

**RELIANCE COMMUNICATIONS LTD. (RCOM) ANNOUNCES:**

- EXIT FROM RBI'S STRATEGIC DEBT RESOLUTION (SDR) FRAMEWORK
- ZERO EQUITY CONVERSION FOR LENDERS AND BONDHOLDERS
- ZERO WRITE-OFF FOR LENDERS AND BONDHOLDERS

**RCOM'S DEBT TO REDUCE BY RS. 25,000 CRORE  
BY DEBT PREPAYMENT AND TRANSFER OF DOT SPECTRUM INSTALMENTS  
UPON SALE OF SPECTRUM, TOWERS, FIBRE AND OTHER ASSETS**

**FINAL BINDING BIDS RECEIVED BY LENDERS**

**TRANSACTIONS TO CLOSE IN PHASED MANNER IN JANUARY - MARCH 2018**

**SPV HOLDING 125 ACRE PRIME REAL ESTATE AT DAKC, NEW BOMBAY  
WITH APPROX 20 MILLION SQ FT DEVELOPMENT POTENTIAL  
TO ASSUME NON-RECOURSE LONG TERM DEBT FINANCING OF RS 10,000 CRORE**

**RCOM TO CONTINUE OPERATIONS OF PROFITABLE NON-MOBILE B2B BUSINESS  
- GLOBAL AND INDIAN ENTERPRISE, INTERNET DATA CENTRES (IDC)  
GLOBAL SUBMARINE CABLE NETWORK**

**RCOM TO RECEIVE EQUITY INFUSION FROM GLOBAL STRATEGIC PARTNERS  
TO FURTHER REDUCE DEBT ON CONTINUING BUSINESSES**

**RCOM'S FINAL RESIDUAL DEBT EXPECTED TO BE RS. 6,000 CRORE ONLY  
UPON COMPLETION OF ALL TRANSACTIONS**

**LARGEST EVER REDUCTION OF OVER 85% OF TOTAL DEBT AND LIABILITIES  
BY ANY INDIAN COMPANY, ACHIEVED IN RECORD JUST UNDER 40 DAYS**

**ALL STAKEHOLDERS OF RCOM, INCLUDING OVER 1.3 MILLION SHAREHOLDERS,  
DOMESTIC AND FOREIGN BANKS, BONDHOLDERS, VENDORS, EMPLOYEES AND  
CUSTOMERS TO BENEFIT FROM FAST TRACK RESOLUTION OF TOTAL DEBT**

**TRANSACTIONS SUBJECT TO LENDERS' AND OTHER APPLICABLE APPROVALS**

**Mumbai, 26<sup>th</sup> December 2017:** Reliance Communications Limited (RCOM) today announced its exit from RBI's SDR framework, with ZERO equity conversion and ZERO loan write-offs for lenders and bond holders. Upon completion of all transactions as announced, the balance debt in RCOM is expected to be ~ Rs.6,000 crore only, representing reduction of over 85% of total debt.

**Speaking on the occasion, Mr. Anil D. Ambani, Chairman, Reliance Communications Ltd., said:**

**"I am delighted with the comprehensive resolution for the benefit of all stakeholders of RCOM. What we have achieved, in the face of extraordinary challenges, is truly historic and unprecedented in Indian corporate history."**

### Asset Monetization Process

RCOM has worked closely with all Lenders and SBI Capital Markets Limited, the advisors appointed by the Lenders, to run a competitive process in a transparent manner to monetize its valuable assets comprising:

- 122.4 MHz of 4G Spectrum in the 800/900/1800/2100 MHz bands
- Over 43,000 towers , amongst the Top 3 independent tower holdings in India
- ~ 1,78,000 RKM of fiber with Pan India footprint
- 248 Media Convergence Nodes, covering ~5 Million Sq ft, used for hosting telecom infrastructure
- Prime real estate located in New Delhi, Chennai, Kolkata, Jigni and Tirupati

The monetization process is being carried out under the oversight of an independent high powered Bid Evaluation Committee, comprising of eminent experts from banking, telecom and law. The monetisation of assets has elicited very strong response both from India and abroad.

**Lenders have received the final binding bids and all transactions are expected to be closed in a phased manner between January and March 2018.**

**The monetisation of these assets alone will lead to reduction of RCOM’s debt by ~ Rs. 25,000 crore, through prepayment of loans, transfer of DoT’s deferred spectrum payment liabilities, etc.**

### Commercial Development of DAKC Campus at New Bombay

RCOM’s Dhirubhai Ambani Knowledge City campus comprises of over 125 acres of prime real estate in New Bombay, held by a SPV. The complex is already registered as an IT park, and is proposed to be commercially developed under the “Integrated Information Technology Township” Scheme of the Government of Maharashtra over the next 10 years.

The total development potential as per prevailing regulations is estimated at over 20 million square feet of commercial, residential and retail space. The gross proceeds as per an independent 3<sup>rd</sup> party valuation have been estimated at over Rs. 25,000 crore over the development timeframe.

The process for identification of a Joint Developer for the project is being conducted by JLL, and has received an overwhelming response. A large number of leading international and domestic developers have expressed their keen interest in the project, and have submitted offers that are presently under evaluation.

**The commercial development of the DAKC campus will lead to reduction of RCOM’s debt by a further ~ Rs. 10,000 crore, with the SPV holding the real estate assuming non-recourse long-term debt financing of the said amount.**

### RCOM

RCOM’s continuing operations will comprise stable and profitable B2B focused businesses, including Indian and Global Enterprise, Internet Data Centres and the largest private submarine cable network in the world. These B2B businesses are stable, capital light and have sustained and predictable annuity revenues and profits, with immense growth potential amidst relatively low competitive intensity.

**RCOM will receive equity infusion from global strategic partners for further debt reduction, consequent upon a stake sale process already underway, and being conducted by Credit Suisse. RCOM’s balance debt is expected to be a highly conservative ~ Rs. 6,000 crore only, upon completion of all transactions.**

**Overall Reduction of Debt**

The combination of the above transactions will lead to ~ 85% reduction in RCOM's total debt and liabilities, the largest ever in the history of corporate India, and has been achieved in a record 40 working days from the time the plan was presented to lenders. All transactions are subject to lenders' and other applicable approvals.

All stakeholders of RCOM, including inter alia lenders, bondholders, customers, vendors and employees, and over 1.3 million shareholders will benefit from the fast track debt resolution. The Company is also engaging with its unsecured creditors, and expects to arrive at a resolution over the next few weeks.

**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. 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 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, 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 kilometres of fibre optic cable systems in India, the USA, Europe, Middle East and the Asia-Pacific region.

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