

Press Release

For Immediate circulation

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GTL INFRA AND RCOM AGREE ON OVER RS. 50,000 CRORE (OVER US\$ 11 BILLION) TRANSACTION TO CREATE WORLD'S LARGEST INDEPENDENT TELECOM INFRASTRUCTURE COMPANY

RCOM SUBSIDIARY, RELIANCE INFRATEL TO MERGE ITS TOWER ASSETS INTO GTL INFRA

GTL INFRA, POST MERGER TO HAVE OVER 80,000 TOWERS AND OVER 1,25,000 TENANCIES FROM OVER 10 TELECOM OPERATORS

GTL INFRA, POST MERGER TO HAVE FIRM OPTION OF ADDITIONAL 75,000 TENANCIES

INDEPENDENCE AND NEUTRALITY OF GTL INFRA TO ATTRACT ADDITIONAL TENANCIES FROM 2G, 3G AND BWA PLAYERS

Mumbai, June 27, 2010: The Board of GTL Infrastructure Ltd. (GTL INFRA) today in-principle approved a Rs. 50,000 crore (US\$ 11 billion) transaction to create the **world's largest independent telecom infrastructure company**, neither owned nor controlled by any telecom operator.

This transformational deal will be implemented through a merger of Reliance Infratel Limited (RINFRATEL) tower assets into GTL INFRA.

Together with the recent purchase of tower business of Aircel, the proposed merger of RINFRATEL's tower business will create substantial scale and opportunities to improve tenancy for GTL INFRA.

Upon closure of the transaction, the merged entity will have over 80,000 towers and over 1,25,000 tenancies from over 10 telecom operators such as RCOM, Aircel, Etisalat DB Telecom, Idea, Vodafone, Bharti Airtel, MTS, Uninor Telecom, Videocon Mobile, Tata Tele-services and STel. In addition, the merged entity will have a firm option of additional 75,000 tenancies from leading players.

Based on developments in the Indian telecom sector, including inter alia the likely

future demand for telecom infrastructure across the country from 14 players in 2G, and winners in the recent auction for 3G (9 players) and BWA (Broadband Wireless Access - 8 players), the merged entity is expected to derive substantially higher tenancy ratios, apart from scale benefits and operational synergies.

The details of the quantum of cash payout to RCOM, and the share swap ratios for RCOM and RINFRATEL minority shareholders will be finalised in due course with the help of independent valuers and advisors.

The proposed transaction is subject to receipt of all necessary approvals, customary due diligence, definitive documentation, etc. It is anticipated that, barring unforeseen circumstances, the transaction will achieve final closing over the next 6 months.

Standard Chartered Bank acted as the financial advisor to GTL Infra for this transaction.

About GTL Infrastructure Limited

GTL Infra, a Global Group Enterprise, is a pioneer in Shared Passive Telecom Infrastructure. GTL Infra builds, owns, operates and maintains passive network infrastructure (towers) in order to cater to the rapidly growing infrastructure needs of cellular telecom operators. The towers located across semi urban and rural India will help bringing in connectivity at affordable prices to the poorest of poor, creating a positive impact on Indian economy.

Global Group is India's leading business group involved in Network Services and Shared Telecom Infrastructure.

Global Holding Corporation Pvt. Ltd. is the holding company of "Global Group" that has 7 operating companies, two of which are listed on Indian Stock Exchanges. Post the Aircel transaction (but excluding the above transaction), the Group is expected to have revenues in excess of US\$ 1.5 Billion, Balance sheet size of over US\$ 5 Billion and more than 35,000 professionals (FY 2011E). The Group has Operations across 46 countries, employs people of 22 nationalities and supports 18 social causes.

For over 2 decades Global Group has been partnering with leading telecom operators and OEMs offering its expertise in wireless communications. From 2G

Networks to 3G, from WiMAX to IPTV, Global group provides complete life-cycle solutions around Network Services. The services include Network Planning and Design, Network Deployment, Network Operations and Maintenance, Infrastructure Management, Energy Management and Professional services.

Global Group Enterprises have received more than 35 accolades and awards for excellence in Business, CSR and Corporate Governance. The group's flagship company GTL features in the in the S&P's ESG India Index, is the recipient of "Outstanding Achievement" trophy from IMC RBNQA, "Certificate for strong Commitment" from CII-ITC for Sustainable Development and "Greentech Environment Excellence" Award. GTL Infra has won "Best Independent Infrastructure Provider" from Tele.Net, "Innovative Infrastructure Company of the year" by CNBC TV18 and "Top Independent Infrastructure Provider of India" by V&D. Global Towers has been awarded the "Best in class Innovation in Manufacturing Award" at International India Innovation summit, 2010. The Group offers excellent working conditions and provides social benefits like free Medical Care and Insurance for the employees' families.

By 2013, the Group plans to Erect, Engineer and Manage 100,000 Cell Sites across 150 Networks. These Networks are expected to connect more than 100 million subscribers in 50 countries across the world.

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