

Reliance Communications

Investor Presentation

September 2010

Forward looking statements – Important Note

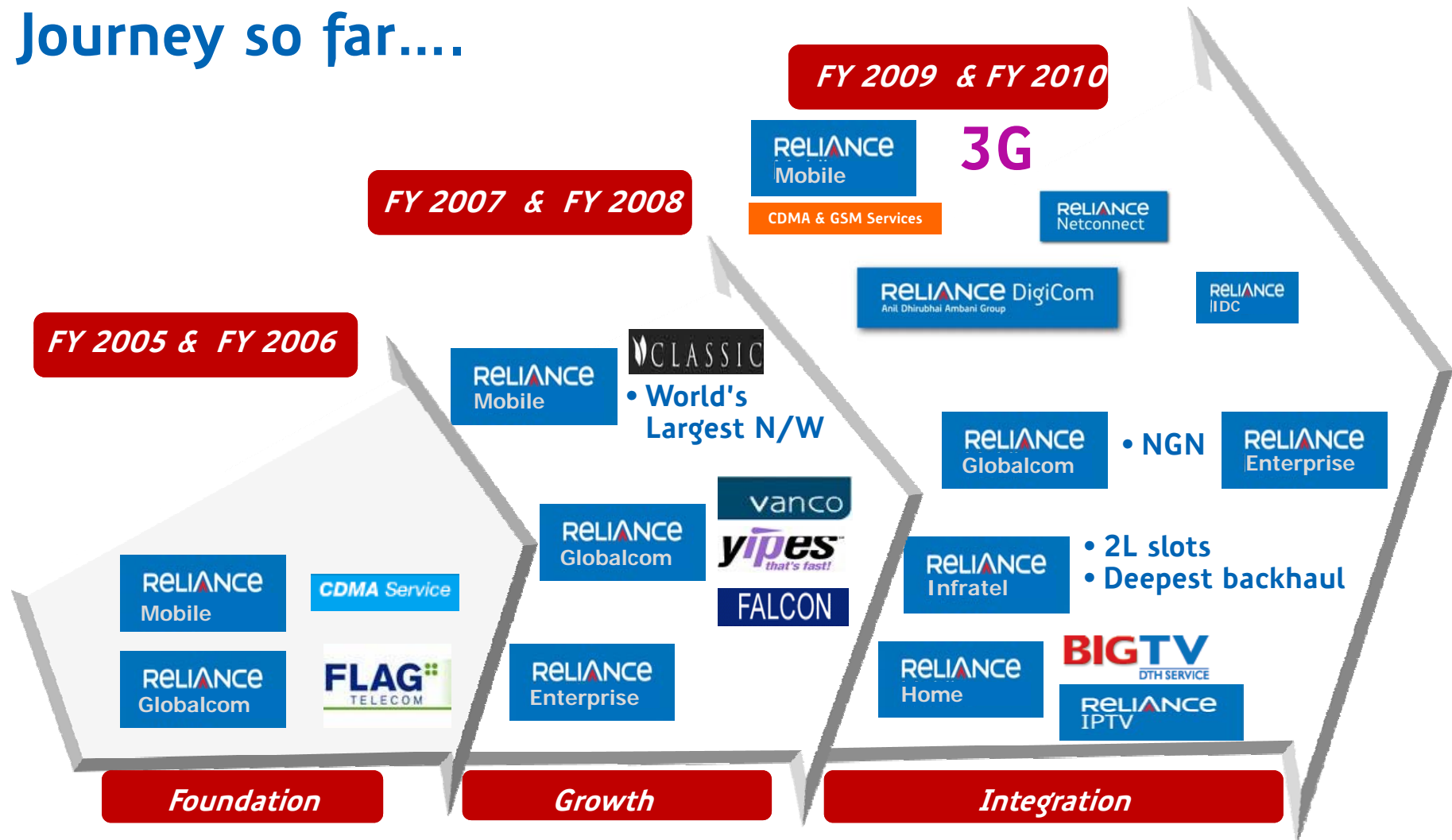
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Contents

Reliance Communications – an integrated telco

- Wireless
 - Globalcom
 - Enterprise
 - Home
- Key takeaways

Journey so far....



Evolution path towards a profitable integrated Telco

Current position of our businesses

Wireless

- #2 in India, #4 globally (single country), dual technology

Globalcom

- Largest global private submarine cable network, blue-chip global clients

Enterprise

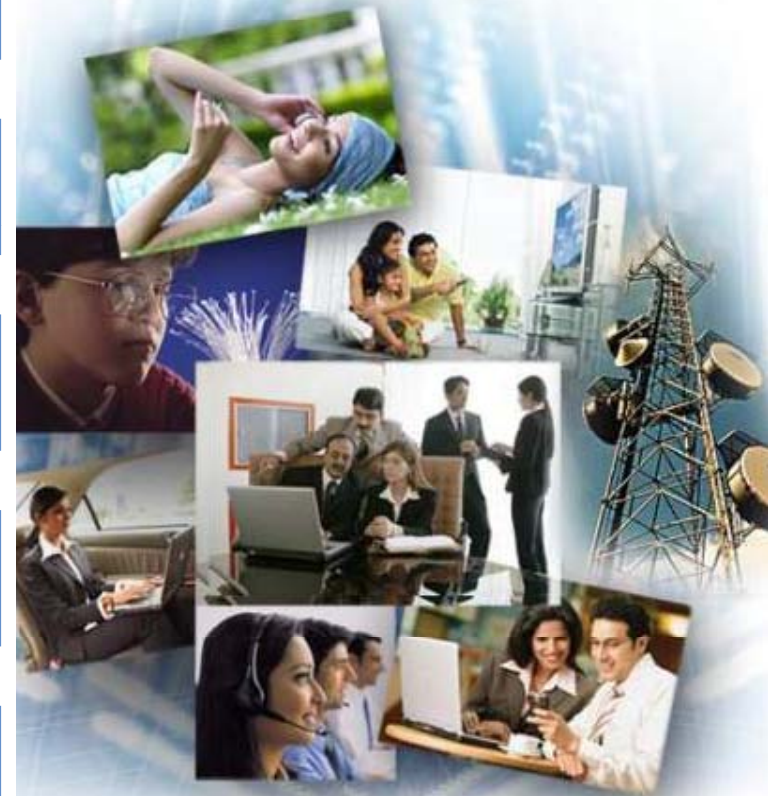
- One stop shop for all large corporates and SMBs for communications, networking and IT infrastructure needs

Infratel

- 200k+ slots, unique ability to provide space and connectivity

Home

- Rapidly growing national DTH business, rich content access



Strong market presence in every business

Strategy for focused and profitable growth

Wireless



- Address mass mobility market thru' GSM with special focus on rural distribution
- Consolidate data market leadership with high ARPU high speed datacards
- Increased revenue from new service streams (share of VAS & In-roaming revenue)

Infratel



- Maximize revenues from existing assets of Towers, OFC & Ducts
- Huge potential of value unlocking for Reliance Communication shareholders

Globalcom



- Sign long term contracts with existing and new operators to provide pan-India infrastructure and bandwidth
- Ramp up Managed Services business; Complete NGN Mediterranean and continue to maintain leadership in the Carriers Carrier market

Enterprise



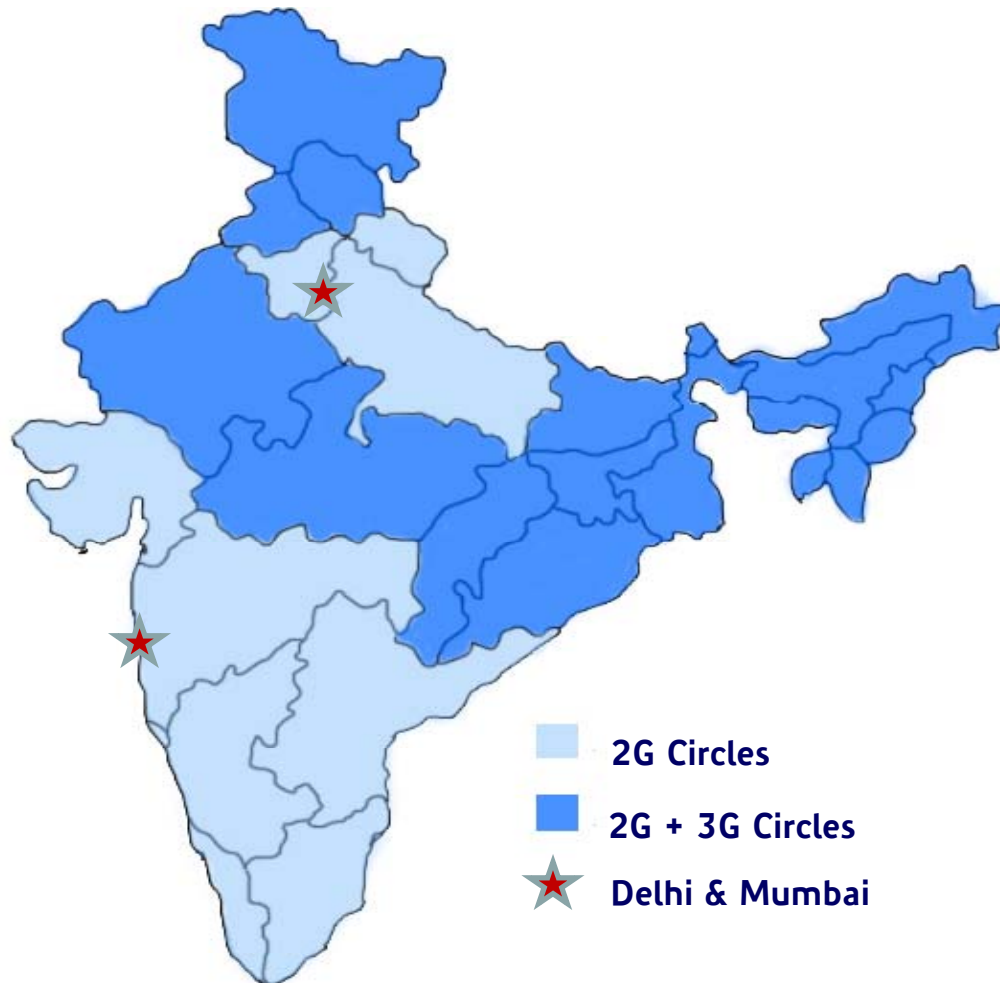
- Increasing IDC capacity and launching new high margin product/service lines
- Expanding Managed Services portfolio for higher share of customer's wallet and to increase stickiness of our products

Home



- Aggressive acquisitions to build the subscriber base for long-term revenue
- Rigorous program management framework for capex and opex cost efficiencies, esp. Set-top box and Content

3G license in 13 circles; Pan-India data leadership



Won 13 circles with a spend of Rs. 8,585cr



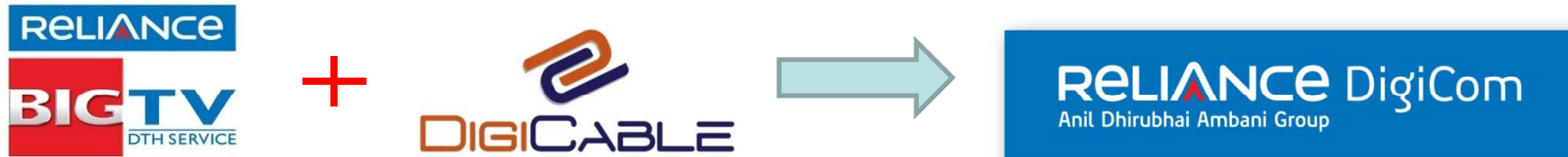
Geographical mix of top 3 metros, 4 "B" circles & 6 "C" circles



Marginal capex for 3G upgrade on our EDGE GSM network

Nationwide EVDO/ 3G footprint

DigiCom acquisition - Key highlights



- ❑ RCOM acquired DigiCable, India's No. 1 Cable TV service provider
- ❑ Combined entity comprising RCOM DTH and DigiCable to be named "RELIANCE DigiCom"
- ❑ Game changing move to usher Digital TV and ultra high speed broadband revolution across addressable universe of over 100 Mn. homes in India
- ❑ Offering over 500 Digital quality and 100 HD channels; and ultra high speed broadband access upto 100 Mbps speeds
- ❑ Asia's largest and world's 5th largest Pay TV service provider
- ❑ Reliance DigiCom to start with combined subscriber base of 11 million homes
- ❑ Market leadership in 110 towns, including top 6 metros, with 16% subscriber market share of pay TV homes

Reliance DigiCom – Market position (India & Globally)

India Top 5

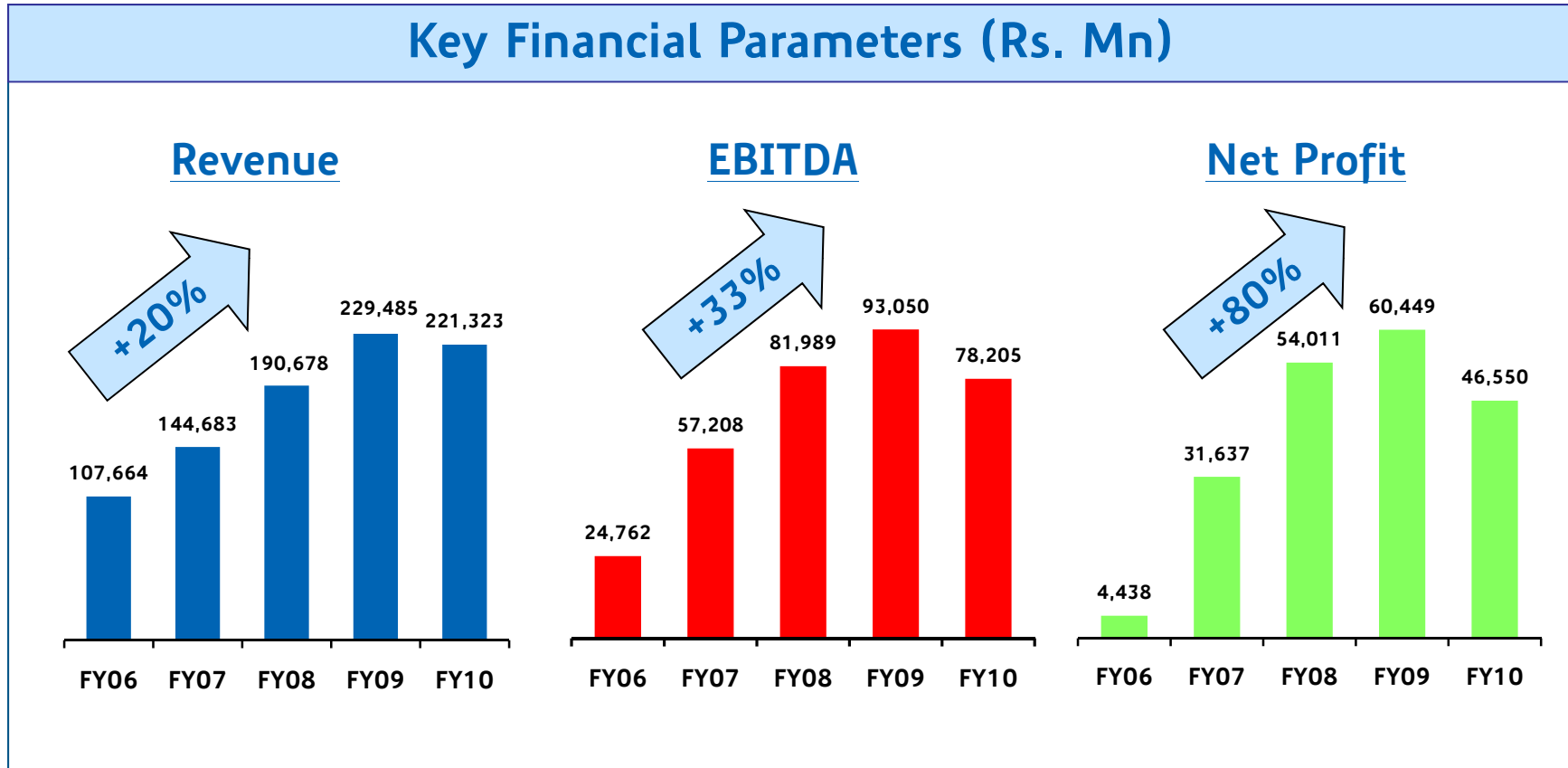
Rank	Players	Subscriber Base (Mn)
1	Reliance + Digi	11
2	Sun + SCV	9
3	Hathway	8
4	Dish TV + WWIL	8
5	DEN	7

Global Top 5

Rank	Players	Subscriber Base (Mn)
1	Comcast	24
2	DirecTV	19
3	Dish Network	14
4	Time Warner	14
5	Reliance + Digi	11

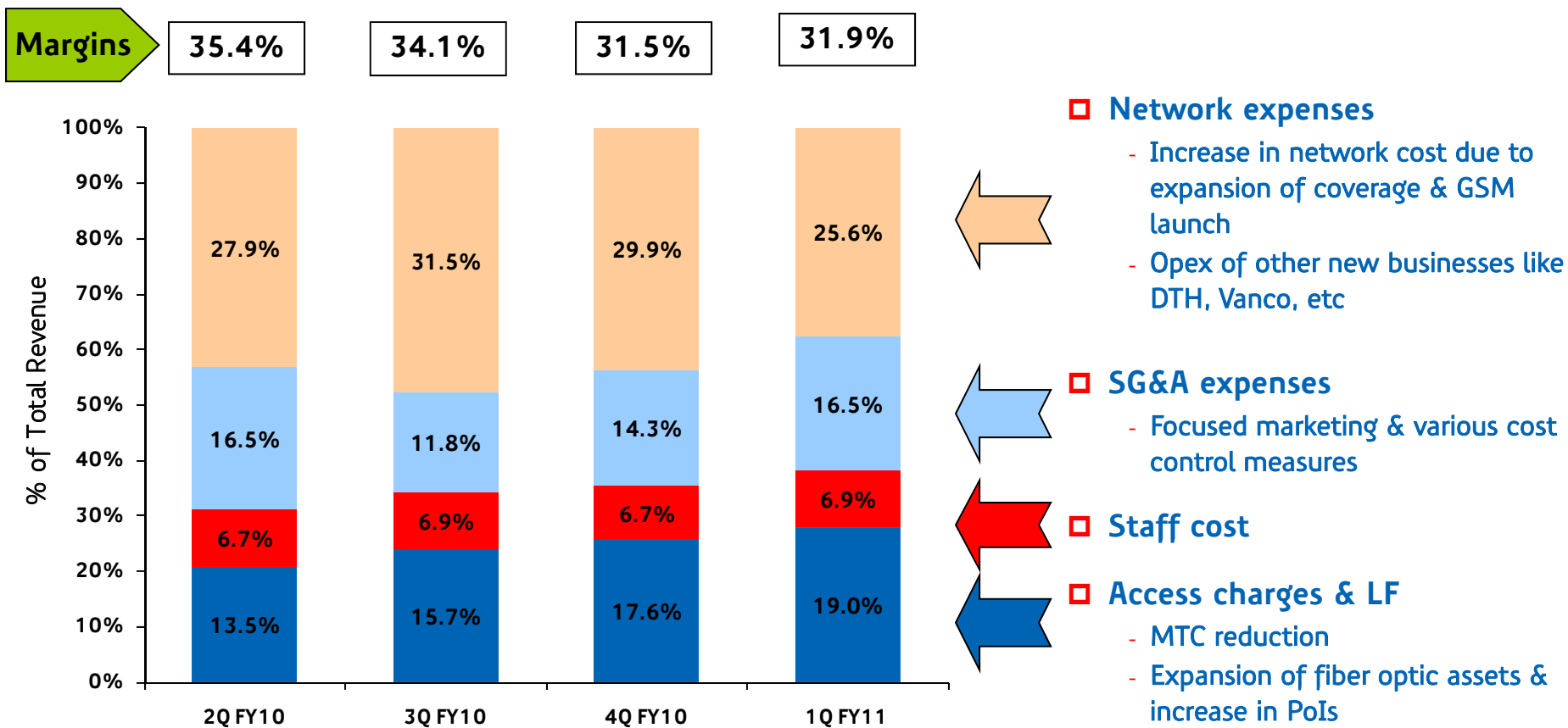
Note : Market position, post acquisition.

Financial Highlights



Consistent & substantial increase in profitability

Cost management (% of revenue)...



...inspite of launch of multiple new businesses

Contents

- Reliance Communications – an integrated telco

 - Wireless**

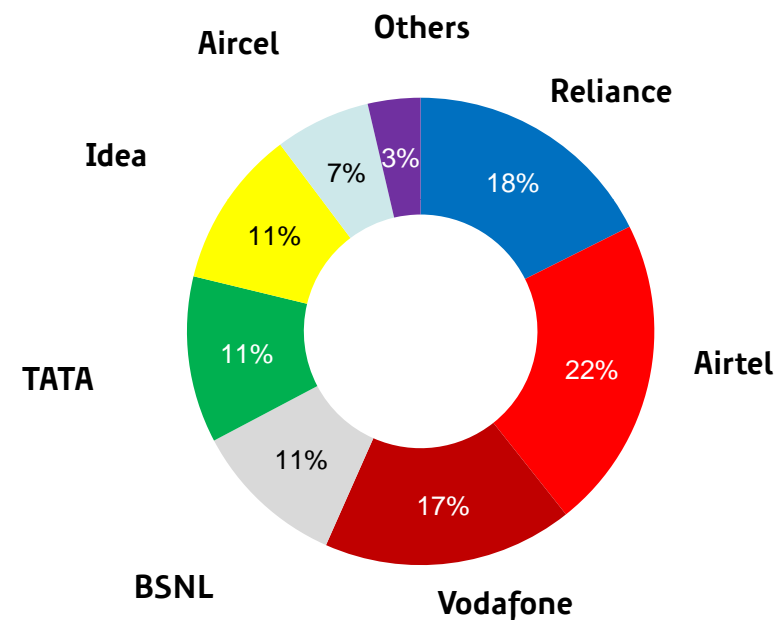
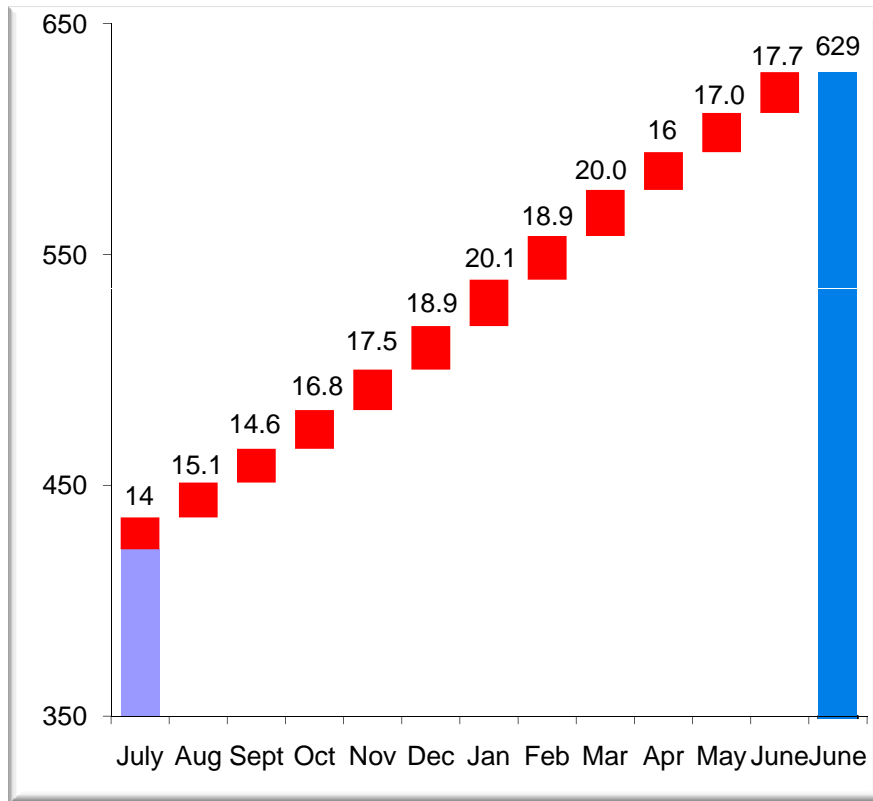
 - Globalcom

 - Enterprise

 - Home

- Key takeaways

Industry outlook : India's growing mobile market



629 Mn wireless subscribers at the end of June 2010

India, the world's fastest growing market, has fifteen service providers

Indian telecom : Fast changing landscape

Operators



Hyper competition - Number of players increased from 7 to 15 in last one year

Price Wars



Multiple product offerings with innovation on price and tariff cuts only

Call Rates



Intense Price cuts reduced the call rate from Rs.2/- in 2007 to just 1p in 2010

Strengths of Wireless Business

- 1 Dual technology advantage
- 2 Data leader (HSD / EVDO)
- 3 100 Million+ customer base
- 4 3G License winner in 13 circles
(All 900 Mhz circles covered)
- 5 Integrated Telco with segmented play

All this with only 7 years of existence in industry as compared to 15+ years for competition

India's billion people can now expect an unbeatable choice and value proposition across....

1.

Coverage

2.

Customer choice

3.

HSD/Internet on the move

4.

Product & Service innovations

5.

Distribution & Reach

Unmatched customer proposition

Coverage



24,000
Towns

600,000 Villages

1 Billion Indians



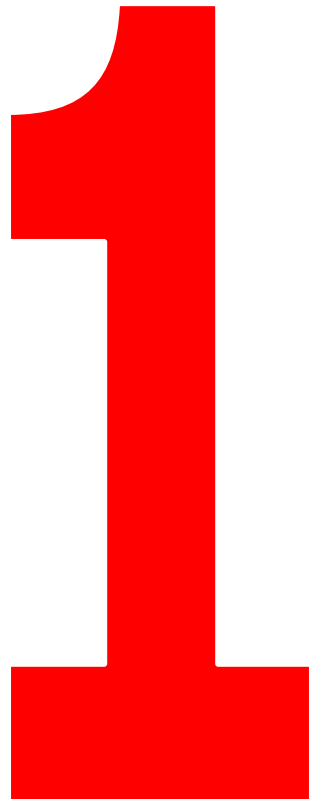
CDMA



GSM

Seamless coverage wherever you go

Customer Choice



*

*CDMA

Mobility



Wireless Data



Fixed Wireless



PCO



**113 million
Happy customers**

**Market leadership
in all segments**

... shall replicate success with nationwide GSM service

HSD/Internet on the Move

RELIANCE
Netconnect

Broadband+

India's fastest wireless Internet. Now, at Rs. 2299

India's No.1 Network 
SMS NC to 55454 or visit www.room.co.in  USB Modem

Maximum speed of 3.1 Mbps and a default speed of 200 Kbps. Subject to network availability.

The advertisement features a man sitting on a beach, using a laptop. The background shows a city skyline across the water. The text is in white and blue on a purple and blue background.

Competitive differentiation

- ❑ Fastest internet broadband service of up to 3.1 Mbps in India's top 62 cities
- ❑ Seamless handover & connectivity through CDMA 1X in over 24K towns and 6 lakh villages covering 90% of the Indian population
- ❑ Wide reach compared to limited reach of wireline networks
 - Broadband coverage expansion the wireless way
- ❑ ARPUs are 3-4 times higher than the voice usage
- ❑ Increased capacity utilization in CDMA network
- ❑ Easy availability & instant activation within minutes compared to few weeks or even months in case of wired broadband

Fastest internet connectivity under wireless platform

Product & Service innovations

Group Talk

GroupTalk **RELIANCE Mobile**
GSM & CDMA Services

Instant call conference between 10 members

- Schedule a call conference at your convenience.
- Play for 1 call and speak with 9 at the same time.

To subscribe SMS SUB to 51234333

India's No.1 Network. Go for it.Tal

Call 3033 3333 or visit www.rcom.co.in
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Tune Maker

Dial 5669 4400 to record your own callertune. **RELIANCE Mobile**
GSM & CDMA Services

Instantly create ringtones with Reliance Mobile and play them on the phone to meet your favourite tunes and set it on your subscribers.

Subscribe it to you, friends or someone else. A cool ringtone, text ringtones, with ringtone or your favourite music.

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Simply Music

Mad about music? Get the Simply Music Pack. **RELIANCE Mobile**
GSM & CDMA Services

A euphoric musical experience for just ₹25. To activate, dial 51234 600.

Stay subscribed for many more exciting offers.

India's No.1 Network. Go for it.Tal

Call 3033 3333 or visit www.rcom.co.in
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Nokia Life Tools

Nokia Life Tools
Inform.Involve.Empower.

Bubby (voice twitter)

Handsets

RELIANCE Mobile **SAMSUNG**
GSM Service

Samsung Omnia is happy to be on India's No.1 Network

Buy any Samsung Omnia Pre-activated with Reliance Mobile and enjoy:

- 100% pre-activation
- Free 30-day warranty and repair under 48 hours at Reliance Mobile

India's No.1 Network. Go for it.Tal

Life @ 3.1 Mbps. **RELIANCE Mobile**
GSM & CDMA Services

Now get BlackBerry® Tour™ 9630 Smartphone from Reliance Mobile.

- Web: Streaming across 240 countries and 225 networks
- Support: GSM, CDMA, GPRS and HSDPA networks
- Feature: Internet access @ speeds upto 3.1 Mbps
- High Speed Audio/Video Streaming

India's No.1 Network. Go for it.Tal

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ISD Packs

US & Canada @ Rs.1.50/min. **RELIANCE Mobile**
GSM & CDMA Services

► Recharge with Rs 37/- ► Validity - 30 days

Call 3033 3333 or visit www.rcom.co.in
Pack available only on E-recharge.

Mobile Net

MobileNet @ Rs. 99 **RELIANCE Mobile**
GSM Service

Also get videos, wallpapers & ringtones worth Rs. 99 free!

Subscribe Reliance Mobile "MobileNet" (999 pack) with already activated download. Downloaded files are free. Video, Wallpapers, Ringtones and so on at that you want.

India's No.1 Network. Go for it.Tal

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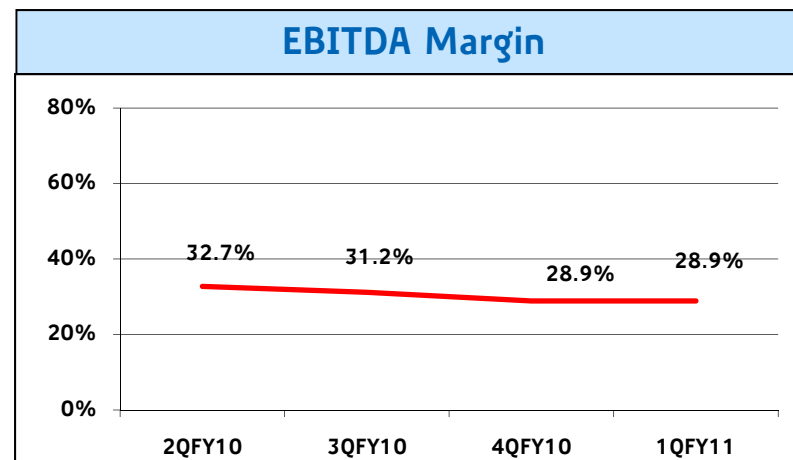
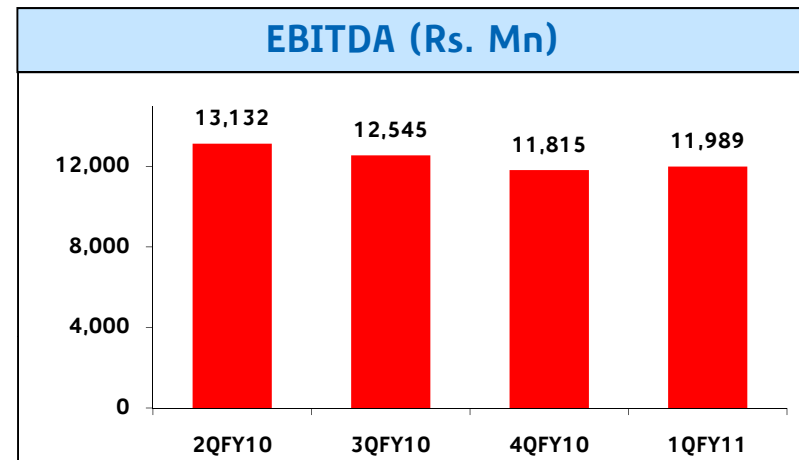
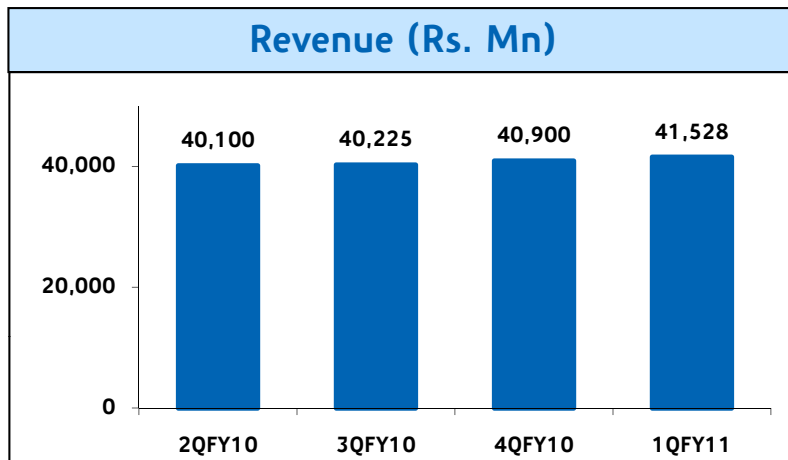
Distribution & Reach

- ❑ World-class design , fit out & ambience at 2,000 exclusive retail showrooms on High streets/Malls
- ❑ High quality reach & national footprint through 5,000 distributors & 1.2 million retailers
- ❑ 5,000+ Direct & indirect outbound sales force to cater to customers at their premises
- ❑ Dimensioned to handle over 35 mn sales transactions annually



One of the largest retail distribution network in the industry

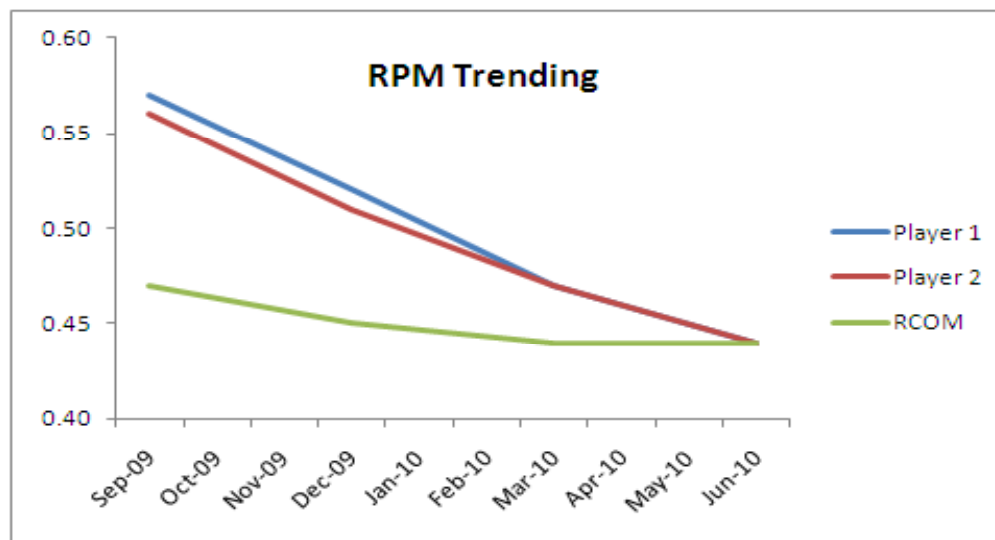
Financial Performance



Short term impact due to competitive intensity and tariff rebalancing

Revenue Per Minute (RPM) trend

	Q2'09	Q3'09	Q4'09	Q1'10	Change over last 4 Qtrs.
Player 1	0.57	0.52	0.47	0.45	-21.1%
Player 2	0.56	0.51	0.47	0.44	-21.4%
RCOM	0.47	0.45	0.44	0.44	-6.4%

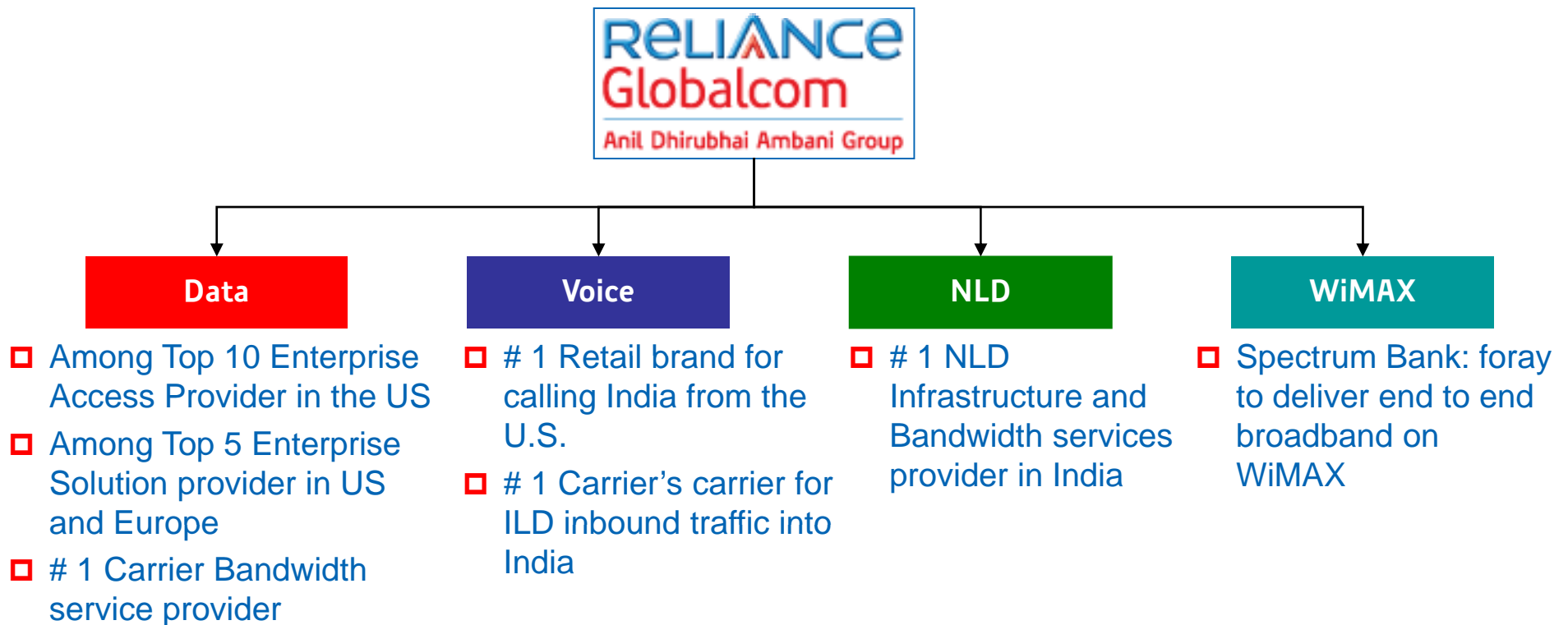


RCOM, the only operator which has held on to the RPM over last 4 quarters

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Business Overview



Unique play on the exponential growth of digital application and content distribution spanning developed and emerging markets

Business Overview

We are more than...

- ❑ Just a cable network developer
- ❑ Just a wholesale bandwidth provider
- ❑ Just an India focused company
- ❑ Just an “emerging carrier”

Who we are...

- ❑ Global service delivery provider of internet, data and rich media on an all IP-enabled network
- ❑ Higher Revenue from Enterprise; Over 1,500 Enterprise customers
- ❑ Established customer relationships spanning developed & emerging markets, including China, Asia, Middle East
- ❑ Strong revenue and EBITDA momentum, scalable low cost base, expansion financed from cashflows and customer commitments

Strong franchise, uniquely positioned for profitable growth

Network reach

- Over 275,000 RKms of optic fiber cable with landing points in 30 countries
- Managing over 60,000 customer sites in 160 countries through 700 carrier partners



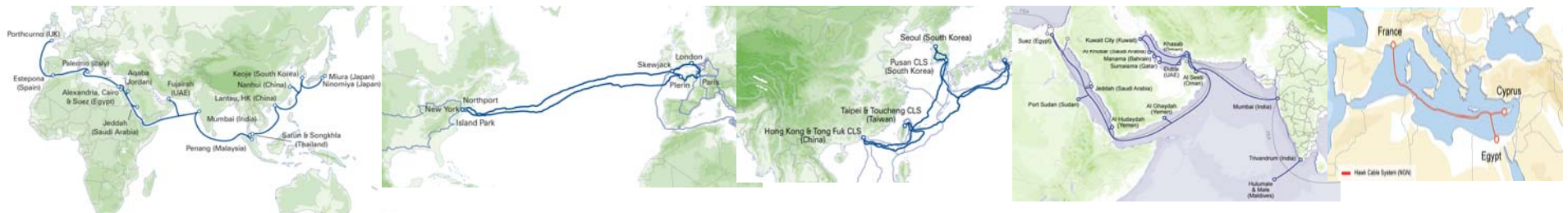
FEA

FA-1

FNAL

FALCON

Hawk



Network connecting over 85% of the world's population

Diverse and extensive customer base

Carrier

- Over 200 wholesale customers based on strong long term relationships with over 70% repeat orders;
- Particularly strong in China, Asia, the Middle East and India.



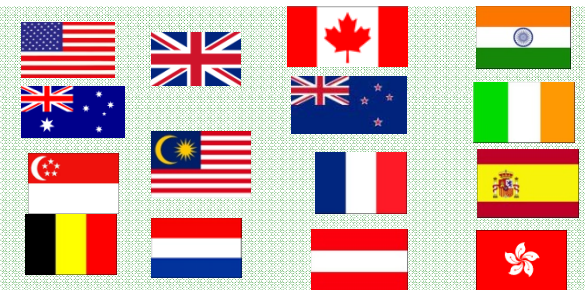
Enterprise

- Among Top 5 Managed Network Service providers (Gartner 2008) with over 200 corporate customers;
- Among Top 6 Global Ethernet Service providers (Vertical Systems 2009) with over 1,200 customers;
- # 1 or # 2 service provider to world's top exchanges including CME, NYSE, NASDAQ.



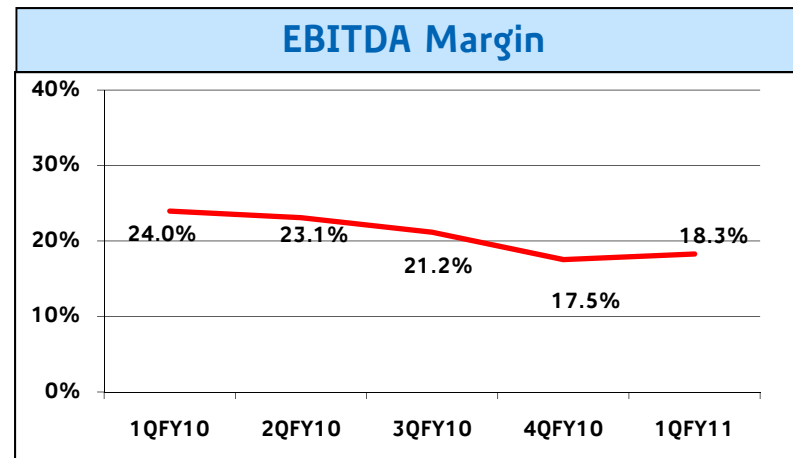
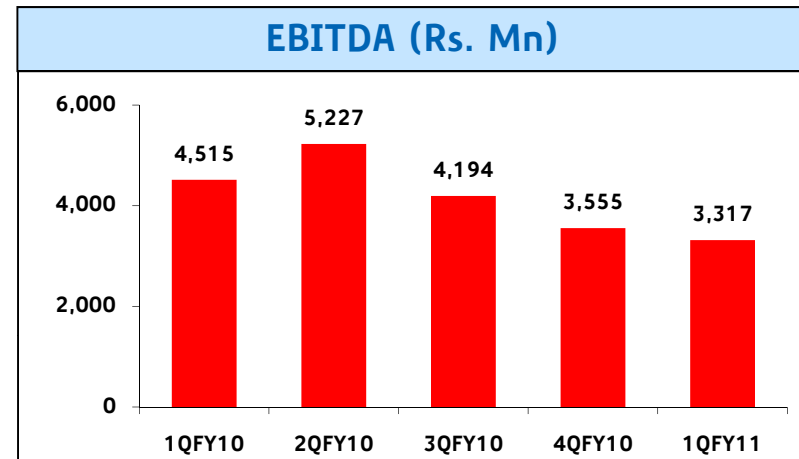
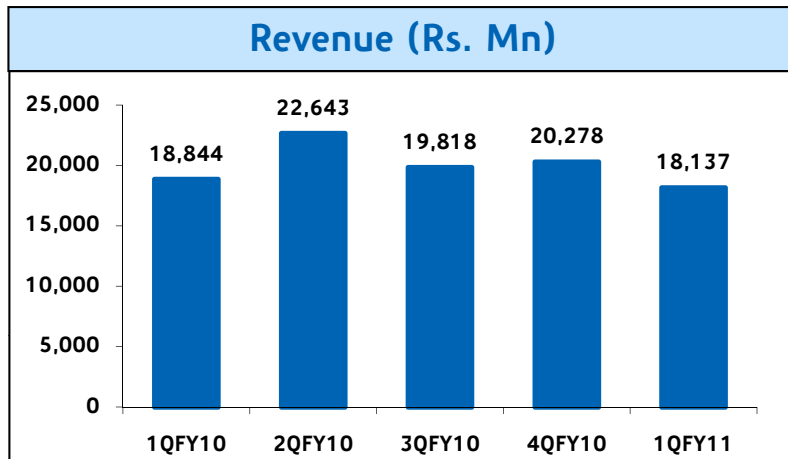
Retail

- Over 2.5 million retail customers in 15 countries including U.S, Canada, U.K., Australia, New Zealand, Hong Kong, Singapore, Malaysia, France, Canada, Spain, Belgium, Netherlands, Austria and India



Over 1,500 enterprise and 2.5 million retail customer base outside India

Financial Performance

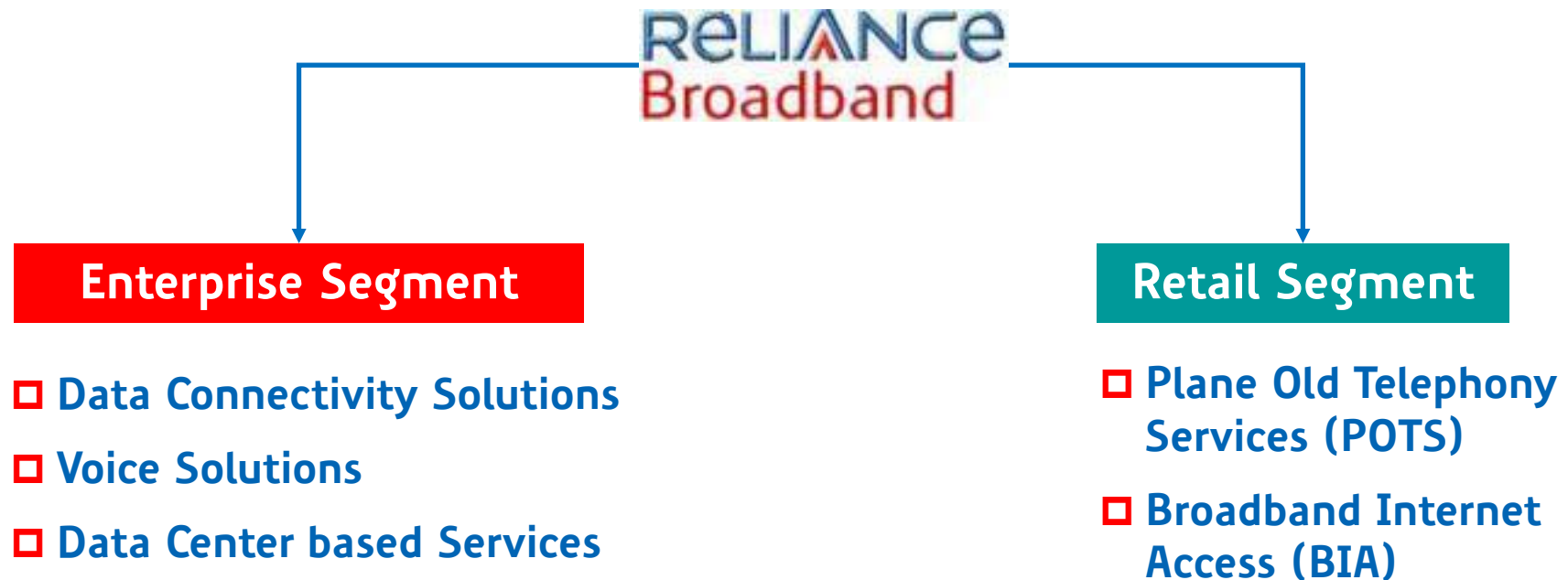


Short term margin pressure; due to macro global environment

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Business overview



Serves Enterprise, SME and Retail customers for their connectivity needs

Market leadership

Segments where we lead the market

- ❑ Largest share in the MPLS-VPN market
- ❑ Largest share of the Centrex market
- ❑ Market leader in Data Centers – More than 50% market share

Our customer portfolio

- ❑ 850 of top 1000 Enterprises in India
- ❑ 10,000+ Small & Medium Businesses (SMBs)
- ❑ 1.47 Mn. Access lines

India's leading provider of enterprise services

IDC: Largest in India with >50% market share

- ❑ Nine data centres with level 3+ accreditation – more than 400,000 sq ft of facilities space
- ❑ Hosting >20,000 systems and >1400 terabyte of information
- ❑ Geographic redundancy
- ❑ Wide & complex application hosted
 - Core Banking, ATM/ Internet Banking
 - Complex ERP/ SAP Applications
 - Complex Intranet/ Customized Apps.
 - Large Messaging Applications



Expanding capacity to cater to fast growing demand

850 of Top 1,000 Indian enterprises are our customers

FMCG Segment



Services Segment



Telecom Operators



IT/ ITES Segment



BFSI Segment

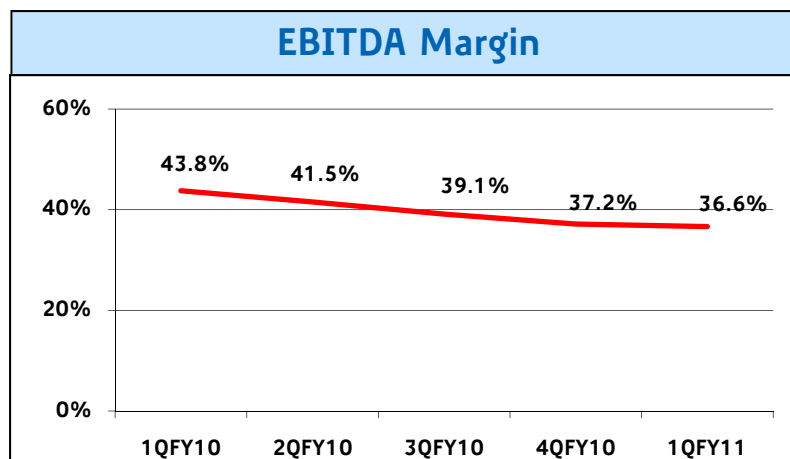
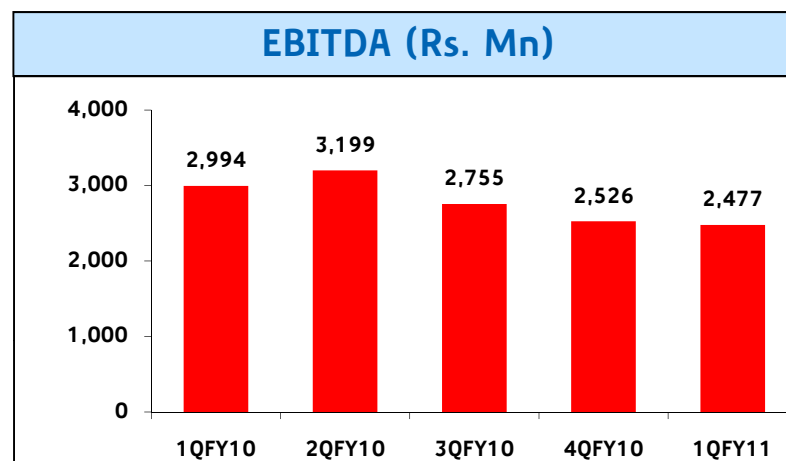
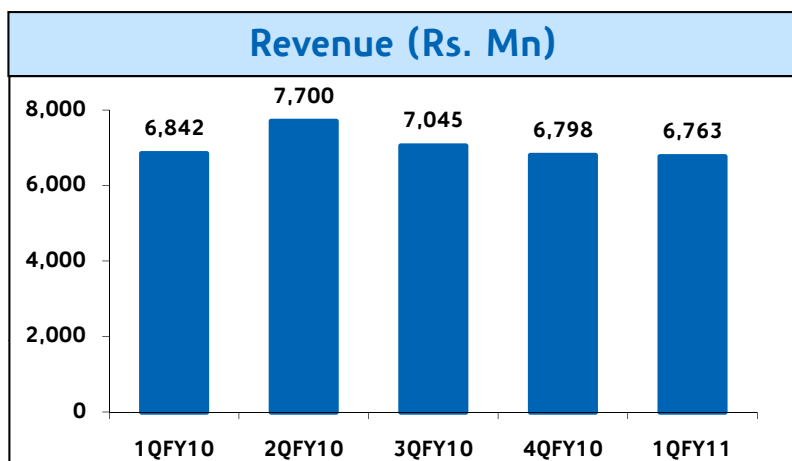


Media Segment



Winning >50% of new business generated in the segment

Financial Performance

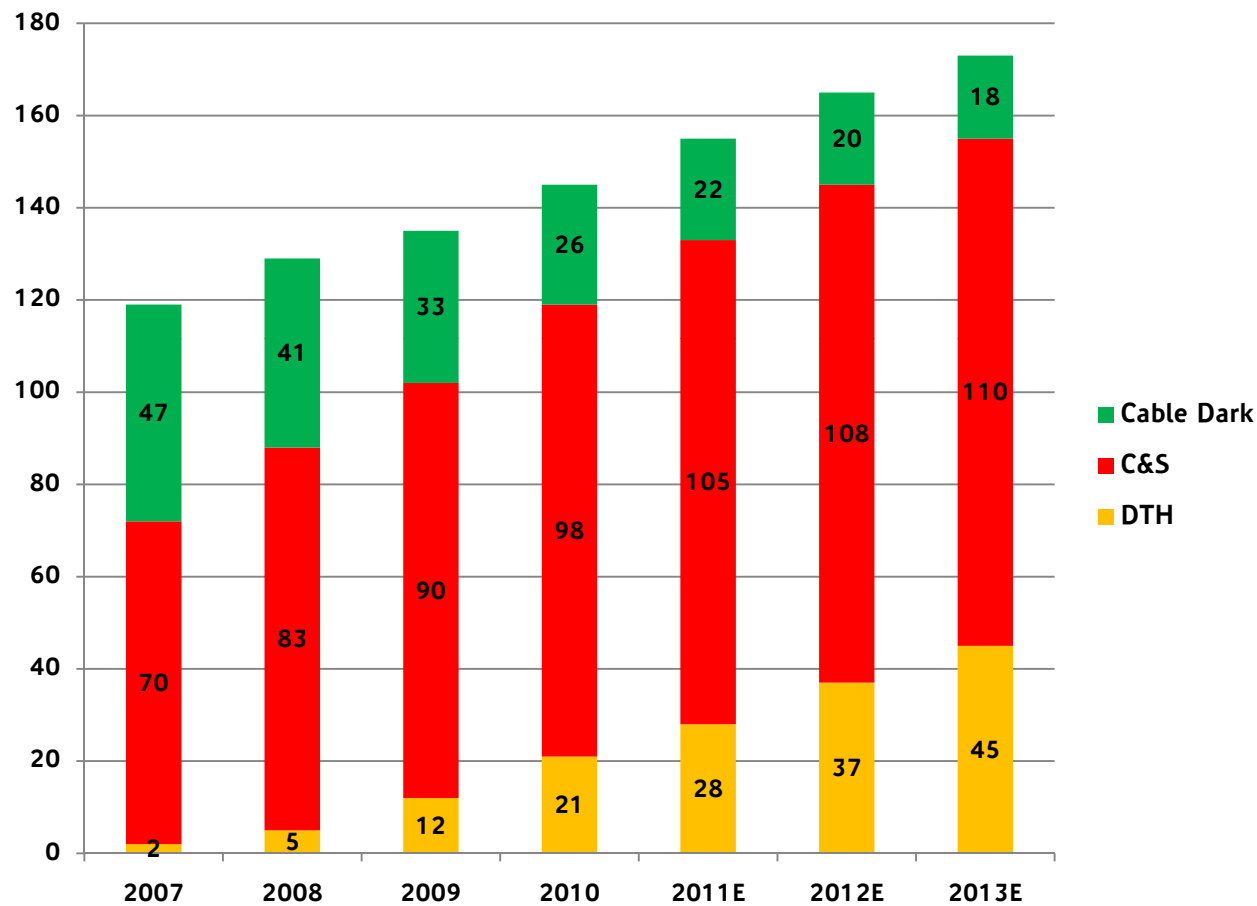


Steady business with strong margins

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Indian Cable & Satellite Market



Source : Industry Estimates

BIG TV
DTH SERVICE

BIG TV
DTH SERVICE

TV ho toh
BIG TV ho!

Reliance presents
India's best DTH Service with
HDPC-2 technology

Ho toh BIG ho.

RELIANCE
Anil Dhirubhai Ambani Group

Call 022-2602 2602 / 022-2602 2602 / 022-2602 2602
or 9845 26070 to 26084

Ho Toh BIG Ho!

DTH penetration at 14% of TV homes; gaining momentum

Reliance Big TV (DTH)

- ❑ Pioneering HD experience in India
- ❑ Pioneering DVR – “Watch when you want”
- ❑ Key service differentiators
 - More channel choice
 - Pure Digital viewing
 - 32 Cinema channels
 - Easy program guide
 - Quick channel select
 - Interactive applications (iNews, iGames, iCricket, iCooking, etc)
 - Superior MPEG 4 technology

RELIANCE
BIG TV
DTH SERVICE

HD DVR

Introducing India's first Hi-definition Advanced Digital Video Recorder.

RELIANCE
BIG TV
HD DVR

HD
Hi-DEFINITION CHANNELS

RECORD UP TO 99 HRS

PAUSE
LIVE TV

REWIND
LIVE TV

5x
8 TIMES STRIPPER
PICTURE QUALITY

16:9
WIDE ASPECT RATIO

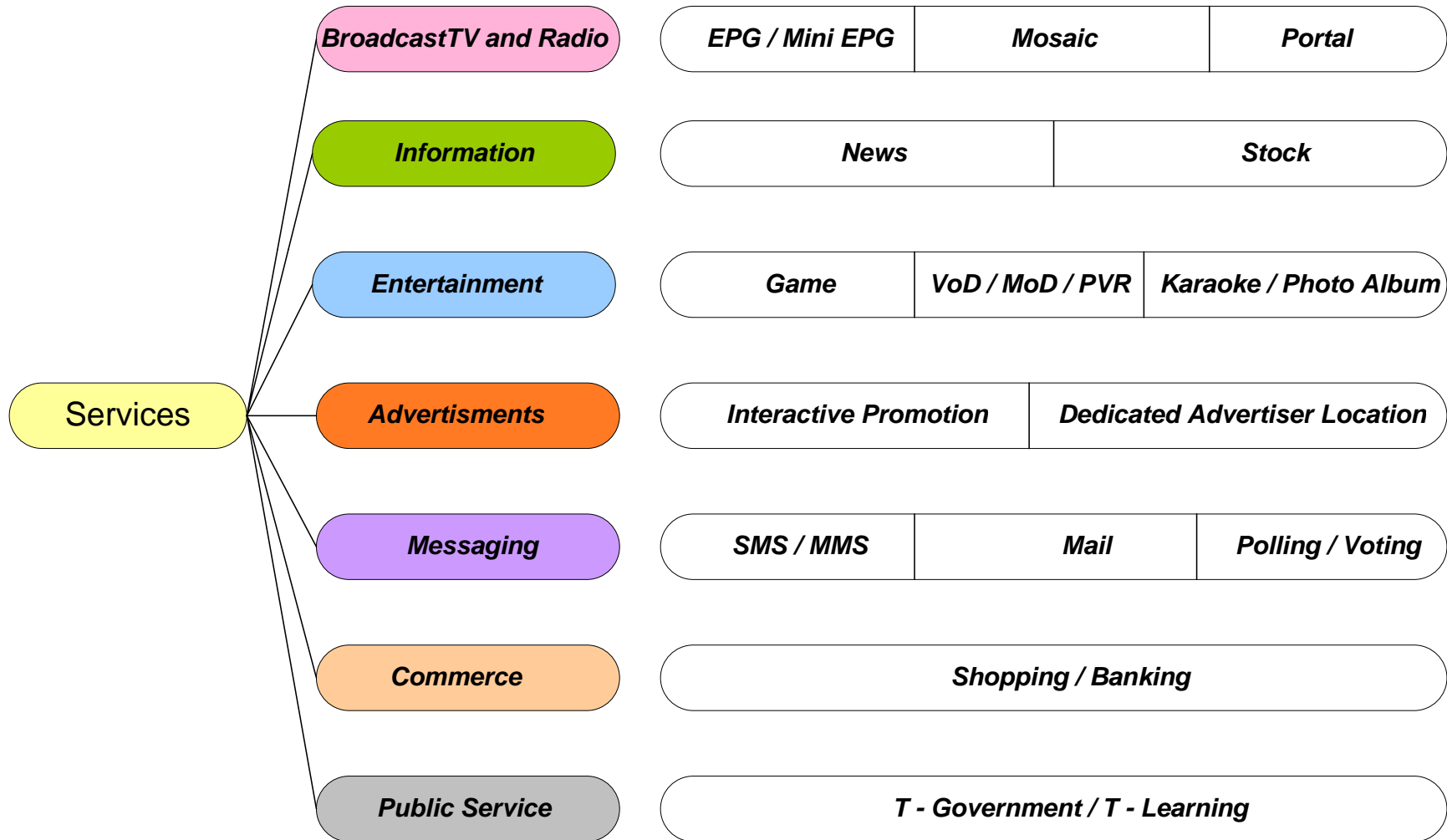
1080i
7 MILLION PIXELS

DIGITAL SOUND

Call 1860-200-6666 / 1800-200-9001 (toll-free)

Digital viewing experience will create revolution in TV entertainment platforms

BIG TV Services: Complete suite of services



The 4 Pillars of Growth

Content

- ❑ 200+ channels
- ❑ 32 exclusive movie channels in English, Hindi and other regional languages
- ❑ Interactive features – Games, News, Cricket, Stocks, Astrology, Cooking
- ❑ High-definition channels

Technology

- ❑ MPEG 4
- ❑ Digital Picture
- ❑ Digital Sound



Reach and service

- ❑ 6,500 towns
- ❑ 2,000+ exclusive Reliance retail stores
- ❑ 24x7, 11 language customer service

Experience

- ❑ High-definition DVR box
- ❑ Next generation easy-to-use guide
- ❑ Most advanced mini guide

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Key takeaways

Drivers for future growth and shareholder value

Drivers

- ❑ Financials at inflection point as GSM momentum scales up
- ❑ RCOM not only reliant on wireless business for future growth; massive opportunity in newer segments including DTH and expansion of Enterprise/IDC
- ❑ Potential for unlocking shareholder value at subsidiary level (Infratel, Globalcom, DTH)
- ❑ Peak investment phase is over
- ❑ Acquisition of DigiCable creates leadership position in Indian Pay TV market

Impact

Increase revenue generating ability

Large pipeline of untapped business to support growth

Operational leverage improves margin & profitability

Potential of unlocking shareholders value

Further integration of Telecom, Media and IT will be levers of future growth

Thank you