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# HUTCHISON TELECOMMUNICATIONS INTERNATIONAL LIMITED 和記電訊國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2332)

## Announcement

## **UNAUDITED KEY PERFORMANCE INDICATORS FOR THE FOURTH QUARTER 2009**

### HIGHLIGHTS

- Total customer base at approximately 12.8 million
- Indonesia customer base grew 16.7% to 8.5 million
- Vietnam customer base grew 145.1% to approximately 2.5 million

In the fourth quarter, all our emerging market operations recorded positive growth in customer bases with approximately 2.9 million net additions registered during the quarter. Our total customer base grew 29.0% quarterly or 97.6% yearly to approximately 12.8 million.

We continued to expand our network footprints in the fourth quarter by adding more than 2,300 base stations in the three emerging markets, increasing the population coverage to 76% and 80% in Indonesia and Vietnam respectively.

#### **OPERATIONS REVIEW**

#### Indonesia

Our Indonesia operation added approximately 1.2 million customers during the quarter, taking the customer base to 8.5 million at the end of the quarter.

Blended Average Revenue Per User ("ARPU") at IDR11,330, improved 1.0% compared to last quarter and 4.9% compared to the same quarter last year, driven mainly by the increase in non-voice ARPU of 9.9% quarterly and 79.7% yearly.

Minutes of Use ("MOU") decreased 20.4% to 39 minutes compared to the previous quarter due partly to the significant increase in customers and reflected the short term effect of price increased in the quarter.

Churn remains at the same level as last quarter at 24.9%

#### Vietnam

Our Vietnam customer base grew strongly in the fourth quarter by adding approximately 1.5 million customers, finishing the year with approximately 2.5 million customers.

In the third quarter, market competition intensified with heavy promotional and bonus minutes being offered by other operators. Our blended ARPU has been impacted and decreased 26.7% to VND34,621 compared to last quarter at VND47,263.

Blended MOU increased 12.3% quarter-on-quarter to 182 minutes, driven mainly by the increase in on-net traffic stimulated by promotion offers.

Churn improved slightly to 8.4%.

#### Sri Lanka

Our Sri Lanka operation registered a 38.4% growth in customer base and finished the quarter with 779,000 customers. As a result of the intense market competition, both ARPU and MOU decreased approximately 21% quarter-on-quarter to LKR90 and 63 minutes, respectively. Churn improved to below 1%.

## FOK Kin-ning, Canning

*Chairman* Hong Kong, 4 March 2010

#### Disclaimer:

#### **NON-GAAP MEASURES**

While non-GAAP (generally accepted accounting principles) measures such as EBITDA and LBITDA are often used by companies as an indicator of operating performance, they are not expressly permitted measures under International Financial Reporting Standards and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group's current financial performance. Additionally because the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in our financial reporting.

#### **CAUTIONARY STATEMENTS**

This announcement contains forward-looking statements. Statements that are not historical facts, including those about the Company's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and the Company has no obligation to update any of them publicly with respect to any new information or future events. Forward-looking statements involve inherent risks, uncertainties and assumptions. The Company cautions that if these risks or uncertainties ever materialise or the assumptions prove incorrect, or if a number of important factors occur or do not occur, the Company's actual results may differ materially from those expressed or implied in any forward-looking statement. Additional information as to factors that may cause actual results to differ materially from the Company's forward-looking statements can be found in the Company's filings with the United States Securities and Exchange Commission.

## Hutchison Telecom

#### Unaudited Key Performance Indicators for Fourth Quarter 2009

| Customer Base | Q4 2009          |          |         | 0.3 2009          |          |         |              | 02 2009  |         |        | 01 2009       |         | 0.4 2008         |          |         |
|---------------|------------------|----------|---------|-------------------|----------|---------|--------------|----------|---------|--------|---------------|---------|------------------|----------|---------|
|               | 31 December 2009 |          |         | 30 September 2009 |          |         | 30 June 2009 |          |         |        | 31 March 2009 | )       | 31 December 2008 |          |         |
|               | Total            | Postpaid | Prepaid | Total             | Postpaid | Prepaid | Total        | Postpaid | Prepaid | Total  | Postpaid      | Prepaid | Total            | Postpaid | Prepaid |
| Market        | ('000)           | ('000)   | ('000)  | ('000)            | ('000)   | ('000)  | ('000)       | ('000)   | ('000)  | ('000) | ('000)        | ('000)  | ('000)           | ('000)   | ('000)  |
|               |                  |          |         |                   |          |         |              |          |         |        |               |         |                  |          |         |
| Indonesia     | 8,529            | 18       | 8,511   | 7,311             | 16       | 7,295   | 6,434        | 12       | 6,422   | 5,305  | 12            | 5,293   | 4,501            | 11       | 4,490   |
|               |                  |          |         |                   |          |         |              |          |         |        |               |         |                  |          |         |
| Sri Lanka     | 779              | -        | 779     | 563               | -        | 563     | 536          | -        | 536     | 722    | - 1           | 722     | 887              | -        | 887     |
|               |                  |          |         |                   |          |         |              |          |         |        |               |         |                  |          |         |
| Vietnam       | 2,498            | 2        | 2,496   | 1,019             | 1        | 1,018   | 624          | 1        | 623     | $\sim$ | $\geq$        | $\geq$  | $\geq$           | $\sim$   | $\sim$  |

Notes

A customer is defined as a Postpaid Customer or a Prepaid Customer who has a Subscriber Identity Module ("SIM") or Universal Subscriber Identity Module ("USIM") that has access to the network for any purpose, including voice, data or video services. (1)

(2) Postpaid Customers are defined as those whose mobile telecommunications service usage is paid in arrears upon receipt of the mobile telecommunications operator's invoice

Postpaid Customers are demined as those whose mote networmmunications service usage is paid in arrears upon receipt of the mobile telecommunications opera-and who have not been temporarily or permanently suspended from service. Prepaid Customers are defined as customers with prepaid SIM cards or prepaid USIM cards that have been activated but not been used up or expired at period end. A new prepaid customer is recognised upon making the first call or registration/activation. All numbers quoted on the bask of the total customer base of the operation irrespective of the Company's ownership percentage. All numbers quoted as at last day of the quarter. (3)

(4)

(5)

(6) The data for Hong Kong (incl Macau), Israel and Thailand are excluded.

| ARPU <sup>1</sup> |          | 0.4 2009         |          |         | 03 2009           |          |         | 02 2009      |          |         |                                     | 01 2009                                     |   | 0.4 2008                            |   |   |
|-------------------|----------|------------------|----------|---------|-------------------|----------|---------|--------------|----------|---------|-------------------------------------|---|---|-------------------------------------|---|---|
|                   |          | 31 December 2009 |          |         | 30 September 2009 |          |         | 30 June 2009 |          |         | 31 March 2009                       |   |   | 31 December 2008                    |   | 80  |
| Market            | Currency | Blended          | Postpaid | Prepaid | Blended           | Postpaid | Prepaid | Blended      | Postpaid | Prepaid | Blended                             | Postpaid                                    | Prepaid   | Blended                             | Postpaid                                      | Prepaid   |
|                   |          |                  |          |         |                   |          |         |              |          |         |                                     |   |   |                                     |   |   |
| Indonesia         | IDR      | 11,330           | 193,579  | 10,949  | 11,216            | 193,509  | 10,846  | 10,744       | 201,935  | 10,316  | 10,361                              | 182,534                                     | 9,963   | 10,800                              | 133,596                                       | 10,507  |
|                   |          |                  |          |         |                   |          |         |              |          |         |                                     |   |   |                                     |   |   |
| Sri Lanka         | LKR      | 90               | -        | 90      | 114               | -        | 114     | 119          | -        | 119     | 148                                 | -   | 148   | 164                                 | -   | 164   |
|                   |          |                  |          |         |                   |          |         |              |          |         |                                     |   |   |                                     |   |   |
| Vietnam           | VND      | 34,621           | 369,368  | 34,338  | 47,263            | 306,630  | 46,977  | 68,325       | 250,043  | 68,042  | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $>\!$ | $>\!$ | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $>\!$ | $>\!$ |

Notes.

(1) The monthly Average Revenue Per User ("ARPU") is calculated as the total Service Revenues for the month divided by the simple average number of activated customers for the month.

The monthly ARPU for the quarter represents the average of the monthly ARPU in the quarter

(2) Service Revenues are defined as the direct recurring service revenues plus roaming revenues.

| (3) | The data for Hong Kong (incl Macau), Israel and Thailand are excluded. |  |
|-----|--|--|
|-----|--|--|

| MOU       | Q4 2009          |          |         | Q3 2009           |          |         | 02 2009      |          |         |                                   | Q1 2009                               |   | Q4 2008                           |          |              |
|-----------|------------------|----------|---------|-------------------|----------|---------|--------------|----------|---------|-----------------------------------|---------------------------------------|---|-----------------------------------|----------|--------------|
|           | 31 December 2009 |          |         | 30 September 2009 |          |         | 30 June 2009 |          |         |                                   | 31 March 2009                         |   | 31 December 2008                  |          |              |
| Market    | Blended          | Postpaid | Prepaid | Blended           | Postpaid | Prepaid | Blended      | Postpaid | Prepaid | Blended                           | Postpaid                              | Prepaid                                 | Blended                           | Postpaid | Prepaid      |
|           |                  |          |         |                   |          |         |              |          |         |                                   |                                       |   |                                   |          |              |
| Indonesia | 39               | 326      | 38      | 49                | 362      | 48      | 55           | 375      | 54      | 55                                | 342                                   | 55                                      | 55                                | 225      | 55           |
|           |                  |          |         |                   |          |         |              |          |         |                                   |                                       |   |                                   |          |              |
| Sri Lanka | 63               | -        | 63      | 79                | -        | 79      | 77           | -        | 77      | 77                                | -                                     | 77                                      | 74                                | -        | 74           |
|           |                  |          |         |                   |          |         |              |          |         |                                   |                                       |   |                                   |          |              |
| Vietnam   | 182              | 135      | 182     | 162               | 176      | 162     | 221          | 156      | 221     | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $>\!\!<$ | $>\!\!\!\!>$ |

Notes

The monthly Minutes of Use ("MOU") is calculated as the total minutes carried over the network (26 total airtime usage + 36 voice and video usage, but excluding inbound on-net minutes) (1) The the month divided by the simple average number of activated customer. The monthly MOU for the quarter represents the average of the monthly MOU in the quarter. The data for Hong Kong (incl Macau), Israel and Thailand are excluded.

(2)

| Chum <sup>1</sup> | Q4 2009<br>31 December 2009 |          |         | 03 2009<br>30 September 2009 |          |         |              | 02 2009  |         |   | 01 2009                                   |         | 04 2008                             |   |            |
|-------------------|-----------------------------|----------|---------|------------------------------|----------|---------|--------------|----------|---------|---|---|---------|-------------------------------------|---|------------|
|                   |                             |          |         |                              |          |         | 30 June 2009 |          |         |   | 31 March 2009                             | )       | 31 December 2008                    |   |            |
| Market            | Blended                     | Postpaid | Prepaid | Blended                      | Postpaid | Prepaid | Blended      | Postpaid | Prepaid | Blended                                       | Postpaid                                  | Prepaid | Biended                             | Postpaid                                    | Prepaid    |
|                   |                             |          |         |                              |          |         |              |          |         |   |   |         |                                     |   |            |
| Indonesia         | 24.9%                       | 8.4%     | 24.9%   | 24.7%                        | 6.3%     | 24.7%   | 24.9%        | 12.8%    | 25.0%   | 24.8%   | 4.8%                                      | 24.9%   | 24.2%                               | 4.1%  | 24.3%      |
|                   |                             |          |         |                              |          |         |              |          |         |   |   |         |                                     |   |            |
| Sri Lanka         | 0.6%                        | -        | 0.6%    | 1.5%                         | -        | 1.5%    | 10.8%        | -        | 10.8%   | 7.1%  | -   | 7.1%    | 4.4%                                | -   | 4.4%       |
|                   |                             |          |         |                              |          |         |              |          |         |   |   |         |                                     |   |            |
| Vietnam           | 8.4%                        | 3.6%     | 8.4%    | 9.3%                         | 9.1%     | 9.3%    | 0.3%         | 10.6%    | 0.3%    | $>\!$ | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $\succ$ | $>\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!\!$ | $>\!$ | $>\!\!\!>$ |

Notes.

The monthly churn % is calculated as the average number of disconnections (net of reconnection and internal migration between networks) for the month dhided by the simple average number of activated customers for the month. The monthly churn % for the quarter represents the average of the monthly churn rates in the quarter. The data for Hong Kong (incl Macau), Israel and Thailand are excluded. (1)

(2)

rd wishes to remind investors that the above key performance indicators are based on the Group's unaudited internal records. Investors are cautioned not to unduly rely on such data.



As at the date of this announcement, the Directors of the Company are:

## **Executive Directors:**

Mr. LUI Dennis Pok Man Mr. Christopher John FOLL Mr. CHAN Ting Yu *(Also alternate to Mr. Lui Dennis Pok Man)* 

## Non-executive Directors:

Mr. FOK Kin-ning, Canning *(Chairman)* Mrs. CHOW WOO Mo Fong, Susan *(Also alternate to Mr. Fok Kin-ning, Canning and Mr. Frank John Sixt)* Mr. Frank John SIXT

## Independent Non-executive Directors:

Mr. KWAN Kai Cheong Mr. John W. STANTON Mr. Kevin WESTLEY

## Alternate Director:

Mr. WOO Chiu Man, Cliff (Alternate to Mr. Christopher John Foll)

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