

Vodafone Hutchison Australia

# 2019 H1 Performance Media and Analyst Briefing

The future is exciting.

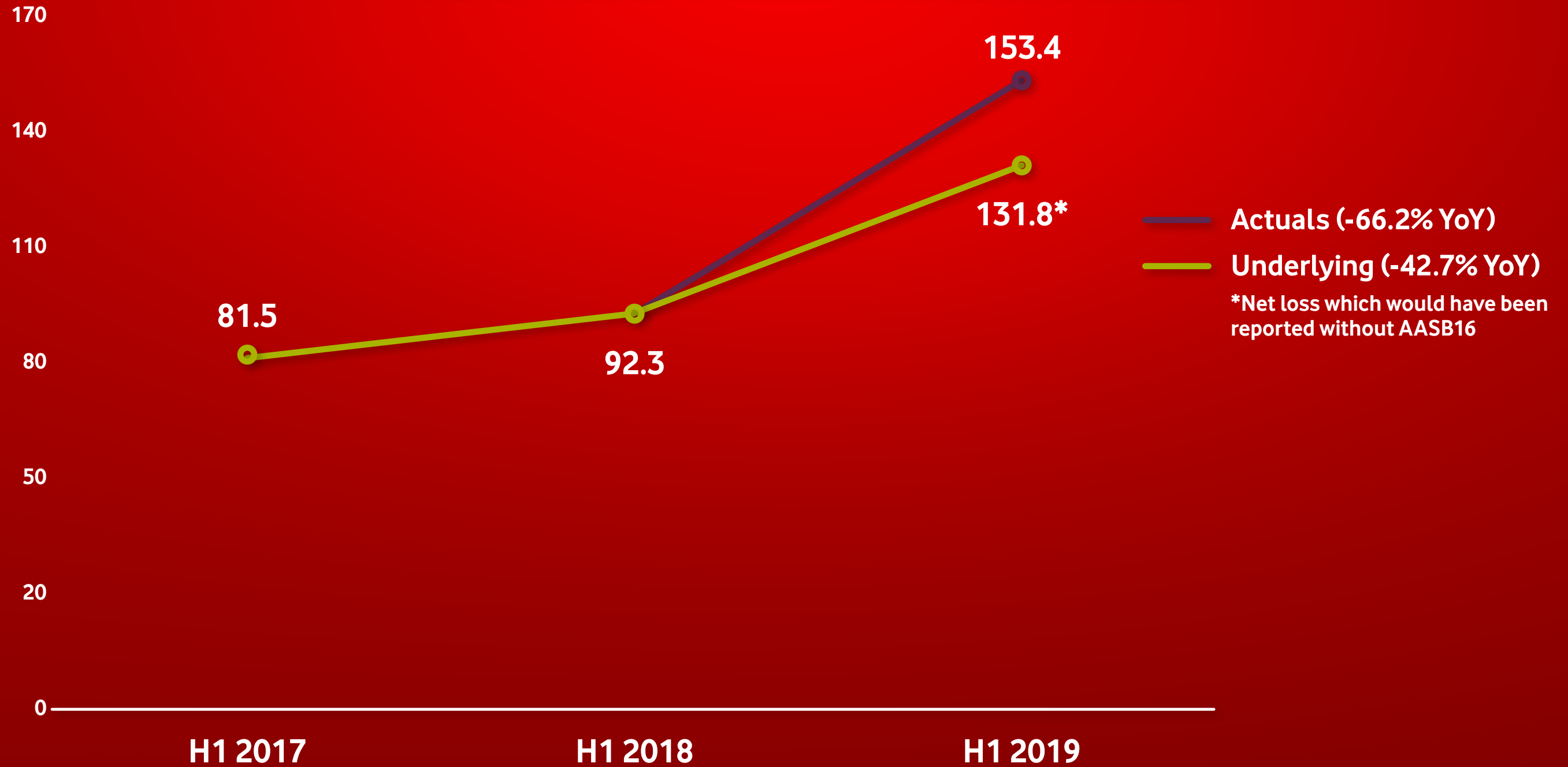
**Ready?**



# 2019 H1 overview

- ✓ **Broadly stable customer base**
- ✓ **Stable EBITDA in challenging competitive environment shows continuing cost focus despite a slight downturn in revenue**
- ✓ **Continued preparatory work for the introduction of 5G technology**
- ✓ **Competitive mobile products and services such as bundle and save**
- ✓ **Steady performance on Vodafone nbn™**
- ✓ **Maintained industry-leading position for customer satisfaction with the lowest rate of complaints among major competitors**
- ✓ **Expanded Narrowband Internet of Things (NB-IoT) network footprint**
- ✓ **Global expansion of Vodafone Foundation's DreamLab app now live in Australia, New Zealand, UK and Italy**
- ✓ **VHA remains committed to the merger with TPG Telecom (ASX: TPM)**

# VHA Net loss (\$m)

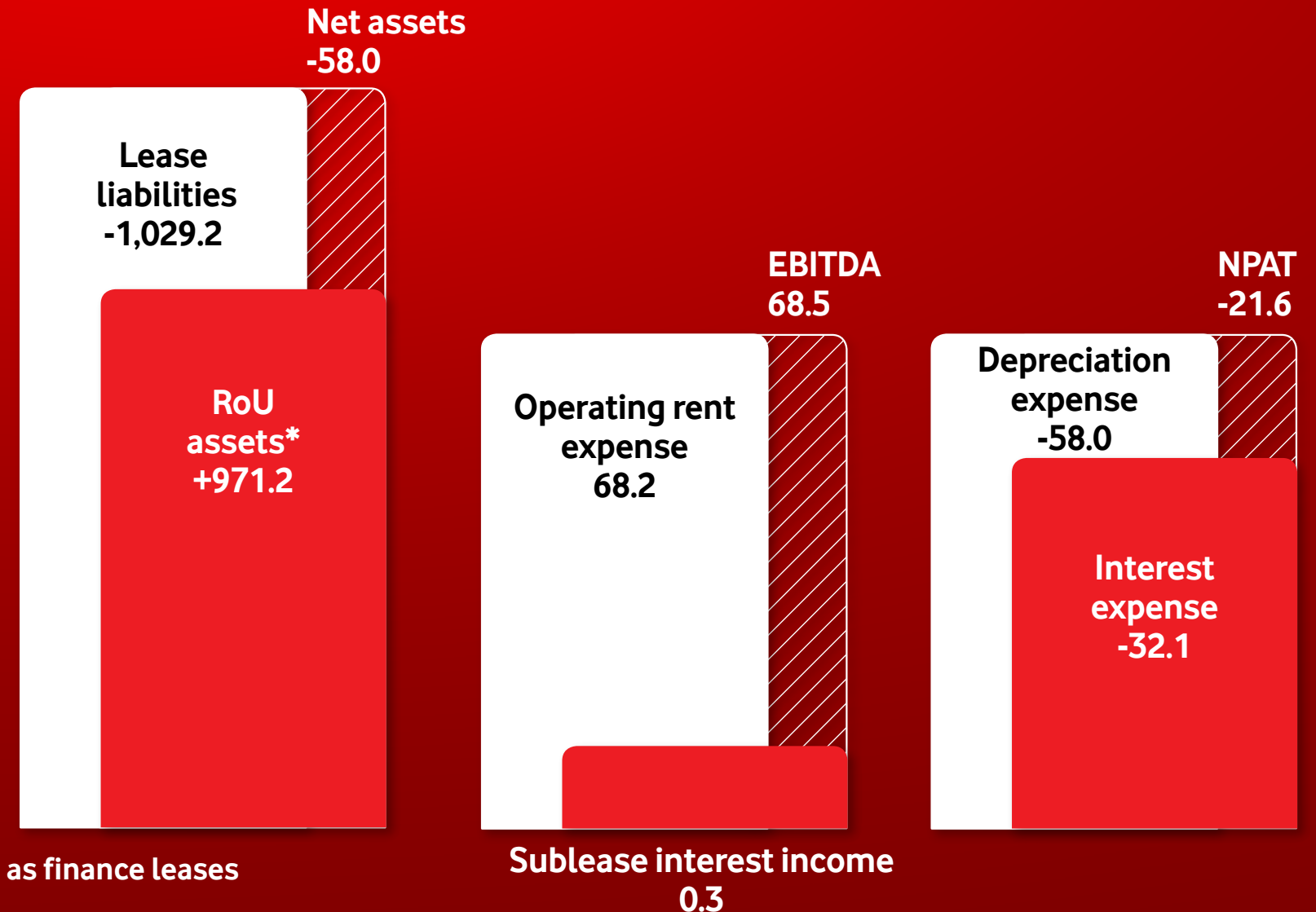


# Global accounting standard changes (AASB16)

## IFRS 16 Impact on VHA

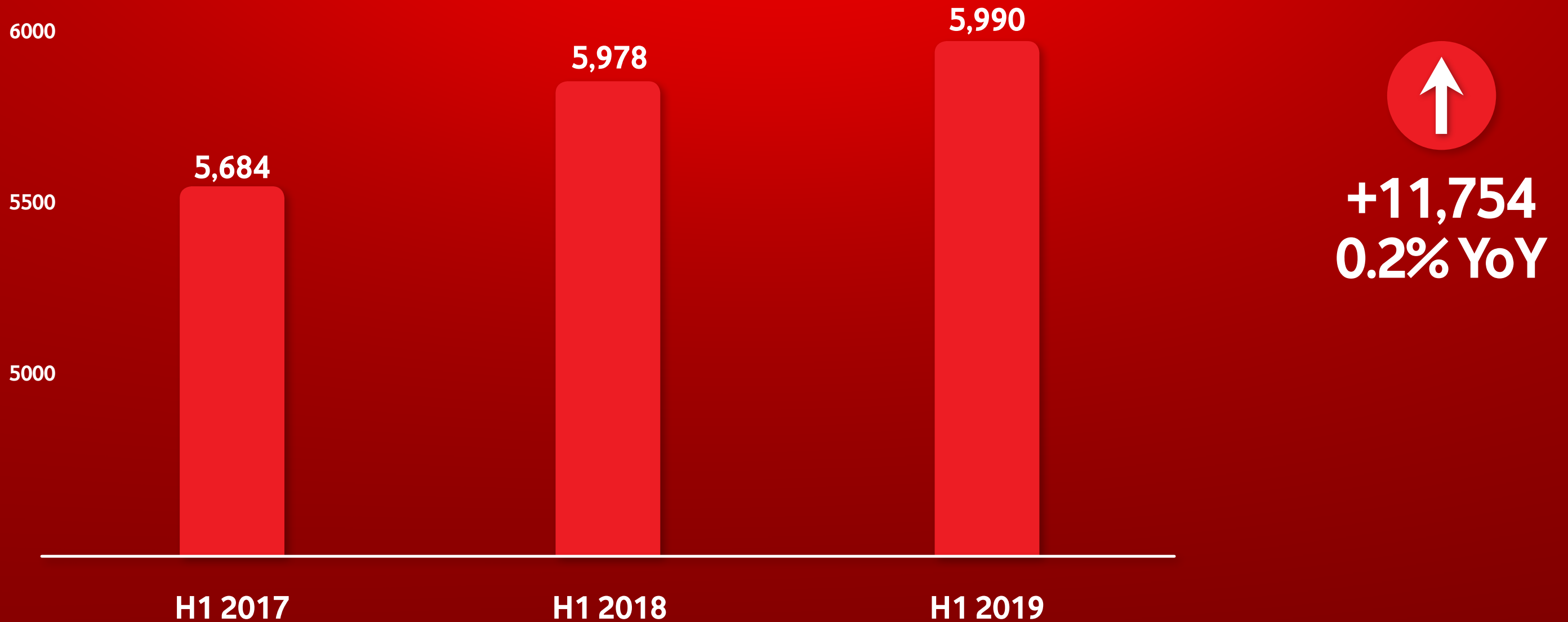
- ✓ A right-of-use asset ('ROU') and corresponding lease liability recognised on balance sheet for a portfolio of VHA's network, commercial and retail lease arrangements.
- ✓ Operating rental expense replaced with ROU depreciation charge and interest expense post-IFRS 16.

## IFRS 16 impact for the half year period to 30 June 2019

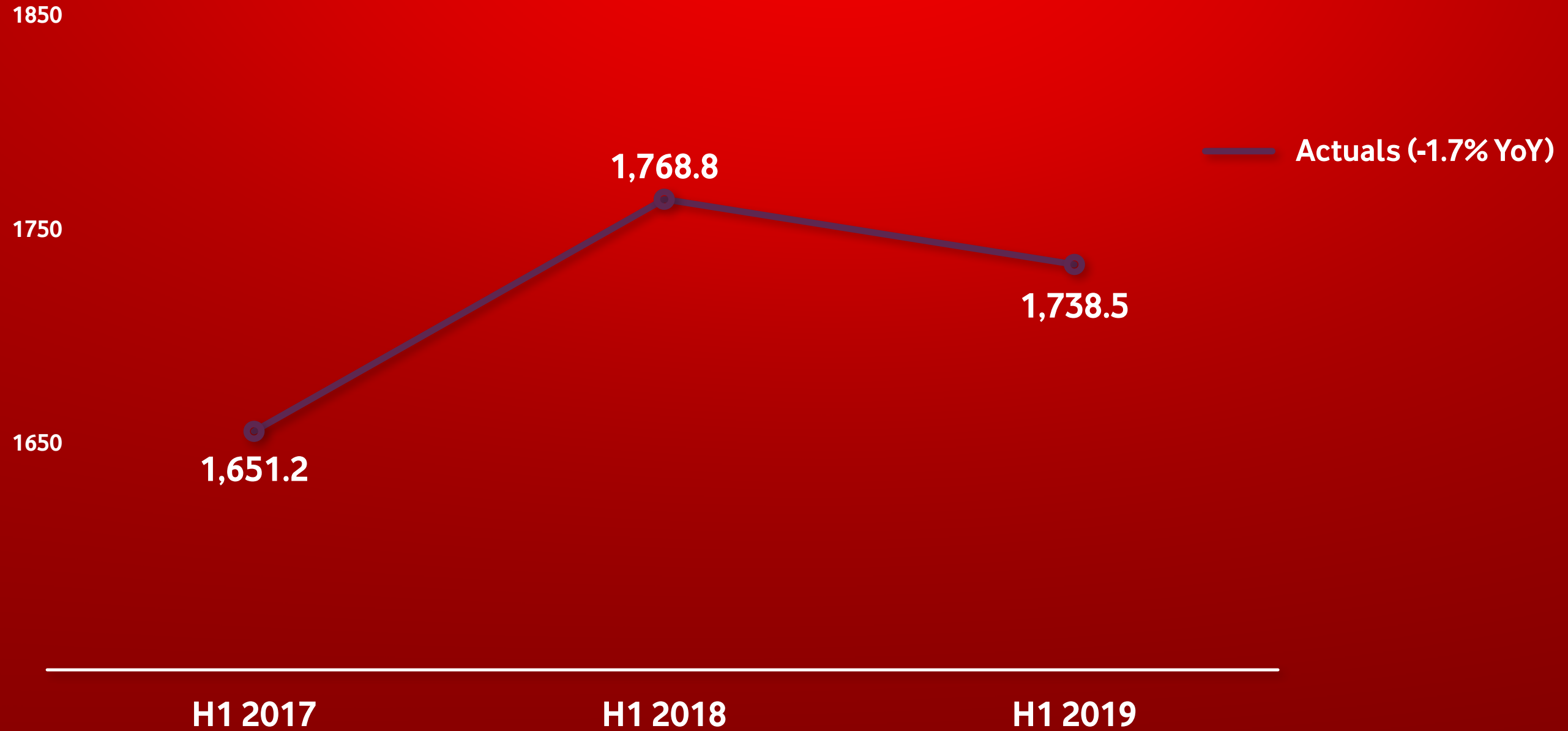


\*Excluding the impact of dark fibre links that were previously recognised as finance leases

# Total network customers ('000)

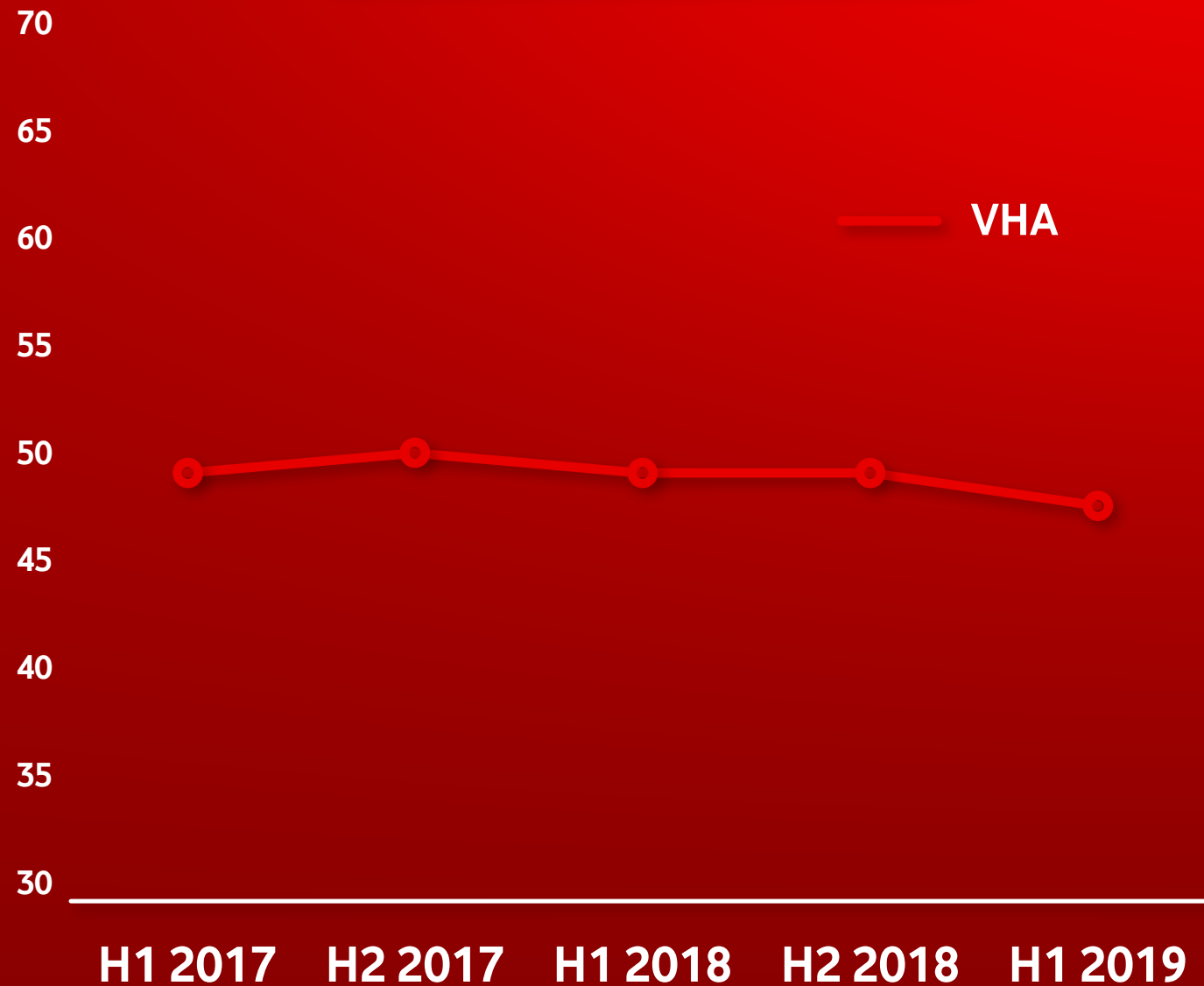


# Revenue (\$m)

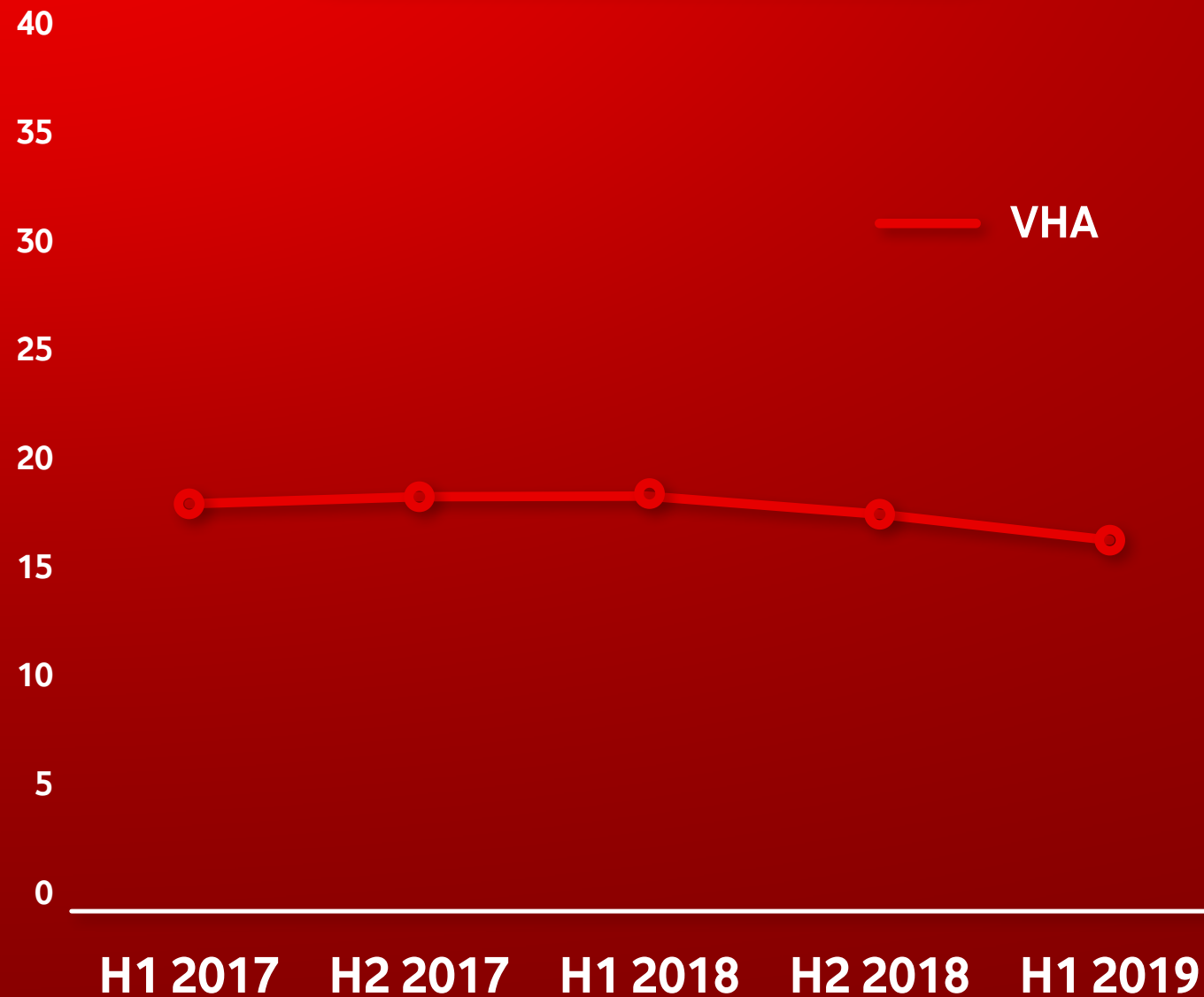


# ARPU (\$)

## Postpaid ARPU

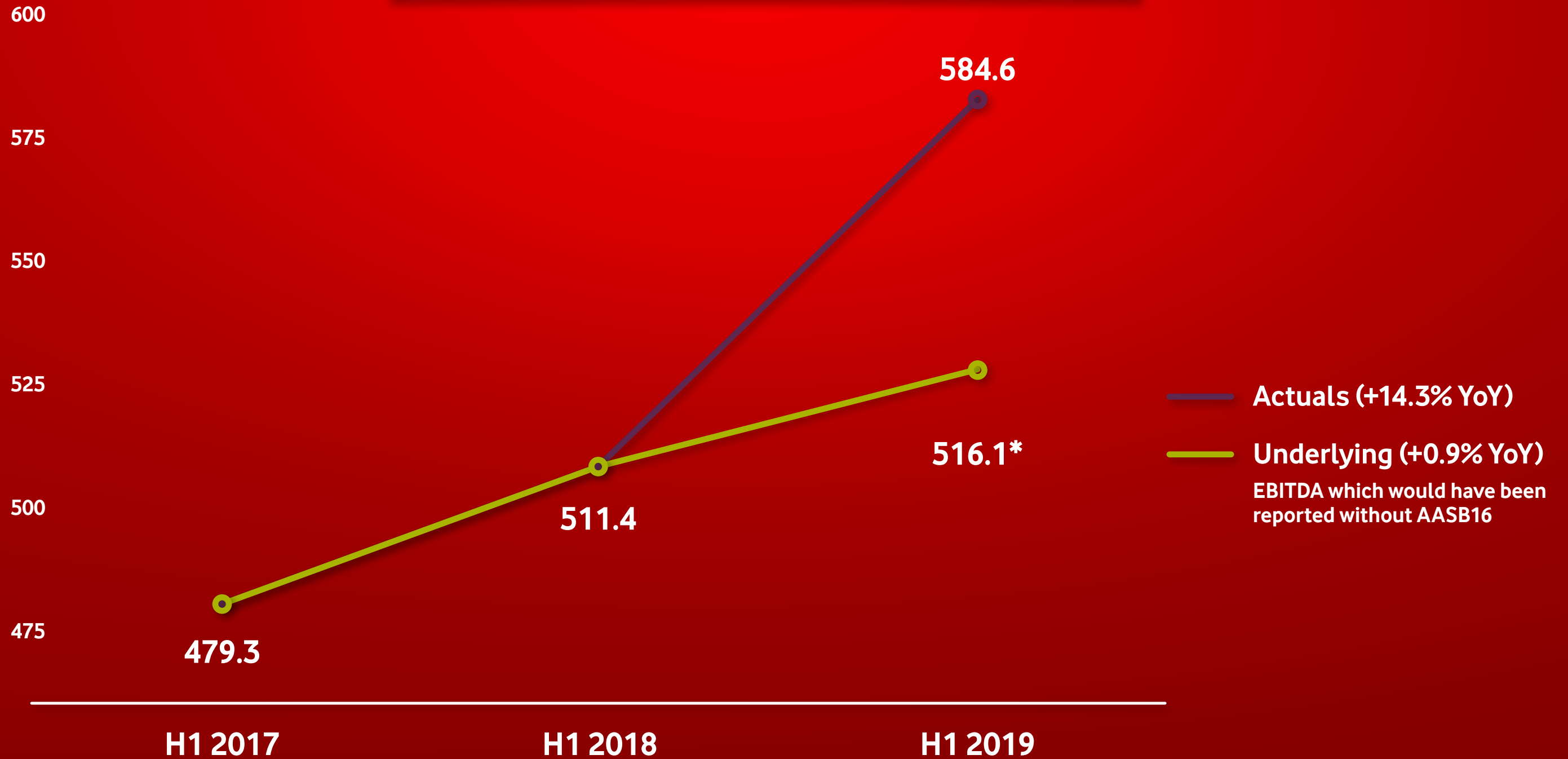


## Prepaid ARPU



Note that 2017 H1 is pre-IFRS 15

# EBITDA (\$'000)



\*EBITDA represents VHA's statutory earnings before interest, tax, depreciation and amortisation.



## 2019 Outlook

- ✓ **Committed to a merger with TPG**
- ✓ **Mobile network expansion and evolution to 5G**
- ✓ **Continued growth in Vodafone nbn™**
- ✓ **Deliver more of the products customers want**
- ✓ **Focus on leading customer experience and service**

**Questions?**

