

Bharti Infratel Limited

Bharti Infratel announces Consolidated results for the third quarter and nine months ended December 31, 2019*

Consolidated Revenues for the quarter at Rs. 3,673 Crore, up 1% Y-o-Y

Consolidated EBITDA for the quarter at Rs. 1,883 Crore, up 24% Y-o-Y

Consolidated Profit after Tax for the quarter at Rs. 799 Crore, up 23% Y-o-Y

Consolidated Operating Free Cash Flows at Rs. 1,181 Crore, up 8% Y-o-Y

- Effective April 1, 2019, the Company adopted Ind AS116 "Leases". The results for the quarter and nine months ended December 31, 2019 includes the impact of Ind AS116 and the same are not comparable with the past period results.

Highlights for the third quarter ended Dec 31, 2019 including impact of IND AS – 116

- Total Tower base of 94,244 with closing sharing factor of 1.85
- Consolidated Revenues at Rs. 3,673 Crore, up 1% Y-o-Y
- Consolidated EBITDA at Rs. 1,883 Crore, up 24% Y-o-Y
- Operating Free Cash Flows at Rs. 1,181 Crore, up 8% Y-o-Y
- Consolidated Profit after tax at Rs. 799 Crore, up 23% Y-o-Y

Highlights for the third quarter ended Dec 31, 2019 excluding impact of IND AS - 116

- Consolidated Revenues at Rs. 3,603 Crore, down 1% Y-o-Y
- Consolidated EBITDA at Rs. 1,493 Crore, down 1% Y-o-Y
- Operating Free Cash Flows at Rs. 1,099 Crore, up 1% Y-o-Y
- Consolidated Profit after tax at Rs. 757 Crore, up 17% Y-o-Y

New Delhi, India, January 30, 2020: Bharti Infratel Limited ("Bharti Infratel" or "the Company") today announced its audited Consolidated Proforma results for the third quarter ended Dec 31, 2019 (see note). The Consolidated revenue for the quarter was Rs. 3,673 Crore up 1% Y-o-Y. Consolidated EBITDA was at Rs. 1,883 Crore up by 24% Y-o-Y, representing an operating margin of 51.3%. The Operating Free Cash Flow was at Rs. 1,181 Crore up by 8% Y-o-Y. The net profit for the quarter was Rs. 799 Crore up by 23% Y-o-Y. The Return on Equity pre-tax and post-tax was 32.4% and 26.7% as against 27.4% and 16.4% respectively on Y-o-Y basis. The Return on Capital Employed Pre Tax was 25.8% against 33.1% respectively on Y-o-Y basis.

Akhil Gupta, Chairman, Bharti Infratel Limited, said:

"We witnessed yet another quarter of improved net additions on both towers and co-locations during the quarter ended December 31, 2019, with net tower additions being the highest in four years on a quarterly basis. As a result, the Company has been able to largely recover the revenue and profitability that was lost due to large exits of co-locations that it witnessed over the last few quarters. The telecom industry continues to have financial uncertainty due to the recent AGR case judgement by the Hon'ble Supreme Court, but for which we believe that the growth of towers and co-locations would have been even stronger. Two operators have filed modification petition before the Hon'ble Supreme Court whose outcome is awaited. We look forward to a positive outcome so that the operators are able to speed up investment in their networks. Bharti Infratel and Indus Towers will benefit from this enhanced momentum."

Summary of the Consolidated Statement of Income – Represents Proforma Consolidated Statement of Income as per IND AS.

(Amount in Rs. Crore, except ratios)

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19 ⁴	Dec-18	Y-on-Y Growth	Dec-19 ⁴	Dec-18	Y-on-Y Growth
Revenue ¹	3,673	3,640	1%	11,023	10,982	0%
EBITDA ¹	1,883	1,513	24%	5,721	4,539	26%
EBIT ¹	1,174	931	26%	3,460	2,836	22%
Profit before Tax	1,069	1,038	3%	3,217	3,096	4%
Profit after Tax	799	648	23%	2,649	1,886	40%
Operating Free Cash Flow ^{1&2}	1,181	1,093	8%	3,468	3,082	13%
Adjusted Fund From Operations(AFFO) ^{1&3}	1,476	1,436	3%	4,407	4,169	6%

1. Revenue, EBITDA, EBIT, Operating free cash flow and Adjusted Fund from Operations (AFFO) are excluding other income.

2. Operating Free Cash Flow is a non IND AS measure and is defined as EBITDA adjusted for capex and repayment of lease liabilities.

3. Adjusted Free Cash Flow is a non IND AS measure and is defined as EBITDA adjusted for Maintenance and General Corporate capex and repayment of lease liabilities.

4. Amounts for the quarter and nine months ended Dec 31, 2019 are not comparable due to adoption of IND AS 116 w.e.f April 1, 2019.

Parameters	Unit	Dec 31, 2019	Sep 30, 2019	Q-on-Q Growth	Dec 31, 2018	Y-on-Y Growth
Total Towers ¹	Nos	94,244	93,421	823	92,301	1,943
Total Co-locations ^{1&2}	Nos	174,150	173,406	744	174,449	(299)
Key Indicators						
Average Sharing Factor	Times	1.85	1.86		1.89	
Closing Sharing Factor	Times	1.85	1.86		1.89	
Sharing Revenue per Tower p.m.	Rs	81,113	80,210	1.1%	75,775	7.0%
Sharing Revenue per Sharing Operator p.m.	Rs	42,987	42,160	2.0%	39,262	9.5%

1. Represents the sum of the numbers of towers (and the co-locations thereof) owned and operated by Bharti Infratel and 42% of the number of towers (and the co-locations thereof) owned & operated by Indus Towers.

2. The Company during the quarter has reported reduction in co-locations of 1,149 basis exit notices received. However as at Dec 31, 2019, there are cumulative 2,798 co-locations for which, though the exit notices have been received but actual exits have not happened.

Note : Proforma consolidated financial results presented in the Release are based on audited results of the Company & its associate JV, Indus Towers Ltd as per IND AS and include its proportionate share of 42% in Indus Towers, consolidated on line by line basis.

About Bharti Infratel Limited

Bharti Infratel is India's leading provider passive telecom infrastructure and it deploys, owns and manages telecom towers and communication structures, for various mobile operators. The Company's consolidated portfolio of over 94,000 telecom towers, which includes over 41,000 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. Bharti Infratel's and Indus' three largest customers are Bharti Airtel (together with Bharti Hexacom), Vodafone Idea Limited and Reliance Jio Infocomm Limited, which are leading wireless telecommunications service providers in India by revenue. The Company has been the industry pioneer in adopting green energy initiatives for its operations. For further details visit www.bharti-infratel.com

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