Financial Capital

Airtel's strategy is shaped by disciplined capital allocation, operational excellence, digital acceleration and sustainable profitable growth. The company remains focused on driving efficiencies, cash flow generation and maintaining a strong balance sheet to capitalise on long term growth opportunities.

The Company's investments are anchored towards strengthening and expanding its digital infrastructure, developing digital tools and platforms to enhance customer experience and deepening long-term customer engagement.

Note: The financial capital section and numbers reported herein, are on Standalone basis

SDGs impacted

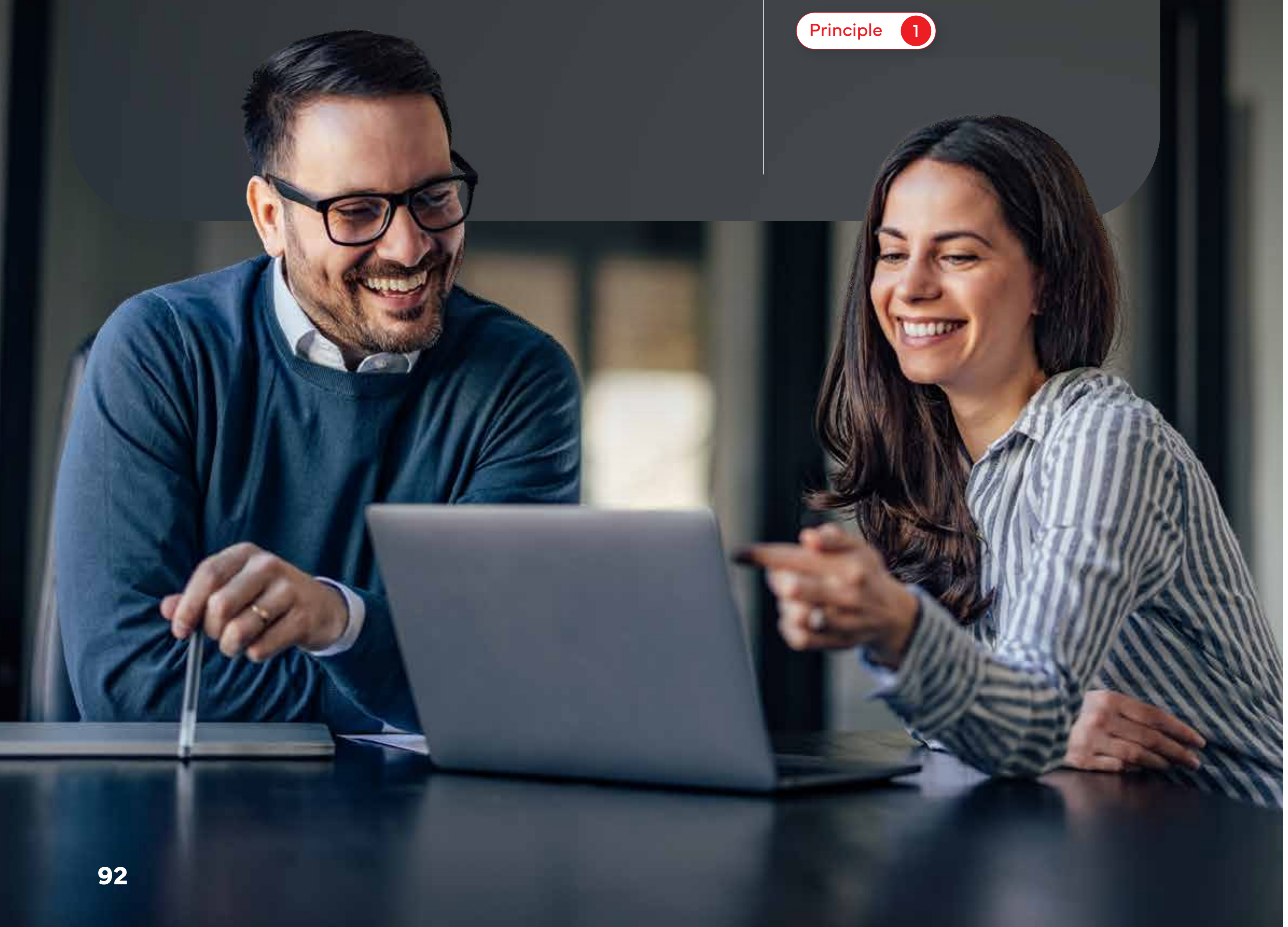
8 DECENT WORK AND ECONOMIC GROWTH

Material topics included

- Network quality, expansion and transformation
- Innovation of product and services
- Digital inclusion and enhanced access to ICT
- Green ICT solutions

BRSR Principle

Principle 1



FY 2025-26 highlights

₹1,214,927 Mn
Revenue
11.5% Y-o-Y

51.4%
EBITDAaL margin
from 49.0% FY 2024-25

₹137,445 Mn
Profit After Tax

₹10,874 Bn
Market Capitalisation

₹749,310 Mn
Cash generated from Operations

1.3x
Net Debt to EBITDAaL

₹24
Dividend per Fully paid-up equity share

₹6
Dividend per Partly paid-up equity share

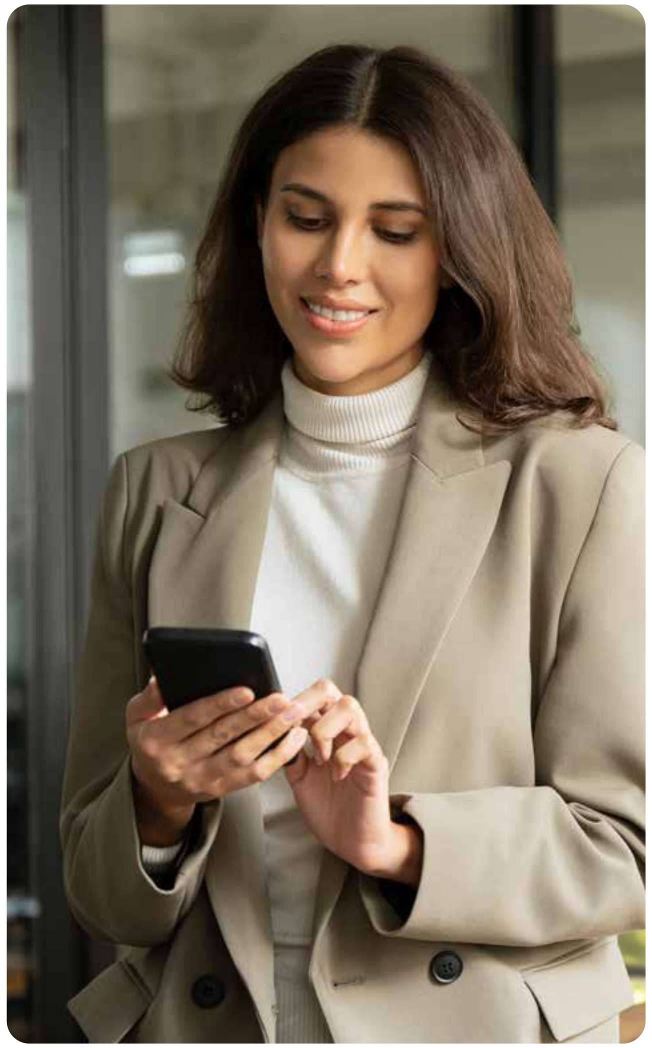
(Dividend subject to approval of the shareholders in the upcoming AGM)

Strategic Pillars powering Airtel's resilient financial performance

Driving growth through focus on quality customers and convergence

The Company's performance continues to be underpinned by a clear strategy and disciplined execution across its core strategic pillars. Portfolio premiumisation remains central to drive revenue growth supported by razor-sharp execution. During the year, the company added 11 million mobile customers and 18.7 million smartphone data customers, further strengthening the scale and quality of its base. The Company also saw strong momentum in its postpaid segment with net customer additions of 3 million. This was driven by a focused approach on differentiated propositions, simplified customers journeys and delivering superior experience. The company's strategic decisions continue to deliver strong outcomes - ending the year with an industry-leading ARPU of ₹257, up ₹12 year-on-year.

11.5%
Y-o-Y revenue growth to a record ₹1,214,927 million from ₹1,089,439 million in FY 2024-25



Investing in future-ready digital networks

The Company's investments are guided by a clear long-term strategy - to future-proof the business with a world-class digital network, strengthen the core portfolio and digital acceleration. During the year, capital allocation remained focused on network expansion, strengthening the transport layer and accelerating growth in home broadband and IPTV.

Network expansion and sustainable operations

The Company continued to invest in digital infrastructure at scale, adding 7,638 network sites, 64,126 mobile broadband base stations and ~43,290 Rkms of optic fibre. Investments in low-latency, resilient fibre networks and strengthened DC-to-DC connectivity, along with expansion of OPGW network, are significantly improving network reliability and service consistency.

In Homes, the company further expanded its fibre footprint to reach nearly 43 million home passes, complemented by rapid FWA scale-up to over 3,000 cities. This is reflected in record high customer addition momentum, with the homes customer base reaching nearly 14 million.

Sustainability remains integral to Airtel's network strategy. The Company expanded solar deployment across infrastructure, reaching nearly 35,300 solar-enabled sites, with 9,500+ sites solarized in FY 2025-26. In collaboration with its Toco partners, the company is focused on reducing dependency on diesel through accelerated transition with adoption of advanced battery technologies and alternate energy sources.

5G & SA Capabilities

During the year, the Company rolled out 5G standalone (SA) capabilities across both FWA and mobility. FWA is fully on SA, while mobile customers are transitioning in a phased manner. The dual mode (SA+NSA) architecture ensures optimal experience based on handset readiness.

Alongside network investments, the company continues to strengthen its digital platforms and tools to enhance customer experience and reduce churn.

Obsession to deliver brilliant customer experience

Delivering superior customer experience remains central to everything Airtel does - shaping its investments, digital innovation and ways of working. Customer-centricity is deeply embedded in Airtel culture, anchored in an ownership mindset and an entrepreneurial spirit.

AI-led customer protection at scale

Airtel's industry-first AI-powered Anti-Spam solution continues to deliver meaningful impact. During the year, the Company strengthened its solution with enhanced features including - real-time protection to customers against the rapidly growing menace of One-Time-Password (OTP) related bank frauds and detection and blocking of malicious websites across all communication Over-the-Top (OTT) apps and platforms.

Since launch, it has identified billions of spam calls & SMSes and blocked lakhs of fraudulent links, thereby contributing to a significant reduction in the value of financial losses across its network. Its effectiveness has been externally validated, with the Indian Cybercrime Coordination Centre under the Ministry of Home Affairs noting a ~69% reduction in financial losses on the Airtel network.

Building AI-led digital capabilities

AI is central to Airtel's digital architecture and customer engagement strategy. The Company is building AI into the core of its platform architecture through indigenously developed agents and targeted, high-impact use cases. The Company's focus is on applying AI where it can create measurable value - deepening customer engagement, product differentiation, improving productivity and enabling a smarter, more resilient network.

Financial & Operational Efficacy

Building efficiencies through 'War on Waste' Initiatives

The Company's 'War on Waste' programme is a fundamental pillar in how it operates, embedding cost discipline and efficiency into every layer of the organisation. By leveraging data, automation and sharper controls, the company is unlocking structural cost resets while enhancing agility. This discipline is translating into stronger operating leverage and sustained margin expansion, EBITDAaL margins in FY 2025-26 improved to 51.4% as compared to 49.0% in previous year.

Leverage Improvement

During the year, Airtel met its obligations towards the Department of Telecommunications, including spectrum liabilities and AGR dues, with total payments of ₹97,180 million.

Through its strong cash generation, during the year, Airtel repaid net external borrowings (excl. DoT debt) of ₹141,003 million, leading to a sustained reduction in underlying finance costs and further strengthening its leverage profile.

Since FY 2021-22, the company has proactively prepaid ₹658,083 million of high-cost DoT debt , carrying coupon rates between 8.65% and 10%, reflecting its sharp focus on optimising the cost of capital.

On a reported basis, net debt declined by ₹300,305 million year-on-year, improving Net Debt to EBITDAaL ratio to 1.3x at end of March 2026 vs 2.1x at the end of March 2025.

Overall, the company's balance sheet strength is a direct outcome of disciplined execution, strong cash flows and a consistent focus on prudent capital allocation.

Delivered another year of Strong Performance

Execution across its strategic pillars during FY 2025–26 has further enhanced stakeholder confidence and reinforced Airtel's positioning as a leading global telecommunications company. Focus on winning with Quality customers, delivering superior experience , putting AI at the heart of everything Airtel does and ensuring financial discipline has translated into robust and sustainable business outcomes.

Operating performance: Delivered record-high revenue of ₹1,214,927 million in FY 2025–26, marking a robust 11.5% year-on-year increase, alongside a significant expansion in EBITDAaL margin from 49.0% to 51.4%, driven by operating leverage and continued cost optimisation.

Profitability: Net Profit before exceptional items & tax (PBT) increased to ₹227,916 million vis-à-vis ₹143,279 million in the previous year.

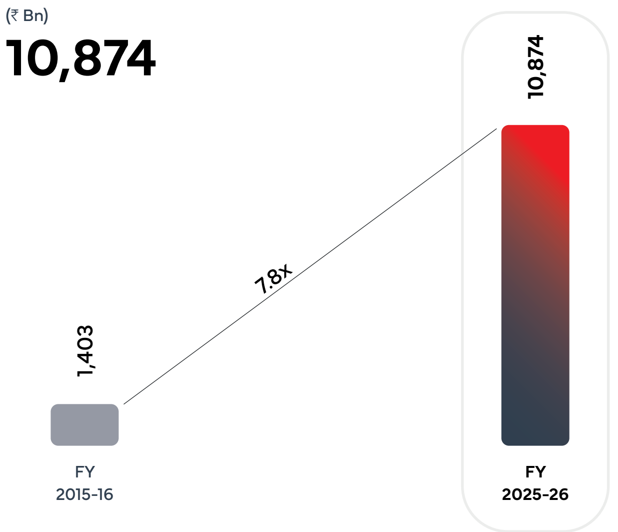
Market capitalisation: Increased nearly 7.8x over the past decade, from ₹1,403 billion in FY 2015-16 to ₹10,874 billion as on March 31, 2026 as a result of its consistent performance and prudent capital allocation.

Credit Rating: Supported by its consistent balance sheet deleveraging and confidence in cash-flow generation, both domestic and global rating agencies upgraded Airtel's credit rating during the year. Moody's now rates Bharti Airtel at Baa2 (Stable) and has said the company can be rated above India's sovereign by one notch because of its strong market position and improving financial profile. CRISIL and Care both rate our credit profile as AAA (Stable).

Dividend: Dividend payout proposed at 1.5x times of last year, with ₹24 for fully paid-up equity share and ₹6 for partly paid-up equity share.

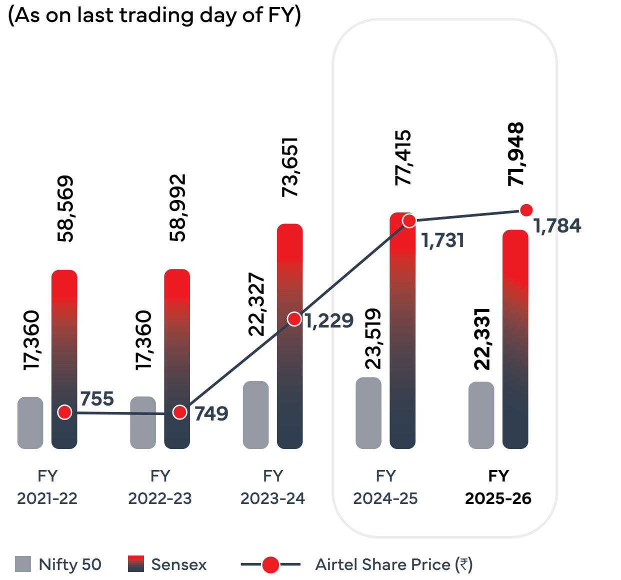
During the year, the Company made the first and final call of ₹401.25 per share (including premium of ₹397.50) (the 'Call'), on 392,287,662 outstanding partly paid-up equity shares of face value of ₹5 each (paid-up value of ₹1.25 each), issued on a rights basis during FY 2021-22 and received a call money of ₹156,959.77 million. This rights issue was undertaken to strengthen its balance sheet, accelerate strategic investments and support long-term growth while enhancing financial flexibility.

Market Capitalisation



Airtel's share price vs Nifty 50 & Sensex:

(As on last trading day of FY)



Airtel's three-line model for driving value creation