27 | 57 |
| Total comprehensive income / (loss) for the period / year | 2,259 | (5,599) | 685 | (17,827) | 8,421 | 849 |
| Paid-up equity share capital (Face value: Rs. 5/- each) | 19,987 | 19,987 | 19,987 | 19,987 | 19,987 | 19,987 |
| Other equity | 977,016 | 984,239 | 996,642 | 977,016 | 996,642 | 1,008,622 |
| Earnings per share (Face value: Rs. 5/- each) | | | | | | |
| Basic and diluted earnings / (loss) per share | 0.57 | (1.41) | 0.16 | (4.48) | 2.10 | 0.20 |



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Audited Standalone Segment-wise Revenue, Results, Assets and Liabilities for the quarter and nine months ended December 31, 2018

(Rs. Millions)

| Particulars | Quarter ended | | | Nine months ended | | Year ended |
|---|-------------------|--------------------|-------------------|-------------------|-------------------|------------------|
| | December 31, 2018 | September 30, 2018 | December 31, 2017 | December 31, 2018 | December 31, 2017 | March 31, 2018 |
| | Audited | Audited | Audited | Audited | Audited | Audited |
| 1. Segment Revenue | | | | | | |
| - Mobile Services | 98,657 | 97,935 | 103,004 | 296,942 | 340,353 | 441,155 |
| - Airtel Business | 25,955 | 27,554 | 25,456 | 79,143 | 75,453 | 100,554 |
| - Homes Services | 5,384 | 5,488 | 6,010 | 16,496 | 18,730 | 24,700 |
| Total segment revenue | 129,996 | 130,977 | 134,470 | 392,581 | 434,536 | 566,409 |
| Less: Inter-segment eliminations | 6,856 | 7,445 | 7,594 | 21,721 | 22,794 | 29,779 |
| Total revenue | 123,140 | 123,532 | 126,876 | 370,860 | 411,742 | 536,630 |
| 2. Segment Results | | | | | | |
| (Loss) / profit before net finance costs, non-operating expenses, exceptional items and tax | (16,438) | (13,364) | 2,705 | (36,720) | 25,312 | 21,563 |
| - Mobile Services | 5,151 | 6,266 | 7,152 | 17,464 | 18,775 | 26,193 |
| - Airtel Business | 813 | 874 | 1,093 | 2,810 | 3,418 | 4,398 |
| - Homes Services | (10,474) | (6,224) | 10,950 | (16,646) | 47,505 | 52,154 |
| Total segment results | (501) | (663) | (888) | (1,338) | (1,620) | (1,639) |
| - Unallocated | (10,975) | (6,887) | 10,062 | (17,984) | 45,885 | 50,515 |
| Total | | | | | | |
| Less: | | | | | | |
| (i) Net finance costs | 3,169 | 11,886 | 11,829 | 35,689 | 36,747 | 50,690 |
| (ii) Non-operating expenses | 720 | 1,074 | 14 | 1,833 | 463 | 596 |
| (iii) Exceptional items (net) | (11,511) | 502 | 473 | (8,580) | 1,348 | 6,041 |
| (Loss) / profit before tax | (3,353) | (20,349) | (2,254) | (46,926) | 7,327 | (6,812) |
| 3. Segment Assets | | | | | | |
| - Mobile Services | 1,517,431 | 1,503,017 | 1,341,521 | 1,517,431 | 1,341,521 | 1,356,580 |
| - Airtel Business | 106,424 | 106,449 | 95,927 | 106,424 | 95,927 | 101,826 |
| - Homes Services | 41,534 | 43,763 | 46,914 | 44,534 | 46,914 | 43,059 |
| Total segment assets | 1,668,389 | 1,653,229 | 1,484,362 | 1,668,389 | 1,484,362 | 1,501,465 |
| - Unallocated | 610,749 | 608,596 | 584,930 | 610,749 | 584,930 | 617,272 |
| - Inter-segment eliminations | (66,007) | (67,781) | (69,921) | (66,007) | (69,921) | (69,364) |
| Total assets | 2,213,131 | 2,194,044 | 1,999,371 | 2,213,131 | 1,999,371 | 2,049,373 |
| 4. Segment Liabilities | | | | | | |
| - Mobile Services | 400,422 | 392,180 | 335,268 | 400,422 | 335,268 | 303,670 |
| - Airtel Business | 44,064 | 41,199 | 34,899 | 44,064 | 34,899 | 38,625 |
| - Homes Services | 21,198 | 18,570 | 19,495 | 21,198 | 19,495 | 20,276 |
| Total segment liabilities | 465,684 | 451,949 | 389,662 | 465,684 | 389,662 | 362,571 |
| - Unallocated | 816,451 | 805,650 | 663,001 | 816,451 | 663,001 | 727,557 |
| - Inter-segment eliminations | (66,007) | (67,781) | (69,921) | (66,007) | (69,921) | (69,364) |
| Total liabilities | 1,216,128 | 1,189,818 | 982,742 | 1,216,128 | 982,742 | 1,020,764 |

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Notes to the Audited Standalone Financial Results

1. The financial results for the quarter and nine months ended December 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on January 31, 2019.
2. The financial results are extracted from the Audited Interim Condensed Standalone Financial Statements which are prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
3. Exceptional items during the quarter ended December 31, 2018 comprises of (i) charge of Rs. 1,112 Mn towards operating costs on network re-farming and up-gradation program; and (ii) credit of Rs. 12,623 Mn due to re-assessment of levies. Net tax charge on the above is Rs. 4,022 Mn.
4. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company for Rs. 51,353 Mn towards levy of one time spectrum charge, which was further revised on June 27, 2018 to Rs. 79,403 Mn. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.

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For Bharti Airtel Limited



Gopal Vittal
Managing Director and CEO (India & South Asia)
DIN: 02291778



New Delhi
January 31, 2019

Notes:

- a) 'Bharti Airtel' or 'Company' stands for Bharti Airtel Limited
- b) For more details on the financial results, please visit our website 'www.airtel.in'



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
BHARTI AIRTEL LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **Bharti Airtel Limited** ("the Company") for the quarter and nine months ended December 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Interim Condensed Standalone Financial Statements which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Interim Condensed Standalone Financial Statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

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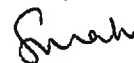
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**Deloitte
Haskins & Sells LLP**

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Company for the quarter ended December 31, 2018 and the loss, total comprehensive loss and other financial information of the Company for the nine months ended December 31, 2018.
4. We draw attention to Note 4 of the Statement, which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter.

MHL

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Shyamak R Tata
Partner
(Membership No. 38320)

Place: New Delhi
Date : January 31, 2019