

**BHARTI AIRTEL LIMITED**

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

**Financial results for the quarter ended June 30, 2012**

**1. Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per International Financial Reporting Standards (IFRS)**

<b>Part I</b>		<i>(In Rs. Million except per share data)</i>			
S. No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended
		June 30,	March 31,	June 30,	March 31,
		2012	2012	2011	2012
		Audited	Audited	Audited	Audited
1	<b>Total Sales / Income</b>	193,619	187,388	169,828	715,058
	(a) Net Sales/ Income from Operations	193,501	187,294	169,749	714,508
	(b) Other Operating Income	118	94	79	550
2	<b>Total Expenditure</b>	172,703	159,742	144,083	611,616
	(a) Employee Cost	9,193	8,717	9,246	35,159
	(b) Depreciation & Amortisation	37,571	34,683	31,314	133,681
	(c) License Fees & Spectrum Charges	16,300	16,218	14,939	61,099
	(d) Access & Interconnection Charges	27,045	25,658	22,158	97,361
	(e) Network Operating Expenses	45,425	41,583	37,308	157,598
	(f) Sales & Marketing	22,389	18,424	17,068	71,369
	(g) Administration & others	14,577	14,421	11,907	54,940
	(h) Other Expenditure	203	38	143	409
3	<b>Profit from Operations before Other Income, Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates, Exceptional Items and Tax (1,2)</b>	20,916	27,646	25,745	103,442
4	Other Income	-	-	-	-
5	<b>Profit before Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates, Exceptional Items and Tax (3+4)</b>	20,916	27,646	25,745	103,442
6	Net Finance Charges (including exchange fluctuation)	8,211	10,572	8,550	38,185
7	Share of Loss / (Gain) in Associates	76	18	-	74
8	<b>Profit after Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates but before Exceptional Items and Tax</b>	12,629	17,056	17,195	65,183
9	Exceptional Items	-	-	-	-
10	<b>Profit (+) /Loss(-) from Ordinary Activities after Exceptional Items but before Tax</b>	12,629	17,056	17,195	65,183
11	Tax Expense	4,878	6,976	5,141	22,602
12	<b>Net profit (+) / loss(-) from Ordinary Activities after tax</b>	7,751	10,080	12,054	42,581
13	Extraordinary items (net of tax expenses)	-	-	-	-
14	<b>Profit (+) / Loss (-) for the period / year</b>	7,751	10,080	12,054	42,581
15	Minority Interest	129	21	(98)	(13)
16	<b>Net Profit/(Loss) for the period / year</b>	7,622	10,059	12,152	42,594
17	Paid-up equity share capital (Face value Rs.5/- each)	18,988	18,988	18,988	18,988
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	501,106	493,433	467,187	493,433
19	<b>Earnings per share (Face value Rs.5/- each) (in Rs.)</b>				
	<b>a. Basic and diluted EPS before Extraordinary items</b>				
	i) Basic	2,008	2,650	3,203	11,225
	ii) Diluted	2,008	2,650	3,202	11,221
	<b>b. Basic and diluted EPS after Extraordinary items</b>				
	i) Basic	2,008	2,650	3,203	11,225
	ii) Diluted	2,008	2,650	3,202	11,221

  

<b>Part II</b>		Quarter Ended	Quarter Ended	Quarter Ended	Year Ended
S. No.	Particulars	June 30,	March 31,	June 30,	March 31,
		2012	2012	2011	2012
		Audited	Audited	Audited	Audited
<b>A</b>	<b>Particulars of Shareholding</b>				
1	<b>Public Shareholding</b>				
	a. Number of shares	1,196,402,920	1,196,402,920	1,204,117,754	1,196,402,920
	b. Percentage of shareholding	31.50%	31.50%	31.71%	31.50%
2	<b>Promoters and Promoter Group Shareholding</b>				
	a) Pledged/ Encumbered				
	- Number of Shares	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
	b) Non-encumbered				
	- Number of Shares	2,601,127,176	2,601,127,176	2,593,412,342	2,601,127,176
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	68.50%	68.50%	68.29%	68.50%

  

S. No.	Particulars	Quarter Ended
		June 30,
		2012
<b>B</b>	<b>Status of investor complaints as on June 30, 2012 is as follows:</b>	
	Complaints pending as on April 1, 2012	Nil
	Complaints received and resolved during the quarter	1
	Complaints pending as on June 30, 2012	Nil

2. Segment Reporting – Prepared as per International Financial Reporting Standards (IFRS) (as Consolidated Entity)

(In Rs Million)

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year Ended
	June 30,	March 31,	June 30,	March 31,
	2012	2012	2011	2012
	Audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>				
Net sales/income from each segment				
a) Mobile Services India and South Asia	106,848	105,096	98,404	403,091
b) Mobile Services Africa	57,586	53,872	43,783	198,265
c) Telemedia Services	9,442	9,159	9,458	37,271
d) Airtel Business <sup>@</sup>	11,906	11,209	10,410	44,541
e) Digital TV Services <sup>§</sup>	3,658	3,565	2,934	12,960
f) Passive Infrastructure Services	24,048	24,183	22,767	95,109
g) Others	836	753	810	3,117
h) Unallocated <sup>#</sup>	-	-	-	-
<b>Total</b>	<b>214,324</b>	<b>207,837</b>	<b>188,566</b>	<b>794,354</b>
Less: Inter Segment Eliminations	20,823	20,543	18,817	79,846
<b>Net sales/Income</b>	<b>193,501</b>	<b>187,294</b>	<b>169,749</b>	<b>714,508</b>
<b>2. Segment Results</b>				
Profit/(Loss) before tax and interest from each segment				
a) Mobile Services India and South Asia	17,012	21,415	20,854	82,221
b) Mobile Services Africa	3,405	5,109	2,270	14,147
c) Telemedia Services	1,333	1,540	2,221	7,172
d) Airtel Business <sup>@</sup>	591	181	683	2,629
e) Digital TV Services <sup>§</sup>	(2,265)	(1,944)	(1,493)	(7,198)
f) Passive Infrastructure Services	3,420	3,930	3,432	14,641
g) Others	(133)	(401)	(17)	(416)
h) Unallocated <sup>#</sup>	(2,567)	(2,252)	(2,196)	(9,866)
<b>Total</b>	<b>20,796</b>	<b>27,578</b>	<b>25,754</b>	<b>103,330</b>
Less: Inter Segment Eliminations	(44)	(50)	9	(38)
<b>Total profit/(loss) before tax and Net Finance Charges (including exchange fluctuation)</b>	<b>20,840</b>	<b>27,628</b>	<b>25,745</b>	<b>103,368</b>
Less:				
Net Finance Charges (including exchange fluctuation)	8,211	10,572	8,550	38,185
<b>Total profit before tax</b>	<b>12,629</b>	<b>17,056</b>	<b>17,195</b>	<b>65,183</b>
<b>3. Capital Employed</b>				
(Segment assets - Segment liabilities)				
a) Mobile Services India and South Asia	532,848	518,296	458,508	518,296
b) Mobile Services Africa	458,376	449,753	444,366	449,753
c) Telemedia Services	35,876	34,699	30,090	34,699
d) Airtel Business <sup>@</sup>	61,247	58,466	54,676	58,466
e) Digital TV Services <sup>§</sup>	(21,904)	(19,511)	(13,428)	(19,511)
f) Passive Infrastructure Services	164,435	162,913	165,533	162,913
g) Others	(183)	(375)	(373)	(375)
h) Unallocated (net of eliminations) * <sup>#</sup>	(707,846)	(670,433)	(613,009)	(670,433)
<b>Total</b>	<b>522,849</b>	<b>533,808</b>	<b>526,363</b>	<b>533,808</b>

<sup>#</sup> Effective October 1, 2011 corporate headquarters' results and capital employed earlier reported under 'Others' has been regrouped to 'Unallocated' for all periods presented.

\* Comprises borrowings (including borrowings for acquisition of Africa operations and other borrowings of Africa operations of Rs 550,860 Mn (USD 9.78 bn), Rs 465,774 Mn (USD 10.42 bn) and Rs 508,113 Mn (USD 9.93 bn)), for 3G and BWA licences of Rs 54,750 Mn, Rs 61,879 Mn and Rs 61,117 Mn, as at June 30, 2012, June 30, 2011 and March 31, 2012, respectively, provision for taxes, deferred tax asset/ liabilities and fair value of derivative financial instruments.

<sup>@</sup> Previously known as Enterprise Services.

<sup>§</sup> Previously known as DTH.

**Notes to accounts**

- The above financial results for the first quarter and three months ended June 30, 2012 have been reviewed by the Audit Committee in its meeting held on August 7, 2012 and approved by the Board of Directors in its meeting held on August 8, 2012.
- In terms of clause 41 of the listing agreement, the Company has voluntarily adopted International Financial Reporting Standards (IFRS) notified by the International Accounting Standards Board, in the preparation of consolidated financial statements w.e.f. April 1, 2010 and has decided to publish only the consolidated financial results in the newspapers. However, the standalone financial results of the Company for the three months ended June 30, 2012 are being submitted to the stock exchanges and will also be available on the Company's website (www.airtel.in).

3. Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statements have been furnished to provide information about overall business of the Company, its subsidiaries, joint ventures and associates.
4. Effective April 1, 2012, in line with the changes in the internal reporting, the Broadband Wireless Access (BWA) services reported earlier under "Telemedia Services" , is now reported as part of 'Mobile Services India and South Asia'. Accordingly, previous periods' / year's segment figures have been regrouped/rearranged.
5. Pursuant to a definitive agreement dated May 24, 2012, Bharti Airtel Limited has acquired 49% stake for a consideration of Rs 9,281 million (USD 165 million) in Qualcomm Asia Pacific's (Qualcomm AP) 4 Indian subsidiaries ("BWA entities"), (i) Wireless Business Services Private Limited- that holds Category 'A' ISP licenses and broadband wireless spectrum in the frequencies of 2327.5 - 2347.5 for the Service Area of Mumbai, 2327.5 - 2347.5 for the Service Area of Delhi, 2325.0 - 2345.0 for the Service Area of Kerala and 2362.5 - 2382.5 for the Service Area of Haryana ,(ii) Wireless Broadband Business Services (Delhi) Private Limited (iii) Wireless Broadband Business Services (Kerala) Private Limited and (iv) Wireless Broadband Business Services (Haryana) Private Limited, partly by way of acquisition of 26% equity interest from its existing shareholders and balance 23% by way of subscription of fresh equity in the referred entities. The agreement contemplates that once commercial operations are launched, subject to certain terms and conditions, Bharti has the option to assume complete ownership and financial responsibility for the BWA entities by the end of 2014.
6. During the quarter ended June 30, 2012, the Company made additional equity investments in its following wholly owned subsidiaries:
  - Rs. 400 Mn in Airtel M Commerce Services Limited; and
  - USD 50 Mn (Rs 2,852 Mn) in Bharti Airtel International (Mauritius) Limited
7. During the quarter ended June 30, 2012, Bharti Airtel Employee Welfare Trust (a trust set up for administration of ESOP Schemes of the Company) has transferred 116,466 shares to the employees upon exercise of stock options, under ESOP Scheme 2005. As of June 30, 2012, the trust holds 547,901 equity shares.
8. Audited financial results of Bharti Airtel Limited as per IGAAP (standalone information in terms of clause 41 (IV) (b) of the Listing agreement) are as follows:

		(In Rs Million)			
Sl. No.	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year ended
		June 30,	March 31,	June 30,	March 31,
		2012	2012	2011	2012
1	Net Sales / Income from operations	109,806	107,572	101,805	416,038
2	Profit before tax and exceptional items	16,658	18,504	18,398	69,562
3	Profit after tax and before exceptional items	14,700	15,743	14,323	57,300
4	Profit after tax and exceptional items	14,700	15,743	14,323	57,300

9. Previous year's / periods' figures have been regrouped/ rearranged, wherever required.

For Bharti Airtel Limited

For Bharti Airtel Limited

Sd/-

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Sunil Bharti Mittal  
Chairman and Managing Director

Sanjay Kapoor  
CEO (India & South Asia)

Singapore  
August 8, 2012

"Bharti Airtel", or "the Company", wherever stated stands for Bharti Airtel Limited.Group, wherever stated stands for Bharti Airtel together with its subsidiaries  
For more details on the financial results, please visit our website [www.airtel.in](http://www.airtel.in)