Reliance Capital Limited
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December 15, 2014

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 500111

The Manager
The National Stock Exchange of India Limited
Exchange Plaza, C/1, Block G
Bandra - Kurla Complex,
Bandra (East),
Mumbai 400 051
NSE Symbol: RELCAPITAL

Dear Sir,

Sub: MEDIA RELEASE

We enclose herewith the media release being issued by the Company which is self explanatory.

Kindly inform your members accordingly.

Thanking you.

Yours faithfully,
For **Reliance Capital Limited**

V. R. Mohan
President & Company Secretary

Encl: as above.

MEDIA RELEASE

RELIANCE MEDIAWORKS SELLS MULTIPLEXES BUSINESS TO CARNIVAL CINEMAS IN COUNTRY'S LARGEST EVER DEAL IN THE SECTOR

CARNIVAL CINEMAS TO EMERGE AS INDIA'S 3RD LARGEST MULTIPLEX OPERATOR WITH NATIONWIDE PRESENCE AND OVER 300 SCREENS

TRANSACTION TO REDUCE RELIANCE CAPITAL'S OVERALL DEBT BY APPROX. RS. 700 CRORE

DEAL EXCLUDES REAL ESTATE OWNED BY RELIANCE MEDIAWORKS AT IMAX WADALA AND OTHER PROPERTIES WORTH APPROX. RS. 200 CRORE

TRANSACTION IN PURSUANCE OF RELIANCE CAPITAL'S STATED STRATEGY OF FOCUSING ON CORE FINANCIAL SERVICES BUSINESS AND REDUCING OVERALL LEVERAGE

RELIANCE CAPITAL TO RETAIN OPTION TO ACQUIRE PRE-IPO MINORITY STAKE AT APPROPRIATE DISCOUNT ON EVENTUAL LISTING OF CARNIVAL CINEMAS

Mumbai, December 15, 2014: Reliance MediaWorks Ltd. (RMW) and Carnival Cinemas today announced the signing of definitive agreements for **sale of RMW's multiplexes business to Carnival Cinemas Ltd. in the largest ever deal in the sector in India.**

The proposed transaction will **catapult Carnival to the ranks of the top 3 multiplex operators in the country, with over 300 screens nationwide**, and set the Company firmly on its path to achieve leadership in the business.

Shrikant Bhasi, Chairman, Carnival Group, said "I am **thankful to Mr. Anil D. Ambani, Chairman, Reliance Group, for his support to a first generation entrepreneur like me**, and in facilitating this transaction with Carnival Cinemas in preference to other leading cinema chains. **We are targeting to achieve 1,000 screens by the year 2017, and look forward to the continued support of Reliance Group in our future growth."**

Sam Ghosh, CEO, Reliance Capital Ltd., stated, "We are **delighted to begin a long term relationship with the rapidly growing Carnival Group**, through the sale of the multiplexes business of Reliance MediaWorks to them. We look forward to supporting the Group in their future growth initiatives in India and overseas.

The proposed transaction is in furtherance of Reliance Capital's stated objective of focusing purely on its core financial services businesses, significantly reducing exposure to non-core investments in the media and entertainment sector, and reducing overall debt," added Mr. Ghosh.

The transaction will reduce Reliance Capital's leverage by approx. Rs. 700 crore, through a combination of transfer of debt of RMW and infusion of cash proceeds.

The deal excludes real estate owned by RMW at IMAX Wadala and other properties, which are intended to be separately monetized for an approx. value of Rs. 200 crore.

Reliance Capital will have the option to acquire a pre IPO minority stake in Carnival Cinemas at an appropriate discount, upon eventual listing of the Company.

"We are very serious about exhibition business and are moving in an organic way also. Carnival Cinemas will not only make their presence in Tier I but would lay emphasis for strong presence across tier II & III cities. We want to make Cinemas synonymous to Carnival" added Mr. Bhasi.

The proposed transaction is subject to necessary statutory and other approvals and is expected to be closed within the current financial year.

EY are deal advisors to Reliance Group, and KPMG are acting as deal advisors for Carnival Group.

About Reliance MediaWorks

www.reliancemediaworks.com

Reliance MediaWorks Limited, a part of the Reliance Group, is one of India's leading Media & Entertainment ("M&E") companies, with a presence across several businesses including film and media services, theatrical exhibition of films & and television content production and distribution.

Reliance MediaWorks operates one of India's largest cinema chains, under the brand 'BIG Cinemas', with over 250 screens Pan India.

About Reliance Capital

www.reliancecapital.co.in

Reliance Capital, a part of the Reliance Group, is one of India's leading private sector financial services companies. It ranks amongst the top private sector financial services and banking groups, in terms of net worth. The Company is a constituent of CNX Nifty Junior and MSCI India.

Reliance Group is amongst India's leading business houses with over 200 million customers. The Group has a strong presence across a wide array of high growth consumer-facing businesses of financial services, telecom, energy, power, infrastructure and media and entertainment.

Reliance Capital has interests in asset management and mutual funds; life and general insurance; commercial and home finance; stock broking; wealth management services; distribution of financial products; asset reconstruction; proprietary investments and other activities in financial services.

About Carnival Group

www.carnivalcinemas.in

Carnival Group is Mumbai based corporate with diversified business in Hospitality, Media, Real Estate, Entertainment & Multiplexes. Carnival has already established its brand in movie production, exhibition & distribution along with Food courts, Events, IT Park, etc.

Carnival Films Pvt. Ltd., operates cinema chains under the brand 'Carnival Cinemas' with over 50 operational screens while 75 screens are to come on stream in the next 2 months taking the total portfolio to 125 screens. With the acquisition Carnival Cinemas will reach 400 plus screens by this fiscal. Carnival Cinemas is currently present in Kerala, Karnataka, Tamil Nadu, Maharashtra, Madhya Pradesh, Uttar Prardesh and West Bengal. Carnival has achieved their first Milestone of "Vision 300" and laid down the next vision of 1000 screens by 2017.

For Media Queries

Carnival Cinemas

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Reliance Capital

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