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Media Release

3's Customer Base Growth Highest in Industry

50% increase in 3 Service Revenue Strong growth in non-voice

Sydney, 22 August 2007: Hutchison Telecommunications (Australia) Limited (ASX:HTA) today announced its results for the half year ended 30 June 2007, recording the industry's highest net mobile customer additions in the first six months of 2007.

3's customer base increased by 160,000 active net additions, taking the total base to 1.4 million customers – an increase of 35% from the same period last year. 93% of those net additions were post paid services, bringing 3's post paid customer base to 1.25 million in June - 89% of the total.

"3 continues to grow very strongly, attracting new customers and building our customer base as we also focus on retaining and improving our services for existing customers. We continue to lead industry innovation and through this deliver good value non-voice services that people really enjoy," said Nigel Dews, Chief Executive Officer, Hutchison Telecoms.

3's service revenue increased by 50% to \$541.4 million when compared with the first half of 2006, driven by the growth of 3's customer base and usage of non-voice 3G services. 3's non-voice revenue increased 74.7% to \$138.7 million.

Broadband and internet usage also continued to increase. A full suite of mobile broadband products was introduced during the half, including 3's new Mobile Broadband USB modem and the X-Series which enables customers to access internet services like Skype, Google and Instant Messenger Services on their mobile at market-leading value. At the end of June, 82,000 subscribers had an X-Series plan, a Mobile Broadband USB modem or card, or were using their mobile phone as a modem. In addition there were more than 112,000 subscriptions to individual X-Series services.

Other content from 3 continued to attract higher usage, with customers experiencing more than 57 million content events, including more than 2.7 million music events. Every month, an average of over 1 million customers accessed the Planet 3 portal, and an average of 635,000 generated at least one billed content event each month. Mobile TV also continued to be a popular service, with four new channels added - Nick Junior, Nickelodeon, Animax and Fox Sports News.

Average monthly margin for 3 increased to \$69.0 million from \$44.9 million between the first half of 2006 and the first half of 2007. Monthly margin per user was \$52 and total monthly Average Revenue Per User (ARPU) was \$69 despite decreasing mobile interconnect rates. More than 10% of 3's ARPU is from 3G services and 25% is from total non-voice ARPU.

Twelve months after reporting the first positive EBITDA result for the Company since launching **3**, Hutchison improved EBITDA by \$28.4 million in the first half of 2007 to \$31.4 million, and improved its NPAT loss by 62.4% to \$197.3 million.

Last month the Company announced an agreement with Telecom New Zealand which, subject to regulatory and shareholder approval, will see Telecom transfer its 19.94% investment in **3** operator and Hutchison subsidiary H3GA, to a 10% stake in Hutchison Telecoms, and take an option to increase this investment by a further 9.94% at a strike price of \$250 million to \$300 million, depending on when the option is exercised. As part of the agreement Telecom New Zealand will assign its 850MHz spectrum licences including Brisbane, Adelaide and Perth to Hutchison, complementing the Company's existing 850MHz spectrum in Sydney and Melbourne, giving **3** a national 850MHz spectrum footprint.

"**3** is performing strongly and we remain focused on growing **3**'s leadership position through continued innovation, service and pricing. Our commitment to exit this year with positive operating cash flow remains firm," said Mr Dews.

In addition to delivering a great new range of leading handsets from Nokia, Sony Ericsson, HTC and LG, new services like X-Series, and competitive Mobile Broadband and voice pricing, **3** will also provide service levels never before experienced in Australia through a network of new, dedicated '**3** Service' centres. Located in Sydney, Melbourne, Brisbane, Perth and Adelaide, **3** Service will provide customers with unique levels of 'while you wait' handset repair and other services, with industry leading repair turnaround times.

Financial and operating highlights include:

- Customer base increased by 160,000 active net additions in first half
- 1.4 million active **3** customers, an increase of 35% from the first half 2006
- 93% of the net adds were post paid, and at the end of June 89% of the base was post paid
- 50% increase in **3** service revenue at \$541.4 million
- **3** non-voice revenue at \$138.7 million, an increase of 74.7% on the first half of 2006
- Average monthly margin for **3** increased to \$69.0 million in first half 2007 from \$44.9 million in first half of 2006
- \$31.4 million positive EBITDA, an increase of \$28.4 million from first half 2006
- 62% improvement in NPAT loss at \$197.3 million
- Total ARPU for **3** was \$69
- Average monthly margin per customer was \$52

Non-voice service usage highlights include:

- More than 57 million content events were experienced during the first half
- Over 1 million customers on average accessed Planet **3** each month
- 82,000 subscriptions to Broadband services (inc X-Series, Mobile Broadband card & USB and handset as a modem)
- More than 112,000 subscriptions to individual X-Series services
- An average of 635,000 customers generated at least one billed content event each month

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