



News Release

Singtel to subscribe to Bharti Airtel's rights issue

Singapore, 7 March 2019 – Singtel today announced that it will subscribe to 170 million new shares in the INR250 billion (US\$3.5 billion) rights issue by regional associate Bharti Airtel (Airtel) at an issue price of INR220 per share, for a total consideration of INR37.5 billion (approximately US\$525 million), representing the rights entitlement for its direct stake of 15%.

Singtel and Airtel's major shareholders Bharti Group and Bharti Telecom, intend to subscribe to their full entitlement except for a renunciation by Bharti Telecom in favour of GIC Singapore which will commit approximately INR50 billion (US\$700 million). Together with Airtel's major shareholders and GIC, a total of 67% of the rights issue has been committed. With the renunciation to GIC and upon the closing of the rights issue, Singtel's effective interest in Airtel will be 35.2%. Singtel continues to be the single largest shareholder in Airtel. Airtel will use the proceeds from the rights issue to reduce leverage and strengthen its balance sheet as it continues to invest in networks and spectrum in a highly competitive home market.

Mr Arthur Lang, CEO of Singtel's International Group, said, "Our participation in this rights offering with our partners and a leading investor such as GIC reflects our long-standing commitment to Airtel and the confidence in the future of the Indian market. Airtel has performed well despite business headwinds and is consolidating its position in a more sustainable market. Our partnership with Airtel spans some two decades and we continue to take a long-term view of India, having recently invested in Bharti Telecom and Airtel Africa. With smartphone and mobile data adoption continuing to grow at a rapid rate and the positive momentum from the government's Digital India initiative, the opportunity for growth remains huge."

India is the second largest mobile market in the world, accounting for 15% of the world's mobile subscriber base¹. The country is expected to be a major driver of mobile industry growth in the Asia Pacific region, and have over 1.3 billion subscribers by 2025². With its expertise and strong brand, Airtel is favourably positioned to ride this trend. In the last financial quarter, Airtel recorded one of its highest ever quarters of 4G customer growth, adding over 11 million 4G customers.

Airtel, one of India's leading telecommunications companies, has operations in 18 countries across South Asia and Africa and a mobile customer base of close to 385 million. It has been an associate of the Group since Singtel acquired a stake in 2000. In the last 12 months, Singtel has made additional investments of approximately S\$900 million in the Bharti Group, including US\$250 million in Airtel Africa.

The rights issue is subject to regulatory approval.

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¹ GSMA, 2018

² BMI Research, 2019



About Singtel

Singtel is Asia's leading communications technology group, providing a portfolio of services from next-generation communication, technology services to infotainment to both consumers and businesses. For consumers, Singtel delivers a complete and integrated suite of services, including mobile, broadband and TV. For businesses, Singtel offers a complementary array of workforce mobility solutions, data hosting, cloud, network infrastructure, analytics and cyber-security capabilities. The Group has presence in Asia, Australia and Africa and reaches over 675 million mobile customers in 21 countries. Its infrastructure and technology services for businesses span 21 countries, with more than 428 direct points of presence in 362 cities.

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Media Contact

Marian Boon
Associate Director
Group Strategic Communications and Brand
Mobile: +65 88761753
Email: marian@singtel.com