Hutchison Telecoms

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ASX Market Announcements

Australian Securities Exchange

Date: 23 July 2012

Subject: Half Year Results Presentation

Please find attached the presentation to be made to media and analysts this afternoon regarding the Company's half year results.

Yours faithfully

Louise Sexton
Company Secretary

Hutchison Telecommunications (Australia) Limited

2012 Half-Year Results

23 July 2012

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Telecommunications operations of Hutchison Whampoa Limited

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Hello everyone, and welcome to the results briefing for the six months ending 30 June 2012 for Hutchison Telecommunications Australia Limited.

My name is Bill Morrow. For those of you not aware, I'm the new CEO of Vodafone Hutchison Australia, the business 50% owned by the company being reported on today.

Since joining the company in late March of this year, I have had numerous meetings with customers, employees, industry leaders, and key government officials. I have held off meeting the investment community and the press until I was able to ascertain the state of the company, the market dynamics, and the key steps to resurrect the image of the Vodafone brand.

I do look forward to meeting many of you but would ask for a bit of patience as I do want those meetings to be meaningful and with content.

Regarding today's call, I suspect you will be looking for more information about our future plans than we are ready to provide you with at this point in time. We will be sharing more information about our future plans in due course.

I am about to hand the call over to Dave Boorman to provide you with a few details on the financials and then I will then share some of my early observations on VHA's operational performance and give you some colour around VHA's second half outlook

We will then address your questions.

I will now pass this to Dave to run you through the numbers...

1	HTAL financial summary	Dave Boorman, VHA CFO
2	VHA operating update and outlook	Bill Morrow, VHA CEO
3	Q & A	Bill & Dave

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Thanks Bill.

As always, I will remind you that the results we will present are an equity accounted result for HTAL’s investment in VHA.

References to VHA financial results reflect the 50% share of VHA attributable to HTAL.

References to customer metrics reflect the total active customer base of VHA, which include MVNO customers.

Now let me turn to the financial results for the half.

HTAL financial results

$A millions	1H12	1H11	$ var	%
1 Revenue	8.6	3.4	5.2	151.8%
2 Loss from ordinary activities	(131.3)	(78.2)	(53.1)	68.0%
Net loss	(131.3)	(78.2)	(53.1)	68.0%

1 **Revenue:**

- **higher interest income from loans to VHA**

2 **Loss from activities:**

- **negative contribution from VHA business**

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HTAL = results for HTAL the Company.
HTAL Share = results are 50% of VHA, the underlying operating entity.
VHA = results are 100% of the underlying operating entity.

HTAL's net loss for the six months to 30 June 2012 increased $53.1 million to $131.3 million.

HTAL's revenue increased $5.2 million in the half, reflecting the higher interest income received from the loans to VHA to fund its ongoing operations.

However, the increase in HTAL's net loss was attributable to the negative contribution from its investment in VHA.

The financial performance of VHA was impacted by its ongoing operating challenges and the intensely competitive mobile market in which it operates.

Looking at HTAL's share of VHA results in more detail.

HTAL's share of VHA financials

$A millions (reported)	1H12	1H11	$ var	%
Total revenue	1,034.8	1,137.6	(102.8)	(9.0)
Service revenue[1]	874.9	1,038.5	(163.6)	(15.8)
EBITDA[2]	112.0	140.8	(28.8)	(20.5)
Share of net (loss) / profit from VHA[3]	(138.0)	(78.8)	(59.2)	75.1
Capital expenditure	198.4	162.1	36.3	22.4

Underlying service revenue*

11.9%

Underlying EBITDA*

13.2%

* After excluding impact of MTAS rate reduction from 9c to 6c effective 1 January 2012

[1] **Service revenue** excludes handset revenue, interest income and other income.
[2] **EBITDA** represents service revenue less interconnect cost and running operating expenditure plus capitalised incremental direct acquisition and retention costs in accordance with AIFRS. Interest income has been reclassified to finance cost.
[3] **Share of net loss from VHA** represents the share of net loss attributable from jointly controlled entities and partnerships as reported in the financial statements of HTAL, measured under equity accounting rules prescribed by AASB 128.

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HTAL's share of VHA's total revenue declined 9.0% year-on-year to just over $1 billion. Service revenue was down 15.8% year-on-year, but a quarter of the decline was attributable to the regulated MTAS rate reduction.

On an underlying basis, service revenue declined 11.9%.

HTAL's share of VHA's operating expenses declined year-on-year.

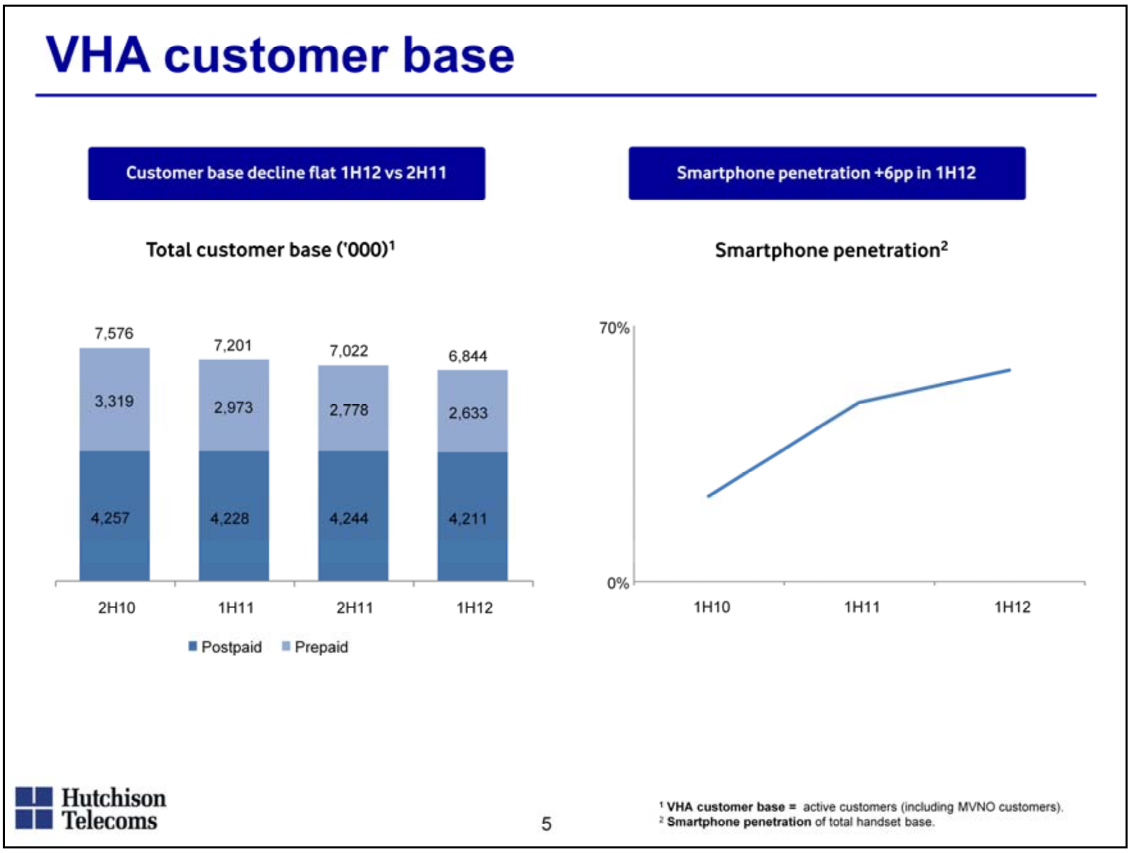
EBITDA declined year-on-year driven by the decline in revenue reflecting the negative impacts of lower customer base, competitive mobile market and regulated MTAS rate reduction.

On an underlying basis, EBITDA declined 13.2%.

VHA's capital expenditure increased 22.4% year-on-year, reflecting the continuing investment in the Vodafone network.

VHA has the necessary funding arrangements to meet ongoing working capital and capex requirements.

Turning to the VHA customer base....



....and while the base still declined in the half, the rate of decline was similar to the decline recorded in the second half of 2011, an improvement on the first half 2011.

The rate of decline in the prepaid handset customer base slowed substantially in the half as the new prepaid offers gained traction with customers.

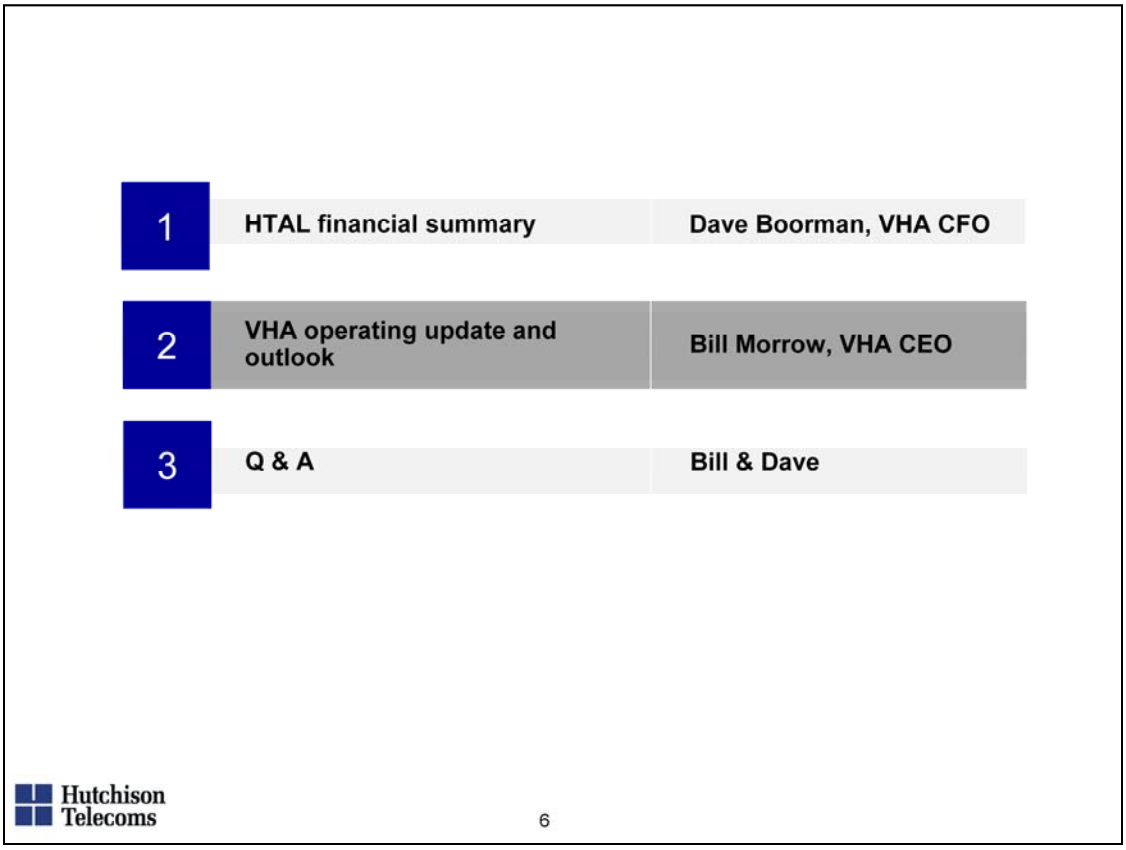
The postpaid customer base reduced slightly and now comprises almost two-thirds of the total customer base.

For the six months ended 30 June 2012, VHA's total customer base declined 178,000 to 6.8 million (including MVNOs).

Average revenue per user (ARPU) declined 6.7% year-on-year to $49.31 reflecting competitive pressures.

The popularity of smartphones continued to show no signs of slowing and the percentage of smartphones in the customer base increased further.

Thanks and now I'll hand back to Bill.



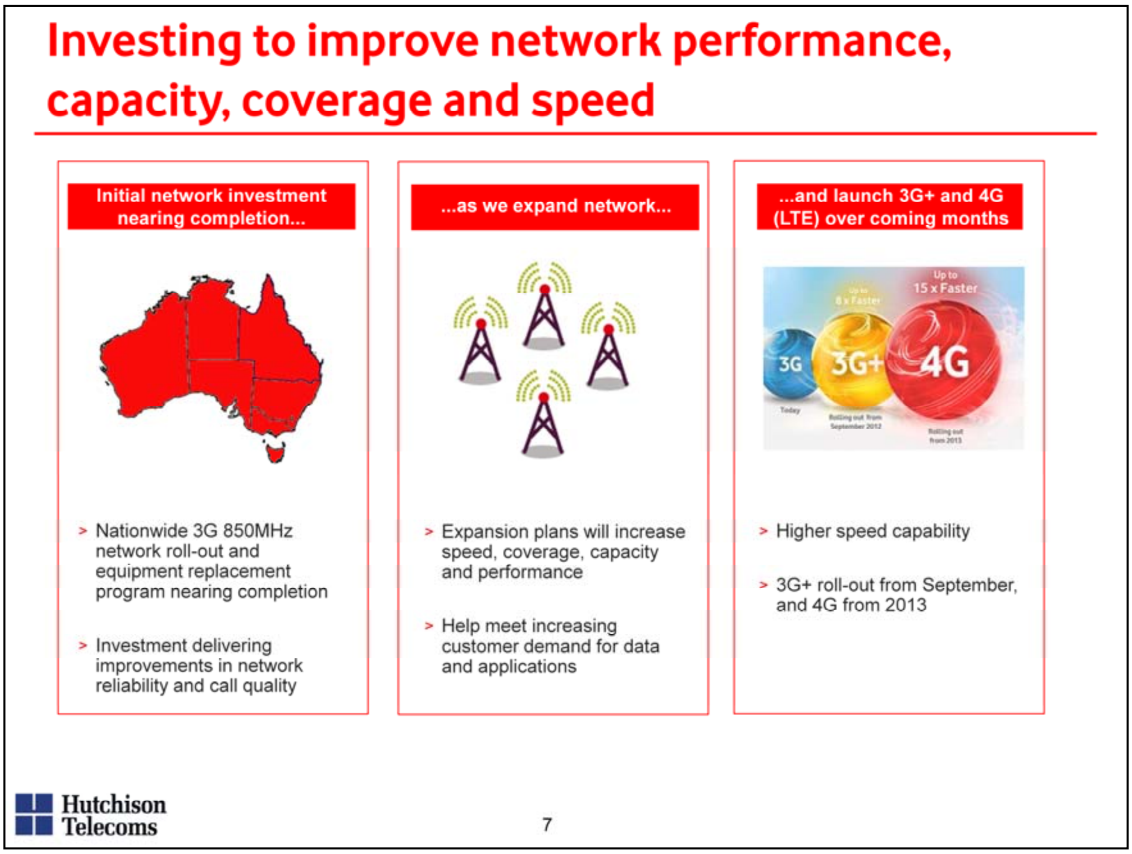
Thanks Dave.

I know many of you are interested in what we see as the current issues, the strategy to rebuild the brand, and the time frame to turn around the business.

The primary root cause behind the damaged image of our brand and current operating performance is the inconsistent and sometimes uncompetitive customer experience across the various touch points. While it has not always been the case, we have lost the trust and respect of many customers. I will say here and now we owe our customers an apology for the past and a commitment for the future that we will rebuild our operations to prevent this from ever happening again.

We have already started this rebuilding. This included the first phase of the network enhancement and new processes to address improved customer care, which followed from the integration of the two merged companies, Vodafone Australia and 3.

This next slide is an update on the network enhancement...



We are pleased to report we are nearing completion and on track to deliver the expected improvement in performance.

As a reminder, the enhancement underway is 4-fold:

First we introduced a low frequency network operating on the 850MHz band which has far better signal range from our existing sites which translates to enhanced in-building and on street coverage.

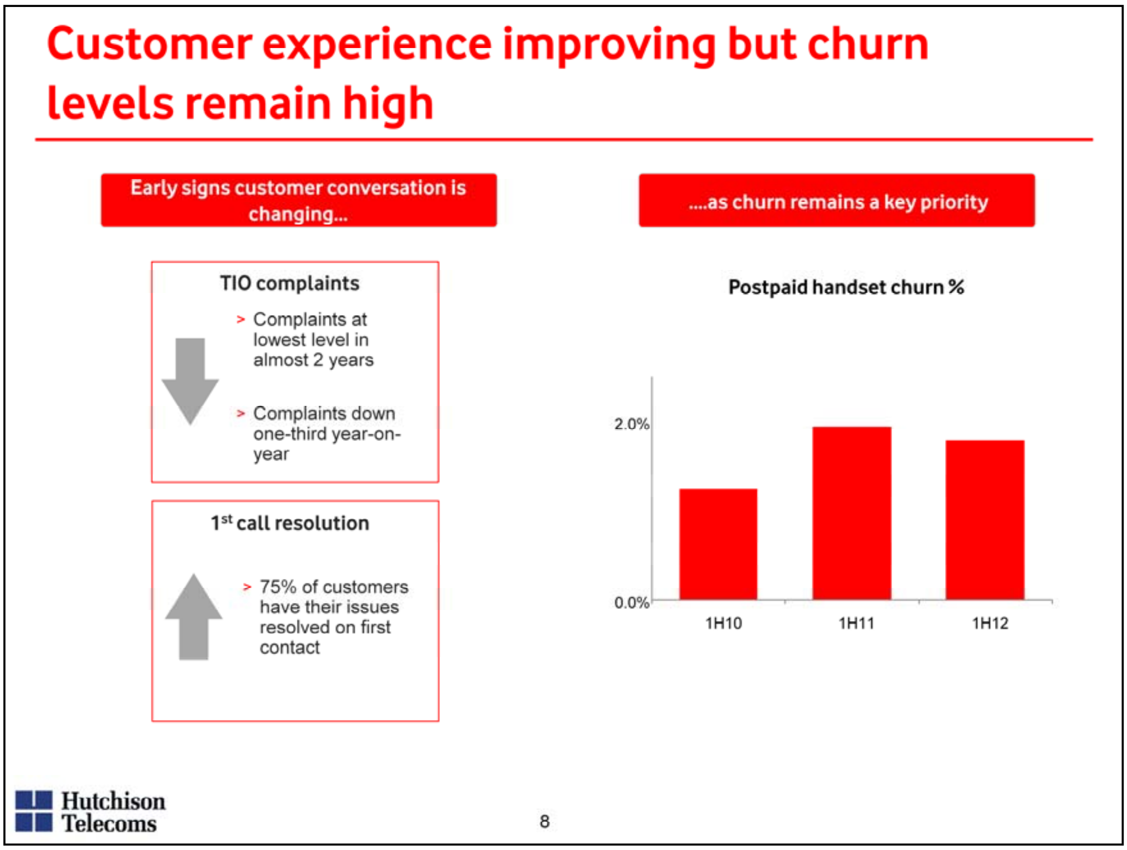
Second, we're adding a further 500 new sites in the metro and outer metro areas for even greater expanded coverage to take the total number of new sites added to the network to 800.

Third, we're increasing the speed and capacity of our transmission facilities which will provide faster download speeds to our customers.

Fourth, we have changed out the radio kit from 10 year old technology to the latest 3G+ technology which enhances the reliability, increases data speeds, and provides an easy migration to the even newer 4G-LTE technology. The 3G+ technology is technically referred to as HSPA+ and is designed to deliver download speeds of up to eight times faster than the existing 3G experience.

All this will be available to our customers by the end of this year!

Recognising our brand is more than the network, our initiatives are also intended to improve service levels in the contact centres.

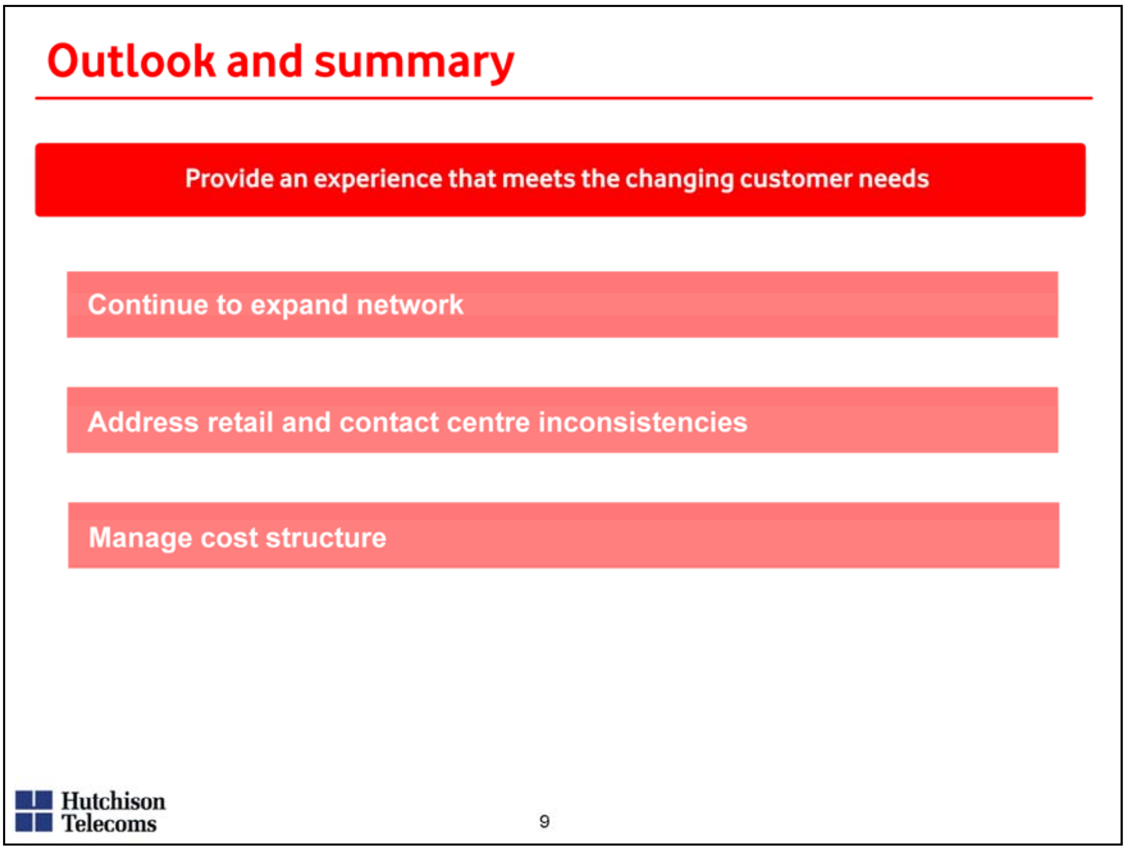


Vodafone has started to change the customer care experience by continuing to innovate and deliver a change in the way it interacts with customers across all segments.

With this ongoing focus on customer service and with the introduction of a range of new innovations to help improve customer interaction, Vodafone's customer care metrics are showing an improving trend for TIO complaints, first contact resolution and call volumes.

We are happy to report that TIO complaints are down one-third since the first half last year; we have increased the percent of calls that resolve a customer query on the first call to 75%; and our monthly churn is down in recent months.

Our improvements are beginning to make a difference but we are not happy with the overall results and are planning to do much more.



Looking forward, the technology and consumer trends suggest further smart phone and tablet penetration with applications that move from mere conveniences to personal and professional dependencies. Vodafone will provide the experience that meets the needs behind these trends. We know customers are interested in worry free usage, great data experiences, and unparalleled customer experiences.

As such, we will continue to expand our network through new sites, enhanced data performance, new 4G-LTE technology, and in-building solutions.

We will address the inconsistencies in our retail and contact centre services and we will bring products and services that support consumer, community, and business needs.

We recognise the price competitive nature of our local market and will be managing our cost structure to continue to meet customer pricing needs.

VHA's shareholders have stood by their commitment to this business and are supporting the local team in the turn around. We will continue to see pressure on customer numbers through the next 12 months while we put further changes in place. We expect to report a loss for the full fiscal 2012 year.

We will now turn over to you for questions.

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