

RELIANCE Communications

Anil Dhirubhai Ambani Group

Reliance Communications Limited
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710.

Tel : +91 022 30386286
Fax: +91 022 30376622
www.reliancecommunications.co.in

May 26, 2008

The General Manager
Corporate Relationship Department
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
Fax No.: 2272 2037/39/41/61/3121/3719
BSE Scrip Code: 532712

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

NSE Symbol: RCOM

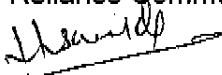
Dear Sir,

Sub: MEDIA RELEASE

We enclose herewith the media release dated 26th May 2008 being issued by the Company which is self explanatory.

Kindly inform your members accordingly.

Yours faithfully
For Reliance Communications Limited


Hasit Shukla
Company Secretary

Encl: as above.

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Media Release

Reliance Communications and MTN GROUP to enter into exclusive negotiations

Mumbai, India 26th May, 2008: India's leading telecom company Reliance Communications and MTN Group, a leading emerging market telecom operator, have agreed to enter into **exclusive negotiations** for a period of up to 45 days with respect to a **potential combination of their businesses.**

The negotiations are currently taking place and a further announcement will be made when appropriate. It is to be noted that there is no certainty either on completion, or the timing of the said proposal. In the meantime, shareholders are advised to exercise caution in their dealings in the companies' securities dealings until a further announcement is made.

Shri Anil Dhirubhai Ambani, Chairman of Reliance Communications, said "We are delighted to be engaged in exclusive negotiations with MTN Group to achieve a partnership, which would provide investors, customers and the people of both companies a unique and global platform for exponential growth, creating substantial long term shareholder value."

About Reliance Communications

Reliance Communications Limited founded by the late Shri Dhirubhai H Ambani (1932-2002) is the flagship company of the Reliance Anil Dhirubhai Ambani Group. The Reliance Anil Dhirubhai Ambani Group currently has net worth in excess of Rs. 55,000 crore (US\$ 14 billion), cash flows of Rs. 11,000 crore (US\$ 2.8 billion), net profit of Rs. 7,700 crore (US\$ 1.9 billion) and zero net debt. Rated among "Asia's Top 5 Most Valuable Telecom Companies", Reliance Communications is India's foremost and truly integrated telecommunications service provider. The company, with a customer base of over 48 million including over 1.5 million individual overseas retail customers, ranks among the Top 10 Asian Telecom companies by number of customers. Reliance Communications corporate clientele includes 1,850 Indian and multinational corporations, and over 250 global 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 infocomm value chain, covering over 15,000 towns and 400,000 villages. Reliance Communications owns and operates the world's largest next generation IP enabled connectivity infrastructure, comprising over 165,000 kilometers of fibre optic cable systems in India, USA, Europe, Middle East and the Asia Pacific region. For more information, visit www.reliancecommunications.co.in

For further information please contact:

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