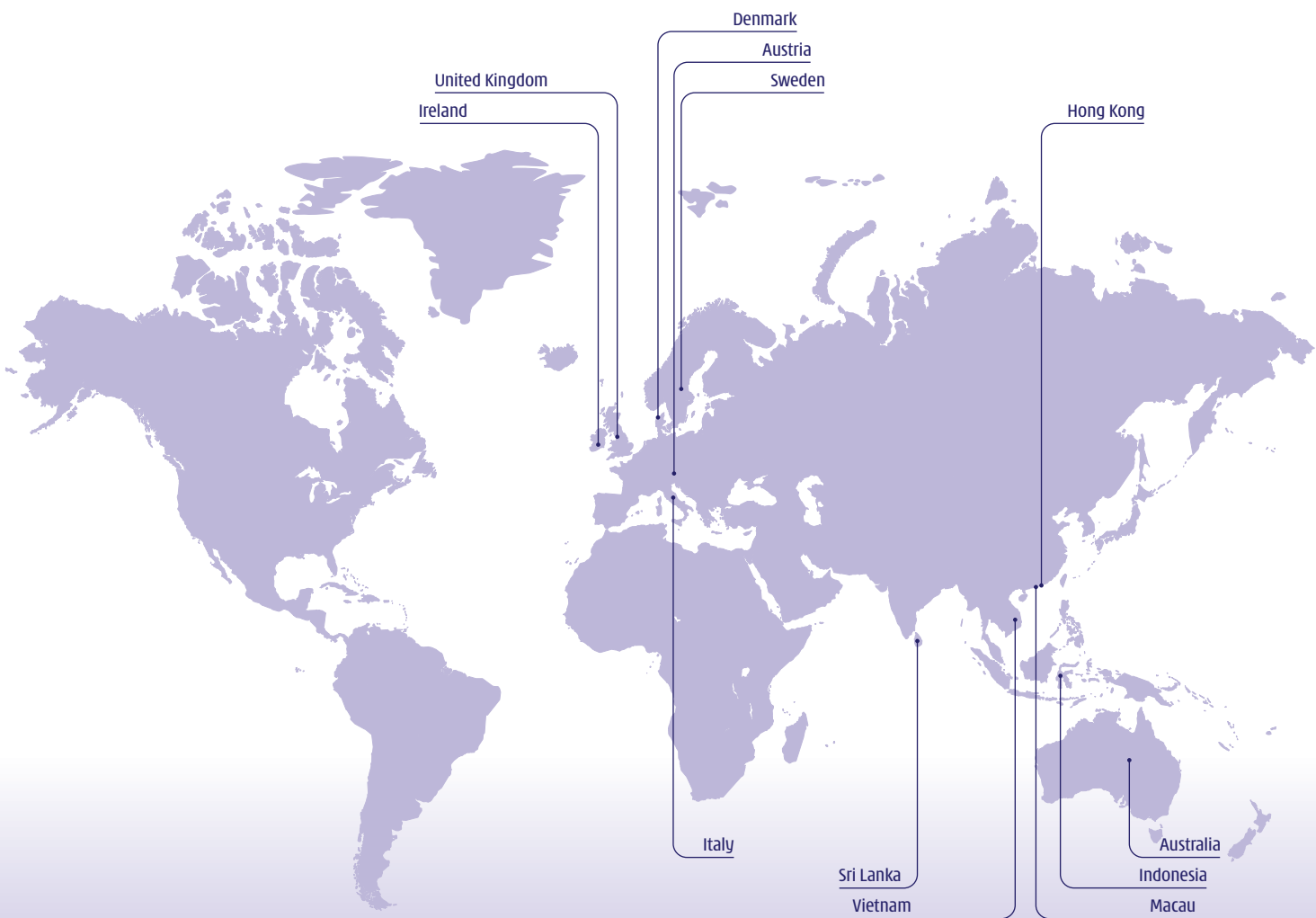




Wind Tre, a joint venture, is formed to own and operate the telecommunication businesses of 3 Italy and WIND in November 2016. It is now Italy's largest mobile operator.

Telecommunications





1. 3 Hong Kong launches 4.5G service to provide smoother data service.
2. 3 Indonesia commences its 4G LTE network rollout on the six main islands in Indonesia and will expand to 12 cities in early 2017.
3. 3 Ireland invests €65 million to transform its IT digital infrastructure, and delivers customer experience innovation across all lines of business.

4



5



4. 3 UK carries 35% of the United Kingdom's mobile internet traffic.

5. 3 Denmark is the first operator in the country to launch nationwide Wi-Fi calling.

The Group's telecommunications division consists of the 3 Group businesses in Europe ("3 Group Europe"), a 66.09% interest in Hutchison Telecommunications Hong Kong Holdings ("HTHKH"), which is listed on the SEHK, Hutchison Asia Telecommunications ("HAT"), and an 87.87% interest in the Australian Securities Exchange listed HTAL. 3 Group Europe is a pioneer of high-speed mobile telecommunications and mobile broadband technologies with businesses in six countries across Europe. HTHKH holds the Group's interests in mobile operations in Hong Kong and Macau, as well as fixed-line operations in Hong Kong. HAT holds the Group's interests in the mobile operations in Indonesia, Vietnam and Sri Lanka. HTAL owns a 50% share in VHA.

Group Performance

3 Group Europe

	2016 HK\$ millions	2015 ⁽¹⁾ HK\$ millions	Change	Change in Local Currency
Total Revenue	62,415	62,799	-1%	+5%
- Net customer service revenue	47,877	47,713	-	+5%
- Handset revenue	11,446	12,696	-10%	
- Other revenue	3,092	2,390	+29%	
Net Customer Service Margin ⁽²⁾	40,121	39,825	+1%	+6%
<i>Net customer service margin %</i>	<i>84%</i>	<i>83%</i>		
Other Margin	1,632	1,187	+37%	
Total CACs	(17,354)	(19,169)	+9%	
Less: Handset revenue	11,446	12,696	-10%	
Total CACs (net of handset revenue)	(5,908)	(6,473)	+9%	
Operating Expenses	(16,901)	(17,143)	+1%	
<i>Opex as a % of net customer service margin</i>	<i>42%</i>	<i>43%</i>		
EBITDA	18,944	17,396	+9%	+15%
<i>EBITDA Margin % ⁽³⁾</i>	<i>37%</i>	<i>35%</i>		
Depreciation & Amortisation	(6,106)	(5,732)	-7%	
EBIT	12,838	11,664	+10%	+17%

Note 1: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

Note 2: Net customer service margin represents net customer service revenue deducting direct variable costs (including interconnection charges and roaming costs).

Note 3: EBITDA margin % represents EBITDA as a percentage of total revenue (excluding handset revenue).

3 Group Europe continue to contribute growth to the Group in 2016. Succeeding from the completion of the 3 Italia and WIND Acquisition Holdings Finance S.p.A. ("WIND") newly formed joint venture, Wind Tre, the division's customer base grew 76% during the year, surpassing 45.9 million active customers at 31 December 2016, while the registered customer base also grew 73% to total over 52.8 million. Following the successful formation of the Italian joint venture, Wind Tre, the proportion of non-contract customers for the division has increased, with the proportion of contract customers as a percentage of the registered customer base decreased from 58% in 2015 to 37% at 31 December 2016, and the revenue generated by contract customers accounted for approximately 76% of overall net customer service revenue, a decrease from 83% in 2015. Management continues to focus on managing churn and the average monthly customer churn rate of the contract customer base decreased to 1.6% from 1.8% last year.

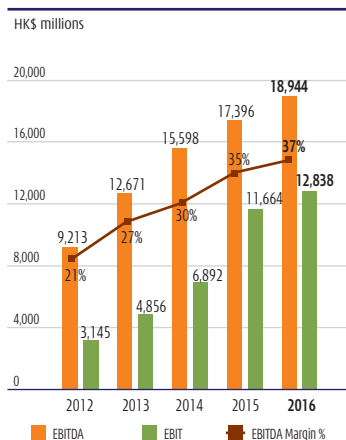
With the accretive revenue from Wind Tre in Italy and the increase in customer base across all of 3 Group Europe operations, net customer service revenue in local currencies increased by 5% compared to last year. However, 3 Group Europe's net ARPU and net AMPU decreased by 10% and 9% to €16.34 and €13.74 respectively compared to 2015, primarily due to the European Union roaming rates reduction, as well as keen competition in all markets.

Total data usage increased 51% compared to last year to approximately 1,432 petabytes in 2016. Data usage per active customer was approximately 51.0 gigabytes per user in 2016 compared to 38.1 gigabytes per user in 2015.

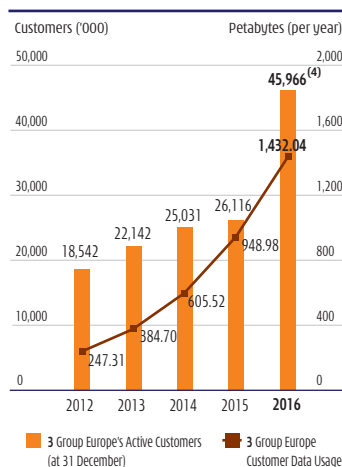
Total CACs, net of handset revenue in contract bundled plans, totalled HK\$5,908 million in 2016, 9% lower than in 2015 and operating expenses also decreased 1% to HK\$16,901 million, despite an increase in customer base, which reflecting the usual cost control disciplines across all operations.

EBITDA and EBIT growth reflected the accretive contribution from the Wind Tre in Italy, the enlarged customer base, improved net customer service margin, lower customer acquisition costs, and continued realisation of post-merger cost synergies in 3 Ireland and 3 Austria.

3 Group Europe - EBITDA & EBIT in reported currency



3 Group Europe's Active Customers and Data Usage



Note 4: Includes approximately 18.9 million of active mobile customers added upon the formation of the joint venture, Wind Tre in Italy.

Key Business Indicators

	Registered Customer Base					
	Registered Customers at 31 December 2016 ('000)			Registered Customer Growth (%) from 31 December 2015 to 31 December 2016		
	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom	4,973	6,436	11,409	+8%	+4%	+6%
Italy ⁽⁵⁾	24,258	7,085	31,343	+430%	+29%	+211%
Sweden	293	1,775	2,068	+15%	+1%	+3%
Denmark	449	787	1,236	+8%	+4%	+5%
Austria	1,277	2,517	3,794	-2%	+1%	–
Ireland	1,791	1,208	2,999	+14%	+3%	+9%
3 Group Europe Total	33,041	19,808	52,849	+160%	+11%	+73%

	Active ⁽⁶⁾ Customer Base					
	Active Customers at 31 December 2016 ('000)			Active Customer Growth (%) from 31 December 2015 to 31 December 2016		
	Non-contract	Contract	Total	Non-contract	Contract	Total
United Kingdom	2,859	6,320	9,179	-1%	+4%	+2%
Italy ⁽⁵⁾	21,833	6,752	28,585	+486%	+25%	+213%
Sweden	213	1,775	1,988	+31%	+1%	+3%
Denmark	414	787	1,201	+5%	+4%	+4%
Austria	434	2,510	2,944	-3%	+2%	+1%
Ireland	888	1,181	2,069	-1%	+3%	+2%
3 Group Europe Total	26,641	19,325	45,966	+213%	+10%	+76%

	2016	2015
Contract customers as a % of the total registered customer base	37%	58%
Contract customers' contribution to the net customer service revenue base (%)	76%	83%
Average monthly churn rate of the total contract registered customer base (%)	1.6%	1.8%
Active contract customers as a % of the total contract registered customer base	98%	98%
Active customers as a % of the total registered customer base	87%	85%

Note 5: Includes approximately 20.5 million of registered mobile customers and approximately 18.9 million of active mobile customers added upon the formation of the joint venture, Wind Tre, but excludes approximately 2.7 million of fixed-line customers.

Note 6: An active customer is one that generated revenue from an outgoing call, incoming call or data/content service in the preceding three months.

**12-month Trailing Average Revenue per Active User⁽⁷⁾ ("ARPU")
to 31 December 2016**

	Non-Contract	Contract	Blended Total	% Variance compared to 31 December 2015
United Kingdom	£5.62	£25.94	£19.24	-4%
Italy ⁽¹⁰⁾	€10.08	€16.92	€13.24	-5%
Sweden	SEK128.35	SEK307.46	SEK290.22	—
Denmark	DKK98.03	DKK169.32	DKK145.04	-1%
Austria	€9.90	€22.66	€20.72	+1%
Ireland	€15.92	€29.21	€23.44	-5%
3 Group Europe Average	€9.85	€25.26	€19.21	-12%

**12-month Trailing Net Average Revenue per Active User⁽⁸⁾ ("Net ARPU")
to 31 December 2016**

	Non-Contract	Contract	Blended Total	% Variance compared to 31 December 2015
United Kingdom	£5.62	£19.00	£14.59	-2%
Italy ⁽¹⁰⁾	€10.08	€16.92	€13.24	-5%
Sweden	SEK128.35	SEK211.85	SEK203.81	-3%
Denmark	DKK98.03	DKK154.62	DKK135.35	—
Austria	€9.90	€19.34	€17.90	+1%
Ireland	€15.92	€24.19	€20.60	-9%
3 Group Europe Average	€9.85	€20.54	€16.34	-10%

**12-month Trailing Net Average Margin per Active User⁽⁹⁾ ("Net AMPU")
to 31 December 2016**

	Non-Contract	Contract	Blended Total	% Variance compared to 31 December 2015
United Kingdom	£5.00	£16.58	£12.76	-1%
Italy ⁽¹⁰⁾	€8.23	€13.47	€10.65	-2%
Sweden	SEK107.71	SEK181.20	SEK174.13	-3%
Denmark	DKK81.11	DKK128.25	DKK112.20	-5%
Austria	€8.83	€16.33	€15.19	+3%
Ireland	€13.15	€20.21	€17.15	-7%
3 Group Europe Average	€8.22	€17.30	€13.74	-9%

Note 7: ARPU equals total monthly revenue, including incoming mobile termination revenue and contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the year.

Note 8: Net ARPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in contract bundled plans, divided by the average number of active customers during the year.

Note 9: Net AMPU equals total monthly revenue, including incoming mobile termination revenue but excluding contributions for a handset/device in contract bundled plans, less direct variable costs (including interconnection charges and roaming costs) (i.e. net customer service margin), divided by the average number of active customers during the year.

Note 10: Italy's ARPU, Net ARPU and Net AMPU were calculated based on approximately ten months (January to October 2016) of 3 Italia's standalone figures and approximately two months (November to December 2016) of Wind Tre's figures.

United Kingdom

	2016 GBP millions	2015 ⁽¹¹⁾ GBP millions	Change
Total Revenue	2,276	2,195	+4%
- Net customer service revenue	1,599	1,573	+2%
- Handset revenue	531	549	-3%
- Other revenue	146	73	+100%
Net Customer Service Margin	1,399	1,363	+3%
<i>Net customer service margin %</i>	87%	87%	
Other Margin	35	18	+94%
Total CACs	(751)	(764)	+2%
Less: Handset revenue	531	549	-3%
Total CACs (net of handset revenue)	(220)	(215)	-2%
Operating Expenses	(495)	(480)	-3%
<i>Opex as a % of net customer service margin</i>	35%	35%	
EBITDA	719	686	+5%
<i>EBITDA Margin %</i>	41%	42%	
Depreciation & Amortisation	(223)	(225)	+1%
EBIT	496	461	+8%
Capex (excluding licence)	(352)	(358)	+2%
EBITDA less Capex	367	328	+12%
Licence	—	(212)	+100%

Note 11: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

	2016	2015
Total registered customer base (millions)	11.4	10.8
Total active customer base (millions)	9.2	9.0
Contract customers as a % of the total registered customer base	56%	57%
Contract customers' contribution to the net customer service revenue base (%)	87%	89%
Average monthly churn rate of the total contract registered customer base (%)	1.4%	1.5%
Active contract customers as a % of the total contract registered customer base	98%	98%
Active customers as a % of the total registered customer base	80%	83%

The 5% EBITDA growth and 8% EBIT growth over 2015 reflected the higher net customer service margin primarily driven by an enlarged customer base, partly offset by 1% decrease in net AMPU compared to 2015. This margin improvement as well as the improvement in MVNO wholesale business, were partly offset by 3% higher operating expenses mainly due to higher network costs for commissioning of additional new sites.

On 6 February 2017, 3 UK entered into an agreement to acquire UK Broadband for a total consideration of £300 million. Completion of the transaction is subject to the fulfillment, or waiver by 3 UK, of a number of conditions precedent specified in the share purchase agreement by 31 July 2017. This acquisition provides 3 UK with additional mobile spectrum, which may be used for a future launch of 5G services, and also allows 3 UK to pursue a new segment opportunity in home broadband.

Italy

	January to October 2016 ⁽¹²⁾ EUR millions	November to December 2016 ⁽¹²⁾ EUR millions	2016 EUR millions	2015 ⁽¹³⁾ EUR millions	Change
Total Revenue	1,553	489	2,042	1,825	+12%
- Net customer service revenue	1,291	451	1,742	1,478	+18%
- Handset revenue	231	30	261	297	-12%
- Other revenue	31	8	39	50	-22%
Net Customer Service Margin	1,018	361	1,379	1,153	+20%
<i>Net customer service margin %</i>	79%	80%	79%	78%	
Other Margin	26	7	33	48	-31%
Total CACs	(442)	(47)	(489)	(560)	+13%
Less: Handset revenue	231	30	261	297	-12%
Total CACs (net of handset revenue)	(211)	(17)	(228)	(263)	+13%
Operating Expenses	(554)	(142)	(696)	(662)	-5%
<i>Opex as a % of net customer service margin</i>	54%	39%	51%	57%	
EBITDA	279	209	488	276	+77%
<i>EBITDA Margin %</i>	21%	46%	27%	18%	
Depreciation & Amortisation	(125)	(40)	(165)	(119)	-39%
EBIT	154	169	323	157	+106%
Capex (excluding licence)	(189)			(446)	
EBITDA less Capex	90			(170)	

Note 12: January to October 2016 results represented approximately ten months results of 3 Italia and its subsidiaries prior to the formation of the joint venture, Wind Tre that was completed on 5 November 2016. Whilst November to December 2016 results represented the Group's 50% equity share of approximately two months results of Wind Tre post completion, of which revenue and EBITDA of fixed-line business amounted to €93.8 million and €38.0 million respectively.

Note 13: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

	2016	2015
Total registered customer base (millions)	31.3	10.1
Total active customer base (millions)	28.6	9.1
Contract customers as a % of the total registered customer base	23%	55%
Contract customers' contribution to the net customer service revenue base (%) ⁽¹⁴⁾	59%	74%
Average monthly churn rate of the total contract registered customer base (%) ⁽¹⁴⁾	2.4%	2.7%
Active contract customers as a % of the total contract registered customer base	95%	98%
Active customers as a % of the total registered customer base	91%	90%

Note 14: 2016 key business indicators were calculated based on approximately ten months (January to October 2016) of 3 Italia's standalone figures and approximately two months (November to December 2016) of Wind Tre's figures.

Following the completion of the formation of a 50/50 joint venture, Wind Tre, to jointly own and operate the telecommunications businesses in Italy of 3 Italia and WIND on 5 November 2016, the combined business has become the largest mobile operator in Italy with approximately 31.3 million registered mobile customers and approximately 2.7 million fixed-line customers as at 31 December 2016.

Wind Tre has presented a set of combined results for the full year 2016 assuming the formation of the joint venture was effective as at 1 January 2016. Total revenue of €6,491 million in 2016 reflected the full year revenue of the telecommunications businesses in Italy of each of 3 Italia and WIND, while EBITDA and EBIT before one-off impairment and write-off, amounts to €2,124 million and €560 million respectively in 2016.

The results of the telecommunications businesses in Italy included in the Group's consolidated income statement for the year ended 31 December 2016 represented approximately ten months results of 3 Italia and its subsidiaries prior to the formation of the joint venture that was completed on 5 November 2016 and the Group's 50% share of

Italy (continued)

approximately two months results of Wind Tre post completion. In addition, upon formation of the joint venture, the accounting standards require the Group to account for the joint venture's assets and liabilities at fair value. Accordingly, adjustments to the results of the telecommunications businesses in Italy have been made when the Group's 50% interest in the joint venture is incorporated into the Group's consolidated results.

The Group's share of EBITDA and EBIT of the telecommunication businesses in Italy amounted to €488 million and €323 million respectively in 2016.

Sweden

	2016 SEK millions	2015 ⁽¹⁵⁾ SEK millions	Change
Total Revenue	7,221	7,019	+3%
- Net customer service revenue	4,854	4,657	+4%
- Handset revenue	2,047	2,073	-1%
- Other revenue	320	289	+11%
Net Customer Service Margin	4,149	3,995	+4%
<i>Net customer service margin %</i>	85%	86%	
Other Margin	139	101	+38%
Total CACs	(2,790)	(2,806)	+1%
Less: Handset revenue	2,047	2,073	-1%
Total CACs (net of handset revenue)	(743)	(733)	-1%
Operating Expenses	(1,429)	(1,338)	-7%
<i>Opex as a % of net customer service margin</i>	34%	33%	
EBITDA	2,116	2,025	+5%
<i>EBITDA Margin %</i>	41%	41%	
Depreciation & Amortisation	(607)	(653)	+7%
EBIT	1,509	1,372	+10%
Capex (excluding licence)	(796)	(809)	+2%
EBITDA less Capex	1,320	1,216	+9%
Licence ⁽¹⁶⁾	(100)	–	N/A

Note 15: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

Note 16: Represented the licence investment for 2x5 MHz in 1800 MHz band.

	2016	2015
Total registered customer base (millions)	2.1	2.0
Total active customer base (millions)	2.0	1.9
Contract customers as a % of the total registered customer base	86%	87%
Contract customers' contribution to the net customer service revenue base (%)	94%	95%
Average monthly churn rate of the total contract registered customer base (%)	1.7%	1.5%
Active contract customers as a % of the total contract registered customer base	100%	100%
Active customers as a % of the total registered customer base	96%	96%

In Sweden, where the Group has a 60% interest, reported a 4% increase in net customer service margin, primarily driven by 3% growth in active customer base partly offset by 3% decrease in both net ARPU and net AMPU due to mounting market pressure and increase in the mix of non-contract customer base. The 5% EBITDA growth and 10% EBIT growth over 2015 reflected the higher net customer service margin, partly offset by 7% increase in operating expenses.

Denmark

	2016 DKK millions	2015 ⁽¹⁷⁾ DKK millions	Change
Total Revenue	2,127	2,078	+2%
- Net customer service revenue	1,913	1,802	+6%
- Handset revenue	86	178	-52%
- Other revenue	128	98	+31%
Net Customer Service Margin	1,591	1,571	+1%
<i>Net customer service margin %</i>	83%	87%	
Other Margin	82	52	+58%
Total CACs	(311)	(433)	+28%
Less: Handset revenue	86	178	-52%
Total CACs (net of handset revenue)	(225)	(255)	+12%
Operating Expenses	(705)	(664)	-6%
<i>Opex as a % of net customer service margin</i>	44%	42%	
EBITDA	743	704	+6%
<i>EBITDA Margin %</i>	36%	37%	
Depreciation & Amortisation	(283)	(274)	-3%
EBIT	460	430	+7%
Capex (excluding licence)	(209)	(161)	-30%
EBITDA less Capex	534	543	-2%
Licence ⁽¹⁸⁾	(292)	—	N/A

Note 17: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

Note 18: Represented the licence investment for 2x30 MHz in 1800 MHz band.

	2016	2015
Total registered customer base (millions)	1.2	1.2
Total active customer base (millions)	1.2	1.2
Contract customers as a % of the total registered customer base	64%	65%
Contract customers' contribution to the net customer service revenue base (%)	75%	76%
Average monthly churn rate of the total contract registered customer base (%)	2.2%	2.8%
Active contract customers as a % of the total contract registered customer base	100%	100%
Active customers as a % of the total registered customer base	97%	98%

The operation in Denmark, where the Group has a 60% interest, reported a 1% increase in net customer service margin, primarily driven by 4% growth in active customer base partly offset by 5% decrease in net AMPU from higher national roaming costs. The 6% and 7% growth in EBITDA and EBIT respectively reflected the higher net customer service margin, as well as lower total CACs, partly offset by higher operating expenses.

Austria

	2016 EUR millions	2015 ⁽¹⁹⁾ EUR millions	Change
Total Revenue	772	736	+5%
- Net customer service revenue	624	613	+2%
- Handset revenue	125	99	+26%
- Other revenue	23	24	-4%
Net Customer Service Margin	529	514	+3%
<i>Net customer service margin %</i>	<i>85%</i>	<i>84%</i>	
Other Margin	20	16	+25%
Total CACs	(166)	(132)	-26%
Less: Handset revenue	125	99	+26%
Total CACs (net of handset revenue)	(41)	(33)	-24%
Operating Expenses	(166)	(181)	+8%
<i>Opex as a % of net customer service margin</i>	<i>31%</i>	<i>35%</i>	
EBITDA	342	316	+8%
<i>EBITDA Margin %</i>	<i>53%</i>	<i>50%</i>	
Depreciation & Amortisation	(97)	(64)	-52%
EBIT	245	252	-3%
Capex (excluding licence)	(90)	(116)	+22%
EBITDA less Capex	252	200	+26%

Note 19: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

	2016	2015
Total registered customer base (millions)	3.8	3.8
Total active customer base (millions)	2.9	2.9
Contract customers as a % of the total registered customer base	66%	66%
Contract customers' contribution to the net customer service revenue base (%)	92%	92%
Average monthly churn rate of the total contract registered customer base (%)	0.2%	0.4%
Active contract customers as a % of the total contract registered customer base	100%	99%
Active customers as a % of the total registered customer base	78%	77%

EBITDA increased 8% from 2015 to €342 million mainly due to higher net customer service margin driven by the improved net AMPU from new tariff propositions, together with lower operating expenses attributable to the realisation of additional cost synergies from the Orange Austria acquisition in 2013. Despite an improved EBITDA, EBIT decreased 3% to €245 million in 2016 due to higher depreciation and amortisation as a result of expanded network.

Ireland

	2016 EUR millions	2015 ⁽²⁰⁾ EUR millions	Change
Total Revenue	655	689	-5%
- Net customer service revenue	504	549	-8%
- Handset revenue	81	79	+3%
- Other revenue	70	61	+15%
Net Customer Service Margin	420	448	-6%
<i>Net customer service margin %</i>	83%	82%	
Other Margin	44	30	+47%
Total CACs	(122)	(127)	+4%
Less: Handset revenue	81	79	+3%
Total CACs (net of handset revenue)	(41)	(48)	+15%
Operating Expenses	(235)	(256)	+8%
<i>Opex as a % of net customer service margin</i>	56%	57%	
EBITDA	188	174	+8%
<i>EBITDA Margin %</i>	33%	29%	
Depreciation & Amortisation	(76)	(65)	-17%
EBIT	112	109	+3%
Capex (excluding licence)	(103)	(132)	+22%
EBITDA less Capex	85	42	+102%

Note 20: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

	2016	2015
Total registered customer base (millions)	3.0	2.7
Total active customer base (millions)	2.1	2.0
Contract customers as a % of the total registered customer base	40%	43%
Contract customers' contribution to the net customer service revenue base (%)	66%	68%
Average monthly churn rate of the total contract registered customer base (%)	1.5%	1.6%
Active contract customers as a % of the total contract registered customer base	98%	98%
Active customers as a % of the total registered customer base	69%	74%

EBITDA of €188 million and EBIT of €112 million were higher than 2015 as a result of the continued realisation of cost synergies from network consolidation and system enhancement activities, partly offset by lower net AMPU primarily due to the full year impact of handset revenue amortisation of the newly retained customers from the O₂ Ireland base in 2016.

Hutchison Telecommunications Hong Kong Holdings

	2016 HK\$ millions	2015 ⁽²¹⁾ HK\$ millions	Change
Total Revenue	12,133	22,122	-45%
EBITDA	2,607	2,911	-10%
EBIT	1,055	1,426	-26%
Total active customer base ('000)	3,222	3,031	+6%

Note 21: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

HTHKH announced its 2016 profit attributable to shareholders of HK\$701 million, a decrease of 23% from last year. EBITDA of HK\$2,607 million and EBIT of HK\$1,055 million were 10% and 26% lower than last year respectively. The lower performance in 2016 is primarily driven by lower hardware sales from lower demand, as well as the reduction in mobile roaming revenue. The mobile business has stabilised its contract customer declines from the second quarter of 2016 due to a gradual pick up in higher margin contract customers and has reduced its full year churn from 1.8% in 2015 to 1.3% in 2016. The fixed-line telecommunications business in Hong Kong continues to provide stable contribution in 2016 driven by the carrier and corporate business segments.

Hutchison Asia Telecommunications

	2016 HK\$ millions	2015 ⁽²²⁾ HK\$ millions	Change	Change in Local Currency
Total Revenue	8,200	6,900	+19%	+19%
EBITDA	2,298	1,176	+95%	+96%
EBIT	2,130	1,176	+81%	+82%
Total active customer base ('000)	77,369	72,820	+6%	

Note 22: 2015 pro forma results assumed that the Reorganisation was effective on 1 January 2015.

HAT had an active customer base of approximately 77.4 million at the end of 2016, with Indonesia representing 88% of the base. EBITDA of HK\$2,298 million and EBIT of HK\$2,130 million in 2016 represent a growth of 95% and 81% over last year respectively, primarily driven by the strong data segment growth of the Indonesia operation, partly offset by higher costs associated with the gradual acceptance of the turnkey network contract in various regions in Indonesia.

After the conversion of the Vietnam operation into a joint stock company in October 2016, the Company will accelerate its network rollout and increase its penetration into the data market segment, while Indonesia and Sri Lanka will also continue to expand its network coverage through effective and efficient rollout strategies in order to meet accelerating data demands in their local markets.

HTAL, share of VHA

HTAL announced total revenue from its share of 50% owned associated company, VHA ⁽²³⁾, of A\$1,673 million, an 8% decrease over last year driven entirely by the reduction in regulated mobile termination rates for all carriers in Australia from 1 January 2016. This reduction in the regulated mobile termination rates had minimal impact to the net customer services margin for VHA, which improved by 2% against last year.

EBITDA increased by 12% over last year to A\$456 million mainly driven by growth in customer base and good cost controls, correspondingly with lower depreciation and amortisation, the reported attributable share of loss improved by 64% compared to 2015 of A\$68 million. These improvements have also resulted in VHA achieving positive free cash flow for the year.

VHA's active customer base increased 2% to approximately 5.6 million (including MVNOS) at 31 December 2016, with over 3% growth in the higher margin contract segment. Complaints to the Telecommunications Industry Ombudsman during the December 2016 quarter was 22% lower than the industry average. Recently, VHA was ranked as the network with the best combined voice and data performance in major cities ⁽²⁴⁾ in Australia.

Following a promising performance in 2016, VHA will continue to focus on its product offerings, network and customer service in order to continue to grow the customer base and a strong brand.

Note 23: The Group's share of VHA's operating losses continue to be included as a P&L charge under "Others" of the Group's profits on disposal of investments and others line as VHA continues to operate under the leadership of Vodafone under the applicable terms of our shareholders' agreement since the second half of 2012.

Note 24: Cities with population over 100,000.