



December 2019

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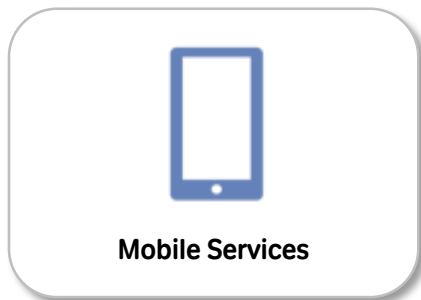
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INDIA



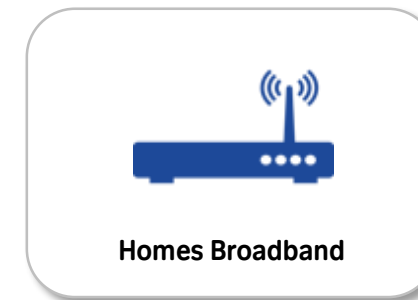
Our Portfolio: India



#2 Telecom Operator in India



#1 Enterprise Telco in India



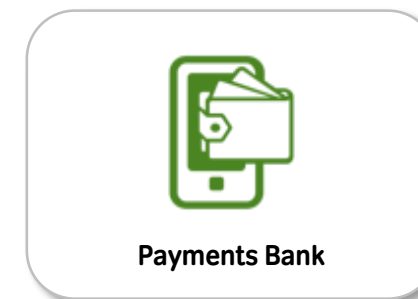
#1 Private Broadband Operator



16 M+ Customers



Among Top Passive Infra Provider



~50 M Banking Customers

Our Portfolio: India



Mobile Business

Customers (M)

283

Revenue (Rs Mn)

415,541

EBITDA %

22.7%

Homes Broadband

Customers (M)

2.3

Revenue (Rs Mn)

22,391

EBITDA %

48.3%

Airtel Business

Large Corporates

~2,000

Revenue (Rs Mn)

124,538

EBITDA %

32.6%

Digital TV

Customers (M)

15.4

Revenue (Rs Mn)

41,001

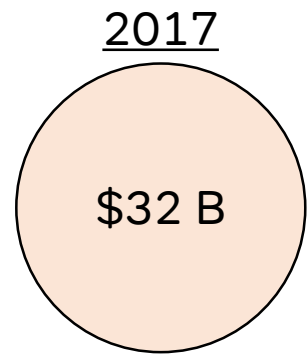
EBITDA %

38.3%

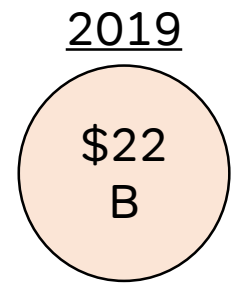
30 Months of Turbulence



30% Revenue Collapse



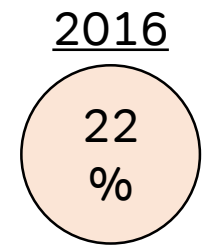
Indian Telecom Revenue



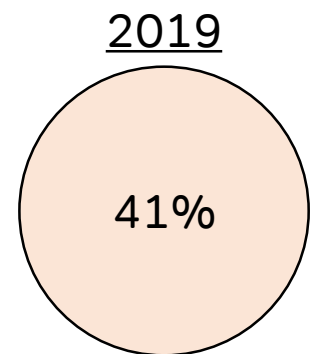
Industry Consolidation



Unprecedented Capex



Capex as % of Revenue



30 Months of Turbulence



30% Revenue Collapse

Explosive Data Usage (>10X)

Industry Consolidation

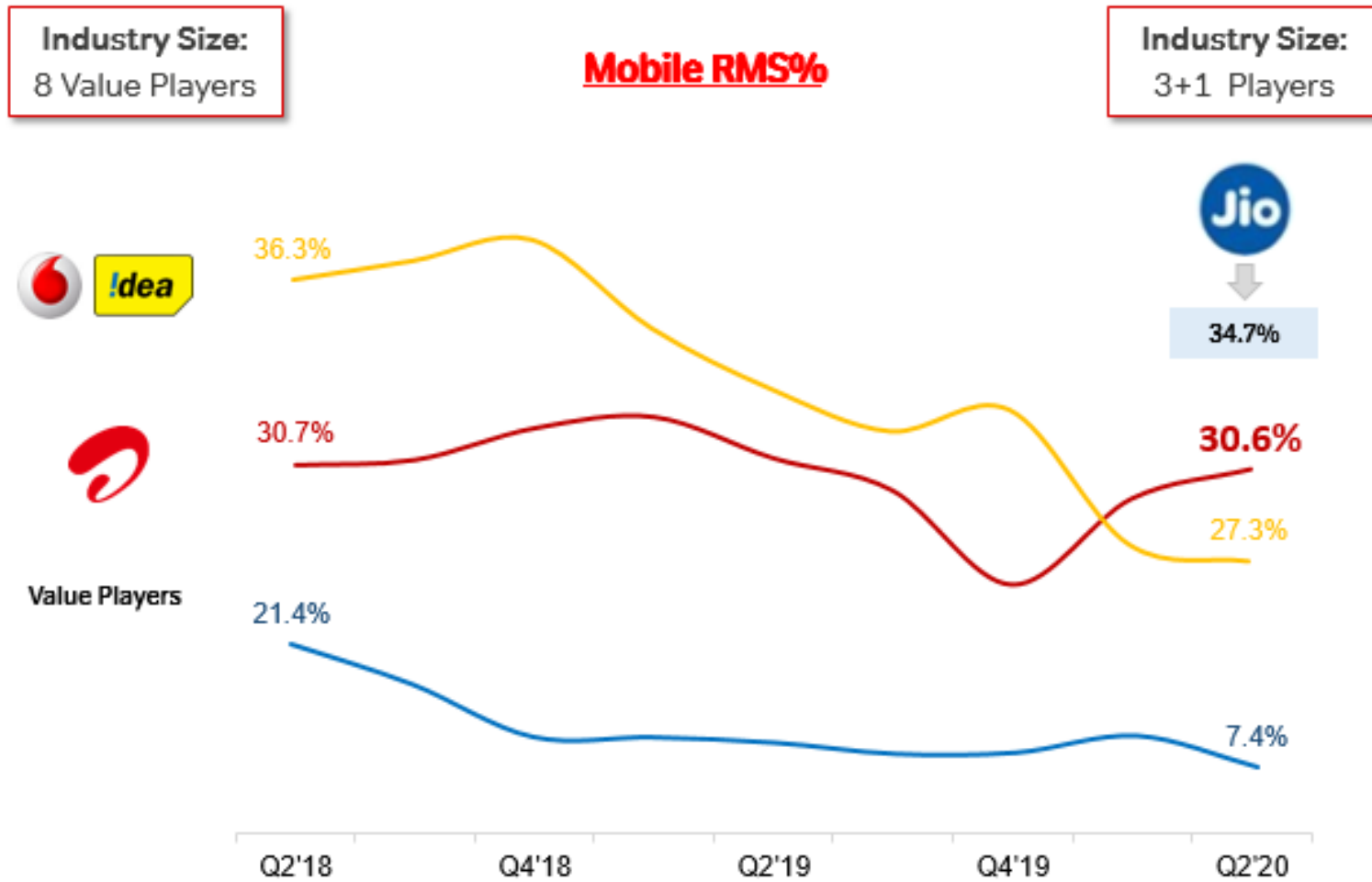
Disruption

Regulatory Shocks

Unprecedented Capex

Subsidies

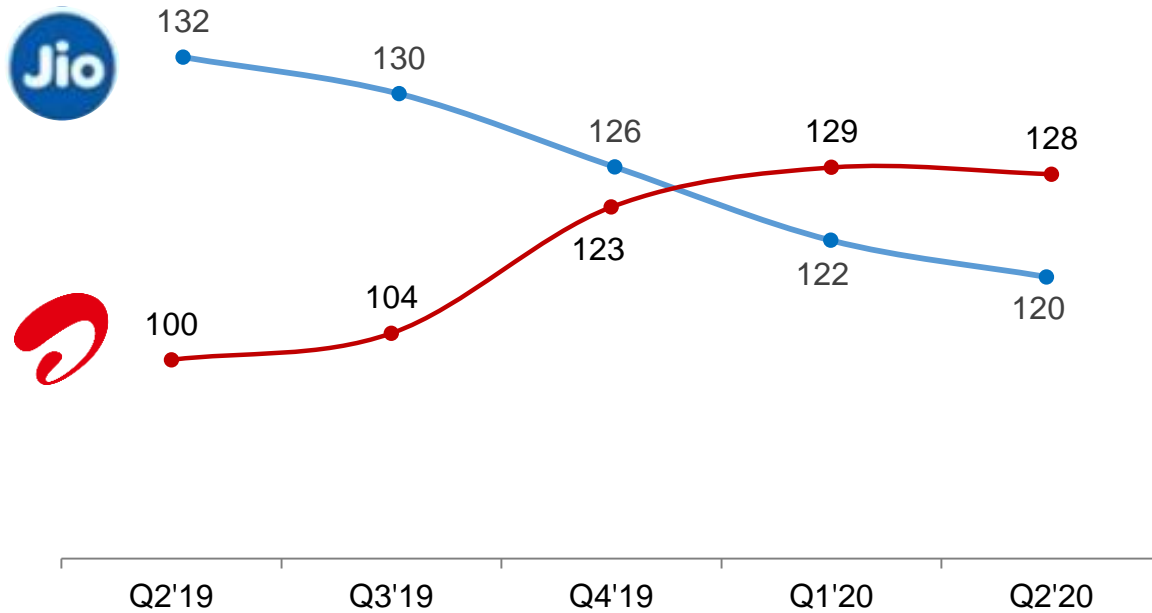
Airtel has held Market Share Despite all the Turbulence



And we have done so Efficiently – Grown ARPU, Held Costs



ARPU (Rs)



Highest Industry ARPU

Opex-India (Rs Bn)

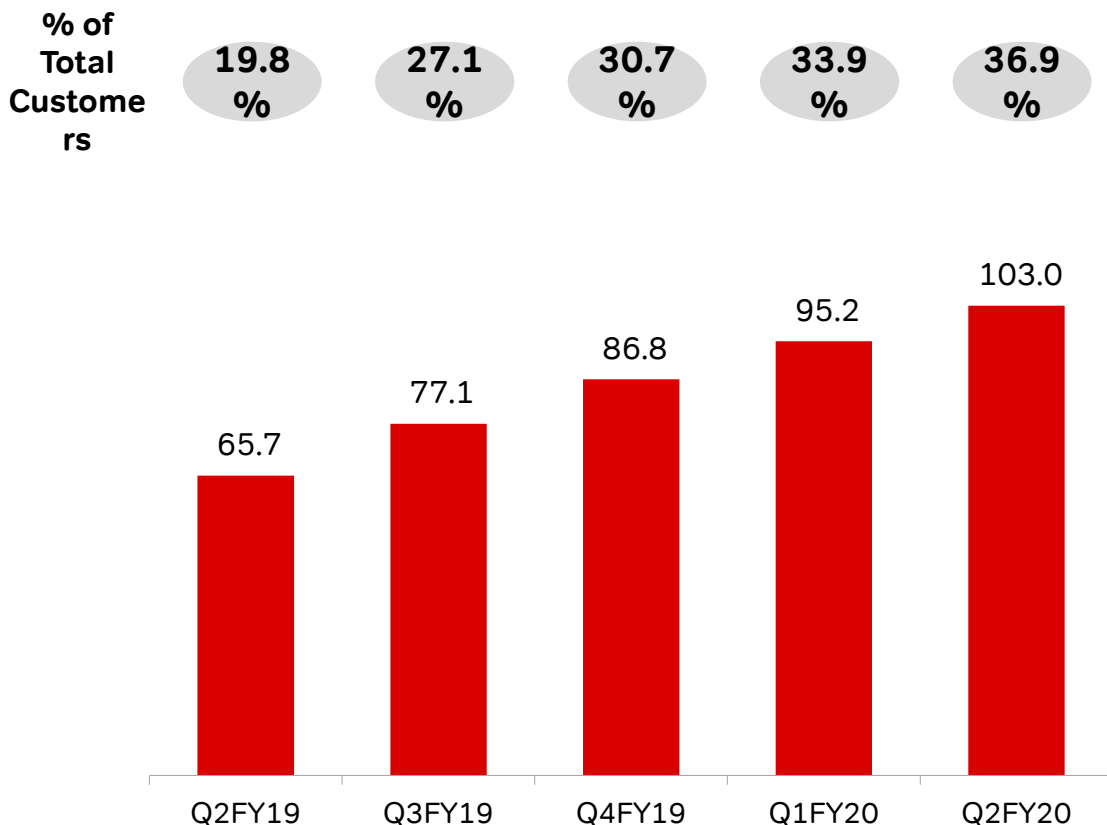


Stripped \$1.5B of waste

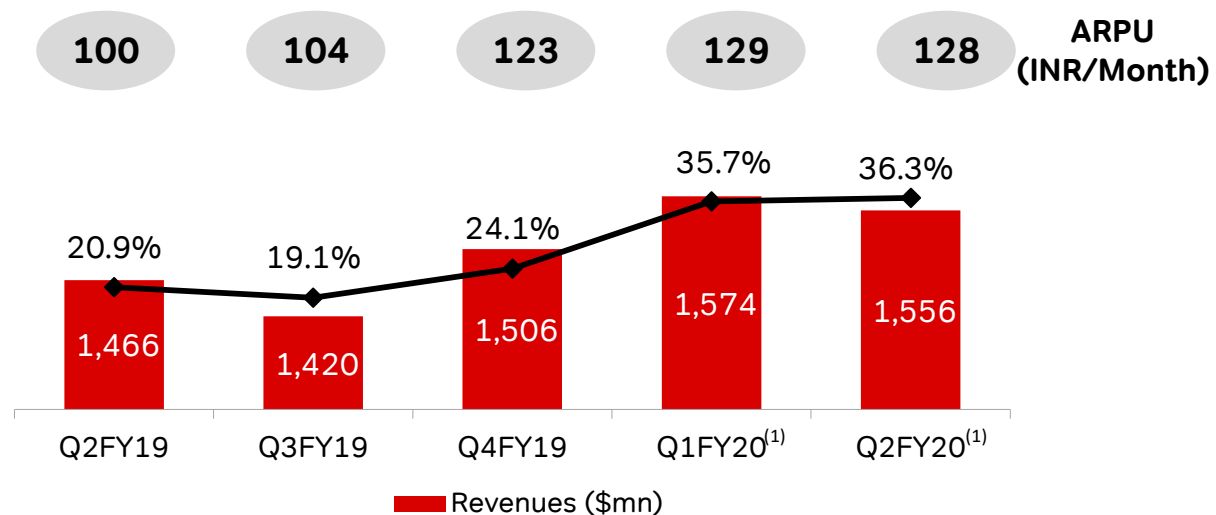
Massive Operating Leverage with ARPU Recovery



Expanding 4G Customer Base (Mn)



ARPU Directly Linked to India Mobile EBITDA



- Driven by Bharti Airtel's commitment to post-paid and high value customers
- Operational efficiencies from process re-engineering, digitization and automation, and business simplification
- Improvement in capex productivity through infrastructure sharing, smart procurement, and adoption disruptive technologies

Note: (1) Q1FY20 & Q2FY20 are post IndAS 116

Airtel Strategy



Quality Customers: Airtel Thanks



#airtelThanks
AN EXCLUSIVE REWARDS PROGRAM
On plans starting at ₹199

Install 'Airtel Thanks' App

Rewards to Customer Base of 150 Million Basis ARPU and Loyalty

Quality Customers: Deliver Differentiated Services



Rewards that Customers Really Value

Best-in-class Content

#airtelThønks
ENJOY AMAZON PRIME FOR 1 YEAR
Claim Now

Premium Device Care

#airtelThønks
FREE SCREEN REPLACEMENT
For your smartphone
Claim Now

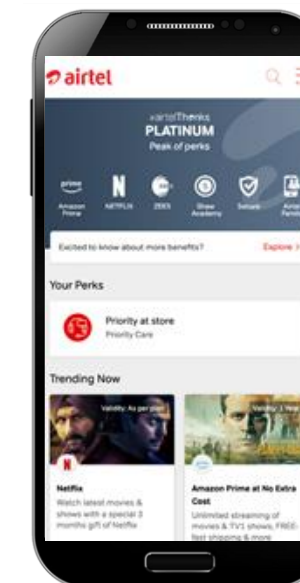
Affordable Financial Services

#airtelThønks
4 LAKH HDFC LIFE INSURANCE WITH 249 PACK
Claim Now

Core Telecom Service

#airtelThønks
ASSURED NETWORK AT HOME
Claim Now

Delivered through Aspirational Tiers



Quality Customers: Own the Home, Converged Solutions



Speed



Content



Mobile



Surveillance

INTRODUCING AIRTEL HOME

Three services. One Bill.
Zero switching cost.

Ask us for more details.

BROADBAND DTH MOBILE POSTPAID

WHY AIRTEL HOME?

ALL FOR YOUR CONVENIENCE

- ONE BILL
- ONE CALL CENTER

ZERO SWITCHING COST

- DTH HD BOX AT NO EXTRA COST
- WI-FI ROUTER AT NO EXTRA COST
- AIRTEL XSTREAM BOX AT AN AMAZING DISCOUNT

BIG SAVINGS

- POSTPAID CONNECTIONS AT NO EXTRA COST
- COMPLIMENTARY SERVICE VISITS
- 1 YEAR EXTENDED WARRANTY OF DTH BOX

PREMIUM ENTERTAINMENT BENEFITS

- NETFLIX FOR 3 MONTHS
- PRIME VIDEO FOR 1 YEAR
- AIRTEL TV PREMIUM FOR FREE
- ZEE5 ON US

T&C apply.

Quality Customers: Accelerate Enterprise Business

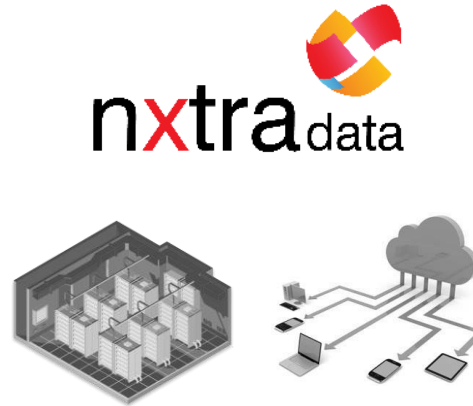


Rapid Expansion



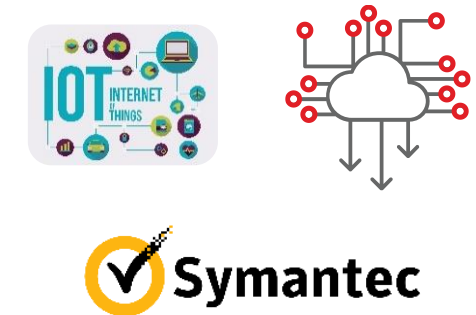
Grow SME, Expand Reach

Scale Data Centers



10 Large, 120+ Edge DCs

Build New Verticals



More Products, Stronger Partnerships

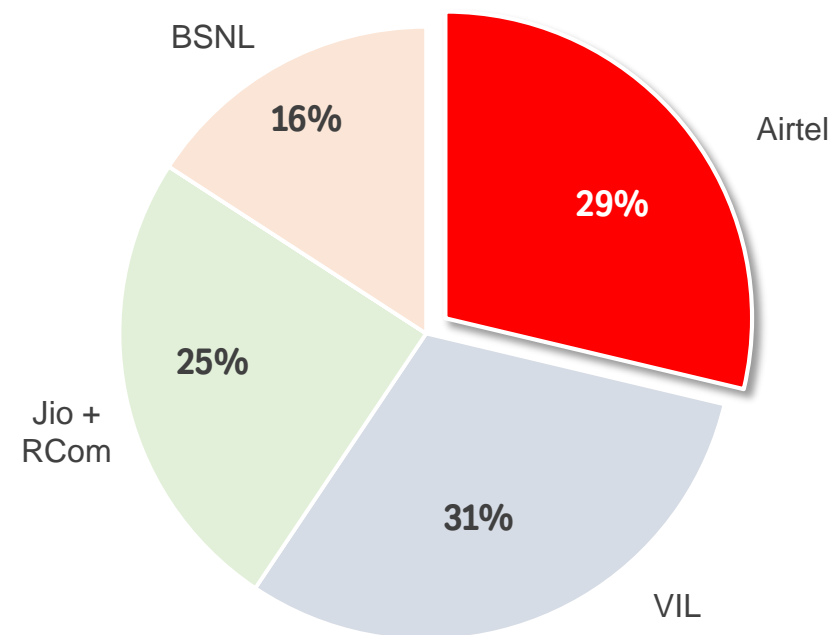
Massive Spectrum Holdings Across All Bands



Massive Spectrum Holdings Deployed for 4G

Spectrum band	MHz spectrum	Market Share (%)
800 and 900 MHz	255.3	Over 33% market share in each of the spectrum bands
1800 MHz	566.1	
2100 MHz	340.0	
2300 MHz	570.0	

Share of Spectrum

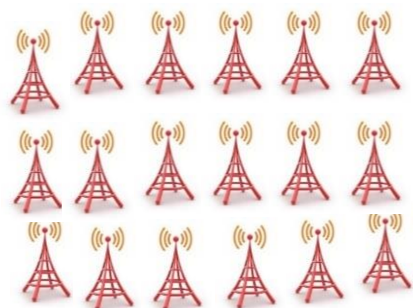


*Including spectrum acquired from Tata with effect from July 1, 2019
Table based on Unpaired spectrum*

Multiple Solutions to Create Capacity

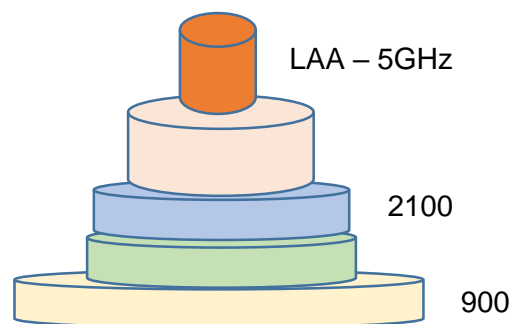


Largest Ever Deployment



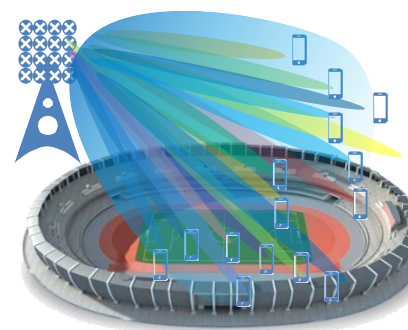
100K 4G sites in 2 years

Maximize 4G spectrum



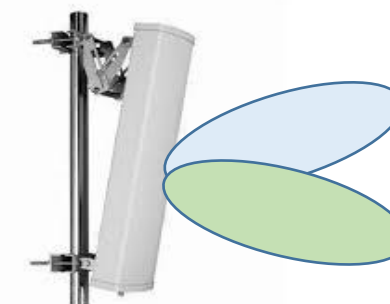
Augment current sites, VoLTE

Massive MIMO



3-5X Capacity Gain

Sectorization

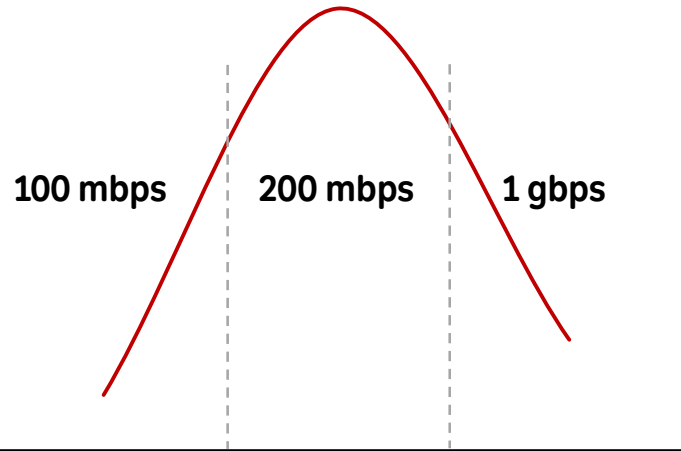


Hyper capacity sites

Backhaul Readiness for the Future

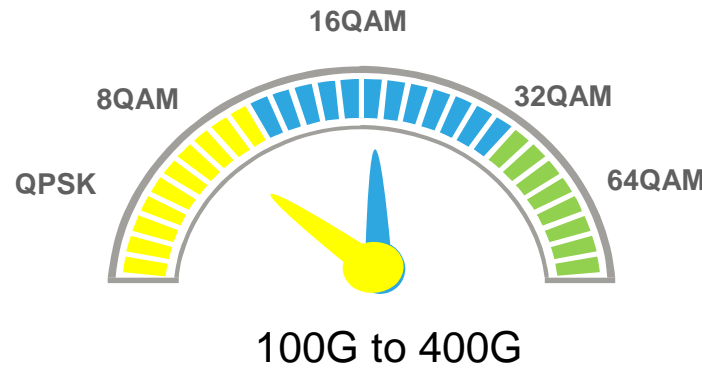


Extensive Fiber Roll-out

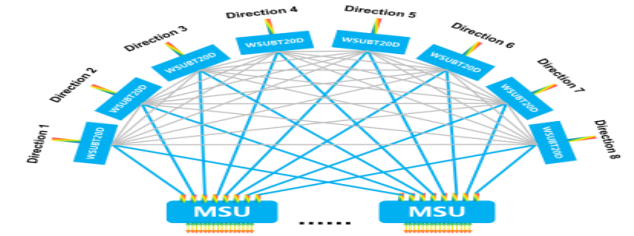


>70% of our Sites are 200+ Mbps

Extreme-scale Architecture



5G Ready Backbone

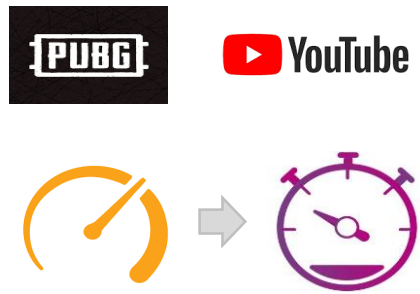


Self Healing 'IP over Photonics'

Obsessed with Network Quality

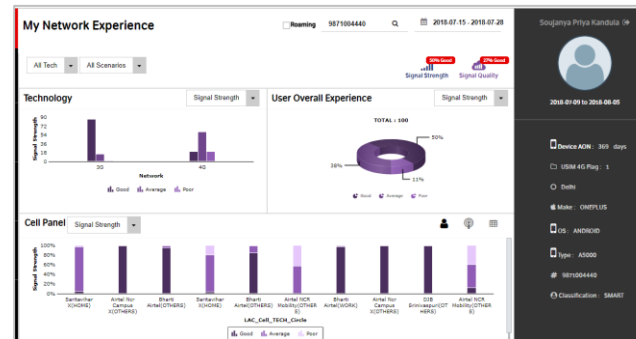


Tailored for Use Cases



Right Caching, Routing, Latency

Customer Level Performance



Digital Probes

Open & Transparent Telco

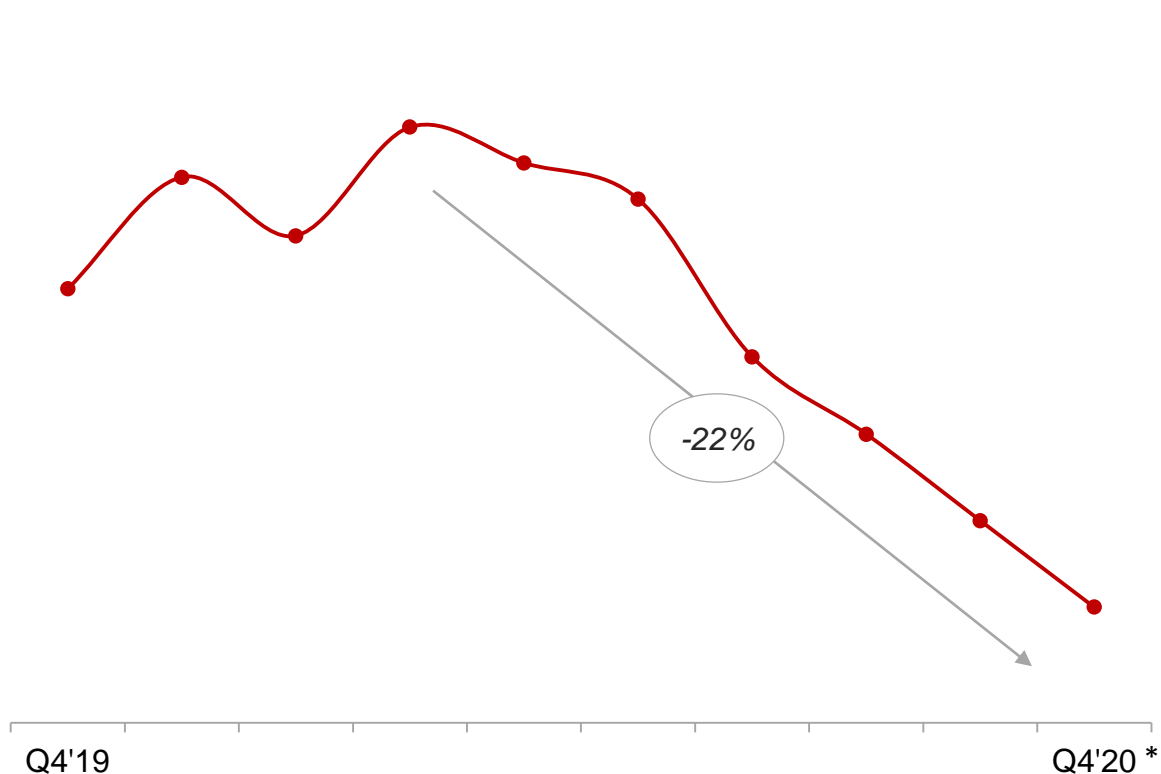


Proactive Customer Communication

Resulting in a Brilliant Customer Experience



Network Complaints



Data Speed



TUTELA

Continuously Recognized as Fastest 4G Network by Third Party

* Expected

Quality Customers

Brilliant Experience

Services at Scale

Micro Marketing

Simplify

War on Waste

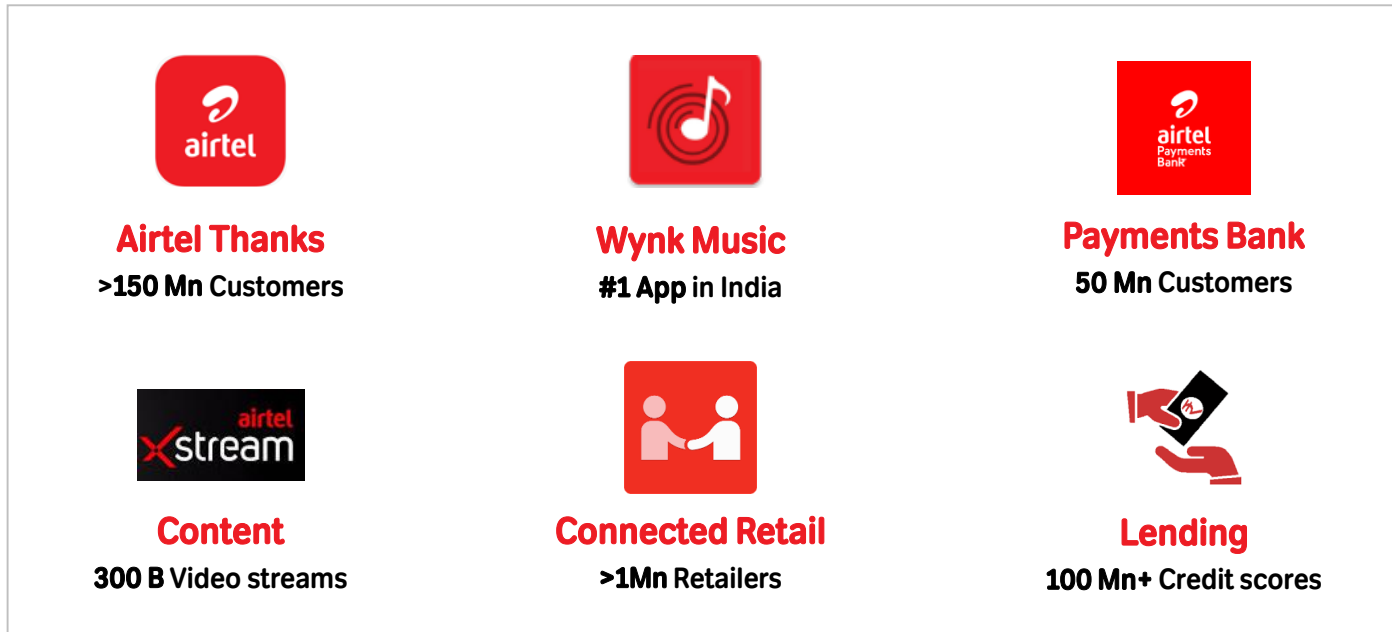
Powerful Partnerships

People: One Airtel

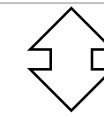
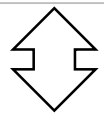
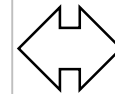
We have built a Digital Ecosystem on Top of the Core Telco



Airtel Digital Services

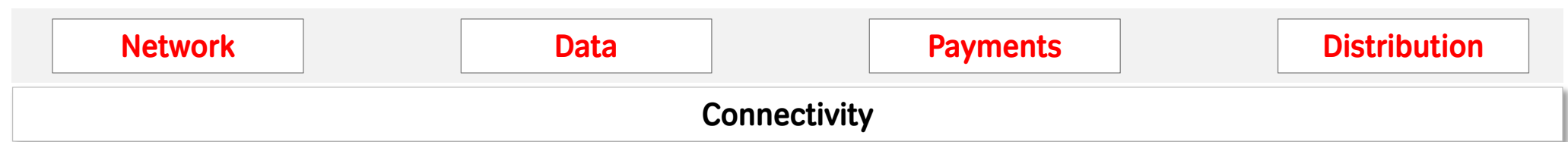


Enabled by Partners

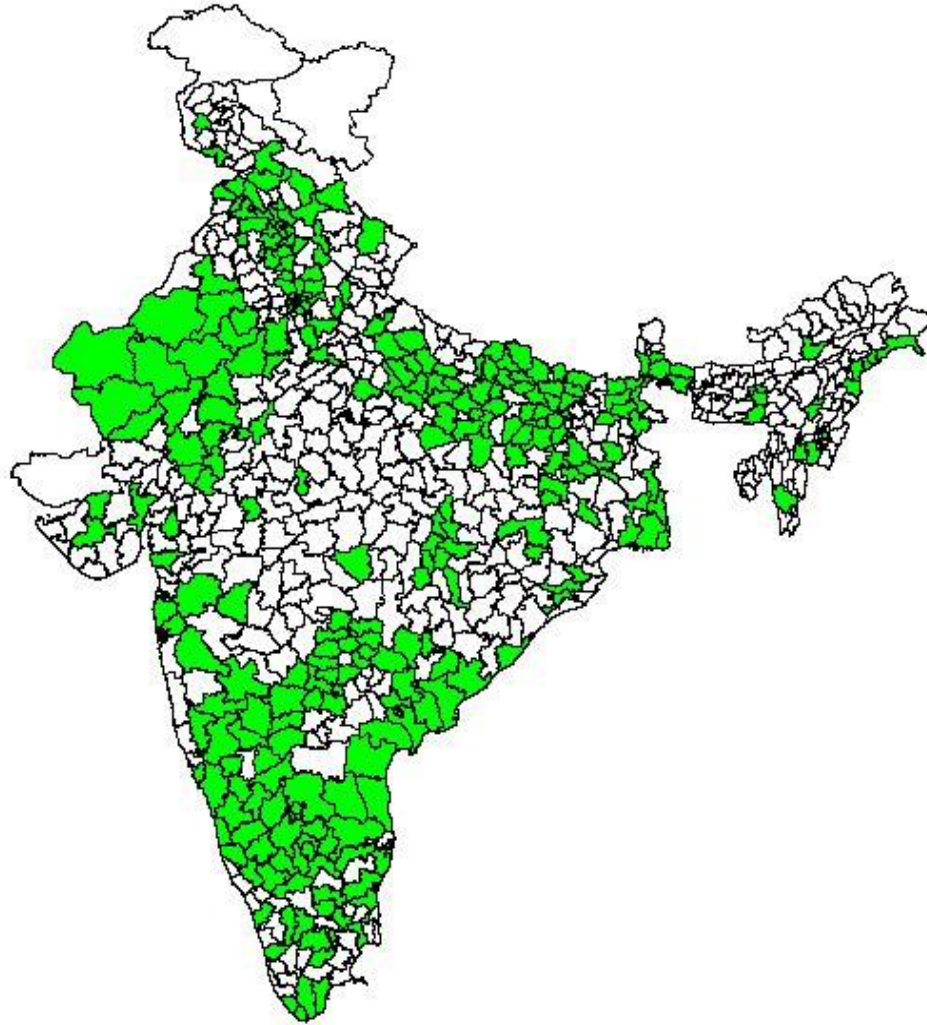


TEAM APIs

Core Telco



We Prioritize, Track and Drive Performance at a District Level



244 Priority Districts based on

- 1 Economic Potential (4G Market size)
- 2 Capital Efficient (Revenue per Tower)
- 3 Brand Affinity (Airtel 4G share)

Dramatic and Bold Simplification



Zero Tolerance on Faults



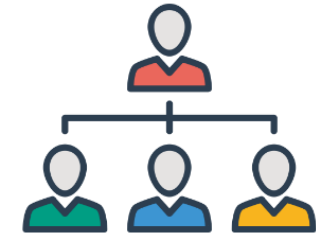
War on Failures

Digitize Processes



Workforce Management

Simplify Organization



Fewer, Bigger Roles

Partnerships Play a Central Role in our Strategy Execution



Partnership Principles

T

Transparent Commercials

E

Ease of Integration on our Platform

A

Accelerated Adoption of Partner Propositions

M

Mutual Growth





*Indian Telecom now at a
decisive cusp*

AFRICA



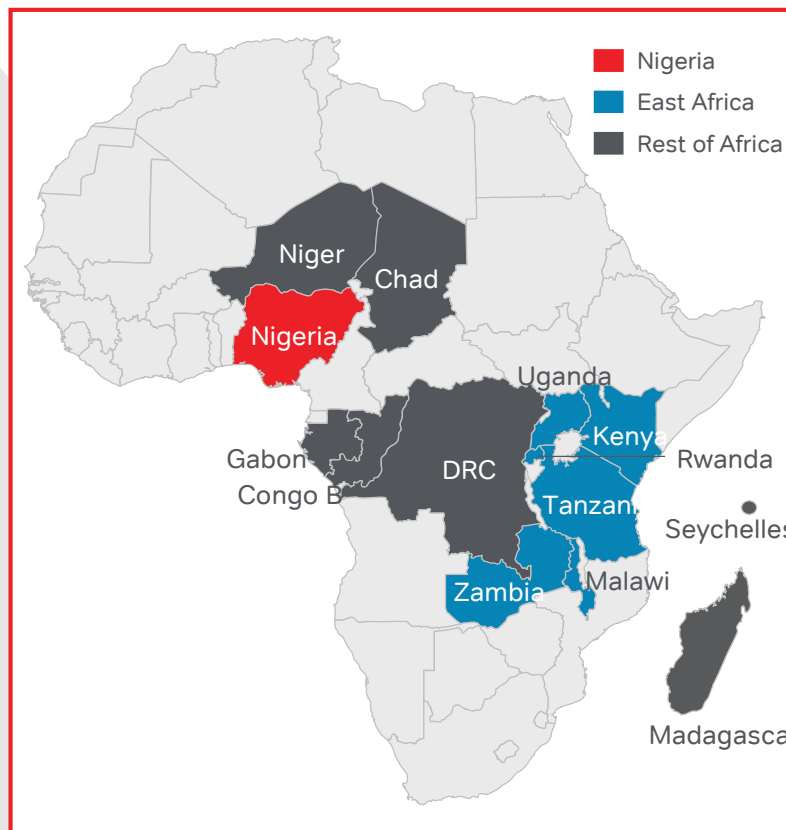
One of the Leading Telcos & Mobile Money Platform



14 Countries

#2 Largest Telecom Operator in Africa⁽¹⁾

#1 or **#2** in **12** out of **14** Markets⁽¹⁾



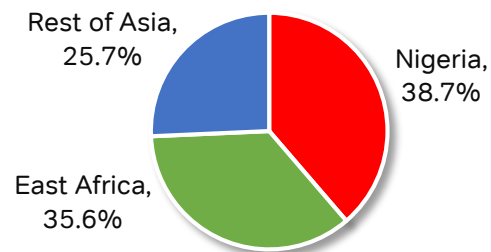
Premium Listed London
 Stock Ex FTSE 250

\$3.8bn Market Cap (4th Dec'19)

\$3.2bn Sep'19 Net Debt
 (includes Lease obligation of \$1.2 bn)

Geographically Diverse

Contribution to Revenue (%)
 Q2FY20



Financials

Reported Currency

\$3,280mn H1FY20 Annualized revenue

\$1,440mn H1FY20 Annualized EBITDA

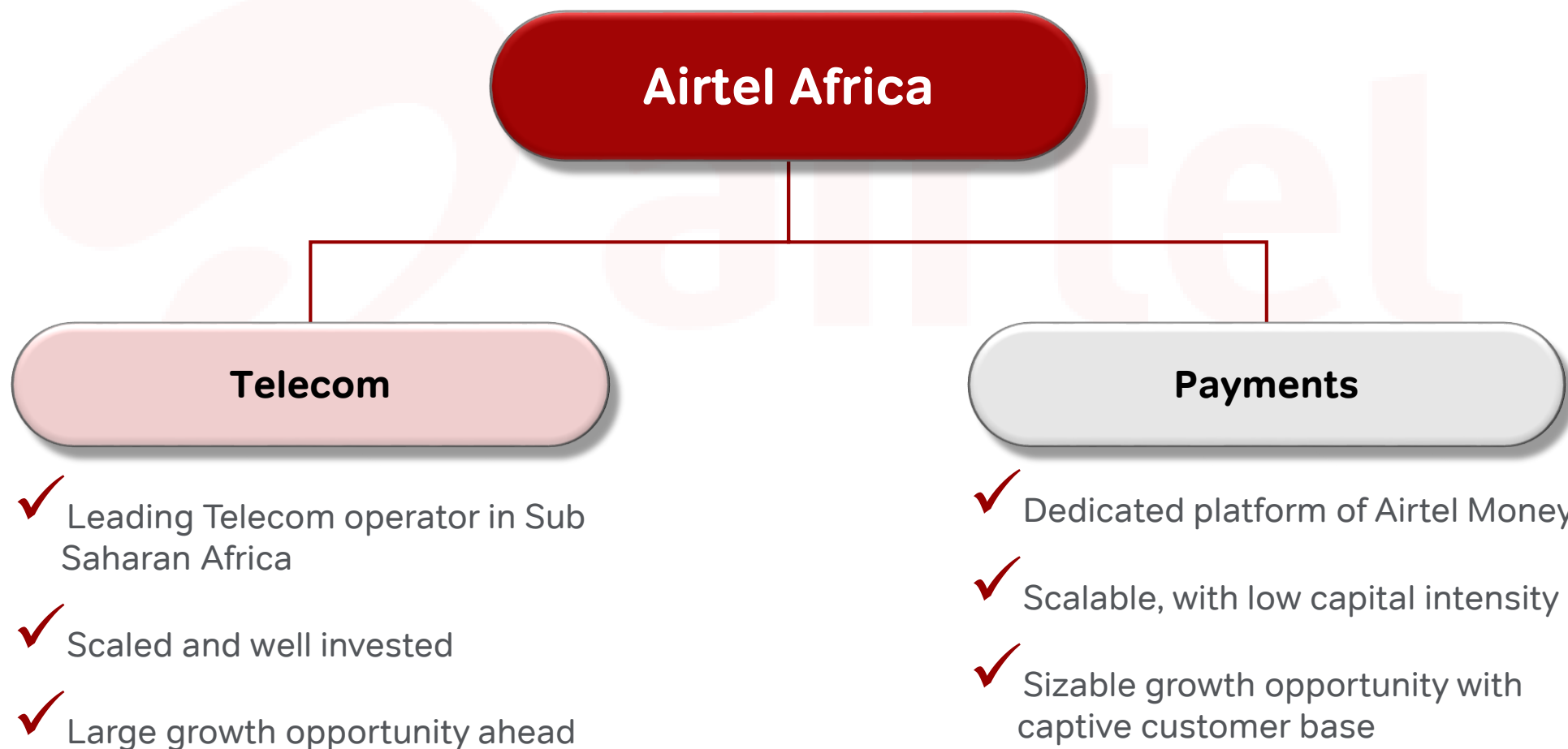
2.3x Net Debt/EBITDA *(including Lease obligation)*

103mn+
Mobile
Subscribers

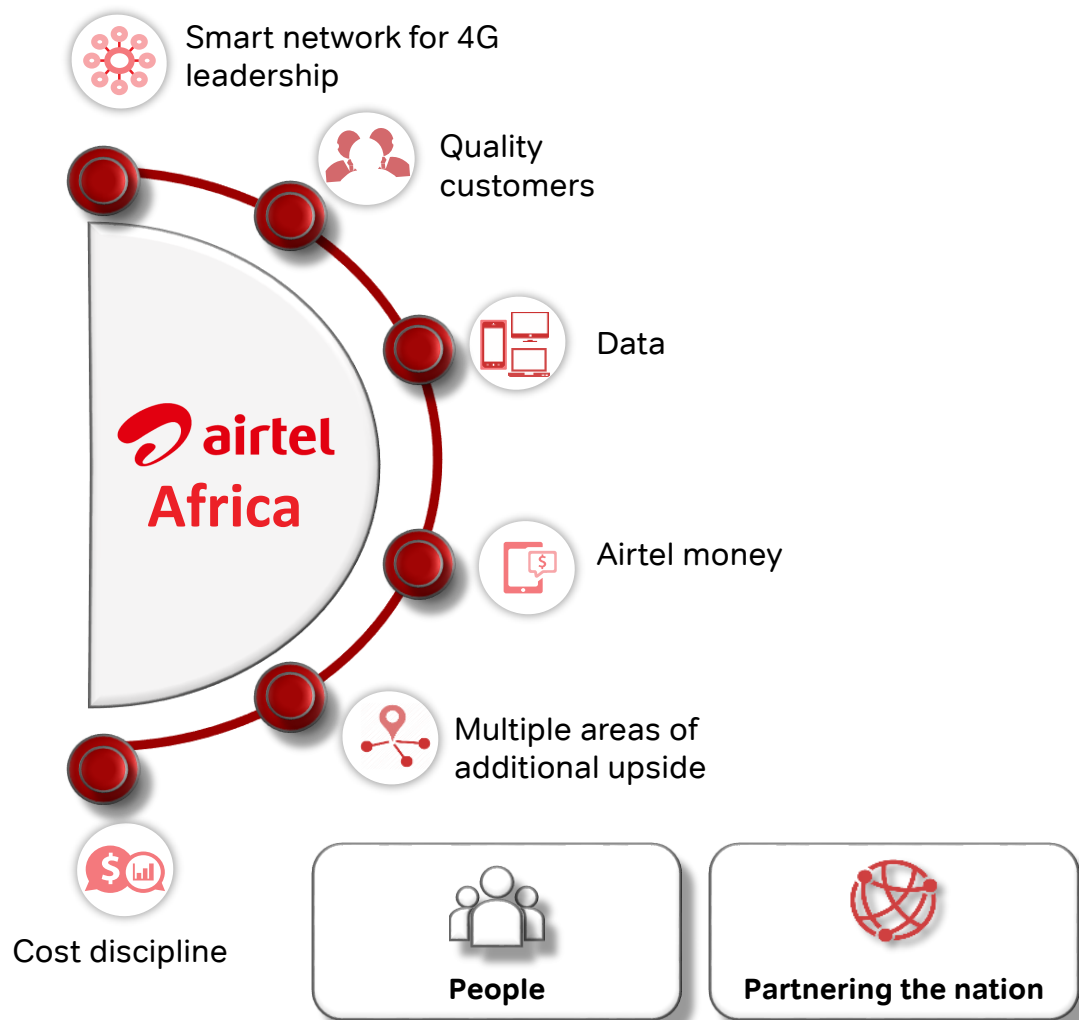
31mn+
Data
Subscribers

15.5mn
Airtel Money
Active Users

Airtel Africa: Two Opportunities in One



Clear Strategy for Growth



Our Aspirations:

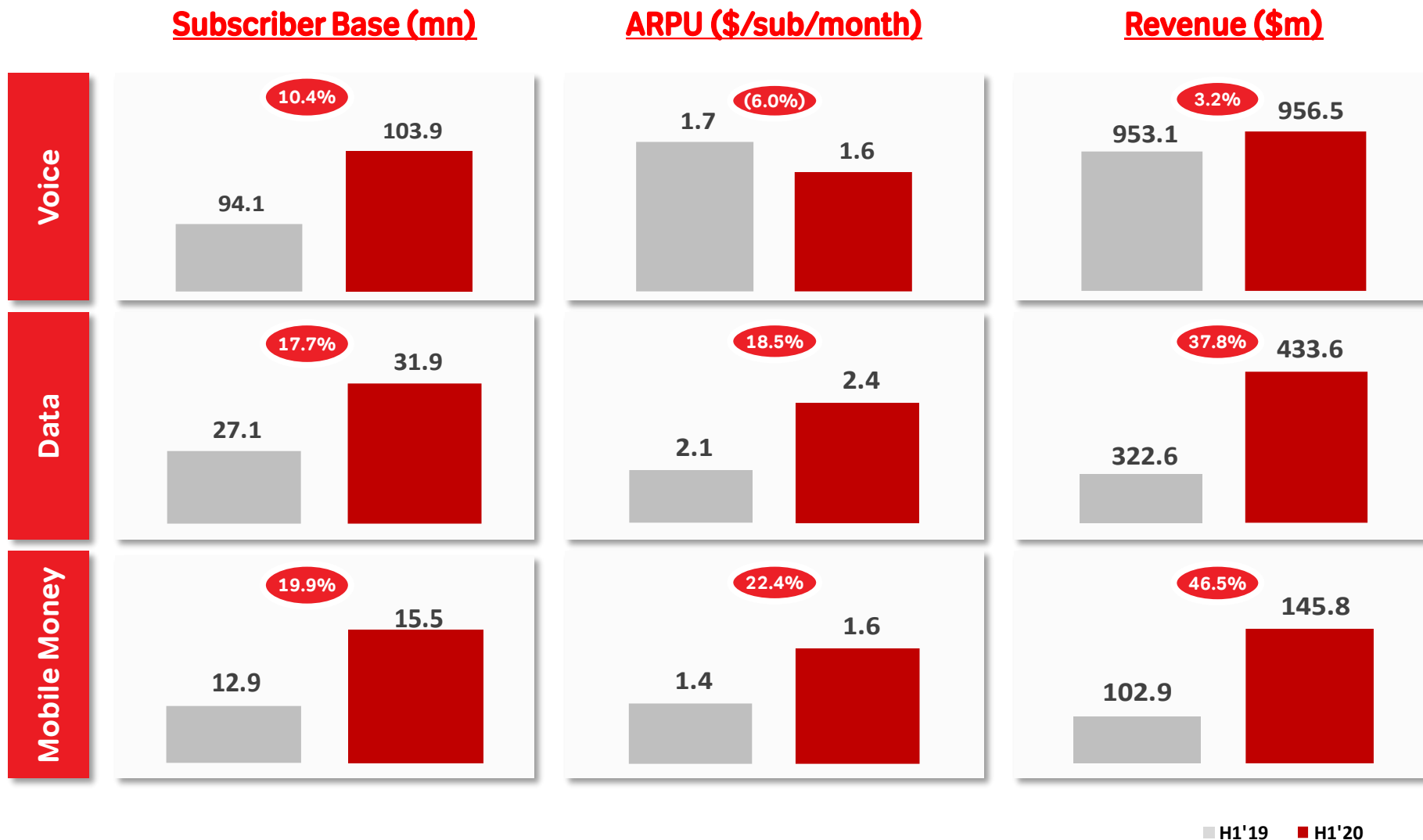
Growing ahead of market to increase revenue market share

Airtel Money to become the currency of choice

Monetization of all revenue streams

To continue benefiting from operating leverage and effect of scale

Strong Set of Results Across the Business



Gross Revenue
 \$ 1,640 Mn
 + 11.4% yoy

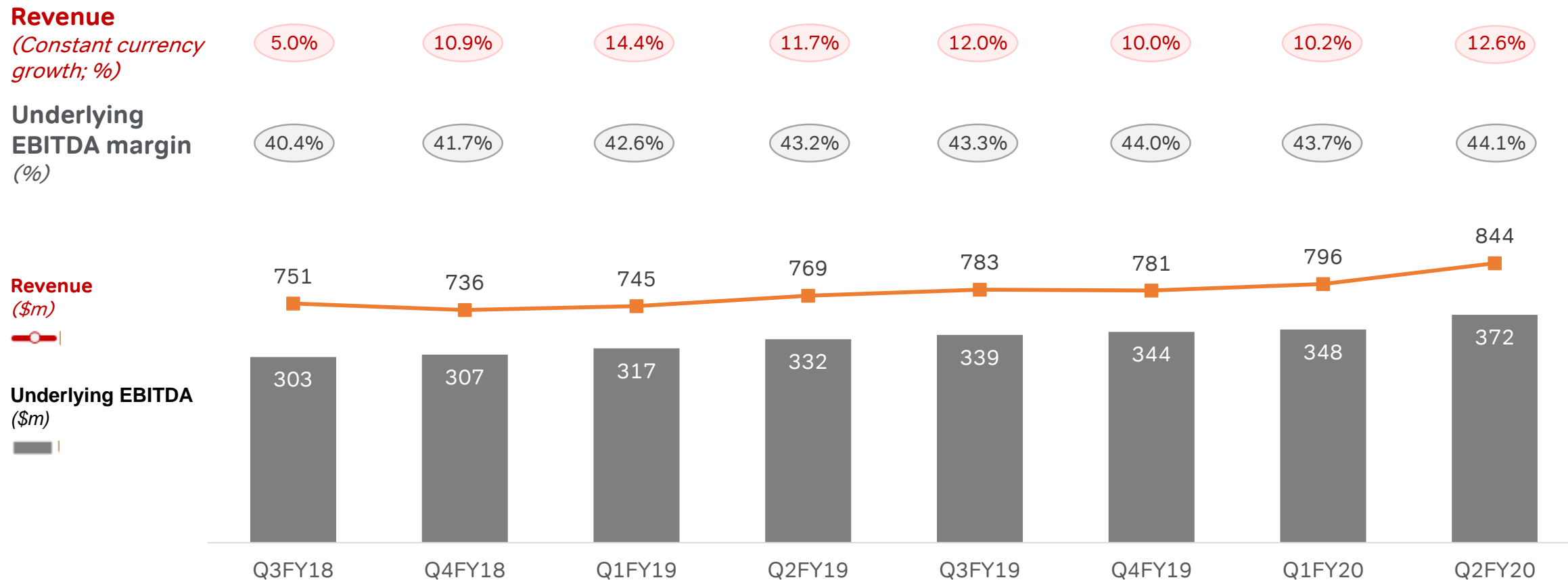
EBITDA
 \$ 719 Mn
 + 13.7% yoy

EBITDA Margin
 43.9 %
 + 100bps

FCF
 \$ 237 Mn
 + 28.0% yoy

1. Growth provided as constant currency growth
 2. Voice revenue & corresponding ARPU in above charts are before inter-unit eliminations

Track Record of Consistent Delivery



7 Quarters of Double-digit Revenue Growth and EBITDA Margin Expansion

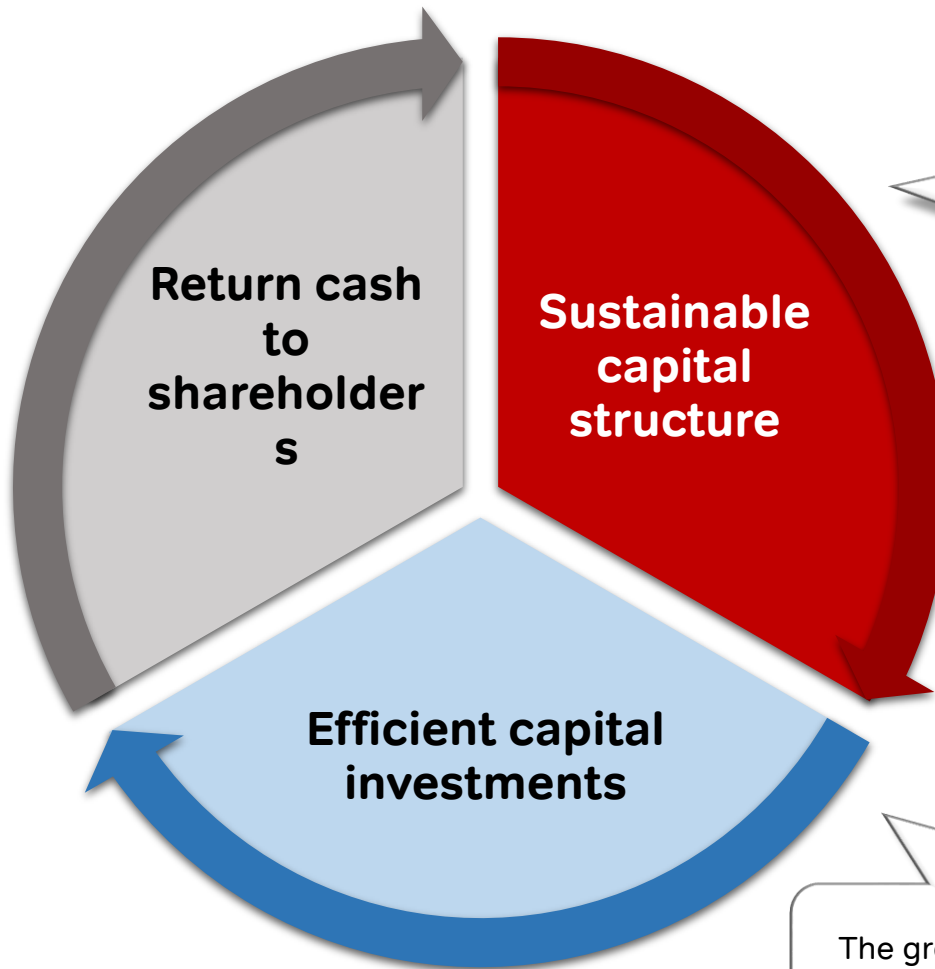
Transparent and Balanced Capital Allocation Policy



Clear dividend policy aiming to distribute at least 80% of consolidated FCF, subject to:

- Net debt to Underlying EBITDA below 2.5x level
- Any regulatory/ statutory/ monetary/ other restrictions

H1'20: Interim dividend – \$ 3c per share



Reduction of leverage including IPO proceeds to a leverage target of 2.0-2.5x net debt / EBITDA

The group's Capex (excluding spectrum) to remain stable at \$ 600 – 700 Mn per annum



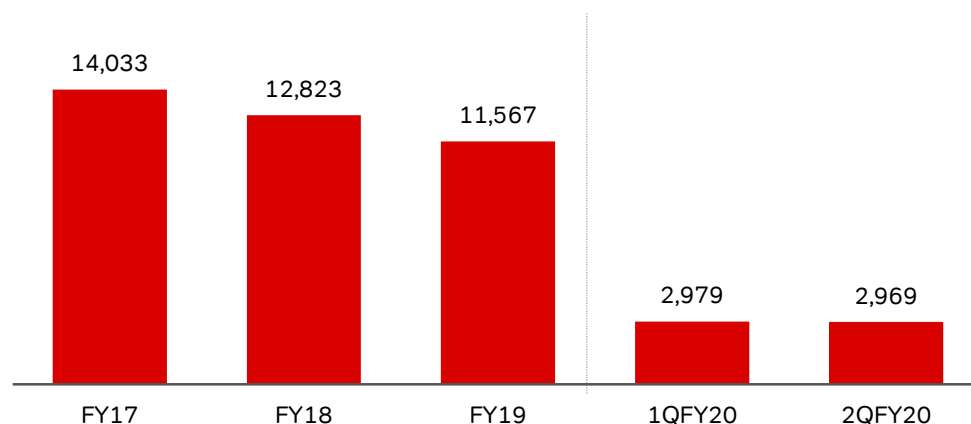
CONSOLIDATED



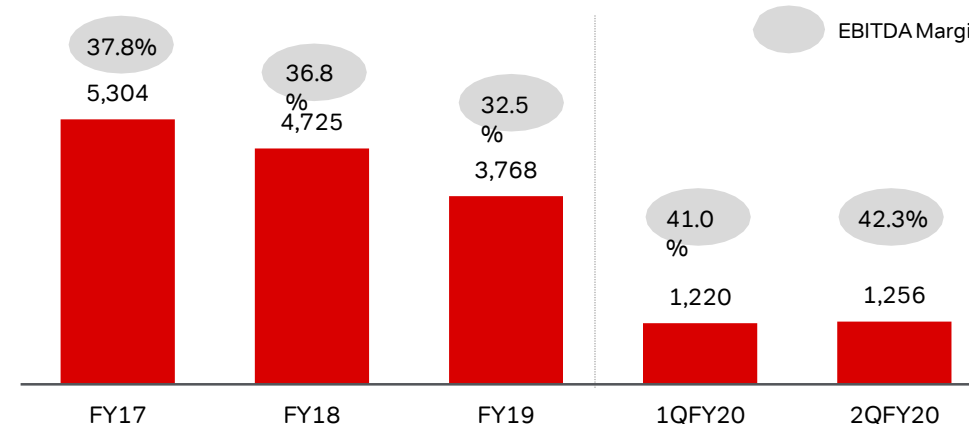
Financial Performance – Consolidated



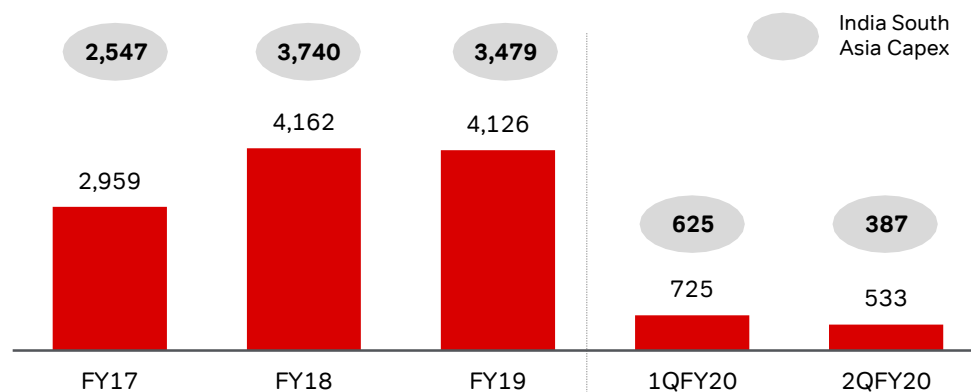
Consol Revenues (\$mn)



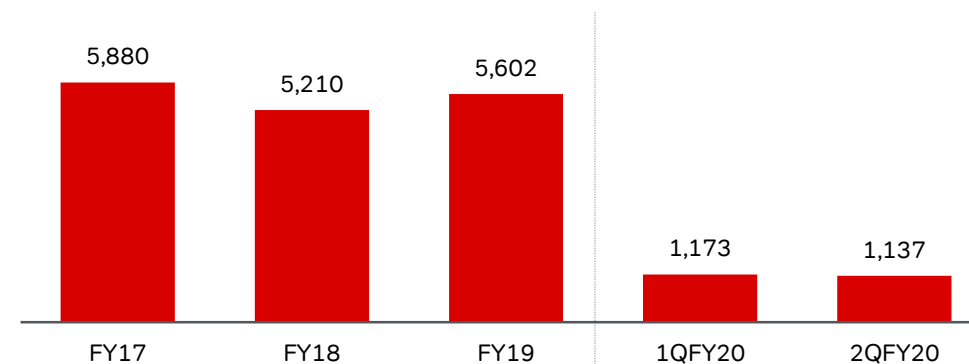
EBITDA (\$mn)



Consol Capex (\$mn)



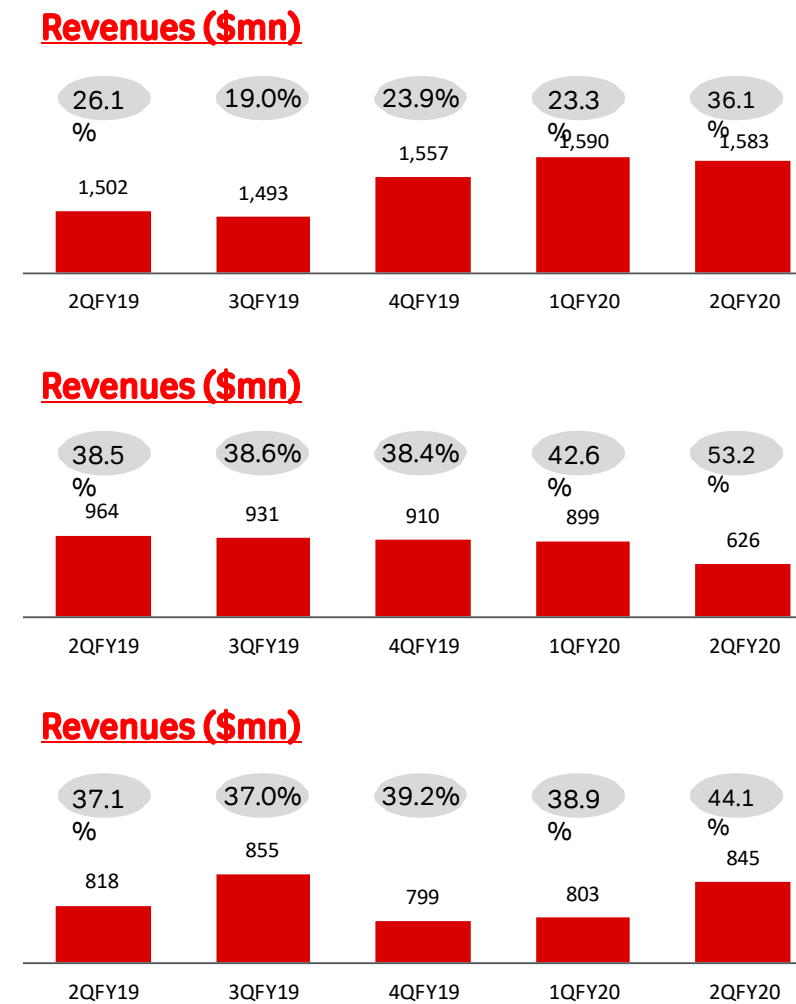
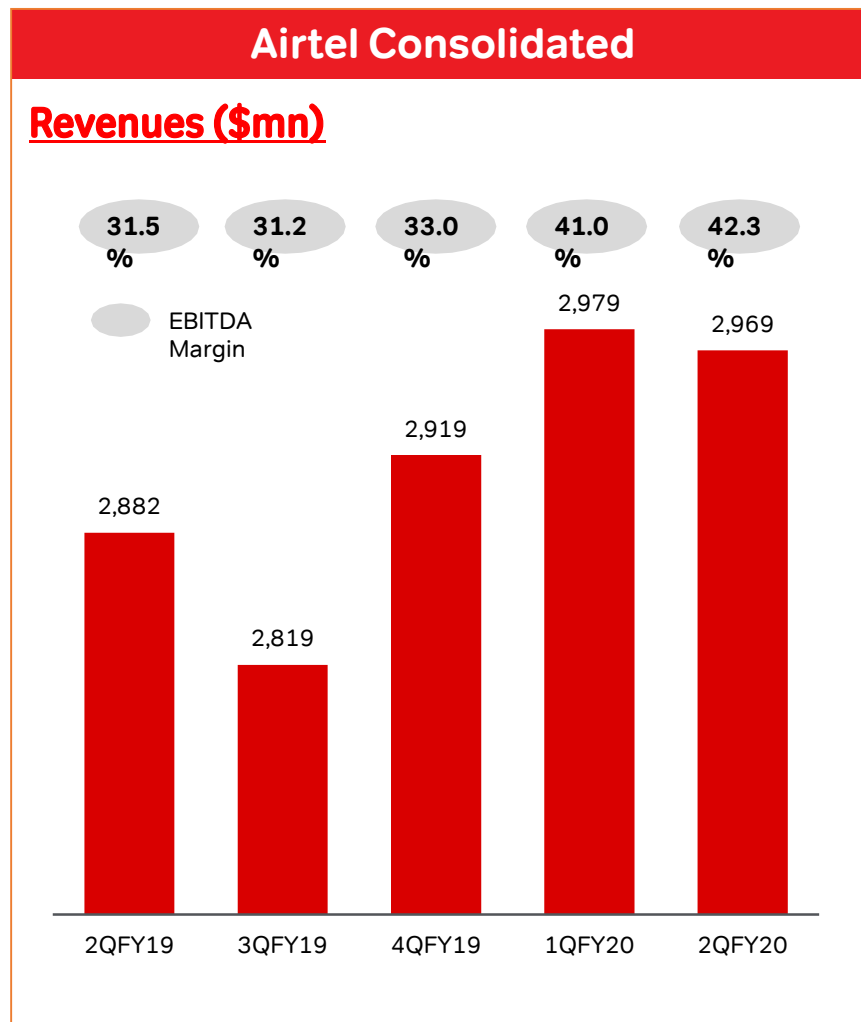
Total Opex¹(\$mn)



Note: Consolidated numbers after inter-segment eliminations. Q1FY20 & Q2FY20 are post IndAS 116

1. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii) selling, general and administrative costs. Calculated using the FX rate of 1 USD = 70 INR.

Financial Performance – Quarterly Trends



EBITDA Margin

Note: Consolidated numbers after inter-segment eliminations. Q1FY20 & Q2FY20 are post IndAS 116. Q1FY20 onwards DTH financials are impacted for accounting change.

1. Quarterly segmented numbers are converted using the FX rate of 1 USD = 70 INR.

Timely Equity Infusions & Diversified Debt Profile



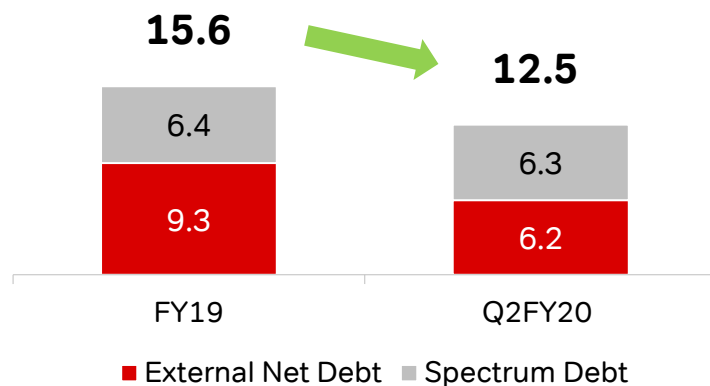
Recent Activities Undertaken

Sep 2014; Oct 2015	Feb 2015	May 2017	Aug 2017; Nov 2017	Dec 2017	Jan - Nov 2018	May 2019	June 2019	Total
Africa tower sales and divestment c.\$3 bn	Monetization of stake in Bharti Infratel c.\$311 mn	Infratel stake sale to KKR, CPPIB c.\$952 mn	Monetization of stake in Bharti Infratel c.\$910 mn	DTH partial stake sale to Warburg Pincus c.\$235 mn	Airtel Africa Pre-IPO placement c.\$1,450 mm	Issuance of equity shares by way of rights issue c.\$3,613 mn	IPO of Airtel Africa unit, Listing on LSE & Nigerian Stock Exchange c.\$674 mn	c.\$11.1 bn of equity capital raised in the last 5 years

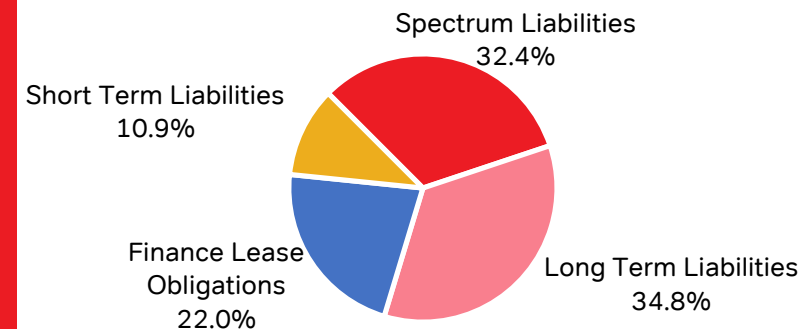
Recently Issued Perpetual Bond in Network i2i of USD 750mn at 5.65%

Further Avenues of Monetization Exist Such as Sell-down in Towers, Fibre, DTH

Reduction in Net Debt
(excluding Lease Obligations)⁽¹⁾
(US\$ bn)



Diversified Gross Debt Profile (Q2FY20)



1. Excludes lease obligation liabilities of \$4.2bn



THANK YOU