

## Media Release

### Hutchison Telecoms Announces Half-Year Results

**Sydney, 23 July 2012:** Hutchison Telecommunications (Australia) Limited (ASX: HTA) today announced results for the first six months of 2012. Vodafone Hutchison Australia's (VHA) investment in the network is starting to deliver positive momentum and the renewed focus on customer service has contributed to improvements in customer retention.

HTAL reports a \$131.3 million loss for the half-year to 30 June 2012. HTAL's share of VHA's total revenue decreased by 9.0% year-on year to \$1.035 billion. HTAL's share of VHA's service revenue decreased by 15.8% year-on-year to \$874.9 million. HTAL's share of VHA's EBITDA was \$112.0 million, down 20.5% year-on-year.

During the first half of 2012, VHA's total customer base declined by 178,000 customers to 6.8 million. The postpaid customer base declined slightly and now comprises almost two-thirds of VHA's total customer base.

During the first half of 2012, VHA welcomed the appointment of Bill Morrow as its new Chief Executive and undertook an organisational restructure to better align the company with the needs of its customers.

Commenting on the first half results, Bill Morrow, Chief Executive at VHA, said: "These results speak very clearly to a need to refocus on the quality and consistency of the experience we deliver to our customers."

"Our customers can expect to experience improvements in the network and customer service throughout the remainder of 2012, and we will make further announcements on our 4G (LTE) plans for next year," explained Bill Morrow.

Canning Fok, Chairman of HTAL, said: "Bill Morrow and VHA have our full support, and despite the operating challenges currently facing the business, we believe the strategy being implemented will return VHA to growth in the future. However, we expect the next 12 months to remain challenging."

#### ***Network investment delivering improvements***

With the continuing investment in the Vodafone network in the six months to 30 June 2012, HTA's share of VHA's capital expenditure increased 22.4% year-on-year to \$198.4 million.

As the investment in the Vodafone network continues, VHA is making good progress in improving network coverage, capacity, speed and reliability.

After investing more than \$1 billion in its network, VHA is now approaching the completion of its network roll out, comprising the first phase of a new 3G 850MHz network, a national network equipment replacement program and VHA is well underway with the installation of new IP-enabled transmission equipment. For Vodafone customers, this is translating into better coverage, better call quality and an improved mobile data experience on smartphones, tablets and mobile broadband devices.

### ***Customer service***

VHA's renewed focus on customer service has resulted in a reduction in complaints to the Telecommunications Industry Ombudsman (TIO). VHA has achieved marked improvements in first contact resolution and introduced a range of innovations to improve its service interactions with customers across retail, contact centres and social media. The improvement in customer service contributed to a reduction in monthly postpaid handset churn in the first half of the year.

\* Unless otherwise stated, all % and \$ comparisons are to the prior corresponding period, HTAL half-year 2011.

**HTAL Share** = 50% of VHA result

**- Ends -**

### **Notes to Editors**

VHA is a 50:50 joint venture between Hutchison Telecoms and Vodafone Group Plc and operates Vodafone, 3 and Crazy John's in Australia.

For further details of the financial results for HTA please visit [www.hutchison.com.au](http://www.hutchison.com.au) and see the Company's results as released to the ASX.

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