

**RELIANCE COMMUNICATIONS (RCOM) ANNOUNCES ITS FINANCIAL RESULTS
FOR THE QUARTER (Q3) ENDED DECEMBER 31, 2012**

Q3 REVENUE AT RS. 5,301 CRORE, UP 5% Y-O-Y

Q3 EBITDA AT RS. 1,653 CRORE, UP 2.4% Y-O-Y

EBITDA MARGIN AT 31.2% AMONGST THE HIGHEST IN THE INDUSTRY

**Q3 WIRELESS REVENUES UP 4.7% Y-O-Y
(ON COMPARABLE BASIS)**

**Q3 WIRELESS EBITDA UP 15% Y-O-Y
(ON COMPARABLE BASIS)**

**3G CUSTOMERS AT 6.1 MILLION, WHICH IS HIGHEST IN THE INDUSTRY
AND 27.6 MILLION DATA CUSTOMERS**

**Q3 REVENUE PER MINUTE AT 44 PAISA, AMONGST THE HIGHEST IN THE INDUSTRY
FOR THE LAST ELEVEN CONSECUTIVE QUARTERS**

Q3 WIRELESS MINUTES AT 103 BILLION UP 3.1% Y-O-Y

**TOTAL DATA TRAFFIC AT 22,512 TB (MN MB) AND DATA USAGE PER SUB
AT 280 MB, HIGHEST IN THE INDUSTRY**

Q3 GLOBAL ENTERPRISE BUSINESS REVENUES AT RS. 2,454 CRORE, UP 4.4% Y-O-Y

**GEBU EBITDA REPRESENTS 34% OF CONSOLIDATED EBITDA, MAINTAINING
STEADY PERFORMANCE**

Mumbai, January 23, 2013: Reliance Communications Limited (RCOM) today announced its consolidated financial results for the quarter ended December 31, 2012.

Highlights of the financial performance for the quarter are:

- **Revenue at Rs. 5,301 crore**, up 5% from Rs. 5,055 crore in Q3 previous year
- **EBITDA at Rs. 1,653 crore**, up 2.4% from Rs. 1,614 crore in Q3 previous year. EBITDA margin at 31.2%, amongst the highest in the industry, with strong contribution from both Wireless and GEBU businesses.
- **Net Profit at Rs. 105 crore**

KEY HIGHLIGHTS:

1. **Consolidated Revenue & EBITDA:** RCOM Q3 total revenues at Rs. 5,301 crore, up 5% from Rs. 5,055 crore in Q3 previous year. Q3 EBITDA at Rs. 1,653 crore, with EBITDA margin of 31.2% amongst the highest in the industry.
2. **Wireless Revenue & EBITDA:** Q3 wireless revenue up 4.7% y-o-y on comparable basis. Q3 wireless EBITDA up 15% y-o-y on comparable basis.
3. **RPM:** RPM stood at a healthy 44 paisa. We have successfully achieved RPM stability for the last 11 consecutive quarters amidst increasing competition and over supply of minutes in market place.
4. **Global Enterprise (GEBU) Revenue & EBITDA:** Q3 Revenues at Rs. 2,454 crore, up by 4.4% from Rs. 2,352 crore in Q3 previous year. Q3 EBITDA at Rs. 567 crore, down by 0.4% from Rs. 569 crore in Q3 previous year. Q3 EBITDA margin stands at 23.1%.
5. **RCOM continues to be free cash flow positive.** RCOM generated operational cash flow (EBITDA) of Rs. 1,653 crore in Q3. This is the second full year of positive free cash flow (FCF) for the company and this trend shall continue in succeeding years.
6. **Partnership with Alcatel-Lucent:** RCOM and Alcatel-Lucent entered into first of its kind end-to-end customer experience management contract with a potential value of around USD 1 Billion. As part of this renewed partnership, Alcatel-Lucent will provide all-comprehensive and value-enhancing management to RCOM's networks and services in the Eastern and the Southern regions of the country to deliver a world-class seamless voice and data communications experience to customers.
7. **Launched 'Facebook Messenger Plan' for GSM subscribers:** Subsequent to our exclusive partnership with Google for Android platform, and our exclusive partnership with WhatsApp in India, RCOM launched the first of its kind prepaid plan 'Facebook Messenger Plan' for all Reliance GSM subscribers across the country.
8. **Recent Rewards & Recognition:**
 - **November 2012:** RCOM won the EMC Transformers Award 2012 in being the leading edge IT BIG DATA successes. This award identifies and recognizes change being brought in Indian Enterprises through smart and judicious use of IT Infrastructure. We won this Award for our initiative in building Next Generation BIG DATA Analytics Platform for near Real Time Reporting, using Open Source Technologies, by our internal IT.
 - **November 2012:** RCOM won the Aegis Graham Bell Awards 2012 for "Best Broadband Data Network", which reinforce our belief that RCOM is best positioned to capitalize data opportunity with it's "Built for Internet" network.

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 about 130 million including over 2.5 million individual overseas retail customers, ranks among the Top 6 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	<u>3 months ended</u> 31/12/11	<u>3 months ended</u> 31/12/12	<u>Increase /</u> <u>(Decrease)</u>
Turnover			
Wireless	4,447	4,515	1.5%
Global Enterprise	2,352	2,454	4.4%
Others	232	223	(4.0%)
Total (post eliminations)	5,055	5,301	5%
EBITDA			
Wireless	1,182	1,206	2.0%
Global Enterprise	569	567	(0.4%)
Others	(135)	(119)	11.6%
Total (post eliminations)	1,614	1,653	2.4%
EBITDA margin	31.9%	31.2%	
Depreciation	978	934	(4.5%)
Financial Charges (net)	381	605	58.8%
Exceptional items	-	-	
PBT	255	114	(55.2%)
Tax	14	-	-
PAT (before minority interest / associates)	241	114	(52.6%)
Share of minority interest / associates	55	9	(84.1%)
PAT (after minority interest / associates)	186	105	(43.3%)