

**ASX Market Announcements  
Australian Securities Exchange**

Date 4 May 2015

**Subject: Annual General Meeting**

Please find attached the Chairman's address to be made at the Annual General Meeting of the Company this morning.

Yours faithfully



Louise Sexton  
Company Secretary

# **Hutchison Telecommunications (Australia) Limited**

## **Annual General Meeting**

**4 May 2015**

### **CHAIRMAN'S SPEECH**

As we have reported to you in the annual results, Vodafone Hutchison Australia completed its three-year transformation program last year.

The three strategic goals were:

- To provide a fast, reliable network;
- To offer worry-free products and services; and
- To deliver a consistently good experience across all customer touch-points.

Following on from this, there are positive signs across all of these areas that give us confidence VHA is now well-positioned to return to growth in 2015.

One of the key drivers of growth this year will be VHA's network. After investing \$3 billion into the network over three years, it is now world-class. It is stable. It is resilient.

A strong indicator that VHA is on the right track is in the area of customer numbers. By the end of 2014, VHA's customer base had stabilised at 5.3 million after achieving the first lift in customer numbers since 2010. And we are seeing this trend continue into 2015.

In a further positive sign brand health is improving, VHA's Net Promoter Score in 2014 increased by sixteen points. This means more customers were satisfied with services and happy to recommend them to others. Again, we are seeing this trend continue.

The investment in network and customer service has contributed to a significant ongoing reduction in complaints to the Telecommunications Industry Ombudsman, with the number of complaints per 10,000 customers almost halving last year.

In 2014, VHA launched innovative post-paid handset plans. One of the most popular features is \$5 per day international roaming which allows customers to

use their plan overseas, without incurring high charges. Customers also receive unlimited data for the first two months of their plan to work out how much they'll need on an ongoing monthly basis. And automated \$10 data top-ups ensure customers never get stung with excess data charges.

There is no question that the Australian telecommunications market is fiercely competitive. Already this year, there has been increased competition among telcos, especially in the area of data. VHA is keeping pace through premium content offers which give customers access to entertainment and music on their phone or tablet.

The options are:

- Video-streaming service Stan with thousands of hours of entertainment including TV shows, movies and kids' content
- Leading international digital music streaming service Spotify with millions of tracks
- And Fairfax news websites Sydney Morning Herald and The Age

We remain confident VHA's management team, headed by Chief Executive Officer Inaki Berroeta who has now been at the helm for twelve months, is leading the company in the right direction. Inaki recently announced a new three-year strategic plan which includes continued investment in infrastructure, customer service, innovative products and a significant retail expansion. There are already indications VHA's strategy is on track with revenue and customer number growth trends carrying into the first months of this year.

Overall, the numbers tell a positive story for VHA – that 2014 was a significant turning point. Further, it's promising to see VHA has begun 2015 with great momentum and we have confidence growth trends will continue.

Before I open up to questions from the floor, we received one question from a shareholder prior to the meeting relating to whether Hutchison Whampoa would consider privatising the Company. As you will appreciate, this is a matter for HWL and the decisions of any shareholder are not a matter for the Company. I also wish to clarify that in 2014, HTAL's results, which include its share of VHA's loss, were impacted by the accelerated depreciation of network assets.

VHA is back on track. As I have previously said, we have confidence VHA's growth trends will continue, which will drive VHA's profitability and through that, improvement in HTAL's results.