

RELIANCE COMMUNICATIONS ANNOUNCES
FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2015

TOTAL REVENUE AT RS. 5,703 CRORE, UP 1% Y-o-Y

EBITDA AT RS. 1,976 CRORE, UP 6.7% Y-o-Y

PAT AT RS. 228 CRORE, UP 45.9% Y-o-Y

TOTAL DATA TRAFFIC AT 87,211 MILLION MB, UP 73.6% Y-o-Y

HIGHEST DATA USAGE PER SUBSCRIBER IN THE INDUSTRY AT 893 MB, UP 37.8% Y-o-Y

33.7 MILLION DATA CUSTOMERS INCLUDING 17.4 MILLION 3G CUSTOMERS

TOTAL MOU AT 108.1 BILLION, UP 5.7% Y-o-Y AND ARPU AT RS. 147, UP 14.8% Y-o-Y

RPM AT 44.4 PAISA, UP 2.8% Y-o-Y

Mumbai, May 29, 2015: Reliance Communications Limited (RCom) today announced its consolidated financial results for the quarter ended March 31, 2015.

KEY HIGHLIGHTS for Q4FY15:

- 1. Net Profit at Rs. 228 crore, up 45.9%** from Rs. 156 crore in Q4 previous year.
- 2. Consolidated Revenue & EBITDA:** RCom Q4 revenue at Rs. 5,703 crore, up 1% from Rs. 5,671 crore in Q4 previous year. Q4 EBITDA at Rs. 1,976 crore, up 6.7% from Rs. 1,852 crore in Q4 previous year. EBITDA margin at 34.7% improved from 32.7% in Q4 previous year.
- 3. India Operations Revenue & EBITDA:** Q4 revenue at Rs. 4,907 crore, up 5.5% from Rs. 4,649 crore in Q4 previous year. Q4 EBITDA at Rs. 1,713 crore, up 3.3% from Rs. 1,659 crore in Q4 previous year.
- 4. Global Operations Revenue & EBITDA:** Q4 Revenues at Rs. 1,294 crore, up by 2.7% from Rs. 1,261 crore in Q4 previous year. Q4 EBITDA at Rs. 263 crore, up 36.1% from Rs. 193 crore in Q4 previous year.

5. **RCom continues to be free cash flow positive.** RCom generated operational cash flow (EBITDA) of Rs. 1,976 crore in Q4, paid net finance charges of Rs. 666 crore and invested Rs.505 crore on capex during the quarter. It remains free cash flow (FCF) positive and this is expected to continue.

6. **Key Performance Indicators (KPIs):**

- a. **RPM:** RPM at 44.4 paisa, up 2.8% Y-o-Y. Voice RPM at 33.2 paisa, up 0.6% Y-o-Y
- b. **MOU:** Total MOU at 108.1 billion, up 5.7% Y-o-Y
- c. **ARPU:** ARPU at Rs.147, up 14.8% Y-o-Y
- d. **Data Customers:** The total data customer base has grown 26.2% Y-o-Y to 33.7 million including 17.4 million 3G customers in Q4.
- e. **Data Traffic:** The total data traffic at 87,211 million MB, up 73.6% Y-o-Y. The traffic has increased due to increase in data subscribers and higher data usage per customer.

7. **Key Developments:**

- a. **RCom gets rated by two renowned global credit rating agencies:** During the quarter RCom got itself rated from two renowned global credit rating agencies, Moody's and Fitch Ratings. The Company was rated Ba3 (Stable Outlook) by Moody's and BB- (Stable Outlook) by Fitch Ratings. A stable outlook signifies that the Company is in a better position to manage its balance sheet and sustain as a long-term player in the telecommunications industry.
- b. **RCom raised USD300 million through offshore bond offering:** RCom raised USD300 million by issuing offshore bonds at 6.5% p.a. with a maturity of five-and-a-half years. The bonds were rated at the same level as Issuer ratings given by Moody's and Fitch.
- c. **RCom partnered with Twitter for the best cricketing action during Cricket World Cup:** RCom partnered with Twitter to provide its customers with the most comprehensive platform to follow the excitement and global commentary during the World Cup. By allowing its users new ways to connect and engage on Twitter and follow the six-week tournament, RCom took to drive Internet adoption and usage during this iconic event, and help drive greater recharges and create stickiness around data usage. One unique aspect of the service was that customers who did not have a Twitter account could also access cricket-related Tweets by logging on to www.rcom.co.in/cricket on their mobile phones throughout the duration of this global event. Twitter access was free for RCom customers during World Cup.
- d. **Launch of World Cup Cricket Portal to drive Data Usage:** RCom customers caught all the action of the World Cup 2015 with exclusive access to a World Cup Cricket Portal. Customers could watch the matches live, download videos & wallpapers, and do much more.

- e. **World Cup Data Recharge Promotion to drive Data Usage:** RCom customers recharging on specific data packs got 2MB extra for every run scored by the Indian team on the day of India match, accelerating recharges on specific high ARPU packs.
- f. **Exclusive partnership with DataWind to drive Internet penetration among the masses:** In an effort to address every segment of the market, RCom partnered with DataWind, makers of Akash tablets, to launch a range of Smartphones with 12 months of Unlimited Free Internet browsing on Reliance GSM network. These Smartphones come with a pre-burnt proprietary browser which compresses and accelerates the delivery of web content by factors of 10x to 30x to render a fast and rich desktop-like web experience even on traditional GPRS / EDGE 2.5G mobile networks. The offerings include; 2G Smartphone: 3.5 inch screen, Android Kit-Kat, priced at Rs.1,999 + Unlimited Free Internet browsing for 12 months, and 3G Smartphone: 4 inch screen, Android Kit-Kat, priced at very attractive Rs.2,999 + Unlimited Free Internet browsing for 12 months.
- g. **Launch partnership with Samsung Galaxy J1, to drive 3G Smartphone penetration:** RCom partnered with Samsung for launch of Galaxy J1 with the objective to acquire more data customers who are looking to upgrade into entry Smartphones. Galaxy J1 is an affordable mass-market Android Smartphone from Samsung. Reliance customers purchasing Samsung Galaxy J1 Smartphones, will get 500 MB / month.
- h. **Launch of 3G data bundling offer with 21.6 Mbps 3G Wifi Dongle from ZTE:** RCom launched a 3G data bundling offer with 21.6 Mbps Wifi Dongle (MF 70) from ZTE. Its features include 21.6 Mbps Wifi Dongle, supports 10 devices, 32GB external SD card support and plug-in to any USB power source.
- i. **Launch of Smart Fixed Wireless Phone:** Smart FWP is a Fixed Wireless Phone which can provide high data speed of 3.1Mbps, it can provide high quality voice service and SMS service, and also can be used as EVDO modem when it connects to PC or other device by USB cable, it also can provide Wi-Fi connection & connect upto 8 wifi enabled devices.
- j. **Launch of Cloud Video Surveillance solution in association with Panasonic:** RCom launched an integrated cloud based surveillance offering (Cloud Video-Intelli Surveillance)—the first of its kind in India--in association with Panasonic. This is an end-to-end video surveillance solution with advanced analytics for the Enterprise segment. Combining Panasonic's global domain expertise in surveillance cameras and video analytics with Reliance's countrywide network and data center infrastructure, Cloud Video Intelli-Surveillance is designed as an integrated solution to bring advanced surveillance within easy reach of Enterprises across the country.
- k. **Partnership for enhancing Cloud portfolio:** In continuation of the RCom's efforts to enhance its Cloud services portfolio, the Company, through its subsidiary Reliance IDC Ltd., entered into an agreement with HITACHI for Data Storage and associated services.

8. Major Rewards & Recognition during the quarter:

- **AC Nielsen's Corporate Image Monitor (CIM) – RCom in Top 10:** Reliance Communications was among the top 10 most reputed companies in India according to the Nielsen CIM 2014-15 survey. Some of the parameters for the study included transparency, trust, demonstration of vision and leadership, perceptions of Company product and services, financial performance, workplace environment.
- **Economic Times India's Most Exciting Brands – Reliance in Top 14:** Reliance ranked 14th among the top 20 most exciting brands 2015 according to Nielsen's survey exclusively for Brand Equity shows. The survey provides a great insight into the brands and categories that youth (teens and twenty+) find exciting.
- **Telecom Leadership Award 2015:** RCom was awarded Telecom Leadership Award 2015 - CIO of the Year award from CyberMedia (Voice&Data) Group. The award was given in acknowledgement for being a Catalyst of Change, Out-of-box Solutions, contribution in International Telco landscape and Innovative Strategies in managing with agility Premier Telco's IT.

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 had a net worth in excess of Rs. 91,500 crore (US\$ 15.3 billion), cash flows of Rs. 10,200 crore (US\$ 1.7 billion), net profit of Rs. 4,700 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 118 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.

Financial Results: Quarterly Summary

(Rs. Crore)

Particulars	4QFY14	4QFY15	Inc/ Dec (Y-o-Y)
Turnover			
India Operations	4,649	4,907	5.5%
Global Operations	1,261	1,294	2.7%
Total (post eliminations)	5,671	5,703	1.0%
EBITDA			
India Operations	1,659	1,713	3.3%
Global Operations	193	263	36.1%
Total (post eliminations)	1,852	1,976	6.7%
EBITDA margin	32.7%	34.7%	
Depreciation	1,767	995	-43.7%
Financial Charges (net)	907	666	-26.5%
Exceptional Items	56	-	
Tax	(1,026)	306	
PAT (after minority interest / associates)	156	228	45.9%