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MEDIA RELEASE

Telecom shareholders re-elect directors to board

At Telecom's annual meeting in Christchurch today, shareholders re-elected director Dr Murray Horn and elected Sue Sheldon as a new director. Rod McGeoch retired as a director after more than nine years' service on the Telecom board.

Telecom Chairman Wayne Boyd said the annual meeting enabled shareholders to have their say on a range of issues affecting the company and to get an update on the company's progress.

Mr Boyd said that Telecom was strongly positioned after the successful execution of the first two years of its five year strategy.

"The core of our strategy is to transform Telecom by investing for the long-term health of the organisation, and as a result Telecom is in a much stronger position to thrive over the long term than it was three years ago."

Mr Boyd also updated shareholders on Telecom's involvement in the Government's Ultra-fast Broadband (UFB) initiative.

"Telecom remains strongly engaged in the UFB process, and is committed to investigating partnerships with other public and private sector owners of fibre assets which could improve the overall economics of our proposed national solution," Mr Boyd said.

Telecom CEO, Dr Paul Reynolds, said the company is engaging strongly with government and Crown Fibre Holdings.

"There is now an opportunity for more of a dialogue, and we anticipate these will be productive discussions," Dr Reynolds said.

Voting results

Shareholders were asked to vote on three resolutions, all of which were supported by the Board. All resolutions were decided by poll.

Resolutions passed by shareholders today were:

- Authorising the directors to fix the remuneration of the auditors, KPMG
- Re-election of director Murray Horn, who was standing for re-election by rotation as required by relevant listing rules
- Election of Sue Sheldon as a director

Details of the total number of votes cast in person or by the proxy on the poll were:

Resolution	For	Against	Abstain
1. That the directors are authorised to fix the remuneration of the auditors, KPMG	1,238,419,676 99.67%	4,150,061 0.33%	52,974,060
2. That Dr Murray Horn be re-elected as a director of Telecom	1,240,460,536 99.76%	3,028,938 0.24%	52,054,323
3. That Ms Sue Sheldon be elected as a director of Telecom	1,238,411,199 99.60%	4,966,557 0.40%	52,166,041

Details of the manner in which shareholders directed the proxy to vote at proxy close (and included above):

Proxies	For	Discretionary Board proxies	Discretionary other proxies	Against	Abstain
1. That the directors are authorised to fix the remuneration of the auditors, KPMG	1,236,202,835	745,626	1,024,796	4,150,061	52,910,894
2. That Dr Murray Horn be re-elected as a director of Telecom	1,238,256,132	705,066	1,009,157	3,015,901	52,047,956
3. That Ms Sue Sheldon be elected as a director of Telecom	1,236,215,891	729,262	1,008,352	4,920,233	52,160,474

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