



BHARTI AIRTEL LIMITED

June 2019



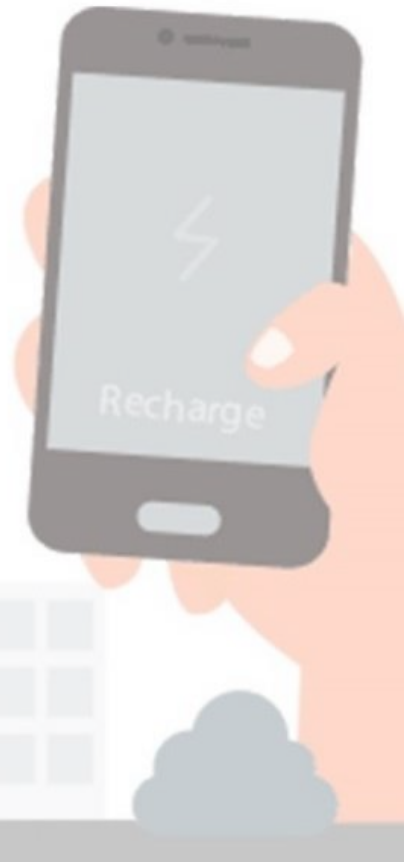
Agenda

Bharti Airtel business highlights

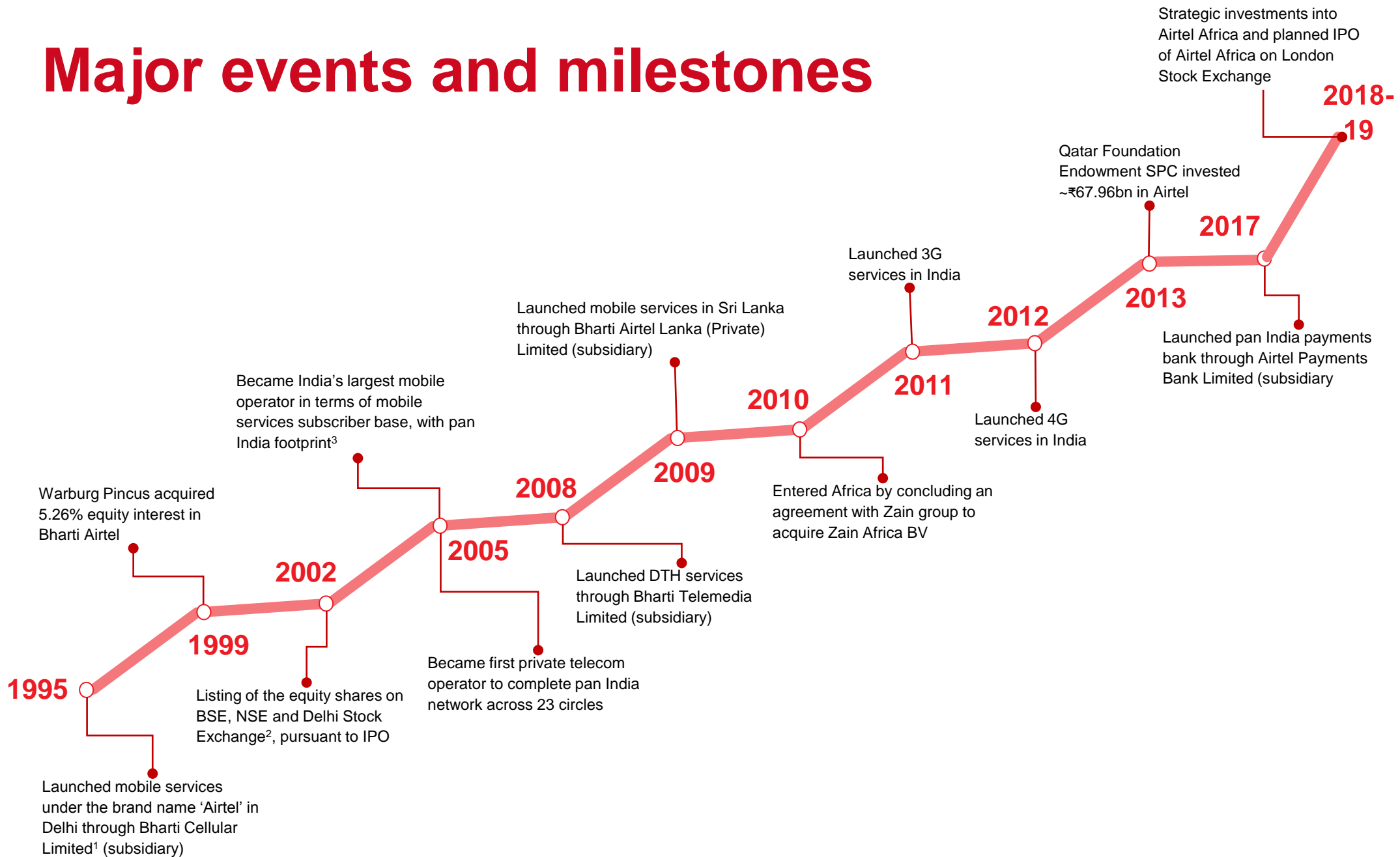
Other business drivers

Key financials

Appendix



Major events and milestones



Note: ¹ Amalgamated with Bharti Airtel with effect from April 1, 2004; ² Delisted with effect from October 13, 2004; ³ As on March 2005

Bharti Airtel at a glance



#2 mobile operator globally^{1,2}



18 countries³



404mm subscribers²



~145mm mobile data subscribers²



₹808bn FY19 revenue



32.5%+ FY19 EBITDA margin⁴



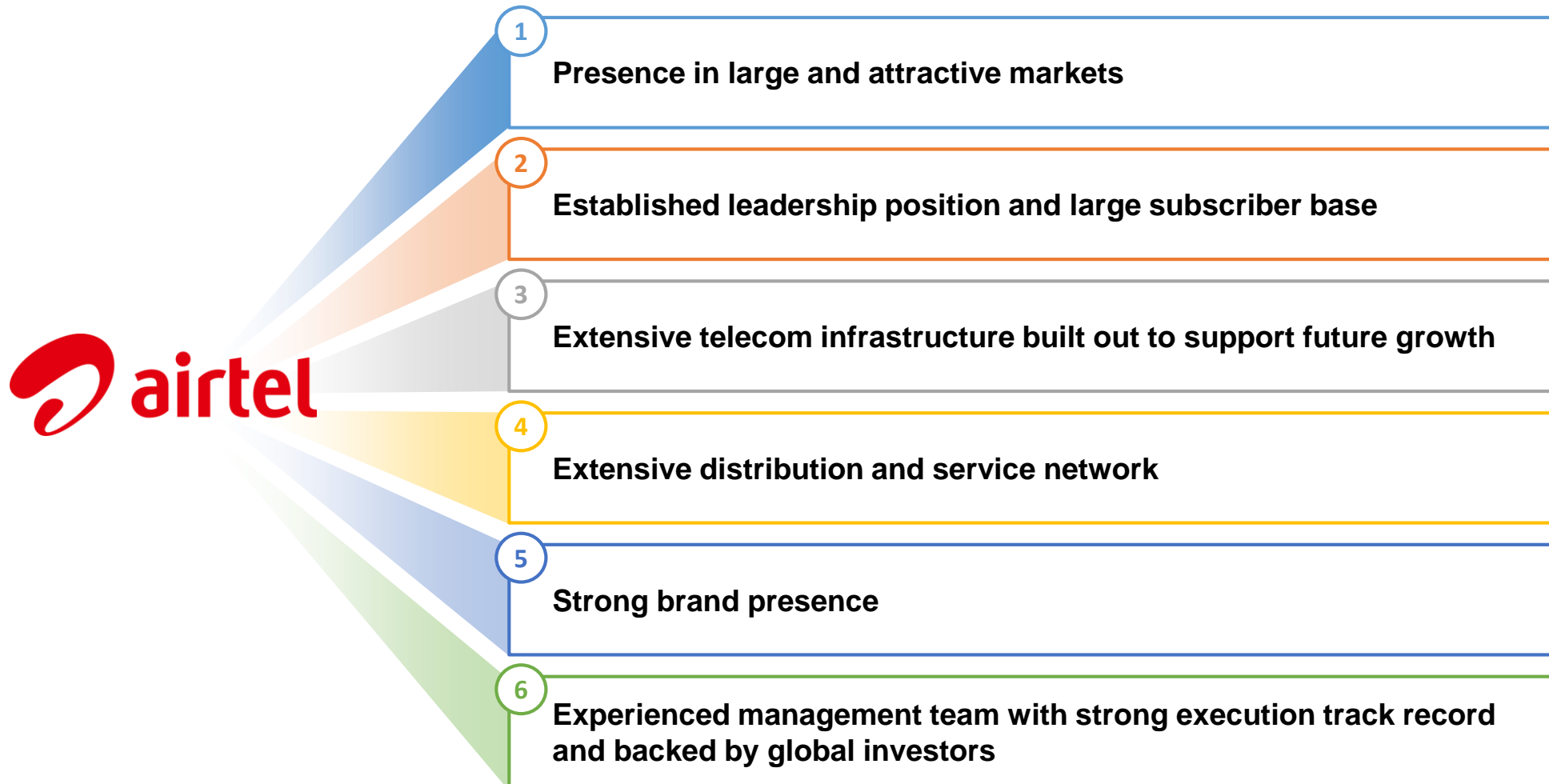
3.16x FY19 Net debt / EBITDA⁵



₹3,473bn Cumulative Investments till date

Note: ¹ By subscriber base; ² As of March 2019; ³ Includes JVs in Ghana and Bangladesh; ⁴ Calculated as Consolidated EBITDA / Consolidated revenue; ⁵ Pro Forma, after taking into account proceeds from Rights Issuance (gross proceeds of Rs 249390mln)

Key competitive strengths



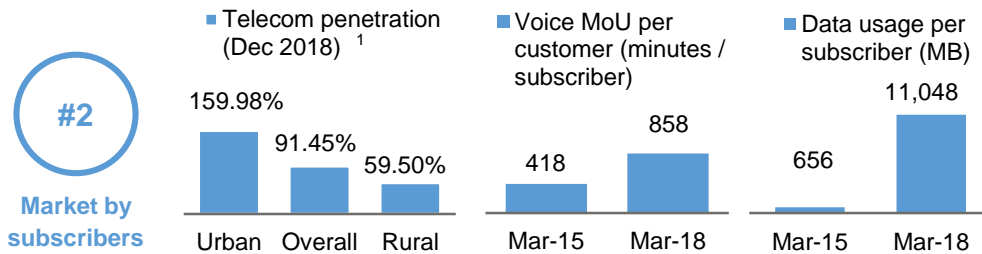
Presence in large and attractive markets

Presence in 18 countries across India, South Asia and Africa

India – Second largest telecom market globally

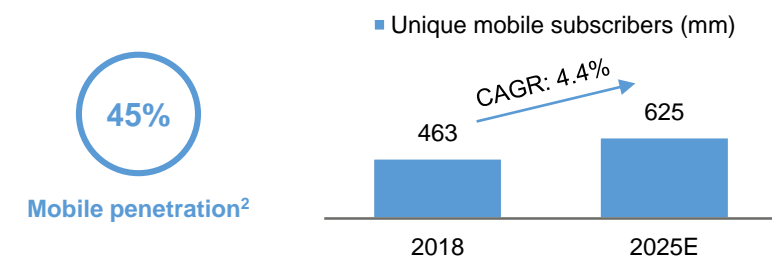
Strong growth potential in rural & semi-urban markets

Unprecedented levels of growth in voice and data

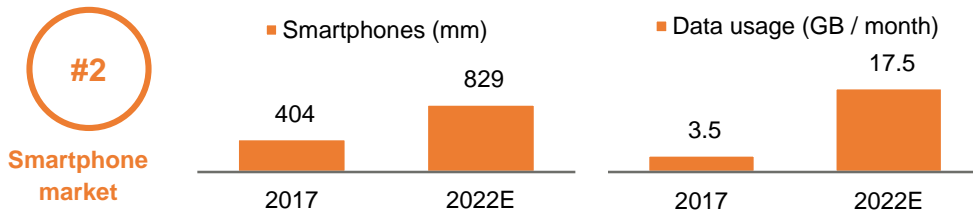


Africa – One of the fastest growing markets

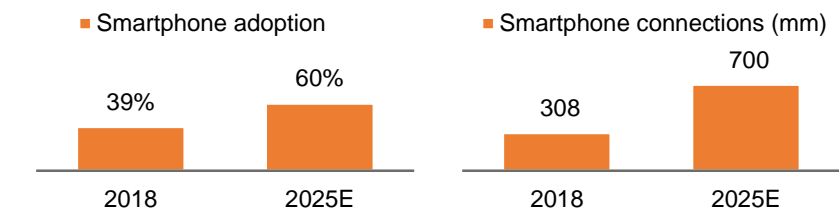
Fast growing mobile subscriber base



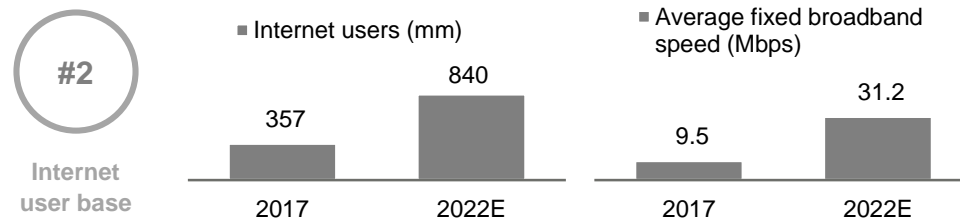
Rising smartphone adoption and data uptake



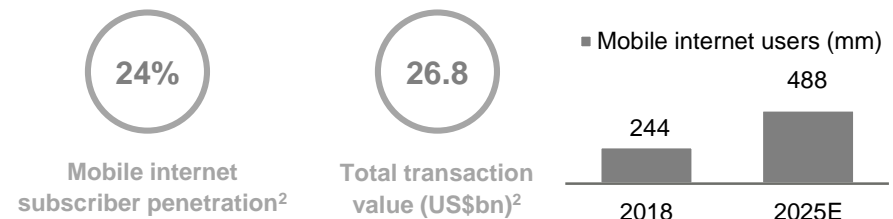
Growing smartphone availability driving growth



High growth in internet users



Significant demand for mobile broadband



Source: TRAI, GSMA Intelligence, GSMA Mobile Money State of the Industry 2018 Report, Cisco Visual Networking Index (VNI report) 2017

Note: ¹ Denotes the number of the number of wireless subscribers per 100 people; ² 2018 data

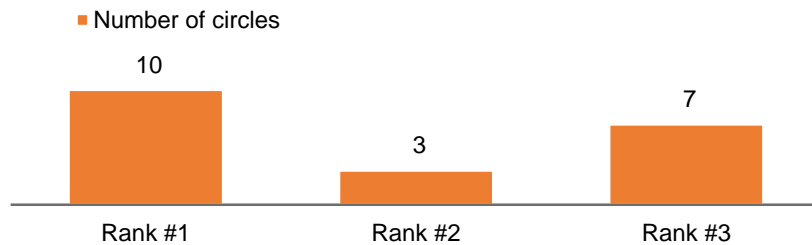
Established leadership position and large subscriber base

India

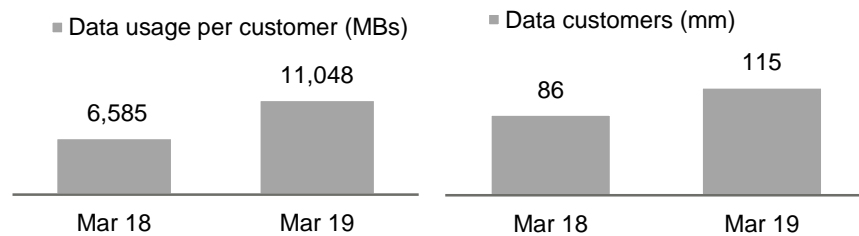
#2 mobile operator in India

- Second largest mobile telecom operator in terms of number of mobile telecom subs and reported revenue
- Revenue market share of 30.0%^{1,2}
- 282mm customers¹ and subscriber market share of 28.93%¹

Strong presence in all the circles^{1,3}



Well positioned to capture data business

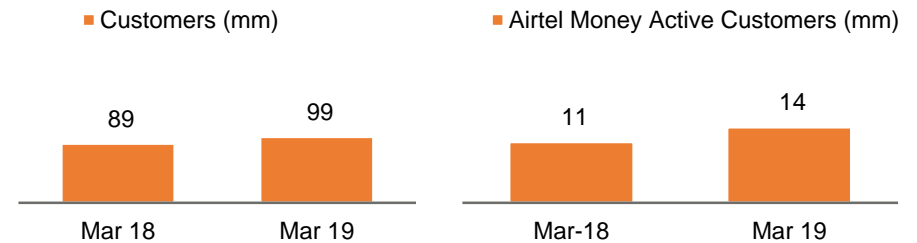


Africa

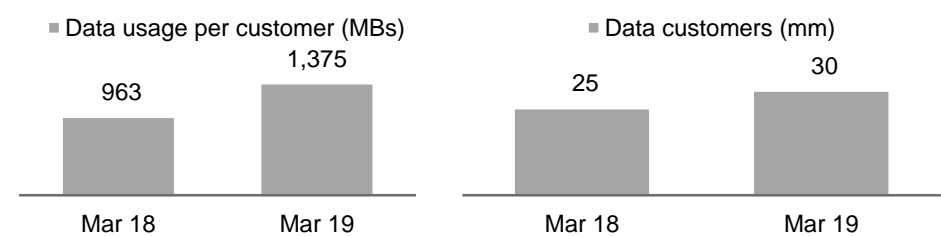
Strong operator in Africa region

- Diversified presence across 15⁴ African countries
- #2 mobile operator in Nigeria (Airtel's largest market in Africa) based on customers
- 3G, 4G data and m-Commerce (Airtel Money) are the next growth engines in Africa

Rapidly growing customer base



Well positioned to capture data business



Source: TRAI, Nigerian Communications Commission – Industry Statistics

Note: ¹ As of December 2018; ² Calculated on the basis of AGR, plus National Long Distance Services (AGR + NLD AGR); ³ Rank based on number of mobile telecom subscribers; ⁴ Includes Ghana JV

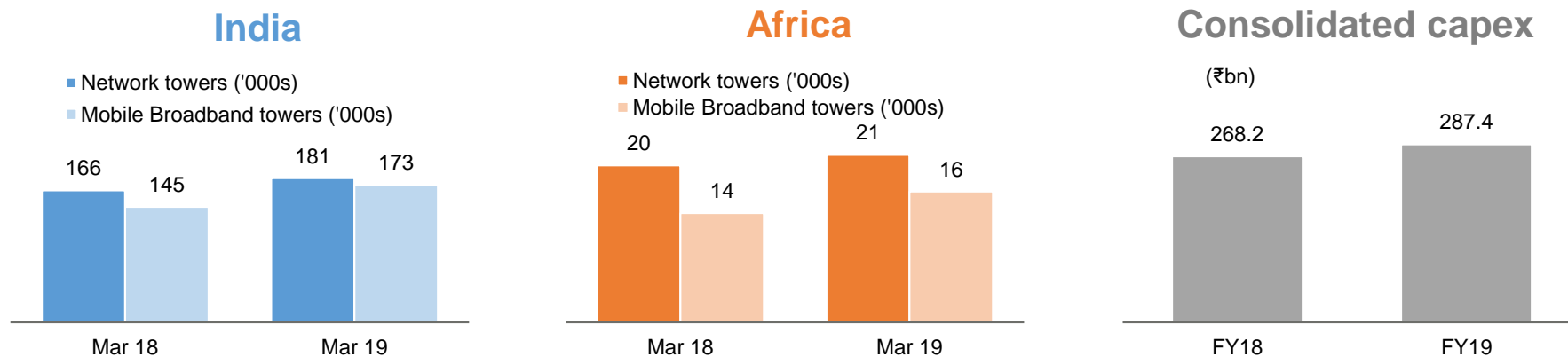
Extensive telecom infrastructure build out to support future growth

✓ Spectrum holdings supporting both voice & data services

- Abundant spectrum to roll out superior data networks
- An aggregate of 1,588.9 MHz spectrum across 22 telecom circles

Spectrum band	MHz spectrum
900 MHz	232.8
1800 MHz	536.1 ¹
2100 MHz	250
2300 MHz	570

✓ Well established network infrastructure in India and Africa



✓ Extensive global fiber infrastructure of 250,000 RKms² outside India, covering 50 countries and 5 continents

- 7 submarine cable systems²
- Additionally, over 280,000 RKms² of optical fiber in India

Note: ¹ Includes Telenor's 86.80 MHz unpaired spectrum in 1800 MHz band; ² As of March 2019

Extensive distribution, service network and strong brand presence

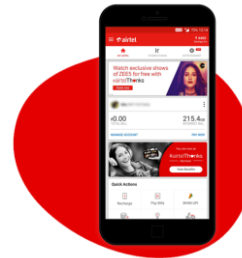
Network across India



Extensive sales and distribution network with 1.1mm+ retail outlets serviced by 13,000 distributor partners across India



Growing digital distribution



My Airtel app has 23.5mm+ subscribers¹, which constitute ~20% of Airtel's smartphone subscriber base Airtel



Robust network & growing digital presence enhances experience and brings cost-effectiveness

 **airtel** brand excellence is confirmed by several awards



Recognized for 'Best Brand Loyalty Marketing Campaign' at the 'Asian Customer Engagement Forum and Awards' in 2017



Ranked second in the 'Brand Finance India 100' (2018), an annual report on the most valuable Indian brands



Ranked amongst the top 100 firms in the list of 'Most Innovative Companies' in the world by Forbes – 2018



Rated as the fastest mobile network in India by 'Ookla' for the third time in a row

Experienced management team with strong execution track record

✓ Established leadership team provides sustainable competitive advantage

✓ Strong execution track-record in the Indian telecom industry

- Maintained #2 position in India in spite of significant competition and new entrant in the market
- Successfully completed acquisition of Tikona Digital Networks, Telenor India and entered into agreements with TTSL and TTML to merge their Consumer Mobile Business
- Entered into a scheme of amalgamation for the merger of Bharti Infratel with Indus Towers

✓ Marquee parentage 

✓ Partnership with industry leaders



ZTE






ERICSSON

NOKIA

Nokia Solutions and Networks
India Private Limited



Strategic roadmap

-  Provide Services at Scale
-  Win with brilliant micro marketing
-  Simplify
-  Focus on digitization and cost optimization
-  Partnerships

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Other business drivers

Key financials

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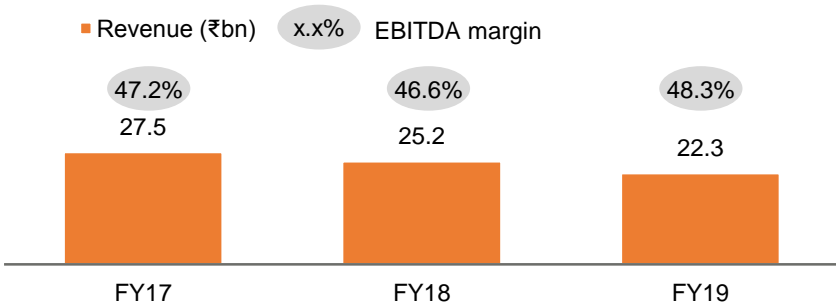
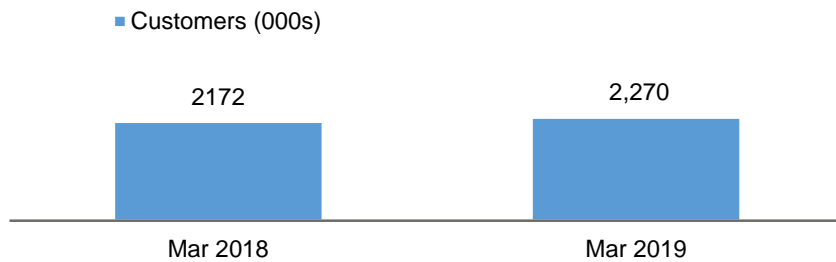


Homes Services and Digital TV

Homes Services



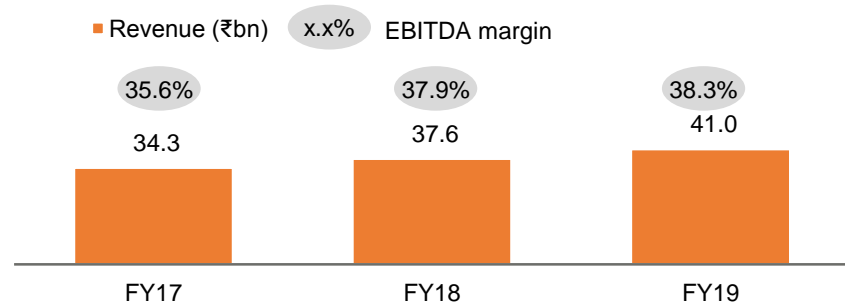
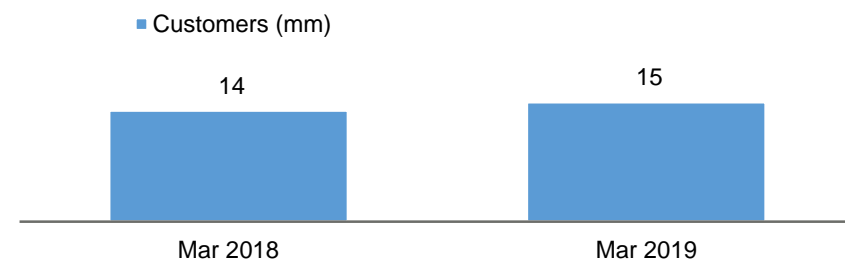
- The largest private wired broadband service provider in India
- Customer market share of 12.5% of the pan-India wired broadband internet market¹



Digital TV



- One of the largest digital TV service providers in India²
- Offers 635 channels and services, including 80 HD channels, 5 international channels and 3 interactive services



Source: TRAI

Note: ¹ As of December 2018; ² As of September 2018

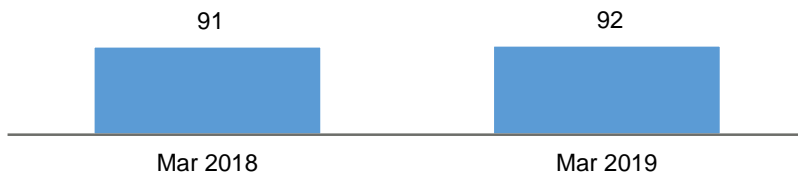
Tower Infrastructure and Airtel Business

Tower Infrastructure Services

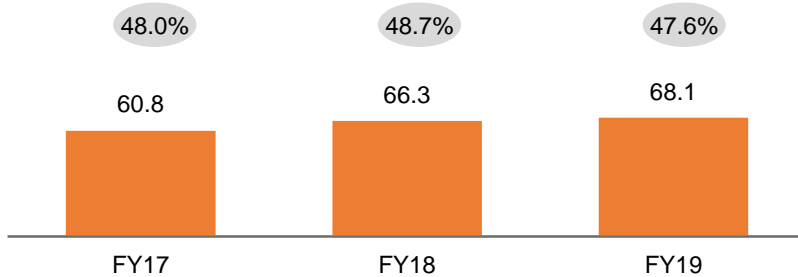


- Nationwide presence with operations in all 22 telecom circles in India through a combination of Indus and Infratel
- Economic interest in 92,277 towers in India¹
- Bharti Infratel has entered into a scheme of amalgamation for the merger of Bharti Infratel with Indus Towers

■ Bharti Infratel consolidated towers (000's)



■ Revenue (₹bn) x.x% EBITDA margin

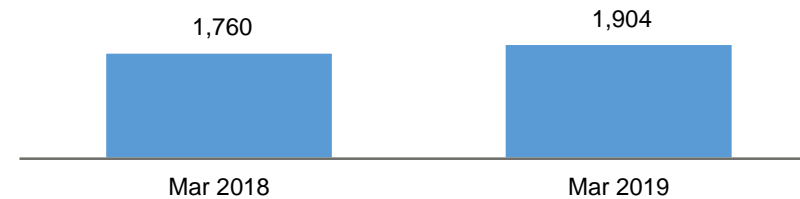


Airtel Business

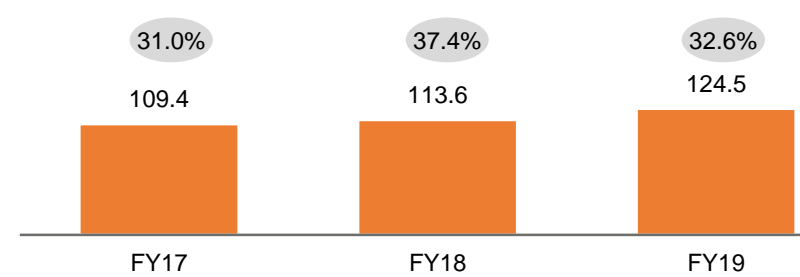


- One of the trusted providers of ICT² services in India
- Diverse portfolio of services including global connectivity, voice and message termination services
- Offers services to enterprises, governments, carriers and small and medium businesses

■ Customers (000's)



■ Revenue (₹bn) x.x% EBITDA margin



Note: ¹ Includes Bharti Infratel's towers and Bharti Infratel's 42% interest in Indus Towers as of March 2019; ² Refers to Information and Communication Technology

Digital services – OTT






- 'Airtel TV' has 90mm user downloads in India and provides access to 375 linear channels
- Offers 10,000+ movies and shows in its library in 14 languages, along with curated exclusive content
- Average of ~1.2bn minutes of watch-time per month



- 'Wynk Music' has 120mm user downloads in India
- Average songs streamed ~1.6bn / month



- Airtel Books provides access to catalogue of e-books at affordable pricing

 **airtel** has strategic partnerships with **NETFLIX**  **prime**  **ZEE5** to increase stickiness of high ARPU customers

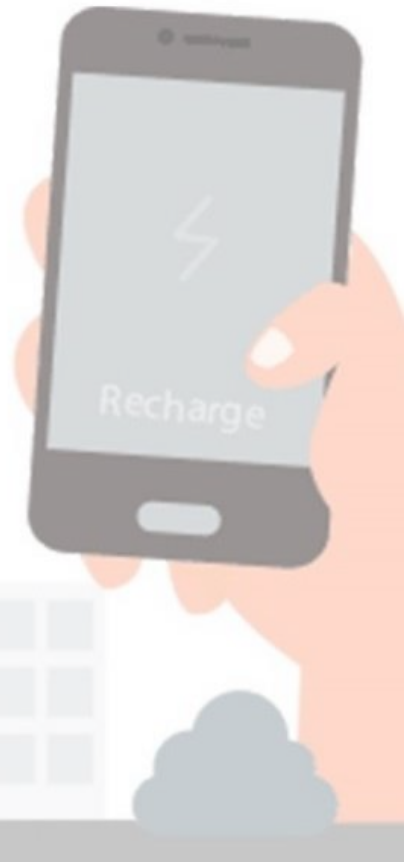
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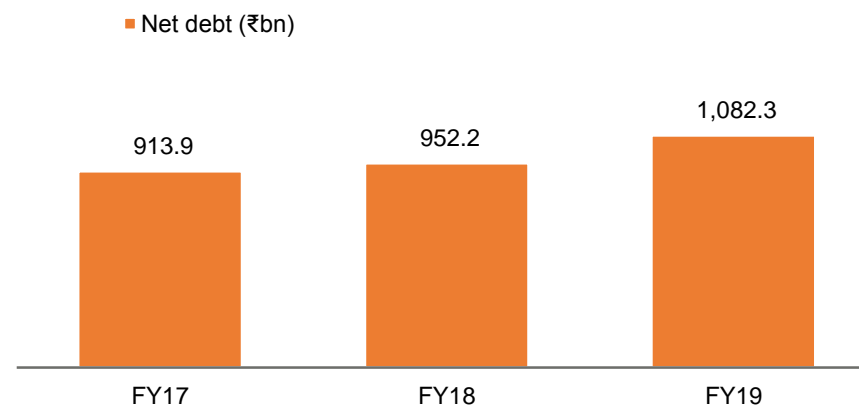
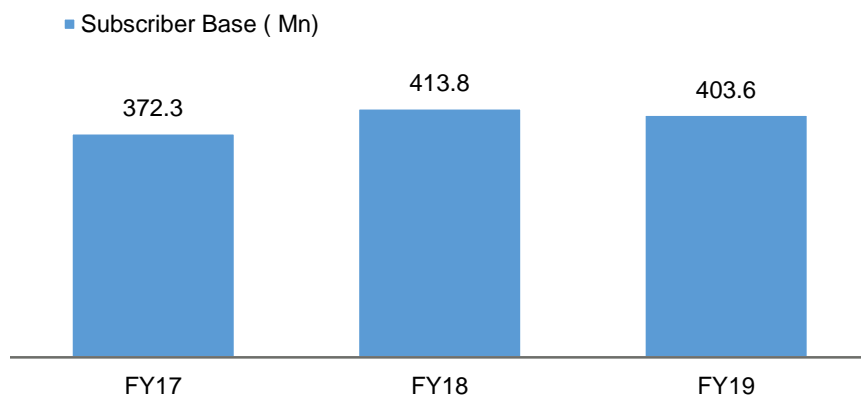
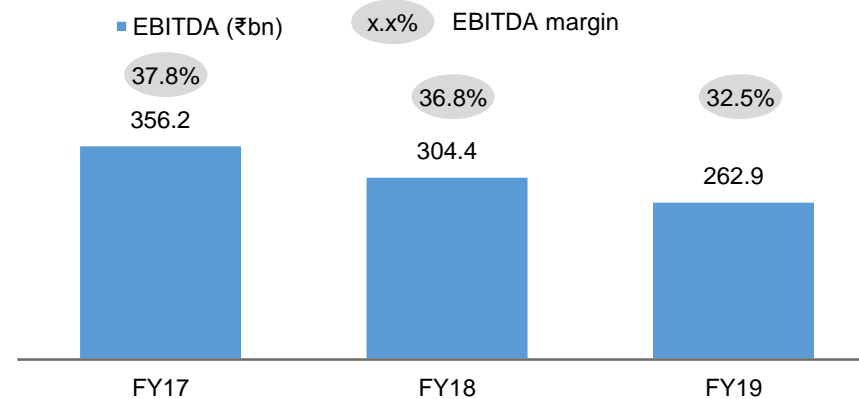
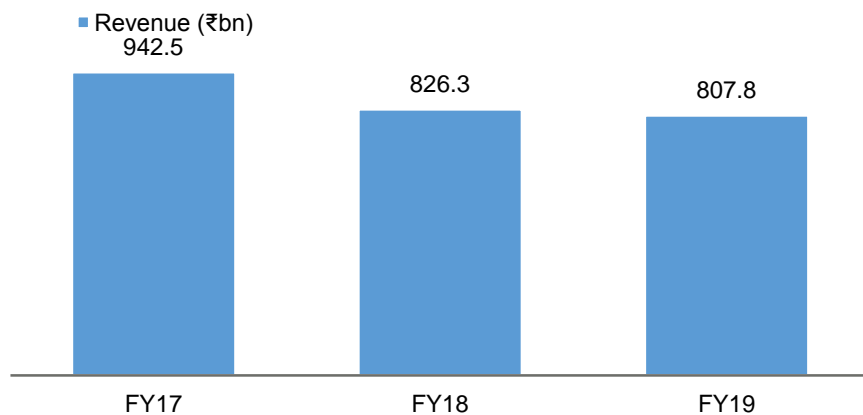
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Bharti Airtel – Performance



Financial flexibility and balance sheet focus

Focus on deleveraging: Recent actions undertaken

Infratel stake sale to KKR, CPPIB



Bharti Infratel Limited
KKR
CPP INVESTMENT BOARD

DTH stake sale to Warburg Pincus



WARBURG PINCUS

Africa tower sales and divestment



Airtel Africa primary equity issuance to strategic investors



airtel
Africa

Issuance of equity shares by way of rights issue



airtel


Potential IPO of Airtel Africa unit in 2019



airtel
Africa

Diversified debt profile


Maturity
Tenors pushed out from 2 years to 5 – 7 years




Diversified debt mix
Spread across local and overseas sources of funds



Currency diversification
INR, USD, EUR, CHF



Interest rate
Swaps to reduce the interest rate fluctuation risk





 **airtel**