

Quarterly report on the results for the third quarter and nine months ended December 31, 2018

AIRTEL AFRICA



January 31, 2019

The financial statements included in this quarterly report fairly presents in all material respects the financial position, results of operations, cash flow of the company as of, and for the periods presented in this report.

Supplemental Disclosures

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or basis almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or basis and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

Convenience translation: - We publish our financial statements in United States Dollars. All herein to “US dollars”, “USD” and “US\$” are to United States dollars. Translation of income statement items have been made from local currencies of Africa operating units to USD (unless otherwise indicated) using the respective quarter average rates. Translation of statement of financial position items has been made using the closing rate. All amounts translated as described above are provided solely for the convenience of the reader, and no representation is made that the local currencies or USD amounts referred to herein could have been or could be converted into USD or local currencies respectively, as the case may be, at any particular rate, the above rates or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company’s results of operations and cash flows that have been derived from amounts calculated in accordance with International Financial Reporting Standard (IFRS), but are not in themselves IFRS measures. They should not be viewed in isolation as alternatives to the equivalent IFRS measures and should be read in conjunction with the equivalent IFRS measures.

Further, disclosures are also provided under “7.2 Use of Non - GAAP Financial Information” on page 30

Use of IFRS measures: - In this report the term “IFRS” refers to financials in accordance to IFRS, with prior periods adjusted for sold / discontinued operations.

Others: In this report, the term “ongoing operations” refers to operations in Africa excluding for sold / divested units and certain investments. Further, “we”, “us”, “our”, “Airtel - Africa”, or “Africa”, unless otherwise specified or the context otherwise implies, refer to the Africa operations of Bharti Airtel Limited (“Bharti Airtel”) and its subsidiaries, Bharti Airtel International (Netherlands) B.V., Africa Towers N.V., Airtel (Seychelles) Limited, Airtel Congo S.A, Airtel Gabon S.A., Airtel Madagascar S.A., Airtel Malawi Limited, Airtel Mobile Commerce B.V., Airtel Mobile Commerce Holdings B.V., Airtel Mobile Commerce Kenya Limited, Airtel Mobile Commerce Limited (Malawi), Airtel Mobile Commerce Madagascar S.A., Airtel Mobile Commerce Rwanda Limited, Airtel Mobile Commerce (Seychelles) Limited, Airtel Mobile Commerce Tanzania Limited, Airtel Mobile Commerce Tchad SARL, Airtel Mobile Commerce Uganda Limited, Airtel Mobile Commerce Zambia Limited , Airtel Money RDC S.A., Airtel Money Niger S.A., Airtel Money S.A. (Gabon), Airtel Networks Kenya Limited, Airtel Networks Limited, Airtel Networks Zambia Plc, Airtel Rwanda Limited, Airtel Tanzania Public Limited Company (formerly known as Airtel Tanzania Limited), Airtel Tchad S.A., Airtel Uganda Limited, Bharti Airtel Africa B.V., Bharti Airtel Chad Holdings B.V. , Bharti Airtel Congo Holdings B.V., Bharti Airtel Developers Forum Limited, Bharti Airtel Gabon Holdings B.V. , Bharti Airtel Kenya B.V., Bharti Airtel Kenya Holdings B.V., Bharti Airtel Madagascar Holdings B.V. , Bharti Airtel Malawi Holdings B.V. , Bharti Airtel Mali Holdings B.V., Bharti Airtel Niger Holdings B.V. , Bharti Airtel Nigeria B.V. , Bharti Airtel Nigeria Holdings II B.V. , Bharti Airtel RDC Holdings B.V. , Bharti Airtel Services B.V. , Bharti Airtel Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Celtel (Mauritius) Holdings Limited, Airtel Congo RDC S.A., Celtel Niger S.A., Channel Sea Management Company (Mauritius) Limited, Congo RDC Towers S.A., Indian Ocean Telecom Limited, Madagascar Towers S.A., Malawi Towers Limited, Mobile Commerce Congo S.A., Montana International, Partnership Investments S.A.R.L, Société Malgache de Telephonie Cellulaire SA, Tanzania Towers Limited, Bharti Airtel Rwanda Holdings Limited , Airtel Money Transfer Ltd, Airtel Money Tanzania Limited , Airtel Mobile Commerce Nigeria Limited (incorporate w.e.f. August 31, 2017), Airtel Africa Limited (incorporated w.e.f. July 12, 2018)

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SECTION 1

AIRTEL AFRICA – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		IFRS			IFRS				
		2016	2017	2018	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18
<u>Operating Highlights</u>									
Total Customer Base	000's	70,991	76,726	89,262	84,130	89,262	91,193	94,096	97,922
Total Minutes on Network	Mn Min	125,198	134,614	159,549	41,928	44,688	49,666	52,357	52,445
Data MBs	Mn MBs	61,899	125,101	237,563	65,544	69,705	77,811	88,808	105,338
Airtel Money Transaction Value	US\$ Mn	10,280	14,639	20,042	5,358	5,645	6,090	6,263	6,917
Network Towers	Nos	17,889	18,959	19,731	19,054	19,731	19,895	20,060	20,582
Total Employees	Nos	4,036	3,654	3,530	3,420	3,530	3,480	3,338	3,334
No. of countries of operation	Nos	14	14	14	14	14	14	14	14
Population Covered	Mn	315	351	357	355	357	359	364	367
<u>Consolidated Financials (US\$ Mn)</u>									
<u>Ongoing Operations</u>									
<u>(Reported Currency)</u>									
Total Revenue	US\$ Mn	3,385	3,047	3,067	793	773	786	808	823
EBITDA	US\$ Mn	689	733	1,024	281	277	286	299	305
EBIT	US\$ Mn	27	150	559	171	174	176	193	190
Cash profit from operations before Derivative & Exchange Fluctuations	US\$ Mn	360	430	689	218	172	218	221	228
Profit before Tax	US\$ Mn	(110)	(224)	165	74	58	115	61	136
Net income	US\$ Mn	(267)	(193)	(73)	(12)	17	143	64	107
Capex	US\$ Mn	708	395	419	75	250	49	106	170
Operating Free Cash Flow (EBITDA - Capex)	US\$ Mn	(27)	339	605	206	28	237	194	135
Net Debt	US\$ Mn	7,747	7,100	7,261	7,170	7,261	7,221	5,952	3,677
Shareholder's Equity	US\$ Mn	931	108	(1,062)	(1,017)	(1,062)	(1,013)	221	2,421
Total Capital Employed	US\$ Mn	8,678	7,208	6,199	6,153	6,199	6,208	6,173	6,098
<u>Key Ratios</u>									
EBITDA Margin	%	20.4%	24.0%	33.4%	35.4%	35.9%	36.3%	37.1%	37.1%
EBIT Margin	%	0.8%	4.9%	18.2%	21.6%	22.5%	22.4%	23.9%	23.1%
Net Profit Margin	%	-7.9%	-6.3%	-2.4%	-1.6%	2.2%	18.1%	7.9%	13.0%
Net Debt to EBITDA (LTM)	Times	11.39	9.67	7.09	7.70	7.09	6.55	5.21	3.15
Net Debt to EBITDA (Annualised)	Times	11.39	9.67	7.09	6.38	6.54	6.32	4.97	3.01
Interest Coverage ratio	Times	2.12	2.48	3.68	4.83	4.53	3.50	3.70	3.99
Return on Shareholder's Equity	%		-37.1%	-15.3%		-9.4%	11.1%	24.6%	30.8%
Return on Capital employed	%		6.3%	2.8%		3.0%	6.2%	8.1%	9.3%

SECTION 2

FINANCIAL HIGHLIGHTS

The financial results presented in this section are compiled based on the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and the underlying information.

2.1 Africa Consolidated - Summary of Consolidated Financial Statements

2.1.1 Africa Consolidated Summarized Statement of Operations – Ongoing Operations (at Reported Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	823	793	4%	2,417	2,294	5%
EBITDA	305	281	9%	890	747	19%
<i>EBITDA / Total revenues</i>	<i>37.1%</i>	<i>35.4%</i>	<i>16%</i>	<i>36.8%</i>	<i>32.6%</i>	<i>4%</i>
EBIT	190	171	11%	559	385	45%
Finance cost (net)	53	98	-46%	246	289	-15%
Share of results of Associate	(1)	0		(1)	3	-131%
Profit before tax	136	74	85%	312	107	191%
Income tax expense	32	26	19%	95	117	-18%
Profit after tax (before exceptional items)	105	47	122%	217	(10)	2341%
Non Controlling Interest (before exceptional items)	6	16	-65%	21	20	4%
Net income (before exceptional items)	99	31	217%	196	(29)	767%
Exceptional Items (net of tax)	(9)	53	-117%	(126)	73	-272%
Profit after tax (after exceptional items)	114	(6)	1879%	343	(83)	514%
Non Controlling Interest	7	6	19%	30	7	311%
Net income	107	(12)	960%	313	(90)	448%
Capex	170	75	126%	325	169	92%
Operating Free Cash Flow (EBITDA - Capex)	135	206	-34%	565	578	-2%
Total Capital Employed	6,098	6,153	-1%	6,098	6,153	-1%

Note 1: During the previous financial year, Airtel Africa had divested telecom operations in Ghana. For the above table, financial and operational parameters have been shown for remaining 14 countries and the historical periods have been re-instated to make them comparable.

2.1.2 Africa Consolidated Summarized Statement of Operations including sold/discontinued operations – (in Reported Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	823	793	4%	2,417	2,355	3%
EBITDA	305	281	9%	890	752	18%
<i>EBITDA / Total revenues</i>	<i>37.1%</i>	<i>35.4%</i>	<i>16%</i>	<i>36.8%</i>	<i>31.9%</i>	<i>5%</i>
EBIT	190	171	11%	559	378	48%
Finance cost (net)	53	98	-46%	246	292	-16%
Share of results of Associate	(1)	0		(1)	3	-131%
Profit before tax	136	74	85%	312	97	222%
Income tax expense	32	26	19%	95	117	-19%
Profit after tax (before exceptional items)	105	47	122%	217	(20)	1162%
Non Controlling Interest (before exceptional items)	6	16	-65%	21	20	4%
Net income (before exceptional items)	99	31	217%	196	(40)	588%
Exceptional Items (net of tax)	(9)	53	-117%	(126)	73	-272%
Profit after tax (after exceptional items)	114	(6)	1879%	343	(94)	466%
Non Controlling Interest	7	6	19%	30	7	312%
Net income	107	(12)	960%	313	(101)	410%
Capex	170	75	126%	325	173	88%
Operating Free Cash Flow (EBITDA - Capex)	135	206	-34%	565	579	-2%
Total Capital Employed	6,098	6,309	-3%	6,098	6,309	-3%

2.1.3 Africa Consolidated Summarized Statement of Operations – Ongoing Operations (in Constant Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	853	767	11%	2,470	2,207	12%
EBITDA	317	272	16%	912	718	27%
<i>EBITDA / Total revenues</i>	<i>37.2%</i>	<i>35.5%</i>	<i>17%</i>	<i>36.9%</i>	<i>32.5%</i>	<i>4%</i>
EBIT	198	166	19%	574	371	55%
Finance cost (net)	77	61	26%	219	226	-3%
Share of results of Associate	(1)	0		(1)	3	-131%
Profit before tax*	120	106	14%	354	157	126%
Income tax expense	33	26	29%	98	116	-15%
Profit after tax (before exceptional items)	87	80	9%	256	41	523%
Non Controlling Interest (before exceptional items)	6	16	-65%	21	20	4%
Net income (before exceptional items)	82	64	28%	235	21	1003%
Exceptional Items (net of tax)	(8)	47	-117%	(125)	65	-293%
Profit after tax (after exceptional items)	96	33	194%	381	(24)	1699%
Non Controlling Interest	7	6	19%	30	7	312%
Net income	88	27	233%	351	(31)	1234%
Capex	170	75	126%	325	169	92%
Operating Free Cash Flow (EBITDA - Capex)	147	197	-25%	587	549	7%
Total Capital Employed	6,098	6,153	-1%	6,098	6,153	-1%

*Derivative & Exchange fluctuation impact is excluded to calculate PBT in Constant Currency.

Note 2: Closing currency rates as on March 1, 2018 considered for above financial. Reported currency rates are taken for Capex & Capital Employed.

Refer note 1 on page no. 5

2.2 Africa Consolidated - Summary of Statement of Financial Positions (In Reported Currency)

Particulars	<i>Amount in US\$ Mn</i>	
	As at Dec 31, 2018	As at Mar 31, 2018
Assets		
Non-current assets	7,043	7,174
Current assets	1,154	963
Total assets	8,197	8,138
Liabilities		
Non-current liabilities	3,519	4,736
Current liabilities	2,451	4,695
Total liabilities	5,970	9,431
Equity & Non Controlling Interests		
Equity	2,421	(1,062)
Non controlling interests	(194)	(231)
Total Equity & Non Controlling Interests	2,227	(1,293)
Total Equity and liabilities	8,197	8,138

SECTION 3

REGION WISE – SUMMARY OF FINANCIAL STATEMENTS

Regional reporting includes all businesses of that geography.

3.1 Summarized Statement of Operations

3.1.1 Nigeria

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	299	275	9%	844	777	9%
EBITDA	126	91	38%	343	248	39%
<i>EBITDA / Total revenues</i>	<i>42.0%</i>	<i>33.1%</i>		<i>40.6%</i>	<i>31.8%</i>	
EBIT	99	54	82%	254	131	94%
Capex	68	45	52%	112	76	47%
Operating Free Cash Flow (EBITDA - Capex)	57	46	24%	231	171	35%

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	303	243	25%	850	671	27%
EBITDA	127	81	58%	345	214	61%
<i>EBITDA / Total revenues</i>	<i>42.0%</i>	<i>33.2%</i>		<i>40.6%</i>	<i>31.9%</i>	
EBIT	100	48	108%	255	113	126%
Capex	68	45	52%	112	76	47%
Operating Free Cash Flow (EBITDA - Capex)	59	36	65%	233	138	69%

Refer note 2 on page no. 6

3.1.2 East Africa (Kenya, Uganda, Rwanda, Tanzania, Malawi, Zambia)

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	297	278	7%	875	807	8%
EBITDA	105	92	15%	293	265	10%
<i>EBITDA / Total revenues</i>	35.3%	32.9%		33.4%	32.9%	
EBIT	54	54	1%	147	129	14%
Capex	65	16	304%	139	44	216%
Operating Free Cash Flow (EBITDA - Capex)	40	75	-47%	153	221	-31%

Refer note 1 on page no. 5

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	314	280	12%	902	801	13%
EBITDA	112	92	22%	305	262	16%
<i>EBITDA / Total revenues</i>	35.8%	32.9%		33.8%	32.7%	
EBIT	60	54	10%	156	127	23%
Capex	65	16	304%	139	44	216%
Operating Free Cash Flow (EBITDA - Capex)	47	76	-38%	166	218	-24%

Refer note 2 on page no. 6

3.1.3 Rest of Africa (Niger, Gabon, T Chad, Congo, DRC, Madagascar, Seychelles)

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	233	244	-4%	713	723	-1%
EBITDA	80	85	-5%	246	217	13%
<i>EBITDA / Total revenues</i>	<i>34.4%</i>	<i>34.8%</i>		<i>34.5%</i>	<i>30.1%</i>	
EBIT	44	25	79%	125	53	134%
Capex	36	11	238%	72	45	60%
Operating Free Cash Flow (EBITDA - Capex)	44	74	-40%	174	172	1%

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	244	249	-2%	735	749	-2%
EBITDA	84	86	-3%	253	226	12%
<i>EBITDA / Total revenues</i>	<i>34.2%</i>	<i>34.8%</i>		<i>34.4%</i>	<i>30.1%</i>	
EBIT	46	25	81%	128	57	125%
Capex	36	11	238%	72	45	60%
Operating Free Cash Flow (EBITDA - Capex)	47	76	-37%	181	180	0%

Refer note 2 on page no. 6

3.2 Region Wise Contribution (In Constant Currency)

Quarter Ended:

Amount in US\$ Mn, except ratios

Region	Quarter Ended Dec 2018					
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total
Nigeria	303	35%	127	40%	68	40%
East Africa	314	37%	112	35%	65	39%
Rest of Africa	244	29%	84	26%	36	21%
Sub Total	860	101%	323	102%	170	100%
Eliminations / Others	(7)	-1%	(6)	-2%	(0)	0%
Total (Africa)	853	100%	317	100%	170	100%

Refer note 2 on page no. 6

Nine Months Ended:

Amount in US\$ Mn, except ratios

Region	Nine Months Ended Dec 2018					
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total
Nigeria	850	34%	345	38%	112	35%
East Africa	902	36%	305	33%	139	43%
Rest of Africa	735	30%	253	28%	72	22%
Sub Total	2,486	101%	903	99%	325	100%
Eliminations / Others	(16)	-1%	9	1%	(0)	0%
Total (Africa)	2,470	100%	912	100%	325	100%

Refer note 2 on page no. 6

SECTION 4

PRODUCT WISE – SUMMARY OF FINANCIAL STATEMENTS

4.1 Mobile - Summarized Statement of Operations

4.1.1 Africa Consolidated Summarized Statement of Operations – Ongoing Operations (14 OPCOs)

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	784	757	3%	2,300	2,198	5%
EBITDA	282	254	11%	816	699	17%
<i>EBITDA / Total revenues</i>	<i>36.0%</i>	<i>33.5%</i>		<i>35.5%</i>	<i>31.8%</i>	
EBIT	172	121	41%	466	287	62%
Capex	167	71	136%	317	164	93%
Operating Free Cash Flow (EBITDA - Capex)	115	183	-37%	499	535	-7%

Refer note 1 on page no. 5

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	812	731	11%	2,349	2,112	11%
EBITDA	293	245	19%	835	671	24%
<i>EBITDA / Total revenues</i>	<i>36.1%</i>	<i>33.6%</i>		<i>35.5%</i>	<i>31.8%</i>	
EBIT	178	116	54%	477	271	76%
Capex	167	71	136%	317	164	93%
Operating Free Cash Flow (EBITDA - Capex)	125	174	-28%	518	507	2%

Refer note 1 on page no.5 and note. 2 on page no. 6

4.1.2 Nigeria

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	298	275	8%	840	777	8%
EBITDA	124	91	36%	339	247	37%
<i>EBITDA / Total revenues</i>	<i>416%</i>	<i>33.0%</i>		<i>40.4%</i>	<i>318%</i>	
EBIT	97	54	80%	250	130	92%
Capex	68	45	52%	112	76	47%
Operating Free Cash Flow (EBITDA - Capex)	55	46	21%	227	171	33%

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	301	243	24%	845	671	26%
EBITDA	125	80	56%	341	214	60%
<i>EBITDA / Total revenues</i>	<i>416%</i>	<i>33.1%</i>		<i>40.4%</i>	<i>319%</i>	
EBIT	98	48	106%	252	113	123%
Capex	68	45	52%	112	76	47%
Operating Free Cash Flow (EBITDA - Capex)	57	35	61%	229	137	67%

Refer note 2 on page no. 6

4.1.3 East Africa (Kenya, Uganda, Rwanda, Tanzania, Malawi, Zambia)

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	268	253	6%	792	741	7%
EBITDA	89	82	9%	254	242	5%
<i>EBITDA / Total revenues</i>	33.3%	32.5%		32.0%	32.7%	
EBIT	41	46	-12%	112	109	3%
Capex	63	15	311%	133	43	210%
Operating Free Cash Flow (EBITDA - Capex)	27	67	-60%	120	199	-40%

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	283	255	11%	816	735	11%
EBITDA	96	83	16%	264	239	11%
<i>EBITDA / Total revenues</i>	33.9%	32.5%		32.4%	32.5%	
EBIT	45	46	-3%	119	107	11%
Capex	63	15	311%	133	43	210%
Operating Free Cash Flow (EBITDA - Capex)	33	68	-51%	131	196	-33%

Refer note 1 on page no.5 and note 2 on page no.6

4.1.4 Rest of Africa (Niger, Gabon, T Chad, Congo, DRC, Madagascar, Seychelles)

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	220	232	-5%	676	692	-2%
EBITDA	69	81	-14%	224	210	6%
<i>EBITDA / Total revenues</i>	<i>314%</i>	<i>34.8%</i>		<i>33.1%</i>	<i>30.4%</i>	
EBIT	34	21	58%	104	48	116%
Capex	36	11	238%	72	45	59%
Operating Free Cash Flow (EBITDA - Capex)	33	70	-53%	152	165	-8%

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Total revenues	230	237	-3%	696	718	-3%
EBITDA	72	82	-13%	229	218	5%
<i>EBITDA / Total revenues</i>	<i>312%</i>	<i>34.8%</i>		<i>33.0%</i>	<i>30.4%</i>	
EBIT	35	22	59%	106	52	107%
Capex	36	11	238%	72	45	59%
Operating Free Cash Flow (EBITDA - Capex)	36	72	-50%	158	173	-9%

Refer Note No. 2 on page no. 6

4.2 Mobile - Region Wise Contribution (In Constant Currency)

Quarter Ended:

Amount in US\$ Mn, except ratios

Region	Quarter Ended Dec 2018					
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total
Nigeria	301	37%	125	43%	68	41%
East Africa	283	35%	96	33%	63	38%
Rest of Africa	230	28%	72	25%	36	22%
Sub Total	814	100%	293	100%	167	100%
Eliminations / Others	(2)	0%	0	0%	0	0%
Total (Africa)	812	100%	293	100%	167	100%

Refer Note No. 2 on page no. 6

Nine Months Ended:

Amount in US\$ Mn, except ratios

Region	Nine Months Ended Dec 2018					
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total
Nigeria	845	36%	341	41%	112	35%
East Africa	816	35%	264	32%	133	42%
Rest of Africa	696	30%	229	27%	72	23%
Sub Total	2,358	100%	835	100%	317	100%
Eliminations / Others	(8)	0%	0	0%	0	0%
Total (Africa)	2,349	100%	835	100%	317	100%

Refer Note No. 2 on page no. 6

4.3 Airtel Money - Summarized Statement of Operations

4.3.1 Africa Consolidated Summarized Statement of Operations – Ongoing Operations (14 OPCOs)

In Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		
	Dec-18	Sep-18	Q-on-Q Growth
Total revenues	64	53	21%
EBITDA	29	20	40%
<i>EBITDA / Total revenues</i>	<i>44.4%</i>	<i>38.3%</i>	
EBIT	26	19	35%
Capex	2	3	-31%
Operating Free Cash Flow (EBITDA - Capex)	26	17	53%

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		
	Dec-18	Sep-18	Q-on-Q Growth
Total revenues	68	55	23%
EBITDA	30	21	41%
<i>EBITDA / Total revenues</i>	<i>44.4%</i>	<i>38.6%</i>	
EBIT	28	20	36%
Capex	2	3	-31%
Operating Free Cash Flow (EBITDA - Capex)	28	18	54%

Refer Note No. 2 on page no. 6

4.4 Product Wise Contribution (In Constant Currency)

Quarter Ended:

Amount in US\$ Mn, except ratios

Products	Quarter Ended Dec 2018					
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total
Mobile	812	95%	293	92%	167	99%
Airtel Money	68	8%	30	9%	2	1%
Sub Total	879	103%	323	102%	170	100%
Eliminations / Others	(26)	-3%	(6)	-2%	0	0%
Total (Africa)	853	100%	317	100%	170	100%

Refer Note No. 2 on page no. 6

Nine Months Ended:

Amount in US\$ Mn, except ratios

Products	Nine Months Ended Dec 2018					
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total
Mobile	2,349	95%	835	92%	317	98%
Airtel Money	173	7%	68	7%	6	2%
Sub Total	2,523	102%	903	99%	325	100%
Eliminations / Others	(52)	-2%	9	1%	(0)	0%
Total (Africa)	2,470	100%	912	100%	325	100%

Refer Note No. 2 on page no. 6

SECTION 5

OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, Revenue per Site, Gross revenue per employee per month, Personnel cost per employee per month are based on IFRS.

5.1 Africa – Operational Performance

5.1.1 Africa Operational Performance (Ongoing Operations)

Parameters	Unit	Dec-18	Sep-18	Q-on-Q Growth	Dec-17	Y-on-Y Growth
Customer Base	000's	97,922	94,096	4.1%	84,130	16.4%
Net Additions	000's	3,827	2,903	31.8%	5,388	-29.0%
Monthly Churn	%	4.7%	4.8%		4.1%	
Average Revenue Per User (ARPU)	US\$	3.0	3.0	0.4%	3.2	-5.6%
Voice						
Voice Revenue	\$ Mn	526	517	1.8%	507	3.7%
Minutes on the network	Mn	52,445	52,357	0.2%	41,928	25.1%
Voice Average Revenue Per User (ARPU)	US\$	1.8	1.9	-1.3%	2.1	-12.0%
Voice Usage per customer	min	183	189	-2.9%	172	6.2%
Data						
Data Revenue	\$ Mn	192	180	6.5%	149	28.6%
Data Customer Base	000's	29,264	27,113	7.9%	23,324	25.5%
As % of Customer Base	%	29.9%	28.8%		27.7%	
Total MBs on the network	Mn MBs	105,338	88,808	18.6%	65,544	60.7%
Data Average Revenue Per User (ARPU)	US\$	2.3	2.3	0.7%	2.3	0.1%
Data Usage per customer	MBs	1,248	1,113	12.1%	997	25.1%
Airtel Money						
Transaction Value	\$ Mn	6,917	6,263	10.4%	5,358	29.1%
Transaction Value per Sub	US\$	166	163	1.7%	182	-8.6%
Airtel Money Revenue	\$ Mn	68	55	22.9%	40	69.7%
Active Customers	000's	13,805	12,943	6.7%	10,449	32.1%
Airtel Money ARPU	US\$	1.6	1.4	13.1%	1.4	20.1%
Network & coverage						
Network towers	Nos	20,582	20,060	522	19,054	1,528
Owned Towers	Nos	4,441	4,449	(8)	4,181	260
Leased Towers	Nos	16,141	15,611	530	14,873	1,268
Of which Mobile Broadband towers	Nos	15,734	15,280	454	12,933	2,801
Total Mobile Broadband Base stations	Nos	29,650	26,338	3,312	16,863	12,787
Revenue Per Site Per Month	US\$	13,954	13,717	1.7%	13,423	4.0%

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6

5.2 Nigeria Operational Performance

Parameters	Unit	Dec-18	Sep-18	Q-on-Q Growth	Dec-17	Y-on-Y Growth
Customer Base	000's	36,608	34,181	7.1%	30,911	18.4%
Net Additions	000's	2,427	1,568	54.8%	3,008	-19.3%
Monthly Churn	%	4.2%	4.4%		3.1%	
Average Revenue Per User (ARPU)	US\$	2.9	2.8	2.8%	2.8	3.1%
Voice						
Voice Revenue	\$ Mn	199	185	7.7%	174	14.3%
Minutes on the network	Mn	15,368	14,592	5.3%	12,833	19.8%
Voice Average Revenue Per User (ARPU)	US\$	1.9	1.9	1.5%	2.0	-5.4%
Voice Usage per customer	min	145	146	-0.7%	147	-0.9%
Data						
Data Revenue	\$ Mn	71.1	63.0	12.8%	46.1	54.2%
Data Customer Base	000's	13,580	12,810	6.0%	10,694	27.0%
<i>As % of Customer Base</i>	%	37.1%	37.5%		34.6%	
Total MBs on the network	Mn MBs	54,005	43,067	25.4%	34,452	56.8%
Data Average Revenue Per User (ARPU)	US\$	1.8	1.7	5.9%	1.5	17.1%
Data Usage per customer	MBs	1,358	1,153	17.8%	1,140	19.1%
Network & coverage						
Network towers	Nos	7,997	7,618	379	7,363	634
<i>Owned Towers</i>	Nos	259	258	1	269	(10)
<i>Leased Towers</i>	Nos	7,738	7,360	378	7,094	644
<i>Of which Mobile Broadband towers</i>	Nos	6,311	5,997	314	5,652	659
Total Mobile Broadband Base stations	Nos	10,369	8,311	2,058	5,652	4,717
Revenue Per Site Per Month	US\$	12,903	12,268	5.2%	10,966	17.7%

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6.

5.3 East Africa Operational Performance (Kenya, Uganda, Rwanda, Tanzania, Malawi, Zambia)

Parameters	Unit	Dec-18	Sep-18	Q-on-Q Growth	Dec-17	Y-on-Y Growth
Customer Base	000's	42,535	41,265	3.1%	35,072	21.3%
Net Additions	000's	1,270	1,222	3.9%	1,872	-32.2%
Monthly Churn	%	4.7%	5.0%		4.5%	
Average Revenue Per User (ARPU)	US\$	2.5	2.5	1.8%	2.7	-8.4%
Voice						
Voice Revenue	\$ Mn	172	169	2.1%	161	6.9%
Minutes on the network	Mn	30,048	30,428	-1.2%	22,684	32.5%
Voice Average Revenue Per User (ARPU)	US\$	1.4	1.4	0.0%	1.6	-12.7%
Voice Usage per customer	min	241	249	-3.2%	222	8.2%
Data						
Data Revenue	\$ Mn	75	73	2.5%	64	16.0%
Data Customer Base	000's	10,807	10,252	5.4%	9,153	18.1%
<i>As % of Customer Base</i>	%	25.4%	24.8%		26.1%	
Total MBs on the network	Mn MBs	41,353	36,620	12.9%	25,280	63.6%
Data Average Revenue Per User (ARPU)	US\$	2.4	2.4	-1.2%	2.5	-6.4%
Data Usage per customer	MBs	1,310	1,203	8.8%	992	32.0%
Network & coverage						
Network towers	Nos	8,346	8,204	142	7,520	826
<i>Owned Towers</i>	Nos	2,425	2,447	(22)	2,200	225
<i>Leased Towers</i>	Nos	5,921	5,757	164	5,320	601
<i>Of which Mobile Broadband towers</i>	Nos	6,487	6,358	129	4,936	1,551
Total Mobile Broadband Base stations	Nos	14,234	13,367	867	7,831	6,403
Revenue Per Site Per Month	US\$	12,571	12,220	2.9%	12,462	0.9%

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6.

5.4 Rest of Africa Operational Performance (Niger, Gabon, T Chad, Congo, DRC, Madagascar, Seychelles)

Parameters	Unit	Dec-18	Sep-18	Q-on-Q Growth	Dec-17	Y-on-Y Growth
Customer Base	000's	18,779	18,650	0.7%	18,146	3.5%
Net Additions	000's	129	113	14.6%	507	-74.5%
Monthly Churn	%	5.5%	5.4%		5.2%	
Average Revenue Per User (ARPU)	US\$	4.4	4.5	-2.1%	4.6	-5.7%
Voice						
Voice Revenue	\$ Mn	162	168	-3.2%	176	-8.1%
Minutes on the network	Mn	7,029	7,337	-4.2%	6,411	9.6%
Voice Average Revenue Per User (ARPU)	US\$	2.9	3.0	-3.6%	3.3	-11.7%
Voice Usage per customer	min	126	132	-4.6%	119	5.3%
Data						
Data Revenue	\$ Mn	46	44	4.2%	39	19.0%
Data Customer Base	000's	4,877	4,052	20.4%	3,477	40.2%
As % of Customer Base	%	26.0%	21.7%		19.2%	
Total MBs on the network	Mn MBs	9,980	9,121	9.4%	5,812	71.7%
Data Average Revenue Per User (ARPU)	US\$	3.5	3.7	-4.3%	3.9	-8.6%
Data Usage per customer	MBs	766	761	0.5%	581	31.8%
Network & coverage						
Network towers	Nos	4,239	4,238	1	4,171	68
Owned Towers	Nos	1,757	1,744	13	1,712	45
Leased Towers	Nos	2,482	2,494	(12)	2,459	23
Of which Mobile Broadband towers	Nos	2,936	2,925	11	2,345	591
Total Mobile Broadband Base stations	Nos	5,047	4,660	387	3,380	1,667
Revenue Per Site Per Month	US\$	19,154	19,522	-1.9%	19,804	-3.3%

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6

SECTION 6

MANAGEMENT DISCUSSION AND ANALYSIS

6.1 Key Company Developments

- Airtel Africa Ltd, a subsidiary of the Company and holding entity of Africa operations of the Group has appointed Global banks comprising J.P. Morgan, Citigroup, BofA Merrill Lynch, Absa Group Limited, Barclays Bank PLC, BNP Paribas, Goldman Sachs International and Standard Bank Group for an intended IPO on International Stock Exchange.
- Subsequent to the Balance sheet date, Qatar Investment Authority ("QIA"), the sovereign wealth fund of the State of Qatar has agreed to invest USD 200 million in Airtel Africa Limited, a subsidiary of the Company and holding entity of Africa operations of the Group, through a primary equity issuance in the company.
- Airtel Uganda Public service provider license has been renewed for 1 year on the same terms and conditions of existing license.
- Central Bank of Nigeria has issued guidelines for license of Payment Service Bank in Nigeria.
- Airtel Tanzania won an Appreciation Award for the contributions and continued support in improvement of school environment in Tanzania by Tanga City Council and was also recognized for Mobile Health Support by Ministry of Health.
- Airtel Nigeria has been awarded with Smart recharge campaign of the year by Advertiser association of Nigeria.

6.2 Results of Operations

The financial results presented in this section are compiled based on the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and the underlying information.

Key Highlights – For the quarter ended December 31, 2018

- Overall customer base at 98 Mn across 14 countries (up 16.4% Y-o-Y)
- Net addition of 14 Mn customers over the previous year
- Consolidated mobile data traffic at 105.3 Bn MBs (up 60.7% Y-o-Y)
- Total revenues of \$ 853 Mn; up 11.2% Y-o-Y
- EBITDA at \$ 317 Mn; up 16.4% Y-o-Y; EBITDA margin up 1.7% Y-o-Y
- EBIT at \$ 198 Mn; up 19.1% Y-o-Y
- Return on Capital Employed (ROCE) at 9.3%

Results for the quarter ended December 31, 2018

6.2.1 Airtel Africa Consolidated

In Africa, exchange rates have been largely stable except devaluation of CFA in French countries which have seen currency depreciation versus the US dollar. To enable comparison on an underlying basis, all financials and all operating metrics mentioned below are in constant currency rates as of March 1, 2018. PBT as mentioned below excludes any realized/unrealized derivatives and exchange gain or loss for the period.

As on Dec 31, 2018, the company had an aggregate customer base of 97.9 Mn as compared to 84.1 Mn in the corresponding quarter last year, an increase of 16.4%. Customer churn for the quarter has decreased to 4.7% as compared to 4.8% in the previous quarter. Total minutes on network during the quarter registered a growth of 25.1% to 52.4 Bn as compared to 41.9 Bn in the corresponding quarter last year.

Data customers increased by 6.0 Mn to 29.3 Mn as compared to 23.3 Mn in the corresponding quarter last year. Data customers now represent 29.9% of the total customer base, as compared to 27.7% in the corresponding quarter last year. The total MBs on the network grew at a healthy growth rate of 60.7% to 105.3 Bn MBs compared to 65.5 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was at 1248 MBs as compared to 997 MBs in the corresponding quarter last year, an increase of 25.1%.

The total customer base using the Airtel Money platform increased by 32.1% to 13.8 Mn as compared to 10.4 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has witnessed a growth of 29.1% to \$ 6,917 Mn in the current quarter as compared to \$ 5,358 Mn in the corresponding quarter last year. Airtel Money revenue is at \$ 68 Mn as compared to \$ 55 Mn in the quarter ended September 30, 2018 reflecting a growth of 22.9%.

The company had 20,582 network towers at end of the quarter as compared to 19,054 network towers in the corresponding quarter last year. 3G has been rolled out in 14 countries and 4G across 11 countries. Out of the total number of towers, 15,734 are mobile broadband towers. The company has total 29,650 mobile broadband base stations as compared to 16,863 mobile broadband base stations at the end of the corresponding quarter last year.

Africa revenues at \$ 853 Mn grew by 11.2% as compared to \$ 767 Mn in the corresponding quarter last year. Increase in data & Airtel Money penetration led to faster net revenue growth of 12.0%.

Opex for the quarter is at \$ 371 Mn as compared to \$ 341 Mn in the corresponding quarter last year. EBITDA for quarter is at \$ 317 Mn as compared to \$ 272 Mn in the corresponding quarter last year. EBITDA margin improved by 1.7% and was at 37.2% for the quarter. Depreciation and amortization charges were at \$ 118 Mn as compared to \$ 104 Mn in the corresponding quarter last year. EBIT for the quarter was at \$ 198 Mn as compared to \$ 166 Mn in the corresponding quarter last year.

The resultant profit before tax and exceptional items for the quarter is at \$ 120 Mn as compared to \$ 106 Mn in the corresponding quarter last year.

On reported basis, after accounting for the finance costs and taxes and exceptional items, the net income for the quarter is \$ 107 as compared to a loss of \$ 12 Mn in the corresponding quarter last year.

Capital expenditure during the quarter was \$ 170 Mn for African operations, largely on account of investment in data capacities and network modernization. Operating free cash flow during the quarter is at \$ 147 Mn, as compared to \$ 197 Mn in the corresponding quarter last year.

6.2.2 Exceptional Items

Exceptional gain during the quarter ended December 31, 2018 was \$ 8.1 Mn (net of Tax) mainly on account of creation of deferred tax assets in one of its subsidiary offset by charge towards network re-farming and certain litigation related assessments.

6.2.3 Region wise – Africa

6.2.3.1 Nigeria

As on December 31, 2018, Nigeria had a customer base of 36.6 Mn as compared to 30.9 Mn in corresponding quarter last year, an increase of 18.4%.

Voice revenue at \$ 199 Mn reflects a growth of 14.3% as compared to \$ 174 Mn in the corresponding quarter last year which is largely driven by minutes on network growth of 19.8% to 15.4 Bn as compared to 12.8 Bn in corresponding quarter last year.

Data revenue at \$ 71 Mn reflects a growth of 54.2% as compared to \$ 46 Mn in the corresponding quarter last year mainly driven by data customer growth of 27% to 13.6 Mn as compared to 10.7 Mn in corresponding quarter last year. Also total MBs on network grew by 56.8% to 54 Bn MBs as compared to 34.5 Bn MBs in corresponding quarter last year.

The region had 7,997 network towers at the end of the quarter as compared to 7,363 network towers in the corresponding quarter last year. The mobile broadband base stations were 10,369 as compared to 5,652 in corresponding quarter last year.

For the quarter ended December 31, 2018, revenues from Nigeria were at \$ 303 Mn reflecting a growth of 24.6%, as compared to \$ 243 Mn in corresponding quarter last year mainly driven by customer growth of 18.4%. Overall ARPU for the quarter was \$ 2.9 as compared to \$ 2.8 in corresponding quarter last year.

EBITDA for the quarter was at \$ 127 Mn as compared to \$ 81 Mn in corresponding quarter last year. EBITDA margin increased to 42.0% as compared to 33.2% in corresponding quarter last year. EBIT was at \$ 100 Mn as compared to \$ 48 Mn in the corresponding quarter last year.

During the quarter, Nigeria has incurred a capex of \$ 68 Mn, primarily on network expansion and upgradation. The operating free cash flow for the quarter was \$ 59 Mn as compared to \$ 36 Mn in corresponding quarter last year.

6.2.3.2 East Africa

As on December 31, 2018, East Africa region had a customer base of 42.5 Mn as compared to 35.1 Mn in corresponding quarter last year, reflecting a growth of 21.3%.

Voice revenue at \$ 172 Mn reflects a growth of 6.9% as compared to \$ 161 Mn in corresponding quarter last year which is largely driven by minutes on network growth of 32.5% at 30.0 Bn as compared to 22.7 Bn in corresponding quarter last year.

Data revenue at \$ 75 Mn reflects a growth of 16% as compared to \$ 64 Mn in corresponding quarter last year mainly driven by data customer growth of 18.1% to 10.8 Mn as compared to 9.2 Mn in corresponding quarter last year. Also total MBs on network growth of 63.6% at 41.4 Bn MBs as compared to 25.3 Bn MBs in corresponding quarter last year.

The region had 8,346 network towers at the end of the quarter as compared to 7,520 network towers in the corresponding quarter last year. The mobile broadband base stations were 14,234 as compared to 7,831 in corresponding quarter last year.

For the quarter ended December 31, 2018, revenue from East Africa region were at \$ 314 Mn reflecting a growth of 12.2% as compared to \$ 280 Mn in the corresponding quarter last year which is mainly driven by customer growth of 21.3%.

EBITDA for the quarter was at \$ 112 Mn as compared to \$ 92 Mn in corresponding quarter last year. EBITDA margin for the quarter

was 35.8% as compared to 32.9% in corresponding quarter last year. EBIT was at \$ 60 Mn as compared to \$ 54 Mn in the corresponding quarter last year.

During the quarter, East Africa incurred a capex of \$ 65 Mn primarily on network expansion. The operating free cash flow for the quarter was \$ 47 Mn as compared to \$ 76 Mn in corresponding quarter last year.

6.2.3.3 Rest of Africa

As on December 31, 2018, Rest of Africa had a customer base of 18.8 Mn as compared to 18.1 Mn in corresponding quarter last year reflecting a growth of 3.5%.

Voice revenue at \$ 162 Mn reflects a drop of 8.1% as compared to \$ 176 Mn in corresponding quarter last year which is largely driven by decline in ARPU by 11.7%

Data revenue at \$ 46 Mn reflects a growth of 19.0% as compared to \$ 39 Mn in corresponding quarter last year mainly driven by data customer base growth of 40.2% at 4.9 Mn as compared to 3.5 Mn in corresponding quarter last year. Also total MBs on network grew by 71.7% at 10.0 Bn MBs as compared to 5.8 Bn MBs in corresponding quarter last year.

The region had 4,239 network towers at the end of the quarter as compared to 4,171 network towers in the corresponding quarter last year. The mobile broadband base stations were 5,047 as compared to 3,380 in corresponding quarter last year.

For the quarter ended December 31, 2018, revenue from Rest of Africa region was at \$ 244 Mn, reflecting a decline of 1.8% as compared to \$ 249 Mn in the corresponding quarter last year.

EBITDA for the quarter was at \$ 84 Mn as compared to \$ 86 Mn in the corresponding quarter last year. EBITDA margin for the quarter was at 34.2% as compared to 34.8% in corresponding quarter last year. EBIT was at \$ 46 Mn as compared to \$ 25 Mn in the corresponding quarter last year.

During the quarter, Rest of Africa incurred a capex of \$ 36 Mn primarily on network infrastructure & data capacities. The operating free cash flow for the quarter was at \$ 47 Mn as compared to \$ 76 Mn in corresponding quarter last year.

6.2.4 Product wise Africa

6.2.4.1 Mobile services:

During the quarter ended December 31, 2018, revenue from Mobile services were at \$ 812 Mn reflecting a healthy growth of 11.0% as compared to \$ 731 Mn in the corresponding quarter last year which is largely driven by customer growth of 16.4%.

EBITDA for the quarter was at \$ 293 Mn as compared to \$ 245 Mn in corresponding quarter last year. EBITDA margin for the quarter surged to 36.1% as compared to 33.6% in corresponding quarter last year. EBIT was at \$ 178 Mn as compared to \$ 116 Mn in the corresponding quarter last year.

During the quarter, total capex incurred was at \$ 167 Mn primarily on network expansion and modernization. The operating free cash flow for the quarter was at \$ 125 Mn as compared to \$ 174 Mn in corresponding quarter last year.

6.2.4.2 Airtel Money

During the quarter ended December 31, 2018 revenue from Airtel Money was at \$ 68 Mn reflecting a sequential growth of 22.9% as compared to \$ 55 Mn in the quarter ended September 30, 2018. The growth is largely driven by customer growth of 6.7%. Transaction value for the quarter was at \$ 6,917 Mn reflecting a growth of 10.4% as compared to \$ 6,263 Mn in last quarter.

Airtel Money EBITDA for the quarter was at \$ 30.1 Mn as compared to \$21.3 Mn in previous quarter. EBITDA margin for the quarter was 44.4% as compared to 38.6% in previous quarter. EBIT for the quarter was at \$ 27.6 Mn as compared to \$ 20.2 Mn in the previous quarter.

SECTION 7

DETAILED FINANCIAL AND RELATED INFORMATION

7.1 Summarized Extracts from Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS) for ongoing operations (14 Opcos)

7.1.1 Airtel Africa Statement of Income

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Income						
Revenue	823	793	4%	2,417	2,294	5%
Other income	5	3	104%	22	11	103%
Total	828	796	4%	2,439	2,305	6%
Expenses						
Network operating expenses	177	164	8%	514	512	0%
Access Charges	87	95	-8%	257	286	-10%
License fee and spectrum charges	46	42	10%	138	134	3%
Employee benefits	59	57	4%	175	174	1%
Sales and marketing expenses	77	83	-8%	234	231	1%
Other expenses	80	76	5%	235	223	5%
Total	524	516	2%	1,552	1,560	-1%
Profit from operating activities before depreciation, amortization and exceptional items	304	280	9%	887	744	19%
Depreciation and amortisation	114	108	5%	328	359	-9%
Finance costs	121	104	16%	294	321	-8%
Finance income	(68)	(6)	972%	(48)	(32)	52%
Non-operating income / expenses, (net)	-	-	0%	-	(8)	-100%
Share of results of joint ventures and associates	1	(0)		1	(3)	-131%
Profit before exceptional items and tax	136	74	85%	312	107	191%
Exceptional items	32	63	-49%	62	85	-27%
Profit before tax	104	10	929%	250	22	1022%
Tax expense						
Current tax	36	27	32%	73	96	-24%
Deferred tax	(46)	(11)	326%	(165)	9	-1905%
Profit for the period	114	(6)	-1883%	343	(83)	-514%

7.1.2 Airtel Africa Statement of Comprehensive Income

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-18	Dec-17	Y-on-Y Growth	Dec-18	Dec-17	Y-on-Y Growth
Profit for the period	114	(6)	1883%	343	(83)	514%
Other comprehensive income ('OCI'):						
Items to be reclassified subsequently to profit or loss :						
Net gains / (losses) due to foreign currency translation differences	21	(53)	139%	(174)	(59)	-195%
Gains / (losses) on net investments hedge	9	(7)	228%	37	(53)	169%
Gains / (Losses) on cash flow hedge	(3)	4	-191%	(13)	3	-519%
Share of OCI of associate	(0)	0		(0)	0	-111%
	27	(56)	147%	(150)	(109)	-38%
Other comprehensive income / (loss) for the period	27	(56)	147%	(150)	(109)	-38%
Total comprehensive income / (loss) for the period	141	(63)	324%	193	(192)	200%
Profit for the period Attributable to:	114	(6)	-1883%	343	(83)	514%
Owners of the Parent	107	(12)	-961%	313	(90)	448%
Non-controlling interests	7	6	19%	30	7	311%
Other comprehensive income / (loss) for the period attributable to :	27	(56)	147%	(150)	(109)	-38%
Owners of the Parent	27	(58)	146%	(147)	(107)	-37%
Non-controlling interests	0	1	-92%	(3)	(2)	-65%
Total comprehensive income / (loss) for the period attributable to :	141	(63)	324%	193	(192)	200%
Owners of the Parent	133	(70)	290%	166	(197)	184%
Non-controlling interests	7	7	-3%	26	5	405%

7.1.3 Airtel Africa Summarized Balance Sheet

Particulars	<i>Amount in US\$ Mn</i>		
	As at Dec 31, 2018	As at Dec 31, 2017	As at Mar 31, 2018
Assets			
Non-current assets			
Property, plant and equipment (including CWIP)	2,050	1,883	2,084
Intangible assets	4,552	4,850	4,801
Investment in joint ventures and associates	2	3	3
Financial Assets			
Other financial assets	39	148	39
Deferred tax assets (net)	359	237	202
Other non-current assets	41	48	46
	7,043	7,169	7,174
Current assets			
Financial Assets			
- Trade receivables	141	144	111
- Cash and cash equivalents	572	254	238
- Other Bank balance	250	213	214
- Others	66	96	256
Other current assets	125	102	143
	1,154	809	962
Total Assets	8,197	7,980	8,138
Equity and liabilities			
Equity attributable to owners of the Parent	2,421	-1,017	-1,062
Non-controlling interests ('NCI')	-194	-247	-231
	2,227	-1,264	-1,293
Non-current liabilities			
Financial Liabilities			
- Borrowings	3,370	4,532	4,488
- Others	71	52	121
Deferred tax liabilities (net)	23	16	42
Other non-current liabilities	55	91	85
	3,519	4,691	4,736
Current liabilities			
Financial Liabilities			
- Borrowings	848	2,877	2,951
- Trade Payables	728	851	755
- Others	525	332	564
Current tax liabilities (net)	50	86	77
Other current liabilities	300	407	348
	2,451	4,553	4,695
Total liabilities	5,970	9,244	9,431
Total equity and liabilities	8,197	7,980	8,138

7.1.4 Airtel Africa Summarized Statement of Cash Flow
Amount in US\$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Cash flows from operating activities				
Profit before tax	104	10	250	22
Adjustments for -				
Depreciation and amortisation	114	108	328	359
Finance income	(68)	(6)	(48)	(32)
Finance cost	121	104	294	321
Share of results of joint venture and associate	1	(0)	1	(3)
Other non-cash items	29	57	69	78
Operating cash flow before changes in working capital	300	273	894	745
Changes in working capital -				
Trade receivables	(39)	(21)	(52)	(46)
Trade payables	45	(97)	(13)	3
Other assets and liabilities	(17)	142	(114)	(8)
Net cash generated from operations before tax and dividend	290	297	715	694
Income tax paid	(43)	(20)	(106)	(74)
Net cash generated from operating activities (a)	247	277	609	620
Cash flows from investing activities				
Purchase of PPE	(105)	(113)	(378)	(222)
Purchase of intangible assets	(23)	(9)	(78)	(42)
Other Investments	(0)	0	(0)	0
Proceed on sale of Assets - Tower co sale proceed	1	30	42	59
Interest received	9	0	17	1
Net cash (used in) / generated from investing activities (b)	(118)	(92)	(398)	(204)
Cash flows from financing activities				
Acquisition of Non controlling interest	(0)	0	(74)	0
Issue of share capital	2,187	0	2,187	0
Proceeds from borrowings	141	194	716	778
Repayment of borrowings	(2,234)	(113)	(2,416)	(721)
Proceeds from sale and finance lease back of towers	1	19	23	37
Repayment of finance lease liabilities	(18)	(17)	(53)	(47)
Dividend paid to non - controlling interests	(0)	0	(4)	(2)
Interest and other finance charges paid	(112)	(97)	(266)	(243)
Net cash (used in) / generated from financing activities (c)	(35)	(14)	112	(198)
Net increase / (decrease) in cash and cash equivalents during the period (a+b+c)	94	171	324	218
Effect of exchange rate on cash and cash equivalents	0	(2)	(1)	(5)
Cash and cash equivalents as at beginning of the period	283	(59)	56	(105)
Cash and cash equivalents as at end of the period	378	109	378	109

7.2 Use of Non-GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with IFRS, but this information is not in itself an expressly permitted GAAP measure. Such non - GAAP measures should not be viewed in isolation as alternatives to the equivalent GAAP measures.

A summary of non - GAAP measures included in this report, together with details where additional information and reconciliation to the nearest equivalent GAAP measure can be found, is shown below.

Non – GAAP measure	Equivalent GAAP measure for IFRS	Location in this results announcement of reconciliation and further information
Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA)	Profit from operating activities before depreciation, amortization and exceptional items	Page 30
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit from operating activities before depreciation, amortization and exceptional items	Page 30
Capex	Refer glossary	NA
Operating free cash flow	Refer glossary	NA
Net Debt	Refer glossary	NA
Capital Employed	Refer glossary	NA

7.2.1 Reconciliation of Non-GAAP financial information based on IFRS

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Profit / (loss) from operating activities before depreciation, amortization and exceptional items To EBITDA				
Profit / (Loss) from Operating Activities	304	280	887	744
Add: CSR Costs	1	1	3	3
EBITDA	305	281	890	747
Profit / (loss) from operating activities before depreciation, amortization and exceptional items to Cash Profit from Operations before Derivative & Exchange Fluctuation				
Profit / (Loss) from Operating Activities	304	280	887	744
Less: Finance cost (net) (Refer below)	53	98	246	289
Add: Derivatives and exchange (gain)/loss	(23)	36	27	62
Cash Profit from Operations before Derivative & Exchange Fluctuation	228	218	668	517
Reconciliation of Finance Cost				
Finance Cost	121	104	294	321
Less: Finance Income	(68)	(6)	(48)	(32)
Finance Cost (net)	53	98	246	289

SECTION 8

NET DEBT AND COST SCHEDULES

8.1 Africa – Consolidated Schedule of Net Debt in reported currency (Ongoing Operations)

Particulars	<i>Amount in US\$ Mn</i>		
	As at Dec 31, 2018	As at Dec 31, 2017	As at Mar 31, 2018
Long term borrow ing, net of current portion	2,779	3,864	3,877
Short-term borrow ings and current portion of long-term borrow ing	771	2,813	2,880
Less:			
Cash and Cash Equivalents	572	254	238
Net Debt	2,977	6,423	6,519
Finance Lease Obligation	699	747	742
Net Debt including Finance Lease Obligations	3,677	7,170	7,261

8.2 Africa – Consolidated Schedule of Finance Cost in reported currency (Ongoing Operations)

Particulars	<i>Amount in US\$ Mn, except ratios</i>			
	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Interest on borrow ings & Finance charges	65	45	176	178
Interest on Finance Lease Obligation	19	19	59	59
Investment (income)/ loss	(8)	(3)	(16)	(10)
Finance cost excluding Derivatives & Forex	76	62	219	227
Add : Derivatives and exchange (gain)/ loss	(23)	36	27	62
Finance cost (net of Derivatives & Forex)	53	98	246	289

8.3 Africa Schedule of Operating Expenses (Ongoing Operations – In Constant Currency)

Particulars	<i>Amount in US\$ Mn, except ratios</i>			
	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Access charges	89	90	261	270
Cost of goods sold	32	24	86	73
Licence fees, revenue share & spectrum charges	48	42	141	134
Netw ork operations costs	185	165	527	497
Employee costs	64	58	188	177
Selling, general and administration expense	123	119	374	347
Operating Expenses	540	497	1,577	1,497

Refer note 2 on page no. 6

8.4 Africa Schedule of Depreciation & Amortization (Ongoing Operations – In Constant Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Depreciation	97	85	275	277
Amortization	21	19	59	67
Depreciation & Amortization	118	104	334	344

Refer note 2 on page no. 6

8.5 Africa Schedule of Income Tax (Ongoing Operations – In Constant Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Current tax expense	32	25	91	94
Deferred tax expense / (income)	1	1	8	21
Income tax expense	33	26	98	116

Refer note 2 on page no. 6

8.6 Africa Schedule of Operating Expenses (Ongoing Operations – Reported Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Access charges	87	95	257	286
Cost of goods sold	30	24	83	73
Licence fees, revenue share & spectrum charges	46	42	138	134
Network operations costs	179	173	517	523
Employee costs	62	58	185	180
Selling, general and administration expense	121	124	373	364
Operating Expenses	524	516	1,552	1,561

8.7 Africa Schedule of Depreciation & Amortization (Ongoing Operations – Reported Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Depreciation	94	87	270	287
Amortization	20	21	58	72
Depreciation & Amortization	114	108	328	359

8.8 Africa Schedule of Income Tax (Ongoing Operations – Reported Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-18	Dec-17	Dec-18	Dec-17
Current tax expense	30	25	87	95
Deferred tax expense / (income)	1	2	8	22
Income tax expense	32	26	95	117

SECTION 9

TRENDS AND RATIO ANALYSIS

9.1 Based on Statement of Operations

9.1.1 Africa: Ongoing Operations (In USD Reported Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	823	808	786	773	793
Access charges	87	85	85	85	95
Cost of goods sold	30	26	27	25	24
Net revenues	706	696	674	662	675
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	361	356	354	344	354
Licence Fee	46	47	45	46	42
EBITDA	305	299	286	277	281
Cash Profit from operations before Derivative and Exchange Flucations	228	221	218	172	218
EBIT	190	193	176	174	171
Share of results of associate	(1)	0	0	(0)	0
Profit before Tax	136	61	115	58	74
Profit after Tax (before exceptional items)	105	43	69	16	47
Non Controlling Interest (before exceptional items)	6	7	7	26	16
Net income (before exceptional items)	99	36	61	(9)	31
Exceptional items (net)	(9)	(18)	(99)	(18)	53
Profit after Tax (after exceptional items)	114	62	167	34	(6)
Non Controlling Interest	7	(2)	25	17	6
Net income	107	64	143	17	(12)
Capex	170	106	49	250	75
Operating Free Cash Flow (EBITDA - Capex)	135	194	237	28	206
Total Capital Employed	6,098	6,173	6,208	6,199	6,153

	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
As a % of Total revenues					
Access charges	10.5%	10.6%	10.8%	11.0%	11.9%
Cost of goods sold	3.6%	3.3%	3.4%	3.3%	3.0%
Net revenues	85.8%	86.2%	85.8%	85.7%	85.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	43.8%	44.1%	45.1%	44.6%	44.7%
Licence Fee	5.6%	5.8%	5.7%	6.0%	5.3%
EBITDA	37.1%	37.1%	36.3%	35.9%	35.4%
Cash Profit from operations before Derivative and Exchange Flucations	27.7%	27.4%	27.8%	22.2%	27.5%
EBIT	23.1%	23.9%	22.4%	22.5%	21.6%
Share of results of associate	-0.1%	0.0%	0.0%	0.0%	0.0%
Profit before Tax	16.6%	7.6%	14.6%	7.5%	9.3%
Profit after Tax (before exceptional items)	12.7%	5.4%	8.7%	2.1%	5.9%
Non Controlling Interest (before exceptional items)	0.7%	0.9%	1.0%	3.3%	2.0%
Net income (before exceptional items)	12.0%	4.4%	7.8%	-1.2%	3.9%
Exceptional items (net)	-1.1%	-2.3%	-12.5%	-2.3%	6.7%
Profit after Tax (after exceptional items)	13.8%	7.6%	21.3%	4.5%	-0.8%
Non Controlling Interest	0.9%	-0.3%	3.2%	2.2%	0.8%
Net income	13.0%	7.9%	18.1%	2.2%	-1.6%

Refer Note No. 1&2 on page no. 5

9.1.2 Africa: Ongoing Operations (In USD Constant Currency)

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	853	824	794	772	767
Access charges	89	87	86	85	90
Cost of goods sold	32	27	27	25	24
Net revenues	732	710	681	661	654
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	371	360	355	342	341
Licence Fee	48	48	45	46	42
EBITDA	317	305	289	277	272
Cash Profit from operations before Derivative and Exchange Flucations	239	228	222	171	210
EBIT	198	197	178	173	166
Share of results of associate	(1)	0	0	(0)	0
Profit before Tax (before exceptional items)*	120	121	113	69	106
Profit after Tax (before exceptional items)	87	103	65	28	80
Non Controlling Interest (before exceptional items)	6	7	7	26	16
Net income (before exceptional items)	82	95	58	2	64
Exceptional items (net)	(8)	(18)	(99)	(18)	47
Profit after Tax (after exceptional items)	96	121	164	46	33
Non Controlling Interest	7	(2)	25	17	6
Net income	88	123	140	29	27
Capex	170	106	49	250	75
Operating Free Cash Flow (EBITDA - Capex)	147	200	240	27	197
Total Capital Employed	6,098	6,173	6,208	6,199	6,153

	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
As a % of Total revenues					
Access charges	10.4%	10.5%	10.8%	11.1%	11.7%
Cost of goods sold	3.7%	3.3%	3.4%	3.3%	3.1%
Net revenues	85.8%	86.2%	85.8%	85.7%	85.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	43.5%	43.8%	44.7%	44.3%	44.4%
Licence Fee	5.6%	5.8%	5.7%	6.0%	5.4%
EBITDA	37.2%	37.1%	36.4%	35.9%	35.5%
Cash Profit from operations before Derivative and Exchange Flucations	28.0%	27.6%	28.0%	22.2%	27.4%
EBIT	23.2%	24.0%	22.5%	22.5%	21.7%
Share of results of associate	-0.1%	0.0%	0.0%	0.0%	0.0%
Profit before Tax	14.1%	14.7%	14.2%	8.9%	13.8%
Profit after Tax (before exceptional items)	10.2%	12.5%	8.2%	3.6%	10.4%
Non Controlling Interest (before exceptional items)	0.7%	0.9%	0.9%	3.3%	2.1%
Net income (before exceptional items)	9.6%	11.6%	7.3%	0.3%	8.4%
Exceptional items (net)	-1.0%	-2.2%	-12.5%	-2.3%	6.2%
Profit after Tax (after exceptional items)	11.2%	14.7%	20.7%	5.9%	4.2%
Non Controlling Interest	0.8%	-0.3%	3.1%	2.2%	0.8%
Net income	10.4%	15.0%	17.6%	3.7%	3.5%

*Derivative & Exchange fluctuation impact is excluded to calculate PBT in Constant Currency.
Refer Note No. 1 on page 5 and note 2 on page 6.

9.2 Based on Region Wise Statement of Operations

9.2.1 Nigeria

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	299	276	269	259	275
EBITDA	126	114	103	100	91
<i>EBITDA / Total revenues</i>	<i>42.0%</i>	<i>414%</i>	<i>38.4%</i>	<i>38.5%</i>	<i>33.1%</i>
EBIT	99	85	70	69	54
Capex	68	30	14	111	45
Operating Free Cash Flow (EBITDA - Capex)	57	84	89	(11)	46

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	303	277	270	260	243
EBITDA	127	115	103	100	81
<i>EBITDA / Total revenues</i>	<i>42.0%</i>	<i>414%</i>	<i>38.4%</i>	<i>38.5%</i>	<i>33.2%</i>
EBIT	100	86	70	69	48
Capex	68	30	14	111	45
Operating Free Cash Flow (EBITDA - Capex)	59	85	90	(11)	36

Refer Note No. 2 on page no. 6

9.2.2 East Africa (Kenya, Uganda, Rwanda, Tanzania, Malawi, Zambia)

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	297	295	283	273	278
EBITDA	105	99	89	84	92
<i>EBITDA / Total revenues</i>	35.3%	33.4%	31.4%	30.7%	32.9%
EBIT	54	55	38	40	54
Capex	65	53	21	95	16
Operating Free Cash Flow (EBITDA - Capex)	40	46	68	(11)	75

Refer Note No. 2 on page no. 5

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	314	302	286	273	280
EBITDA	112	102	90	84	92
<i>EBITDA / Total revenues</i>	35.8%	33.8%	31.6%	30.7%	32.9%
EBIT	60	58	39	40	54
Capex	65	53	21	95	16
Operating Free Cash Flow (EBITDA - Capex)	47	49	69	(11)	76

Refer Note No. 2 on page no. 6

9.2.3 Rest of Africa (Niger, Gabon, T Chad, Congo, DRC, Madagascar, Seychelles)

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	233	241	239	245	244
EBITDA	80	85	80	96	85
<i>EBITDA / Total revenues</i>	<i>34.4%</i>	<i>35.4%</i>	<i>33.6%</i>	<i>39.4%</i>	<i>34.8%</i>
EBIT	44	51	29	46	25
Capex	36	22	14	44	11
Operating Free Cash Flow (EBITDA - Capex)	44	63	67	53	74

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	244	248	243	244	249
EBITDA	84	87	82	96	86
<i>EBITDA / Total revenues</i>	<i>34.2%</i>	<i>35.2%</i>	<i>33.7%</i>	<i>39.3%</i>	<i>34.8%</i>
EBIT	46	53	30	45	25
Capex	36	22	14	44	11
Operating Free Cash Flow (EBITDA - Capex)	47	65	68	52	76

Refer Note No. 2 on page no. 6

9.3 Based on Product Wise Statement of Operations

9.3.1 Mobile - Summarized Statement of Operations

9.3.1.1 Africa Mobile: Ongoing Operations

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	784	769	747	736	757
EBITDA	282	278	256	265	254
<i>EBITDA / Total revenues</i>	<i>36.0%</i>	<i>36.1%</i>	<i>34.3%</i>	<i>36.0%</i>	<i>33.5%</i>
EBIT	172	172	122	140	121
Capex	167	102	48	248	71
Operating Free Cash Flow (EBITDA - Capex)	115	176	208	16	183

Refer Note No. 1 & 2 on page no. 4

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	812	784	754	735	731
EBITDA	293	283	259	264	245
<i>EBITDA / Total revenues</i>	<i>36.1%</i>	<i>36.1%</i>	<i>34.4%</i>	<i>36.0%</i>	<i>33.6%</i>
EBIT	178	176	123	140	116
Capex	167	102	48	248	71
Operating Free Cash Flow (EBITDA - Capex)	125	181	211	16	174

Refer Note No. 1 on page 5 and note 2 on page 6

9.3.1.2 Nigeria Mobile

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	298	275	268	258	275
EBITDA	124	113	102	99	91
<i>EBITDA / Total revenues</i>	<i>416%</i>	<i>41%</i>	<i>38.2%</i>	<i>38.3%</i>	<i>33.0%</i>
EBIT	97	84	69	68	54
Capex	68	30	14	111	45
Operating Free Cash Flow (EBITDA - Capex)	55	83	88	(12)	46

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	301	276	268	259	243
EBITDA	125	114	103	99	80
<i>EBITDA / Total revenues</i>	416%	41%	38.2%	38.3%	33.1%
EBIT	98	84	69	68	48
Capex	68	30	14	111	45
Operating Free Cash Flow (EBITDA - Capex)	57	84	89	(12)	35

Refer Note No. 2 on page no. 5

9.3.1.3 East Africa Mobile (Kenya, Uganda, Rwanda, Tanzania, Malawi, Zambia)

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	268	269	255	247	253
EBITDA	89	87	78	74	82
<i>EBITDA / Total revenues</i>	33.3%	32.2%	30.4%	30.1%	32.5%
EBIT	41	44	28	32	46
Capex	63	50	21	94	15
Operating Free Cash Flow (EBITDA - Capex)	27	37	57	(19)	67

Refer Note No. 2 on page no. 4

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	283	275	258	247	255
EBITDA	96	89	79	74	83
<i>EBITDA / Total revenues</i>	33.9%	32.5%	30.6%	30.1%	32.5%
EBIT	45	46	29	32	46
Capex	63	50	21	94	15
Operating Free Cash Flow (EBITDA - Capex)	33	40	58	(19)	68

Refer Note No. 1 on page 5 and note 2 on page 6

9.3.1.4 Rest of Africa Mobile (Niger, Gabon, T Chad, Congo, DRC, Madagascar, Seychelles)

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	220	228	227	234	232
EBITDA	69	78	76	91	81
<i>EBITDA / Total revenues</i>	314%	34.2%	33.6%	39.1%	34.8%
EBIT	34	45	25	41	21
Capex	36	22	14	44	11
Operating Free Cash Flow (EBITDA - Capex)	33	56	63	48	70

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Total revenues	230	235	231	232	237
EBITDA	72	80	78	91	82
<i>EBITDA / Total revenues</i>	312%	34.0%	33.7%	39.0%	34.8%
EBIT	35	46	26	40	22
Capex	36	22	14	44	11
Operating Free Cash Flow (EBITDA - Capex)	36	58	64	47	72

Refer Note No. 2 on page no. 5

9.3.2 Airtel Money - Summarized Statement of Operations

9.3.2.1 Airtel Money: Ongoing Operations

In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		
	Dec-18	Sep-18	Jun-18
Total revenues	64	53	50
EBITDA	29	20	16
<i>EBITDA / Total revenues</i>	<i>44.4%</i>	<i>38.3%</i>	<i>32.9%</i>
EBIT	26	19	15
Capex	2	3	0
Operating Free Cash Flow (EBITDA - Capex)	26	17	16

Refer Note No. 1& 2 on page no. 4

In Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended		
	Dec-18	Sep-18	Jun-18
Total revenues	68	55	50
EBITDA	30	21	17
<i>EBITDA / Total revenues</i>	<i>44.4%</i>	<i>38.6%</i>	<i>33.0%</i>
EBIT	28	20	15
Capex	2	3	0
Operating Free Cash Flow (EBITDA - Capex)	28	18	16

Refer Note No. 1 on page 5 and note 2 on page 6

9.4 Operational Performance Trends

9.4.1 Africa - Operational Performance

Parameters	Unit	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Customer Base	000's	97,922	94,096	91,193	89,262	84,130
Net Additions	000's	3,827	2,903	1,930	5,133	5,388
Monthly Churn	%	4.7%	4.8%	4.9%	4.1%	4.1%
Average Revenue Per User (ARPU)	US\$	3.0	3.0	2.9	3.0	3.2
Voice						
Voice Revenue	\$ Mn	526	517	500	497	507
Minutes on the network	Mn	52,445	52,357	49,666	44,688	41,928
Voice Average Revenue Per User (ARPU)	US\$	1.8	1.9	1.8	1.9	2.1
Voice Usage per customer	min	183	189	183	172	172
Data						
Data Revenue	\$ Mn	192	180	170	158	149
Data Customer Base	000's	29,264	27,113	26,376	24,941	23,324
As % of Customer Base	%	29.9%	28.8%	28.9%	27.9%	27.7%
Total MBs on the network	Mn MBs	105,338	88,808	77,811	69,705	65,544
Data Average Revenue Per User (ARPU)	US\$	2.3	2.3	2.2	2.2	2.3
Data Usage per customer	MBs	1,248	1,113	1,006	963	997
Airtel Money						
Transaction Value	US\$ Mn	6,917	6,263	6,090	5,645	5,358
Transaction Value per Subs	US\$	166	163	168	170	182
Airtel Money Revenue	\$ Mn	68	55	50	46	40
Active Customers	000's	13,805	12,943	11,816	11,465	10,449
Airtel Money ARPU	US\$	1.6	1.4	1.4	1.4	1.4
Network & coverage						
Network towers	Nos	20,582	20,060	19,895	19,731	19,054
Owned towers	Nos	4,441	4,449	4,377	4,397	4,181
Leased towers	Nos	16,141	15,611	15,518	15,334	14,873
Of which Mobile Broadband towers	Nos	15,734	15,280	14,653	13,725	12,933
Total Mobile Broadband Base stations	Nos	29,650	26,338	23,754	20,093	16,863
Revenue Per site Per Month	US\$	13,954	13,717	13,326	13,237	13,423

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6.

9.4.2 Nigeria - Operational Performance

Parameters	Unit	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Customer Base	000's	36,608	34,181	32,613	31,734	30,911
Net Additions	000's	2,427	1,568	878	823	3,008
Monthly Churn	%	4.2%	4.4%	4.8%	5.1%	3.1%
Average Revenue Per User (ARPU)	US\$	2.9	2.8	2.8	2.8	2.8
Voice						
Voice Revenue	\$ Mn	199	185	184	183	174
Minutes on the network	Mn	15,368	14,592	14,396	13,660	12,833
Voice Average Revenue Per User (ARPU)	US\$	1.9	1.9	1.9	1.9	2.0
Voice Usage per customer	min	145	146	149	145	147
Data						
Data Revenue	\$ Mn	71	63	58	52	46
Data Customer Base	000's	13,580	12,810	12,087	11,161	10,694
<i>As % of Customer Base</i>	%	37.1%	37.5%	37.1%	35.2%	34.6%
Total MBs on the network	Mn MBs	54,005	43,067	35,928	34,324	34,452
Data Average Revenue Per User (ARPU)	US\$	1.8	1.7	1.7	1.6	1.5
Data Usage per customer	MBs	1,358	1,153	1,030	1,045	1,140
Network & coverage						
Network towers	Nos	7,997	7,618	7,452	7,413	7,363
<i>Owned towers</i>	Nos	259	258	235	228	269
<i>Leased towers</i>	Nos	7,738	7,360	7,217	7,185	7,094
Of which Mobile Broadband towers	Nos	6,311	5,997	5,705	5,663	5,652
Total Mobile Broadband Base stations	Nos	10,369	8,311	6,651	5,932	5,652
Revenue Per site Per Month	US\$	12,903	12,268	12,074	11,693	10,966

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6.

9.4.3 East Africa - Operational Performance (Kenya, Uganda, Rwanda, Tanzania, Malawi, Zambia)

Parameters	Unit	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Customer Base	000's	42,535	41,265	40,043	38,958	35,072
Net Additions	000's	1,270	1,222	1,085	3,886	1,872
Monthly Churn	%	4.7%	5.0%	4.4%	2.6%	4.5%
Average Revenue Per User (ARPU)	US\$	2.5	2.5	2.4	2.5	2.7
Voice						
Voice Revenue	\$ Mn	172	169	154	150	161
Minutes on the network	Mn	30,048	30,428	28,171	24,913	22,684
Voice Average Revenue Per User (ARPU)	US\$	1.4	1.4	1.3	1.3	1.6
Voice Usage per customer	min	241	249	237	224	222
Data						
Data Revenue	\$ Mn	75	73	72	67	64
Data Customer Base	000's	10,807	10,252	10,411	10,070	9,153
<i>As % of Customer Base</i>	%	25.4%	24.8%	26.0%	25.8%	26.1%
Total MBs on the network	Mn MBs	41,353	36,620	33,801	28,694	25,280
Data Average Revenue Per User (ARPU)	US\$	2.4	2.4	2.3	2.3	2.5
Data Usage per customer	MBs	1,310	1,203	1,086	997	992
Network & coverage						
Network towers	Nos	8,346	8,204	8,214	8,126	7,520
<i>Owned towers</i>	Nos	2,425	2,447	2,423	2,439	2,200
<i>Leased towers</i>	Nos	5,921	5,757	5,791	5,687	5,320
Of which Mobile Broadband towers	Nos	6,487	6,358	6,176	5,624	4,936
Total Mobile Broadband Base stations	Nos	14,234	13,367	12,562	10,419	7,831
Revenue Per site Per Month	US\$	12,571	12,220	11,639	11,587	12,462

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6.

9.4.4 Rest of Africa- Operational Performance (Niger, Gabon, T Chad, Congo, DRC, Madagascar, Seychelles)

Parameters	Unit	Dec-18	Sep-18	Jun-18	Mar-18	Dec-17
Customer Base	000's	18,779	18,650	18,537	18,570	18,146
Net Additions	000's	129	113	(33)	424	507
Monthly Churn	%	5.5%	5.4%	6.0%	5.7%	5.2%
Average Revenue Per User (ARPU)	US\$	4.4	4.5	4.3	4.4	4.6
Voice						
Voice Revenue	\$ Mn	162	168	166	168	176
Minutes on the network	Mn	7,029	7,337	7,099	6,114	6,411
Voice Average Revenue Per User (ARPU)	US\$	2.9	3.0	3.0	3.1	3.3
Voice Usage per customer	min	126	132	127	111	119
Data						
Data Revenue	\$ Mn	46	44	40	40	39
Data Customer Base	000's	4,877	4,052	3,878	3,710	3,477
<i>As % of Customer Base</i>	%	26.0%	21.7%	20.9%	20.0%	19.2%
Total MBs on the network	Mn MBs	9,980	9,121	8,082	6,687	5,812
Data Average Revenue Per User (ARPU)	US\$	3.5	3.7	3.6	3.7	3.9
Data Usage per customer	MBs	766	761	712	622	581
Network & coverage						
Network towers	Nos	4,239	4,238	4,229	4,192	4,171
<i>Owned towers</i>	Nos	1,757	1,744	1,719	1,730	1,712
<i>Leased towers</i>	Nos	2,482	2,494	2,510	2,462	2,459
Of which Mobile Broadband towers	Nos	2,936	2,925	2,772	2,438	2,345
Total Mobile Broadband Base stations	Nos	5,047	4,660	4,541	3,742	3,380
Revenue Per site Per Month	US\$	19,154	19,522	19,167	19,387	19,804

KPIs in Constant Currency rates. Refer Note No. 2 on page no. 6.

SECTION 10

KEY ACCOUNTING POLICIES (AS PER IFRS)

- **Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment loss. All direct costs relating to the acquisition and installation of property and equipment are capitalized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets.

Assets	Years
Building	20
Network equipment	3-20
Assets taken on finance lease	Period of lease or 10 years, as applicable, whichever is less
Computer equipment	3
Furniture & Fixture and office equipment	2 – 5
Vehicles	3 – 5
Leasehold improvements	Period of the lease or 10/20 years, as applicable, whichever is less
Leasehold Land	Period of the lease

Land is not depreciated. The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each reporting date so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Costs of additions and substantial improvements to property and equipment are capitalized. The costs of maintenance and repairs of property and equipment are charged to operating expenses.

- **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition.

Goodwill is not subject to amortization but is tested for impairment annually and when circumstances indicate, the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill are not reversed in future periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss recognized in the Income statement on disposal.

- **Other Intangible assets**

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits

attributed to the asset will flow to the Group and the cost of the asset can be measured reliably.

The intangible assets that are acquired in a business combination are recognized at its fair value there at. Other intangible assets are recognized at cost. These assets having finite useful life are carried at cost less accumulated amortization and any impairment losses. Amortization is computed using the straight-line method over the expected useful life of intangible assets.

The Group has established the estimated useful lives of different categories of intangible assets as follows:

- a. **Licenses (including spectrum)**

Acquired licenses and spectrum are amortized commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful lives range from two years to twenty five years.

The revenue-share based fee on licenses / spectrum is charged to the Income statement in the period such cost is incurred.

- b. **Software:** Software are amortized over the period of license, generally not exceeding three years.

- c. **Bandwidth:** Bandwidth is amortized over the period of the agreement.

- d. **Other acquired intangible assets:** Other acquired intangible assets include the following:

Distribution network: One year to two years

Customer base: Over the estimated life of such relationships which ranges from one year to five years.

The useful lives and amortization method are reviewed, and adjusted appropriately, at least at each financial year end so as to ensure that the method and period of amortization are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and / or amortization method is accounted prospectively, and accordingly the amortization is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development includes the borrowing costs that are directly attributable to the acquisition or construction of qualifying assets and are presented separately in the balance sheet.

- **Investment in Joint Ventures and Associates**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the

financial and operating policy decisions of the investee but is not control or joint control over those policies.

Joint ventures and associates are accounted for from the date on which Group obtains joint control over the joint venture / starts exercising significant influence over the associate.

Accounting policies of the respective joint venture and associate are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under IFRS. The Group's investments in its joint ventures and associate are accounted for using the equity method. Accordingly, the investments are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Losses of a joint venture or an associate in excess of the Group's interest in that joint venture or associate are not recognized. However, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint ventures or associate.

At each reporting date, the Group determines whether there is objective evidence that the investment is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of investment and its carrying value.

- **Finance leases - Lessee accounting**

Leases where the lessor transfers substantially all the risks and rewards of ownership of the leased asset are classified as finance lease. Assets acquired under finance leases are capitalized at the lease inception at lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are apportioned between finance charges (recognized in the Income statement) and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability for each period.

Sale and leaseback transaction involves the sale and the leasing back of the same asset. In case it results in a finance lease, any profit or loss is not immediately recognized instead the asset leased back is retained at its carrying value and the amount received towards the leased back portion is recorded as a finance lease obligation. However, in case it results in an operating lease, any profit or loss is recognized immediately provided the transaction occurs at fair value.

- **Indefeasible right to use (IRU)**

The Group enters into 'Indefeasible right to use' arrangement wherein the assets are given on lease over the substantial part of the asset life. However, the title to the assets and significant risk associated with the operation and maintenance of these assets remains with the Group. Hence, such arrangements are recognised as operating lease.

The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the balance sheet.

Exchange of network capacity is recognised at fair value unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given is reliably measurable.

- **Derivative financial instruments**

Derivative financial instruments, including separated embedded derivatives that are not designated as hedging instruments in a hedging relationship are classified as financial instruments at fair value through profit or loss. Such derivative financial instruments are initially recognized at fair value. They are subsequently re-measured at their fair value, with changes in fair value being recognized in the Income statement within finance income / finance costs.

- **Hedging activities**

i. Fair value hedge

Some of the group entities use certain type of derivative financial instruments (viz. interest rate / currency swaps) to manage / mitigate their exposure to the risk of change in fair value of the borrowings. The Group designates certain interest rate swaps to hedge the risk of changes in fair value of recognized borrowings attributable to the hedged interest rate risk. The effective portion of changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Income statement within finance income / finance costs, together with any changes in the fair value of the hedged liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortized to profit or loss over the period to remaining maturity of the hedged item.

ii. Cash flow hedge

The Group designates certain derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation risk attributable to is either to a recognized item or a highly probable forecast transaction. The effective portion of changes in the fair value of derivative financial instruments (or its components), that are designated and qualify as Cash flow hedges, are recognized in the other comprehensive income and held in Cash flow hedge reserve. Any gains / (losses) relating to the ineffective portion, are recognized immediately in the Income statement. The amounts accumulated in Equity are re-classified to the Income statement in the periods when the hedged item affects profit / (loss).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gains / (losses) existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the Income statement. However, at any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the Income statement.

iii. Net investment hedge

The Group hedges its certain net investment in foreign subsidiaries which are accounted for similar to cash flow hedges. Accordingly, any foreign exchange differences on the hedging instrument (viz. borrowings) relating to the effective portion of the hedge is recognised in other comprehensive income and held in foreign currency translation reserve, so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognised in the Income statement. The amounts accumulated

in equity are included in the Income statement when the foreign operation is disposed or partially disposed.

- **Revenue recognition**

Effective April 1, 2018, the Company has adopted IFRS 15 "Revenue from Contracts with Customers" basis the cumulative effect method applied retrospectively to the contracts that are not completed as of April 1, 2018 (being date of initial application). Accordingly, the comparative information has not been restated. The effect on adoption of the said standard was insignificant on these financial statements.

Revenue is recognised upon transfer of control of promised products or services to customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. In order to determine if it is acting as a principal or as an agent, the Company assesses whether it is primarily responsible for fulfilling the performance obligation.

(i) Service revenues

Service revenues mainly pertain to usage, subscription and activation charges for voice, data, messaging and value added services. It also includes revenue towards interconnection/roaming charges for usage of the Company's network by other operators for voice, data, messaging and signaling services.

Usage charges are recognised based on actual usage. Subscription charges are recognised over the estimated customer relationship period or subscription pack validity period, whichever is lower. Customer onboarding revenue and associated cost is recognised upon successful onboarding of customer i.e. upfront.

The billing / collection in excess of revenue recognised is presented as deferred revenue in the Balance Sheet whereas unbilled revenue is recognised under other current financial assets.

Certain business' services revenue include income from registration and installation, which are amortized over the period of agreement since the date of activation of service.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services and over the period of arrangement respectively.

(ii) Multiple element arrangements

The Company has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent separate rate performance obligations.

Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices.

(iii) Equipment sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories for which revenue is recognised when the control of equipment is transferred to the customer. However, in case of equipment sale forming part of multiple-element revenue arrangements which is not separate performance obligation, revenue is recognised over the customer relationship period.

Interest income

The interest income is recognised using the Effective interest rate ('EIR') method.

Dividend income

Dividend income is recognised when the Company's right to receive the payment is established.

- **Exceptional items**

Exceptional items refer to items of income or expense within the Income statement from ordinary activities which are non-recurring and are of such size, nature or incidence that their Separate disclosure is considered necessary to explain the performance of the Group.

- **Foreign currency transactions**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the Income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value).

The assets and liabilities of foreign operations (including the goodwill and fair value adjustments arising on the acquisition of foreign entities) are translated into US Dollar (USD) (functional currency of parent) at the exchange rates prevailing at the reporting date whereas their Income statement are translated into USD at monthly average exchange rates and the equity is recorded at the historical rate. The resulting exchange differences arising on the translation are recognised in other comprehensive income and held in FCTR. On disposal of a foreign operation (that is, disposal involving loss of control), the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

- **Income-taxes**

Income tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date in the respective countries where the Group entities operate and generate taxable income.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Further,

deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Moreover, deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates - unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The unrecognized deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

- **Transactions with non-controlling interests**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The differences between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

SECTION 11

GLOSSARY

Technical and Industry Terms

Company Related	
Average Customers	Average customers are derived by computing the average of the monthly average customers for the relevant period.
Average Towers	Average towers are derived by computing the average of the Opening and Closing towers for the relevant period
Capex	It is not an IFRS measure and is defined as investment in gross fixed assets (tangible and intangible) and capital work in progress for the period.
Capital Employed	It is not an IFRS measure and is defined as sum of shareholder's equity and net debt.
Cash Profit From Operations before Derivative & Exchange Fluctuation	It is not an IFRS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for finance cost (net of finance income) before adjusting for derivative & exchange (gain)/ loss.
Churn	Churn is calculated by dividing the total number of disconnections during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Customer Base	Customer who made at least one revenue generating call or a data session of more than zero Kbs on 2G / 3G / 4G network in the last 30 days.
Customers Per Employee	Number of customers on networks of a business unit as at end of the relevant period divided by number of employees in the respective business unit as at end of the relevant period.
Data Customer Base	A customer who used at least 1 MB on GPRS / 3G / 4G network in the last 30 days.
Data Usage per Customer	It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period.
EBITDA	It is not an IFRS measure and is defined as profit from operating activities before interest, tax, depreciation, amortization and exceptional items and after reducing CSR cost.
EBITDA Margin	It is not an IFRS measure and is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.
EBIT	It is not an IFRS measure and is defined as EBITDA adjusted for depreciation and amortization.
Finance Lease Obligation (FLO)	Finance Lease Obligation represents present value of future obligation for assets taken on finance lease.
Gross Revenue per Employee per month	It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.

Mobile Broadband Base stations	It includes all the 3G and 4G Base stations deployed across all technologies/ Spectrum bands.
Mobile Broadband Towers	It means the total number of network towers (defined below) in which unique number of either 3G or 4G Base stations are deployed, irrespective of their technologies. Total numbers of Mobile Broadband Towers are subset of Total Network Towers.
Minutes of Usage	Minutes of Usage. Duration in minutes for which a customer uses the network. It is typically expressed over a period of one month.
Network Towers	Comprises of Base Transmission System (BTS) which holds the radio transceivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period.
Net Debt	It is not an IFRS measure and is defined as the long-term borrowings (net of current portion) plus short-term borrowings plus current portion of long-term borrowings minus cash and cash equivalents. The debt origination cost and fair value hedge are not included in the borrowings.
Net Debt to EBITDA (LTM)	It is computed by dividing net debt as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
Net Debt to EBITDA (Annualized)	It is computed by dividing net debt as at the end of the relevant period by EBITDA for the relevant period (annualized).
Net Revenues	It is not IFRS measure and is defined as total revenues adjusted for access charges and cost of goods sold for the relevant period.
Net profit margin	It is computed by dividing Cash Profit From Operations before Derivative & Exchange Fluctuation by total revenue.
Operating Free Cash flow	It is computed by subtracting capex from EBITDA.
Profit / (Loss) after current tax expense	It is not an IFRS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.
On Going Operations	In this report, the term "ongoing operations" refers to operations in African countries excluding for sold / divested units/countries and FTVPL investments. It refers to operations in 14 countries namely Nigeria, Kenya, Uganda, Rwanda, Tanzania, Malawi, Zambia, Niger, Gabon, T Chad, Congo, DRC, Madagascar, Seychelles
Return On Capital Employed (ROCE)	For the full year ended ROCE is computed by dividing the sum of net profit and finance cost (net) excluding finance charges and interest on FLO for the period by average (of opening and closing) capital employed. For the quarterly computation, it is computed by dividing the sum of net profit and finance cost (net) excluding finance charges and interest on FLO for the preceding (last) 12 months from the end of the relevant period by average capital employed. Average capital employed is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period.
Return On Equity attributable to equity holders of parent	For the full year ended it is computed by dividing net profit for the period by the average (of opening and closing) Equity attributable to equity holders of parent. For the quarterly computations, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by the average Stockholder's equity for the preceding (last) 12 months. Average Stockholder's equity is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period.
Revenue per Site per month	Revenue per Site per month is computed by: dividing the total mobile revenues, excluding sale of goods (if any) during the relevant period by the average sites; and dividing the result by the number of months in the relevant period.
Total Employees	Total on-roll employees as at the end of respective period and excludes 42% of Indus Towers employees in India.

Total MBs on Network	Includes total MBs consumed on the network (uploaded & downloaded) on our network during the relevant period.
Towers	Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to be revenue generating Towers.
Voice Minutes on Network	Includes usage on our network (incoming, outgoing & in-roaming minutes) during the relevant period.
Voice Minutes of Usage per Customer per month	It is calculated by dividing the voice minutes of usage on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.

Regulatory & Others

3G	Third - Generation Technology
4G	Fourth - Generation Technology
LTM	Last twelve months.
Mn	Million
GAAP	Generally Accepted Accounting Principles
KYC	Know Your Customer
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
PPE	Property, Plant and equipment

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