

**RELIANCE COMMUNICATIONS SIGNS TERM SHEET WITH BROOKFIELD
FOR SALE OF ITS TELECOM TOWERS BUSINESS**

**RCOM TO RECEIVE UPRONT CASH PAYMENT OF RS. 11,000 CRORE
AND ENJOY 49% FUTURE ECONOMIC UPSIDE FROM THE BUSINESS,
BASED ON CERTAIN CONDITIONS**

**RCOM AND BROOKFIELD EXPECT CONSIDERABLE GROWTH IN
TENANCIES BASED ON INCREASED 4G OFFERINGS BY ALL OPERATORS
AND FAST ACCELERATING DATA CONSUMPTION**

RCOM TO UTILISE PROCEEDS OF SALE SOLELY TO REDUCE DEBT

**PROPOSED TRANSACTION SUBJECT TO FINAL DOCUMENTATION
AND CUSTOMARY APPROVALS**

Mumbai, October 14, 2016: Reliance Communications Ltd. (RCOM) today announced the signing of a non-binding Term Sheet with Brookfield Infrastructure Group (“Brookfield”) in relation to the proposed acquisition of RCOM’s nationwide tower assets and related infrastructure by Brookfield.

Under the Term Sheet, the specified assets are intended to be transferred from Reliance Infratel Ltd. (RITL) on a going concern basis into a separate SPV, to be owned by Brookfield. RCOM will continue as an anchor tenant on the tower assets, under a long term MSA, for its integrated telecommunications business.

RCOM will receive an upfront cash payment of Rs. 11,000 crore from the proposed transaction. RCOM will also enjoy 49% future economic upside from the towers business, based on certain conditions.

RCOM and Brookfield expect considerable growth in tenancies based on increasing 4G offerings by all telecom operators, and the fast accelerating trends in data consumption, which are expected to contribute to significant growth in revenues and profitability for the towers business in the future.

RCOM and Brookfield also see several opportunities for consolidation in the towers industry in India that will further enhance growth and value creation in the future.

RCOM intends to utilize the proceeds of the proposed transaction solely to reduce its debt.

The proposed Transaction is subject to definitive documentation, customary approvals and certain other terms and conditions. Accordingly, there can be no certainty that a transaction will result. Further announcements will be made at an appropriate stage.

Reliance Communications Ltd.

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.100, 840 crore (US \$15.2 billion), cash flows of over Rs.11,300 crore (US \$1.7 billion) and net profit of over Rs. 5,100 crore (US\$ 0.8 billion).

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company has a customer base of over 107 million including over 2.6 million individual overseas retail customers. Reliance Communications corporate clientele includes over 39,000 Indian and multinational corporations including small and medium enterprises and over 290 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 21,000 cities and towns and over 400,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 280,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle East and the Asia-Pacific region (www.rcom.co.in)

Website: www.rcom.co.in



Reliance Mobile



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Brookfield

Brookfield is a leading global alternative asset manager with over \$250 billion of assets under management. We have a history of more than 100 years of owning and operating real assets with a focus on property, renewable energy, infrastructure and private equity.

We offer a range of public and private investment products and services which leverage our expertise and experience, and provide us with a distinct competitive advantage in the markets in which we operate. Brookfield has 700 investment professionals and 30,000 operating employees in 30 countries around the world. Further information is available at www.brookfield.com. Important information may be disseminated exclusively via the website; investors should consult the site to access this information.

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