

Companies Announcements Office

Australian Securities Exchange

Date 19 February 2010

Subject: Annual Results Presentation

Please find attached the company's media release and a copy of the presentation to be made by the Chief Executive Officer, Nigel Dews.

Yours faithfully



Louise Sexton
Company Secretary



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Media Release

Vodafone and 3 merger on track

**HTA Profit for Full Year 2009: \$467.7 million
VHA adds 584,000 customers in second half of 2009**

Sydney, 19 February 2010: Hutchison Telecommunications (Australia) Limited (ASX: HTA) today announced a full year profit of \$467.7 million. This profit included a gain on the merger of \$587.3 million. The underlying net loss, before the gain on merger, was \$119.6 million, which represents a \$43.5 million improvement year-on-year.

Today's results reflect the completion of the merger transaction with 5 months of actual results of the 3 business and 7 months of an equity accounted result for Vodafone Hutchison Australia (VHA).

HTA highlighted the benefits of scale associated with the merger, with VHA achieving marked reductions in operating expenditure per subscriber and reductions in capital expenditure as a percentage of service revenue.

Canning Fok, Chairman of HTA, said: "HTA is pleased with VHA's early progress on the merger and continuing customer growth."

VHA acquired more than 584,000 new customers during the second half of 2009. VHA's total customer base at 31 December 2009 was 6,895,000 customers, which includes net additions of more than 4,859,000 customers for the full year 2009, of which 3,970,000 were acquired following the merger with Vodafone. VHA has an active base comprising 56.8% postpaid customers and the industry's lowest monthly postpaid churn rate of 1.3%.

VHA continued its rapid mobile broadband growth with 673,000 customers now using mobile broadband USB modems and data cards, a 133.7% increase year-on-year. A further 717,000 customers either subscribe to 3G services on their mobile handset or use their handset as a modem to access the internet, up 201%. Strong demand for 3G services delivered a 45.9% increase in non-voice revenue to \$677.3 million. Non-voice services now contribute 36.7% or \$20.48 of ARPU, up from 31.2% in 2008.

VHA was free cash flow positive for 2009, excluding one-off costs associated with the merger.

Nigel Dews, CEO of Vodafone Hutchison Australia, said: "VHA had a good Christmas following a solid second half of 2009. We've continued to focus on our customers by providing market-leading products, services and value for money."

"VHA is on-track to realise the cost benefits outlined on announcement of the merger, which we expect to equate to \$2 billion of net present value once fully realised," explained Dews. "We'll continue to grow the business in 2010, gaining further benefits from scale, continuing with integration projects and strengthening our underlying business performance."

"VHA will continue to innovate and lead the market with the provision of high-value voice and data services, and we're working on a range of new initiatives that will further improve our industry-leading customer service and satisfaction," added Dews.

Financial highlights*:

- HTAL profit for the year was \$467.7 million
- HTAL's share of customer service revenue was \$1,884.5 million, up \$416.6 million or 28.4%
- HTAL's share of full year operating margin increased by 39.2% for the year
- HTAL's share of EBITDA for the full year was \$227.8 million, an increase of 19.6%, excluding one-off costs associated with the merger

Operating highlights:

- Merger with Vodafone Australia effective from 9 June 2009 to form Vodafone Hutchison Australia (VHA)
- 6,895,000 customers at 31 December 2009
 - Net addition of 4,859,000 customers, which includes 3,970,000 customers acquired following the merger with Vodafone
- Merger rebalanced customer mix with active base standing at 56.8% postpaid customers
- Postpaid churn remains low at 1.3%
- 673,000 Mobile Broadband customers
- Average monthly margin up 30.5% from \$90.4 million to \$118.0 million
- Average Customer Acquisition Cost per unit for new customers at \$165, down from \$238

Unless otherwise stated, all % and \$ increases are on the prior corresponding period, HTAL full year 2008.

HTAL = results for HTAL the Company

HTAL Share = results for 5 months of the consolidated 3 business and 50% of 7 months of combined VHA (3 & Vodafone)

VHA = results are 100% of the underlying operating entity

Mobile Broadband customers = Mobile Broadband cards and USB modems.

- Ends -

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Hutchison Telecommunications (Australia) Limited

2009 Full Year Results

Nigel Dews

VHA Chief Executive Officer

19 February 2010



Financial Highlights

- HTAL profit for year \$467.7 million
 - Net loss (before gain on merger) \$119.6 million, a \$43.5 million improvement
 - Gain on merger of \$587.3m
- HTAL's share of VHA results
 - Customer service revenue of \$1,884.5 million, up \$416.6 million or 28.4%
 - 39.2% increase in full year operating margin
 - EBITDAR \$227.8 million, an increase of 19.6%

Unless otherwise stated, all % and \$ increases are on the prior corresponding period, HTAL 2008.

To be read in conjunction with ASX Preliminary Final Report - 31 December 2009

HTAL = results for HTAL the Company

HTAL Share = results for 5 months of the consolidated 3 business and 50% of the 7 months of combined VHA (3 & Vodafone)

VHA = results are 100% of the underlying operating entity

EBITDAR represents EBITDA excluding one off restructuring costs associated with the merger

VHA Operating Highlights

- Merger of 3 with Vodafone Australia effective 9th June 2009 to form Vodafone Hutchison Australia
- 6,895,000 customers end of December
 - Net adds of 4,859,000, including 3,970,000 customers acquired following merger with Vodafone
- 56.8% of base postpaid down from 90.6% due to merger
- ARPU \$55.82 compared to \$66.54 in 2008
- Post paid churn steady at 1.3%
- 673,000 Mobile Broadband subscribers, up 133.7%
- Average Customer Acquisition Cost (CAC) per unit for new customers \$165, down from \$238

Mobile Broadband now includes data accessed via a modem, a Netconnect card or a USB Dongle.

VHA Key Financials

<i>(HTAL's Share - \$million)</i>	Full Year to 31 Dec 09	Full Year to 31 Dec 08	Change
Total revenue	2,040.1	1,623.3	25.7%
Service revenue	1,884.5	1,467.9	28.4%
EBITDAR	227.8	190.4	19.6%
EBITDA	175.2	190.4	(8.0%)
CAPEX	236.2	200.2	18.0%

Unless otherwise stated, all % and \$ increases are on the prior corresponding period, HTAL 2008.

To be read in conjunction with ASX Preliminary Final Report - 31 December 2009

HTAL = results for HTAL the Company

HTAL Share = results for 5 months of the consolidated 3 business and 50% of the 7 months of combined VHA (3 & Vodafone)

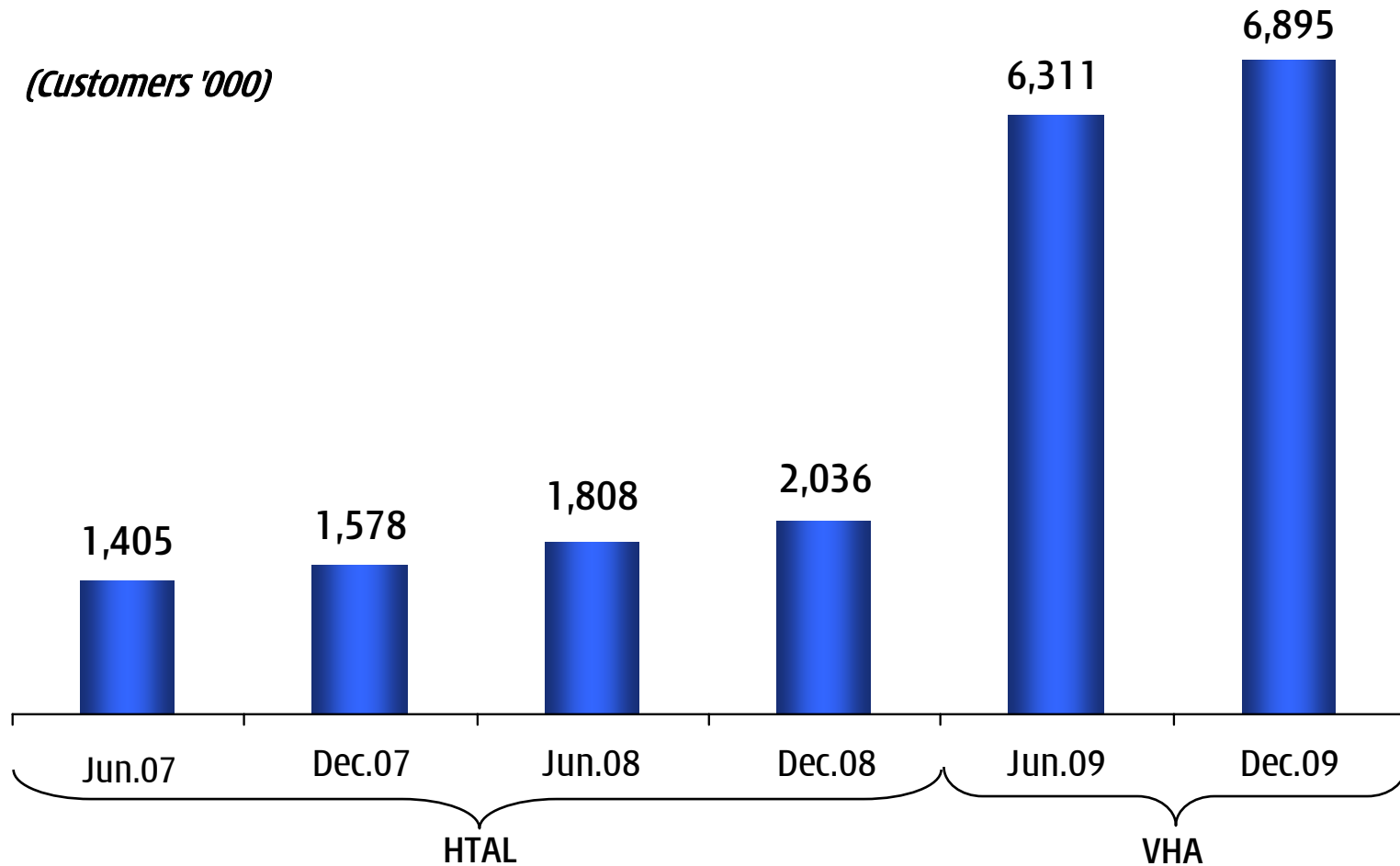
Service revenue excludes handset revenue, interest income and other income

EBITDAR represents EBITDA excluding one off restructuring costs associated with the merger

EBITDA represents service revenue less interconnect cost and running operating expenditure plus capitalised incremental direct acquisition and retention costs in accordance with AIFRS

VHA Mobile Customer Base

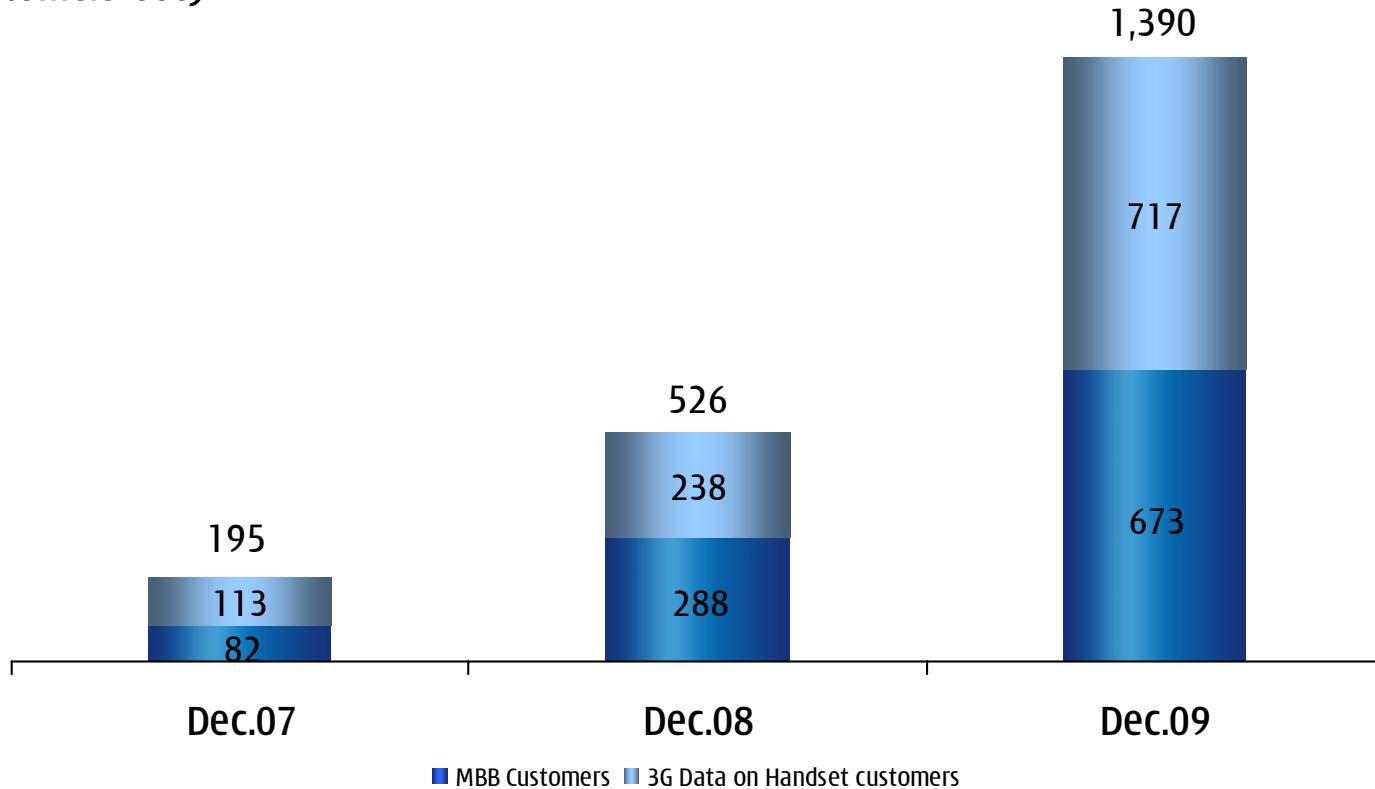
(Customers '000)



Net adds of 584,000 in 2nd Half

Mobile Broadband & 3G Data on Handset customers

(Customers '000)

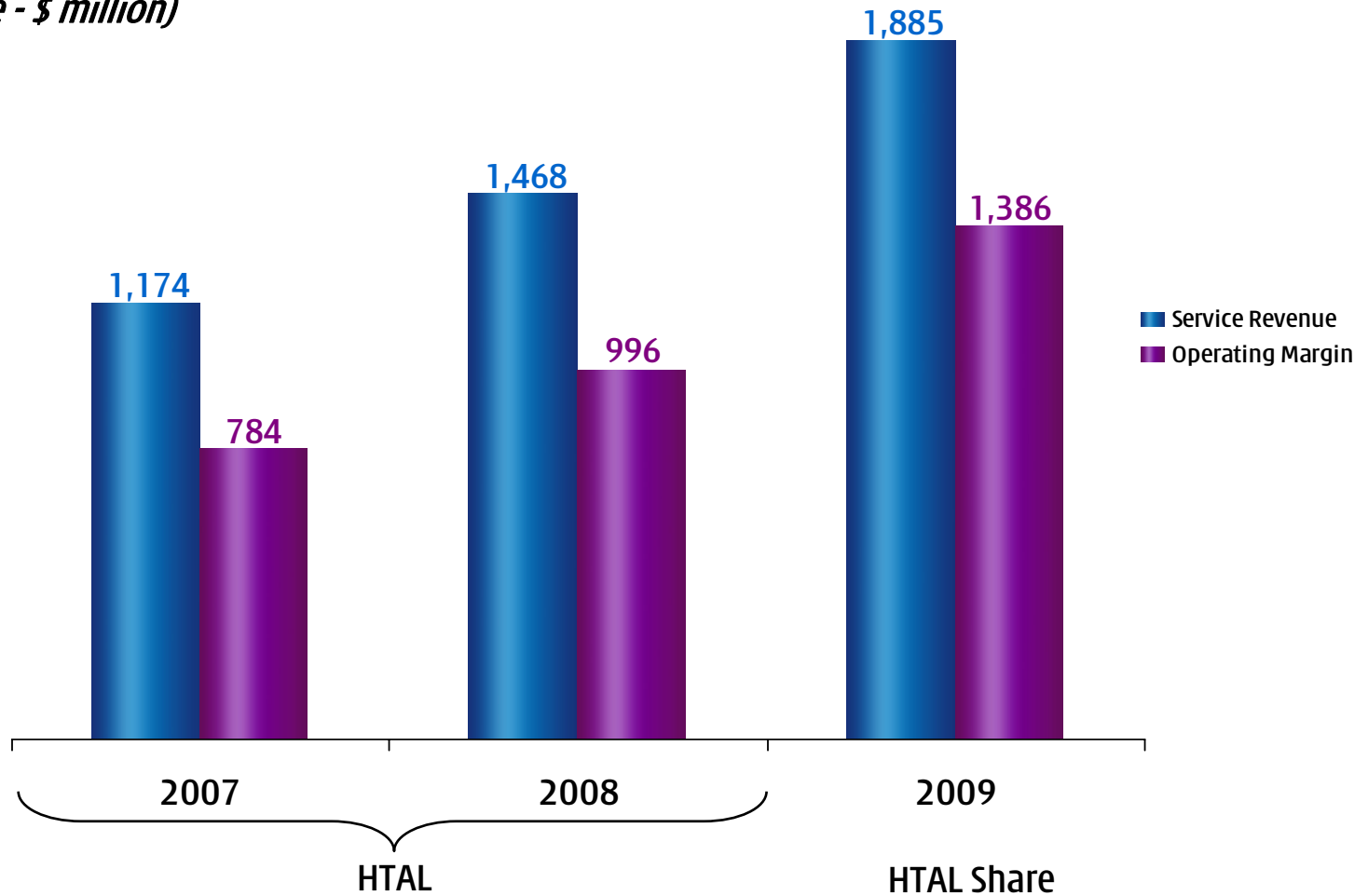


133.7% increase in MBB customers

Mobile Broadband customers = Mobile Broadband cards, USB Modems and NetConnect Cards
3G Data on Handset customers = X-Series plans, Mobile Internet plans and phones used as a modem

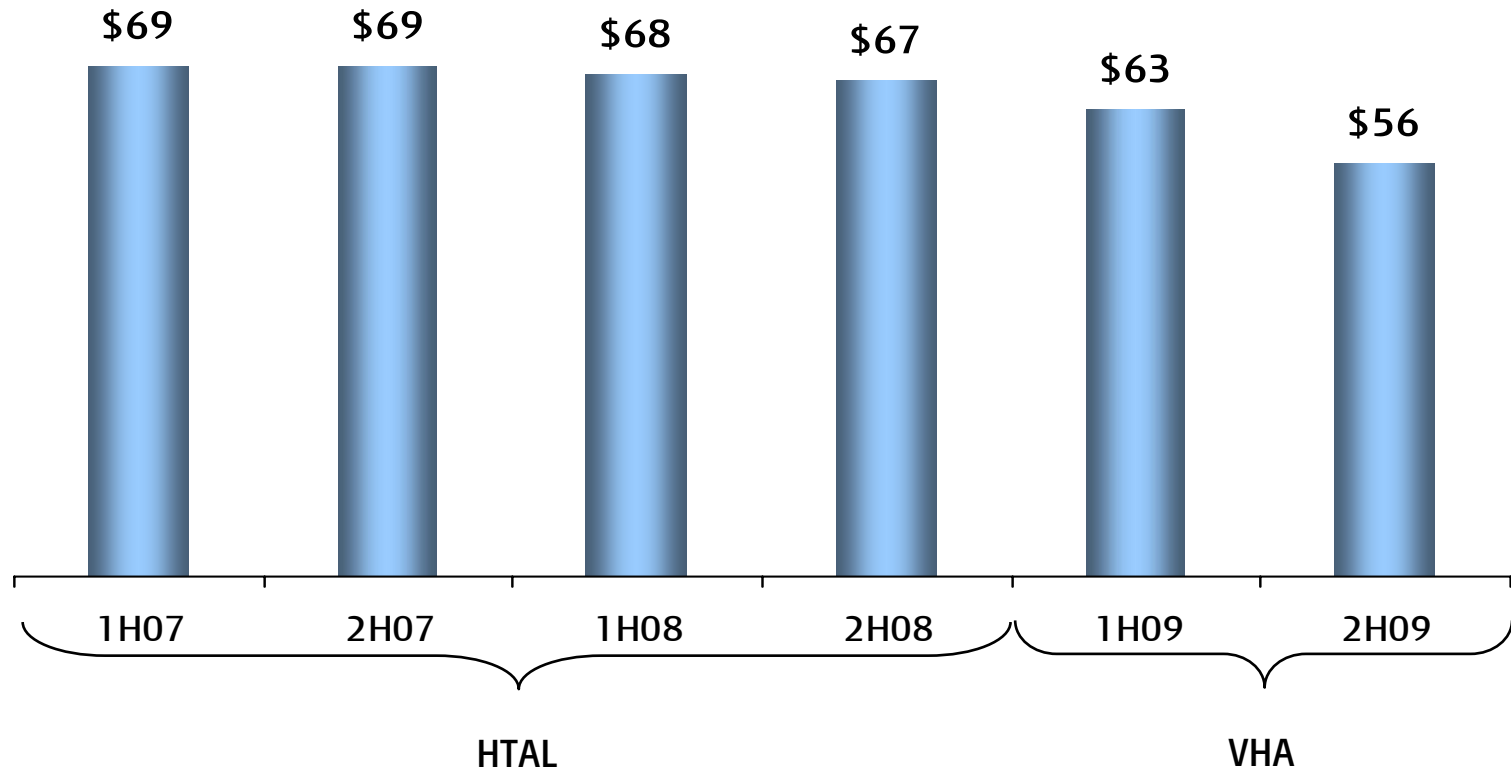
Service Revenue & Margin

(HTAL Share - \$ million)



39.2% increase in full year margin

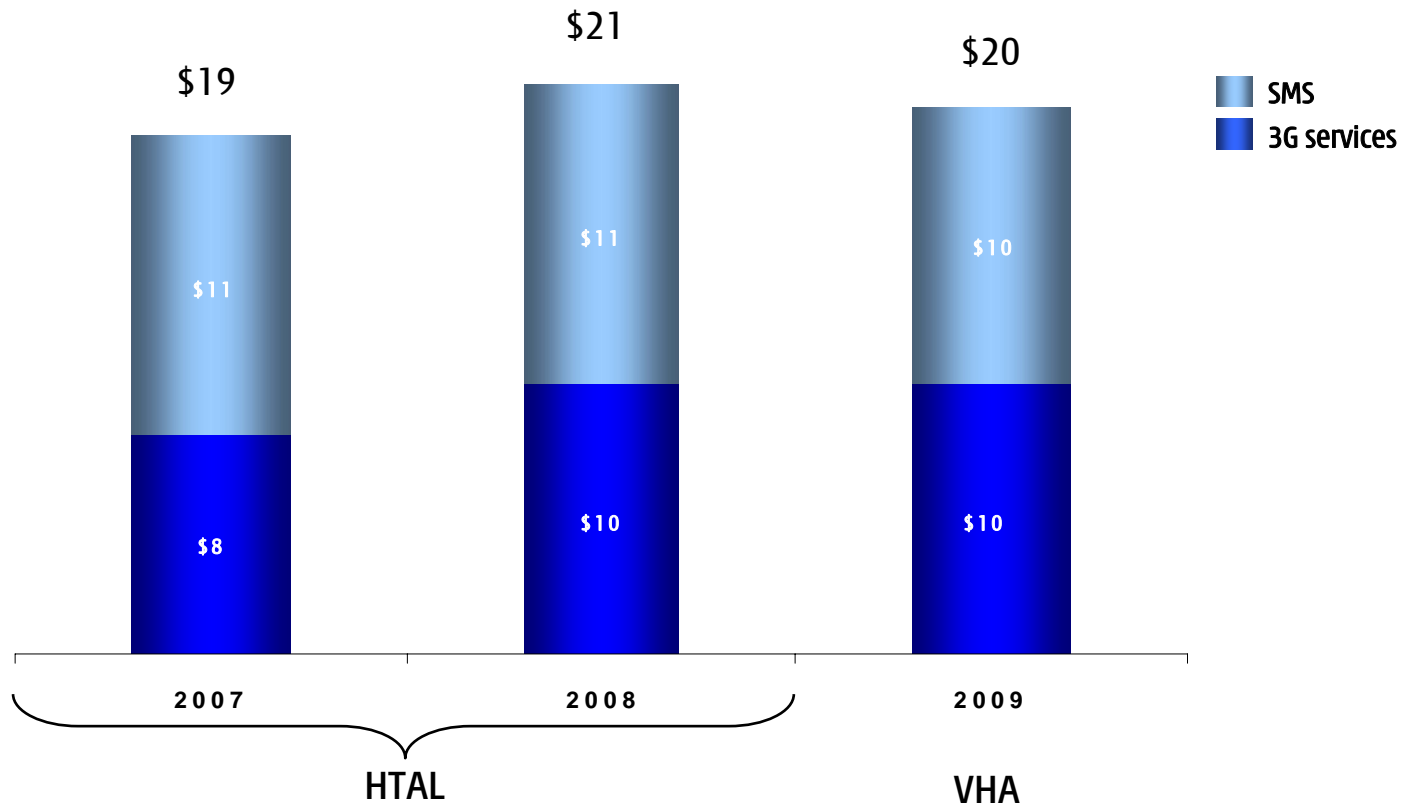
Blended ARPU



Prepaid % of base has increased

VHA represents ARPU of the Operating entity

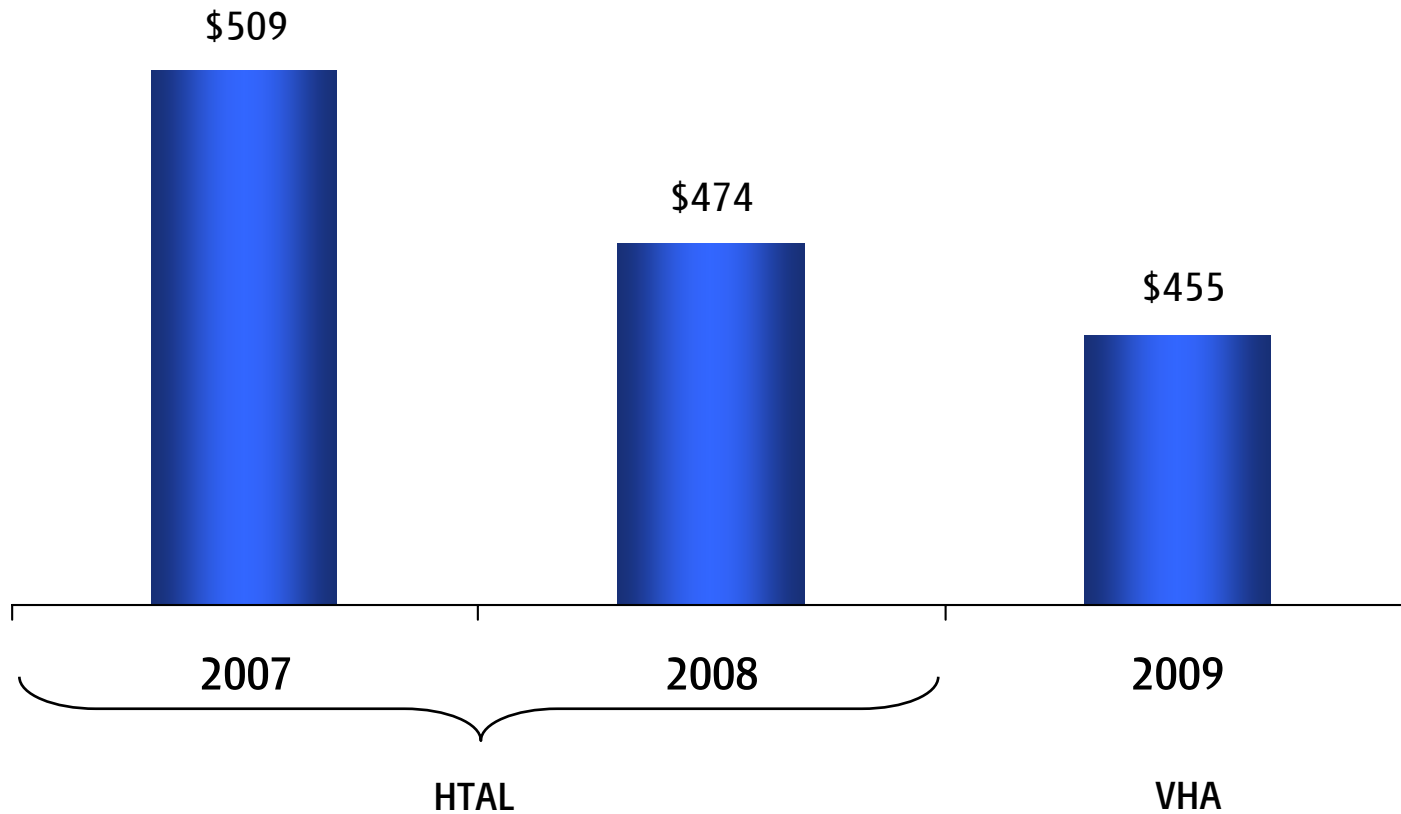
Non-voice ARPU



36.7% of ARPU is non-voice

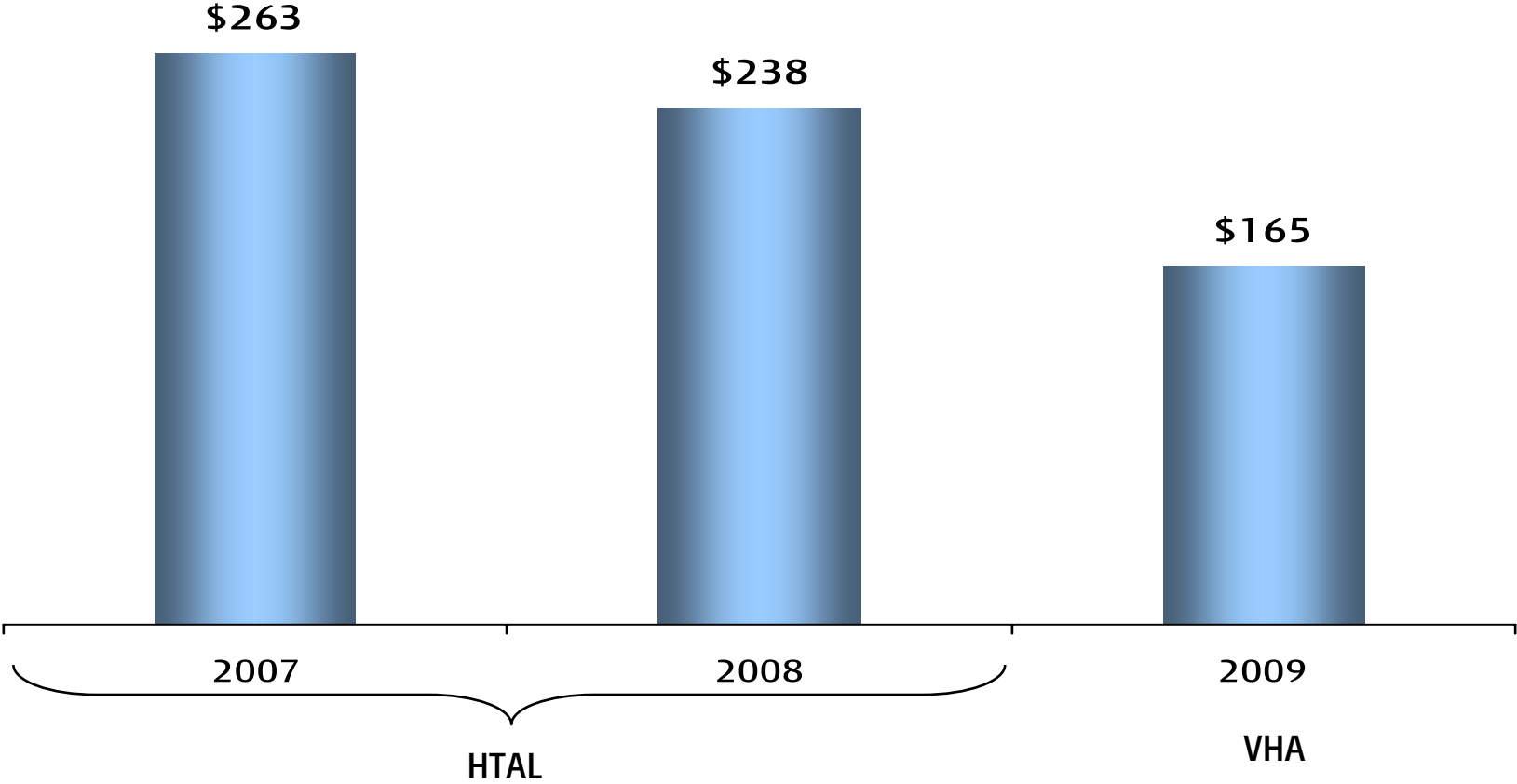
Running Operating Expenditure per customer

\$/Customers



Benefits of scale emerging

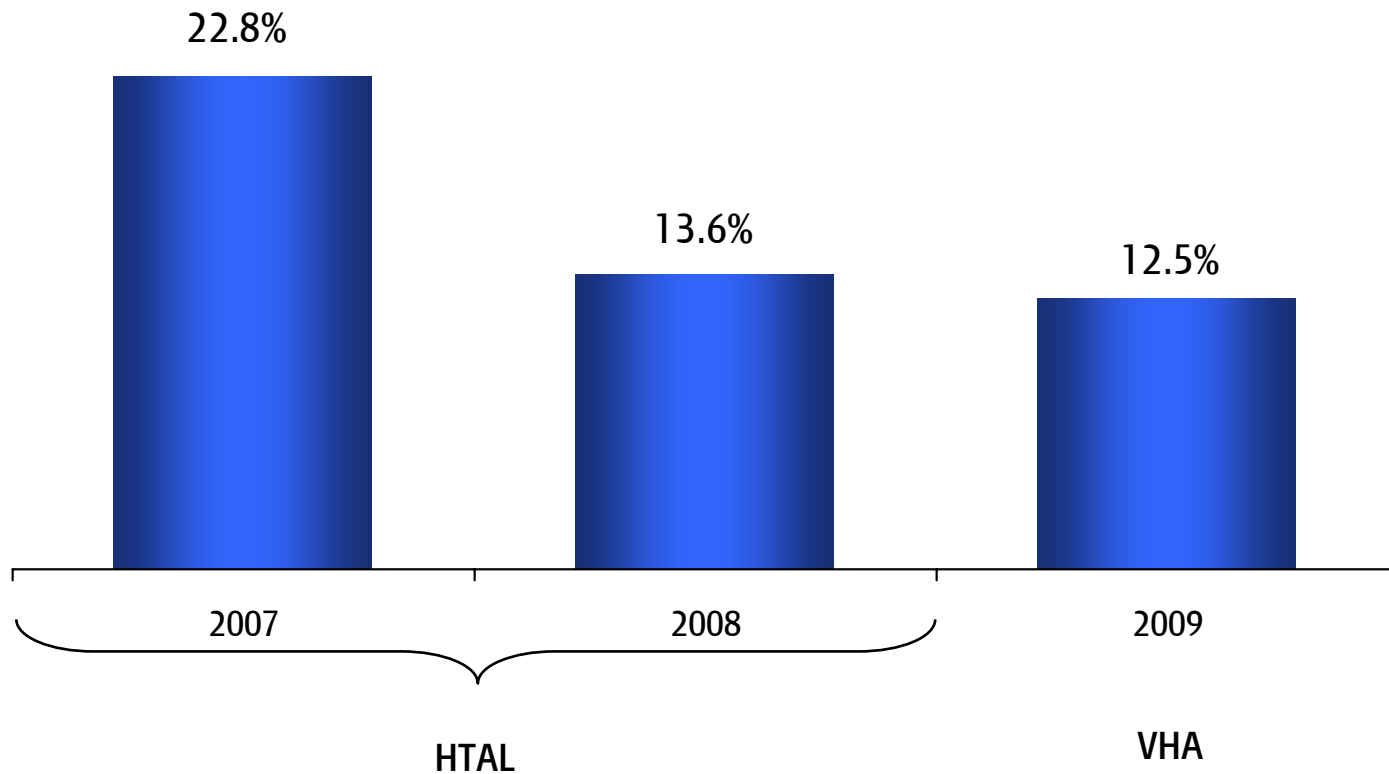
Customer Acquisition Costs per Connection



Impacted by Prepaid & MBB mix

CAPEX

(% Service Revenue)



Capex 12.5% of Service Revenue

Progress on Merger

- VHA made significant progress in 2009 on the realisation of merger benefits including employee selection and reorganisation, supplier rationalisation and procurement savings, call centre consolidation, removal of capex duplication, roaming cost savings and retail rationalisation
- Key areas of focus which will deliver benefits in 2010;
 - Consolidation of Head & State office premises
 - Consolidation of contact centre operations in Hobart & Mumbai
 - IT systems integration and transition to target platforms
 - Reduction in distribution costs and improved retail sales efficiencies
 - Increased utilisation of the Vodafone network assets for '3' customers
- Remain on track to achieve NPV \$2Bn worth of synergies

Integration on track to deliver benefits

2010 VHA Outlook

- Continued focus on business integration throughout 2010
- Continued growth in customer acquisition
- Maintain leadership in non-voice service innovation and usage
- Intensity of competition expected to continue, fuelled by smartphones and MBB
- Maintain focus on customer satisfaction to keep churn low
- Remain free cashflow positive in 2010, excluding costs associated with merger

Focus on continued growth



Hutchison Telecoms

Telecommunications operations of
Hutchison Whampoa Limited



Hutchison Telecommunications (Australia) Limited
2009 Full Year Results
19 February 2010
Nigel Dews' Presentation Notes

Introduction

Good afternoon.

I'm Nigel Dews, CEO at Vodafone Hutchison Australia.

I'd like to welcome you to the call. I'll be taking you through the 2009 Full Year Results for Hutchison Telecommunications Australia (HTA).

These results – for the year to 31 December 2009 – represent 5 months of the former 3 business and 7 months of an equity accounted result for Vodafone Hutchison Australia (VHA).

We'll open the lines for questions at the end of the presentation.

To view the presentation, please click on the URL that was supplied within the invitation for this call.

Slide 2

I'm pleased to announce a \$467.7 million profit for HTA for the Full Year.

This figure includes a gain on disposal due to the merger of \$587.3 million and, during 2009, HTA's net loss, excluding the gain on the merger, was \$119.6 million, a \$43.5 million improvement year-on-year.

HTA's share of Service Revenue was up 28.4% to \$1,884.5 million.

Full Year operating margin was up 39.2%.

HTA's share of VHA's EBITDA, before restructuring, was up 19.6% to \$227.8 million, excluding one-off costs associated with the merger.

Slide 3

This slide shows the critical scale that we've acquired as a result of the merger.

Vodafone brought 3.97 million customers into VHA, and both Vodafone and 3 have maintained strong customer acquisition and effective customer retention.

If you exclude the 'one-off' effect of the pre-existing Vodafone base, VHA's net additions to the customer base for the year to 31 December 2009 stands at 889,000 customers – including 584,000 new customers in the second half of 2009.

The merger has changed VHA's overall customer mix, with a comparatively lower blend of postpaid customers, now 56.8% of our base.

ARPU has come off as a result of the increase in prepaid and mobile broadband customers, but remains broadly in line with the industry at \$55.82.

Our monthly postpaid churn remains steady and low at 1.3% - the lowest in the industry.

Use of internet services, both on mobile phones and mobile broadband, has continued to accelerate, with 1.39 million customers now using mobile broadband and 3G data services on handsets, including mobile internet access.

This figure includes 673,000 customers using a USB modem, data card or NetConnect card, which represents a 133.7% increase on a like-for-like basis, year-on-year.

We also have 717,000 customers using internet data plans on their handsets, while SMS usage also remains strong.

Average Customer Acquisition Costs have come down to \$165 per unit as a result of our higher Prepaid and mobile broadband sales mix – but we expect this to increase over time given the rise of smartphones and the high levels of handset subsidies required to compete effectively in this market.

Slides 4 to 12 show VHA's Key Financial results. These are expressed as HTAL's 50% share of the VHA figures.

Slide 4

We're pleased with our growth in customer service revenue.

EBITDA and CAPEX were in line with expectations, and we exited 2009 in an operating free cash flow positive position.

Slide 5

As you can see, we're continuing to achieve good growth through new acquisition and low customer churn. The June and December 2009 figures include the Vodafone customers acquired as part of the merger. Customer growth was 584,000 customers in the second half of 2009 – over 2.5 times the growth in the second half of 2008. This larger base will continue to drive benefits to the business due to improved economies of scale.

Slide 6

We show the total cumulative number of mobile broadband and 3G services customers – as well as showing how many customers fall into each of the two categories. You can clearly see the massive growth we are experiencing in these areas – resulting in very large increases in data usage on our networks and an increase in the 3G services revenue component of ARPU.

Slide 7

Service Revenue grew by 28.4% year-on-year and Operating Margin grew by 39.2% to \$1.39 billion driven by improvements in revenue mix towards data services and reductions in direct costs through our improved negotiating strength.

Slide 8

This is a view of our blended ARPU, and the decline since the merger is attributable to the change in mix towards lower ARPU prepaid and mobile broadband customers.

The ARPU trend for Slide 8 & 9 is based on a 12-month moving average.

Slide 9

Non-voice ARPU is based on a 12-month moving average, and this is likely to continue to show slight declines due to prepay customer mix until we get a full 12-month view of the merged business. 36.7% of VHA ARPU now comes from non-voice revenue streams, up from 31.2% last year.

Slide 10

We can start to see signs of the benefits of scale of the merged company. Here, we can see reductions in Running Operating Expenditure per subscriber, down to \$455 in 2009.

Slide 11

This shows our Customer Acquisition Costs, with significant reductions attributable to our prepaid and mobile broadband customer acquisition mix.

Slide 12

This slide also gives a good indication of the benefits of scale, with CAPEX as a percentage of Service Revenue down to 12.5% in 2009.

We've been working hard to remove duplication and achieve better Capital efficiency across the business. This includes IT, network, our supply chain and in all procurement.

Slide 13

We've effectively completed the employee selection and a major reorganisation of our business; we've made good progress on supplier rationalization and procurement savings; we've started to consolidate our call centres; removed capex duplication; implemented changes to enable 3 customers to roam onto the Vodafone 2G network in metropolitan areas and started the rationalization of our retail points of presence.

In 2010, we'll consolidate our Sydney offices and regional state offices. We will also complete the consolidation of our contact centres.

Many of the projects to consolidate our IT systems are well underway.

We are also reducing our warehousing and distribution costs and working on improving our retail sales efficiency and productivity by rolling out the best approaches from the Vodafone and 3 retail stores, including new approaches to sales incentives.

We plan to continue to increase our utilization of our Vodafone network for 3 customers, where possible.

I'm pleased to report that we remain on track to capture the \$2 billion of NPV from the merger synergies that we identified when we announced the merger at the start of 2009.

Slide 14

Our focus on integrating the two businesses will continue throughout 2010.

We expect VHA to maintain leadership in attracting high-value customers, especially those who use increasing amounts of non-voice services. We fully expect the intensity of competition – particularly in the smartphone and mobile broadband markets – to remain high.

Continuing to improve customer service and customer satisfaction is one of our highest priorities for 2010 in order to maintain our lead over the competition in these areas. We will be working hard to maintain our low postpaid churn rate.

We expect VHA to remain free cash flow positive in 2010, excluding one-off merger costs.

Thank you. I will now take questions.

-ends-