

**RELIANCE COMMUNICATIONS (RCOM) ANNOUNCES ITS FINANCIAL RESULTS
FOR THE QUARTER (Q1) ENDED JUNE 30, 2012****Q1 REVENUE AT RS. 5,319 CRORE, UP 8% Y-O-Y****Q1 EBITDA AT RS. 1,650 CRORE, UP 3% Y-O-Y****EBITDA MARGIN AT 31% AMONGST THE HIGHEST IN THE INDUSTRY****Q1 PAT AT RS. 162 CRORE, UP 3% Y-O-Y****Q1 WIRELESS REVENUES UP 7% Y-O-Y
(ON COMPARABLE BASIS)****Q1 WIRELESS EBITDA UP 14% Y-O-Y
(ON COMPARABLE BASIS)****Q1 WIRELESS MINUTES AT 105 BILLION UP 8% Y-O-Y****Q1 REVENUE PER MINUTE AT 43.1 PAISA, AMONGST THE HIGHEST IN THE
INDUSTRY FOR THE LAST NINE CONSECUTIVE QUARTERS****Q1 GLOBAL ENTERPRISE BUSINESS REVENUES AT RS. 2,451 CRORE, UP 7% Y-O-Y****Q1 GEBU EBITDA AT RS. 592 CRORE, UP 5% Y-O-Y****3G ACTIVE CUSTOMERS AT 4 MN, WHICH IS HIGHEST IN THE INDUSTRY AND OVER
24 MILLION DATA CUSTOMERS****GEBU EBITDA REPRESENTS 36% OF CONSOLIDATED EBITDA, MAINTAINING
STEADY PERFORMANCE**

Mumbai, August 11, 2012: Reliance Communications Limited (RCOM) today announced its consolidated financial results for the quarter ended June 30, 2012.

Highlights of the financial performance for the quarter are:

- **Revenue at Rs. 5,319 crore**, up 8% from Rs. 4,940 in Q1 previous year
- **EBITDA at Rs. 1,650 crore**, up 3% from Rs. 1,602 crore in Q1 previous year. EBITDA margin at 31%, amongst the highest in the industry, with strong contribution from both Wireless and GEBU businesses.
- **Net Profit at Rs. 162 crore**, up 3% from Rs. 157 in Q1 previous year

KEY HIGHLIGHTS:

1. **Consolidated Revenue & EBITDA:** RCOM Q1 total revenues at Rs. 5,319 crore, up 8% from Rs. 4,940 crore in Q1 previous year. Q1 EBIDTA at Rs. 1,650 crore, with EBITDA margin of 31% amongst the highest in the industry.
2. **Wireless Revenue & EBITDA:** Q1 wireless revenue up 7% y-o-y on comparable basis. Q1 wireless EBITDA up 14% y-o-y on comparable basis.
3. **RPM:** RPM stood at healthy 43.1 paisa. We have successfully achieved RPM stability for the last 9 consecutive quarters amidst increasing competition and over supply of minutes in market place.
4. **Global Enterprise (GEBU) Revenue & EBITDA:** Q1 Revenues at Rs. 2,451 crore, up by 7% from Rs. 2,292 crore in Q1 previous year. Q1 EBIDTA at Rs. 592 crore, up by 5% from Rs. 564 crore in Q1 previous year. Q1 EBITDA margin stands at 24.1%.
5. RCOM continues to be free cash flow positive. RCOM generated operational cash flow (EBITDA) of Rs. 1,650 crore in Q1. This is the second full year of positive free cash flow (FCF) for the company and this trend will continue in succeeding years.
6. **RCOM has tied up with Android:** During the quarter, RCOM announced its plans to exclusively market Android devices in India over its superior network for the next 2 years. Through this strategic collaboration with Google, RCOM will market the Android mobile operating system and Google Mobile Services in order to promote the usage of Android devices in the country.

In line with other such collaborations in mature markets like USA, Japan and Australia, Google has associated with RCOM to leverage the pan India high quality Reliance network, especially the superior Reliance 3G network along with the fastest growing Android mobile platform to deliver leading-edge mobile applications, services and devices.

7. **RCOM launches new fully loaded 3G tablet on Android platform:** Reliance, being the first telecom operator in the country to offer Tablets on both of its 3G and CDMA networks, now offers new Android Tablet with exciting advanced features to further strengthen its leadership position. The new 3G Tablet is set to further enhance the user experience with incredible affordability and bundled offerings.
Reliance 3G Tab comes with a 7-inch capacitive touch screen with Android 2.3 OS and a high speed processor of 1.4GHz. This latest 3G Tablet from Reliance comes with a better screen resolution of 1024 x 600, loaded with 512 MB RAM, and a better 5 point touch experience. It is sure to appeal a large segment of value conscious Indian consumers, just as the Reliance 3G Tab did last year. The light weight (402g) Reliance 3G Tab comes with a better 3.0 MP rear camera and a front camera, enables Video calling, among other key features, catering to both business users as well as the youth segment.

8. Recent Rewards & Recognition:

- May 2012 – Awarded as the 'Managed Video Conferencing Service Provider of the Year' by 2012 Frost & Sullivan India ICT Awards.
- May 2012 - Reliance was awarded TM Forum Global Excellence Award 2012 – 'Business Innovation', in Dublin - Ireland this year. This award was conferred for 3G Video on demand innovative platform - demonstrating the most innovative and successful new service or business model.
- April 2012 - Top Green IT Enterprise Award 2012 instituted by IDG Media in recognition of our contribution towards green and clean environment.

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. 90,000 crore (US\$ 17.7 billion), cash flows of Rs. 8,000 crore (US\$ 1.6 billion), net profit of Rs. 3,200 crore (US\$ 0.6 billion).

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company, with a customer base of over 162 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 30/6/12	Increase / (Decrease)
Turnover			
Wireless	4,327	4,527	4.6%
Global Enterprise	2,292	2,451	6.9%
Diversified	278	243	-12.6%
Total (post eliminations)	4,940	5,319	7.7%
EBITDA			
Wireless	1,173	1,209	3.1%
Global Enterprise	564	592	5.0%
Diversified	(128)	(146)	-14.1%
Total (post eliminations)	1,602	1,650	3.0%
<i>EBITDA margin</i>	<i>32.4%</i>	<i>31.0%</i>	
Depreciation	976	909	-6.9%
Financial Charges (net)	405	553	36.5%
Exceptional items	1	-	-
PBT	220	188	-14.5%
Tax	(2)	(3)	-50%
PAT (before minority interest / associates)	222	191	-14.0%
Share of minority interest / associates	65	29	-55.4%
PAT (after minority interest / associates)	157	162	3.2%