

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

CUSTOMER BASE AT **111 MILLION**, UP 39.2%
AGAINST 80 MILLION IN THE CORRESPONDING QUARTER LAST YEAR

REVENUE AT RS. 5,109 CRORE (US\$ 1,100 MILLION), UP 0.3%
AGAINST RS. 5,093 CRORE (US\$ 1,128) IN THE SEQUENTIAL QUARTER

EBITDA AT RS. 1,632 CRORE (US\$ 351 MILLION)
AGAINST RS. 1,602 CRORE (US\$ 355 MILLION) – INCREASE BY 1.9% SEQUENTIALLY

NET PROFIT LOWER AT RS. 251 CRORE (US\$ 54 MILLION) DUE TO NOTIONAL PROVISIONING ON
FOREX ETC.

MINUTES OF USAGE INCREASED FROM 83.3 BILLION TO 94.4 BILLION, UP BY 13.3% AS
COMPARED TO THE CORRESPONDING QUARTER LAST YEAR

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

RCOM AND GTL INFRA AGREE ON OVER RS. 50,000 CRORE (OVER US\$ 11 BILLION) DEAL FOR
WORLD' LARGEST INDEPENDENT TELECOM INFRASTRUCTURE COMPANY

RCOM ACQUIRES DIGICABLE, INDIA' NO. 1 CABLE TV SERVICE PROVIDER. TO HAVE A COMBINED
SUBSCRIBER BASE OF 11 MILLION

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

Highlights of the financial performance for the year are:

- **Revenue at Rs. 5,109 crore** (US\$ 1,100 million) compared to Rs 5,093 crore (US\$ 1,128 million) in the sequential quarter
- **EBITDA at Rs. 1,632 crore** (US\$ 351 million) compared to Rs 1,602 crore (US\$ 355 million) in the sequential quarter
- Profit after tax at **Rs. 251 crore** (US\$ 54 million) compared to Rs 1,220 crore (US\$ 270 million) in the sequential quarter

CORPORATE DEVELOPMENTS

- **RCOM and GTL Infra agree on over Rs. 50,000 crore deal for world' largest independent telecom infrastructure company**

The Boards of Reliance Communications Limited, and its subsidiary, Reliance Infratel Limited and GTL Infrastructure Limited in-principle approved a Rs. 50,000 crore (US\$ 11 billion) deal to create the world's largest independent telecom infrastructure company, neither owned nor controlled by any telecom operator.

This transformational deal will be implemented through a demerger of Reliance Infratel's tower assets into GTL Infrastructure. India's largest optic fibre network of over 200,000 kms and related assets presently, owned by Reliance Infratel will remain under Reliance Communication's ownership.

- **RCOM Board approves in-principle the induction of strategic / private equity investors into the company for an upto 26% equity stake**

The Board of Directors of Reliance Communications Limited has approved in-principle the induction of strategic / private equity investors into the Company for an upto 26% equity stake at an appropriate premium to the prevailing market price, and also to examine and pursue other appropriate strategic combination / consolidation opportunities

- **RCOM acquires Digicable, India' No. 1 cable TV service provider**

The Board of Directors of Reliance Communications Ltd. approved a proposal to acquire Digicable, India's largest Cable TV service provider, in an all-stock deal of the new entity.

The new entity named "Reliance DigiCom" is an integration of RCOM's DTH, IPTV and Retail Broadband Operations, with Digicable. This will be India's / Asia's largest, and the World's 5th largest company, to offer the full-suite of Triple Play services – Digital TV, Ultra High-Speed Broadband and Voice.

Reliance DigiCom, will start with a combined subscriber base of 11 million homes. This initiative will combine strengths of RCOM's world class infrastructure with the formidable power of local relationships of cable operators. The distribution reach will span one lakh retail outlets in 7,000 towns and 10,000 cable operators and have an addressable market of over 100 million homes in India

- **RCOM signs strategic alliance with GetJar to create India's largest and free mobile Apps Store**

RCOM and GetJar, the world's second largest application store announced a strategic alliance between the two companies. According to the alliance, GetJar will offer RCOM its extensive catalog of over 65,000 free mobile applications. RCOM customers will have access to thousands of applications ranging from games, social networking, sports, entertainment and productivity applications. GetJar will also enable RCOM to offer its Apps Store to a large

bandwidth of mobile handsets across multiple brands and not remain restricted to a few high-end smartphones. RCOM will offer the GetJar Apps Store across GSM and CDMA networks.

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 117 million including over 2.5 million individual overseas retail customers, ranks among the Top 5 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 190,000 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 30/6/10	3 months ended 31/3/10	Increase / (Decrease)
Turnover			
Wireless	4,153	4,090	1.5%
Global	1,814	2,028	-10.6%
Broadband	676	680	-0.5%
Diversified	335	285	17.7%
Total (post eliminations)	5,109	5,093	0.3%
EBITDA			
Wireless	1,199	1,182	1.5%
Global	332	356	-6.7%
Broadband	248	253	-1.9%
Diversified	-135	-176	
Total (post eliminations)	1,632	1,602	1.9%
EBITDA margin	31.9%	31.5%	
Depreciation	965	1,085	
Financial Charges (net)	440	-813	
Exceptional items	-	2	
PBT	228	1,329	-82.9%
Tax	-72	192	
PAT (before minority interest)	300	1,137	-73.7%
Share of minority interest	49	-83	
PAT (after minority interest)	251	1,220	-79.4%