

Form 603

Corporations Law
Section 671B

Notice of initial substantial holder

To Company Name/Scheme	Telecom Corporation of New Zealand Limited (NS)		
ACN/ARSN	050 611 277		
1. Details of substantial holder (1)			
Name	SCHRODER INVESTMENT MANAGEMENT AUSTRALIA LIMITED		
ACN / ARSN (if applicable)	22 000 443 274		
The holder became a substantial holder on 25/11/2010			
2. Details of voting power			
The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:			
Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary Shares	97,996,890	97,996,890	5.09%
3. Details of relevant interests			
The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:			
Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities	
SIMAL	Ordinary Shares	86,329,892	
SIM LTD	Ordinary Shares	9,226,186	
SIMNA INC	Ordinary Shares	1,720,115	
SIM LUX	Ordinary Shares	399,170	
SIMJP	Ordinary Shares	321,527	
4. Details of present registered holders			
The persons registered as holders of the securities referred to in paragraph 3 above are as follows:			
Holder of relevant interest	Registered holder of securities	Beneficial Owner of securities	Class and number of securities
SIMAL	BNP Paribas	Clearview	1,380,258
SIMAL	BNP Paribas	AMP Capital Investors	3,332,165
SIMAL	JP Morgan Custodial Services	Energy Industries Australia	1,423,596
SIMAL	JP Morgan Custodial Services	Retirement Services Board Fund	1,796,590
SIMAL	JP Morgan Custodial Services	Schroder Investment Management Australia	28,830,912
SIMAL	JP Morgan Custodial Services	Health Super Pty Ltd	3,814,977
SIMAL	JP Morgan Custodial Services	Zurich Investment Management	1,108,895
SIMAL	Citicorp Nominees Ltd HK	Colonial First State Investment Limited	12,227,654
SIMAL	HSBC Custody Nominees (Australia) Ltd	Advance Funds Management	7,743,132
SIMAL	National Nominees Ltd - Melbourne	Alcoa Australia Pty Ltd	1,180,227
SIMAL	National Nominees Ltd - Melbourne	UniSuper Limited	4,775,161
SIMAL	National Nominees Ltd - Melbourne	CareSuper Pty Ltd	1,979,902
SIMAL	National Nominees Ltd - Melbourne	Equisuper Pty Ltd	970,004
SIMAL	National Nominees Ltd - Melbourne	Queensland Investment Corporation	617,311
SIMAL	National Nominees Ltd - Melbourne	Telstra Pty Ltd	4,967,739
SIMAL	National Nominees Ltd - Melbourne	University of Sydney	739,968
SIMAL	National Nominees Ltd - Melbourne	Uniting Church NSW Trust Assoc Fund	295,095
SIMAL	National Nominees Ltd - Melbourne	Vision Super Pty Ltd	1,741,209
SIMAL	State Street Australia Limited	AXA Global Investors Ltd	1,167,992

SIMAL	State Street Australia Limited	IPAC Asset Management Ltd	6,237,105
SIM LTD	Bank of New York (IMC) (Brussels)	Investin Pro (f.m.b.a.)	16,070
SIM LTD	JPMorgan Chase Bank, N.A. (Bournemouth)	Schroder Investment Management Limited ("SIM LTD")	8,508,430
SIM LTD	JPMorgan Chase Bank, N.A. (Bournemouth)	Banking and Payments Authority of Timor-Leste	26,155
SIM LTD	Mellon Bank, N.A. (London)	The Sultanate of Oman Ministry of Defence	114,827
SIM LTD	Mellon Bank, N.A. (London)	Christian Brothers Investment Services, Inc	143,412
SIM LTD	National Custodial Services Ltd – Melbourne	Government Employees Superannuation Board	285,630
SIM LTD	Northern Trust Company (London)	Anglian Water Group Pension Scheme	131,662
SIMJP	JPMorgan Chase Bank, N.A. (Bournemouth)	Schroder Investment Management (Japan) Limited ("SIMJP")	321,527
SIMNA INC	Brown Brothers Harriman & Co.	CGCM International Equity Investments	514,492
SIMNA INC	Mellon Bank, N.A. (London)	Michelin North America, Inc.	178,624
SIMNA INC	Mellon Bank, N.A. (London)	National Elevator Industry	696,689
SIMNA INC	RBC Dexia Investor Services (London)	Michelin North America (Canada) Inc.	68,683
SIMNA INC	Union Bank of California, N.A./Global Custody	Plumbers and Pipefitters	261,627
SIM LUX	Schroder & Co Bank AG (Zurich)	Pensionskasse der Bernischen Kraftwerke	112,299
SIM LUX	UBS AG (Zurich)	Kantonale Pensionskasse Solothurn	286,871

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	ORDINARY SHARES
SIMAL		52,535,011.88		29,249,944
SIM LTD		11,798,771.89		5,420,061
SIMNA INC		3,757,711.14		1,720,115

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Schroder Investment Management Australia Limited ("SIMAL")	Related Fund Manager
Schroder Investment Management Limited ("SIM LTD")	Related Fund Manager
Schroder Investment Management North America ("SIMNA INC")	Related Fund Manager

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Schroder Investment Management (Australia) Limited ("SIMAL")	Level 20, Angel Place, 123 Pitt Street, Sydney, 2000, Australia
Schroder Investment Management Limited ("SIM LTD")	31 Gresham Street, London EC2V 7QA, UK
Schroder Investment Management (Japan) Limited ("SIMJP")	21st Floor Marunouchi Trust Tower Main 1-8-3 Marunouchi Chiyoda-Ku, Tokyo 100-0005
Schroder Investment Management North America ("SIMNA INC")	31 Gresham Street, London EC2V 7QA, UK
Schroder Investment Management Limited Luxembourg ("SIM LUX")	31 Gresham Street, London EC2V 7QA, UK