



### Miscellaneous

\* Asterisks denote mandatory information

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Announcement is submitted by *	Chan Su Shan (Ms)
Designation *	Company Secretary
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### >> Announcement Details

The details of the announcement start here ...

Announcement Title \* SingTel Investor Day 2013 - Bharti Airtel

Description

#### Attachments

SingTelInvestorDay2013-BhartiAirtel.pdf

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# *Bharti Airtel Limited*

March 2013



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Certain numbers in this presentation have been rounded off for ease of representation. . Average exchange rates used for Rupee conversion to US\$ is (a) Rs.46.00 for the financial year ended March 31, 2009 (b) Rs.47.63 for the financial year ended March 31, 2010 (c) Rs. 45.60 for the financial year ended March 31, 2011, (d) Rs. 47.84 for the financial year ended March 31, 2012 (e) Rs. 54.00 for the quarter ended June 30, 2012 (f) Rs. 55.19 for the quarter ended September 30, 2012 (g) Rs. 54.42 for the quarter ended December 31, 2012 based on the RBI Reference rate. Closing exchange rates used for Rupee conversion to US\$ is (a) Rs. 50.95 for the financial year ended March 31, 2009 (b) Rs. 45.14 for the financial year ended March 31, 2010 (c) Rs. 44.65 for the financial year ended March 31, 2011 (d) Rs. 51.16 for the financial year ended March 31, 2012 (e) Rs. 56.31 for the quarter ended June 30, 2012 (f) Rs. 52.70 for the quarter ended September 30, 2012 (g) Rs. 54.78 for the quarter ended December 31, 2012 being the RBI Reference rate.

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

# Agenda

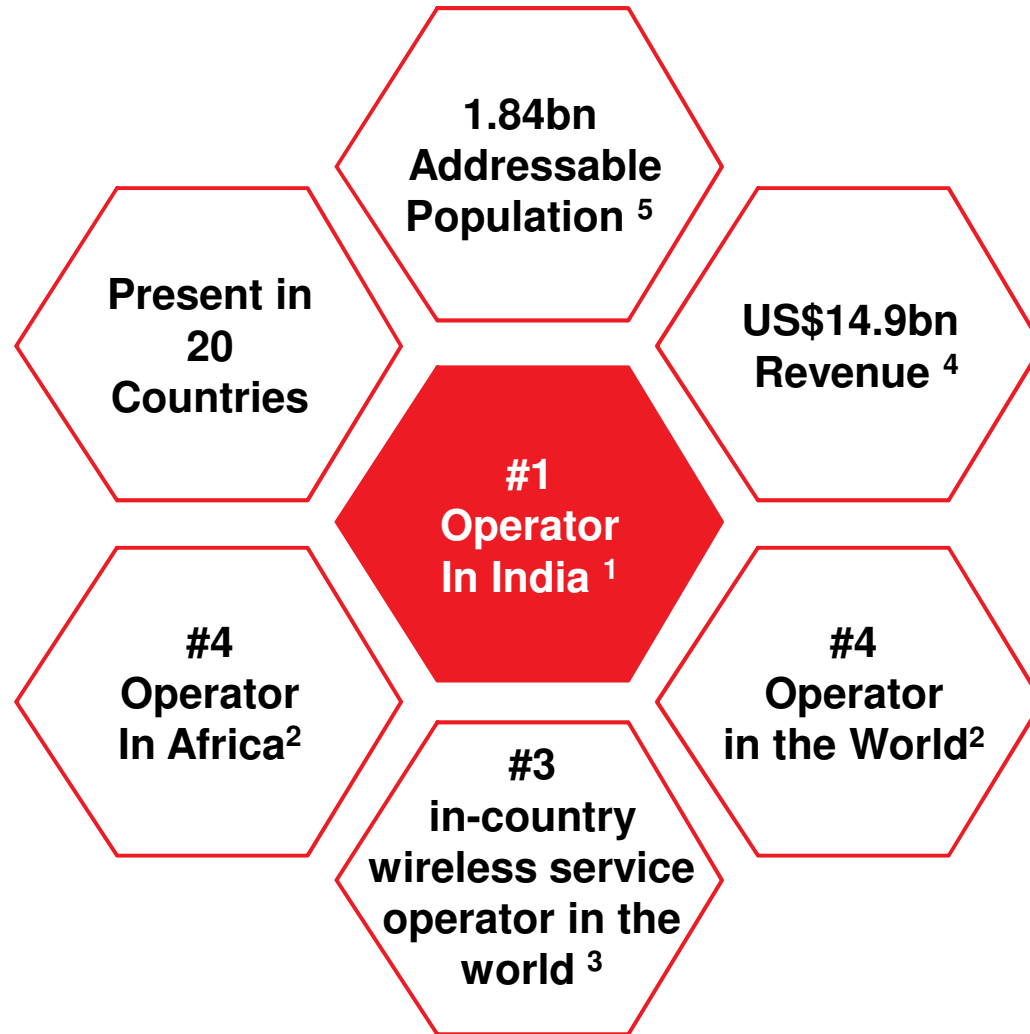
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- Introduction to Bharti Airtel
- Bharti Airtel Business Model
- Bharti Airtel Wireless Operations
- Bharti Airtel Africa
- Overview of Other Businesses
- Financial Overview
- Key Highlights and Conclusion



*Bharti Airtel – Who we are*

# Bharti Airtel



Source: TRAI and Informa Telecoms and Media

Notes:

1. As of December 31, 2012
2. Fourth largest mobile operator in the world and Africa as of September 30, 2012, based on proportionate equity subscriptions
3. Based on data from Informa Telecoms and Media. In-country wireless operator refers to single country subscribers
4. FY2012 Revenue
5. Combined population for the regions in which Airtel has a footprint

# Global Telecom Company

## B2C



### Mobile Services

- Cellular mobile services across 20 countries
- Customer and revenue market leader in India
- 251.1 mn wireless subscribers globally

### Telemedia Services

- Offers fixed telephony and broadband internet (DSL + IPTV)
- Customer base of 3.3mn broadband & internet customers
- Services provided across 87 cities

### Digital TV

- Pan India DTH operations
- 7.9 mn subscribers with a market share of over 19%<sup>2</sup>
- Coverage across 632 districts

## B2B



### Airtel Business

- Services to large enterprises and carriers
- Serves as single point of contact for all telecom needs
- Global infrastructure of over 225,000 Rkm covering 50 countries across 5 continents

### Tower Infrastructure Services

- Bharti Infratel (BIL) owns 34,668 towers across 11 circles<sup>3</sup>
- BIL owns 42% stake in Indus Towers, one of the largest independent tower companies in the world, with 111,240 towers across 15 circles
- Average tenancy ratio of ~1.92
- Listed with a market cap of US\$6.7bn

**World's leading telecom player offering end-to-end solutions**

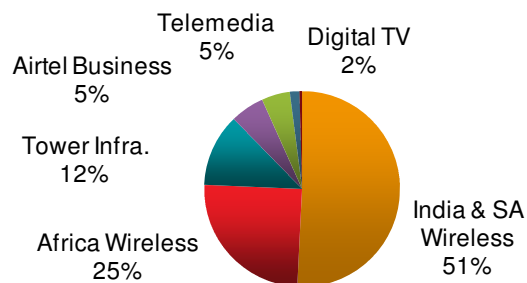
#### Notes:

1. All figures as of December 31, 2012
2. As published on October 21, 2012 in the Business Standard Title: "Digital wars"
3. Bharti Infratel IPO Prospectus

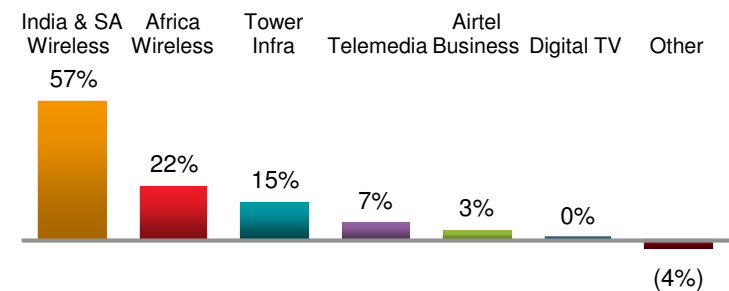
# Scale and Profitability across Diversified Segments

- FY12 Revenues of \$14.9 bn and EBITDA of \$5.0 bn
- Q3FY13 Revenues of \$3.7 bn and EBITDA of \$1.1 bn
- Bharti Airtel Africa contributed 25% of FY12 revenues (27% of Q3 FY13 revenues)

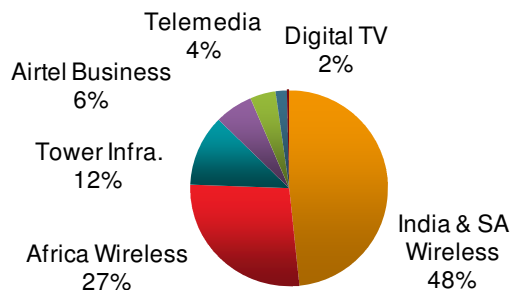
## FY12 Revenue: \$14.9 bn <sup>1</sup>



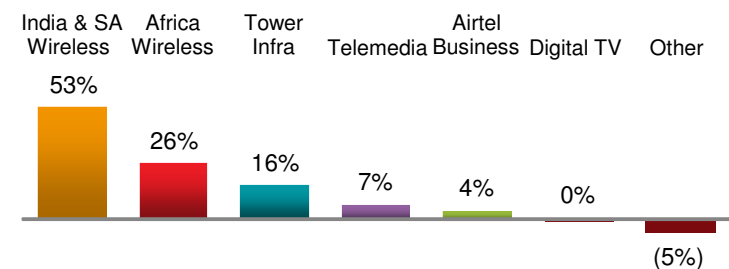
## FY12 EBITDA: \$5.0 bn <sup>1</sup>



## Q3 FY13 Revenue: \$3.7 bn <sup>1</sup>



## Q3 FY13 EBITDA: \$1.1 bn <sup>1</sup>



**Diversified suite of offerings with non-wireless segments contributing 24% to revenue**

Source: Company Filings (NSE, BSE)

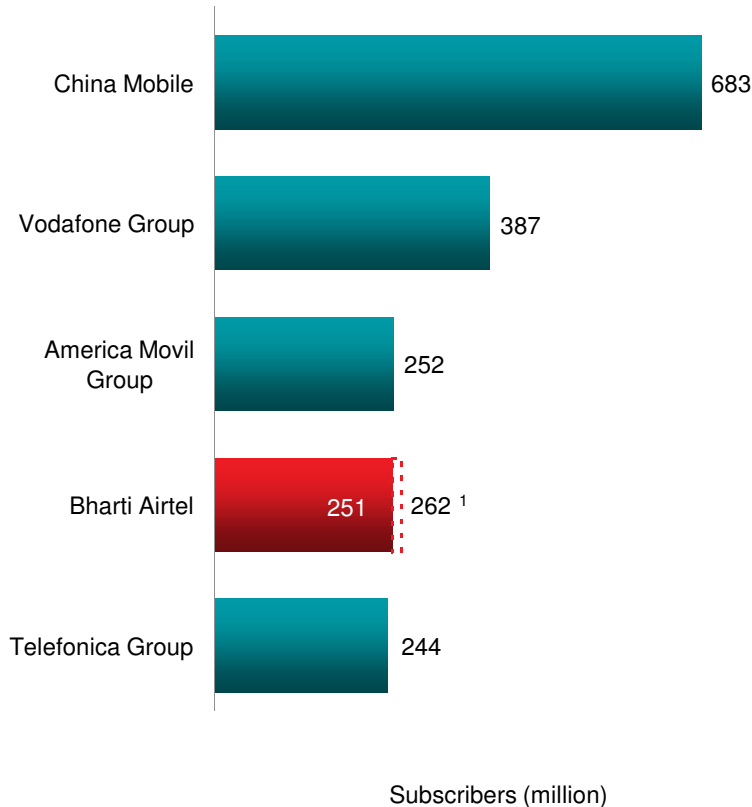
Note:

1. Revenue and EBITDA pie charts are based on pre inter-segment eliminations



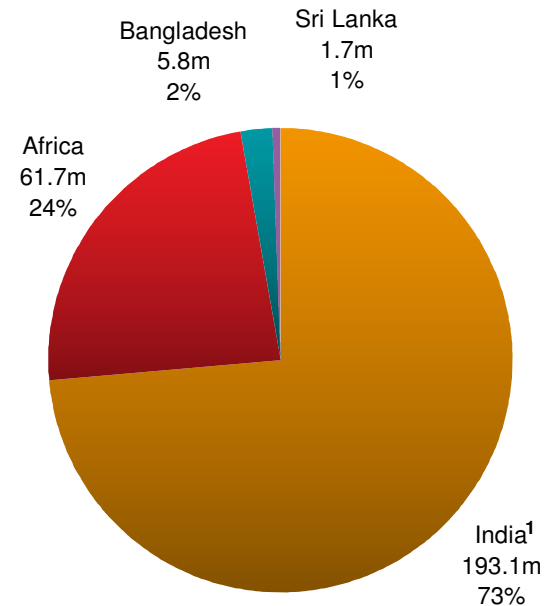
# Leader Amongst Global and Emerging Market Telcos

## Wireless Subscribers as of September 2012<sup>2</sup>



## Key Highlights

- One of the world's leading providers of telecommunication services with significant presence in 20 countries including India, Bangladesh, Sri Lanka and 17 countries in Africa.
- Global customer base of **262.3 mn subscribers<sup>1</sup>**



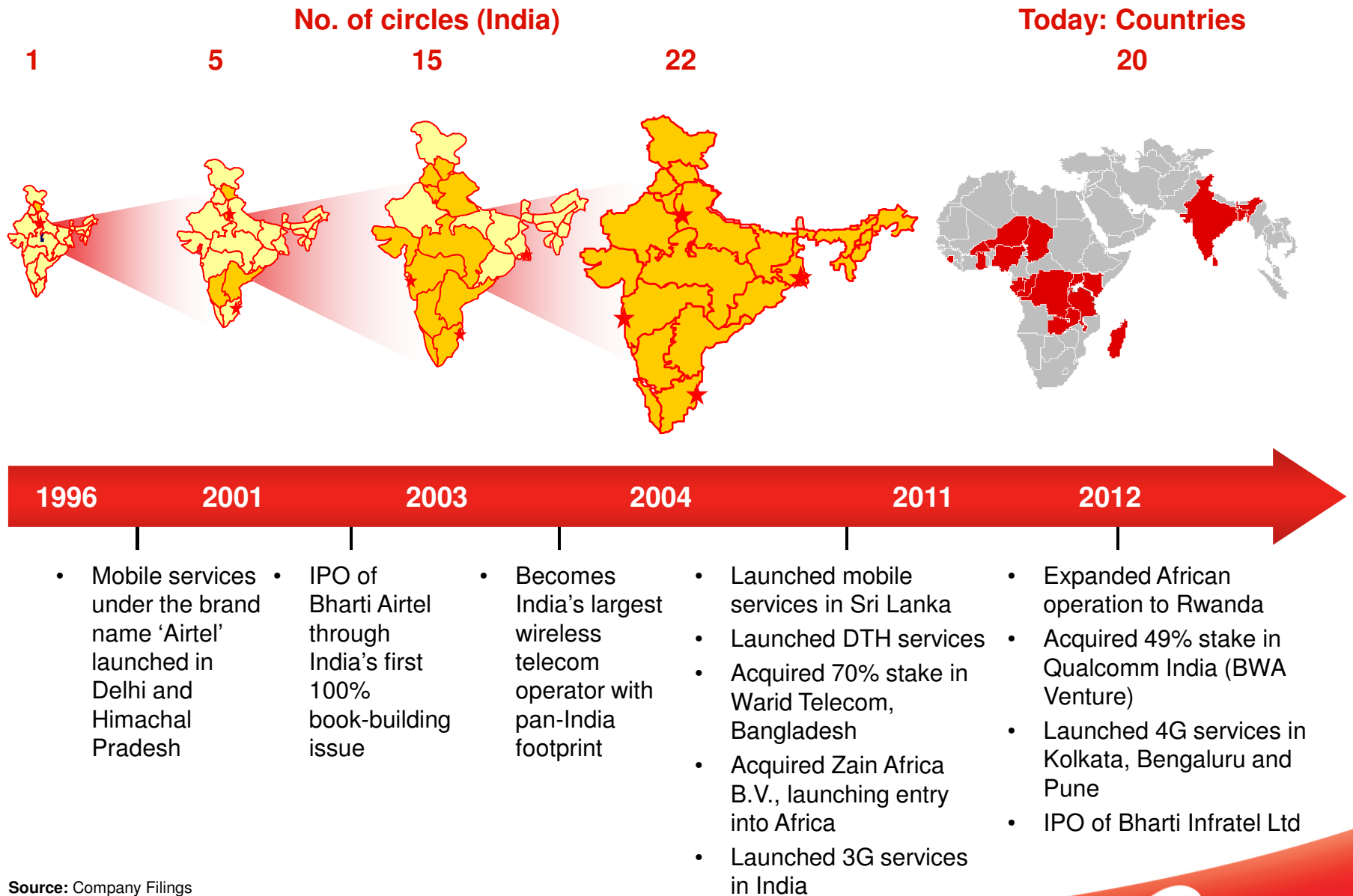
**Today, Bharti Airtel is present in 20 countries, with a total addressable population of 1.84 bn people**

Source: Company Filings and World Cellular Investors

Note:

1. As of December 31, 2012. Includes Digital TV and Telemedia subscribers in addition to wireless telecom subscribers
2. Based on proportionate equity subscriptions

# The Company...Bharti Airtel



Source: Company Filings



*Unique Business Model*

# Bharti Airtel: Challenging mindsets

## Challenging The Mindset

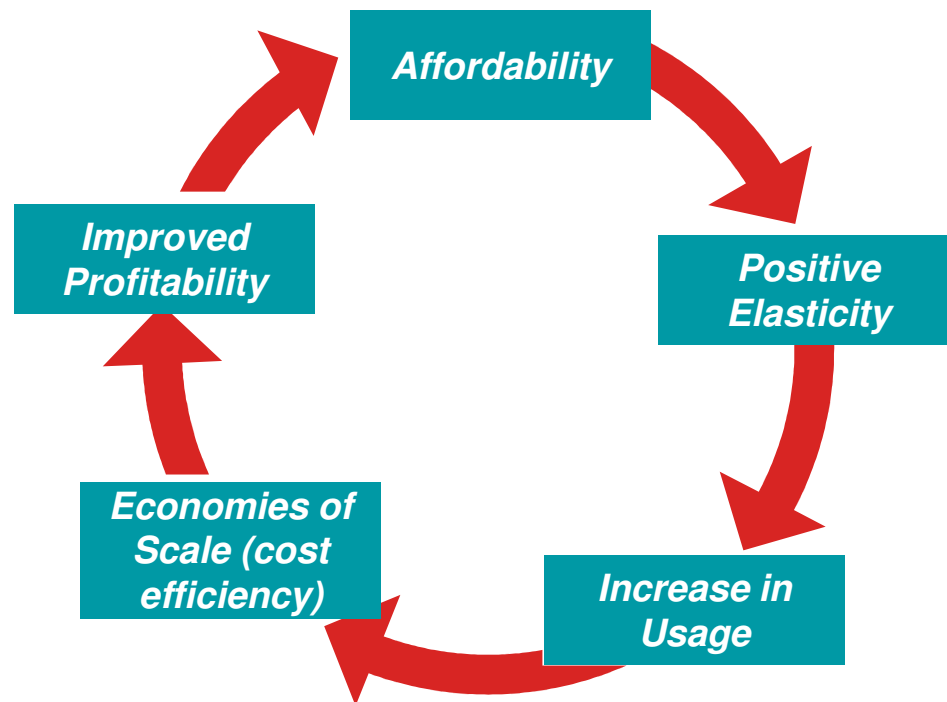
- Mobiles for 'classes' not for the 'masses'
- Post-paid customer is better than pre-paid customer
- High ARPU → performance
- High tariffs → performance
- Low usage is better
- A lower Capex / Sales → Better Capital Usage

## Challenging The Model

- Outsourcing non core activities
- From competition to competitive collaboration through infrastructure sharing
- Innovative business delivery model

## Created a Unique Business Model – “Minutes Factory”

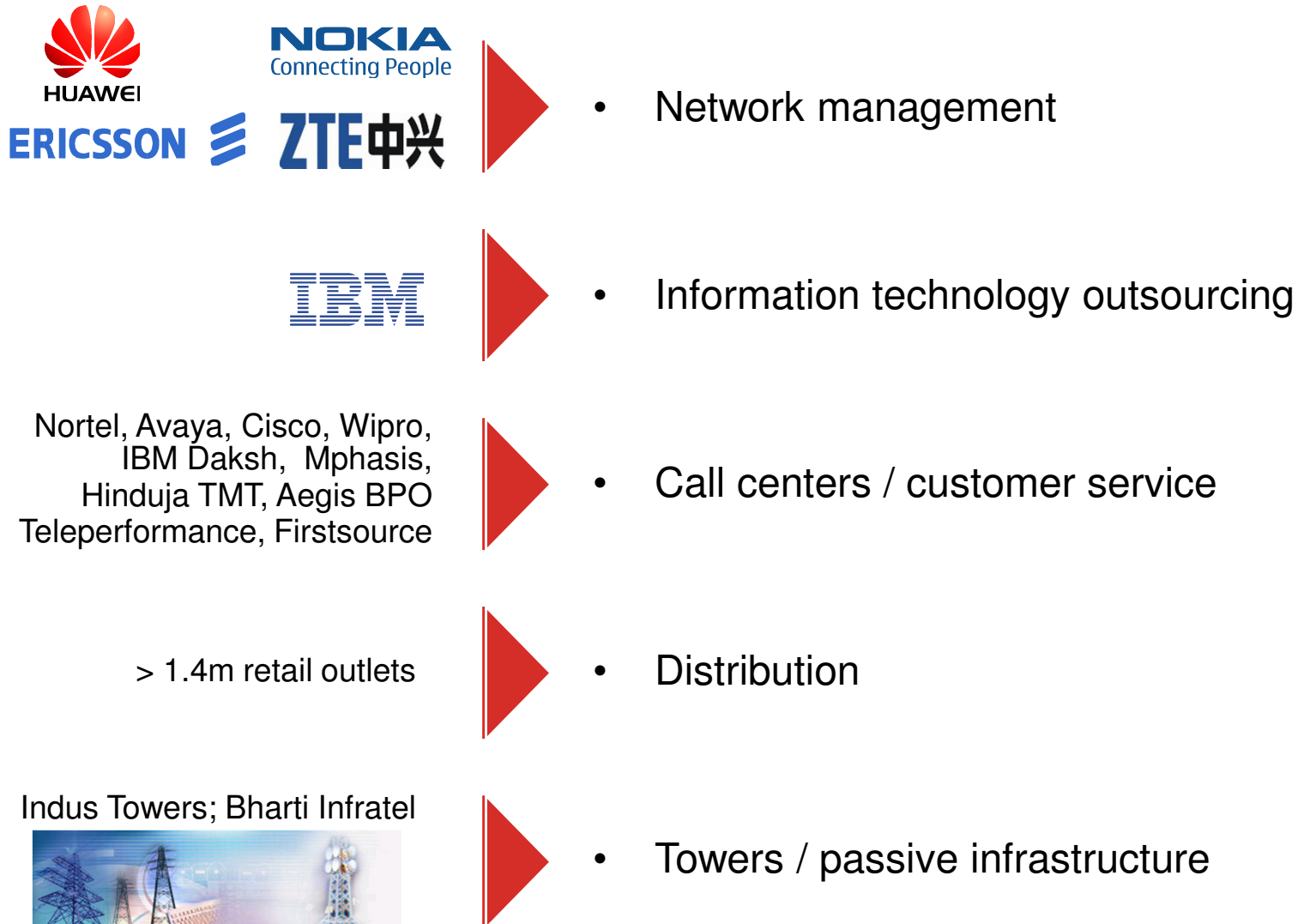
- Improving affordability to gain positive elasticity is at the heart of our Minutes Factory model



- Focus on producing the lowest cost minute whilst maintaining / growing margins
- Drive affordability
  - more users
  - more usage
- Increased scale of minutes; driving operating leverage

***Bharti Airtel successfully used its “Minutes Factory” model to move towards a high usage environment, while building its customer base profitably***

# Built Strategic Partnerships in Business Delivery Model



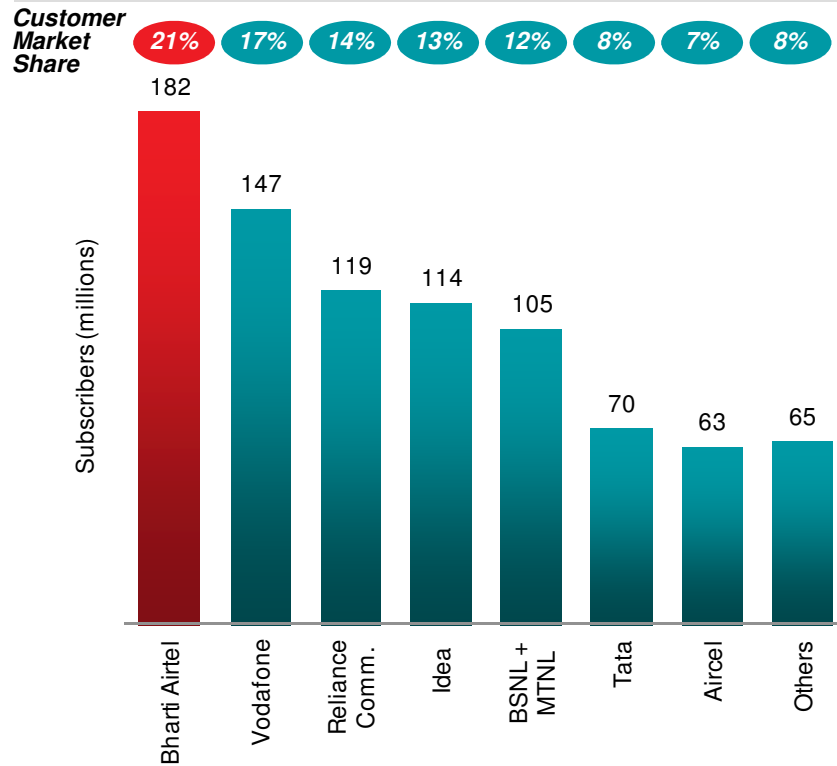
***The strategic partnership model has been a key enabler for Bharti Airtel to lower its costs***



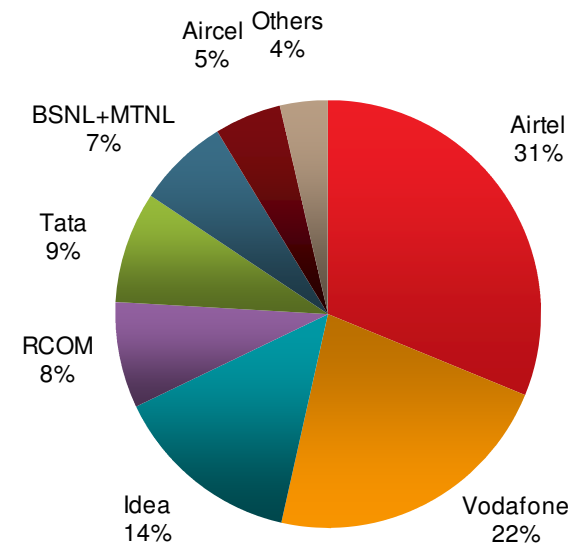
***Bharti Airtel: India  
Wireless Overview***

# Bharti Airtel: The Leading Indian Wireless Operator

**Wireless Subscriber Market Share <sup>1</sup>**



**Wireless Revenue Market Share <sup>2</sup>**



**87% nationwide coverage with 31% revenue market share and 21% customer market share**

Source: TRAI

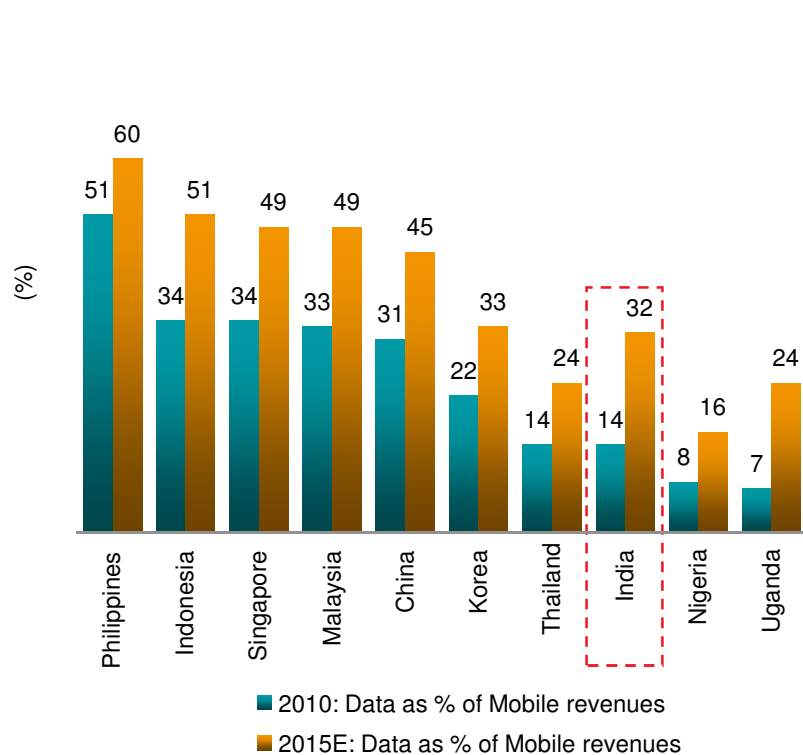
Notes:

1. As of December 31, 2012, as announced through TRAI press release dated February 7, 2013
2. For quarter ended September 30, 2012. Calculated on the basis of Gross Revenue for UASL + Mobile +CMTS licenses

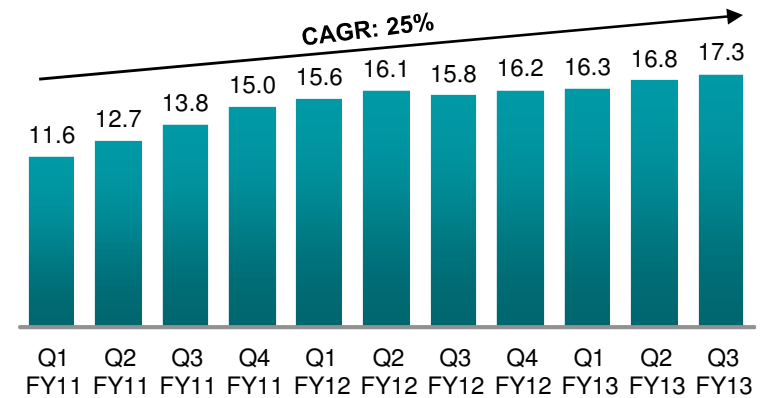


# India Wireless – Significant Upside From ‘Data’

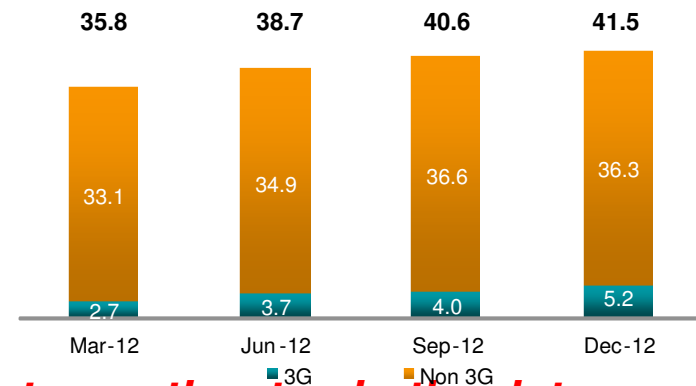
**Data as a percent of Mobile Revenues across Emerging Markets**



**Bharti Airtel’s Non-Voice Revenues as a % of Mobile Revenues <sup>1</sup>**



**Bharti Airtel’s Data and 3G Subscriber Base**



**India is expected to have one of the fastest growth rates in the data segment over the next 5 years, to be driven by low cost mobile handsets and new technologies (3G/4G)**

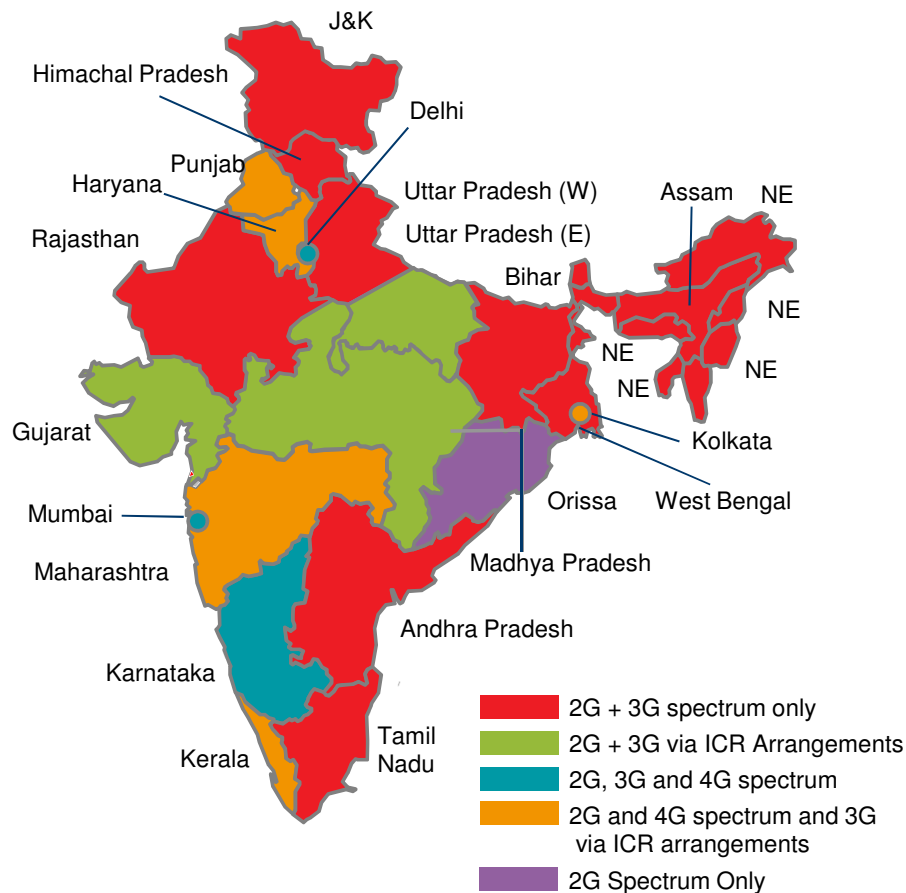
Source: Informa, Company filings

Note:



# Start of the Data Revolution (3G + 4G)

## Bharti Airtel's 3G/4G Position



## 3G and 4G Update

- Allocated 3G and/or BWA licenses in 16 telecom circles and for a total consideration of ~\$3.5bn
- Bharti Airtel acquired 49% of Qualcomm India (BWA venture), thereby gaining access to Delhi, Mumbai, Kerala and Haryana spectrum for BWA
- Currently, these 18 circles contribute ~85.1% of Bharti's mobile revenues<sup>1</sup>
- Bharti Airtel launched its 3G network in India on January 24<sup>th</sup> 2011 and 4G network services in April 2012 (Kolkata)
  - Since then, added over 6.8 million 3G customers and launched 4G in Bengaluru and Pune
- ICR (Inter Circle Roaming) arrangements with other operators for 3G services have been entered into for the circles it does not have spectrum in, except for Orissa

**Bharti Airtel plans to leverage its existing network and superior spectrum position for data roll-outs**

**Source:** TRAI, Department of Telecom, Company Filings

**Note:**

1. Based on quarter ended Sep 30, 2012. Calculated on the basis of Gross Revenue for UASL + Mobile licenses



*Venture into Africa*

# Transaction Rationale

## *Bharti Airtel Objectives*

Shareholding and Full Management Control

Ability to use brand 'Airtel'

Manageable Deal Size

Diversification of India Risk

Avoiding Greenfield

Replicating core competency: "minute factory" model



## *Transaction Achievements*

Global Stature with focus on Emerging Markets

Significant Synergies

Strong Platform for Future Expansion

***The transaction met the objectives of Bharti Airtel with long term strategic benefits***

# Africa – Opportunity for Growth

	India	Africa <sup>1</sup>
Mobile Penetration	~71%	~56%
Average Number of Competitors	10-12	3-5
Business Model	High usage, low pricing model	Low usage, high pricing model
Minutes of Usage per sub <sup>2</sup>	~435	~144
ARPU (US\$) <sup>2</sup>	~\$3.4	~\$6.2
ARPM (US cents ¢) <sup>2</sup>	0.8¢	4.3¢

***Africa presented an opportunity where Bharti could replicate its ‘minute factory’ model successfully***

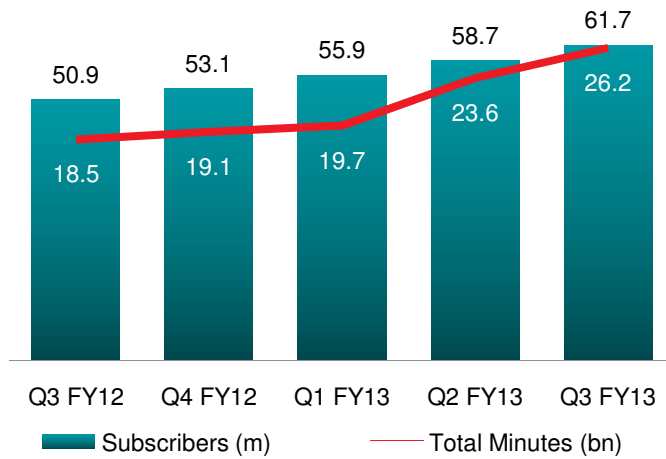
Source: Company Filings, World Cellular Information Service (WCIS)

**Notes:**

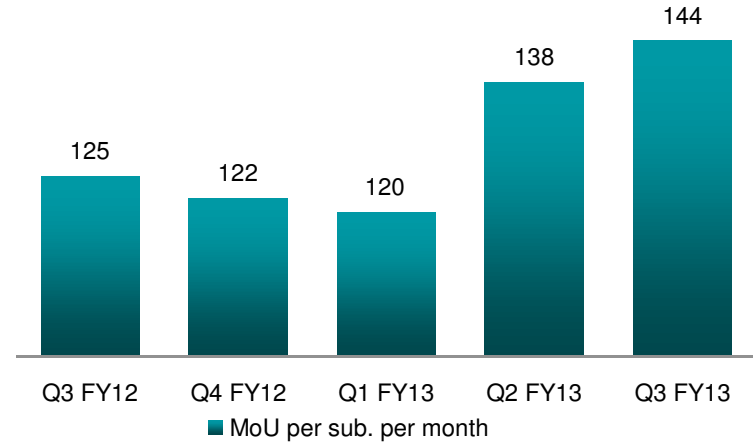
1. Data pertaining to the 17 African countries where Bharti Airtel Africa has operations.
2. Bharti Airtel numbers for the quarter Sep-Dec 2012

# Africa Performance Indicators

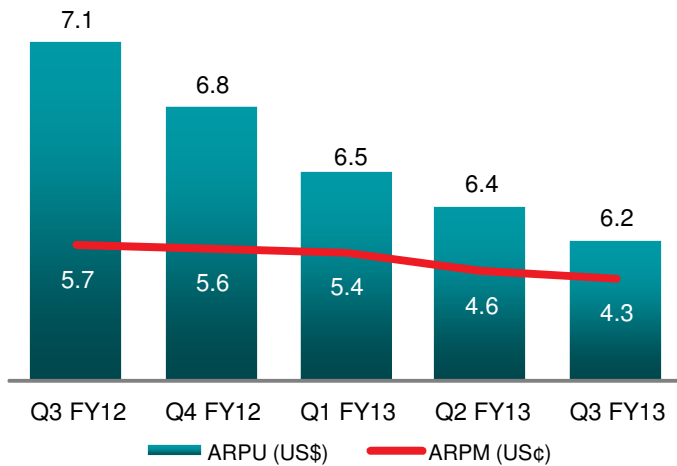
**Total Subscribers (mn) and Total Minutes (bn)**



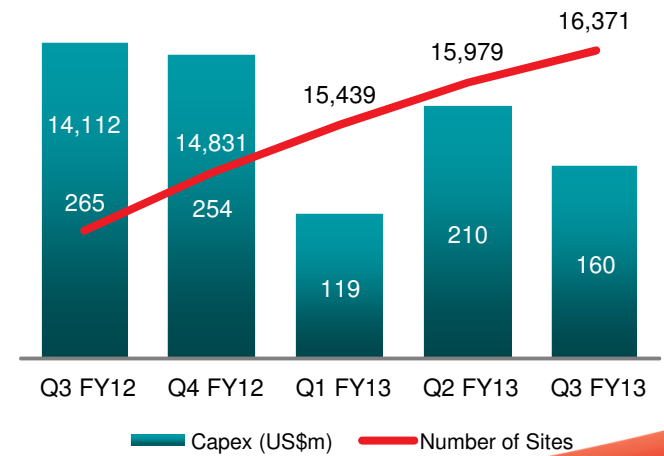
**Minutes of Usage per sub**



**ARPU (USD) and ARPM (Usc)**



**Capex (US\$m) and Number of Sites**

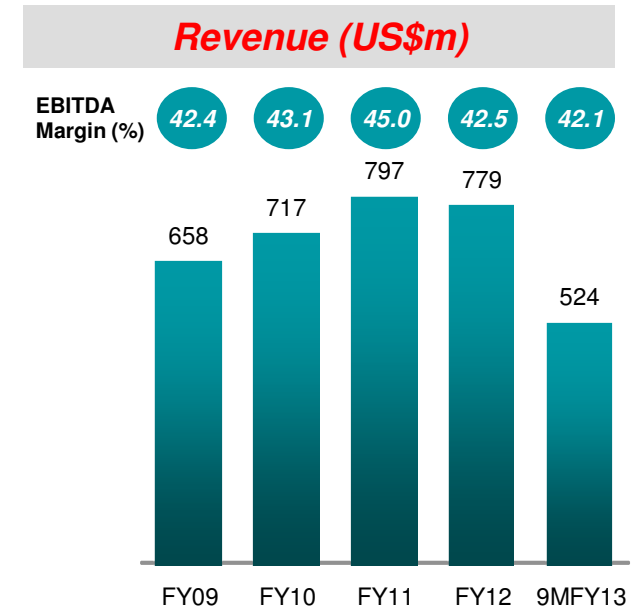




*Other Businesses*

# Telemedia Services

- Operates in the entire broadband continuum with a presence in voice, broadband, IPTV and data
- Focus on Retail and Small & Medium Business (“SMB”) segment
- Key Performance Indicators
  - Voice (wire-line) and Data (DSL) Presence in 87 top cities in India
  - Customer base: 3.3 million
  - Broadband penetration at 42.2% of customer base
  - Average ARPU of \$17.9 per month for quarter ended December 31, 2012



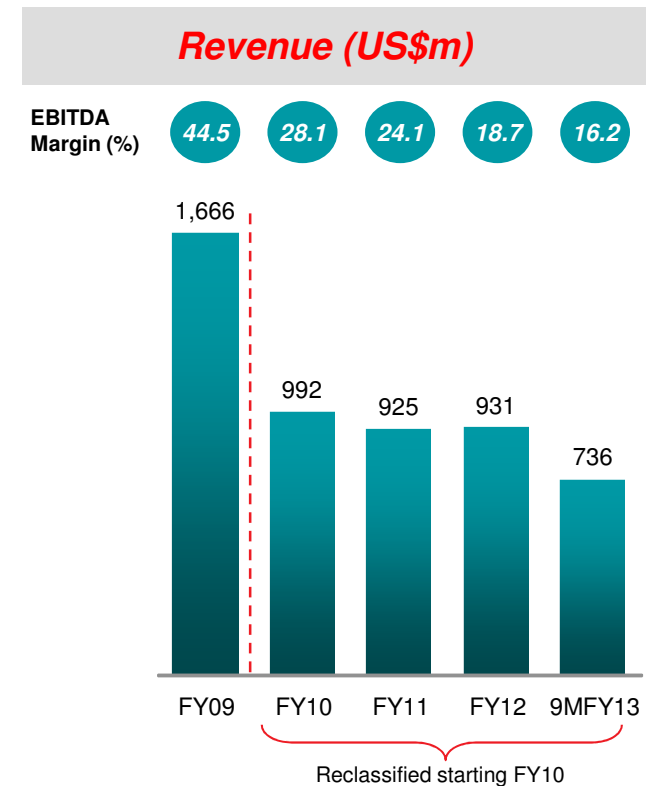
**Broadband revolution to follow wireless revolution in India**

Source: Company Filings



# Airtel Business

- Airtel Business provides a broad portfolio of services to large Corporates and Carrier customers:
- Corporates: Single point of contact for all telecom needs for large corporate customers
- Carriers: Wholesale voice and data services to domestic and international telecom carriers
  - Extensive national and international infrastructure
  - Pan-India network with 166,506 Route kms of optical fiber
  - International network with over 225,000 Route-km, connecting over 50 countries and 5 Continents



Source: Company Filings

Note:

1. Post FY09 this segment was reclassified

# Digital TV Services

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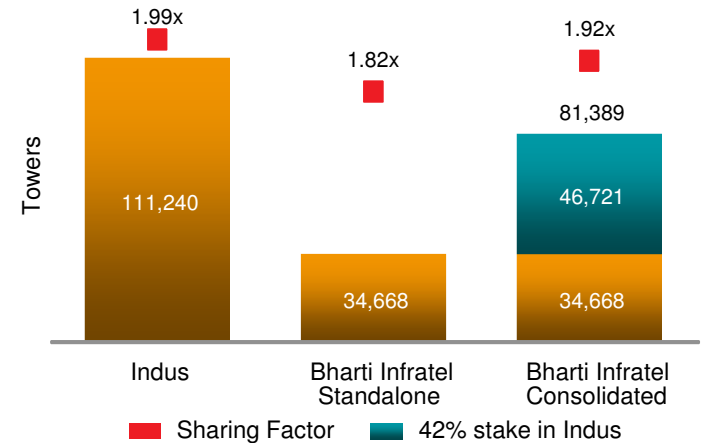
- Launched “Airtel Digital TV” service in October 2008 as fifth operator providing Direct-to-Home (DTH) services in India
- Current subscriber base of ~7.9 million subscribers
  - Currently offers a total of 324 channels including 15 HD channels and 6 interactive services
  - First Company in India which provides real integration of all the three screens viz. television, mobile and computer enabling our customers to record their favorite TV programs through mobile and web
- Present across 632 districts , partnering with local service partners to provide customer service and operate call centers
- Also offers High Definition (HD) Set Top Boxes and Digital TV Recorders with 3D capabilities delivering superior customer experience
- Key Performance Indicators (Q3'13)
  - Revenue: US\$78.1m (3% Segment Contribution Share)
  - Average ARPU of \$3.4 per month for quarter ended December 31, 2012

# Tower Infrastructure

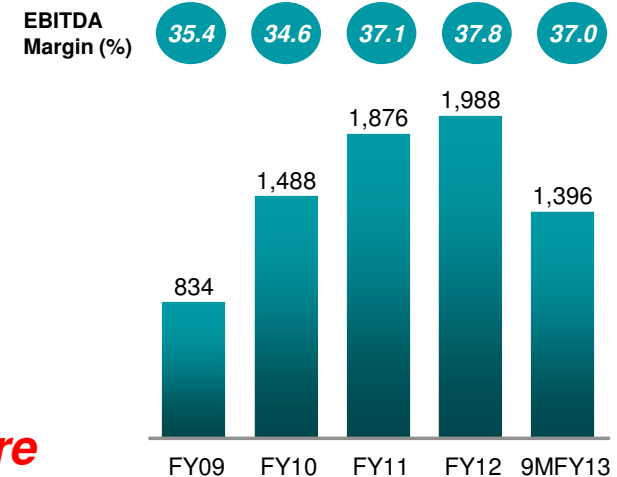
- Bharti Infratel is a tower infrastructure provider to telecom operators in 11 circles in India
- Bharti Infratel also holds a 42% stake in Indus Towers, amongst the largest tower companies in the world, operating in 15 circles, thereby enabling the Company to provide leading pan-India passive infrastructure services
- Bharti Infratel conducted its Initial Public Offering in December 2012, raising \$761m for a 10% stake, current market capitalization of US\$6.7bn<sup>1</sup>
- Sharing factor (Tenancy ratio) of ~1.92x per tower

***Bharti Infratel owns 42% stake in Indus Towers – one of the world’s largest passive infrastructure providers***

Source: Company Filings  
 Note  
 1 As of December 31, 2012



## Revenue (US\$m)

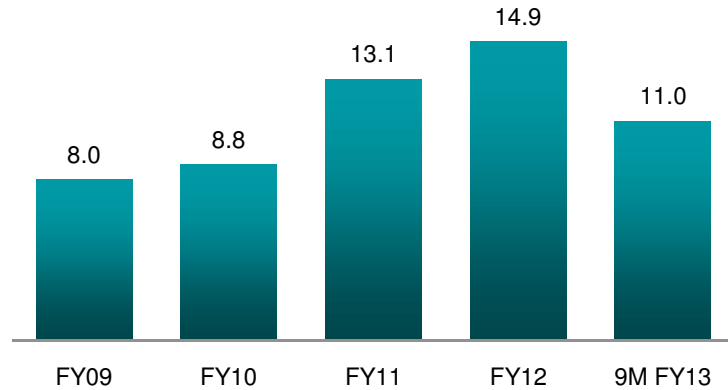




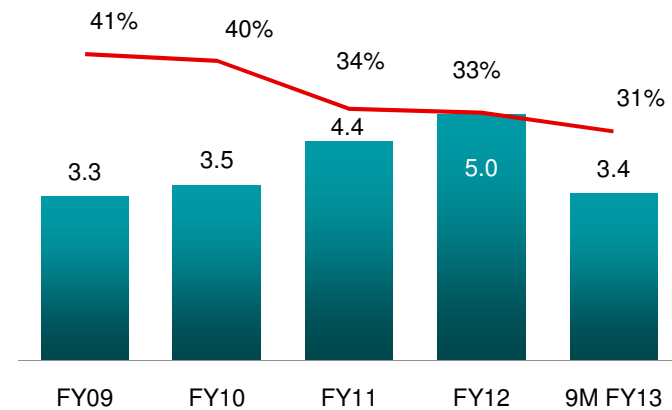
## *Financial Overview*

# Robust Financials (Consolidated) <sup>1</sup>

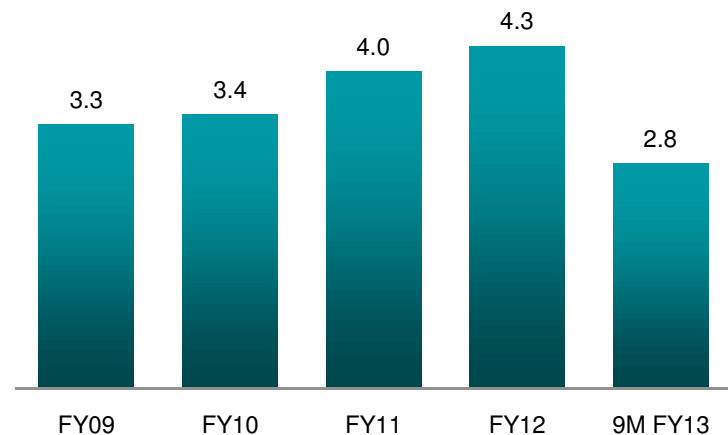
**Total Revenues (US\$bn)**



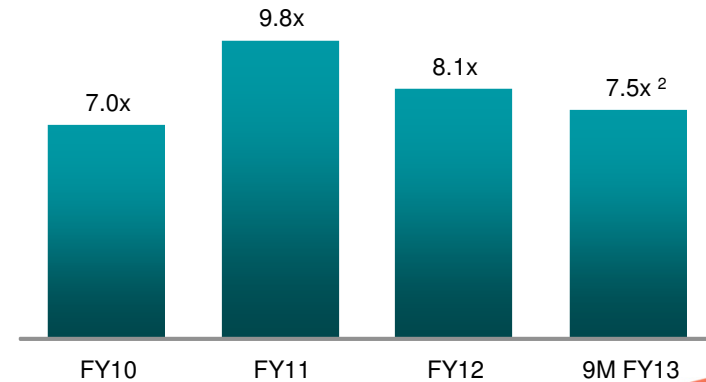
**EBITDA (US\$bn) and EBITDA margin**



**Cash Flow from Operations (US\$bn)**



**Enterprise Value / EBITDA**



Source: Company Filings

Note:

1. Africa operations consolidated starting from 8th June 2010
2. EBITDA calculated on an annualized basis, using Q3 FY2013 EBITDA

# Highest Standards of Corporate Governance



Credit Rating and Information Services of India (“CRISIL”) has assigned its Governance and Value Creation rating “CRISIL GVC Level 1” to the corporate governance and value creation practices of Bharti Airtel

Quarterly financials audited on IFRS, IGAAP basis

Diversified Board – 50% independent directors

SingTel representatives on the Board of the company

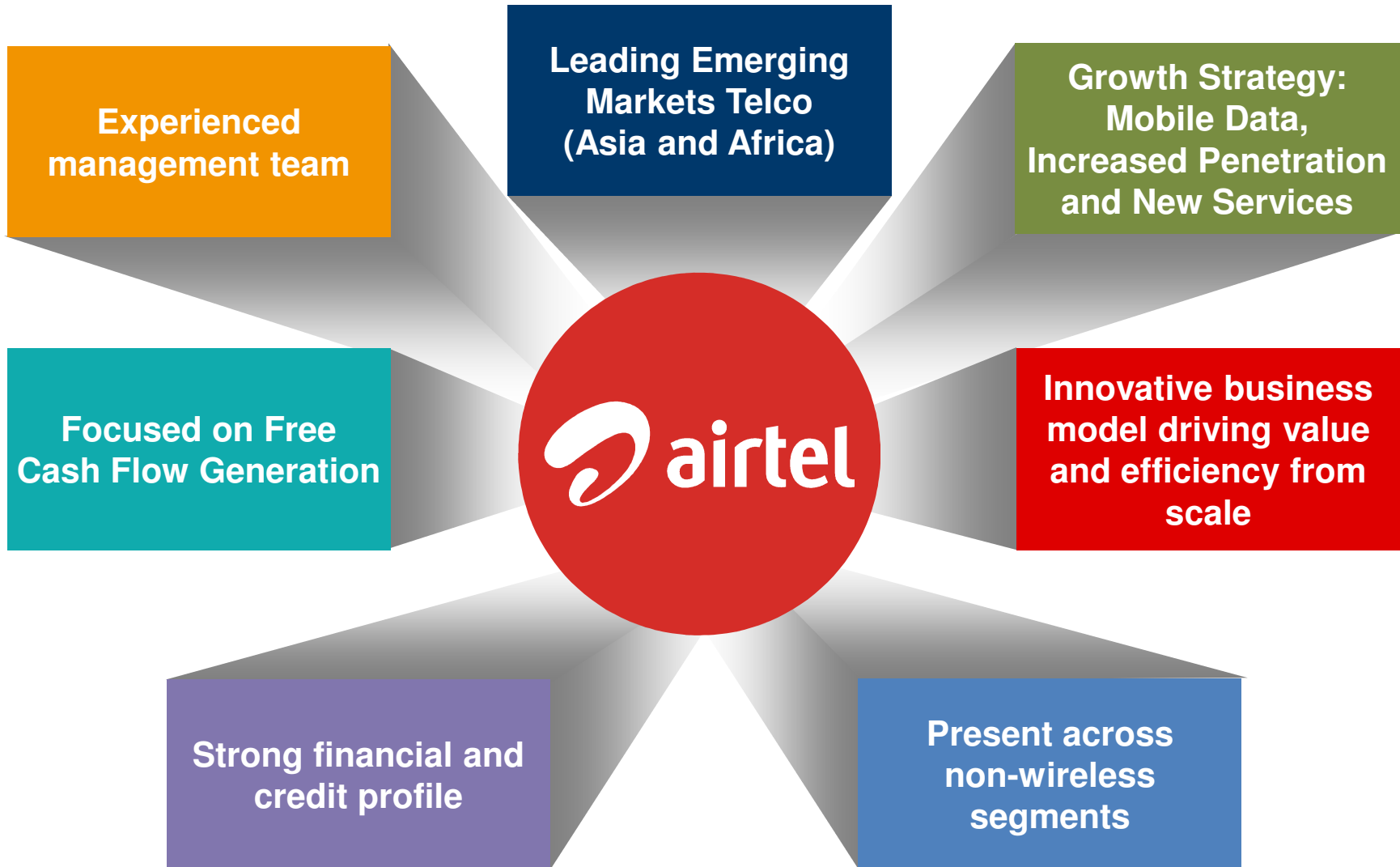
Professional organization with empowerment to operating team

Professional Entrepreneurial combination



***Investment  
Highlights***

# Investment Highlights





*Bharti Airtel Limited*

March 2013

