

## **Media Release**

**Mumbai, April 15, 2009:**

**Reliance Communications launches tender offer for buyback of Foreign Currency Convertible Bonds at a discount**

**USD 950 Million outstanding out of original FCCB (2012) issue of USD 1 Billion**

**Follows bilateral buyback of USD 40 M at substantial discount**

**Buyback will result in profits to the extent of discount and reduction in debt**

Subsequent to the buy back of Foreign Currency Convertible Bonds (FCCB) of US \$ 40 million, Reliance Communications Limited intends to repurchase outstanding Bonds for cash at a discount, through a tender offer to all bond holders. The amount of bonds repurchased will be determined by the Company at its discretion. The Bonds are listed on the Singapore Exchange Securities Trading Limited.

The sources of funds for the Tender Offer are internal accruals and foreign exchange proceeds in the EEFC account of the Company.

The tender offer is subject to RBI & other approvals as may be necessary.

The resultant advantages to Reliance Communications Limited are as under:

1. The buyback of FCCB shall result in gains to the Company to the extent of the discount on the repurchase of FCCBs.
2. Debt on the balance sheet of the Company will be reduced to the extent of the FCCBs bought back.

It may be noted that there is no certainty on the purchase price or the amount to be repurchased. The exact amount of FCCBs repurchased will be intimated in due course of time.

**About Reliance Communications:**

Reliance Communications Limited founded by the late Shri Dhirubhai H Ambani (1932-2002) is the flagship company of the Reliance Anil Dhirubhai Ambani Group. The Reliance Anil Dhirubhai Ambani Group currently has a net worth in excess of Rs. 63,000 crore (US\$ 14 billion), cash flows of Rs. 12,000 crore (US\$ 3 billion), net profit of Rs. 8,000 crore (US\$ 2 billion) and zero net debt.

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company, with a customer base of over 74 million including over 2 million individual overseas retail customers, ranks among the Top 10 Telecom companies in the world by number of customers in a single country. Reliance Communications corporate clientele includes 2,100 Indian and multinational corporations, and over 800 global, regional and domestic carriers.

Reliance Communications has established a pan-India, next generation, integrated (wireless and wireline), convergent (voice, data and video) digital network that is capable of supporting best-of-class services spanning the entire communications value chain, covering over 20,000 towns and 450,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 175,000 kilometres of fibre optic cable systems in India, USA, Europe, Middle East and the Asia Pacific region.