

**RELIANCE COMMUNICATIONS (RCOM) ANNOUNCES ITS FINANCIAL RESULTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

RCOM TOTAL REVENUES AT RS. 5,040 CRORE, UP 2.0%
AGAINST RS. 4,940 CRORE IN THE PREVIOUS QUARTER

EBITDA AT RS. 1,605 CRORE WITH EBITDA MARGIN OF 31.8%
AMONGST THE HIGHEST IN THE INDUSTRY

PAT AT RS. 252 CRORE, UP 60.5%
AGAINST RS. 157 CRORE IN THE PREVIOUS QUARTER

WIRELESS REVENUE AT RS. 4,417 CRORE, UP 2.1%
AGAINST RS 4,327 CRORE IN THE PREVIOUS QUARTER

WIRELESS REVENUE DRIVEN BY GROWTH OF PAID MINUTES AND STRONG GROWTH IN
NON VOICE / DATA BUSINESS

WIRELESS EBITDA AT RS. 1,176 CRORE, UP 0.2%
AGAINST RS 1,173 CRORE IN THE PREVIOUS QUARTER

WIRELESS MINUTES OF USAGE INCREASED FROM 97.3 BILLION TO 98.9 BILLION
AS COMPARED TO THE PREVIOUS QUARTER

ACHIEVED HIGHEST TOTAL MINUTES (MOU) GROWTH OF 1.6% (Q-O-Q) IN THE INDUSTRY

REVENUE PER MINUTE GREW 0.5% (Q-O-Q) TO 45 PAISE/MIN, AMONGST HIGHEST IN THE
INDUSTRY AND STABLE FOR THE LAST SEVEN CONSECUTIVE QUARTERS

CUSTOMER BASE AT 147 MILLION, UP 2.7% AGAINST 143 MILLION IN THE PREVIOUS QUARTER

3G ACTIVE CUSTOMERS AT 2.1 MILLION, HIGHEST IN THE INDUSTRY

GLOBAL ENTERPRISE BUSINESS UNIT (GEBU) EBITDA REPRESENTS 35% OF CONSOLIDATED
EBITDA, MAINTAINING STEADY PERFORMANCE

Mumbai, November 12, 2011: Reliance Communications Limited (RCOM) today announced its unaudited consolidated financial results for the quarter ended September 30, 2011.

Highlights of the financial performance for the year are:

- Total revenue at **Rs. 5,040 crore** (US\$ 1,029 million)
- **EBITDA at Rs. 1,605 crore** (US\$ 328 million), **EBITDA margin at 31.8%**, amongst the highest in the industry, with strong contribution from both Wireless and GEBU businesses.
- **Net Profit of Rs. 252 crore** (US\$ 51 million)

KEY HIGHLIGHTS:

1. **Consolidated Revenue & EBITDA:** RCOM total revenues at Rs. 5,040 crore, up by 2.0% against Rs. 4,940 crore in the previous quarter. Growth led by both Wireless and Global Enterprise (GEBU) business segments. EBITDA at Rs. 1,605 crore, with EBITDA margin of 31.8% amongst the highest in the industry. Clear focus on profitable businesses, now delivering consistent EBITDA margins in the industry.
2. **Wireless Revenue & EBITDA:** Third consecutive quarter of consumption led revenue growth in the wireless business. Wireless EBITDA at Rs. 1,176 crore, up by 0.2% as compared to Rs. 1,173 crore in previous quarter. Focus on 'Quality of Operations' continues through driving quality of customers, minutes and portfolio.
3. **RPM:** RPM grew 0.5% Q-o-Q to 45 Paise/min; amongst the highest in the industry and stable for the last 7 consecutive quarters
4. In a seasonally weak quarter, achieved highest total minutes growth of 1.6%. Total minutes increased from 97.3 billion to 98.9 billion.
5. **Global Enterprise (GEBU) Revenue & EBITDA:** Revenues at Rs. 2,335 crore, up by 1.9% against Rs. 2,292 crore in the previous quarter. Growth led by higher sales in Middle East in Carrier segment and India Enterprise business. EBITDA at Rs. 569 crore, up by 0.9% as compared to Rs. 564 crore in previous quarter. EBITDA margin stands at 24.4%.
6. RCOM continues to be free cash flow positive. RCOM generated operational cash flow (EBITDA) of Rs. 1,605 crore in this quarter. Post payment of 3G auction fees and with peak capex behind us, this is the first full year of positive free cash flow (FCF) for the company and this trend will continue in succeeding years.
7. **Reliance Communications bags the largest order for outsourced Data Centre facility in India for Rs.1,400 crore:** RCOM has signed a deal for building and maintaining a world class data center for one of the largest and most reputed companies in the financial sector, HDFC Bank. The deal is the largest outsourced deal in this sector and would span a period of 15 years. The Data Center will house equipment possessing highest computing power in the industry in India today. This will require special engineering expertise to manage and minimize the consumption of power.
Reliance is proposing to build a new facility, creating space of over 350,000 sq ft. The phase I of 100,000 sq ft will be ready in 12 months and complete Data Centre would be ready in 24 months. This will also become the new Cloud Computing Centre, since the Cloud Computing market is expected to grow to Rs.7,000 crore in India by 2015.

8. **Reliance Globalcom adds 400 GB of capacity on Europe–Gulf Route:** Reliance Globalcom (RGCOC), the Global telecommunications services arm of Reliance Communications, announced commercial launch of the upgraded capacity on Flag Europe Asia (FEA) and FALCON Cable Systems to over 500 GB. The 400% upgrade in the undersea FEA cable system capacity would usher in a bandwidth revolution on the emerging world's highest traffic route connecting Europe, Middle East, Asia and Far East; at the same time address bandwidth needs on this route in the years to come.

The UK to Middle East route further connecting to India, Japan, Hong Kong, Singapore and China on the eastward side and to North Americas on the westward side are the fastest growing bandwidth routes in the world. The Flag Europe Asia Cable Seamlessly integrates with FALCON Cable System connecting 23 countries at 35 Landing points.

RGCOC's global coverage spans across 230 countries across the globe connecting 6 continents on its owned and hybrid network offering wholesale bandwidth, Managed Services, Cloud Computing services.

About Reliance Communications

Reliance Communications Limited founded by the late Shri Dhirubhai H Ambani (1932-2002) is the flagship company of the Reliance Group. The Reliance Group currently has a net worth in excess of Rs. 89,000 crore (US\$ 19.7 billion), cash flows of Rs. 10,900 crore (US\$ 2.3 billion), net profit of Rs. 3,600 crore (US\$ 0.8 billion).

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company, with a customer base of over 154 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 over 35,000 Indian and multinational corporations including small and medium enterprises 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 30/6/11	3 months ended 30/9/11	Increase / (Decrease)
Turnover			
Wireless	4,327	4,417	2.1%
Global Enterprise	2,292	2,335	1.9%
Diversified	278	283	1.8%
Total (post eliminations)	4,940	5,040	2.0%
EBITDA			
Wireless	1,173	1,176	0.2%
GEBU	564	569	0.9%
Diversified	-128	-139	-8.6%
Total (post eliminations)	1,602	1,605	0.2%
EBITDA margin	32.4%	31.8%	-60 bps
Depreciation	976	1,054	8.0%
Financial Charges (net)	405	227	-43.9%
PBT	220	323	46.8%
Tax	-2	1	-150.0%
PAT (before minority interest)	222	322	45.0%
Share of minority interest	65	70	7.7%
PAT (after minority interest)	157	252	60.5%