

Bharti Airtel Limited

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

CIN: L74899DL1995PLC070609

T: +91-11-4666 6100, F:+91-11-4166 6137, Email id: compliance.officer@bharti.in

I. Audited Consolidated Financial Results for the quarter and six months ended September 30, 2017

(Rs. Million except per share data)

| S.No. | Particulars | Quarter ended | Six months ended | Quarter ended |
|-------|--|--------------------|--------------------|--------------------|
| | | September 30, 2017 | September 30, 2017 | September 30, 2016 |
| | | Audited | Audited | Audited |
| 1 | Total income | 218,322 | 438,389 | 246,715 |
| 2 | Profit before exceptional items and tax | 12,988 | 27,804 | 27,353 |
| 3 | Profit before tax | 11,202 | 25,515 | 27,287 |
| 4 | Profit for the period | 5,861 | 12,038 | 16,151 |
| 5 | Total comprehensive income for the period | 4,770 | 12,104 | 7,970 |
| 6 | Paid-up equity share capital (Face value : Rs. 5/- each) | 19,987 | 19,987 | 19,987 |
| 7 | Other equity * | 675,704 | 675,704 | 621,401 |
| 8 | Earnings per share (Face value : Rs. 5/- each) (In Rupees) | | | |
| | Basic | 0.86 | 1.78 | 3.66 |
| | Diluted | 0.86 | 1.78 | 3.65 |

* As of March 31, 2017 other equity was Rs. 654,576 Mn

II. Audited Standalone Financial Results for the quarter and six months ended September 30, 2017

(Rs. Million)

| S.No. | Particulars | Quarter ended | Six months ended | Quarter ended |
|-------|-----------------------|--------------------|--------------------|--------------------|
| | | September 30, 2017 | September 30, 2017 | September 30, 2016 |
| | | Audited | Audited | Audited |
| 1 | Revenue | 139,801 | 284,866 | 164,326 |
| 2 | Profit before tax | 5,358 | 9,581 | 30,685 |
| 3 | Profit for the period | 4,945 | 7,751 | 24,012 |

Note:

The above are extract of the detailed format of Audited Financial Results (Consolidated and Standalone) for the quarter and six months ended September 30, 2017 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarterly financial results are available on the Stock Exchange websites (www.nseindia.com and www.bseindia.com) and on the Company's website (www.airtel.in).

For Bharti Airtel Limited

Sd/-



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

New Delhi
October 31, 2017



Bharti Airtel Limited

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Statement of Audited Consolidated Financial Results for the quarter and six months ended September 30, 2017

(Rs. Million except per share data)

| Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|--------------------|----------------|--------------------|--------------------|--------------------|-----------------|
| | September 30, 2017 | June 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 | March 31, 2017 |
| | Audited | Audited | Audited | Audited | Audited | Audited |
| Income | | | | | | |
| Revenue | 217,769 | 219,581 | 246,515 | 437,350 | 501,980 | 954,683 |
| Other income | 553 | 486 | 200 | 1,039 | 464 | 1,206 |
| | 218,322 | 220,067 | 246,715 | 438,389 | 502,444 | 955,889 |
| Expenses | | | | | | |
| Network operating expenses | 50,472 | 51,612 | 50,933 | 102,084 | 104,891 | 209,154 |
| Access charges | 25,603 | 25,016 | 28,598 | 50,619 | 55,639 | 102,786 |
| License fee / spectrum charges (revenue share) | 19,720 | 20,820 | 24,143 | 40,540 | 49,642 | 92,760 |
| Employee benefits | 10,089 | 10,147 | 10,858 | 20,236 | 22,002 | 43,032 |
| Sales and marketing expenses | 14,104 | 15,365 | 18,012 | 29,469 | 37,916 | 71,400 |
| Other expenses | 18,561 | 19,037 | 19,569 | 37,598 | 42,007 | 82,253 |
| | 138,549 | 141,997 | 152,113 | 280,546 | 312,097 | 601,385 |
| Profit from operating activities before depreciation, amortisation and exceptional items | 79,773 | 78,070 | 94,602 | 157,843 | 190,347 | 354,504 |
| Depreciation and amortisation | 46,873 | 48,192 | 49,560 | 95,065 | 99,962 | 197,730 |
| Finance costs | 24,916 | 22,039 | 24,626 | 45,572 | 44,225 | 95,466 |
| Finance income | (1,650) | (3,765) | (5,569) | (4,032) | (5,769) | (18,492) |
| Non-operating expenses / (income), (net) | 308 | (357) | 1,329 | (49) | 1,354 | 1,319 |
| Share of results of joint ventures and associates | (3,662) | (2,855) | (2,697) | (6,517) | (5,245) | (10,449) |
| Profit before exceptional items and tax | 12,988 | 14,816 | 27,353 | 27,804 | 55,820 | 88,930 |
| Exceptional items | 1,786 | 503 | 66 | 2,289 | 3,602 | 11,697 |
| Profit before tax | 11,202 | 14,313 | 27,287 | 25,515 | 52,218 | 77,233 |
| Tax expense | | | | | | |
| Current tax | 4,794 | 9,394 | 11,027 | 14,188 | 23,663 | 21,240 |
| Deferred tax | 547 | (1,258) | 109 | (711) | (2,438) | 13,579 |
| Profit for the period / year | 5,861 | 6,177 | 16,151 | 12,038 | 30,993 | 42,414 |
| Other comprehensive income ('OCI') | | | | | | |
| Items to be reclassified subsequently to profit or loss : | | | | | | |
| - Net gains / (losses) due to foreign currency translation differences | 639 | 2,479 | (5,924) | 3,118 | (37,171) | (41,423) |
| - Net losses on net investment hedge | (1,870) | (1,072) | (2,206) | (2,942) | (12,866) | (10,330) |
| - Net (losses) / gains on cash flow hedge | (3) | (34) | (56) | (37) | 225 | 857 |
| - Net gains on fair value through OCI investments | 36 | 6 | 58 | 42 | 88 | 107 |
| - Tax (charge) / credit | 79 | (168) | 34 | (88) | (243) | (16) |
| Items not to be reclassified to profit or loss : | | | | | | |
| - Re-measurement gains / (losses) on defined benefit plans | 37 | (71) | (112) | (34) | (182) | (73) |
| - Share of joint ventures and associates | (1) | (2) | (2) | (3) | (5) | (9) |
| - Tax (charge) / credit | (8) | 19 | 27 | 11 | 47 | 20 |
| Other comprehensive (loss) / income for the period / year | (1,091) | 1,157 | (8,181) | 66 | (50,107) | (50,867) |
| Total comprehensive income / (loss) for the period / year | 4,770 | 7,334 | 7,970 | 12,104 | (19,114) | (8,453) |
| Profit for the period / year attributable to : | | | | | | |
| Owners of the Parent | 3,430 | 3,673 | 14,607 | 7,103 | 29,227 | 37,998 |
| Non-controlling interests | 2,431 | 2,504 | 1,544 | 4,935 | 1,766 | 4,416 |
| Other comprehensive (loss) / income for the period / year attributable to: | (1,091) | 1,157 | (8,181) | 66 | (50,107) | (50,867) |
| Owners of the Parent | (846) | 1,176 | (8,081) | 330 | (47,255) | (48,654) |
| Non-controlling interests | (245) | (19) | (100) | (264) | (2,852) | (2,213) |
| Total comprehensive income / (loss) for the period / year attributable to : | 4,770 | 7,334 | 7,970 | 12,104 | (19,114) | (8,453) |
| Owners of the Parent | 2,584 | 4,849 | 6,526 | 7,433 | (18,028) | (10,656) |
| Non-controlling interests | 2,186 | 2,485 | 1,444 | 4,671 | (1,086) | 2,203 |
| Paid-up equity share capital (Face value : Rs. 5/- each) | 19,987 | 19,987 | 19,987 | 19,987 | 19,987 | 19,987 |
| Other equity | 675,704 | 659,271 | 621,401 | 675,704 | 621,401 | 654,576 |
| Earnings per share (Face value : Rs. 5/- each) (In Rupees) | | | | | | |
| Basic | 0.86 | 0.92 | 3.66 | 1.78 | 7.31 | 9.51 |
| Diluted | 0.86 | 0.92 | 3.65 | 1.78 | 7.31 | 9.51 |



Audited Consolidated Balance Sheet:

(Rs. Million)

| Particulars | As of | |
|--|-----------------------|-------------------|
| | September 30, 2017 | March 31, 2017 |
| | Audited | Audited |
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 625,541 | 620,088 |
| Capital work-in-progress | 86,317 | 23,942 |
| Goodwill | 346,458 | 338,082 |
| Other intangible assets | 811,741 | 824,181 |
| Intangible assets under development | 92,375 | 84,443 |
| Investment in joint ventures and associates | 75,819 | 82,277 |
| Financial Assets | | |
| - Investments | 37,784 | 44,187 |
| - Derivative instruments | 9,148 | 4,732 |
| - Security deposits | 9,231 | 9,630 |
| - Others | 15,673 | 16,653 |
| Deferred tax assets (net) | 25,589 | 26,262 |
| Other non-current assets | 35,796 | 49,875 |
| | 2,171,472 | 2,124,352 |
| Current assets | | |
| Inventories | 544 | 488 |
| Financial Assets | | |
| - Investments | 18,799 | 16,923 |
| - Derivative instruments | 2,927 | 2,060 |
| - Trade receivables | 48,989 | 49,838 |
| - Cash and cash equivalents | 16,419 | 12,817 |
| - Bank deposits | 2,764 | 3,360 |
| - Others | 39,845 | 52,105 |
| Current tax assets (net) | 21,141 | 21,454 |
| Other current assets | 96,044 | 44,105 |
| | 247,472 | 203,150 |
| Total assets | 2,418,944 | 2,327,502 |
| Equity and liabilities | | |
| Equity | | |
| Share capital | 19,987 | 19,987 |
| Other Equity | 675,704 | 654,576 |
| Equity attributable to equity holders of the Parent | 695,691 | 674,563 |
| Non-controlling interests | 75,497 | 68,750 |
| | 771,188 | 743,313 |
| Non-current liabilities | | |
| Financial Liabilities | | |
| - Borrowings | 888,844 | 896,373 |
| - Derivative instruments | 1,664 | 2,726 |
| - Others | 15,793 | 15,681 |
| Deferred revenue | 21,616 | 22,335 |
| Provisions | 7,093 | 7,471 |
| Deferred tax liabilities (net) | 10,163 | 9,429 |
| Other non-current liabilities | 775 | 727 |
| | 945,948 | 954,742 |
| Current liabilities | | |
| Financial Liabilities | | |
| - Borrowings | 83,843 | 129,442 |
| - Current maturities of long-term borrowings | 80,552 | 48,466 |
| - Derivative instruments | 1,187 | 2,335 |
| - Trade Payables | 304,215 | 268,537 |
| - Others | 141,402 | 88,808 |
| Deferred revenue | 43,885 | 48,785 |
| Provisions | 2,330 | 2,215 |
| Current tax liabilities (net) | 9,445 | 6,089 |
| Other current liabilities | 34,949 | 34,770 |
| | 701,808 | 629,447 |
| Total liabilities | 1,647,756 | 1,584,189 |
| Total equity and liabilities | 2,418,944 | 2,327,502 |



Audited Consolidated Segment-wise Revenue, Results, Assets and Liabilities for the quarter and six months ended September 30, 2017

(Rs. Million)

| Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|--------------------|------------------|--------------------|--------------------|--------------------|------------------|
| | September 30, 2017 | June 30, 2017 | September 30, 2016 | September 30, 2017 | September 30, 2016 | March 31, 2017 |
| | Audited | Audited | Audited | Audited | Audited | Audited |
| 1. Segment Revenue | | | | | | |
| a) Mobile Services India | 122 451 | 129 146 | 147 242 | 251 597 | 297 663 | 565 511 |
| b) Mobile Services Africa | 52 029 | 48 528 | 53 048 | 100 557 | 115 541 | 219 568 |
| c) Mobile Services South Asia | 1 027 | 972 | 4 169 | 1 999 | 8 312 | 11,743 |
| d) Airtel Business | 28 231 | 27 787 | 29 817 | 56 018 | 56 610 | 109 429 |
| e) Tower Infrastructure Services | 16 614 | 15 982 | 14 962 | 32 596 | 29 519 | 60 829 |
| f) Homes Services | 6 368 | 6 703 | 7 063 | 13 071 | 13 707 | 27 518 |
| g) Digital TV Services | 9 369 | 8 974 | 8 545 | 18 343 | 16 914 | 34 306 |
| h) Others | 972 | 1 020 | 903 | 1 992 | 1 832 | 3 736 |
| Total segment revenue | 237,061 | 239,112 | 265,749 | 476,173 | 540,098 | 1,032,640 |
| - Unallocated | - | - | - | - | - | - |
| Total | 237,061 | 239,112 | 265,749 | 476,173 | 540,098 | 1,032,640 |
| Less: Inter-segment eliminations * | 19 292 | 19 531 | 19 234 | 38 823 | 38 118 | 77 957 |
| Total revenue | 217,769 | 219,581 | 246,515 | 437,350 | 501,980 | 954,683 |
| 2. Segment Results ^ | | | | | | |
| Profit before net finance costs, non-operating expenses / (income) - (net), exceptional items and tax | | | | | | |
| a) Mobile Services India | 11 380 | 12 606 | 33 398 | 23 986 | 68 074 | 106 494 |
| b) Mobile Services Africa | 8 504 | 5 038 | 1 103 | 13 542 | 3 078 | 10 189 |
| c) Mobile Services South Asia | (19) | (564) | (1 271) | (583) | (2 851) | (4 660) |
| d) Airtel Business | 7 310 | 6 483 | 6 114 | 13 793 | 10 809 | 22 737 |
| e) Tower Infrastructure Services | 8 354 | 8 213 | 7 067 | 16 567 | 13 664 | 29 195 |
| f) Homes Services | 1 090 | 1 351 | 1 634 | 2 441 | 3 248 | 6 868 |
| g) Digital TV Services | 1 230 | 1 038 | 699 | 2 268 | 1 918 | 3 577 |
| h) Others | (566) | (594) | (299) | (1 160) | (534) | (2 496) |
| Total segment results | 37,283 | 33,571 | 48,445 | 70,854 | 97,406 | 170,904 |
| - Unallocated | (378) | (363) | (72) | (741) | (547) | (1 418) |
| Total | 36,905 | 33,208 | 48,373 | 70,113 | 96,859 | 169,486 |
| Less | | | | | | |
| (i) Inter-segment eliminations * | 343 | 475 | 634 | 818 | 1,229 | 2 263 |
| (ii) Net finance costs | 23 266 | 18 274 | 19 057 | 41 540 | 38 456 | 76 974 |
| (iii) Non-operating expenses / (income) (net) | 308 | (357) | 1 329 | (49) | 1 354 | 1 319 |
| (iv) Exceptional items | 1 786 | 503 | 66 | 2 289 | 3 602 | 11 697 |
| Profit before tax | 11,292 | 14,313 | 27,287 | 25,515 | 52,218 | 77,233 |
| 3. Segment Assets ^ # | | | | | | |
| a) Mobile Services India | 1 483 924 | 1 380 031 | 1 593 536 | 1 483 924 | 1 593 536 | 1 642 949 |
| b) Mobile Services Africa | 531 124 | 527 544 | 587 628 | 531 124 | 587 628 | 556 281 |
| c) Mobile Services South Asia | 28 489 | 28 219 | 44 996 | 28 489 | 44 996 | 29 048 |
| d) Airtel Business | 106 445 | 112 649 | 260 873 | 106 445 | 260 873 | 331 833 |
| e) Tower Infrastructure Services | 186 583 | 188 351 | 195 068 | 186 583 | 195 668 | 210 023 |
| f) Homes Services | 46 511 | 48 141 | 236 687 | 46 511 | 236 687 | 311 890 |
| g) Digital TV Services | 25 907 | 24 243 | 23 685 | 25 907 | 23 685 | 22 935 |
| h) Others | 8 441 | 6 625 | 4 687 | 8 441 | 4 687 | 9 327 |
| Total segment assets | 2,417,424 | 2,315,803 | 2,947,760 | 2,417,424 | 2,947,760 | 3,114,286 |
| - Unallocated / Inter-segment eliminations | 1 520 | 13 468 | (725 185) | 1 520 | (725 185) | (786 784) |
| Total assets | 2,418,944 | 2,329,271 | 2,222,575 | 2,418,944 | 2,222,575 | 2,327,502 |
| 4. Segment Liabilities # | | | | | | |
| a) Mobile Services India | 370 385 | 339 180 | 698 432 | 370 385 | 698 432 | 722 363 |
| b) Mobile Services Africa | 129 685 | 125 197 | 266 901 | 129 685 | 266 901 | 226 314 |
| c) Mobile Services South Asia | 2 816 | 2 770 | 32 886 | 2 816 | 32 886 | 7 968 |
| d) Airtel Business | 41 136 | 48 434 | 151 490 | 41 136 | 151 490 | 180 624 |
| e) Tower Infrastructure Services | 22 644 | 21 975 | 20 627 | 22 644 | 20 627 | 47 535 |
| f) Homes Services | 16 211 | 16 776 | 175 636 | 16 211 | 175 636 | 246 864 |
| g) Digital TV Services | 32 798 | 29 355 | 32 947 | 32 798 | 32 947 | 28 341 |
| h) Others | 5 744 | 4 605 | 3 348 | 5 744 | 3 348 | 5 083 |
| Total segment liabilities | 621,419 | 588,292 | 1,382,267 | 621,419 | 1,382,267 | 1,465,092 |
| - Unallocated / Inter-segment eliminations | 1 026 337 | 990 733 | 154 012 | 1 026 337 | 154 012 | 119 097 |
| Total liabilities | 1,647,756 | 1,579,025 | 1,536,279 | 1,647,756 | 1,536,279 | 1,584,189 |

* Includes accounting policy alignment

^ Includes share of results / net assets of joint ventures and associates

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



Notes to the Audited Consolidated Financial Results

1. The said financial results for the quarter and six months ended September 30, 2017 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on October 31, 2017.
2. The above financial results are extracted from the Audited Interim Condensed Consolidated Financial Statements of the Group, 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. The said financial results represent results of the Group, and it's share in the results of joint ventures and associates.
3. During the quarter ended September 30, 2017, the Group has sold approx. 67.5 Mn equity shares of Bharti Infratel Limited (BIL), a subsidiary of the Company. The excess of proceeds over the change in non-controlling interests (net of associated transaction costs, taxes and levies), amounting to Rs. 18,839 Mn has been recognised directly in equity.
4. During the quarter ended September 30, 2017, the Group has completed the acquisition of 100% stake of Tikona Digital Networks Pvt Ltd ("TDNPL") as all the required closing conditions have been fulfilled. Subsequent to the balance sheet date, an application under section 230 to section 232 of the Companies Act, 2013 has been filed before the Delhi bench of the National Company Law Tribunal for merger of TDNPL with the Company.
5. Subsequent to the balance sheet date, as the closing conditions have been fulfilled, the transaction between the Group and Millicom International Cellular to combine their telecommunication operations in Ghana has been consummated.
6. Subsequent to the balance sheet date, the Group has entered into an understanding to merge the consumer mobile business of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited with the Company. The said transaction would be subject to requisite regulatory approvals.
7. Exceptional items during the quarter ended September 30, 2017 mainly includes charge of Rs. 1,674 Mn towards operating costs on network re-farming and up-gradation program. The tax impact and share of non-controlling interests, on the above is Rs. (317) Mn and Rs. (109) Mn respectively.
8. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs. 52,013 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. The Company, in its Annual General Meeting held on July 24, 2017, declared final dividend at the rate of Re.1/- per equity share (face value of Rs. 5/- each) aggregating Rs. 3,997 Mn.
10. Previous period figures have been re-grouped, wherever required.

For Bharti Airtel Limited



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

New Delhi
October 31, 2017

Notes:

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

