

**RELIANCE COMMUNICATIONS (RCOM) ANNOUNCES ITS FINANCIAL RESULTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2010**

NET PROFIT OF RS. 446 CRORE (US\$ 99 MILLION), UP 78% AGAINST RS. 251 CRORE (USD 54 MILLION) IN THE SEQUENTIAL QUARTER

NET PROFIT WOULD HAVE BEEN HIGHER BY 165% AT RS. 1,181 CRORE BUT FOR MTM GAIN OF RS. 735 CRORE, USED TO SET-OFF EARLIER NOTIONAL FOREX LOSS ETC.

REVENUE AT RS. 5,118 CRORE (US\$ 1,139 MILLION), UP 0.2% AGAINST RS. 5,109 CRORE (US\$ 1,100) IN THE SEQUENTIAL QUARTER

EBITDA AT RS. 1,660 CRORE (US\$ 369 MILLION) AGAINST RS. 1,632 CRORE (US\$ 351 MILLION) – INCREASE BY 1.7% SEQUENTIALLY

EBIDTA MARGIN IMPROVED FROM 31.9% TO 32.4% SEQUENTIALLY

CUSTOMER BASE AT 117 MILLION, UP 36.3% AGAINST 86 MILLION IN THE CORRESPONDING QUARTER LAST YEAR

MINUTES OF USAGE INCREASED FROM 84.5 BILLION TO 94.6 BILLION, UP BY 12% AS COMPARED TO THE CORRESPONDING QUARTER LAST YEAR

ENTERPRISE & GLOBALCOM EBITDA REPRESENTS 35% OF CONSOLIDATED EBITDA MAINTAINING STEADY PERFORMANCE

Mumbai, November 13, 2010: Reliance Communications Limited (RCOM) today announced its unaudited consolidated financial results for the quarter ended September 30, 2010.

Highlights of the financial performance for the year are:

- **Revenue at Rs. 5,118 crore** (US\$ 1,139 million) compared to Rs 5,109 crore (US\$ 1,100 million) in the sequential quarter
- **EBITDA at Rs. 1,660 crore** (US\$ 369 million) compared to Rs 1,632 crore (US\$ 351 million) in the sequential quarter
- **Profit after tax at Rs. 446 crore** (US\$ 99 million) compared to Rs 251 crore (US\$ 54 million) in the sequential quarter

CORPORATE DEVELOPMENTS

- **RCOM & Universal Music sign exclusive strategic partnership in its preparation for 3G launch**

RCOM has signed an exclusive strategic partnership with Universal Music to offer music-related services and content across RCOM's GSM, CDMA, 3G Mobile and Wireless Broadband platforms. This is the biggest and first-ever comprehensive music partnership signed in India by a telecom operator.

The agreement between Reliance Communications and Universal Music has been signed with a commitment of substantial investments to be made by both the parties to offer 360 degree music experience to customers across all platforms including Voice, WAP, Web, IVR, Blog & through On-Ground Events.

The agreement with Universal is a prelude to RCOM's 3G launch since Music offers the potential to provide the best consumer experience on 3G network. Universal will offer its entire catalogue of international and Indian music to RCOM.

- **RCOM & Nokia join hands for a first-of-its-kind multi-faceted business partnership**

RCOM and Nokia India jointly announced a first-of-its-kind multi-faceted business alliance. The RCOM – Nokia alliance will aim to foster greater use of mobile services, giving consumers an opportunity to get richer experiences and do more with their phones.

The RCOM-Nokia partnership is structured on a one-of-its-kind blue-print to engage with the Indian consumers to offer an array of unmatched & innovative mobile, data and services offerings in India. The alliance covers –

1. Making available Ovi Life Tools services targeted at the rural and semi-urban segments for Reliance customers
2. Exclusive offers on Ovi Music Unlimited (OMU) devices – including Nokia 5530, Nokia 5800, Nokia X6 16 GB, Nokia X6 8 GB and Nokia 5235 – for faster music downloads
 - An exclusive offer on Reliance Netconnect Broadband + USB Datacards on the purchase of Nokia OMU enabled phones
3. Special data packages for Nokia GPRS phones (other than OMU-enabled devices)

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. 64,000 crore (US\$ 13.6 billion), cash flows of Rs. 13,000 crore (US\$ 2.8 billion), net profit of Rs. 8,400 crore (US\$ 1.8 billion).

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company, with a customer base of over 124 million including over 2.5 million individual overseas retail customers, ranks among the Top 4 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 24,000 towns and 600,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 277,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle East and the Asia Pacific region.

Financial Results summary

(Rs. Crore)

Particulars	3 months ended 30/9/10	3 months ended 31/6/10	Increase / (Decrease)
Turnover			
Wireless	4,161	4,153	0.2%
Global	1,839	1,814	1.4%
Broadband	662	676	-2.2%
Diversified	398	335	19.0%
Total (post eliminations)	5,118	5,109	0.2%
EBITDA			
Wireless	1,210	1,199	0.9%
Global	339	332	2.3%
Broadband	248	248	0.2%
Diversified	-134	-135	-0.5%
Total (post eliminations)	1,660	1,632	1.7%
<i>EBITDA margin</i>	<i>32.4%</i>	<i>31.9%</i>	<i>50bps</i>
Depreciation	955	965	-1.0%
Financial Charges (net)	280	440	-36.4%
PBT	425	228	86.5%
Tax	-66	-72	-8.3%
PAT (before minority interest)	491	300	44.4%
Share of minority interest	45	49	-8.0%
PAT (after minority interest)	446	251	77.8%