Bharti Airtel

Investor Presentation
November 2018

Bharti Airtel: Who Are We

Third
largest telecom operator in the world

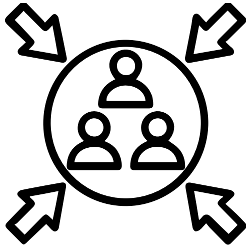
Presence in
18
countries[1] serving over
448 mn customers

Highest standards of Corporate Governance – ranked
#1 by Transparency International

Our Guiding Strategy

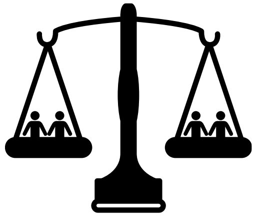
Customer Centricity

Win customers through differentiated products and world class technology



Performance Excellence

Accelerate non-mobile business, grow market share and strip out waste



Transparency and Ethical Governance

Highest Corporate Governance and disclosure rankings

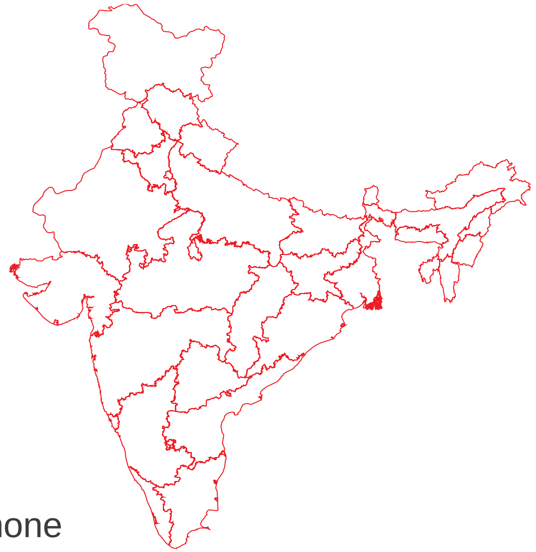
Sources - 1. Including JVs 2. Only integrated operator with wireless, wireline & satellite TV. 3. Market leadership (Rank 1 or 2) in 12 of 14 countries

Bharti Airtel: Investment Rationale

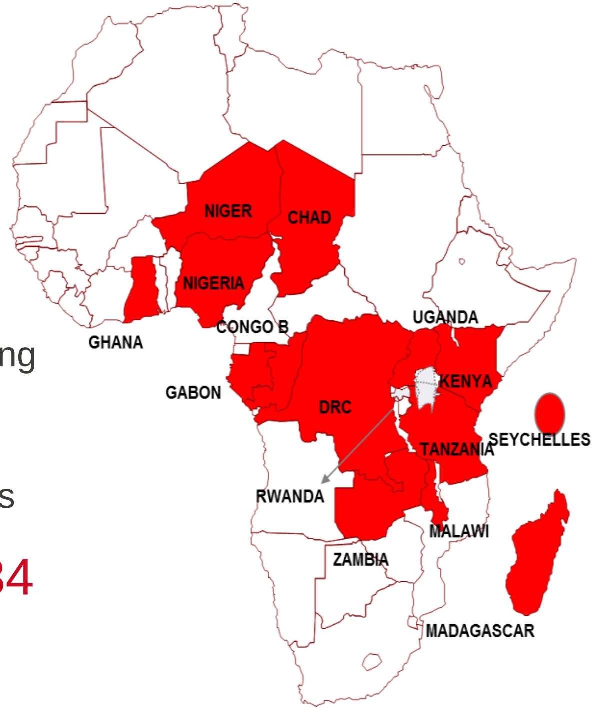
airtel

1. Presence in underpenetrated markets of India and Africa with large residual opportunity
2. Leading operator with scale and diversified businesses across markets
3. Bulk investments already in place; best in class spectrum bank in markets of operations
4. Demonstrated superior execution capabilities
5. Strong balance sheet enabling ample headroom for expansion
6. Experienced management, diversified board, marquee partners and shareholders

India & Africa - Mobile Market



- 2nd largest telecom market in the world
- 2nd largest smartphone market in the world
- 2nd highest internet users in the world
- 2nd largest enterprise & SMB market in the world



- One of the fastest growing economic zone in the world
- 444 Million[2] mobile subscribers in 2017. Expected to grow to 634 Million by 2025.
- Mobile broadband connections[3] to grow from 38% in 2017 to 87% by 2025.
- Median age[4] in Africa, excepted to be 19.8 by 2020

Source 1: IMF 2,3: GSMA Sub Saharan Africa Report 2018, Source 4: World Population Prospect Interactive Data

Opportunity in Indian Telecom

WIRELESS

- 1.3 bn population
  - ~0.7 bn unique wireless customers
  - Rural Tele-Density ~ 58.49%[1]

WIRELESS DATA

- ~39.7%[2] Mobile Broadband Penetration
  - Mobile data[3] traffic to grow 7-fold from 2016 to 2021 CAGR of 49%

WIRED BROADBAND

- 250mn households
  - < 10% connected
  - Household disposable income rising

ENTERPRISES

- 1.5 mn SMB/Enterprises
  - < 10% connectivity

MOBILE BANKING

- Cash based economy
  - 65% consumer transaction by value are currently in cash

DTH AND CABLE

- 250 mn households
  - Digital Cable/ DTH subscribers~ 100 mn[4]

Source: 1 & 2 – Telecom Subscription Report, TRAI, 3- VNI Mobile Forecast Highlights, 2016-2021, 4– BofA Merrill Lynch Global Research,

Opportunity in African Telecom

WIRELESS

- 1.2 Bn Population (Airtel Africa covers 547 Mn Population)
  - Median age < 25

SMARTPHONE PENETRATION[1]

- Smartphone penetration to reach 50% by 2020
  - 498 million smartphones by 2020

MOBILE BANKING[2]

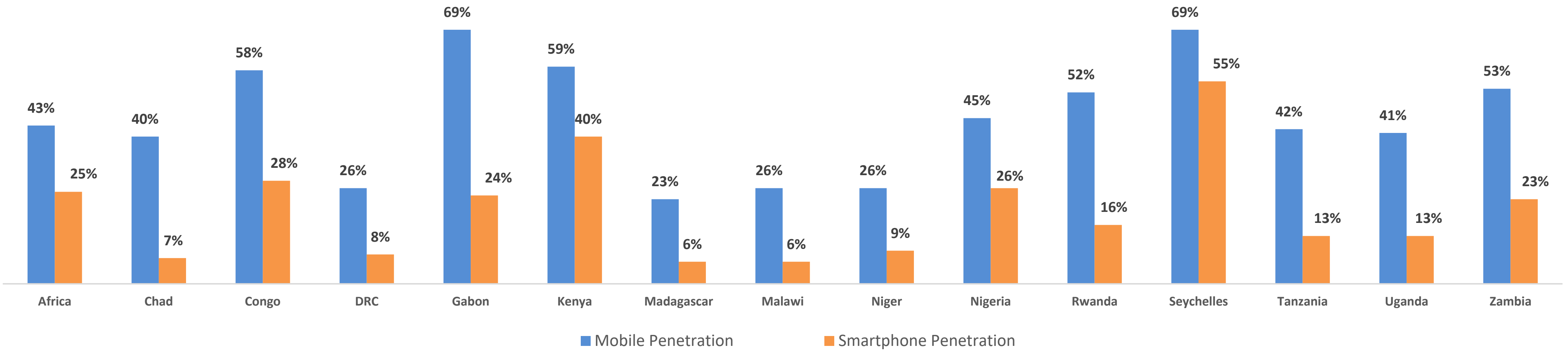
- Banking Penetration low
  - Mobile money services predominant in most countries

DATA TRAFFIC[3]

- Mobile data traffic to grow by a CAGR of 66% over the period of 2016-2020

Average Mobile Penetration: 45%

Average Smartphone Penetration: 20%

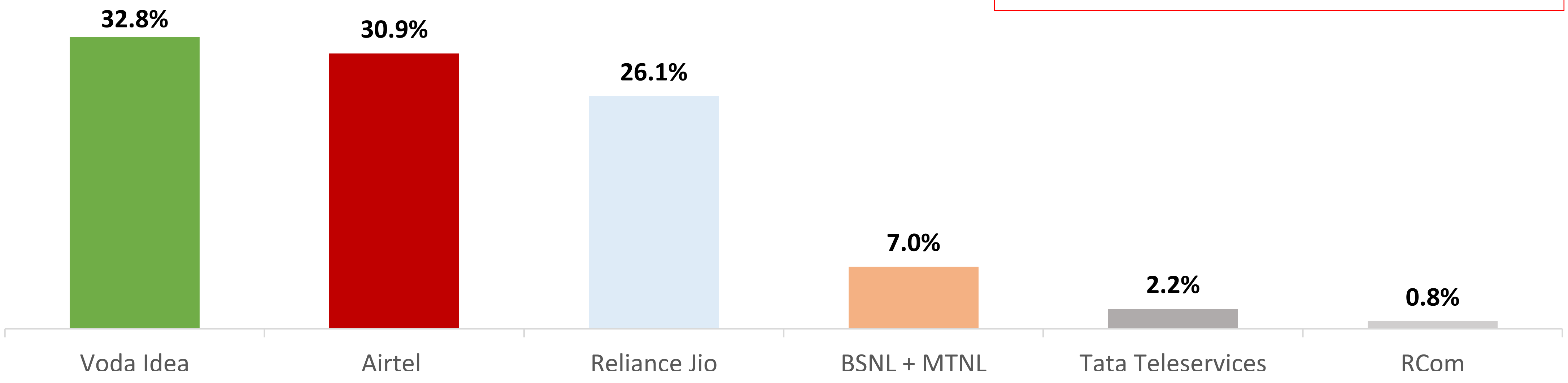


Source 1, 2 & 3 : GSMA Sub Saharan Africa Data - 2017

No. 2 operator in India Revenue Market Share[1]

~$18.5 Bn Indian Telecom Industry

1.169 Bn total wireless subscribers in India



Airtel's strength across telecom circles in India

Rank[4]	No. of Circles
1	10
2	4
3/4	8

1. #2 operator after merger of Vodafone and Idea. RMS is calculated on the basis of adjusted gross revenues including NLD. Source: TRAI
2. RMS is as of Q2'19
3. Airtel + Telenor merged. Tata approval pending.
4. Circle wise RMS is on the basis of Gross Revenue
5. RCOM and Aircel folded their wireless operations in Nov 2017 & March 2018 respectively.

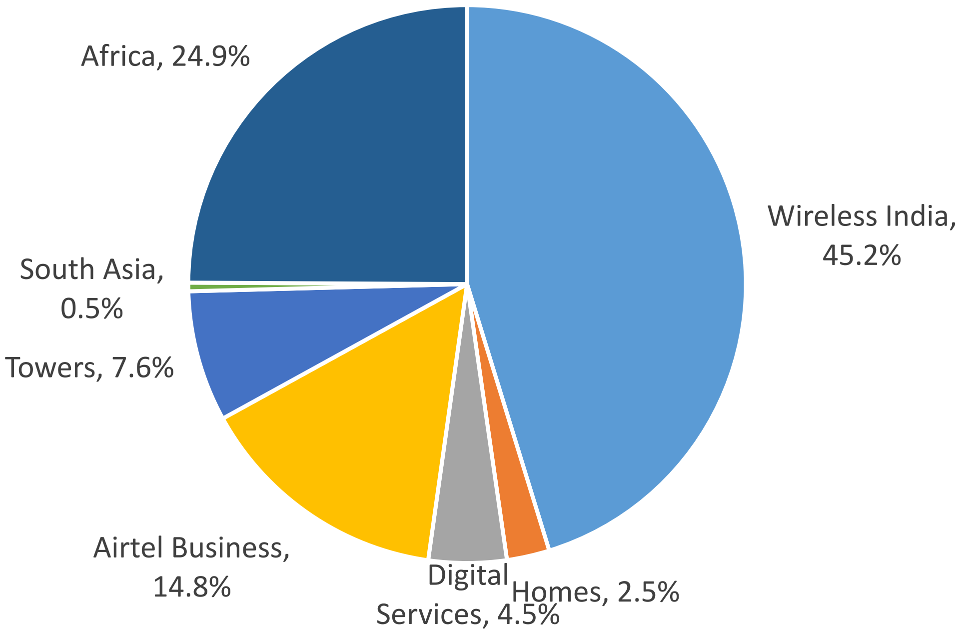
Leading presence in Africa

Country	Market size (mn $)	Key Telecom operators	Our Position	Airtel RMS %	EBITDA range	Key competitors
Zambia	480	3	2	>40%	>40%	MTN
Niger	330	3	1	>40%	>40%	Orange
Malawi	225	2	1	>40%	>40%	TNM
Madagascar	195	3	1	30-40%	20-30%	Orange, Telma
Nigeria	4,710	6	2	20-30%	>40%	MTN
Kenya	2,500	3	2	<10%	<20%	Safaricom
Uganda	780	5	2	>40%	>40%	MTN
Congo B	375	3	2	>40%	20-30%	MTN
Gabon	350	3	2	>40%	>40%	Maroc
Chad	274	3	2	>40%	30-40%	Tigo
Rwanda	165	2	2	30-40%	<20%	MTN
Seychelles	55	2	2	>40%	>40%	C & W
DRC	990	4	3	20-30%	>40%	Voda, Orange
Tanzania	1,040	5	3	20-30%	<20%	Vodacom, Tigo

Source; Company Presentations

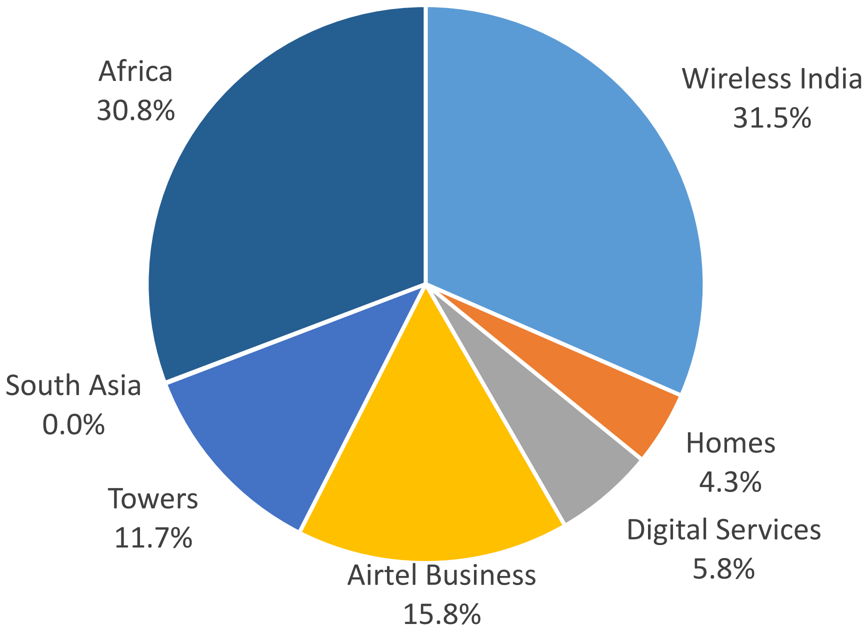
Diversified portfolio

Revenue Split by segments[1]



- ✓ As of Q2’19 Non-Mobile Business* comprise of 32.6 % of Total Revenues (~27.8% as of Q2’18)

EBITDA Split by segments



- ✓ As of Q2’19 Non-Mobile Business* comprise of 40.4 % of EBITDA (~30.3% as of Q2’18)

1. Excludes others and eliminations.
* Non Mobile Businesses include Homes, DTH, Airtel Business and Towers..

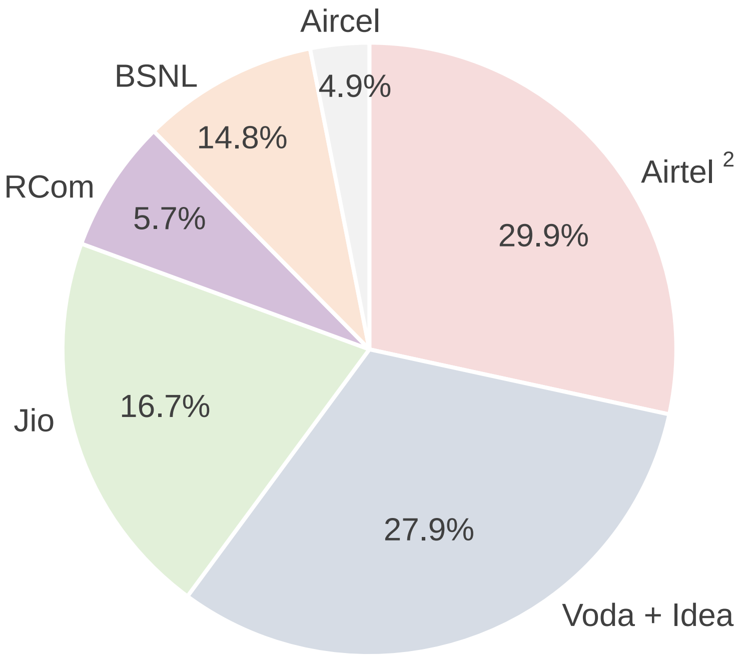
Investing for growth – Spectrum Holding

Airtel's Spectrum

Band	Footprint	Holding per Circle
Low Band	15 Circles	5 – 10 Mhz
Mid Band	Pan India	15 – 25 Mhz[1]
High Band	Pan India	20 – 30 Mhz

1. Except for Kolkata (9 Mhz) and West Bengal (6.2 Mhz)
2. Includes liberalized spectrum of Tata

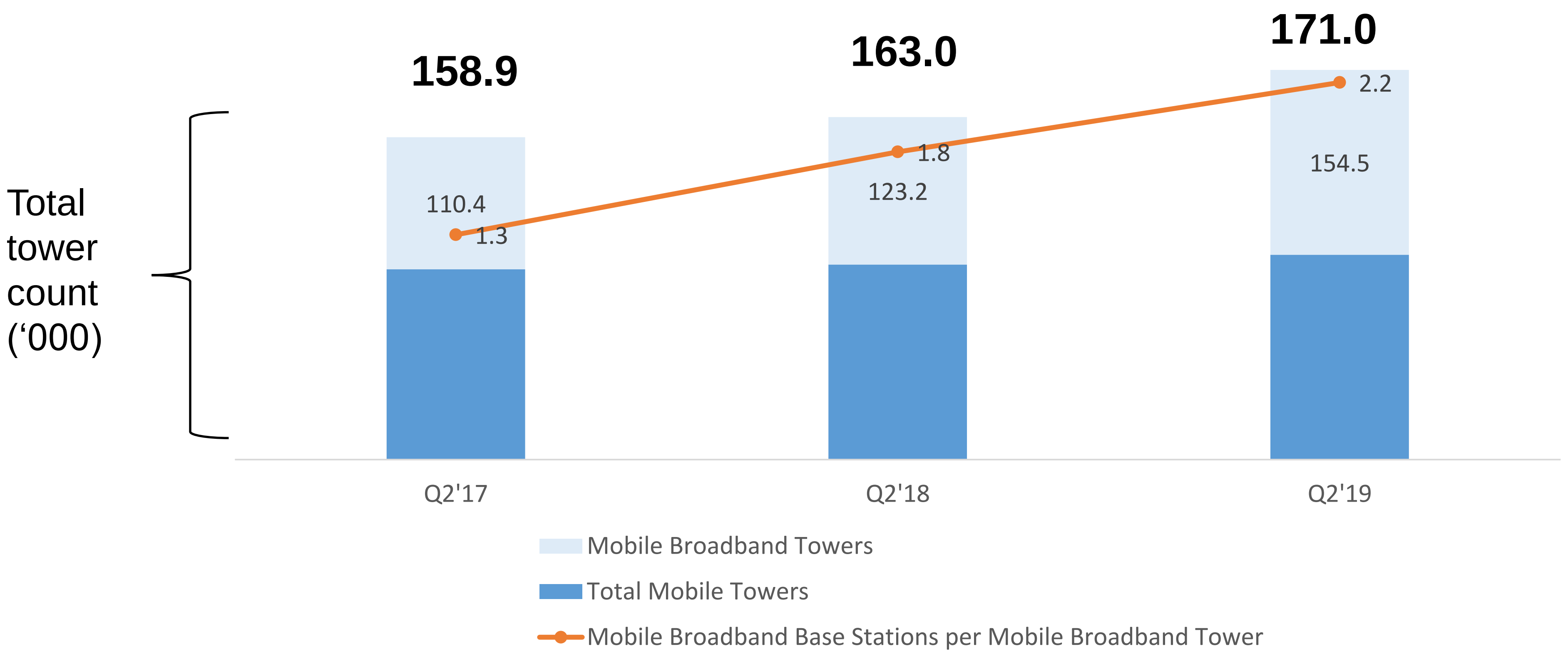
Share of total spectrum



> $ 16 bn investment in spectrum since 2010 – to create best in class spectrum bank

Massive spectrum holdings across all bands

Aggressive Network Build



National long distance fiber –over **263,507 RKms**[1]

Added c. **31,357 RKms** over the past year

Global sub-sea cable network of over **250,000 Rkms**[2], covering 50 countries and 5 continents.

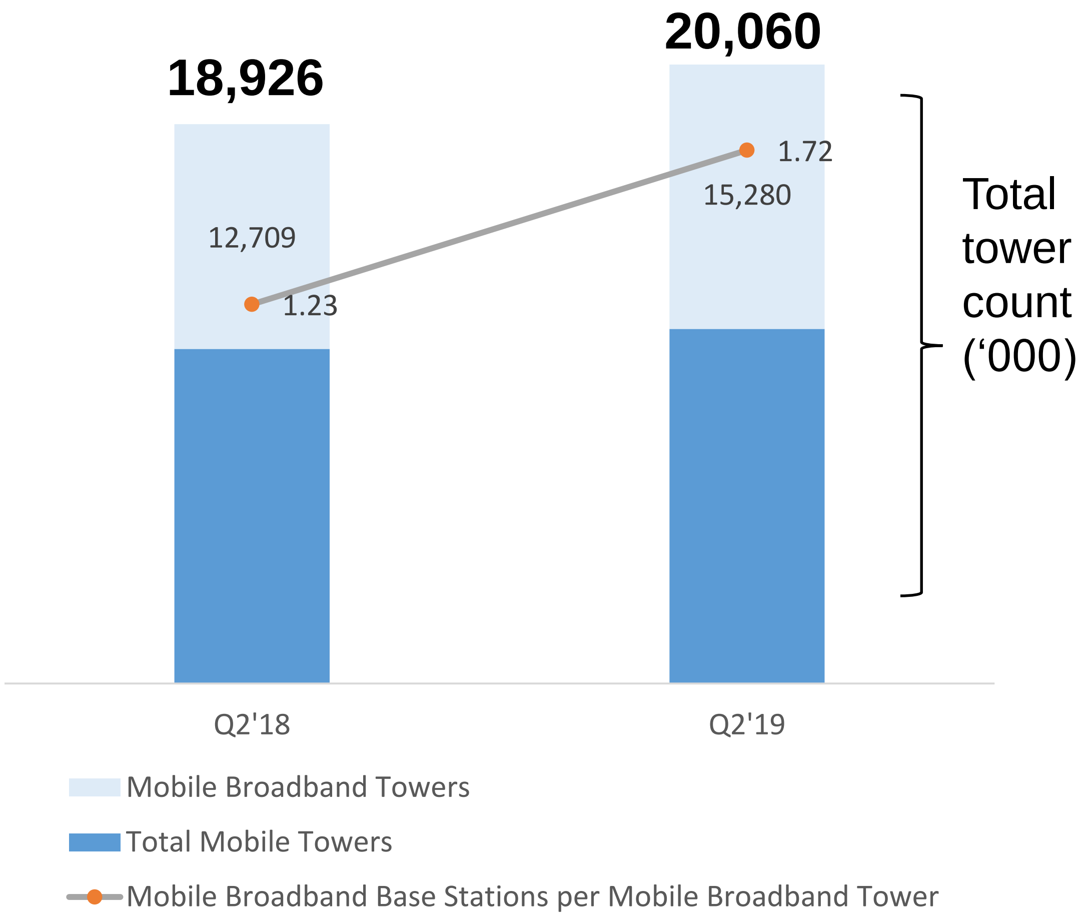
1. Excludes fiber from Tata 2. Quarterly Report Q219

Africa: Invested for Growth

Abundant spectrum across operations

	Frequency Band (Mhz)								
OPCO	800	900	1800	1900	2100	2600	2300	3500	Total
Zambia		10	20		20				50
Niger		10.2	18		15				43
Malawi		11.6	19.8		10			30	71
Madagascar		11.2	24.4		10		8.5		54
Nigeria		5	15		10				30
Kenya	10	10	10		10				40
Uganda		10.8	15		20	10		21.5	77
Congo B		15.2	29.8	5	15		40		105
Gabon	10	8	20	5	15	20			78
Chad		9.8	25		10				45
Rwanda		15	20		20				55
Seychelles	10	12	20		20				62
DRC		6	12		10				28
Ghana JV		13	25		20				58
Tanzania		7.5	12.5		10				30

Mobile broadband towers ('000) – Africa



STRATEGY

INDIA

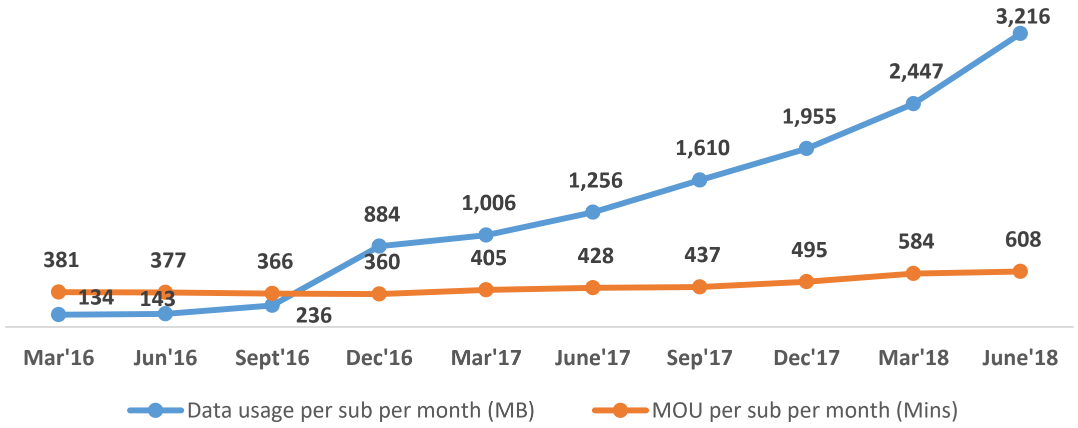
PILLARS OF INDIA STRATEGY

- Win the 4G game decisively
- Win with brilliant Network Experience
- Build New Revenues
- Win with War on Waste
- Win with People

Indian telecom market dynamics is changing

- Explosion of Data – Spurt in volumes and smartphone shipments
- SIM Consolidation
- Bundled products – Voice and data bundling; total customer ARPU focus
- Increasing interest in digital content – Movies, Amazon, Netflix, Music

GSM data and voice consumption is increasing[1]



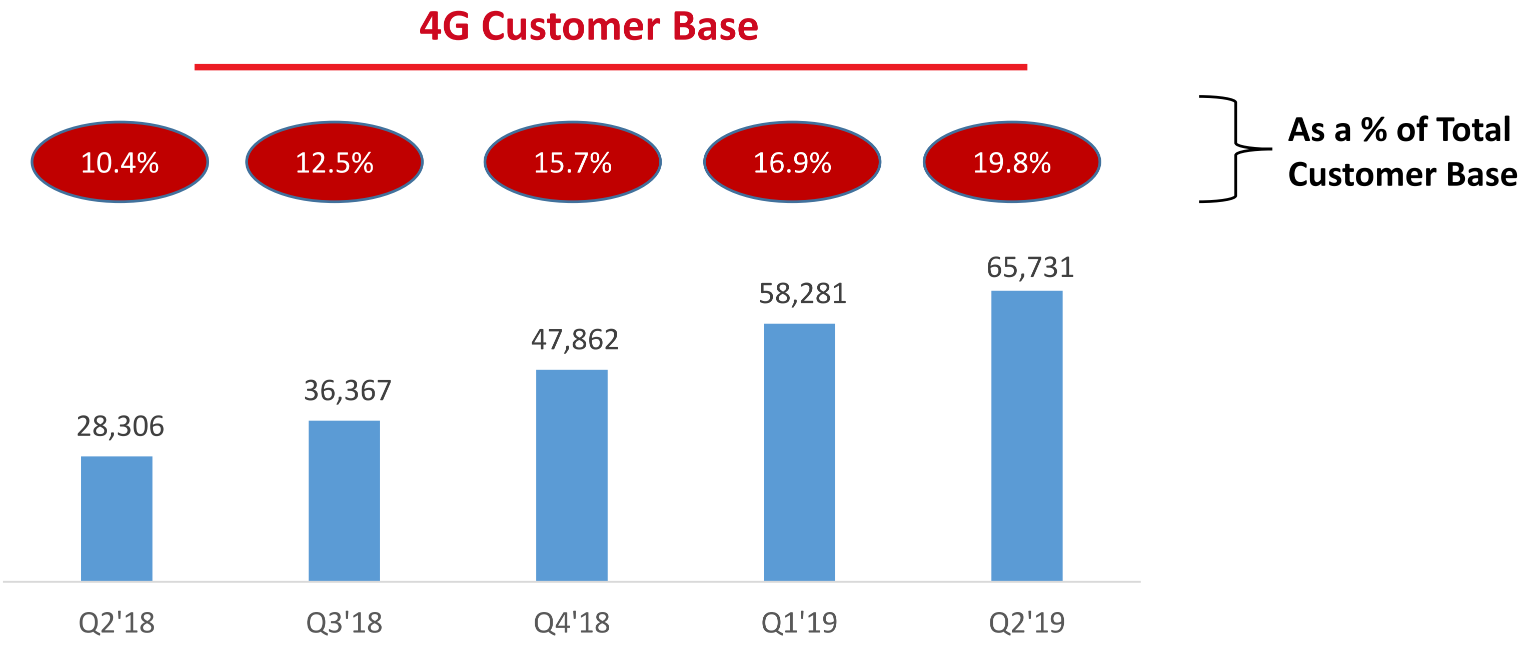
Data Usage per sub per month	MOU per sub per month
YoY	YoY
156%	42%

Source: TRAI

- ✓ India- World's second largest smartphone market
- ✓ Biggest feature phone market globally

Source 1: Performance Indicator Report, TRAI

Win the 4G Game decisively



QoQ Growth **12.8%**

YoY Growth **132.2%**

Win the ***primary 4G SIM Slot***

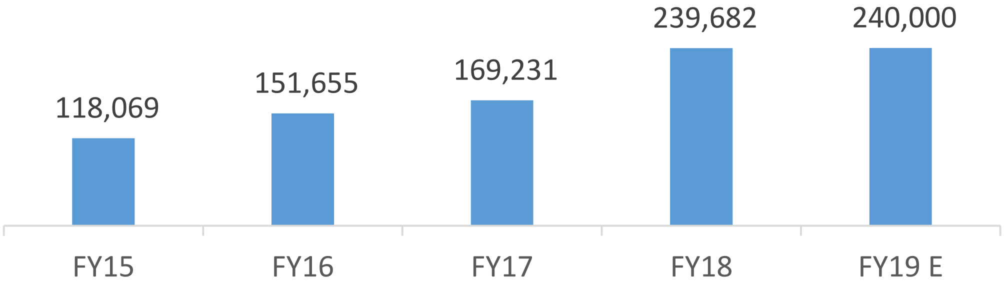
Drive upgrades through device partnerships and offers

Lock-in customers through postpaid and loyalty programs

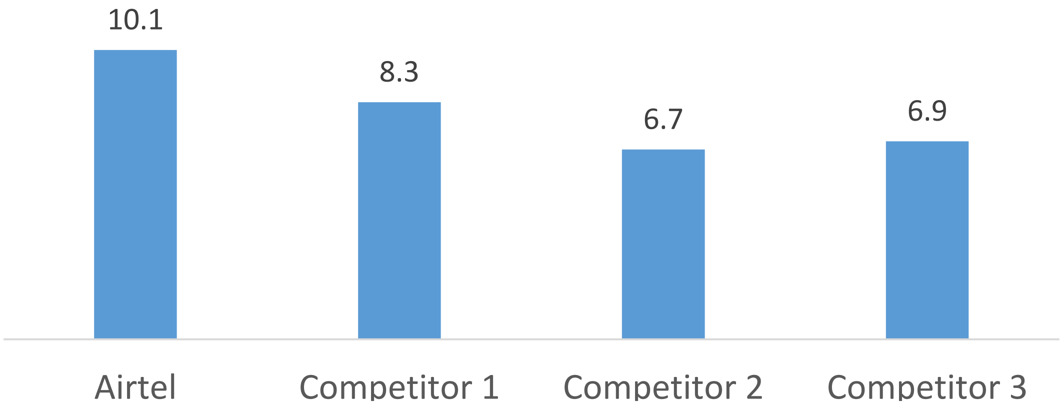
Win every market and channel through ***micro marketing***

Brilliant Network Experience

Capex - India (Rs. Mn)



Average 4G data speeds by Operator in India (Mbps)



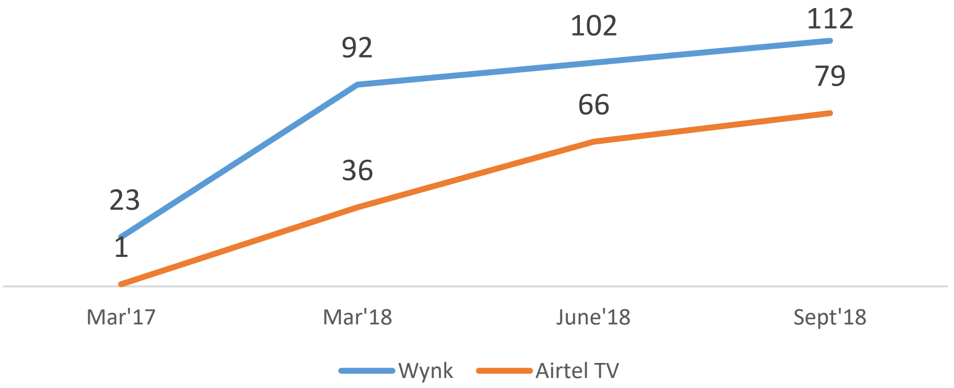
Source: http://www.speedtest.net/awards/india/

Future proof network across access, transport and core layers.

Airtel rated as India's fastest mobile network by Ookla - the global leader in broadband testing and web-based network diagnostic applications for the third time in a row.

Build New Revenues

Wynk and Airtel TV Customers (Mn)



Build the largest **Music and TV service** in India.

Rapidly grow homes through broadband and DTH expansion

Launch enterprise platforms to drive new revenues.

Accelerate SME through GTM re-invention and **Leverage Customer 360, training and touch points.**

Drive new revenue streams in the areas of IoT, Cybersecurity and DCs.

Build the largest **Payments Bank**

- **Songs Streamed** ~ 1.5 Billion/Month
- **Wynk Music ~** #1 app in terms of music consumption in the country.
- **Airtel TV** ~ Among Top 5 Most downloaded video OTT app in 2018

Source: Media articles, company announcements

War on Waste

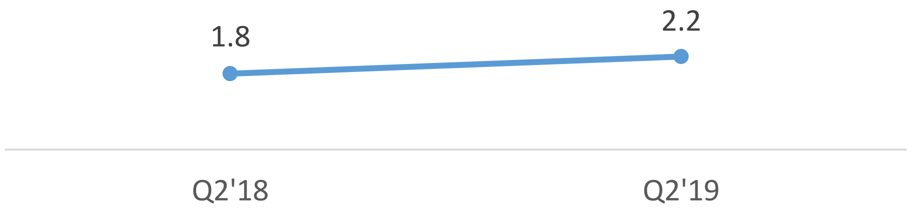
Drive Opex Savings

- Process Re-engineering
- Digitization and Automation
- Business Simplification

Improve Capex Productivity

- Infrastructure Sharing
- Smart Procurement
- Adopting Disruptive Technologies

Mobile broadband BTS per mobile broadband tower



STRATEGY

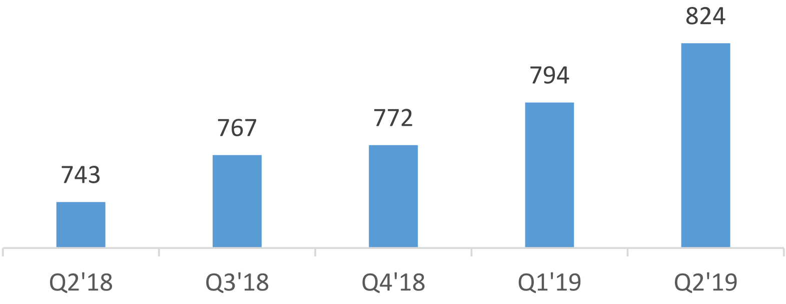
AFRICA

PILLARS OF AFRICA STRATEGY

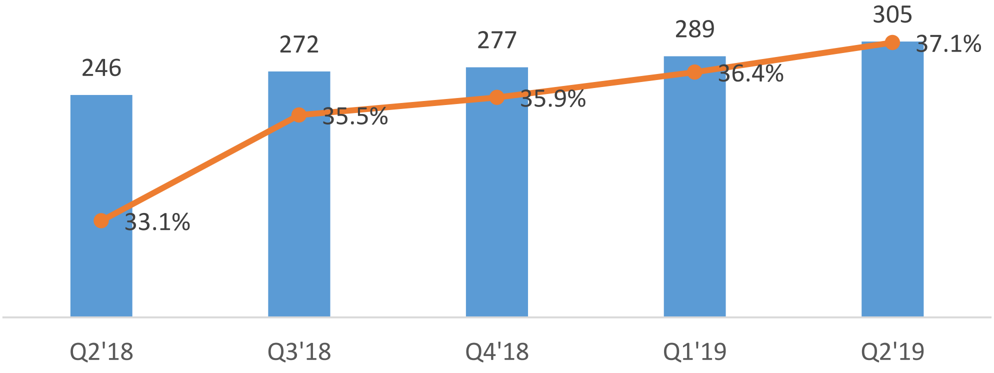
- Win with more customers
- Win with Mobile Money and Data Growth
- Win with Network
- Win with right cost design
- Win with People

Airtel Africa on solid footing

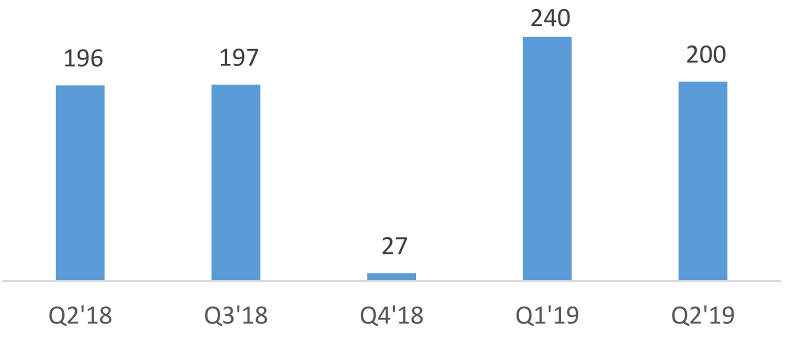
Gross Revenues (USD Mn)



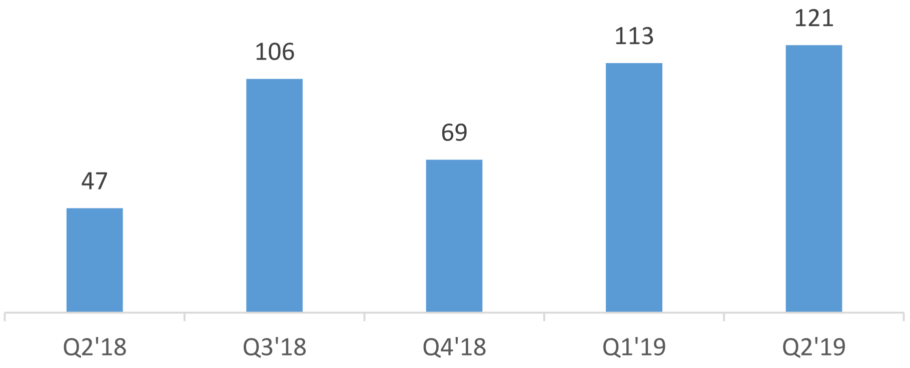
EBITDA (USD Mn) and Margin (%)



Operating Free Cash Flow (USD Mn)



PBT (USD Mn)



Based on 14 country operations , USD Constant Currency

While maintaining highest standards of Corporate Governance

1. Ranked #1 by Transparency International for highest standards of Corporate Governance
2. Ranked amongst the "Forbes' list of 100 most innovative companies in the world" for 2017.
3. Won the prestigious "Golden Peacock Award for Corporate Sustainability – 2017"
4. Won the "Best Brand Loyalty Marketing Campaign" and "Best CSR Initiative Award" at the Asian Customer Engagement Forum (ACEF) awards.
5. Airtel's Internet TV – India's first 4K hybrid set-top box, powered by Android TV, won the "Tech Peripheral of the Year" award.
6. Airtel Ghana won the "Best Corporate Social Responsibility Initiative Award" at the 2017 African Carrier Awards
7. Airtel Nigeria won the "Payment Innovation Award" for Airtel's transformative use of mobile financial solutions to solve real world customer problems

Airtel : Financial flexibility & Balance Sheet Focus

Focus on deleveraging: Actions undertaken since 2012

- Infratel IPO and subsequent stake selldowns
- Allotment of 5% stake of Airtel to QFE
- Africa tower sales
- Sale of 2 Opcos to Orange
- DTH stake sale to Warburg Pincus

Diversified debt profile

- ***Leverage***: Net Debt (ex-DOT) to EBITDA : 2.7 (LTM Sept'18)
- ***Maturity***: tenors pushed out from 2 years to 7-5 years
- ***Diversified debt mix***: DOT, Bonds, ECA and Banks
- ***Currency diversification:*** INR,USD,EUR, CHF
- ***Interest:*** Balanced but predominantly a fixed portfolio


THANK YOU