Hutchison Telecoms

Hutchison Telecommunications (Australia) Limited
ABN 15 003 677 227
Level 7, 40 Mount Street
North Sydney, NSW 2060
Tel: (02) 8579 8888
Fax: (02) 8904 0457
www.hutchison.com.au

Companies Announcements Office

Australian Securities Exchange

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Subject: Half Year Results Presentation

Please find attached the presentation to be made by Mr Nigel Dews, CEO of Vodafone Hutchison Australia, to media and analysts this afternoon regarding the Company's half year results.

Yours faithfully

Louise Sexton
Company Secretary

Hutchison Telecommunications (Australia) Limited

2011 Half-Year Results

Nigel Dews
Chief Executive Officer
Vodafone Hutchison Australia

2 August 2011

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Telecommunications operations of Hutchison Whampoa Limited

Good afternoon and welcome to the half-year results briefing for the six months ended 30 June 2011 for Hutchison Telecommunications Australia (Hutchison).

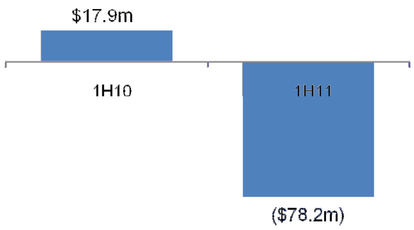
The results I will present today are an equity accounted result for Hutchison's investment in Vodafone Hutchison Australia (VHA).

References to VHA financial results reflect the 50% share of VHA attributable to Hutchison Telecoms. References to customer metrics reflect the total active customer base of VHA, including MVNO customers.

At the end of my presentation I will be joined by CFO Dave Boorman to take your questions.

Financial results

HTAL profit / (loss)



HTAL's share of VHA results:

- **Customer service revenue decreased 3.0% to $1,038.5 million**
- **6.6% decrease in half-year operating margin**
- **EBITDA $140.8 million, a decrease of 36.8%**

Unless otherwise stated, all % and $ increases are on the prior corresponding period, HTAL 30 June 2010
To be read in conjunction with ASX half-year information – 30 June 2011

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

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Hutchison Telecoms reported a loss of $78.2 million for the first-half of 2011 compared to a profit of $17.9 million in the corresponding period in 2010.

The decline in Hutchison Telecom's profit was driven by a $15.6 million decrease in interest income following the repayment of shareholder loans by VHA during 2010, and a decrease in VHA profitability following the network and customer service issues experienced by some customers in late 2010 and early this year.

VHA operating summary

- **Total customer base declined 375,000 to 7.2 million**
  - **Prepaid base down 347,000 to 3.0 million[1]**
- **Postpaid customer base unchanged at 4.2 million[2]**
- **3.2 million 3G services[3], up 36% YoY**
- **Operating expenditure tightly controlled at $625.0 million[4]**
- **Integration cost synergies on track**
- **Customer acquisition cost per connection $144, down 7%**

[1] Includes a one-off adjustment of 78,000 arising from reporting changes. Compared to 31 December 2010
[2] **On an underlying basis** after adjusting for a one-off reduction of 32,000 arising from reporting changes. Compared to 31 December 2010
[3] **3G services** includes content or data accessed via a handset, mobile broadband cards, USB modems, Netconnect Cards and embedded broadband SIMs
[4] 50% share of VHA attributable to HTAL

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It has been a challenging six months, with the total customer base declining 375,000 to 7.2 million.

Importantly the VHA postpaid base was unchanged on an underlying basis compared to December 2010.

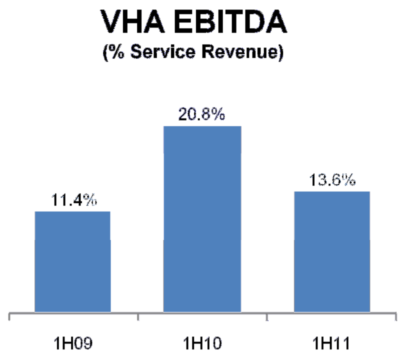
Operating expenditure increased from $590 million to $625 million year-on-year driven by retention costs.

Strong control over customer acquisition costs, and delivery of merger synergy savings, mitigated upward pressure on retention costs during a challenging period.

Acquisition cost per unit decreased 7% year-on-year to $144, reflecting the positive benefits of increased customer handset contributions, cost effective purchasing and broader range of lower cost devices across all postpaid price points.

HTAL's share of VHA key financials

($millions)	1H11	1H10	$ var
Total revenue	**1,137.6**	1,179.1	(41.5)
Service revenue[1]	**1,038.5**	1,070.9	(32.4)
EBITDA[2]	**140.8**	222.7	(81.9)
Share of net profit / (loss) from VHA[3]	**(78.8)**	(0.6)	(78.2)
Capital expenditure	**162.1**	124.1	38.0



[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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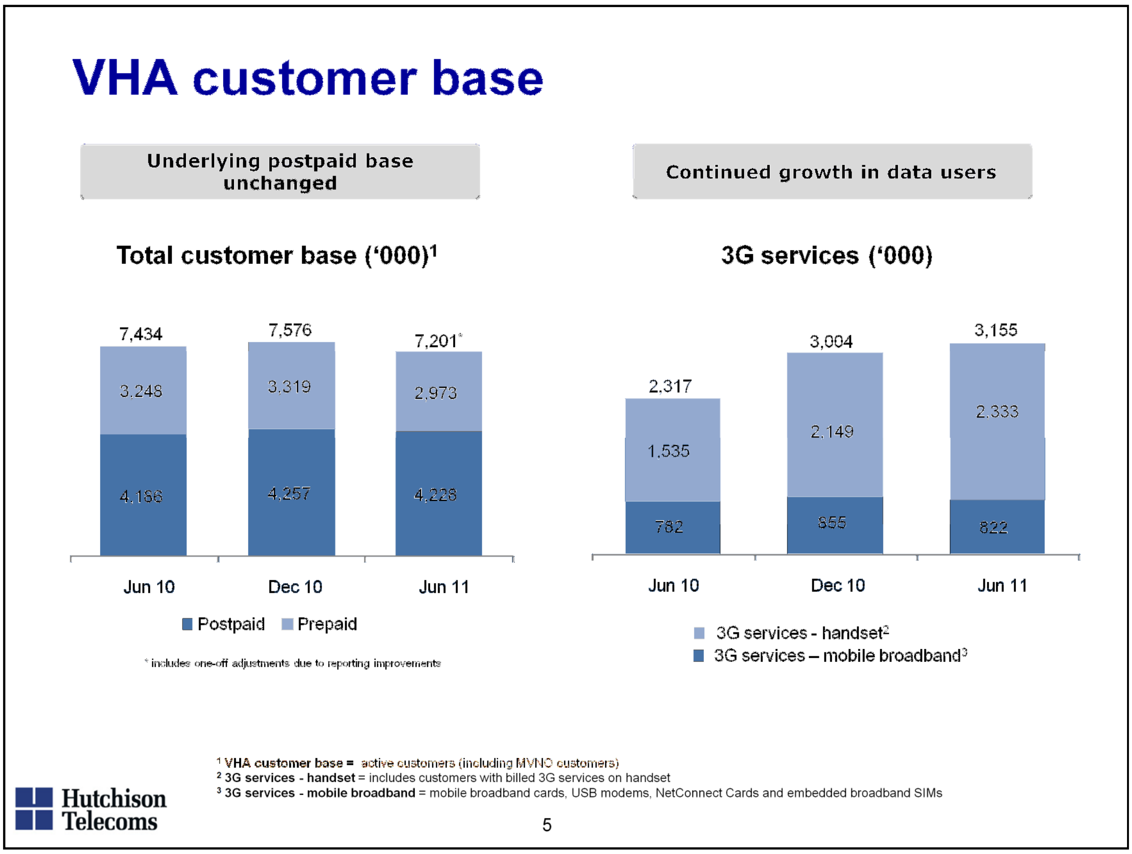
Service revenue declined 3.0%, due to the net decline in customer base and a slight reduction in ARPU.

To address the recent issues, VHA has accelerated its investment in the Vodafone network and introduced a number of initiatives to improve customer service.

As a result of this accelerated network investment, Hutchison's share of capital expenditure increased 30.6% compared to the corresponding half last year.



VHA's total customer base declined by 375,000 to 7.2 million in the half, primarily driven by a 347,000 decline in the prepaid customer base.

The net decline in total customer base includes adjustments contributing 110,000 to the overall decline, which were due to reporting improvements. This comprised a 32,000 reduction in the postpaid base and 78,000 reduction in the prepaid base.

The postpaid handset base was unchanged on an underlying basis for the half after excluding the one-off adjustment.

The proportion of customers on postpaid plans (excluding MVNO) was 61.4%.

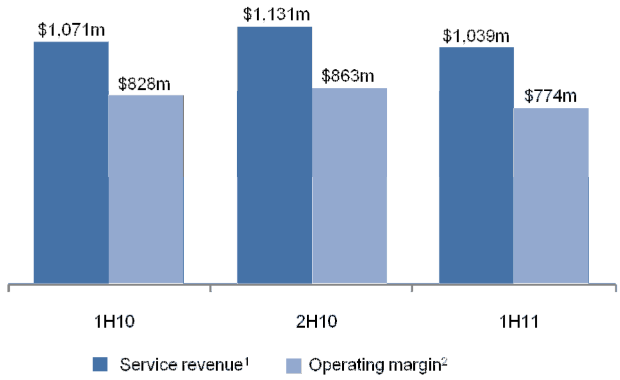
Postpaid handset churn peaked at around 2.2% during the half, and fell from this peak to close the half below 2.0%.

Almost half of the total handset base now has a smartphone, and the number of customers using data on their handset increased by 52% to 2.3 million at 30 June 2011.

The total number of customers (including MBB) using data services reached 3.2 million, an increase of more than 800,000 year-on-year.

HTAL's share of VHA service revenue & margin

Higher credits and interconnection costs



[1] **Service revenue** excludes handset revenue, interest income and other income
[2] **Operating margin** represents service revenue less interconnect and variable content costs

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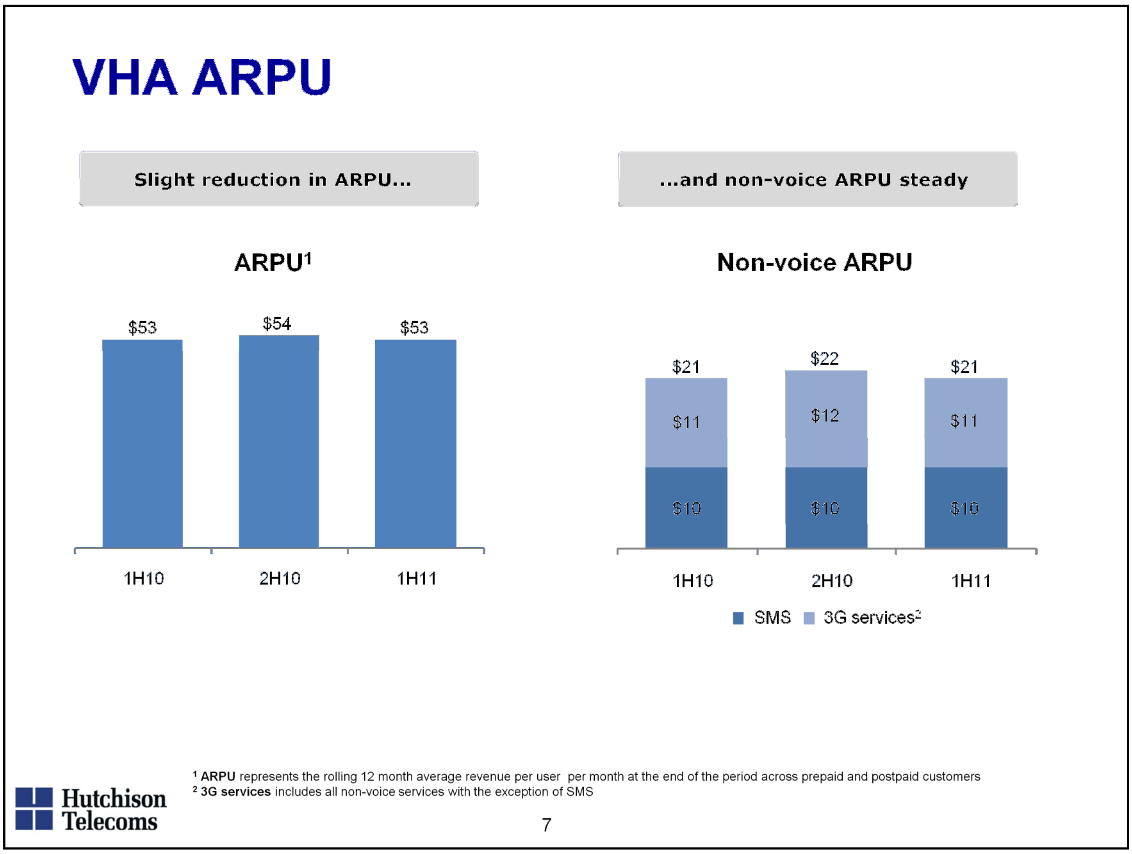
Hutchison Telecom's share of customer service revenue declined 3% to just over $1 billion.

Customer credits increased in the half due to the network and customer service issues that affected some customers in late 2010 and the early part of 2011. In addition, the decline in our prepaid customer base contributed to the service revenue decline.

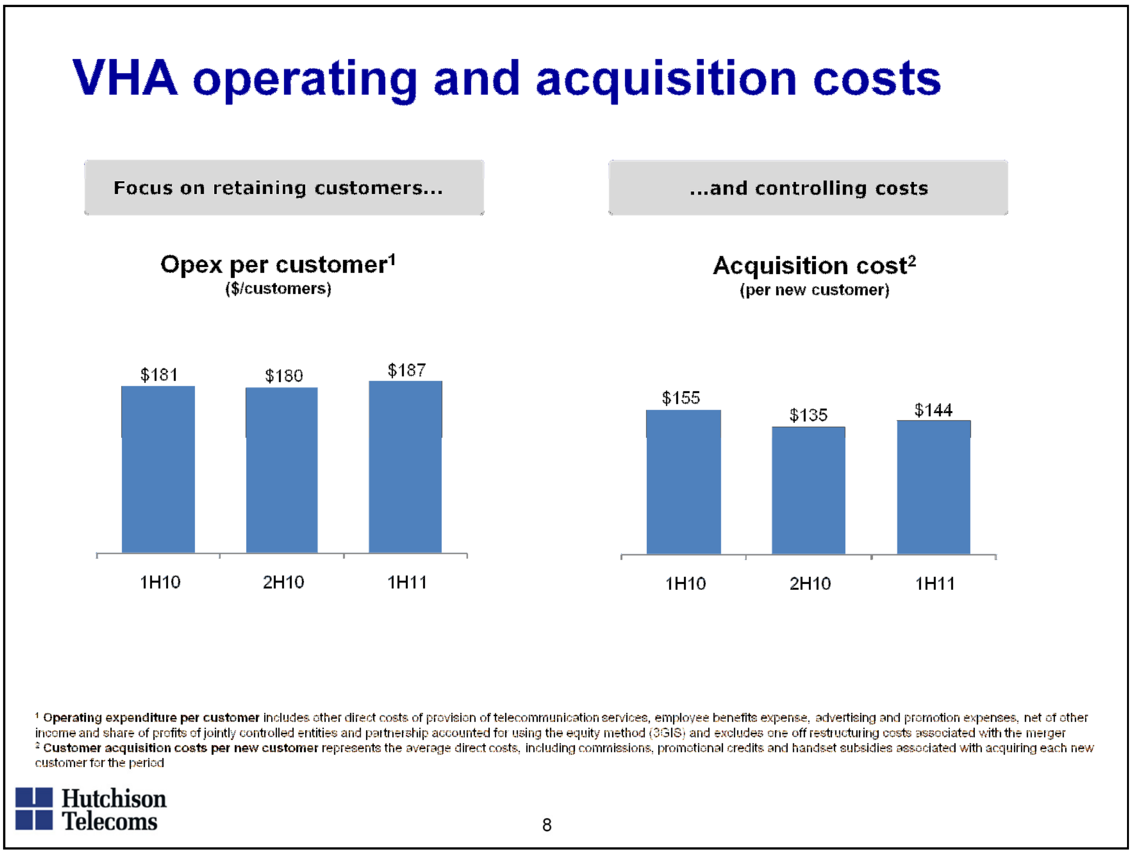
The reduction in operating margin was due to higher interconnection costs from increased voice and SMS usage.



In the face of competitive pressure on pricing and increased credits during the first half, total ARPU remained relatively steady at $52.87 compared to $53.48 in the corresponding period last year.

Non-voice ARPU increased marginally from $21.07 to $21.17 compared to the same period last year.

SMS ARPU remained flat, with usage growing strongly year-on-year.



Our strong control over customer acquisition costs, and delivery of merger synergy savings, mitigated upward pressure on retention costs during a challenging period.

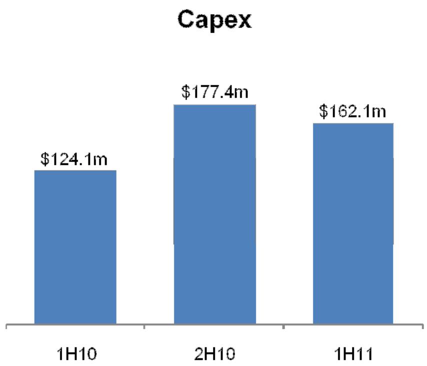
With smartphones the dominant and preferred handset in postpaid, the percentage of smartphones in our base continued to increase.

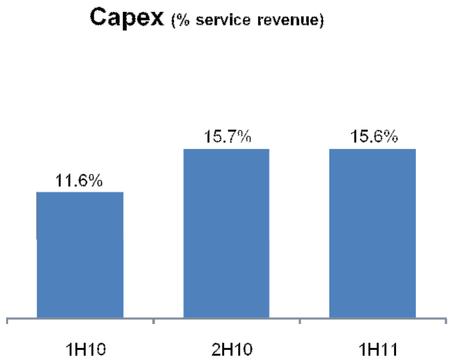
Despite this, acquisition cost per unit decreased year-on-year from $155 to $144, reflecting the positive benefits of increased customer handset contributions, cost effective purchasing and broader range of lower cost devices across all postpaid price points.

VHA capital expenditure

Accelerated investment…

…in strengthening the network





We have accelerated our investment in upgrading and strengthening the Vodafone network.

As a result, capex increased to $162.1 million from $124.1 million in the corresponding period last year.

Network improvement

VHA network plan ahead of schedule

Network plan	Progress
Short-term performance issues	✓
New 3G 850MHz network	In progress
Upgrade existing 2G and 3G network	In progress
Replace network equipment across all sites	In progress
Upgrade core and transmission network	In progress
New sites to increase coverage	In progress
LTE capable equipment	In progress

Site numbers

	Total announced	Live now	Total FY11[2]
3G 850MHz	1,500	788	1,000
Upgrade 2G & 3G network[1]	Ongoing	815	1,330
Equipment replacement	8,000	292	4,000
New sites	3,000[3]	35	500

[1] Combination of hardware and software upgrades, to deliver capacity and/or performance improvements
[2] FY11 site numbers are cumulative
[3] 1,400 locations

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We have resolved the short-term performance issues with the network and I am pleased to say we are ahead of schedule in delivering our network plan.

The key elements to the network improvement plans are:

1. Rolling out a new 3G 850MHz network to improve in building coverage and capacity for smartphones and MBB customers;
2. Upgrading the existing 2G and 3G network;
3. Replacement of network equipment across all sites;
4. Build new sites to increase coverage; and
5. Upgrading core network and transmission network.

More than half of the 3G 850MHz roll-out is now complete with 788 new sites added to the network. We expect to have built 1,000 new 3G 850MHz sites in total by year end.

815 sites have been upgraded on the existing 2G and 3G networks. We expect to have upgraded a further 515 sites and built 500 new network sites by year end.

Having started our network replacement in the Newcastle / Hunter and Central Coast regions, we have also commenced the network equipment replacement in Canberra, Perth, Northern New South Wales and Tasmania. The total radio access network or RAN replacement will be completed during 2012.

Core network and transmission upgrades are also underway.

We are also taking the opportunity to introduce 4G LTE capable equipment as part of the Vodafone network upgrade, so VHA can offer 4G services in the future.

Now more Vodafone customers are experiencing greater coverage, increased capacity and better performance than before on the Vodafone network.

Customer service improvement

Call centres	• adding 300 customer service staff • 24/7 support
Call back	• customer call back option now available
Online support	• extension of Twitter and Facebook customer support
Community forum	• customer forum to provide support and answers
Coverage checkers	• enhanced coverage checker • real-time network performance tools
Retail – 1st point resolution	• empower stores to resolve more customer service issues

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In conjunction with our network investment, we have invested in improving our customer service including:

1. adding more than 300 customer service staff for Vodafone customers and introducing 24/7 support across the postpaid and prepaid customer care teams;
2. introduction of a call back facility across all queue types including technical support which handles network queries;
3. enhancements to online support, including the extension of our Twitter and Facebook customer support hours;
4. launch of a new community forum to provide support and answers to questions and also provide customers with the ability to discuss topics online;
5. coverage checker and real-time network performance tools; and
6. empowering our retail stores to resolve more customer issues as the first point of resolution.

Our complaints to the TIO have been trending downward, with total complaints to the TIO falling 36% between the first and second quarters of this year.

Progress on integration

On track to deliver integration cost synergies

- Appointed new vendor for IT managed services
- Voicemail platform consolidated
- Improvements to key IT systems
- Retail store consolidation largely complete
- Retail store refit and upgrade two-thirds complete
- Consolidation of RAN, core and transmission underway

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We are more than half-way through the program of work to integrate the Vodafone and 3 businesses.

The synergies from the integration will lead to a lower cost base and more efficient operation that will directly benefit customers through affordable, high quality products and services.

In the last six months, we have achieved a number of major milestones including the appointment of a new vendor for IT managed services, consolidation of voicemail platform and improvements to key IT systems.

Our retail store consolidation is now largely completed, and we are two-thirds through the programme to refit and upgrade Vodafone retail stores.

The consolidation of the radio access network , core network and transmission is also under way.

Importantly, we remain on track to deliver the $2 billion net present value from cost synergies, as announced at the time of the merger.

2011 VHA outlook

Operationally turned the corner

- Continue network upgrade and expansion plans
- Launch further customer service improvements
- Further churn improvements expected
- Continue participation in fixed-line service trials with NBN Co
- Engaged on ACMAs ‘Reconnecting the Customer’ initiative
- Engage with Government on the mobile terminating access services review and spectrum renewal
- Cash flow positive before financing for 2011

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Operationally we have turned the corner and our focus for the remainder of the year is on ensuring the network plans remain on track and we continue to improve customer service.

Postpaid handset churn peaked at 2.2% during the first half of 2011, and fell from this peak to close the half below 2.0%. Further churn improvement is expected over the coming months.

We will continue to engage in customer service improvement initiatives including the ‘Reconnecting the Customer’ initiative from ACMA.

We also remain engaged in a number of other government policy issues, including participation in fixed line service trials with NBN Co, the review of mobile terminating access rates by the ACCC and renewal of spectrum.

Despite the improvements now being experienced, the impact of the network and customer service issues in the first half on the financial results will result in a loss for the full year, although VHA expects to improve profitability in the second half of 2011.

We expect to generate positive free cash flow before financing for the full year, but at a lower level than in the 2010 financial year.

Hutchison Telecoms is supportive of VHA’s robust recovery plan, and particularly the significant investment being made in the network. Hutchison Telecoms is confident that this investment, and the improvements to customer service, will support VHA’s return to profitable growth, and is pleased that the merger synergies remain on track.

Thank you.

I will now open up the lines for questions.