



May 31, 2016

National Stock Exchange of India Limited  
Exchange Plaza, C-1 Block G  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400051

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400001

**Ref: Bharti Airtel Limited (532454 / BHARTIARTL)**

**Sub: Presentation to the Investors**

Dear Sir/ Madam,

Pursuant to Regulation 30 and 46 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we wish to inform you that the Company has participated at the 'Singtel Investor Day' held in Singapore on May 31, 2016.

The presentation made by the Company to the investors at the aforesaid investor conference is enclosed.

Kindly take the same on record.


Thanking you,

Sincerely Yours

**For Bharti Airtel Limited**

**Rajendra Chopra**  
**Senior Vice President & Company Secretary**



 Encl: As above

**Bharti Airtel Limited**  
(a Bharti Enterprise)

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CIN: L74899DL1995PLC070609



**Bharti Airtel**



**Management Presentation – Singtel  
Investor Day**



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This presentation contain certain statements of future expectations and other forward-looking statements, including those relating to our general business plans and strategy, our future financial condition and growth prospects, and future developments in our industry and our competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue' and similar expressions identify forward looking statements.

Actual results, performances or events may differ materially from these forward-looking statements including the plans, objectives, expectations, estimates and intentions expressed in forward looking statements due to a number of factors, including without limitation future changes or developments in our business, our competitive environment, telecommunications technology and application, and political, economic, legal and social conditions in India. It is cautioned that the foregoing list is not exhaustive

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**Certain numbers in this presentation have been rounded off for ease of representation**

Investor Relations :- <http://www.airtel.in>  
For any queries, write to: [ir@bharti.in](mailto:ir@bharti.in)



# What Guides Us

## Customer Centricity

- Win customers for life through differentiated experience, products and world class technology

## Performance Excellence

- Growth despite challenges
- Grow market share, strip out waste
- Accelerate non-mobile businesses

## Transparency & Ethical Governance

- Highest corporate governance and disclosure rankings

# Investment Highlights



# 1. LARGE RESIDUAL OPPORTUNITY

## Voice Secularity

- Under-penetrated geographies
- Unique mobile users at c. 50% of total SIMs (large dual-SIM user base)
- Declining age dependency
- Industry consolidation, top 3 operators account for 75% RMS

## Data

- India mobile broadband (3G/4G) penetration under 13%
- Smartphone shipments show tremendous growth
- Data traffic growth forecasted to grow 22x over 6 years

## Untapped Opportunities

- Payments Bank and other non-mobile businesses



## 2. BULK INVESTMENTS IN PLACE

### **Spectrum Bank**

- Successful re-farming of sub-GHz spectrum for 3G
- 3G gap circles covered
- 4G coverage pan-India

### **Largest network of towers and base stations**

- 95.6% voice population coverage
- Mobile broadband towers up 2.3x over the last year

### **Largest network of optic fiber**

- Global and national long distance fiber – over 435,000 RKms
- Added c. 13,000 RKms over the past year

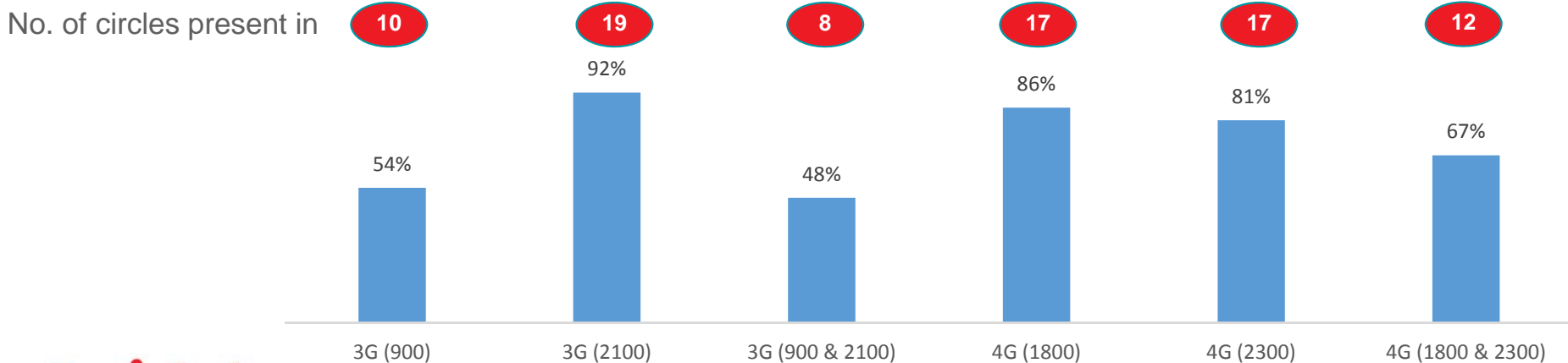


# India: Superior Spectrum Position

Spectrum Band	Industry Spectrum (MHz)	Industry Spectrum ex BSNL/MTNL (MHz)	Spectrum held by Bharti (MHz)	Bharti spectrum Market Share ex BSNL/MTNL
900	421.0	282.8	110.2	39.0%
1800	991.5	925.3	213.3	23.0%
2100	520.0	410.0	100.0	24.4%
2300	580.0	440.0	170.0	38.6%

- ✓ Pan India 4G, 3G available in 21 circles
- ✓ 3G sub-Ghz available in 10 circles covering 50% of own revenues and 45% of industry revenue
- ✓ 4G Carrier aggregation covers 67% of own revenues and 61% industry revenues

## Spectrum holdings across bands; % of own revenues covered<sup>1</sup>



Source: TRAI, Department of Telecom, Company Filings

1. Including Qualcomm, Videocon, Aircel licenses, excluding administered spectrum



# Africa: Invested for Growth

2010

2016

## Data/Mobile Money

- 3G: All 17 Countries
- Mobile Money: All 17 Countries
- 4G: Seychelles, Rwanda, Gabon

Countries: 15

Sites: 10,000

Customers: 35 mm

Countries: 17

Sites: 20,196

Customers: 80 mm



- ✓ Capex Investments till date: \$ 5.0 bn
- ✓ Well funded out of EBITDA: \$ 5.8 bn till date
- ✓ **Thus OFCF = \$ 0.8 bn**

Further focus on business re-contouring

- ✓ Tower Sales in 9 countries
  - ✓ Already received: \$ 1.8 bn
  - ✓ To be closed: \$ 0.5 bn - \$ 0.7 bn (*industry estimates*)
- ✓ Divestment of 2 countries to Orange: \$ 0.9 - \$ 1.0 bn (*industry estimates*)
- ✓ **Total proceeds: \$ 3.2 - \$ 3.5 bn**

# 3. AIRTEL: DIVERSIFIED WITH SCALE OPERATOR

## Profitability and scale across diversified segments

- Dominant position to capitalize with bulk investments in place
- Only operator with diversified portfolio
- Scale leading to operating leverage
- Generating c. \$1 bn yearly organic free cash

## Leadership across geographies

- Leader in India, #1 or #2 in 14 African countries

## Leading market shares

- Highest revenue market share and subscriber market share
- Incremental RMS 55.2%
- Incremental subscriber share 38.7%



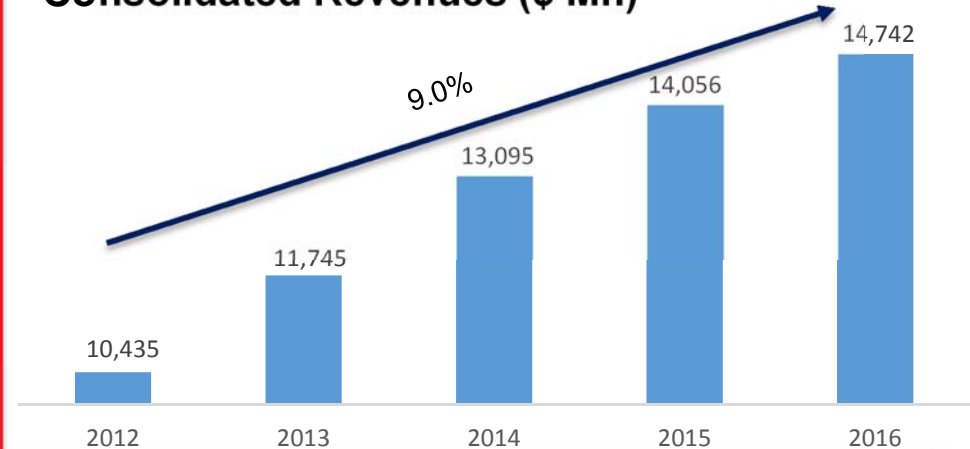
# Scale brings Operating Leverage

Scale

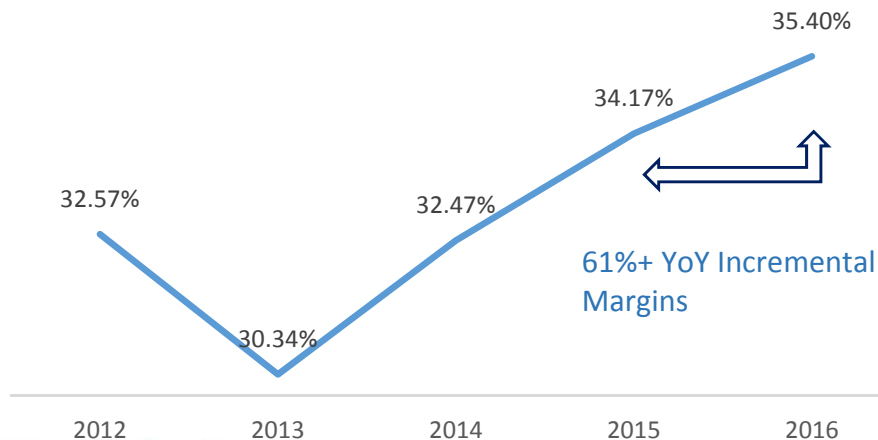
## Overview

- ✓ Presence in 20 countries
- ✓ #3 Operator in the World
- ✓ #1 in India & #1 or #2 in 14 countries in Africa
- ✓ US\$ 14.74 bn Revenue
- ✓ US\$ 5.22 bn EBITDA
- ✓ 2.02 addressable population
- ✓ Only operator with Pan India 3G & 4G

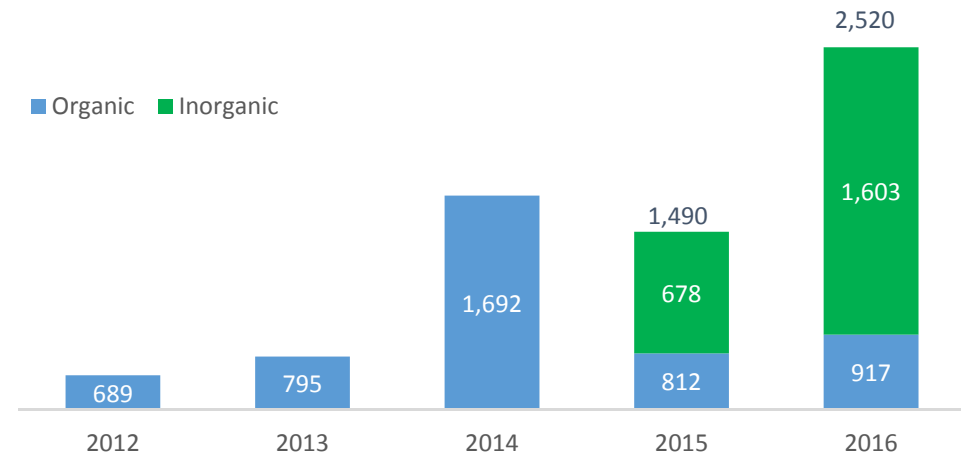
## Consolidated Revenues (\$ Mn)<sup>1</sup>



## Significant Margin Expansion

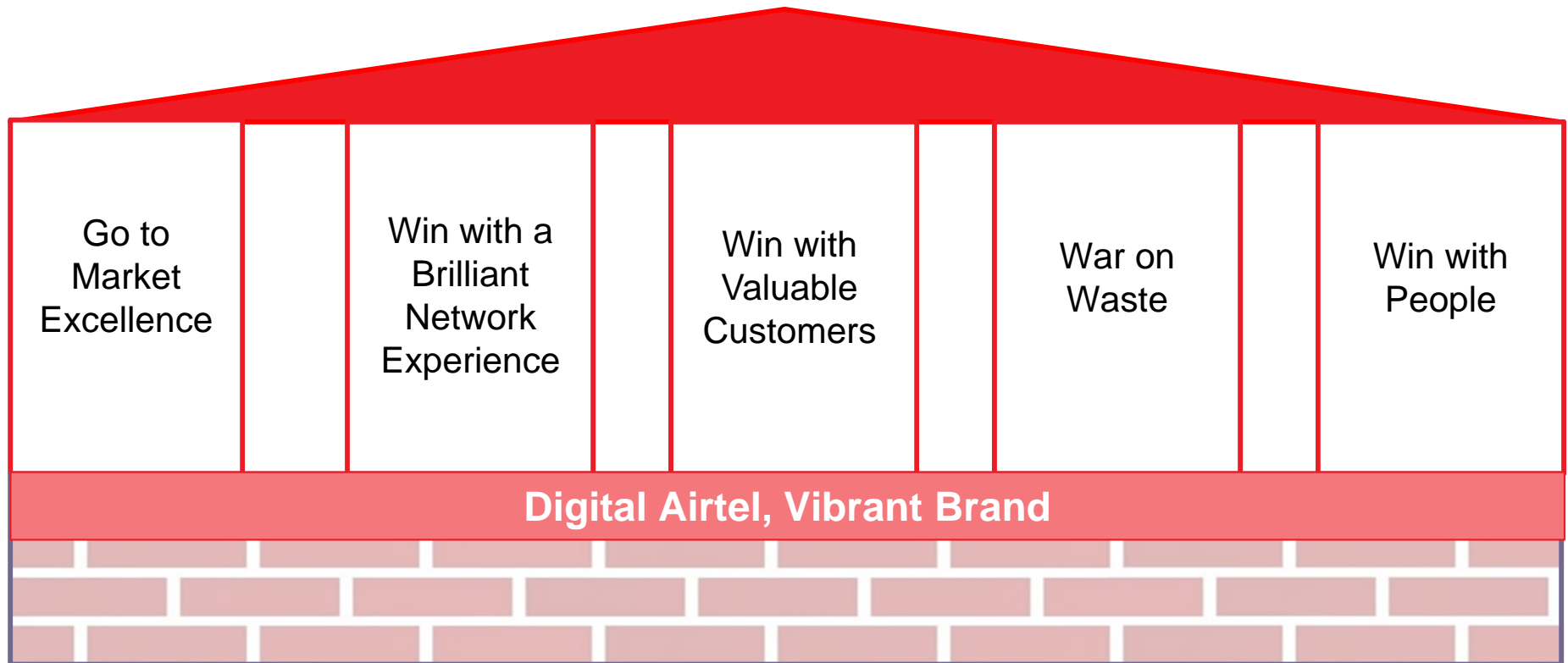


## Operating Free Cash (\$ Mn)



Source: Company filings  
1. Adjusted for constant currency

## 4. BEST IN CLASS EXECUTION



# Strategic Pillars: Go to Market Excellence

## Game changing innovations

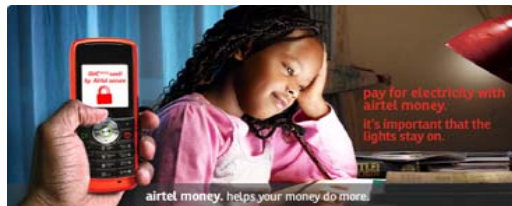
### Creating opportunities

- Night cash back, night plans – Reduced rates during night usage
- Myplan – Customized plans as per customer usage
- Family – Tailor made plan and share benefits with family
- Infinity – Options with unlimited benefits
- Wynk – Music, movies, games
- Payments Bank, Airtel Money

### Strategic Partnerships

- Airtel + Uber – Integrated mobile money wallet & free 4G internet usage in parts of the country
- Airtel + Oyo – Partners for WiFi and DTH services

Understanding data plan impacts usage



**airtel**

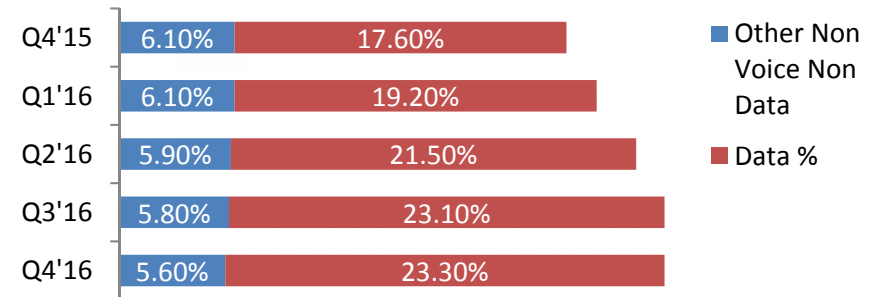


Source: Ericsson Mobility Report

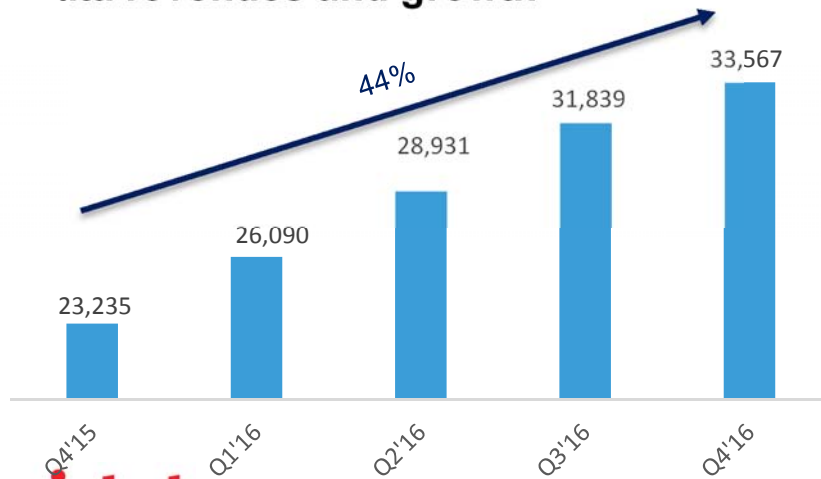
# Fastest Growing Data Business in India

- ✓ First brand to own and launch 4G in India
- ✓ 4G services Pan India post spectrum deals with Aircel and Videocon
- ✓ 4G at 3G prices
- ✓ Annualized data revenues c. \$2.05 bn
- ✓ Airtel recognized as the smartphone network
- ✓ Data usage per customer up 31% YoY

## Data as a % of Mobile revenues

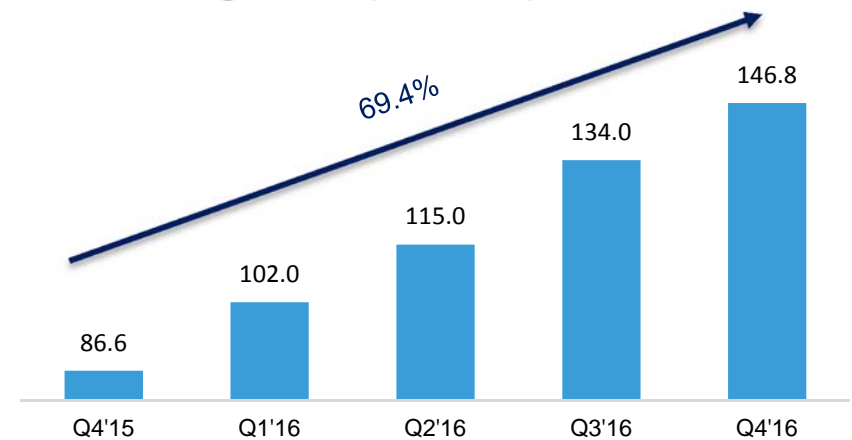


## Data revenues and growth



Source: Company Filings

## Data volumes growth (bn MBs)



# Strategic Pillars: Win with Brilliant Network Experience

PROJECT  
LEAP

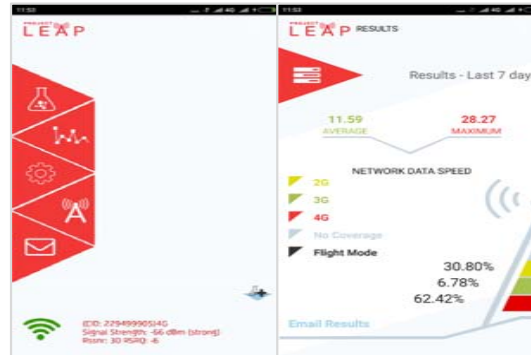
## Eliminate frustration

Blocked calls Repeat calls Dropped

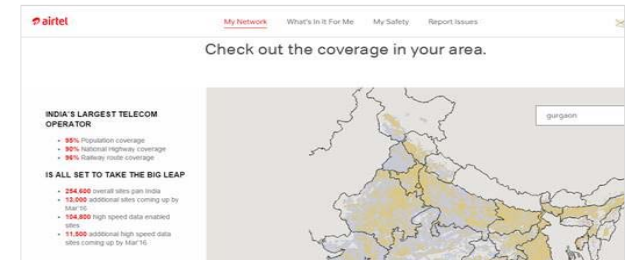


Frustration index

## Invest in tools



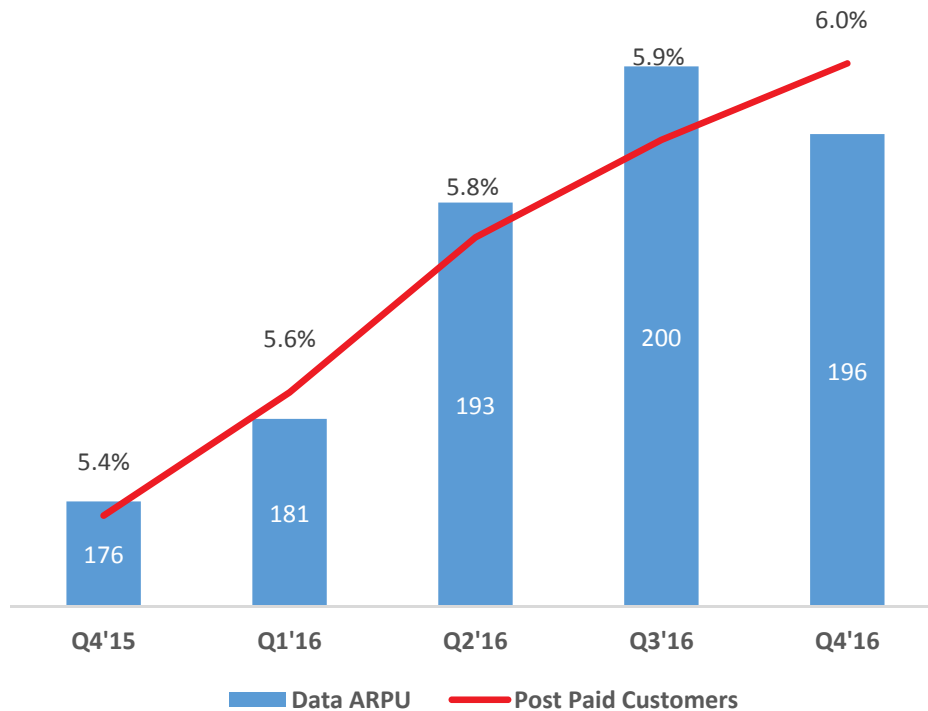
## An open network



Capex Outflow	FY'16 (mn)	Guidance (bn)
India & SA	\$2,379	\$2.2 - \$2.4
Africa	\$771	\$0.7 - \$0.8

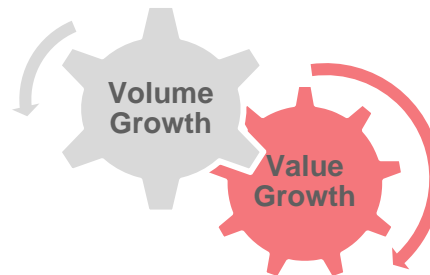
- ✓ Largest capital expenditure of Rs. 60,000 crore over 3 years towards a comprehensive network transformation

# Strategic Pillars: Win with Valuable Customers



✓ **Airtel India:** Postpaid subscriber base inching up, Data ARPU up 12% YoY

Airtel carries over 1.35 trillion minutes  
Secular volume growth 11.1% Y-o-Y



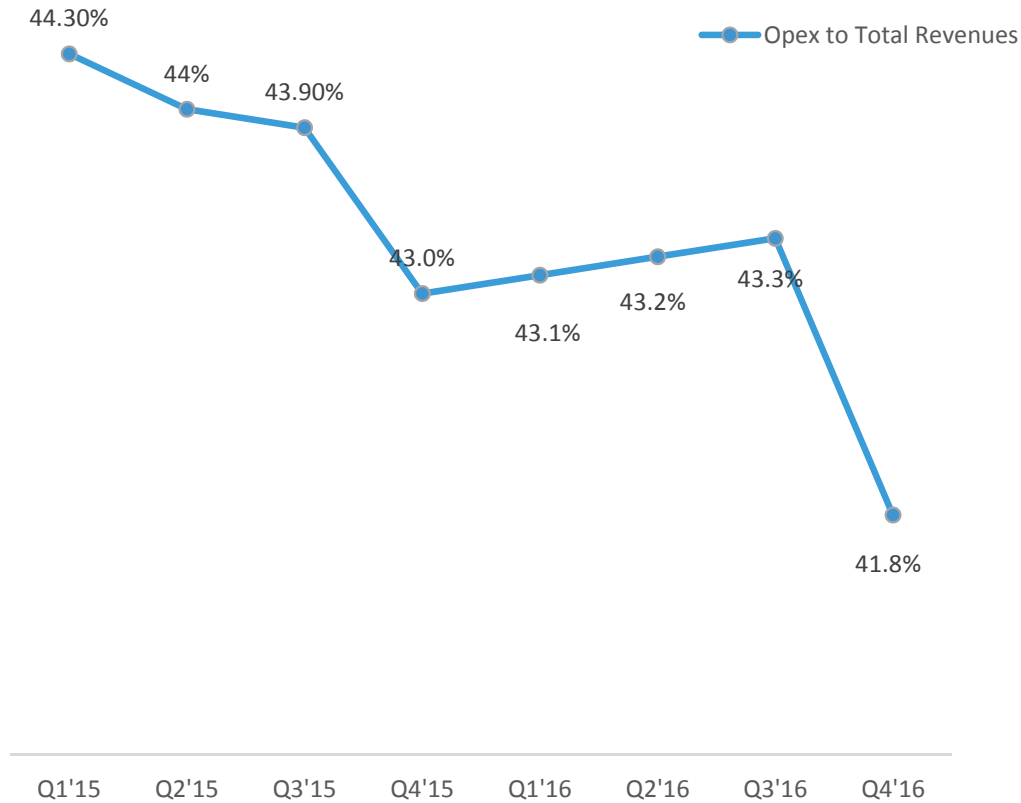
Significant gap b/w realized & rack rates;  
1 paise upside adds \$200 mn to top line



Source: Company Filings

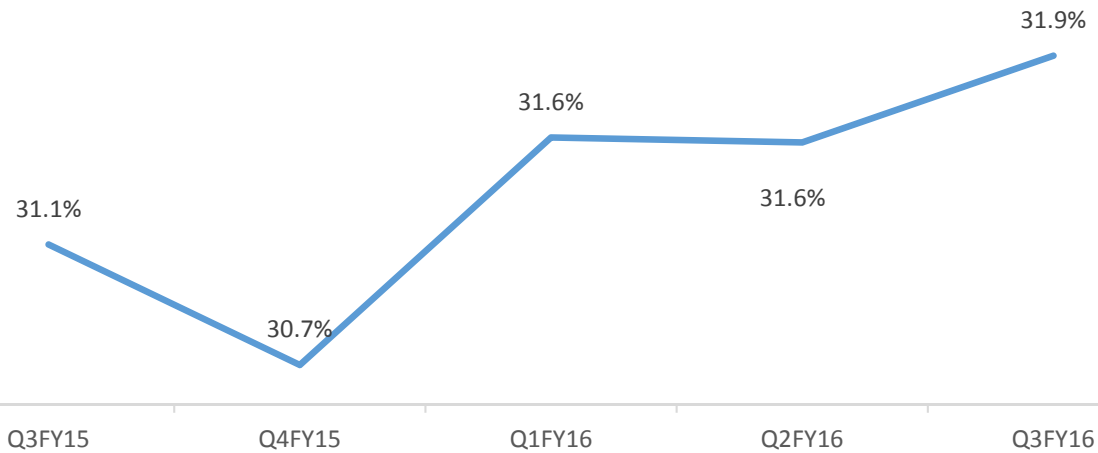
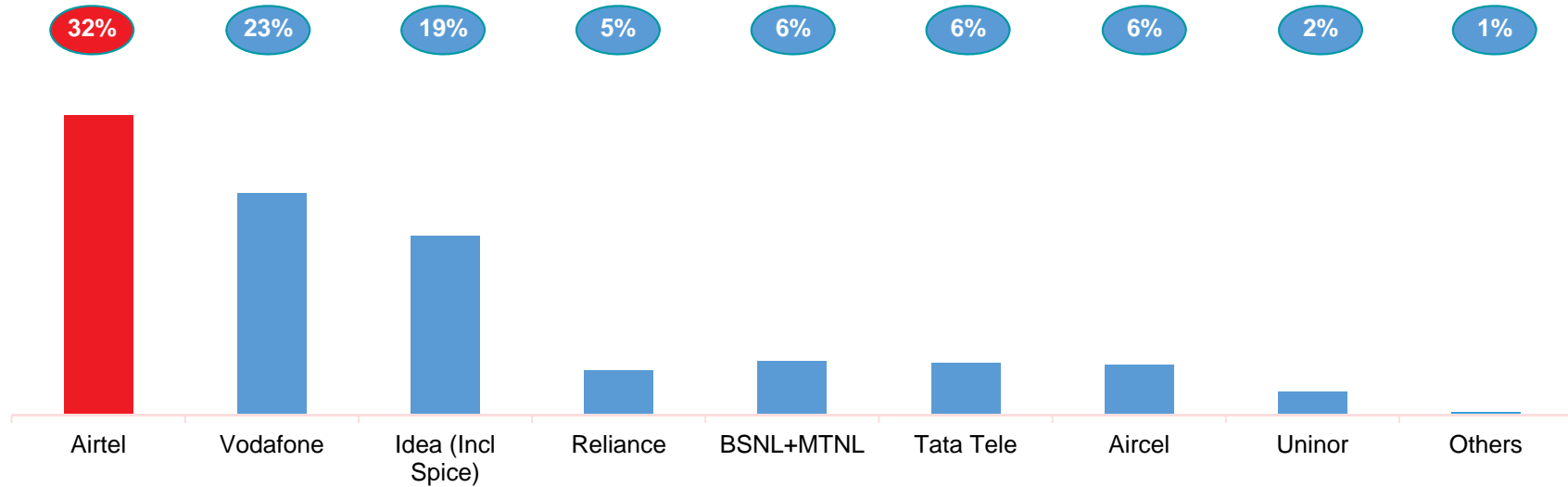


# Strategic Pillars: War on Waste



- Increasing Opex Productivity
- Smart procurement
- Frugal cost structure
- Maximizing sharing
- Network re-design
- Divestment of towers

# Leader in India Revenue Market Share<sup>1</sup>



**Airtel**  
Incremental  
revenue  
market share  
55.2% YoY








1. RMS is calculated on the basis of gross revenues. Source: TRAI
2. RMS is as of Q3'16

# BALANCE SHEET FOCUS

## Diversified debt profile; focus on deleveraging

*Over last 3 years:*

-  *Leverage:* Net Debt to EBITDA down from 3x to 2.5x
-  *Average Maturity:* Average tenors pushed out from 2 years to 6 years
-  *Diversified debt mix:* 100% bank to a mix of bonds, bank, ECA and DoT debt
-  *Currency diversification:* 75% USD to a mix of USD (43%), INR (34%), EUR (14%), Rest (8%)
-  *Interest:* 100% floating to a balanced mix of fixed and floating

*Strategic initiatives undertaken include Airtel QIP, Infratel IPO & further sell down  
Deleveraging in Africa via tower sales and divestment of 2 countries to Orange*

**THANK YOU**