

BHARTI AIRTEL LIMITED

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

Financial results for the third quarter and nine months ended December 31, 2012

1. Bharti Airtel Limited – Audited financial results for the third quarter and nine months ended December 31, 2012 as per Indian GAAP (as Stand alone entity)

Part I

(In Rs. Million except per share data)

| S.No. | Particulars | Quarter Ended | Quarter Ended | Quarter Ended | Nine Months Ended | Nine Months Ended | Year ended |
|-------|--|---------------|---------------|---------------|-------------------|-------------------|----------------|
| | | December 31, | September 30, | December 31, | December 31, | December 31, | March 31, |
| | | 2012 | 2012 | 2011 | 2012 | 2011 | 2012 |
| | | Audited | Audited | Audited | Audited | Audited | Audited |
| 1 | Income from Operations | 112,990 | 115,230 | 105,011 | 338,026 | 308,466 | 416,038 |
| 2 | Expenses | | | | | | |
| | (a) Access charges | 19,489 | 19,899 | 14,989 | 55,891 | 42,720 | 58,086 |
| | (b) Employee benefits expenses | 3,857 | 3,564 | 3,064 | 11,061 | 10,550 | 13,915 |
| | (c) Cost of goods sold | 10 | - | 29 | 10 | 164 | 183 |
| | (d) Power and Fuel | 9,381 | 8,345 | 7,382 | 25,667 | 22,198 | 29,727 |
| | (e) Rent | 12,802 | 12,522 | 11,944 | 37,791 | 35,458 | 47,714 |
| | (f) License fee and spectrum charges (revenue share) | 12,035 | 12,209 | 11,920 | 36,465 | 34,716 | 46,942 |
| | (g) Depreciation and amortisation expense | 17,380 | 16,800 | 15,287 | 50,699 | 43,808 | 59,160 |
| | (h) Other operating expenses | 23,661 | 23,956 | 22,170 | 71,676 | 61,316 | 83,034 |
| | Total Expenses | 98,615 | 97,295 | 86,785 | 289,260 | 250,930 | 338,761 |
| 3 | Profit from operations before Other Income, Net Finance Costs, Exceptional Items and Tax (1-2) | 14,375 | 17,935 | 18,226 | 48,766 | 57,536 | 77,277 |
| 4 | Other Income | 450 | 7,956 | 2,565 | 14,067 | 4,384 | 6,247 |
| 5 | Profit from ordinary activities before finance costs and exceptional items (3+4) | 14,825 | 25,891 | 20,791 | 62,833 | 61,920 | 83,524 |
| 6 | Finance Costs | 4,897 | 3,359 | 3,962 | 13,715 | 10,862 | 13,962 |
| 7 | Profit from ordinary activities after finance costs but before exceptional items | 9,928 | 22,532 | 16,829 | 49,118 | 51,058 | 69,562 |
| 8 | Exceptional items | - | - | - | - | - | - |
| 9 | Profit (+) /Loss(-) from ordinary activities before Tax | 9,928 | 22,532 | 16,829 | 49,118 | 51,058 | 69,562 |
| 10 | Tax Expense | 2,425 | 4,616 | 2,669 | 8,999 | 9,501 | 12,262 |
| 11 | Net profit (+)/ loss(-) from Ordinary Activities after tax | 7,503 | 17,916 | 14,160 | 40,119 | 41,557 | 57,300 |
| 12 | Extraordinary items (net of tax expenses) | - | - | - | - | - | - |
| 13 | Profit (+) / Loss (-) for the period / year | 7,503 | 17,916 | 14,160 | 40,119 | 41,557 | 57,300 |
| 14 | Paid-up equity share capital (Face value Rs.5/- each) | 18,988 | 18,988 | 18,988 | 18,988 | 18,988 | 18,988 |
| 15 | Reserves excluding revaluation reserves including employee stock option outstanding (Refer Note 3 below) | 515,927 | 508,355 | 463,859 | 515,927 | 463,859 | 475,287 |
| 16 | Earnings per share (Face value Rs.5/- each) (in Rs.) | | | | | | |
| | a. Basic and diluted EPS before Extraordinary items | | | | | | |
| | i) Basic | 1.976 | 4.718 | 3.729 | 10.564 | 10.943 | 15.089 |
| | ii) Diluted | 1.976 | 4.718 | 3.729 | 10.564 | 10.943 | 15.089 |
| | b. Basic and diluted EPS after Extraordinary items | | | | | | |
| | i) Basic | 1.976 | 4.718 | 3.729 | 10.564 | 10.943 | 15.089 |
| | ii) Diluted | 1.976 | 4.718 | 3.729 | 10.564 | 10.943 | 15.089 |

Part II

| S.No. | Particulars | Quarter Ended | Quarter Ended | Quarter Ended | Nine Months Ended | Nine Months Ended | Year ended |
|----------|--|---------------|---------------|---------------|-------------------|-------------------|---------------|
| | | December 31, | September 30, | December 31, | December 31, | December 31, | March 31, |
| | | 2012 | 2012 | 2011 | 2012 | 2011 | 2012 |
| | | Audited | Audited | Audited | Audited | Audited | Audited |
| A | Particulars of Shareholding | | | | | | |
| 1 | Public Shareholding | | | | | | |
| | a. Number of shares | 1,196,402,920 | 1,196,402,920 | 1,196,402,920 | 1,196,402,920 | 1,196,402,920 | 1,196,402,920 |
| | b. Percentage of shareholding | 31.50% | 31.50% | 31.50% | 31.50% | 31.50% | 31.50% |
| 2 | Promoters and Promoter Group Shareholding | | | | | | |
| | a) Pledged/ Encumbered | | | | | | |
| | - Number of Shares | Nil | Nil | Nil | Nil | Nil | Nil |
| | - Percentage of Shares (as a % of the total shareholding of the promoter and promoter group) | Nil | Nil | Nil | Nil | Nil | Nil |
| | - Percentage of Shares (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil | Nil | Nil |
| | b) Non-encumbered | | | | | | |
| | - Number of Shares | 2,601,127,176 | 2,601,127,176 | 2,601,127,176 | 2,601,127,176 | 2,601,127,176 | 2,601,127,176 |
| | - Percentage of Shares (as a % of the total shareholding of the promoter and promoter group) | 100% | 100% | 100% | 100% | 100% | 100% |
| | - Percentage of Shares (as a % of the total share capital of the Company) | 68.50% | 68.50% | 68.50% | 68.50% | 68.50% | 68.50% |

| S.No. | Particulars | Quarter Ended |
|----------|---|---------------|
| | | December 31, |
| | | 2012 |
| B | Status of investor complaints as on December 31, 2012 is as follows: | |
| | Complaints pending as on October 1, 2012 | 1 |
| | Complaints received during the quarter | 3 |
| | Complaints resolved during the quarter | 3 |
| | Complaints pending as on December 31, 2012 | 1 |

2. Segment Reporting - Prepared as per Indian GAAP (as Stand alone entity)

(In Rs Million)

| Particulars | Quarter Ended | Quarter Ended | Quarter Ended | Nine Months Ended | Nine Months Ended | Year ended |
|---|----------------|----------------|----------------|-------------------|-------------------|----------------|
| | December 31, | September 30, | December 31, | December 31, | December 31, | March 31, |
| | 2012 | 2012 | 2011 | 2012 | 2011 | 2012 |
| | Audited | Audited | Audited | Audited | Audited | Audited |
| 1. Segment Revenue | | | | | | |
| Net sales/income from each segment | | | | | | |
| a) Mobile Services | 98,950 | 101,272 | 92,510 | 297,177 | 271,580 | 367,155 |
| b) Telemedia Services | 9,462 | 9,434 | 9,031 | 28,243 | 27,804 | 36,867 |
| c) Airtel Business © | 13,169 | 12,847 | 10,667 | 36,971 | 30,523 | 40,763 |
| d) Unallocated | - | - | - | - | - | - |
| Total | 121,581 | 123,553 | 112,208 | 362,391 | 329,907 | 444,785 |
| Less: Inter Segment Eliminations | 8,591 | 8,323 | 7,197 | 24,365 | 21,441 | 28,747 |
| Net sales/Income | 112,990 | 115,230 | 105,011 | 338,026 | 308,466 | 416,038 |
| 2. Segment Results | | | | | | |
| Profit/(Loss) before tax and interest from each segment | | | | | | |
| a) Mobile Services | 15,090 | 19,665 | 18,858 | 49,453 | 56,800 | 77,945 |
| b) Telemedia Services | 1,609 | 1,885 | 1,182 | 4,705 | 5,412 | 7,006 |
| c) Airtel Business © | 431 | 347 | (676) | 1,172 | (907) | (840) |
| d) Unallocated # | (2,608) | (1,425) | 538 | 812 | (1,347) | (3,512) |
| Total | 14,522 | 20,472 | 19,902 | 56,142 | 59,958 | 80,599 |
| Less: Inter Segment Eliminations | - | - | - | - | - | - |
| Total profit/(loss) before tax and Net Finance Costs | 14,522 | 20,472 | 19,902 | 56,142 | 59,958 | 80,599 |
| Less : | | | | | | |
| Net Finance Costs / (Income) | 4,594 | (2,060) | 3,073 | 7,024 | 8,900 | 11,037 |
| Total profit before tax | 9,928 | 22,532 | 16,829 | 49,118 | 51,058 | 69,562 |
| 3. Capital Employed | | | | | | |
| (Segment assets - Segment liabilities) * | | | | | | |
| a) Mobile Services | 267,869 | 274,811 | 297,864 | 267,869 | 297,864 | 303,152 |
| b) Telemedia Services | 41,509 | 42,189 | 44,175 | 41,509 | 44,175 | 43,602 |
| c) Airtel Business © | 17,733 | 17,857 | 20,155 | 17,733 | 20,155 | 22,413 |
| d) Unallocated ** | 184,561 | 171,819 | 102,026 | 184,561 | 102,026 | 103,898 |
| Total | 511,672 | 506,676 | 464,220 | 511,672 | 464,220 | 473,065 |

*Excludes inter segment assets and liabilities.

** Includes borrowings for 3G and BWA licenses of Rs 52,225 mn, Rs 54,750 mn, Rs 61,606 mn and Rs 61,117 mn, as at December 31, 2012, September 30, 2012, December 31, 2011 and March 31, 2012, respectively.

Includes foreign exchange fluctuations in respect of loans given to subsidiaries.

© Previously known as Enterprise Services.

Notes to accounts

- Notes to the consolidated financial results form part of the notes to the standalone financial results.
- 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. The demand includes a retrospective charge of Rs. 8,940 Mn for holding GSM Spectrum beyond 6.2 Mhz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of Rs. 42,413 Mn for GSM spectrum held beyond 4.4 Mhz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses. In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing, scheduled for March 1, 2013. The Company, based on independent legal opinions, has not given effect for the one time spectrum charges in these financial results.
- Reserves and surplus as at December 31, 2012 include Rs 2,785 million for the Company, towards employee stock option outstanding account (net of the related deferred cost) of the Company.

4. Previous year's/period's figures have been regrouped / rearranged, wherever required.

For Bharti Airtel Limited

Sd/-

Manoj Kohli
Joint Managing Director & CEO (International)

Gurgaon
February 1, 2013

"Bharti Airtel", or "the Company", wherever stated stands for Bharti Airtel Limited.
For more details on the financial results, please visit our website www.airtel.in

For Bharti Airtel Limited

Sd/-

Sanjay Kapoor
CEO (India & South Asia)