



### **Bharti Airtel Limited**

# Mobile Internet revenues double Y-o-Y, crosses ₹ 1,500 crore Revenue growth of 10% to ₹ 21,324 crore

Bharti Airtel announces consolidated IFRS results for the second quarter ended September 30, 2013

## Highlights for the second quarter ended September 30, 2013

- ~ Consolidated total revenues up by 10% Y-o-Y
- ~ India up 6.1%; Africa up 16.1% (INR terms)
- ~ Consolidated EBITDA up by 15.1%, EBITDA margin up 1.4%
- ~ Consolidated EBIT up 28.7%
- ~ Consolidated Mobile Data revenue and traffic have doubled; growth across geographies
- ~ India EBITDA up 13.2%; margin up 2.2%
- ~ Africa net revenues (USD terms) up 5.6% Q-o-Q and 6.2% Y-o-Y.
- ~ Consolidated Operating Free Cash Flow at ₹ 4,693 crore, up 117.1%

**New Delhi, India, October 30, 2013:** Bharti Airtel Limited ("Bharti Airtel" or "the Company") today announced its audited consolidated IFRS results for the quarter ended September 30, 2013.

The consolidated revenues for Q2'14 at ₹ 21,324 crore grew by 10% over the corresponding quarter last year. Mobile internet revenues at ₹ 1,503 crore grew more than 100% Y-o-Y, accounting for 39.1% of the overall incremental revenue. Revenues were also enhanced by strong growths of 28.8% in Digital TV, 20.8% in 'airtel business' (B2B), and 54.4% in South Asia.

Mobile voice realisation in India improved by 1.31 p on a Y-o-Y basis (36.74 p in Q2'14 vs 35.43 p in Q2'13), together with an increase in voice usage per customer by 20 minutes per month (up from 417 mins in Q2'13 to 437 mins per subs in Q2'14). Data usage per customer has gone up by 98 MBs (from 133 MBs in Q2'13 to 231 MBs per customer in Q2'14). Consequently, ARPU has moved up by ₹ 15 to ₹ 192 in Q2'14.

International revenues grew by 17.9% Y-o-Y and 18.3% Q-o-Q in INR terms with Africa growing by 16.1% Y-o-Y & 18.5% Q-o-Q while South Asia grew by 54.4% Y-o-Y & 16.0% Q-o-Q. Africa revenue in constant USD terms grew by 5.4% on sequential quarter basis led by a strong 28.2% increase in Data revenues. Mobile voice pricing in Africa remained stable at 3.30 cents per minute. Net Revenue in Africa (after interconnect costs and cost of goods sold) has grown by 20.7% Y-o-Y in INR terms.

Consolidated EBITDA grew by 15.1% Y-o-Y at ₹ 6,832 crore with margin expanding to 32.0% from 30.6% in the corresponding quarter last year, driven by India EBITDA margin improvement from 32.6% to 34.8%. The much improved operational performance is reflected in EBIT of ₹ 2,893 crore, representing a 28.7% Y-o-Y growth and 2.0% EBIT margin improvement.

The continued depreciation of the Indian Rupee has resulted in forex restatement and derivative losses of ₹ 342 crore (vs. ₹ 25 crore loss for Q2'13). Consequently, the consolidated net income came in at ₹ 512 crore, as against ₹ 721 crore in the corresponding quarter last year. Consolidated Operating Free Cash Flows for the quarter were at ₹ 4,693 crore, reflecting a robust growth of 117.1% Y-o-Y.

The company's consolidated net debt has reduced to \$ 9,697 Mn resulting in the Net Debt to EBITDA ratio (USD terms) improving to 2.18 times as compared to 2.59 times at the end of the same quarter last year.





In a statement, Mr. Sunil Bharti Mittal, Chairman, Bharti Airtel Limited, said:

"Mobile internet is now a major engine of growth for Airtel across all geographies. Our sustained investment in this segment will further enhance customer experience and seamless coverage. The revenue growth in Africa reflects the inherent potential in the world's most promising continent. I am also pleased to see the evolution of Airtel Money into a significant service in geographies which are relatively under-banked."

# <u>Summary of the Consolidated Statement of Income – represents consolidated Statement of Income as per International Financial Reporting Standards (IFRS)</u>

(Amount in ₹ crore, except ratios)

	(Filliodite III Coloro, except ratios)					
Particulars	Quarter Ended		Y-o-Y	Half Year Ended		Y-o-Y
	Sep 2013	Sep 2012	Growth	Sep 2013	Sep 2012	Growth
Total revenues	21,324	19,400	9.9%	41,588	37,960	9.6%
EBITDA	6,832	5,937	15.1%	13,377	11,423	17.1%
EBITDA/ Total revenues	32.0%	30.6%		32.2%	30.1%	
Profit before tax	1,447	1,421	1.8%	3,059	2,650	15.4%
Net Income	512	721	-29.0%	1,201	1,483	-19.0%
Operating free cash flow	4,693	2,162	117.1%	8,942	4,278	109.0%

### **Customer Base**

(Figures in nos, except ratios)

Parameters	Unit	Sep 2013	Jun 2013	Q-o-Q Growth	Sep 2012	Y-o-Y Growth
Mobile Services	000's	268,177	263,176	1.9%	251,825	6.5%
India	000's	193,457	190,948	1.3%	185,922	4.1%
Africa	000's	66,378	64,203	3.4%	58,667	13.1%
South Asia	000's	8,342	8,025	4.0%	7,236	15.3%
Telemedia Services	000's	3,338	3,289	1.5%	3,275	1.9%
Digital TV Services	000's	8,572	8,452	1.4%	7,455	15.0%
		280,087	274,917	1.9%	262,555	6.7%

#### **About Bharti Airtel Limited**

Bharti Airtel Limited is a leading global telecommunications company with operations in 20 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 4 mobile service providers globally in terms of subscribers. In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G wireless services and mobile commerce. Bharti Airtel had nearly 280 million customers across its operations at the end of September 2013. To know more please visit, <a href="https://www.airtel.com">www.airtel.com</a>

### **Disclaimer:**

[This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.]