

Bharti Airtel Limited

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Statement of Audited Standalone Financial Results for the quarter and nine months ended December 31, 2017

(Rs. Million except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2017	September 30, 2017	December 31, 2016	December 31, 2017	December 31, 2016	March 31, 2017
	Audited	Audited	Audited	Audited	Audited	Audited
Income						
Revenue	126,876	139,801	152,042	411,742	479,765	622,763
Other income	800	719	354	2,035	1,330	1,843
	127,676	140,520	152,396	413,777	481,095	624,606
Expenses						
Network operating expenses	33,160	35,191	37,151	105,153	108,098	145,360
Access charges	16,820	21,985	18,967	59,806	62,091	80,505
License fee / spectrum charges (revenue share)	12,882	14,632	16,626	42,922	53,844	69,416
Employee benefits expense	4,202	4,242	4,140	12,870	12,955	17,385
Sales and marketing expenses	7,695	6,578	8,131	22,123	24,287	32,320
Other expenses	9,381	9,194	10,465	29,065	30,006	38,524
	84,140	91,822	95,480	271,939	291,281	383,510
Profit from operating activities before depreciation, amortisation and exceptional items	43,536	48,698	56,916	141,838	189,814	241,096
Depreciation and amortisation	33,474	30,690	30,017	95,953	89,283	122,034
Finance costs	15,768	15,843	14,520	45,872	38,933	52,546
Finance income	(3,939)	(4,379)	(501)	(9,125)	(8,262)	(23,421)
Non-operating expenses	14	351	3	463	1,355	2,324
(Loss) / profit before exceptional items and tax	(1,781)	6,193	12,877	8,675	68,505	87,613
Exceptional items	473	835	3,080	1,348	7,180	172,708
(Loss) / profit before tax	(2,254)	5,358	9,797	7,327	61,325	(85,095)
Tax (credit) / expense						
Current tax	(1,527)	489	1,888	689	13,893	(45)
Deferred tax	(1,370)	(76)	3,691	(1,756)	4,926	14,206
Profit / (loss) for the period / year	643	4,945	4,218	8,394	42,506	(99,256)
Other comprehensive income						
Items not to be reclassified to profit or loss :						
- Re-measurement gains / (losses) on defined benefit plans	64	30	40	41	(75)	(36)
- Tax (charge) / credit	(22)	(10)	(13)	(14)	23	11
Other comprehensive income / (loss) for the period / year	42	20	27	27	(52)	(25)
Total comprehensive income / (loss) for the period / year	685	4,965	4,245	8,421	42,454	(99,281)
Paid-up equity share capital (Face value : Rs. 5/- each)	19,987	19,987	19,987	19,987	19,987	19,987
Other equity	996,642	995,869	1,134,386	996,642	1,134,386	992,086
Earnings per share (Face value : Rs. 5/- each) (In Rupees)						
Basic and Diluted	0.16	1.24	1.06	2.10	10.63	(24.84)

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Audited Standalone Segment-wise Revenue, Results, Assets and Liabilities for the quarter and nine months ended December 31, 2017

(Rs. Million)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2017	September 30, 2017	December 31, 2016	December 31, 2017	December 31, 2016	March 31, 2017
	Audited	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue						
a) Mobile Services	103,004	115,916	128,652	340,353	405,120	526,745
b) Airtel Business	25,456	25,187	23,993	75,453	75,684	98,400
c) Homes Services	6,010	6,188	6,853	18,730	20,254	26,870
Total segment revenue	134,470	147,291	159,498	434,536	501,058	652,015
- Unallocated	-	-	-	-	-	-
Total	134,470	147,291	159,498	434,536	501,058	652,015
Less: Inter-segment eliminations	7,594	7,490	7,456	22,794	21,293	29,252
Total revenue	126,876	139,801	152,042	411,742	479,765	622,763
2. Segment Results						
Profit before net finance costs, non-operating expenses, exceptional items and tax						
a) Mobile Services	2,705	11,077	20,791	25,312	81,922	94,680
b) Airtel Business	7,152	6,179	4,739	18,775	14,665	19,469
c) Homes Services	1,093	1,039	1,737	3,418	4,862	6,331
Total segment results	10,950	18,295	27,267	47,505	101,449	120,480
- Unallocated	(888)	(287)	(368)	(1,620)	(918)	(1,418)
Total	10,062	18,008	26,899	45,885	100,531	119,062
Less:						
(i) Net finance costs	11,829	11,464	14,019	36,747	30,671	29,125
(ii) Non-operating expenses	14	351	3	463	1,355	2,324
(iii) Exceptional items	473	835	3,080	1,348	7,180	172,708
(Loss) / profit before tax	(2,254)	5,358	9,797	7,327	61,325	(85,095)
3. Segment Assets *						
a) Mobile Services	1,341,521	1,332,272	1,561,468	1,341,521	1,561,468	1,541,193
b) Airtel Business	95,927	85,985	232,605	95,927	232,605	233,317
c) Homes Services	46,914	45,442	266,953	46,914	266,953	296,014
Total segment assets	1,484,362	1,463,699	2,061,026	1,484,362	2,061,026	2,070,524
d) Unallocated / Inter-segment eliminations	515,009	536,790	64,366	515,009	64,366	(158,033)
Total assets	1,999,371	2,000,489	2,125,392	1,999,371	2,125,392	1,912,491
4. Segment Liabilities *						
a) Mobile Services	335,268	354,309	764,705	335,268	764,705	736,333
b) Airtel Business	34,899	31,377	156,978	34,899	156,978	151,419
c) Homes Services	19,495	17,112	204,928	19,495	204,928	231,935
Total segment liabilities	389,662	402,798	1,126,611	389,662	1,126,611	1,119,687
d) Unallocated / Inter-segment eliminations	593,080	581,835	(155,592)	593,080	(155,592)	(219,269)
Total liabilities	982,742	984,633	971,019	982,742	971,019	900,418

* Effective April 1, 2017, individual segments exclude inter-segment balances and allocated borrowings. This has no impact on total assets and liabilities.

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Notes to the Audited Standalone Financial Results

1. The said financial results for the quarter and nine months ended December 31, 2017 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on January 18, 2018.
2. The above financial results are extracted from the Audited Interim Condensed Standalone Financial Statements of the Company, 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. During the quarter ended December 31, 2017, the Company has filed an application under section 230 to section 232 of the Companies Act, 2013 before the Delhi and Mumbai bench of the National Company Law Tribunal for the merger of the consumer mobile business of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited with the Company. The said transaction is subject to requisite regulatory approvals.
4. During the quarter ended December 31, 2017, the Company has entered into an agreement to sell 15% equity stake in Bharti Telemedia Limited, a subsidiary of the Company. The said transaction is subject to requisite regulatory approvals and other closing conditions.
5. During the quarter ended December 31, 2017, the Board of Directors approved a scheme of arrangement under section 230 to section 232 of the Companies Act, 2013, for the transfer of the optical fiber cable business to the Telesonic Networks Limited, a wholly owned subsidiary of the Company. The said transaction is subject to requisite regulatory approvals.
6. Exceptional items during the quarter ended December 31, 2017 represent charge of Rs. 473 Mn towards operating costs on network re-farming and up-gradation program. Tax includes impact of Rs. (164) Mn pertaining to above exceptional item and Rs. (1,610) Mn pertaining to re-assessment of tax provisions for previous periods.
7. The Board of Directors at its meeting held on January 18, 2018, has declared interim dividend for the financial year 2017-18 of Rs. 2.84/- per equity share (face value : Rs. 5/- each).
8. 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. 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.
9. Previous period figures have been re-grouped / re-stated basis the Ind AS 101, 'First-time Adoption of Indian Accounting Standards' exemptions as considered in the Ind AS financial statements for the year ended March 31, 2017, wherever required.

For Bharti Airtel Limited



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

New Delhi
January 18, 2018

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'

