



Reliance Communications Limited
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710, India

Tel: +91 22 3037 3333
+91 22 3038 6286
Fax: +91 22 3037 6622
www.rcom.co.in

May 2, 2014

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
Fax No.: 2272 2037/39/41/61/3121/3719

The Manager
National Stock Exchange of India Ltd.
Exchange Plaza, C/1, Block G
Bandra - Kurla Complex,
Bandra (East)
Mumbai 400 051
Fax No.: 2659 8237 / 38/ 8347/ 8348/
66418124/ 25/ 26

BSE Scrip Code: 532712

NSE Symbol: RCOM

Dear Sir,

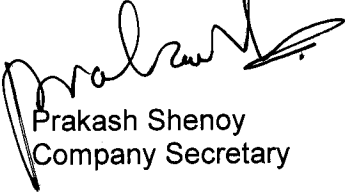
Sub: Media release

We enclose herewith a Media Release dated May 2, 2014 issued by the Company, which is self explanatory.

We request you to kindly inform your members accordingly.

Thanking you.

Yours faithfully,
For Reliance Communications Limited



Prakash Shenoy
Company Secretary

Encl: As above.

RELIANCE COMMUNICATIONS (RCOM) ANNOUNCES FINANCIAL RESULTS**FY14 PERFORMANCE:**

REVENUE AT RS. 22,321 CRORE, UP 2.5%
TOTAL EBITDA AT RS. 7,726 CRORE, UP 7.9%
PAT AT RS. 1,047 CRORE, UP 55.8%

Q4 PERFORMANCE:

REVENUE AT RS. 5,671 CRORE, UP 5.0% Q-O-Q
TOTAL EBITDA AT RS. 1,852 CRORE, UP 0.4% Q-O-Q
EBITDA MARGIN AT 32.7% AMONGST THE HIGHEST IN THE INDUSTRY
PAT AT RS. 156 CRORE, UP 43.9% Q-O-Q

Q4 INDIA OPERATIONS:

REVENUE AT RS. 4,649 CRORE, UP 0.3% Q-O-Q
EBITDA AT RS. 1,659 CRORE, UP 3.2% Q-O-Q
RPM STABLE AT 43.2 PAISA
TOTAL MOU AT 102.3 BILLION, ARPU UP 2.4% Q-O-Q AT RS. 128
37.4 MILLION DATA CUSTOMERS INCLUDING 12.9 MILLION 3G CUSTOMERS
LARGEST 3G CUSTOMER BASE IN THE INDUSTRY
TOTAL DATA TRAFFIC AT 50,251 MILLION MB, UP 20.5% Q-O-Q
HIGHEST DATA USAGE PER SUBSCRIBER IN THE INDUSTRY AT 455 MB, UP 14.9% Q-O-Q

Q4 GLOBAL OPERATIONS:

REVENUE AT RS. 1,261 CRORE, UP 15.7% Q-O-Q
EBITDA AT RS. 193 CRORE

Mumbai, May 02, 2014: Reliance Communications Limited (RCOM) today announced its consolidated financial results for the quarter ended March 31, 2014.

Highlights of the financial performance for the quarter are:

- Revenue at Rs. 5,671 crore, up 5.0% from Rs. 5,403 crore in Q3.
- EBITDA at Rs. 1,852 crore, up 0.4% from Rs.1,845 crore in Q3. EBITDA margin at 32.7%, amongst the highest in the industry, with strong contribution from both India and Global businesses.
- Net Profit at Rs. 156 crore, up 43.9% from Rs. 108 crore in Q3.

KEY HIGHLIGHTS for Q4FY14:

1. **Consolidated Revenue & EBITDA:** RCOM Q4 consolidated revenue at Rs. 5,671 crore, up 5.0% from Rs. 5,403 crore in Q3. Q4 EBITDA at Rs. 1,852 crore, with EBITDA margin of 32.7% amongst the highest in the industry.
2. **India Operations Revenue & EBITDA:** Q4 India Operations revenue at Rs. 4,649 crore, up 0.3% Q-O-Q from Rs.4,637 cr in Q3. Q4 India Operations EBITDA at Rs. 1,659 crore, up 3.2% Q-O-Q.
3. **Global Operations Revenue & EBITDA:** Q4 Revenues at Rs. 1,261 crore, up by 15.7% from Rs. 1,090 crore in Q3. Q4 EBITDA at Rs.193 crore, margin stands at 15.3%.
4. **RCOM continues to be free cash flow positive.** RCOM generated operational cash flow (EBITDA) of Rs. 1,852 crore in Q4, paid net finance charges of Rs. 907 crore and invested Rs. 467 crore on capex during the quarter. It remains free cash flow (FCF) positive and this is expected to continue.
5. **Key Performance Indicators (KPIs):**
 - a. **RPM:** RPM stable at 43.2 paisa. Voice RPM at 33.0 paisa. During the year, we have significantly improved RPM with tariff hikes and strong focus on paid and profitable minutes.
 - b. **MOU:** The total MOUs up by 0.4% Q-O-Q at 102.3 billion.
 - c. **ARPU:** ARPU up 2.4% Q-O-Q at Rs. 128 in Q4.
 - d. **Data Traffic:** The total data traffic up 20.5% Q-O-Q at 50,251 million MB. The traffic has increased due to increase in data subscribers and higher data usage per customer.
 - e. **Data Customers:** The total data customer base has grown 3.3% Q-O-Q to 37.4 million including 12.9 million 3G customers in Q4.
6. **RCOM makes full repayment of another syndicated ECB loan of US\$ 500 mn (Rs. 3,100 cr):** RCOM has fully repaid another syndicated ECB loan of US\$ 500 Million (Rs.3,100 crore approx) on scheduled due date in January 2014.

RCOM had earlier this year made full scheduled repayment of 2 other syndicated ECB loans aggregating US\$ 1 billion (Rs. 6,200 crore), and bilateral ECB loans of more than US\$ 310 million (Rs.1,900 crore approx). With these repayments, RCOM has now fully liquidated the borrowings from 23 foreign banks and financial institutions.

- 7. Reliance Globalcom Rebrands as Global Cloud Exchange:** In March 2014, Reliance Globalcom unveiled the company's new brand and announced that it will begin operating as Global Cloud Xchange. The launch of its new corporate identity aligns with the company's strategic plan to deliver the world's first true cloud ecosystem globally.

During the coming months, Global Cloud Xchange will continue integrating its key international assets with focus on IP and Cloud services. Plans are also underway to further build the company's infrastructure capabilities, as well as data center footprint, especially across key emerging markets in Asia and the Middle East.

As the company focuses on delivering the world's first true cloud ecosystem, in addition to network infrastructure and data center capability enhancements, its product portfolio is also being updated to deliver additional value added solutions.

- 8. RCOM and Reliance Jio Infocomm Ltd. announced the signing of a Master Services Agreement for sharing of RCOM's extensive intra-city optic fiber infrastructure:**

Under the terms of the agreement, Reliance Jio Infocomm will utilize RCOM's nationwide intra-city fiber network for accelerated roll-out of its state-of-the-art 4G services across the country. The agreement is based on arm's length pricing at prevailing market prices. RCOM's intra-city optic fiber network extends to nearly 500,000 fiber pair kilometres, across the top more than 300 cities and towns in India.

This 3rd agreement further strengthens the comprehensive framework of business co-operation between Reliance Jio Infocomm and RCOM, following the inter-city optic fiber sharing agreement signed in April 2013, and the nationwide telecom towers infrastructure sharing agreement signed in August 2013.

- 9. RCOM announced increase in tariffs by up to 20% for all its pre-paid customers:** Headline Tariffs will increase from 1.5 paise to 1.6 paise per second, while tariffs on discounted and promotional plans will increase by up to 20 per cent. The revised tariffs, which will be applicable for pre-paid customers across the country, come into effect from 25 April 2014.

"At RCOM, we continue to focus on growing profitable/paid minutes on our network and the current tariff hikes are part of our continued efforts to reduce free and discounted minutes, & offset the ever-rising costs of input materials," Mr Gurdeep Singh, Chief Executive Officer, Consumer Business, RCOM, said. "We expect RPMs to improve over the next few quarters and this will impact our performance positively," he added.

- 10. RCOM Offers Non-stop 3G Roaming Across India:** RCOM announced strategic Inter-Circle roaming partnerships with other leading telecom companies to offer non-stop and best-in-class pan-India 3G services to its GSM customers while roaming. With this innovative alliance, all existing and new 3G customers of RCOM will be able to access high-speed pan-India 3G services while roaming outside the Company's own 3G circles.

RCOM is the first operator to offer 3G national roaming to its customers in partnership with other telecom firms having state-of-the-art 3G networks. These alliances will further consolidate RCOM's position as the leading data operator in the country and will help the Company improve its post-paid and Corporate customer market share.

The 3G GSM partnership, therefore, opens up a significant market opportunity for RCOM, as all its 3G customers will now be able to access best-in-class data services on a pan-India basis.

11. Major Rewards & Recognition during the year, FY2014:

Nasscom DSCI Excellence Award - RCOM won this prestigious award for security in telecom sector for its innovative IT Security and Privacy efforts which focuses on robust risk management and compliance.

IT EDGE Award - RCOM is the only Telco to receive this year for IT, given by UBM. It is awarded for our Innovative and Agile IT processes setup using TM forum standards, benchmarked in International arena.

IT Transformers Award by EMC - Awarded for Enterprise Storage Management innovative Solution which enables RCOM to virtualize the exponential storage requirements for Tier 1 applications through optimization and effective solution engineering of Storage, at the same time improving the SLAs for our businesses.

Amdocs Innovation Award - RCOM set the industry benchmark in customer experience, enhanced Customer loyalty and reduced Customer churn, increased productivity by decreasing the average handling time. Reliance Groupwide information security strategy and deployment: for a Second year in a row

The 'INFOSEC Maestros' Award - RCOM won this annual industry award for deploying the anti-DDOS Solution(Distributed Denial of Services) for real time protection from DDOS attacks.

The 'Top 100 CISO' Award - RCOM won this prestigious award for security in Telecom sector for 'Automation of User Access Management', an innovative IT Security and Data Protection solution focusing on robust Risk Management and Compliance.

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. 89,600 crore (US\$ 16.5 billion), cash flows of Rs. 9,100 crore (US\$ 1.7 billion), net profit of Rs. 4,300 crore (US\$ 0.8 billion).

Reliance Communications is India's foremost and truly integrated telecommunications service provider. The Company has a customer base of about 120 million including over 2.5 million individual overseas retail customers. Reliance Communications corporate clientele includes over 39,000 Indian and multinational corporations including small and medium enterprises and over 830 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: Quarterly Summary

(Rs. Crore)			
Particulars	3QFY14	4QFY14	Inc/ Dec (q-o-q)
Turnover			
India Operations	4,637	4,649	0.3%
Global Operations	1,090	1,261	15.7%
Total (post eliminations)	5,403	5,671	5.0%
EBITDA			
India Operations	1,606	1,659	3.2%
Global Operations	239	193	-19.3%
Total (post eliminations)	1,845	1,852	0.4%
EBITDA margin	34.2%	32.7%	
Depreciation	948	1,767	86.4%
Financial Charges (net)	749	907	21.1%
Exceptional items		56	-
PBT	148	(878)	-
Tax	3	(1,026)	-
PAT (before minority interest / associates)	145	148	1.8%
PAT (after minority interest / associates)	108	156	43.9%