

Disclosure of beginning to have substantial holding

Section 22, Securities Markets Act 1988

To: NZX

And: Telecom Corporation of New Zealand Limited (TEL)

Date this disclosure made: 11 September 2013

Substantial security holder(s) giving disclosure

Name(s): The Bank of New York Mellon Corporation

Contact details: Ivan Arias

Email: ivan.arias@bnymellon.com Tele: 1-516-338-3370 Fax: 1-516-338-3344

Date on which substantial security holder(s) began to have substantial holding:

Summary of substantial holding to which disclosure relates

Class of listed voting securities

Common Stock ISIN NZTELE0001S4, and ADRs ISIN US8792782083

Summary for: The Bank of New York Mellon Corporation, parent holding company of:

Lockwood Advisors, Inc.

BNY Mellon Service Kapitalanlage-Gesellschaft mbH

Newton Investment Management Limited

Mellon Capital Management Corporation

The Dreyfus Corporation

The Bank of New York Mellon

The Boston Company Asset Management LLC

For this disclosure,—

(a) total number held in class: 93,274,336

(b) total in class: 1,817,088,869

(c) total percentage held in class: 5.13%

Details of relevant interests currently in substantial holding

Details for: The Bank of New York Mellon Corporation

Nature of relevant interest(s):

Beneficial owner of securities

There is no relevant agreement attached

For that relevant interest,—

(a) number held in class: 93,274,336

(b) percentage held in class: 5.13%

(c) current registered holder(s) of securities: *Unknown*

(d) registered holder(s) of securities once transfers registered: *Unknown*

Details of transactions and events giving rise to person beginning to have substantial holding

Details of the transactions or other events requiring disclosure under the instructions to this form:

There have been various purchases of Common Shares and ADRs over multiple dates. A purchase of 2,502,252 Common Shares on 10 September 2013 caused us as an aggregated group to cross the 5% initial disclosure threshold.

Additional information

Nature of connection between substantial security holders: The Bank of New York Mellon Corporation is the ultimate parent of the above named subsidiaries, and is submitting this disclosure on an aggregated basis.

Address(es) of substantial security holder(s):

One Wall Street, New York, New York 10286 USA

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates:

Not applicable.

Declaration

I, Ivan Arias, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.