



For Immediate Release

Earnings up 5.2% as CSL continues to lead the market

Hong Kong, 1 September 2008 . CSL, Hong Kong's leading mobile operator, has announced its yearly earnings before interest, tax, depreciation and amortization (EBITDA) rose 5.2% to HK\$1,830 million.

CSL continues its strategic program of review and improvement across all aspects of its business. For the full-year ending 30 June 2008, total income grew by 4.7% to HK\$6,395 million.

CSL's investment program for FY07/08 involved a total of HK\$937m in capital expenditure (CAPEX) up 89% year-on-year, across all areas of the business, including the network and IT infrastructure, CSL's CRM systems and call centres, and CSL's 1010 and O2F retail distribution network.

CSL's Chief Executive Officer, Mr. Tarek A. Robbiati, said this positive performance in arguably the world's most competitive telecommunications market is testimony to the strength of the CSL's 1010, O2F and NWM brands, the performance of CSL's dedicated employees and their relentless customer focus.

Mr. Robbiati also said that increased activity was driven by growth in data, handset sales, international voice and mobile virtual network operator (MVNO) revenues, offset by a decline in local voice revenues which suffered from sustained tariff competition in the Hong Kong market.

As we move beyond our 25th year in the Hong Kong, customers are increasingly turning to CSL because of our ability to consistently meet and exceed their expectations, Mr. Robbiati said.

Mr. Robbiati also said that in order to retain our market leading position we must continue to strategically refine and re-evaluate our performance. With the deterioration of the competitive landscape and a regulatory environment in Hong Kong whose

interconnection regime is biased against Mobile Network Operators and ultimately harms consumers and businesses alike, pin-point accuracy in execution is required to deliver sustainable returns.

Mr. John Stanhope, Chairman of CSLNWM added: "These strong results show the impact of the new strategy and the new management on the business, despite a tough competitive environment. The integration of CSLNWM is well underway and our shareholders are pleased with the performance delivered by the business."

**CSL New World Mobility
Financial Summary***

	Year ended 30 June		
	2008 HK\$m	2007 HK\$m	Change %
Total income.....	6,395	6,109	4.7%
Total expense (excluding depreciation & amortisation).....	4,565	4,369	4.5%
EBITDA	1,830	1,740	5.2%
Depreciation & amortisation	1,486	1,095	35.7%
EBIT.....	344	645	(46.7%)
CAPEX	937	496	88.9%
Subscribers.....	2,626k	2,651k	-0.9%
EBITDA margin	28.6%	28.5%	+10bps

*CSLNWM reports results under A-IFRS (Australian-IFRS) accounting standards. Under A-IFRS, subscriber acquisition costs and subsidies are expensed and not capitalized in the P&L.

- End -

About CSL

Established in 1983, CSL is Hong Kong's first mobile operator and in 2008 we proudly celebrated 25 years of business. We are the leading mobile network operator in Hong Kong, arguably the most competitive telecommunications market in the world.

CSL New World Mobility Limited (CSLNWM) is 76.4% beneficially owned by Telstra Corporation Limited and 23.6% beneficially owned by New World Development Company Limited. CSL Limited (CSL) is ultimately 100% owned by CSL New World Mobility Limited.

We are also the first mobile company in Hong Kong to employ a distinctive market segmentation strategy and we use leading-edge technologies to provide customer-focused services.

CSL is committed to retaining its market leading position by delivering innovative and relevant

services to our customers. So that we can be sure that our customers know what CSL has to offer we market our services through our segmented brands: 1010, One2Free and New World Mobility.

We operate a world-class GSM / WCDMA network through which we offer comprehensive post and pre-paid mobile services to both local and international customers. CSL is also the leading roaming operator in Hong Kong as we are able to provide unmatched international multi-media connectivity with more than 260 destinations around the world.

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