IT'S HOW WE CONNECT

8 August 2013

The Manager

Company Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

Office of the Company Secretary

Level 41
242 Exhibition Street
MELBOURNE VIC 3000
AUSTRALIA

General Enquiries 08 8308 1721
Facsimile 03 9632 3215

ELECTRONIC LODGEMENT

Dear Sir or Madam

Full Year 2013 Financial Results – CEO/CFO Analyst Briefing Presentation

In accordance with the Listing Rules, I enclose:

a) a presentation;

b) CEO and CFO speeches;

c) the Operating and Financial Review (including financial and statistical tables)

for release to the market.

This Announcement has been released simultaneously to the New Zealand Stock Exchange.

Yours faithfully

Damien Coleman
Company Secretary

TELSTRA FULL YEAR RESULTS ANNOUNCEMENT 2013

DAVID THODEY, CHIEF EXECUTIVE OFFICER

IT'S HOW WE CONNECT

DISCLAIMER

IT'S HOW WE CONNECT

- These presentations include certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Telstra, which may cause actual results to differ materially from those expressed in the statements contained in these presentations. For example, the factors that are likely to affect the results of Telstra include general economic conditions in Australia; exchange rates; competition in the markets in which Telstra will operate; the inherent regulatory risks in the businesses of Telstra; the substantial technological changes taking place in the telecommunications industry; and the continuing growth in the data, internet, mobile and other telecommunications markets where Telstra will operate. A number of these factors are described in Telstra's Annual Report dated 8 August 2013 and 2012 Debt Issuance Prospectus lodged with the ASX and available on Telstra's Investor Centre website www.telstra.com/investor.
- All forward-looking figures in this presentation are unaudited and based on A-IFRS. Certain figures may be subject to rounding differences. All market share information in this presentation is based on management estimates based on internally available information unless otherwise indicated.
- All amounts are in Australian Dollars unless otherwise stated.
- ® ™ Registered trademark and trademark of Telstra Corporation Limited (ACN 051 775 556) and its subsidiaries. Other trademarks are the property of their respective owners.

HIGHLIGHTS FOR FY13

- SOLID FINANCIAL RESULTS
- OUR CUSTOMER SERVICE FOCUS AND MARKET SHARE GROWTH
- MOMENTUM IN NAS, INTERNATIONAL AND MOBILES
- GOOD COST MANAGEMENT

TELSTRA FULL YEAR RESULTS ANNOUNCEMENT 2013

ANDREW PENN, CHIEF FINANCIAL OFFICER

AGENDA

IT'S HOW WE CONNECT

1. GROUP RESULTS
2. PRODUCT PERFORMANCE
3. PRODUCTIVITY
4. CAPITAL MANAGEMENT
5. GUIDANCE

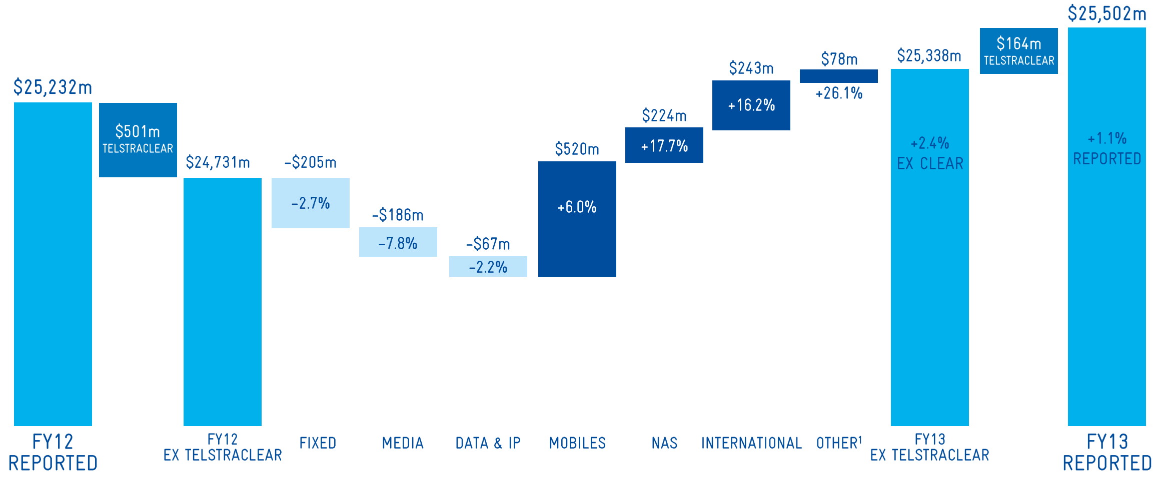
GROUP RESULTS

IT'S HOW WE CONNECT

	FY12	FY13	GROWTH (reported basis)	GROWTH (guidance basis)[1]
Sales Revenue	$25.2b	**$25.5b**	1.1%	
Total Income	$25.5b	**$26.0b**	1.9%	3.3%
EBITDA	$10.2b	**$10.6b**	3.9%	4.8%
EBIT	$5.8b	**$6.4b**	9.8%	
NPAT	$3.4b	**$3.9b**	12.9%	
Earnings per share (cents)	27.5	**30.7**	11.6%	
Accrued Capex[2]	$3.6b	**$3.8b**	5.6%	
Free Cashflow	$5.2b	**$5.0b**[3]	-3.3%	
Ordinary DPS (cents)	28.0	**28.0**	-	

1. Income and EBITDA growth on a guidance basis excludes TelstraClear trading results and adjustments on the sale of TelstraClear
2. Accrued capex is defined as additions to property, equipment and intangible assets, including capital lease additions measured on an accrued basis
3. Free cashflow on a guidance basis was $5.2b when adjusted for TelstraClear proceeds (+$669m) and spectrum payments (-$821m)

PRODUCT PERFORMANCE
SALES REVENUE GROWTH



1. Other includes revenue for the NBN Information Campaign and Migration Deed and miscellaneous fee revenue

PRODUCT PERFORMANCE: FIXED
PSTN DECLINE PARTLY OFFSET BY FIXED BROADBAND & NBN

FIXED	FY12	FY13	GROWTH
Revenue	$7,508m	**$7,303m**	-2.7%
- Fixed Voice[1]	$4,818m	**$4,359m**	-9.5%
- Fixed Broadband[2]	$1,987m	**$2,087m**	5.0%
- Other Fixed[3]	$703m	**$857m**	21.9%
EBITDA – PSTN	$2,902m	**$2,725m**	-6.1%
EBITDA Margin – PSTN	60%	**63%**	3pp
EBITDA – Fixed Broadband	$760m	**$873m**	14.9%
EBITDA Margin – Fixed Broadband	38%	**42%**	4pp
PSTN Customers – retail	6.9m	**6.5m**	-4.9%
Fixed Broadband Customers – retail	2.6m	**2.8m**	6.7%

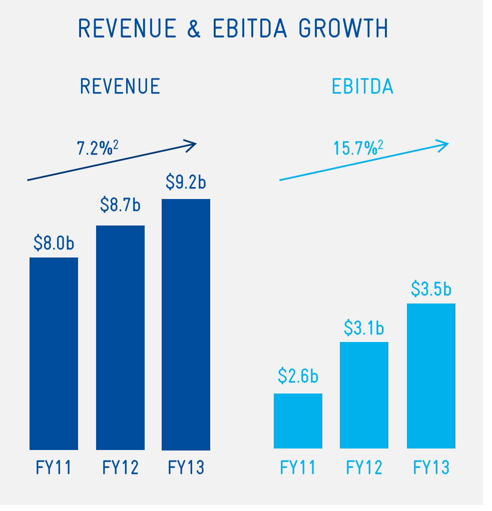
- Retail PSTN customers declined 346,000 to 6.5m
- Retail fixed broadband customers up 173,000 to 2.8m; revenue (including NBN data) up 9.3%, ARPU up 1.6% to $54.52
- Bundled customers up 238,000 to 1.6m, 59% of our fixed broadband customer base
- Other fixed revenue includes $71m relating to NBN Infrastructure Services Agreement

1. Fixed voice includes PSTN and NBN voice revenue
2. Fixed broadband includes fixed broadband and NBN data revenue
3. Other fixed includes customer premises equipment; inter-carrier access services including ULL, payphones and revenue from NBN Infrastructure Services Agreement

PRODUCT PERFORMANCE: MOBILES
CONTINUED REVENUE, EBITDA AND CUSTOMER GROWTH

IT'S HOW WE CONNECT

MOBILES	FY12	FY13	GROWTH
Revenue	$8,680m	**$9,200m**	6.0%
- Postpaid Handheld	$4,672m	**$4,804m**	2.8%
- Prepaid Handheld	$654m	**$727m**	11.2%
- Mobile Broadband	$1,018m	**$1,196m**	17.5%
- Machine to Machine	$80m	**$90m**	12.5%
- Hardware	$1,338m	**$1,497**	11.9%
- Other[1]	$918m	**$886m**	-3.5%
EBITDA	$3,145m	**$3,483m**	10.7%
EBITDA Margin	36%	**38%**	2pp
Customers	13.8m	**15.1m**	9.1%
Postpaid Handheld ARPU ex. MRO	$65	**$65**	-0.1%
Postpaid Handheld ARPU inc. MRO	$62	**$59**	-4.4%
Postpaid Handheld Churn	12.2%	**10.8%**	-1.4pp



1. Other includes satellite, wholesale and interconnect
2. Compound Annual Growth Rate (CAGR)

PRODUCT PERFORMANCE: DATA, IP & ISDN
IP GROWTH OFFSET BY LEGACY PRODUCT DECLINES

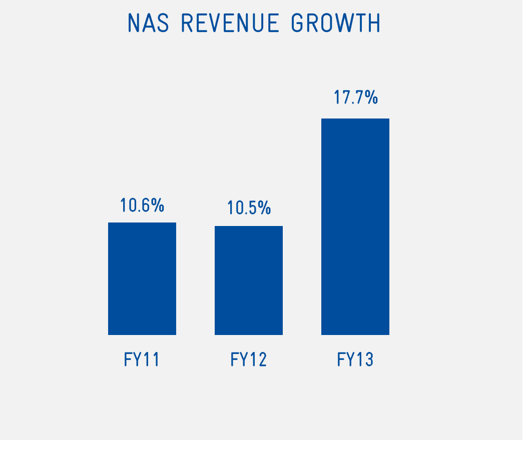
IT'S HOW WE CONNECT

DATA, IP & ISDN	FY12	FY13	GROWTH
Revenue	$3,108m	**$3,041m**	-2.2%
- IP Access	$1,056m	**$1,118m**	5.9%
- Other Data & Calling Products[1]	$1,226m	**$1,146m**	-6.5%
- ISDN	$826m	**$777m**	-5.9%
EBITDA	$1,991m	**$1,980m**	-0.5%
EBITDA Margin	64%	**65%**	1pp
IP MAN SIOs	27k	**31k**	14.8%
IP WAN SIOs	106k	**109k**	2.8%

- Customers continue to migrate from legacy products to IP networks and NAS based solutions
- Retail IP access and data revenue up 3.3% as a result of market share gains; customer migration onto IP networks; and bandwidth upgrades
- Improvement in EBITDA margin driven by scale benefits from growth in high bandwidth fibre services

1. Includes specialised data, wholesale data and inbound (13, 1300, 1800) products

PRODUCT PERFORMANCE: NAS
DOUBLE DIGIT REVENUE GROWTH



- NAS revenue up 17.7% to $1.5b
- Double digit revenue growth across all major product categories:
  - Cloud +33.0%
  - Unified Communications +17.7%
  - Managed Network Services +20.7%
- Significant contracts signed this year, including Department of Defence, Victorian Country Fire Authority and Tattersall's Group
- Future growth supported across multiple industry and government sectors

SEGMENT RESULTS
INCOME GROWTH ACROSS ALL SEGMENTS

SEGMENT	FY12	FY13	GROWTH
Telstra Retail	$19.3b	**$19.7b**	2.3%
- Consumer	$10.3b	**$10.7b**	3.3%
- Business	$4.7b	**$4.7b**	1.1%
- Enterprise and Government	$4.3b	**$4.3b**	1.3%
Telstra Wholesale	$2.1b	**$2.1b**	1.1%

- Consumer growth underpinned by growth in mobile services revenue +8.8% and fixed broadband revenue +10.4%
- Business return to growth underpinned by NAS revenue +26.4% and mobiles services revenue +2.4%
- Enterprise & Government growth underpinned by NAS revenue +14.7%
- Wholesale revenue up as a result of NBN infrastructure access revenue

PRODUCT PERFORMANCE: MEDIA – SENSIS & ADVERTISING

IT'S HOW WE CONNECT

REVENUE AND EBITDA DOWN AS SENSIS TRANSITION CONTINUES

SENSIS & ADVERTISING	FY12	FY13	GROWTH
Revenue	$1,513m	**$1,336m**	-11.7%
- Print	$971m	**$778m**	-19.9%
- Digital	$373m	**$415m**	11.3%
- Other	$169m	**$143m**	-15.4%
Sensis EBITDA	$729m	**$571m**	-21.7%
Sensis EBITDA Margin	50%	**44%**	-6pp

- Print revenues declined: White Pages -11.4%; Yellow Pages -25.6%
- Digital portfolio growth up from +4.5% in FY12
- 110.8m visits to Yellow Pages digital (+13%); 67.8m visits to Whereis (+11%)
- Decline in other revenue due to lower call volumes across all voice products

PRODUCT PERFORMANCE: MEDIA – FOXTEL

IT'S HOW WE CONNECT

AUSTAR INTEGRATION HAS SUPPORTED EBITDA GROWTH AT FOXTEL

FOXTEL (All $ amounts in $AUD under Australian IFRS)	FY12[1]	FY13	GROWTH
Revenue	$2,955m	**$3,071m**	3.9%
EBITDA *(% of revenue)*	$771m *(26.1%)*	**$944m** *(30.7%)*	22.4%
EBIT *(% of revenue)*	$363m *(12.3%)*	**$511m** *(16.6%)*	40.7%
Total subscribers[2]	2,399k	**2,481k**	3.4%
Churn	16.2%	**14.2%**	-2pp
Telstra distribution	$108m	**$155m**	42.9%
Telstra Cable Access Revenue	$118m	**$120m**	1.7%

- Revenue and customer growth underpinned by reduced churn and IP customer growth
- EBITDA growth from significant cost synergies following AUSTAR acquisition[3]
- Continued focus on new product packages to broaden appeal and drive further growth
- Churn reduction post AUSTAR integration
- Strong free cash flow supported 42.9% increase in dividend to Telstra

1. Proforma Foxtel + Austar after eliminations
2. Commercial subscribers reported on a residential equivalent subscriber basis
3. FY12 includes non-recurring AUSTAR transaction costs

PRODUCT PERFORMANCE: MEDIA – OTHER MEDIA ASSETS
REVENUE DOWN –1.5%

IT'S HOW WE CONNECT

MEDIA ENTERTAINMENT SERVICES AND CONTENT	FY12	FY13	GROWTH
Revenue	$746m	**$735m**	-1.5%
- PayTV	$666m	**$666m**	0.0%
- Premium[1]	$602m	**$595m**	-1.2%
- Paylite[2]	$64m	**$71m**	11.3%
- Digital Content Services	$80m	**$69m**	-13.8%

- Decline in premium PayTV customers offset by growth in paylite customers
- Paylite revenue grew from bundling T-BOX and FOXTEL on T-BOX services with fixed broadband
- 168,000 T-BOXs sold this FY; 512,000 sold to date
- Traditional digital content services continued to decline as consumers shift to smartphones

1. Premium PayTV revenue comprises FOXTEL from Telstra sales
2. Paylite revenue comprises sales of T-BOX, FOXTEL on T-BOX and BigPond Movies services

PRODUCT PERFORMANCE: INTERNATIONAL
DOUBLE DIGIT REVENUE GROWTH

IT'S HOW WE CONNECT

INTERNATIONAL ($AUD)	FY12	FY13	GROWTH	GROWTH IN LOCAL CURRENCY
Revenue	$1,496m	**$1,739m**	16.2%	-
- Hong Kong (CSL New World)	$860m	**$1,011m**	17.6%	16.9%
- China digital media	$128m	**$162m**	26.6%	22.3%
- Global connectivity & NAS[1]	$508m	**$566m**	11.4%	9.4 %

- 425,000 new CSL New World customers; EBITDA growth of 14.9% in local currency
- China digital media underpinned by 73.8% growth from Autohome; partly offset by discontinued businesses of ChinaM and LMobile
- Expanded global connectivity and NAS capability: new Singapore data centre
- New international agreements signed including Jetstar and Fitness First

1. Includes various local currencies therefore calculated on weighted average growth for the significant contributing entities

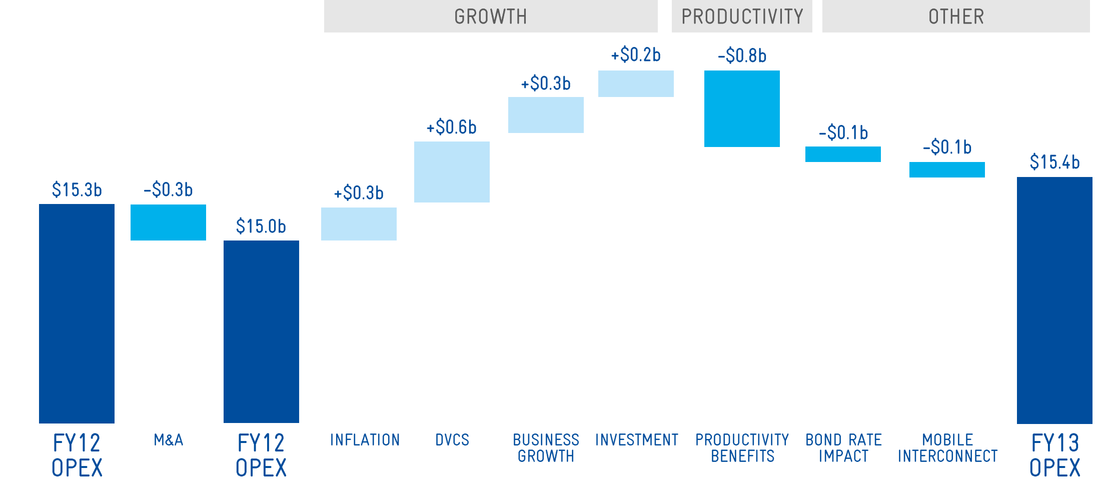
NBN
NBN INCOME OF $399M

NBN	FY13
Income	**$399m**
- Commonwealth agreements and other Govt. policy commitments	**$303m**
- Retraining[1]	$11m
- Information Campaign and Migration Deed[2]	$168m
- TUSMA[3]	$124m
- Infrastructure Services Agreement[4]	**$89m**
- PSAA[5]	**$7m**

- Continued amortisation of Retraining Deed and Information Campaign and Migration Deed received in FY12
- TUSMA income recognised in FY13
- Income received under Infrastructure Services Agreement includes rental associated with access to network infrastructure and sale of lead-in conduits
- PSAA payments have commenced

1. Retraining booked as other income, $100m retraining deed received in FY12.
2. Information and Migration Deed booked as other sales revenue.
3. TUSMA booked as other income, recognised in P&L a year before receipts and payments flow through.
4. Infrastructure Services Agreement in fixed revenue and other income.
5. PSAA booked as other income.

PRODUCTIVITY
$0.8B IN OPEX PRODUCTIVITY BENEFITS DELIVERED



CAPITAL MANAGEMENT
STRATEGIC FRAMEWORK

IT'S HOW WE CONNECT

FISCAL DISCIPLINE

OBJECTIVES

1. MAXIMISING RETURNS FOR SHAREHOLDERS	2. MAINTAINING FINANCIAL STRENGTH	3. RETAIN FINANCIAL FLEXIBILITY

PRINCIPLES

1. Maintain balance sheet settings consistent with a single-A credit rating
2. Ensure dividend remains fully-franked and seek to increase it over time. FY13 dividend will be 28c, fully-franked[1]
3. Target medium-term capex/sales ratio ~14% subject to NBN roll-out, excluding spectrum payments
4. Over a full year we will not borrow to pay the dividend or fund capital returns
5. Maintain flexibility for portfolio management and to make strategic investments

Cumulative Excess Free Cashflow: $1.6b as at 30 June 2013

1. Any dividend is subject to the Board's normal approval process for dividend declaration and there being no unexpected material events

CAPITAL MANAGEMENT
CLOSE MANAGEMENT OF CAPITAL POSITION

IT'S HOW WE CONNECT

	FY12	FY13	GROWTH
Accrued Capex	$3.6b	**$3.8b**	5.6%
Capex to Sales	14.2%	**14.9%**	
Free Cashflow	$5.2b	**$5.0b**	-3.3%
Gross Debt[1]	$17.2b	**$15.6b**	-9.3%
Liquidity	$3.9b	**$2.5b**	-35.9%
Net Debt	$13.3b	**$13.1b**	-1.5%
Avg Borrowing Costs[2]	7.0%	**6.4%**	
Avg Debt Maturity (years)	5.0	**5.5**	

FINANCIAL PARAMETERS	TARGET ZONE	ACTUAL
Debt Servicing	1.5 – 1.9x	1.2x
Gearing	50% to 70%	50.5%
Interest Cover	>7x	12.4x

- Capex to sales ratio in line with guidance, includes $1.2b spend on mobile network
- Free cashflow includes proceeds of $669m from the sale of TelstraClear and payments of $821m for spectrum licences
- $1.3b commitment for digital dividend spectrum deferred until late 2014
- $4.1b of debt maturities partly offset by $2.1b of new debt issuance, contributed to reduced liquidity
- Debt programme in 2013 has led to lower average borrowing costs and longer average debt maturity
- Balance sheet settings consistent with our single A credit rating from the key agencies

1. Represents position after hedging based on the accounting carrying values. Gross debt comprises borrowings and derivatives.
2. Represents net interest cost on our net interest bearing liabilities

2014 GUIDANCE[1]

MEASURE	FY13 REPORTED	FY14 GUIDANCE
Total Income	$26.0b	Low single digit growth
EBITDA	$10.6b	Low single digit growth
Capex	14.9%	~15% of sales
Free Cashflow	$5.0b	$4.6 – $5.1b

1. Guidance assumes wholesale product price stability, no impairments to investments, excludes any proceeds on the sale of businesses, M&A and purchase of spectrum

TELSTRA FULL YEAR RESULTS ANNOUNCEMENT 2013

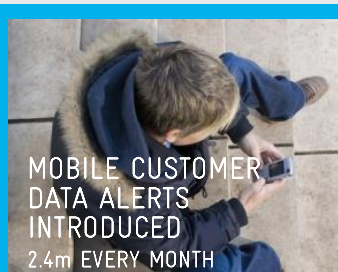
DAVID THODEY, CHIEF EXECUTIVE OFFICER

WE ARE EXECUTING ON OUR STRATEGY

- IMPROVE CUSTOMER SATISFACTION
- RETAIN AND GROW CUSTOMER NUMBERS
- SIMPLIFY THE BUSINESS
- BUILD NEW GROWTH BUSINESSES

IMPROVE CUSTOMER SATISFACTION

MORE THAN 10M SURVEYS AND OUR CUSTOMERS ARE TELLING US THAT WE ARE GETTING BETTER, BUT WE STILL HAVE MORE TO DO



POSTPAID MOBILE NO LOCK IN PLANS LAUNCHED
PROVIDES FLEXIBILITY TO OUR CUSTOMERS

RETAIN AND GROW CUSTOMER NUMBERS

IT'S HOW WE CONNECT

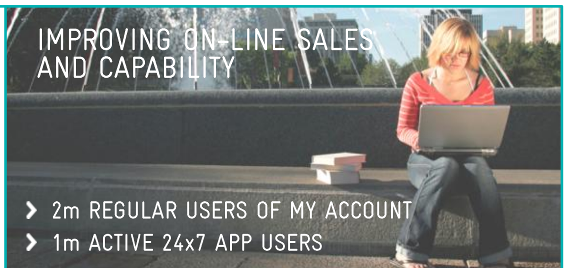
15.1m	MOBILES CUSTOMERS (DOMESTIC)	↑	+1,257k
3.9m	MOBILES CUSTOMERS (CSL)	↑	+425k
2.8m	FBB CUSTOMERS	↑	+173k
7.8m	PSTN LINES	↓	-287k

SIMPLIFY THE BUSINESS

IT'S HOW WE CONNECT

INCREASED SUPPLY CHAIN EFFICIENCIES

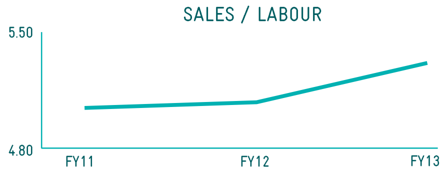
- REDUCTION IN SUPPLIERS
- OPTIMISED THIRD PARTY SPEND



PROACTIVE CREDIT MANAGEMENT

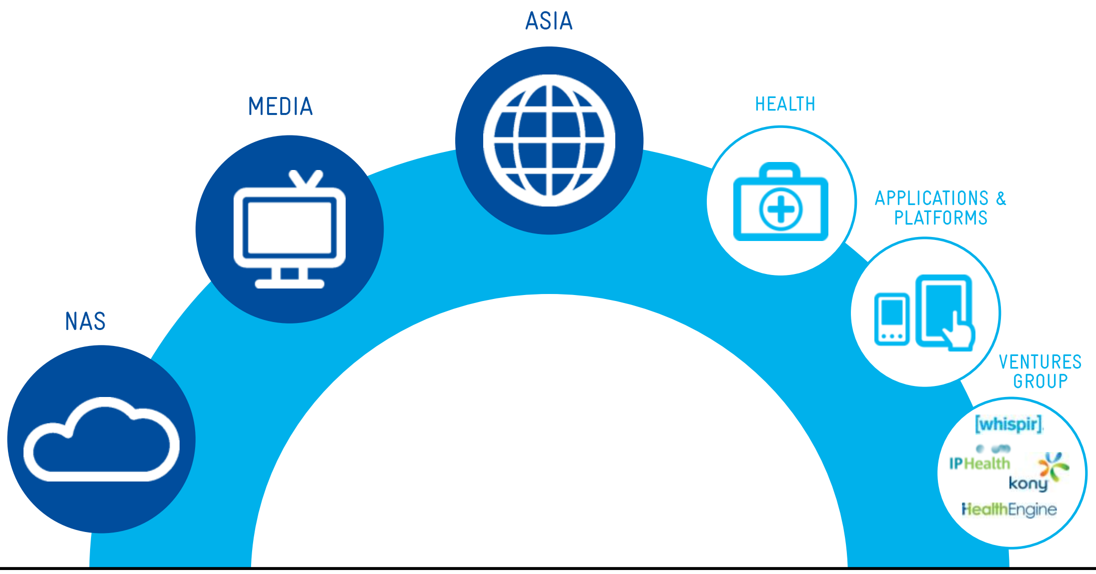
- OPERATIONAL BAD DEBTS REDUCING
- RISK APPETITE BALANCED AGAINST CUSTOMER PROFITABILITY

SIMPLIFIED OPERATING MODEL



BUILD NEW GROWTH BUSINESSES

IT'S HOW WE CONNECT



SUMMARY

IT'S HOW WE CONNECT

- WE HAVE CONTINUED TO EXECUTE ON OUR STRATEGY
- WE HAVE MET OUR COMMITMENTS
- WE ARE FOCUSSED ON IMPROVING CUSTOMER SERVICE
- CONTINUED GROWTH FROM OUR BUSINESS IN FY14

CEO & CFO SPEECH NOTES

TELSTRA ANNUAL RESULTS

08 AUGUST 2013

DAVID THODEY - CEO

SLIDE 1: OPENING SLIDE

Thank you Andrew and good morning

Welcome to our full year results presentation for fiscal year 2013.

Consistent with previous years, I will firstly give a quick introduction covering some highlights for the year......... then Andy Penn will take you through the numbers in more detail......... and then I will come back to give you an update on our strategic priorities.

Let's now review the highlights for 2013.

SLIDE 3: HIGHLIGHTS FOR FY13

We have delivered a solid year's results including income growth of 1.9%, EBITDA growth of 3.9%, Free Cashflow of $5b, Net Profit After Tax growth of 12.9%, and we will pay another $3.5b in fully franked dividends. We've delivered on our commitments.

We have improved customer service this year, including new ways for customers to interact with us when they want to and introduced new products and services. Our TIO complaints have reduced by 8% YoY.

And we have continued to win market share. Across Hong Kong and Australia we have added nearly 1.7m mobile customers. In Australia alone we added 1.3 million domestic retail mobile customers.

We continue to build momentum in our growth businesses. We delivered NAS revenue growth of 17.7% and we delivered revenue growth in our International businesses of 16.2%. Mobile revenue growth of 6% was also a highlight for the year.

We have continued our investment in network leadership and differentiation. This year we invested $1.2b in our mobile network. Our 4G network now covers 66% of the population of Australia. We have announced that coverage will extend to 85% of the population by Christmas. We have invested to sustain our network competitive advantage.

In a year of strong customer growth, costs only grew 0.5% with labour down 3.3%. This good cost management has also contributed to strong margin for the company.

It has been a solid year's performance across all our strategic priorities.

I would now like to hand over to Andy Penn who is going to take you through the numbers, and then I will return to provide an operational review of progress against our strategy priorities. Over to you Andy.

<u>HAND OVER TO ANDY PENN</u>

ANDY PENN - CFO

SLIDE 4

Thank you David and good morning. Here are the results for Telstra for the year ended 30 June 2013.

SLIDE 5

In my presentation I will cover five topics:

Firstly, I will take you through the overall results and comment on how we tracked against guidance.

Secondly, I will take you through the performance of our key product groups – Fixed, Mobiles, Data and IP, Media, NAS, and International as well as a segment view. I will also comment on the NBN financials.

Thirdly, I will comment on our expenses and the continued progress we are making in our Productivity Programme.

Fourthly, I will provide an update in relation to our key balance sheet movements and our capital position.

Finally, I will conclude with some comments on guidance for 2014.

SLIDE 6

Sales revenue for the year was up 1.1% to $25.5bn. I will take you through the drivers of this in a moment.

Total income was up 1.9% to $26bn. EBITDA was up 3.9% to $10.6bn.

On a guidance basis, excluding the impacts of TelstraClear, total income and EBITDA were up 3.3% and 4.8% respectively.

EBIT was up 9.8% to $6.4bn and this supported strong growth in earnings per share, up 11.6% to 30.7 cents per share.

Accrued capex for the year was $3.8bn, consistent with our increased capex to sales ratio of 15%.

Free cashflow was down 3.3% to $5bn, although this was after Spectrum payments partly offset by the proceeds from the sale of TelstraClear.

Finally, in line with guidance the Board has declared a final dividend of 14c per share. This brings the total dividend for 2013 to 28 cents per share fully franked.

SLIDE 7

Across the business we have maintained our growth in sales revenue.

Excluding Telstra Clear, sales revenue was up 2.4%. Before this adjustment, sales revenue was up 1.1% to $25.5bn.

Fixed revenues declined 2.7% and Media declined 7.8%. Sales of IP access were not enough to offset declines in legacy data businesses, and Data and IP reduced 2.2%.

Against this, we saw continued growth in our Mobiles business, up 6% or $520m and strong growth in NAS and International, up 17.7% and 16.2% respectively.

SLIDE 8

Turning now to each of the product portfolios.

Our Fixed portfolio performed well despite a 2.7% decline in revenue to $7.3bn.

PSTN revenue declined 9.5% with the number of Retail lines down 346,000 to 6.5m.

Offsetting this, Fixed Broadband revenue was up 5.0% to $2.1bn with Retail Fixed Broadband revenue up 9.3%. This was supported by continued growth in Retail Fixed Broadband customers, up 173,000 to 2.8m, and growth in ARPU, up 1.6%.

We continued to see strong performance in margins in both PSTN and Fixed Broadband. This reflects the benefits of our productivity programme and the increasing scale benefits of sharing our networks over a growing customer base.

Finally, the number of bundled customers grew 238,000 to 1.6m now representing 59% of our Fixed Broadband base.

SLIDE 9

The mobiles business had another very strong year reflecting our continued investment in this business.

Revenues were up 6.0% to $9.2bn in a market that declined 1.5%. Over the last three years in mobiles and we have delivered 7.2% compound growth in revenues.

Revenues were up 2.8% in Postpaid Handheld and 11.2% in Prepaid Handheld where we gained significant market share. We also grew 17.5% in Mobile Broadband.

Notwithstanding a lower contribution from international roaming and early termination charges, Postpaid Handheld ARPU, excluding MRO, was flat at $65. This was supported by growing data use, particularly in the second half of the year.

EBITDA was up 10.7% to $3.5bn with compound growth over the last three years of 15.7%. The EBITDA margin improved a further 2 percentage points to 38.0%. The EBITDA margin in the second half of the year was 39%.

Mobile customer numbers grew 1.3m to 15.1m as we continued to see improvements in churn, down 1.4 percentage points to 10.8%.

During the year we invested $1.2bn of capital into our mobiles business, a significant proportion of which has been into the network including the LTE roll out. We will invest a similar amount in 2014.

SLIDE 10

In IP and data we are continuing to see customers migrate from legacy products to IP networks and NAS based solutions.

IP Access was up 5.9% to $1.1bn. However, this was not enough to offset the decline in Other Data and Calling Products and ISDN revenues which were down 6.5% and 5.9% respectively.

Notwithstanding, retail IP Access and data revenue combined was up 3.3% as a result of market share gains, customer migration onto IP networks and bandwidth upgrades.

The EBITDA in the portfolio remained broadly flat at $2bn with the small fall in revenue offset by a 1 percentage point improvement in margin.

SLIDE 11

Turning now to NAS.

We saw accelerating growth in our NAS portfolio with revenue up 17.7% to $1.5bn.

This was supported by strong growth across all major product categories, including Cloud up 33%, Unified Communications up 17.7% and Managed Network Services up 20.7%.

During the year we signed a number of significant contracts. These included deals with the Department of Defence, the Victorian Country Fire Authority and the Tattersalls Group.

This places us in a strong position with long term contracts supporting future growth across multiple industry and government sectors.

SLIDE 12

Encouragingly we saw growth in 2013 across all customer segment groups.

Consumer revenue was up 3.3% to $10.7bn. This was underpinned by strong growth in Mobile Services revenues - up 8.8%, and Fixed Broadband revenues – up 10.4%.

Telstra Business returned to growth with revenues up 1.1% to $4.7bn. This was supported by strong growth in NAS, up 26.4%, and Mobile services, up 2.4%.

We also saw growth in the Enterprise and Government, up 1.3% to $4.3bn, also underpinned by strong growth in NAS.

Finally, Wholesale revenue was also up. This is as result of the NBN Infrastructure Access revenue.

SLIDE 13

Turning to Media, and firstly Sensis.

Sensis's performance was in line with our expectations as the business continues the challenging journey of transitioning to a digital model.

Revenues were down 11.7% to $1.3bn. Print revenues were down 11.4% for White Pages and 25.6% for Yellow Pages.

Against this we saw an acceleration of growth in our Digital portfolio. Revenues were up 11.3% to $415m, compared to growth of 4.5% in 2012.

During the year we saw 110m visits to Yellow Pages digital and 68m to Whereis as we continue to build out our digital products.

The decline in other revenue was due to lower call volumes across all voice products.

EBITDA was down 21.7% to $571m. Whilst the EBITDA margin reduced 6 percentage points to 44%, we were able to offset some of the decline in revenues with productivity improvements.

In summary, while we are making progress the Sensis transition remains a challenging one.

SLIDE 14

Turning to FOXTEL.

FOXTEL had its first full year including the acquisition of Austar.

Revenue was up 3.9% to $3.1bn compared to 2012 on a proforma basis. This was supported by a 3.4% increase in subscribers to 2.5m, largely due to improvements in churn rates which were down 2 percentage points to 14.2%. We also saw good growth in IP subscribers.

EBITDA was up 22.4% to $944m. This followed significant cost synergies from the Austar integration.

EBIT was up a very strong 40.7% to $511m. This supported a 43% increase in the dividend to Telstra to $155m.

Finally, we also saw a modest increase in Cable Access revenue from FOXTEL to Telstra, up 1.7% to $120m.

SLIDE 15

In the other Media assets we saw a decline in revenue of 1.5% to $735m.

Premium PayTV, where FOXTEL premium services are resold through Telstra, was down 1.2% to $595m.

Paylite includes the more strategically important revenues from bundling T-BOX and FOXTEL in conjunction with BigPond Movie services. During the year we sold a further 168,000 T-Boxes bringing the total units in the market to more than half a million and in May we launched our entertainment bundles which we expect to support future growth.

These initiatives helped grow revenue from Paylite up 11.3% to $71m offsetting the reduction in Premium PayTV.

Other digital content services revenues declined 13.8% to $69m mainly reflecting the continued reduction in feature phone usage as our customer base shifts to Smartphones..

SLIDE 16

Turning finally to our International portfolio.

Again we saw strong growth in our International, predominantly Asian businesses. Revenues were up 16.2% to $1.7bn Australian dollars.

In Hong Kong we attracted 425,000 customers to CSL across all brands to bring our total customer base to 3.9m. This supported growth in revenues up 17.6% to $1bn Australian dollars, up 16.9% on a local currency basis whilst EBITDA, on local currency basis was up 14.9%.

In China, Autohome had a very strong year with revenue up 73.8%. This was partly offset by the impact of discontinued businesses that we exited last year.

Finally, we continue to grow our global connectivity business and we are expanding NAS into Asia. Revenues were up 11.4% to $566m.

During the year we opened a new data centre in Singapore and we signed a number of international contracts including with Jetstar, Fitness First and other international customers.

SLIDE 17

Before making a couple of comments on Productivity, I will take you through the key elements of income relating to NBN during the year.

Total NBN income was $399m.

This included $11m and $168m respectively from the Retraining Deed and the Information Campaign and Migration Deed. The full amounts under these Deeds were received last year and the retraining deed will be amortised over a ten year period. The remaining $92m under the Migration deed will be amortised this year.

The TUSMA Agreement became operative on 1 July 2012. Income under this Agreement during the year was $124m. This was partly offset by the revenue received last year under the Universal Service Obligation in our fixed portfolio.

We also received $89m in relation to the Infrastructure Service Agreement. This included rental income associated with access to network infrastructure and the sale of lead in conduits.

Finally we received $7m in early PSAA payments.

SLIDE 18

Let me now turn to our Productivity and Simplification Programme.

If we adjust for the effects of M&A, our total comparable operating expenses in 2012 were $15bn.

During the year directly variable costs associated with the growth of our business increased $600m. Underlying inflation added a further $300m.

As our customer numbers increase this adds work volumes to the business. During 2013 we added 1.5 million new customers across Fixed Broadband, Mobile in Australia and Hong Kong offset by a reduction in PSTN customers. This customer growth led to a $300m increase in Operating Expenses in 2013.

Finally, we invested $200m in initiatives for longer term growth, including our Customer Advocacy Programme and the implementation of NPS, customer service improvements, the digital programme in Sensis and some additional NBN works.

Against these increases our Productivity and Simplification Programme delivered $800m of net benefits to our expense position in 2013.

In conjunction with a positive impact from the net bond rate and mobile terminating rates, total operating expenses for the year were $15.4bn.

SLIDE 19

Turning now to Capital Management.

I presented our Strategic Framework for Capital Management to the market in April of 2012. Our approach remains unchanged.

Applying this framework, cumulative excess free cashflow as at 30 June 2013 increased $600m to $1.6bn.

I also advised the market last year that we expected to generate $2bn-$3bn of cumulative excess free cashflow over the next three years. This takes us into the second half of 2015. Assuming the NBN rollout continues to be broadly in line with NBN's current plan, we still expect this to be the case.

We will continue to communicate our cumulative excess free cashflow in conjunction with results.

SLIDE 20

In relation to some of the more detailed capital movements.

Our total accrued capex increased 5.6% to $3.8bn. This reflects the increase in our capex to sales ratio that we announced last year to support the acceleration of the LTE Mobile Network expansion to 66% of population coverage.

In total we invested $1.2bn in the Mobile Network and as I mentioned earlier we will be spending a similar amount in 2014 as we extend the coverage to 85% by the end of the calendar year.

Free cashflow of $5bn includes the cash proceeds of $669m following the sale of TelstraClear offset by payments of $821m for the Spectrum Licences that were renewed during the period.

The $1.3bn commitment for the Digital Dividend Spectrum following the auction in April is payable in the second half of calendar 2014.

During the year we had $4.1bn of debt maturities that were funded from $2.1bn of new issuance and the running down of our liquidity position by $1.4bn to $2.5bn.

Through this we reduced our long term borrowing costs by almost 10% to 6.4% and extended the average debt maturity of our portfolio to 5.5 years.

We consequently end the year in a strong financial position.

SLIDE 21

Before handing back to David, let me make a couple of comments on guidance.

Our guidance for 2014 is low single digit growth for both total income and EBITDA.

We expect our capex to sales ratio to be in the region of 15% as we continue to support the accelerated roll out of the LTE and we complete the build of the NBN transit network.

We expect our free cashflow to be in the region of $4.6bn to $5.1bn a small decrease on 2013. This is mainly due to an expected increase in tax payments from the introduction monthly instalments. We will pay 14 months tax this year.

As previously advised we have returned to our normal policy of advising on dividends as they are declared in conjunction with our results. We are therefore not providing guidance on dividends today.

Thank you and I would now like to hand back to David.

DAVID THODEY - CEO

SLIDE 23: WE ARE EXECUTING ON OUR STRATEGY

Thankyou Andy

Our solid results are a result of the steady execution against our four strategic priorities. They are:

- Improving customer satisfaction;
- Retaining and growing the number of customers;
- Simplifying the business; and
- Building new growth businesses.

I would like to give you a brief update on each of these focus areas.

SLIDE 24: IMPROVE CUSTOMER SATISFACTION

We have now conducted over 10 million customer surveys.

We have fully deployed our customer advocacy metric, the Net Promoter Score, within our business. At the end of an interaction with us – whether it's online, after a phone call or face-to-face – our customers are asked to give us a score between 0 and 10, and provide written or spoken feedback.

- We monitor each interaction, and can review NPS by product, episode or segment, for sales channels and field staff. In this way NPS has become a critical tool for us to monitor our business performance. It has become very much a part of the fabric of our business.
- We report daily – with our executive team receiving an MMS each morning to summarise the previous day's performance.
- Every team in the company has a weekly or fortnightly T-Time meeting to review how they can create customer advocates.
- 40% of short term incentives for all of our staff excluding Sensis, wholesale and international staff are based on performance

against our NPS targets, and there is a customer bonus for all staff if we achieve our objectives.

- Capturing an NPS score for each interaction as well as written or spoken feedback is critical as it ensures that we remain focused on improving the level of service to our customers. While customers are telling us we are improving, we are conscious that we have a long way to go to achieve our objective of delivering a great customer experience.

To improve our service, we must:

- reduce the time taken to resolve problems; and also
- be more consistent in our customer interactions.

We have also learned that product and brand perceptions are key drivers of positive customer experience. This year:

- We have introduced mobile customer data alerts to help our customers manage and control their data usage. This includes data alerts for customers who are overseas and using their mobile device on international networks.
- We have introduced No Lock In plans for post paid mobile customers. This provides customers with the option of using

Telstra's network without requiring a long term contract or a commitment.

- We have introduced a loyalty program, Telstra "Thanks", for our customers which includes tickets to movies, concerts and sporting events as a way of showing our appreciation for choosing to be a customer of Telstra. To date we have communicated with 15 million customers and provided more than 600,000 tickets.
- And we're making it easier and quicker for customers to interact with us, having reached 40% of service interactions online this year. I will talk more about our online sales and service channel later on.

It is encouraging to see the progress but there still remains many opportunities to improve the service we provide to our customers.

SLIDE 25: RETAIN AND GROW CUSTOMERS

From Andy's presentation, you have already seen that we are delivering on our strategy to retain and grow the number of customers we serve.

Our domestic mobiles business continues to grow. We now have more than 15 million mobile customers. Importantly, this is profitable growth. We are growing our customer base, holding ARPUs stable and we are increasing our mobile EBITDA margin.

We now have sold 2.8 million 4G devices, including 1.9 million handsets and 200,000 tablets, 400,000 dongles and 300,000 mobile wifi devices.

In Hong Kong, the CSL customer base increased by 425,000. Hong Kong is a very competitive 5 player market. Pleasingly we have grown customers across all of the 3 brands that we have in that market.

In the fixed retail broadband market we have increased our customer base by 173,000 customers – in what was a competitive market. The continued growth of our customers taking bundles has been encouraging.

Consistent with market trends......... we continue to lose PSTN lines – but less than in the previous year. In 2013 the PSTN line decline was 287,000 which is a reduction on the 313,000 decline in 2012.

It is also pleasing to see that all three domestic retail segments grew revenue with Telstra Business returning to growth in the second half.

The wholesale segment grew as well.

Now I will turn to productivity.

SLIDE 26: SIMPLIFY THE BUSINESS

We have delivered another $1b of productivity benefits this year.

Simplification affords us the right to re-invest into growth opportunities and customer service initiatives while keeping our total expenses broadly flat.

Over the past 3 years, the most significant productivity benefits have been delivered from four key areas:

- increased supply chain efficiencies;
- improving online sales and service capability;
- proactive credit management; and
- simplifying our operating model.

1. Supply chain efficiency has been delivered by reducing the number of suppliers. This year we reduced the number of suppliers by 7% and over the program we have reduced the number of suppliers by over 20%.

We reviewed and optimised 10% of our third party spend this year and we have reviewed and optimised over 85% of our spend in the last 3 years.

2. With on-line sales and service we've made significant progress in the last 12 months.

My Account is a service that we offer our customers to enable them to track their usage, pay their bills, and review their plans. We now have 2 million regular users.

Our 24x7 App enables customers to manage their accounts anywhere at any time since the launch in April 2012. We've had over 2.5 million customers download the app and we have over 1 million active users.

Customers can also chat with us online anytime, 24 by 7. For example if you need help to pay a bill, recharge your account, check your usage, activate your Pre-Paid service or move your Telstra services you can chat online with a Telstra agent. We've doubled our live chat volume this year and currently engage in more than 5,000 sessions per day. Our consultants can chat online with multiple customers, so whilst this is hopefully more convenient for our customers, it is also delivering productivity improvements.

3. We also have delivered significant productivity through careful management of our credit management settings. Improved pricing, better plans with more inclusions and improved processes have enabled us to more effectively balance our risk appetite with our

customer growth and profitability objectives.

As you can see from the chart, we’ve reduced our bad debts expense over the last 4 years during a period of significant customer growth and revenue growth.

4. Lastly, we are making progress in simplifying our operating model. As our business evolves, we are increasing employee numbers in areas where we see continued growth.

For example, international group grew by 380 staff, the NBN team increased by 150, NAS Operations team grew by 72 and our Enterprise and Government team also expanded. We recently announced an additional 350 roles as part of our Defence contract.

Importantly, some of these changes mean we are increasing our employee numbers overseas. Some of this will occur in Asia supporting our growth ambition for NAS into the region. Other increases will be the result of our need to remain competitive and the requirement for scalability.

While growing our headcount in the new growth areas, we are also reducing employee numbers in some of our traditional businesses, such as fixed voice and Sensis, which continue to decline.

You will continue to see movement in FY14 as this trend continues.

Sensis continues its transition from a print to a digital business and it delivered on its plan for this year. We are making progress but there is further to go.

We're also moving towards having larger call centres and we're providing our customers with a better online experience, which in turn decreases the demands on our call centres.

Across the organisation, we've reduced our total workforce by 2,251 with 1,323 roles relating to the sale of our TelstraClear business in New Zealand last year.

Our workforce is continuing to be more productive and the improving labour productivity chart you can see captures this trend.

Overall, I believe there remains further opportunity to improve operational efficiency while at the same time growing new business opportunities.

Turning now to our growth businesses.......

SLIDE 27: BUILD NEW GROWTH BUSINESSES

We have reported strong revenue growth from NAS and International. Andy provided you with the details.

I am pleased that these businesses are delivering significant growth and we believe they have the capability to continue to grow.

Part of the NAS growth strategy is to expand into international markets, particularly in the Asian region. There are discussions underway regarding the establishment of delivery centres in conjunction with industry partners located in India. This is important for us as we leverage our Asian network assets to deliver NAS service offerings in that region and serve Asian customers.

For international, you have heard about the customer growth that we have delivered in our Hong Kong mobiles business. The Hong Kong market remains very competitive.

I am pleased to also report that Autohome, our online car sales business in China, delivered 74% growth.

To drive future growth, our Ventures team who are based here in Australia and in Silicon Valley have had a successful year. We have taken minority positions in Kony Solutions, HealthEngine, Whispir and IP

Health during the year. These are strategic investments in early stage companies that fit our core strategic intent.

To support our growth objectives......... we have established a new Health business unit and a new Global Applications business unit....... which we announced 6 months ago.

We must continue to find new business opportunities in order to achieve our growth ambitions.

Before concluding I want to update you on the issue of asbestos in our network.

ASBESTOS

We have been managing the issue of asbestos for a long time. Our copper network was built over the last hundred years and often (as was common practice during that time) we used asbestos in the concrete structure of our pits and in some exchanges – like many organisations in Australia.

Regrettably we have had some issues with asbestos handling by contractors employed to work on our pits.

On Monday, we advised our contractors that they could commence work on 19 August provided that they meet a revised and more stringent licensing requirement, have completed further training and compliance standards.

From a financial perspective, our current assessment is that this issue bears no material financial impact for the company.

We remain vigilant in managing this issue – with the safety of our people, contractors and the community our primary focus.

SLIDE 28: SUMMARY

Before I finish, let me summarise today's results.

We continue to execute on our strategy - We have met our commitments.

We have met guidance of low single digit total income and EBITDA, delivered free cashflow of $5b and we have confirmed a 14 cent fully franked dividend bringing the total of 28 cents per share for FY13. We maintain a strong capital position.

And we are focussed on improving customer service. Customers are telling us our service is improving though we must create more customer advocates for Telstra. We still have much to do across all parts of the business – but the business has good momentum.

I am sure that this coming year will be more competitive but we are confident that if we continue to focus on product excellence and improving customer service - then we can deliver low single digit income and EBITDA growth in the FY14 year.

Thank you.

Andy is going to join me now on stage and we will take your questions. There will be a short pause as the team set up the stage for the Q&A session.

FULL YEAR RESULTS AND OPERATIONS REVIEW

SUMMARY FINANCIAL RESULTS

	FY13 $m	FY12 $m	Change %
Sales revenue	**25,502**	25,232	1.1
Total income	**25,980**	25,503	1.9
Operating expenses	**15,350**	15,269	0.5
EBITDA	**10,629**	10,234	3.9
Depreciation and amortisation	**4,238**	4,412	(3.9)
EBIT	**6,391**	5,822	9.8
Net finance costs	**909**	888	2.4
Tax	**1,617**	1,510	7.1
Net profit after tax	**3,865**	3,424	12.9
Attributable net profit	**3,813**	3,405	12.0
Accrued capex[1]	**3,792**	3,591	5.6
Free cashflow	**5,024**	5,197	(3.3)
Earnings per share (cents)	**30.7**	27.5	11.6
Dividend payout ratio (%)	**91**	102	n/m

(1) Accrued capital expenditure is defined as additions to property, equipment and intangible assets, including capital lease additions, measured on an accrued basis.

RESULTS ON A GUIDANCE BASIS*

	FY13	FY13 guidance
Total income	**3.3%**	Low single digit growth
EBITDA	**4.8%**	Low single digit growth
Capex/sales	**14.9%**	Around 15%
Free cashflow	**$5.2 billion**	$4.75-$5.25 billion
Dividend	**28c fully franked**	28c fully franked

GUIDANCE VERSUS REPORTED RESULTS*

	FY13 Reported results $m	FY13 Adjustments $m	FY13 Guidance basis $m	FY12 Guidance basis $m
Total income	25,980	(164)	25,816	25,001
EBITDA	10,629	127	10,756	10,264
Free cashflow	5,024	152	5,176	n/m

*Adjusted for TelstraClear trading results and sale and spectrum payments.

Please refer to the guidance versus reported results reconciliation on page 203. This reconciliation forms part of the Full Year Results and Operations Review, and has been reviewed by our auditors.

REPORTED RESULTS

In financial year 2013 sales revenue increased by 1.1 per cent or $270 million to $25,502 million and total income increased by 1.9 per cent or $477 million to $25,980 million.

Operating expenses (before depreciation and amortisation) increased by 0.5 per cent or $81 million to $15,350 million.

Labour expenses decreased by 3.3 per cent to $4,803 million driven by lower labour substitution and other labour expenses. Excluding TelstraClear from both periods, labour expenses declined by 2.0 per cent.

With our growing customer base and increased handset sales, directly variable costs (DVCs) or goods and services purchased increased by 3.4 per cent to $6,389 million. Network payments expense continued to decline.

Other expenses increased by 0.8 per cent to $4,158 million driven by an increase in service contract expense to support operational initiatives, and the loss recognised on the sale of TelstraClear. This was offset by an overall decrease in impairment expenses.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 3.9 per cent to $10,629 million. EBITDA margins increased by 1.1 percentage points to 41.7 per cent. Earnings before interest and tax (EBIT) increased by 9.8 per cent to $6,391 million.

Net finance costs increased by 2.4 per cent to $909 million as a result of revaluation impacts offset to a large extent by net borrowing costs decreasing from lower market interest rates.

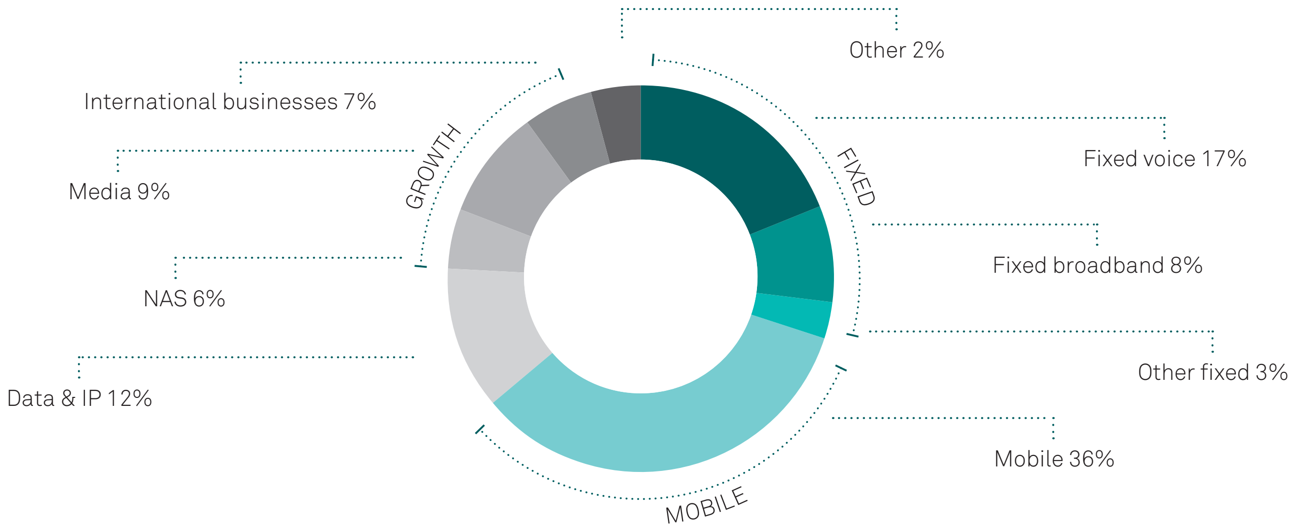
Reported profit after tax increased by 12.9 per cent to $3,865 million. Basic earnings per share (EPS) increased by 11.6 per cent from 27.5 cents to 30.7 cents.

Free cashflow of $5,024 million was generated in the year. Accrued capital expenditure was $3,792 million or 14.9 per cent of sales.

On 8 August 2013, the Directors of Telstra resolved to pay a fully franked final dividend of 14 cents per share bringing the total dividend to 28 cents per share for the 2013 financial year. Shares will trade excluding entitlement to the dividend on 19 August 2013 with payment on 20 September 2013.

FULL YEAR RESULTS
AND OPERATIONS REVIEW

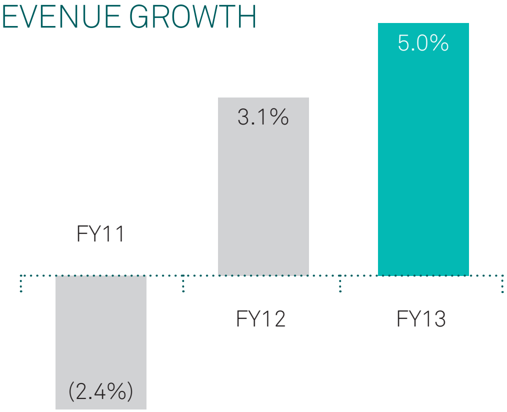
PRODUCT SALES REVENUE BREAKDOWN



KEY PRODUCT REVENUE

	FY13 $m	FY12 $m	Change %
Fixed	**7,303**	7,508	**(2.7)**
Mobile	**9,200**	8,680	**6.0**
Data & IP	**3,041**	3,108	**(2.2)**
NAS	**1,487**	1,263	**17.7**
International businesses	**1,739**	1,496	**16.2**
Media	**2,191**	2,377	**(7.8)**

TOTAL FIXED BROADBAND REVENUE GROWTH



PRODUCT PERFORMANCE

Fixed

Telstra's fixed portfolio comprises fixed voice (PSTN and NBN voice), fixed broadband and other fixed revenue which primarily includes intercarrier services, payphones, customer premises equipment and infrastructure access revenue from the NBN agreements. Our key priorities in the fixed portfolio are to grow our fixed broadband business, manage the decline in our PSTN business and successfully transition customers to the NBN.

There was a continuation of trends in our PSTN and fixed broadband business this financial year. PSTN revenue fell by 9.5 per cent to $4,358 million, however we saw strong growth in retail fixed broadband with revenue increasing by 9.3 per cent to $1,757 million, the strongest growth in four years. Total fixed broadband revenue increased by 5.0 per cent to $2,087 million. The growth in fixed broadband and $71 million of infrastructure access revenue from the NBN agreements slowed the rate of decline in the fixed revenue portfolio, which declined by 2.7 per cent to $7,303 million.

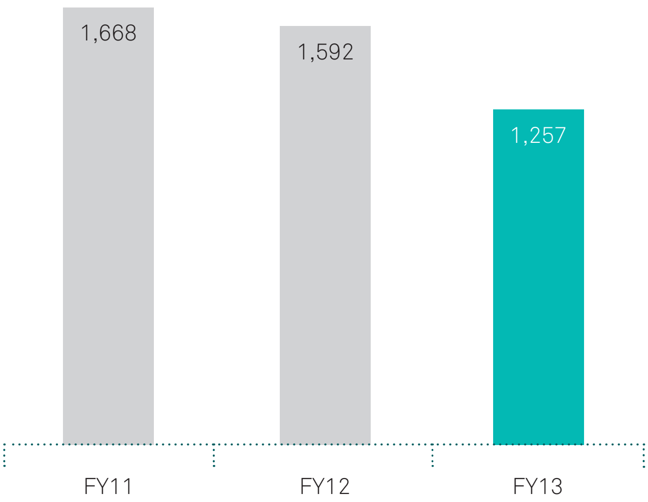
Our PSTN business continued to decline with the loss of 287,000 customers. Retail customer numbers declined by 346,000 and wholesale services increased by 59,000. There are now 7.8 million PSTN customers.

Retail fixed broadband growth in customer numbers remained strong with 173,000 customers added during the year. Customer base growth has been driven by our range of competitive bundled offers. There are now 1.6 million bundled customers compared to 1.4 million customers at the end of FY12. In addition to this growth, retail fixed broadband average revenue per user (ARPU) increased by 1.6 per cent to $54.52.

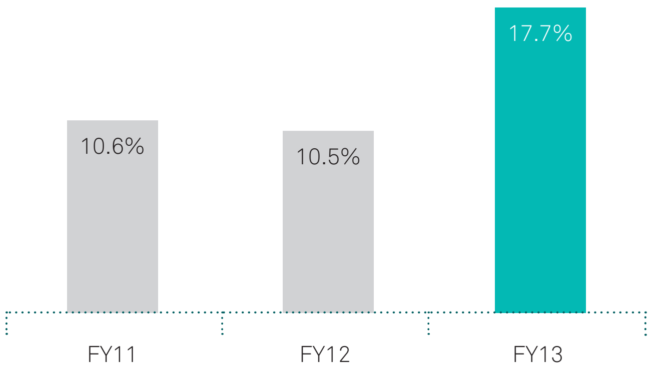
PSTN EBITDA margins increased to 63 per cent while fixed broadband increased by four percentage points to 42 per cent compared to financial year 2012.

FULL YEAR RESULTS
AND OPERATIONS REVIEW

RETAIL MOBILE CUSTOMER ADDS ('000s)



NAS REVENUE GROWTH



Mobile

Mobile revenue grew by 6.0 per cent or $520 million to $9,200 million with 1.3 million domestic retail mobile customers added during the year, taking our total mobile customer base to 15.1 million. Customers are using more data on our wireless network; their experience being enhanced by our continued investments in the network, product development and customer service.

To continue to provide our customers with a superior network experience we invested $1.2 billion in our mobile network during the year. This investment included broadening the reach of our 4G network which now covers 66 per cent of the population. As a result of our extended coverage and device range, to date we have sold 2.8 million 4G devices with 27 per cent of our postpaid handheld customers now on 4G.

Postpaid handheld revenue growth accelerated in the second half, growing by 5.4 per cent compared to 0.3 per cent growth in the first half. For the full year, postpaid handheld revenue grew by 2.8 per cent to $4,804 million with the addition of 423,000 customers. Excluding the impact of Mobile Repayment Options (MRO), ARPU increased by 2.7 per cent in the second half to $65.39. For the full year, ARPU excluding MRO was down 0.1 per cent to $65.33.

Growth was also strong in the mobile broadband category with the addition of 452,000 customers. Revenue grew by 17.5 per cent or $178 million to $1,196 million. Much of this growth was driven by the popularity of tablets. As the ARPU on tablet devices is lower, mobile broadband ARPU declined by 4.7 per cent to $29.80. We have now sold 900,000 tablet devices including over 200,000 4G enabled tablet devices.

Prepaid handheld revenue grew by 11.2 per cent to $727 million driven by the ongoing popularity of our Prepaid Cap Encore plans, which contributed approximately 66 per cent of prepaid activations during the year. This led to an increase in prepaid handheld ARPU of 6.3 per cent to $17.94. Prepaid unique handheld users also increased by 8.3 per cent to 2.2 million.

The popularity of smartphones and tablets contributed to mobile hardware revenue growth of 11.9 per cent to $1,497 million while mobiles interconnection revenue decreased marginally by $1 million to $768 million.

Churn continues to be well managed. The annualised postpaid handheld deactivation rate improved by 1.4 percentage points to 10.8 per cent.

Effective cost management and increased operating scale has improved the profitability of the mobile portfolio. EBITDA margins increased by 2 percentage points to 38 per cent.

Data and IP

Data and IP revenue declined by 2.2 per cent or $67 million to $3,041 million. IP Access revenue grew by 5.9 per cent to $1,118 million, however this was not enough to offset the decline in legacy data products. Customer growth was strong with IP MAN services increasing by 3,588 to 30,597. Data and IP EBITDA margins were 65 per cent, up 1 percentage point from the prior year.

Network Applications and Services (NAS)

There was continued double digit growth across all major NAS product categories as we start to see the revenue benefits of long-term contracts won in the previous year. The NAS portfolio grew revenue by 17.7 per cent to $1,487 million. Revenue growth in our unified communications portfolio was also 17.7 per cent. Unified communications is an integrated hardware and software offering that combines enterprise communications onto a single platform. Revenue from cloud services, which includes providing storage and computing capacity and software as a service to our customers, grew by 33.0 per cent during the year.

PRODUCT PROFITABILITY
EBITDA MARGINS*

	FY13	FY12	H2 13	H1 13	H2 12
Mobile	**38%**	36%	**39%**	37%	38%
Fixed broadband	**42%**	38%	**43%**	41%	40%
PSTN	**63%**	60%	**63%**	62%	60%
Data & IP	**65%**	64%	**65%**	65%	65%
Sensis	**44%**	50%	**55%**	23%	61%
Telstra Group	**42%**	41%	**44%**	40%	43%

*The data in this table includes minor adjustments to historic numbers to reflect changes in product hierarchy

International Businesses

Our International businesses grew revenue by 16.2 per cent or $243 million to $1,739 million. This portfolio comprises the Hong Kong mobile services (CSL New World) business, the Telstra Global business and our China digital media businesses providing services in automotive, IT and consumer electronics.

CSL New World revenue grew by 17.6 per cent to $1,011 million with 425,000 new customers added during the year. In Hong Kong dollar terms CSL New World revenue grew by 16.9 per cent to HK$8,052 million and EBITDA grew by 14.9 per cent to HK$2,057 million. Global Connectivity and NAS revenue grew by 11.4 per cent to $566 million, and in our China portfolio, revenue from Autohome increased by 73.8 per cent. Autohome has established a strong digital marketing position in the Chinese automotive market, which is growing rapidly.

Media

Media product portfolio revenue declined by 7.8 per cent or $186 million to $2,191 million. This portfolio includes our domestic media services and the Sensis domestic directories business.

Total revenue for Sensis and advertising declined by 11.7 per cent to $1,336 million as traditional print customers continue to migrate to digital offerings.

Sensis' digital portfolio growth continued to accelerate year on year with revenue increasing by 11.3 per cent to $415 million (prior year growth was 4.5 per cent). Print revenue declined by 19.9 per cent to $778 million comprising a decline of 11.4 per cent in White Pages® and 25.6 per cent in Yellow Pages® print revenue.

TV revenue, which includes Premium Pay TV and IPTV, remained stable at $666 million. The decline in the number of customers on the premium service was offset by growth in IPTV, namely T-Box® sales and Foxtel on T-Box® offerings. Cable revenue, which represents income from the supply of HFC cable services to Foxtel, increased by 1.7 per cent to $120 million due to higher advertising revenue under the revenue sharing agreement with Foxtel.

FULL YEAR RESULTS
AND OPERATIONS REVIEW

SEGMENT INCOME

	Total external income		
	FY13 $m	FY12 $m	**Change %**
Telstra Consumer	**10,656**	10,313	**3.3**
Telstra Business	**4,714**	4,665	**1.1**
Telstra Enterprise and Government	**4,346**	4,289	**1.3**
Telstra Wholesale	**2,115**	2,091	**1.1**
Telstra Operations	**156**	74	**110.8**
Telstra Media Group (i)	**1,615**	1,741	**(7.2)**
Telstra International Group (i)	**1,883**	1,667	**13.0**
Other	**495**	663	**(25.3)**
Total Telstra segments	**25,980**	25,503	**1.9**

(i) Telstra International Group and Telstra Media Group do not align to the revenue statement for International businesses and Media due to differences in our internal management reporting which eliminates certain items in the Other segment.

SEGMENT EBITDA CONTRIBUTION

	FY13 $m	FY12 $m	**Change %**
Telstra Consumer	**5,577**	5,444	**2.4**
Telstra Business	**3,631**	3,566	**1.8**
Telstra Enterprise and Government	**3,400**	3,433	**(1.0)**
Telstra Wholesale	**1,942**	1,933	**0.5**
Telstra Operations	**(3,711)**	(3,744)	**0.9**
Telstra Media Group	**683**	806	**(15.3)**
Telstra International Group	**385**	280	**37.5**
Other	**(1,278)**	(1,484)	**13.9**
Total Telstra segments	**10,629**	10,234	**3.9**

SEGMENT PERFORMANCE

We report our segment information on the same basis as our internal management reporting structure at reporting date. Commentary on the performance of our business segments follows.

Telstra Consumer

Telstra Consumer income grew by 3.3 per cent to $10,656 million and EBITDA increased by 2.4 per cent to $5,577 million. Fixed broadband revenue continued to grow at double digit rates, increasing by 10.4 per cent to $1,441 million. The popularity of our bundled plans contributed to this growth. In mobiles, refreshed postpaid offers and an expanded 4G handset and tablet range contributed to an increase in mobile revenue of 9.4 per cent to $5,763 million. 353,000 postpaid mobile handheld customers were added during the year.

Telstra Business

Telstra Business returned to growth for the full year with income increasing by 1.1 per cent to $4,714 million. This included income growth of 2.5 per cent in the second half. Trends in the fixed line business continued with revenue declining by 5.5 per cent to $1,444 million however there was strong double-digit growth in NAS and IP access and data. NAS revenue grew by 26.4 per cent to $278 million and IP access and data revenue grew by 13.2 per cent to $219 million. Mobile services revenue (including interconnection) grew by 2.4 per cent to $2,213 million with 59,000 postpaid mobile handheld customers added in the year. Fixed broadband revenue increased by 7.9 per cent to $326 million with very solid customer growth of 40,000. EBITDA increased by 1.8 per cent to $3,631 million.

Telstra Enterprise and Government

Telstra Enterprise and Government income grew by 1.3 per cent to $4,346 million. IP access and data revenue grew by 1.5 per cent to $1,136 million. NAS revenue grew by 14.7 per cent to $1,169 million as we start to see the revenue benefits of long-term contracts won in the previous year. Mobile services revenue (including interconnection) declined by 1.5 per cent to $973 million driven by ARPU declines outweighing customer growth. EBITDA decreased by 1.0 per cent to $3,400 million due primarily to product mix changes including growth from lower margin NAS business.

Telstra Wholesale

Income generated from our Wholesale business increased by 1.1 per cent to $2,115 million, the first year on year increase in seven years. This was largely driven by NBN Infrastructure revenue which was offset in part by the impact of lower fixed usage and mobile roaming. Continued carrier migration from Line Spectrum Sharing (LSS) to ULL services resulted in LSS services declining by 65,000 while ULL services grew by 162,000. External expenses increased by 8.9 per cent resulting in an EBITDA increase of 0.5 per cent to $1,942 million. The increase in expenses was largely due to doubtful debt provision, customer compensation costs relating to the Warrnambool exchange fire and higher service contract costs.

Telstra Operations

Telstra Operations is primarily a service delivery centre supporting the revenue generating activities of our other segments. The EBITDA contribution improved 0.9 per cent on the prior year with significant reductions in labour expense partially offset by higher accommodation costs (particularly light and power). This result was achieved after increased investment in our strategic growth area of NAS.

Telstra Media Group

The Telstra Media Group (TMG) includes the Sensis domestic directories business of Yellow Pages® and White Pages® print and digital, Whereis® location and navigation services and TrueLocal; the Foxtel reseller products including premium Pay TV, Foxtel on T-Box® and Foxtel on Mobile; the supply of HFC cable services to Foxtel; and Digital Content Services including AFL, NRL, and the MOG music service.

The decline in EBITDA of 15.3 per cent was largely due to the decline in Sensis EBITDA. Further commentary on the performance of products in the TMG is provided in the Media products section on page 15.

FULL YEAR RESULTS AND OPERATIONS REVIEW

OPERATING EXPENSES

	FY13 $m	FY12 $m	Change %
Labour	**4,803**	4,967	**(3.3)**
Goods and services purchased	**6,389**	6,179	**3.4**
Other expenses	**4,158**	4,123	**0.8**
Total operating expenses	**15,350**	15,269	**0.5**

Telstra International Group
Telstra International Group (TIG) segment income grew by 13.0 per cent to $1,883 million and EBITDA contribution grew by 37.5 per cent to $385 million. Further commentary on the performance of the components in the TIG segment is provided in the International businesses section on page 15.

Other
Our Other category consists primarily of our corporate centre functions where we recognise payments received under NBN agreements, impairments, adjustments to our employee provisions for bond rate movements and short term incentives, and redundancy expenses for the parent entity. The results of our New Zealand subsidiary TelstraClear, which was sold in October 2012, is also included in the Other category.

EXPENSE PERFORMANCE

Labour
Total labour expenses decreased by 3.3 per cent or $164 million to $4,803 million during the year.

Labour substitution costs decreased by 15.7 per cent or $142 million to $764 million resulting largely from a change in strategic direction to resourcing project work from specialist external suppliers or our own skilled internal workforce. This resulted in an increase in both our salary and associated costs and our service contracts and agreements expense.

Other labour expenses decreased by 11.9 per cent or $47 million to $347 million as we continue to streamline our contractor and agency activities. This was offset by higher than planned overtime required to rectify service faults associated with inclement weather across the eastern states.

Our salary and associated costs decreased slightly by 0.1 per cent or $2 million to $3,503 million. This included a $136 million reduction due to favourable bond rate movements impacting our long service and workers compensation provisions, and a reduction in our staffing levels resulting from our sale of TelstraClear during the current year. Offsetting this was the impact of salary and wage increases including the new Enterprise Agreement implemented during the first half of this year.

Redundancy expenses increased by 16.7 per cent or $27 million to $189 million as we continue with our restructuring and rationalisation activities aimed at simplifying the business.

Our total workforce numbers decreased from the prior year by 2,251 to 37,721. The decrease was driven by our sale of TelstraClear, which reduced our workforce by around 1,300. There were also reductions due to the consolidation of several support functions and continued restructuring of our call centres and shops, aimed at improving our business productivity.

Goods and services purchased
Goods and services purchased increased by 3.4 per cent or $210 million to $6,389 million. An increase in cost of goods sold and commissions paid was offset by a decrease in network payments.

Cost of goods sold (which includes mobile handsets, tablets, dongles, fixed and digital products) increased by 13.7 per cent or $350 million to $2,901 million. This was led by increased handset volumes to support the recontracting of a growing mobile customer base, and higher average cost of handsets due to the popularity of smartphones in both our domestic and international markets. An increase in hardware sales to support the growth in our NAS business also led to an increase in cost of goods sold.

Other cost of goods sold increased by 8.3 per cent or $140 million to $1,820 million following an increase in mobile sales through our dealers and licensees and fixed product sales to our business customers which have both resulted in higher commissions expense.

Network payments decreased by 14.4 per cent or $280 million to $1,668 million. This reduction was largely the result of lower payments to overseas carriers resulting from a renegotiation of rates, as well as reduced expenditure on the 3GIS network following the termination of our agreement with Vodafone Hutchison Australia and subsequent closure of the network in the

FULL YEAR RESULTS AND OPERATIONS REVIEW

SUMMARY STATEMENT OF CASH FLOWS

	FY13 $m	FY12 $m	Change $m	Change %
Net cash provided by operating activities	**8,359**	9,276	(917)	**(9.9)**
Net cash used in investing activities	**(3,335)**	(4,079)	744	**(18.2)**
Free cashflow	**5,024**	5,197	(173)	**(3.3)**
Net cash used in financing activities	**(6,526)**	(3,906)	(2,620)	**67.1**
Net increase in cash and cash equivalents	**(1,502)**	1,291	(2,793)	**(216.3)**

first half of this financial year. Savings from the reduction in the mobile terminating access (MTA) rate (9.0 cents to 6.0 cents per minute in January 2012, and then from 6.0 cents to 4.8 cents per minute in January 2013) were partially offset by an increase in the volume of SMS/MMS traffic. There was also a reduction in network payments as a result of the sale of TelstraClear.

Other expenses

Total other expenses increased marginally by 0.8 per cent or $35 million to $4,158 million. This increase was driven by service contracts and agreements and our recognition of a loss on the sale of TelstraClear during the first half of this year. This was offset by a decrease in impairment expenses.

Service contracts and agreements increased by 12.4 per cent or $153 million to $1,382 million with the utilisation of additional external expertise to support current programs including our initiatives to drive greater customer advocacy, operational efficiency and ongoing site recovery and maintenance. Expenses were also incurred in relation to our commitments under the NBN and AFL rights agreements.

Other operating expenses increased by 5.0 per cent or $118 million to $2,468 million mainly due to the completion of our sale of TelstraClear on 31 October 2012 which resulted in a loss on sale of $127 million.

Impairment and diminution expenses decreased by 43.4 per cent or $236 million to $308 million. Bad and doubtful debts expense declined by 28.7 per cent or $85 million to $211 million due to lower levels of consumer debt defaults, improved remediation of long outstanding debt and tighter assessment of customers at time of connection. The prior period included impairments in both TelstraClear and the LMobile Group.

Excluding TelstraClear related expenditure and sale adjustments from both periods, other expenses increased by 1.7 per cent.

Finance costs

Net finance costs increased by 2.4 per cent or $21 million to $909 million.

Net borrowing costs decreased by $139 million due to a reduction in the net average interest cost (from 7.0 per cent to 6.4 per cent) and a reduction in the average volume of our net interest bearing liabilities. The rate reduction arises principally from a reduction in market base rates during the year, resulting in lower costs on the floating rate debt component of our debt portfolio.

Other net finance costs increased by $160 million largely due to revaluation impacts relating to our fair value hedges and on transactions not in, or de-designated from, hedge relationships. This was predominantly due to movements in base market interest rates and borrowing margins, as well as net present value calculations as borrowings move closer to maturity.

FINANCIAL POSITION

Capital expenditure and cash flow

Our operating capital expenditure increased by 5.6 per cent to $3,792 million in line with our 15 per cent capex to sales guidance. This investment has enabled us to meet ongoing customer demand, support the accelerated rollout of mobile 4G LTE and meet ongoing delivery of NBN commitments.

Free cashflow generated from operating and investing activities was $5,024 million, representing a decline of 3.3 per cent. This included increased working capital to support business growth, cash proceeds from the sale of TelstraClear of $669 million and spectrum licence payments of $821 million. Excluding the cash proceeds from sale of TelstraClear and spectrum licence payments, on a full year basis, free cashflow declined by 0.4 per cent.

Debt position

Our gross debt position at 30 June 2013 was $15,628 million, a decrease of $1,594 million from 30 June 2012. This included the early repayment in June 2013 of a US$600 million (A$630 million) bank loan due to mature in August 2013.

The decrease reflects net borrowing repayments of $2,065 million partly

FULL YEAR RESULTS AND OPERATIONS REVIEW

FINANCIAL SETTINGS

	FY13 Actual	FY13 Target Zone
Debt servicing[i]	**1.2x**	1.5 – 1.9x
Gearing [ii]	**50.5%**	50% to 70%
Interest cover[iii]	**12.4x**	>7x

(i) Debt servicing ratio equals net debt to EBITDA
(ii) Gearing ratio equals net debt to net debt plus total equity
(iii) Interest cover equals EBITDA to net interest

SUMMARY STATEMENT OF FINANCIAL POSITION

	FY13 $m	FY12 $m	Change $m	Change %
Current assets	**7,903**	9,950	(2,047)	**(20.6)**
Non current assets	**30,624**	29,575	1,049	**3.5**
Total assets	**38,527**	39,525	(998)	**(2.5)**
Current liabilities	**7,522**	10,684	(3,162)	**(29.6)**
Non current liabilities	**18,130**	17,152	978	**5.7**
Total liabilities	**25,652**	27,836	(2,184)	**(7.8)**
Net assets	**12,875**	11,689	1,186	**10.1**
Equity	**12,875**	11,689	1,186	**10.1**

offset by non-cash revaluation impacts of $234 million and finance lease additions of $237 million. During the year we made repayments of $4,139 million comprising long term debt maturities of $3,600 million, net short term borrowing repayments of $442 million and finance lease repayments of $97 million. The maturities were principally funded by new debt issuances of $2,074 million together with utilisation of liquidity built up during prior financial years. Debt raising during the year was undertaken both in the offshore and domestic markets including $1,268 million from a Euro bond and a domestic bond of $743 million.

Net debt was $13,149 million, a decrease of $128 million from the prior year. This movement reflects a decrease in gross debt of $1,594 million offset by a net reduction in cash and cash equivalents of $1,466 million. Extra liquidity was built up in financial year 2012 ahead of significant debt repayments and anticipated spectrum commitments in financial year 2013. Payment for acquisition of mobile spectrum licences in the 700MHz and 2.5GHz bands was originally expected to be made during the year but is now to be paid for in September 2014.

Our net debt gearing ratio (net debt to capitalisation) at 30 June 2013 of 50.5 per cent was lower than the gearing ratio at 30 June 2012 of 53.2 per cent and is within our target range for net debt gearing.

Statement of Financial Position
Our balance sheet remains in a strong position with net assets of $12,875 million.

Current assets decreased by 20.6 per cent to $7,903 million. Cash and cash equivalents decreased mainly due to net borrowing repayments. Increased customer acquisition activity has impacted trade and other receivables and has also contributed to us holding increased inventory levels to support sales and network expansion. Tax receivables decreased due to tax amendment refunds and assets classified as held for sale decreased due to the sale of TelstraClear.

Non current assets increased by 3.5 per cent to $30,624 million. Property, plant and equipment declined as ongoing depreciation and retirements exceed the level of additions. This was partly offset by an increase in intangible assets largely associated with the renewal of spectrum licences, and an increase in derivative assets mainly due to net foreign currency and other valuation impacts arising from measuring to fair value.

Current liabilities decreased by 29.6 per cent to $7,522 million. The reduction in current borrowings reflects the repayment of borrowing maturities in the year. Derivative liabilities decreased due to net foreign currency and other valuation impacts and current tax payables decreased mainly due to timing differences which reduced taxable income. Trade and other payables increased primarily as a result of higher capital and labour accruals.

Non current liabilities increased by 5.7 per cent to $18,130 million mainly due to debt issuances during the year and fair value revaluation impacts on our borrowings. Derivative liabilities decreased due to foreign currency and other valuation impacts. Defined benefit pension liabilities decreased as a result of an actuarial gain for Telstra Super due to increased return on assets, a higher discount rate and reduced projected salary increases. Our net deferred tax liability increased as a result of the reduction of the defined benefit pension liability, which reflects a decrease in future tax benefits from anticipated deductible superannuation payments.

GUIDANCE VERSUS REPORTED RESULTS

This schedule details the adjustments made to the reported results for the current year to reflect the performance of the business on the basis which we provided guidance to the market. Our guidance assumed wholesale product price stability, no impairments to investments and excludes any proceeds on the sale of businesses.

	REPORTED			ADJUSTMENTS			GUIDANCE BASIS		
				FY13		FY12			
	FY13 $m	FY12 $m	Growth %	TClear (i) $m	Spectrum (ii) $m	TClear (iii) $m	FY13 $m	FY12 $m	Growth %
Sales revenue	**25,502**	25,232	**1.1%**	(164)		(502)	**25,338**	24,730	2.5%
Total revenue	**25,678**	25,368	**1.2%**	(164)		(502)	**25,514**	24,866	2.6%
Total income (excl. finance income)	**25,980**	25,503	**1.9%**	(164)		(502)	**25,816**	25,001	3.3%
Labour	**4,803**	4,967	**(3.3%)**	(35)		(100)	**4,768**	4,867	(2.0%)
Goods and services purchased	**6,389**	6,179	**3.4%**	(81)		(226)	**6,308**	5,953	6.0%
Other expenses	**4,158**	4,123	**0.8%**	(175)		(206)	**3,983**	3,917	1.7%
Operating expenses	**15,350**	15,269	**0.5%**	(291)		(532)	**15,059**	14,737	2.2%
Share of net losses from jointly controlled and associated entities	**1**	0	n/a	0		0	**1**	0	n/a
EBITDA	**10,629**	10,234	**3.9%**	127	0	30	**10,756**	10,264	4.8%
Depreciation and amortisation	**4,238**	4,412	**(3.9%)**	0		(109)	**4,238**	4,303	(1.5%)
EBIT	**6,391**	5,822	**9.8%**	127	0	139	**6,518**	5,961	9.3%
Net finance costs	**909**	888	**2.4%**	0		1	**909**	889	2.2%
Profit before income tax expense	**5,482**	4,934	**11.1%**	127	0	138	**5,609**	5,072	10.6%
Income tax expense	**1,617**	1,510	**7.1%**	0	0	0	**1,617**	1,510	7.1%
Profit for the period	**3,865**	3,424	**12.9%**	127	0	138	**3,992**	3,562	12.1%
Attributable to:									
Equity holders of the Telstra Entity	**3,813**	3,405	**12.0%**	127	0	138	**3,940**	3,543	11.2%
Non-controlling interests	**52**	19	**173.7%**	0		0	**52**	19	173.7%
Free cashflow	**5,024**	5,197	**(3.3%)**	(669)	821	(48)	**5,176**	5,149	0.5%

This table has been subject to review by our auditors.

Note:
In the table above, we have adjusted the results for:

(i) TelstraClear adjustments for assets held for sale:
Adjustments relating to TelstraClear trading results and sale to Vodafone New Zealand.
This includes the net loss on disposal of TelstraClear in financial year 2013 of $127 million.

(ii) Spectrum purchases and renewals:
Adjustments relating to the impact of free cashflow associated with our spectrum purchases and renewals for the year ($637.1m 800 MHz, $142.2m 1800 MHz 1st tranche & $41.4m CSL 4G spectrum).

(iii) TelstraClear Jun12 adjustment:
Adjustments relating to TelstraClear operating results to June 2012. This included the $130m impairment booked in June 2012.

	Year ended 30 June			
	2013	2012	Change	**Change**
	$m	$m	$m	**%**
Sales revenue	**25,502**	25,232	270	**1.1**
Other revenue (i)	**176**	136	40	**29.4**
Total revenue	**25,678**	25,368	310	**1.2**
Other income (ii)	**302**	135	167	**123.7**
Total income (excl. finance income)	**25,980**	25,503	477	**1.9**
Labour	**4,803**	4,967	(164)	**(3.3)**
Goods and services purchased	**6,389**	6,179	210	**3.4**
Other expenses	**4,158**	4,123	35	**0.8**
Operating expenses	**15,350**	15,269	81	**0.5**
Share of net profit from jointly controlled and associated entities	**1**	-	1	**n/m**
Earnings before interest, income tax expense, depreciation and amortisation (EBITDA)	**10,629**	10,234	395	**3.9**
Depreciation and amortisation	**4,238**	4,412	(174)	**(3.9)**
Earnings before interest and income tax expense (EBIT)	**6,391**	5,822	569	**9.8**
Net finance costs	**909**	888	21	**2.4**
Profit before income tax expense	**5,482**	4,934	548	**11.1**
Income tax expense	**1,617**	1,510	107	**7.1**
Profit for the period	**3,865**	3,424	441	**12.9**
Attributable to:				
Equity holders of the Telstra Entity	**3,813**	3,405	408	**12.0**
Non-controlling interests	**52**	19	33	**173.7**
	3,865	3,424	441	**12.9**
Effective tax rate	**29.5%**	30.6%		**(1.1) pp**
EBITDA margin on sales revenue	**41.7%**	40.6%		**1.1 pp**
EBIT margin on sales revenue	**25.1%**	23.1%		**2.0 pp**
			Change	**Change**
	cents	cents	cents	**%**
Basic earnings per share (iii)	**30.7**	27.5	3.2	**11.6**
Diluted earnings per share (iii)	**30.6**	27.4	3.2	**11.7**
Dividends per ordinary share:				
Interim dividend	**14.0**	14.0		
Final dividend	**14.0**	14.0		
Total	**28.0**	28.0		

(i) Other revenue primarily consists of distributions received from FOXTEL (30 June 2013: $155m; 30 June 2012: $108m) and rental income.

(ii) Other income includes gains and losses on asset and investment sales, USO levy receipts, TUSMA payment receipts, subsidies and other miscellaneous items.

(iii) Basic and diluted earnings per share are impacted by the effect of shares held in trust for employee share plans and instruments held under executive remuneration plans.

Statement of financial position

	As at 30 June			
	2013	2012	Change	Change
	$m	$m	$m	%
Current assets				
Cash and cash equivalents	**2,479**	3,945	(1,466)	**(37.2)**
Trade and other receivables	**4,557**	4,346	211	**4.9**
Inventories	**431**	260	171	**65.8**
Derivative financial assets	**43**	32	11	**34.4**
Current tax receivables	**79**	363	(284)	**(78.2)**
Prepayments	**314**	250	64	**25.6**
Assets classified as held for sale	**-**	754	(754)	**(100.0)**
Total current assets	**7,903**	9,950	(2,047)	**(20.6)**
Non current assets				
Trade and other receivables	**943**	851	92	**10.8**
Inventories	**27**	24	3	**12.5**
Investments - accounted for using the equity method	**18**	12	6	**50.0**
Investments - other	**38**	19	19	**100.0**
Property, plant and equipment	**20,326**	20,504	(178)	**(0.9)**
Intangible assets	**8,202**	7,421	781	**10.5**
Derivative financial assets	**1,062**	658	404	**61.4**
Non current tax receivables	**-**	80	(80)	**(100.0)**
Deferred tax assets	**5**	6	(1)	**(16.7)**
Defined benefit assets	**3**	-	3	**n/m**
Total non current assets	**30,624**	29,575	1,049	**3.5**
Total assets	**38,527**	39,525	(998)	**(2.5)**
Current liabilities				
Trade and other payables	**4,241**	4,131	110	**2.7**
Provisions	**918**	942	(24)	**(2.5)**
Borrowings	**751**	3,306	(2,555)	**(77.3)**
Derivative financial liabilities	**44**	299	(255)	**(85.3)**
Current tax payables	**444**	731	(287)	**(39.3)**
Revenue received in advance	**1,124**	1,170	(46)	**(3.9)**
Liabilities classified as held for sale	**-**	105	(105)	**(100.0)**
Total current liabilities	**7,522**	10,684	(3,162)	**(29.6)**
Non current liabilities				
Other payables	**163**	174	(11)	**(6.3)**
Provisions	**276**	264	12	**4.5**
Borrowings	**14,313**	11,958	2,355	**19.7**
Derivative financial liabilities	**1,625**	2,349	(724)	**(30.8)**
Deferred tax liabilities	**1,330**	1,107	223	**20.1**
Defined benefit liability	**42**	831	(789)	**(94.9)**
Revenue received in advance	**381**	469	(88)	**(18.8)**
Total non current liabilities	**18,130**	17,152	978	**5.7**
Total liabilities	**25,652**	27,836	(2,184)	**(7.8)**
Net assets	**12,875**	11,689	1,186	**10.1**
Equity				
Equity available to Telstra Entity shareholders	**12,611**	11,480	1,131	**9.9**
Non-controlling interests	**264**	209	55	**26.3**
Total equity	**12,875**	11,689	1,186	**10.1**
Gross debt	**15,628**	17,222	(1,594)	**(9.3)**
Net debt	**13,149**	13,277	(128)	**(1.0)**
EBITDA interest cover (times)	**12.4**	10.3	2.1	**20.4**
Net debt to EBITDA	**1.2**	1.3	(0.1)	**(7.7)**
Return on average assets	**18.1%**	16.7%		**1.4 pp**
Return on average equity	**31.7%**	28.9%		**2.8 pp**
Return on average investment	**25.1%**	22.9%		**2.2 pp**
Gearing ratio (net debt to capitalisation)	**50.5%**	53.2%		**(2.7) pp**

n/m = not meaningful

Statement of cash flows

	Year ended 30 June			
	2013	2012	Change	**Change**
	$m	$m	$m	**%**
Cash flows from operating activities				
Receipts from customers (inclusive of goods and services tax (GST))	**28,585**	28,188	397	**1.4**
Payments to suppliers and to employees (inclusive of GST)	**(18,803)**	(17,491)	(1,312)	**7.5**
Government grants received	**77**	176	(99)	**(56.3)**
Net cash generated by operations	**9,859**	10,873	(1,014)	**(9.3)**
Income taxes paid	**(1,500)**	(1,597)	97	**(6.1)**
Net cash provided by operating activities	**8,359**	9,276	(917)	**(9.9)**
Cash flows from investing activities				
Payments for:				
- property, plant and equipment	**(2,818)**	(3,006)	188	**(6.3)**
- intangible assets	**(1,691)**	(942)	(749)	**79.5**
Capital expenditure (before investments)	**(4,509)**	(3,948)	(561)	**14.2**
- shares in controlled entities (net of cash acquired)	**(9)**	-	(9)	**n/m**
- payments for jointly controlled and associated entities	**(8)**	(9)	1	**(11.1)**
- payments for other investments	**(19)**	(18)	(1)	**5.6**
Total capital expenditure	**(4,545)**	(3,975)	(570)	**14.3**
Proceeds from:				
- sale of property, plant and equipment	**57**	17	40	**235.3**
- sale of intangible assets	**12**	2	10	**500.0**
- sale of shares in controlled entities (net of cash disposed)	**693**	(9)	702	**n/m**
- sale of businesses (net of cash disposed)	**4**	(2)	6	**(300.0)**
Proceeds from finance lease principal amounts	**64**	54	10	**18.5**
Repayments of loans to jointly controlled and associated entities	**-**	3	(3)	**(100.0)**
Loans to jointly controlled and associated entities	**(1)**	(443)	442	**(99.8)**
Interest received	**236**	117	119	**101.7**
Settlement of hedges of net investments	**(11)**	49	(60)	**(122.4)**
Dividends received	**1**	-	1	**n/m**
Distributions received from FOXTEL Partnership	**155**	108	47	**43.5**
Net cash used in investing activities	**(3,335)**	(4,079)	744	**(18.2)**
Operating cash flows less investing cash flows	**5,024**	5,197	(173)	**(3.3)**
Cash flows from financing activities				
Proceeds from borrowings	**2,074**	3,049	(975)	**(32.0)**
Repayment of borrowings	**(4,042)**	(2,224)	(1,818)	**81.7**
Repayment of finance lease principal amounts	**(97)**	(52)	(45)	**86.5**
Proceeds from sale and finance lease back transactions	**52**	-	52	**n/m**
Staff repayments of share loans	**4**	3	1	**33.3**
Proceeds received from exercise of equity instruments	**29**	-	29	**n/m**
Finance costs paid	**(1,037)**	(1,154)	117	**(10.1)**
Acquisition of non-controlling interests	**(1)**	(37)	36	**(97.3)**
Dividends paid to equity holders of Telstra Entity	**(3,480)**	(3,475)	(5)	**0.1**
Dividends paid to non-controlling interests	**(28)**	(16)	(12)	**75.0**
Net cash used in financing activities	**(6,526)**	(3,906)	(2,620)	**67.1**
Net increase in cash and cash equivalents	**(1,502)**	1,291	(2,793)	**(216.3)**
Cash and cash equivalents at the beginning of the year	**3,945**	2,637	1,308	**49.6**
Effects of exchange rate changes on cash and cash equivalents	**36**	17	19	**111.8**
Cash and cash equivalents at the end of the year	**2,479**	3,945	(1,466)	**(37.2)**

n/m = not meaningful

Revenue

	Year ended 30 June			
	2013	2012	Change	**Change**
	$m	$m	$m	**%**
Fixed products				
Fixed voice	**4,359**	4,818	(459)	**(9.5)**
Fixed broadband	**2,087**	1,987	100	**5.0**
Other fixed revenue (i)	**857**	703	154	**21.9**
Total fixed revenue	**7,303**	7,508	(205)	**(2.7)**
Mobiles				
Postpaid handheld	**4,804**	4,672	132	**2.8**
Prepaid handheld	**727**	654	73	**11.2**
Mobile broadband	**1,196**	1,018	178	**17.5**
Machine to Machine (M2M)	**90**	80	10	**12.5**
Satellite	**13**	12	1	**8.3**
Mobiles interconnection	**768**	769	(1)	**(0.1)**
Mobile services revenue - wholesale resale	**105**	137	(32)	**(23.4)**
Total mobile services revenue	**7,703**	7,342	361	**4.9**
Mobile hardware	**1,497**	1,338	159	**11.9**
Total mobile revenue	**9,200**	8,680	520	**6.0**
Data & IP				
ISDN products	**777**	826	(49)	**(5.9)**
IP Access	**1,118**	1,056	62	**5.9**
Other data and calling products	**1,146**	1,226	(80)	**(6.5)**
Total Data & IP	**3,041**	3,108	(67)	**(2.2)**
Network applications and services	**1,487**	1,263	224	**17.7**
Media				
TV	**666**	666	0	**0.0**
Content	**69**	80	(11)	**(13.8)**
Sensis and advertising	**1,336**	1,513	(177)	**(11.7)**
Cable	**120**	118	2	**1.7**
Total media	**2,191**	2,377	(186)	**(7.8)**
International				
CSL New World	**1,011**	860	151	**17.6**
China digital media	**162**	128	34	**26.6**
Global connectivity and NAS	**566**	508	58	**11.4**
Total International	**1,739**	1,496	243	**16.2**
TelstraClear	**164**	501	(337)	**(67.3)**
Other sales revenue (ii)	**377**	299	78	**26.1**
Sales revenue	**25,502**	25,232	270	**1.1**
Other revenue (iii)	**176**	136	40	**29.4**
Total revenue	**25,678**	25,368	310	**1.2**
Other income (iv)	**302**	135	167	**123.7**
Total income	**25,980**	25,503	477	**1.9**

(i) Other fixed revenue primarily includes intercarrier services, payphones, customer premises equipment and narrowband.

(ii) Other sales revenue includes revenue for the build of NBN infrastructure and late payment and miscellaneous fee revenue.

(iii) Other revenue primarily consists of distributions received from FOXTEL and rental income.

(iv) Other income includes gains and losses on asset and investment sales, USO levy receipts, TUSMA payment receipts, subsidies and other miscellaneous items.

Expenses

	Year ended 30 June 2013 $m	2012 $m	Change $m	Change %
Salary and associated costs	**3,503**	3,505	(2)	**(0.1)**
Other labour expenses	**347**	394	(47)	**(11.9)**
Labour substitution	**764**	906	(142)	**(15.7)**
Redundancy	**189**	162	27	**16.7**
Total labour	**4,803**	**4,967**	(164)	**(3.3)**
Cost of goods sold	**2,901**	2,551	350	**13.7**
Network payments	**1,668**	1,948	(280)	**(14.4)**
Other	**1,820**	1,680	140	**8.3**
Total goods and services purchased	**6,389**	6,179	210	**3.4**
Service contracts and other agreements	**1,382**	1,229	153	**12.4**
Impairment and diminution expenses	**308**	544	(236)	**(43.4)**
Other operating expenses	**2,468**	2,350	118	**5.0**
Total other expenses	**4,158**	4,123	35	**0.8**
Total Operating expenses	**15,350**	15,269	81	**0.5**
Depreciation	**3,073**	3,305	(232)	**(7.0)**
Amortisation	**1,165**	1,107	58	**5.2**
Total depreciation and amortisation	**4,238**	4,412	(174)	**(3.9)**

Net Finance Costs

	Year ended 30 June 2013 $m	2012 $m	Change $m	Change %
Borrowing costs	**1,005**	1,120	(115)	**(10.3)**
Finance leases	**12**	12	0	**n/m**
Interest on cash, loans and finance lease receivables	**(158)**	(134)	(24)	**17.9**
Net Borrowing Costs	**859**	998	(139)	**(13.9)**
Other	**50**	(110)	160	**(145.5)**
Net Finance Costs	**909**	888	21	**2.4**

n/m = not meaningful

Accrued capex

	Year ended 30 June 2013 $m	2012 $m	Change $m	Change %
New revenue/growth	**298**	313	(15)	**(4.8)**
Business improvement	**543**	639	(96)	**(15.0)**
Customer demand and experience	**2,255**	1,971	284	**14.4**
Lifecycle maintenance	**298**	299	(1)	**(0.3)**
Legal and regulatory compliance	**13**	5	8	**160.0**
Sensis	**103**	106	(3)	**(2.8)**
International	**282**	258	24	**9.3**
Accrued capital expenditure	**3,792**	3,591	201	**5.6**

Accrued capital expenditure is defined as additions to property, equipment and intangible assets, including capital lease additions, measured on an accrued basis.

Segment Information

	Total external income			EBITDA contribution		
	Year ended 30 June			Year ended 30 June		
	2013	2012	**Change**	**2013**	2012	**Change**
	$m	$m	**%**	**$m**	$m	**%**
Telstra Consumer	**10,656**	10,313	**3.3**	**5,577**	5,444	**2.4**
Telstra Business	**4,714**	4,665	**1.1**	**3,631**	3,566	**1.8**
Telstra Enterprise and Government	**4,346**	4,289	**1.3**	**3,400**	3,433	**(1.0)**
Telstra Wholesale	**2,115**	2,091	**1.1**	**1,942**	1,933	**0.5**
Telstra Media Group (i)	**1,615**	1,741	**(7.2)**	**683**	806	**(15.3)**
Telstra International Group (i)	**1,883**	1,667	**13.0**	**385**	280	**37.5**
Telstra Operations	**156**	74	**110.8**	**(3,711)**	(3,744)	**0.9**
Other	**495**	663	**(25.3)**	**(1,278)**	(1,484)	**13.9**
Total Telstra segments	**25,980**	25,503	**1.9**	**10,629**	10,234	**3.9**

(i)Telstra International Group and Telstra Media Group do not align to the revenue statement for International businesses and Media due to differences in our internal management reporting which eliminates certain items in the Other Segment.

Revenue by Business Segment

	Year ended 30 June			
	2013	2012	Change	**Change**
	$m	$m	$m	**%**
Telstra Consumer				
PSTN products	**2,468**	2,746	(278)	**(10.1)**
Fixed broadband	**1,441**	1,305	136	**10.4**
Mobile services revenue	**4,400**	4,043	357	**8.8**
Telstra Business				
PSTN products	**1,105**	1,210	(105)	**(8.7)**
Fixed broadband	**326**	302	24	**7.9**
Mobile services revenue	**2,213**	2,162	51	**2.4**
Network applications and services	**278**	220	58	**26.4**
Telstra Enterprise and Government				
Mobile services revenue	**973**	988	(15)	**(1.5)**
IP access and data services	**1,136**	1,119	17	**1.5**
Network applications and services	**1,169**	1,019	150	**14.7**

Sensis financial summary

	Year ended 30 June			
	2013 $m	2012 $m	Change $m	**Change %**
Sales revenue	**1,304**	1,471	(167)	**(11.4)**
Total income	**1,304**	1,471	(167)	**(11.4)**
Operating expenses (excl. depreciation & amortisation)	**733**	742	(9)	**(1.2)**
EBITDA contribution	**571**	729	(158)	**(21.7)**
Depreciation and amortisation	**160**	140	20	**14.3**
EBIT contribution	**411**	589	(178)	**(30.2)**
Capital expenditure	**103**	106	(3)	**(2.8)**
EBITDA margin on sales revenue	**43.8%**	49.6%		**(5.8) pp**

Amounts included for Sensis represent the contribution to Telstra's consolidated result.

Sensis total income is split into the following categories:

	Year ended 30 June			
	2013 $m	2012 $m	Change $m	**Change %**
- Print advertising	**778**	971	(193)	**(19.9)**
- Digital revenue	**415**	373	42	**11.3**
- Voice/Other revenue	**111**	127	(16)	**(12.6)**
Sensis total income	**1,304**	1,471	(167)	**(11.4)**

CSL New World financial summary

	Year ended 30 June			Year ended 30 June		
	2013 A$m	2012 A$m	**Change %**	**2013 HK$m**	2012 HK$m	**Change %**
Sales revenue	**1,011**	860	**17.6**	**8,052**	6,890	**16.9**
Total income	**1,011**	860	**17.6**	**8,052**	6,890	**16.9**
Operating expenses (excl. depreciation & amortisation)	**762**	637	**19.6**	**5,995**	5,100	**17.5**
EBITDA contribution	**249**	223	**11.7**	**2,057**	1,790	**14.9**
Depreciation and amortisation	**87**	80	**8.7**	**644**	595	**8.2**
EBIT contribution	**162**	143	**13.3**	**1,413**	1,195	**18.2**
Capital expenditure	**116**	76	**52.6**	**922**	601	**53.4**
EBITDA margin on sales revenue	**24.6%**	**25.9%**	**(1.3) pp**	**25.5%**	26.0%	**(0.5) pp**
Mobile SIOs ('000)	**3,893**	3,468	**12.3**	**3,893**	3,468	**12.3**

Amounts presented in HK$ have been prepared in accordance with IFRS.
Amounts presented in A$ represent amounts included in Telstra's consolidated result including additional depreciation and amortisation arising from the consolidation of fair value adjustments.

Note: Statistical data represents management's best estimates.

Billable traffic data

	Year ended 30 June				Half-year ended 30 June			
	2013	2012	Change	Change	2013	2012	Change	**Change**
	million	million	million	%	million	million	million	**%**
Fixed telephony								
Number of local calls	**2,435**	2,994	(559)	(18.7)	1,143	1,418	(275)	(19.4)
National long distance minutes	**3,934**	4,691	(757)	(16.1)	1,868	2,271	(403)	(17.7)
Fixed to mobile minutes	**2,658**	2,953	(295)	(10.0)	1,287	1,450	(163)	(11.2)
International direct minutes	**463**	469	(6)	(1.3)	241	228	13	5.7
Mobiles								
Mobile voice telephone minutes	**20,410**	16,926	3,484	20.6	10,504	8,863	1,641	18.5
Number of SMS sent	**13,763**	12,047	1,716	14.2	6,992	6,165	827	13.4

ARPU ($)

	Year ended 30 June				Half-year ended 30 June			
	2013	2012	Change	Change	2013	2012	Change	**Change**
	($)	($)	($)	%	($)	($)	($)	**%**
PSTN	**45.89**	48.88	(2.99)	(6.1)	45.46	47.65	(2.19)	(4.6)
Fixed Voice	**45.86**	48.88	(3.02)	(6.2)	45.44	47.65	(2.21)	(4.6)
Fixed broadband	**50.35**	49.93	0.42	0.8	50.53	49.96	0.57	1.1
Mobile Services Retail (incl. Interconnect and MRO)	**43.84**	46.08	(2.24)	(4.9)	43.47	43.94	(0.47)	(1.1)
Postpaid handheld (incl. MRO)	**58.80**	61.51	(2.71)	(4.4)	58.29	59.04	(0.75)	(1.3)
Postpaid handheld (excl. MRO)	**65.33**	65.42	(0.09)	(0.1)	65.39	63.69	1.70	2.7
Prepaid handheld	**17.94**	16.87	1.07	6.3	18.44	16.67	1.77	10.6
Mobile broadband	**29.80**	31.26	(1.46)	(4.7)	29.93	29.84	0.09	0.3
M2M	**8.46**	9.09	(0.63)	(6.9)	8.30	8.50	(0.20)	(2.4)
Satellite	**41.32**	40.70	0.62	1.5	39.46	34.67	4.79	13.8

Services in operation

	As at			Jun 13 vs Jun 12		Jun 13 vs Dec 12	
				Change	**Change**	Change	**Change**
	Jun 2013	Dec 2012	Jun 2012		**%**		**%**
Fixed products ('000)							
Basic access lines in service							
Retail (i)	**6,543**	6,699	6,877	(334)	(4.9)	(156)	(2.3)
Wholesale	**1,239**	1,207	1,180	59	5.0	32	2.7
Total fixed voice lines in service	**7,782**	7,906	8,057	(275)	(3.4)	(124)	(1.6)
Fixed broadband SIOs - retail (ii)	**2,772**	2,684	2,599	173	6.7	88	3.3
Fixed broadband SIOs - wholesale	**769**	761	767	2	0.3	8	1.1
Fixed broadband	**3,541**	3,445	3,366	175	5.2	96	2.8
ISDN access (basic line equivalents)	**1,285**	1,282	1,297	(12)	(0.9)	3	0.2
T-Hub® Sales (iii)	**519**	456	360	159	44.2	63	13.8
T-Box® Sales (iii)	**563**	456	388	175	45.1	107	23.5
Unconditioned local loop SIOs	**1,322**	1,245	1,160	162	14.0	77	6.2
Spectrum sharing services (iv)	**631**	658	696	(65)	(9.3)	(27)	(4.1)
Mobiles SIOs ('000)							
Postpaid handheld retail mobile	**7,019**	6,861	6,596	423	6.4	158	2.3
Total mobile broadband (data card)	**3,570**	3,336	3,118	452	14.5	234	7.0
Total wholesale mobile	**241**	67	57	184	322.8	174	259.7
Prepaid handheld unique users (v)	**2,197**	2,102	2,029	168	8.3	95	4.5
Prepaid handheld retail mobile	**3,486**	3,312	3,267	219	6.7	174	5.3
M2M	**970**	888	809	161	19.9	82	9.2
Satellite	**27**	26	25	2	8.0	1	3.8
Total pay TV bundling SIOs ('000)	**500**	507	501	(1)	(0.2)	(7)	(1.4)

(i) Total includes NBN voice SIO's.
(ii) Telstra internet direct SIOs have been excluded following the move of the product category from fixed broadband retail to the Data and IP product category. Total includes NBN data SIO's.
(iii) Units sold are life to date.
(iv) Excluded from wholesale broadband SIOs.
(v) Prepaid unique users defined as the three month rolling average of monthly active prepaid users.
Note: Statistical data represents management's best estimates.

Workforce

	As at			Jun 13 vs Jun 12		Jun 13 vs Dec 12	
	Jun 2013	Dec 2012	Jun 2012	Change	**Change %**	Change	**Change %**
Employee data							
Full time staff and equivalents	34,679	35,157	36,039	(1,360)	(3.8)	(478)	(1.4)
Total workforce	37,721	38,663	39,972	(2,251)	(5.6)	(942)	(2.4)

Note: Statistical data represents management's best estimates.

Product profitability - EBITDA margins

	Year ended 30 June		
	2013	2012	Change
Mobile	**38%**	36%	2 pp
Fixed Broadband	**42%**	38%	4 pp
PSTN	**63%**	60%	3 pp
Data and IP	**65%**	64%	1 pp
Sensis	**44%**	50%	(6) pp
Telstra Group	**41.7%**	40.6%	1.1 pp

Note: Product EBITDA margins are for selected portfolios which are reflective of Telstra's domestic business. These EBITDA margins are based on management estimates and are calculated in accordance with AASB 8 and reconcile with segment information.

Telstra Corporation Limited
Revenue by Product Restatement
Year ended 30 June 2013

June 12 Product hierarchy	FY12 Revenue $m	New product hierarchy (based on June 13 structure)	Restated FY12 Revenue $m	Movement $m	Description of movement
Fixed products		**Fixed products**			
PSTN products	4,818	Fixed voice	4,818	-	
Fixed broadband	1,987	Fixed broadband	1,987	-	
				-	
Other fixed revenue	683	Other fixed revenue	703	20	$2m Premium Services, FFS from Other Sales Revenue, Enhanced FFS $18m Enhanced FFS from Data & IP
Total fixed revenue	7,488	Fixed products - total	7,508	20	*$20m*
Mobiles		**Mobiles**			
Postpaid handheld	4,672	Postpaid handheld	4,672	-	
Prepaid handheld	654	Prepaid handheld	654	-	
Mobile broadband	1,018	Mobile broadband	1,018	-	
Machine to Machine (M2M)	80	Machine to Machine (M2M)	80	-	
		Satellite	12		$12m Satellite from Data & IP
Mobile services - retail	6,424	Mobile services - retail	6,436	12	$12m
Mobile services - interconnection and wholesale	906	Mobile services - interconnection and wholesale	906	-	
Total mobile services	7,330	Total mobile services	7,342	12	$12m
Mobile hardware	1,338	Mobile hardware	1,338	-	
Total mobiles	8,668	Total mobiles	8,680	12	*$12m*
Data and IP		**Data and IP**			
ISDN	826	ISDN	826	-	
IP access	1,056	IP access	1,056	-	
Other data and calling products	1,240	Other data and calling products	1,226	(14)	($14m) Enhanced FFS to Fixed ($2m), Satellite to Mobiles ($12m)
Data and IP	3,122	Data and IP	3,108	(14)	*($14m)*
Network applications and services	1,263	**Network applications and services**	1,263	-	
Media		**Media**			
Total Media	2,377	Total Media	2,377	-	
International		**International**			
International	1,496	International	1,496	-	
Other		**Other**			
TelstraClear	501	TelstraClear	501	-	
Other sales revenue	317	Other sales revenue	299	(18)	($18m) Premium Services, FFS to other fixed
Total Other	818	Total Other	800	(18)	*($18m)*
Sales revenue	25,232	**Sales revenue**	25,232	-	
Other revenue	136	Other revenue	136	-	
Total revenue	**25,368**	**Total revenue**	**25,368**	**-**	

Summary Reported Half-Yearly Data ($ millions)	Half 1 Dec-08	PCP Growth	Half 2 Jun-09	PCP Growth	Full year Jun-09	PCP Growth	Half 1 Dec-09	PCP Growth	Half 2 Jun-10	PCP Growth	Full year Jun-10	PCP Growth	Half 1 Dec-10	PCP Growth	Half 2 Jun-11	PCP Growth	Full year Jun-11	PCP Growth	Half 1 Dec-11	PCP Growth	Half 2 Jun-12	PCP Growth	Full year Jun-12	PCP Growth	Half 1 Dec-12	PCP Growth	Half 2 Jun-13	PCP Growth	Full year Jun-13	PCP Growth
Revenue																														
Fixed products																														
PSTN products																														
Basic access	1,592	(3.9%)	1,565	(3.5%)	3,157	(3.7%)	1,508	(5.3%)	1,470	(6.1%)	2,978	(5.7%)	1,434	(4.9%)	1,409	(4.1%)	2,843	(4.5%)	1,366	(4.7%)	1,317	(6.5%)	2,683	(5.6%)	1,295	(5.2%)	1,292	(1.9%)	2,587	(3.6%)
Usage Revenue	1,519	(5.9%)	1,451	(6.0%)	2,970	(6.0%)	1,392	(8.4%)	1,276	(12.1%)	2,668	(10.2%)	1,216	(12.6%)	1,133	(11.2%)	2,349	(12.0%)	1,051	(13.6%)	954	(15.8%)	2,005	(14.6%)	867	(17.5%)	794	(16.8%)	1,661	(17.2%)
Fixed interconnection	109	(9.2%)	101	(9.0%)	210	(9.1%)	98	(10.1%)	88	(12.9%)	186	(11.4%)	86	(12.2%)	78	(11.4%)	164	(11.8%)	72	(16.3%)	58	(25.6%)	130	(20.7%)	58	(19.4%)	52	(10.3%)	110	(15.4%)
Total PSTN products	**3,218**	**(5.1%)**	**3,118**	**(4.8%)**	**6,336**	**(5.0%)**	**2,996**	**(6.9%)**	**2,836**	**(9.0%)**	**5,832**	**(8.0%)**	**2,736**	**(8.7%)**	**2,620**	**(7.6%)**	**5,356**	**(8.2%)**	**2,489**	**(9.0%)**	**2,329**	**(11.1%)**	**4,818**	**(10.0%)**	**2,220**	**(10.8%)**	**2,138**	**(8.2%)**	**4,358**	**(9.5%)**
Other voice	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	1	n/m	1	n/m
Fixed Voice	**3,218**	**(5.1%)**	**3,118**	**(4.8%)**	**6,336**	**(5.0%)**	**2,996**	**(6.9%)**	**2,836**	**(9.0%)**	**5,832**	**(8.0%)**	**2,736**	**(8.7%)**	**2,620**	**(7.6%)**	**5,356**	**(8.2%)**	**2,489**	**(9.0%)**	**2,329**	**(11.1%)**	**4,818**	**(10.0%)**	**2,220**	**(10.8%)**	**2,139**	**(8.2%)**	**4,359**	**(9.5%)**
Fixed Broadband																														
Fixed broadband retail and hardware	716	23.2%	731	14.6%	1,447	18.7%	741	3.5%	737	0.8%	1,478	2.1%	737	(0.5%)	744	0.9%	1,482	0.3%	785	6.5%	823	10.6%	1,608	8.5%	861	9.7%	896	8.9%	1,757	9.3%
Wholesale broadband	238	(12.5%)	231	(10.5%)	469	(11.5%)	227	(4.6%)	222	(3.9%)	449	(4.3%)	208	(8.4%)	197	(11.3%)	405	(9.8%)	185	(11.1%)	167	(15.2%)	352	(13.1%)	153	(17.3%)	149	(10.8%)	302	(14.2%)
Internet VAS	13	44.4%	22	100.0%	35	75.0%	26	100.0%	23	4.5%	49	40.0%	22	(15.4%)	18	(21.7%)	40	(18.4%)	14	(36.4%)	13	(27.8%)	27	(32.5%)	14	0.0%	14	7.7%	28	3.7%
Total Fixed broadband	**968**	**12.3%**	**982**	**8.3%**	**1,950**	**10.2%**	**993**	**2.6%**	**982**	**0.0%**	**1,975**	**1.3%**	**967**	**(2.6%)**	**960**	**(2.2%)**	**1,927**	**(2.4%)**	**985**	**1.9%**	**1,002**	**4.4%**	**1,987**	**3.1%**	**1,028**	**4.4%**	**1,059**	**5.7%**	**2,087**	**5.0%**
Other fixed revenue (i)	164	(20.0%)	138	(16.9%)	304	(17.8%)	119	(27.4%)	111	(19.6%)	230	(24.3%)	122	2.5%	101	(9.0%)	224	(2.6%)	96	(21.3%)	91	(9.9%)	187	(16.5%)	100	4.2%	90	(1.1%)	190	1.6%
Intercarrier access services (includes ULL)	185	56.8%	198	19.3%	383	34.9%	213	15.1%	226	14.1%	439	14.6%	239	12.2%	240	6.2%	479	9.1%	252	5.4%	262	9.2%	516	7.7%	332	31.7%	335	27.9%	667	29.3%
Total fixed products	**4,535**	**(0.9%)**	**4,436**	**(1.7%)**	**8,971**	**(1.3%)**	**4,322**	**(4.7%)**	**4,154**	**(6.4%)**	**8,476**	**(5.5%)**	**4,063**	**(6.0%)**	**3,922**	**(5.6%)**	**7,985**	**(5.8%)**	**3,822**	**(5.9%)**	**3,685**	**(6.0%)**	**7,508**	**(6.0%)**	**3,680**	**(3.7%)**	**3,623**	**(1.7%)**	**7,303**	**(2.7%)**
Mobiles																														
Postpaid handheld	2,131	n/a	2,054	n/a	4,185	n/a	2,116	(0.7%)	2,138	4.1%	4,254	1.6%	2,169	2.5%	2,240	4.8%	4,409	3.6%	2,370	9.3%	2,302	2.8%	4,672	6.0%	2,377	0.3%	2,427	5.4%	4,804	2.8%
Prepaid handheld	285	n/a	302	n/a	587	n/a	310	8.8%	290	(4.0%)	600	2.2%	331	6.8%	306	5.5%	637	6.2%	326	(1.5%)	328	7.2%	654	2.7%	351	7.7%	376	14.6%	727	11.2%
Total handheld	2,416	n/a	2,356	n/a	4,772	n/a	2,426	0.4%	2,428	3.1%	4,854	1.7%	2,500	3.1%	2,546	4.9%	5,046	4.0%	2,696	7.8%	2,630	3.3%	5,326	5.5%	2,728	1.2%	2,803	6.6%	5,531	3.8%
Mobile broadband	288	n/a	319	n/a	607	n/a	372	29.2%	423	32.6%	795	31.0%	452	21.5%	467	10.4%	919	15.6%	493	9.1%	525	12.4%	1,018	10.8%	576	16.8%	620	18.1%	1,196	17.5%
Machine to Machine (M2M)	0	n/m	0	n/m	0	n/m	31	n/m	31	n/m	62	n/m	32	3.2%	37	19.4%	69	11.3%	40	25.0%	40	8.1%	80	15.9%	44	10.0%	46	15.0%	90	12.5%
Satellite (ii)	6	20.0%	4	(33.3%)	10	(9.1%)	6	0.0%	5	25.0%	11	10.0%	6	0.0%	6	20.0%	12	9.1%	7	16.7%	5	(16.7%)	12	0.0%	7	0.0%	6	20.0%	13	8.3%
Mobile services revenue - retail	2,710	13.0%	2,679	7.5%	5,389	10.2%	2,835	4.6%	2,887	7.8%	5,722	6.2%	2,990	5.5%	3,056	5.9%	6,046	5.7%	3,236	8.2%	3,200	4.7%	6,436	6.5%	3,355	3.7%	3,475	8.6%	6,830	6.1%
Mobile interconnection	245	11.4%	246	10.8%	491	11.1%	263	7.3%	270	9.8%	533	8.6%	306	16.3%	344	27.4%	650	22.0%	407	33.0%	362	5.2%	769	18.3%	398	(2.2%)	370	2.2%	768	(0.1%)
Mobile services - wholesale resale	89	(9.2%)	86	(6.5%)	175	(7.9%)	90	1.1%	69	(19.8%)	159	(9.1%)	73	(18.9%)	72	4.3%	145	(8.8%)	69	(5.5%)	68	(5.6%)	137	(5.5%)	47	(31.9%)	58	(14.7%)	105	(23.4%)
Total mobile services	**3,044**	**12.0%**	**3,011**	**7.3%**	**6,055**	**9.7%**	**3,188**	**4.7%**	**3,226**	**7.1%**	**6,414**	**5.9%**	**3,369**	**5.7%**	**3,472**	**7.6%**	**6,841**	**6.7%**	**3,712**	**10.2%**	**3,630**	**4.6%**	**7,342**	**7.3%**	**3,800**	**2.4%**	**3,903**	**7.5%**	**7,703**	**4.9%**
Mobile hardware	396	(17.0%)	381	(0.8%)	777	(9.8%)	413	4.3%	443	16.3%	856	10.2%	566	37.0%	594	34.1%	1,160	35.5%	655	15.7%	683	15.0%	1,338	15.3%	767	17.1%	730	6.9%	1,497	11.9%
Total mobiles (ii)	**3,440**	**7.7%**	**3,392**	**6.4%**	**6,832**	**7.0%**	**3,601**	**4.7%**	**3,669**	**8.2%**	**7,270**	**6.4%**	**3,935**	**9.3%**	**4,066**	**10.8%**	**8,001**	**10.1%**	**4,367**	**11.0%**	**4,313**	**6.1%**	**8,680**	**8.5%**	**4,567**	**4.6%**	**4,633**	**7.4%**	**9,200**	**6.0%**
Data & IP																														
ISDN products	483	(2.4%)	459	(5.0%)	942	(3.7%)	463	(4.1%)	442	(3.7%)	905	(3.9%)	447	(3.5%)	430	(2.7%)	877	(3.1%)	420	(6.0%)	406	(5.6%)	826	(5.8%)	398	(5.2%)	379	(6.7%)	777	(5.9%)
IP access	324	28.6%	351	24.5%	675	26.4%	393	21.3%	442	25.9%	835	23.7%	472	20.1%	498	12.7%	970	16.2%	514	8.9%	542	8.8%	1,056	8.9%	555	8.0%	563	3.9%	1,118	5.9%
Other data and calling products (ii)	828	(1.5%)	780	(6.1%)	1,608	(3.9%)	751	(9.3%)	685	(12.2%)	1,436	(10.7%)	664	(11.6%)	618	(9.8%)	1,282	(10.7%)	609	(8.3%)	617	(0.2%)	1,226	(4.4%)	590	(3.1%)	556	(9.9%)	1,146	(6.5%)
Data & IP Total	**1,635**	**3.0%**	**1,590**	**(0.4%)**	**3,225**	**1.3%**	**1,607**	**(1.7%)**	**1,569**	**(1.3%)**	**3,176**	**(1.5%)**	**1,583**	**(1.5%)**	**1,546**	**(1.5%)**	**3,129**	**(1.5%)**	**1,543**	**(2.5%)**	**1,565**	**1.2%**	**3,108**	**(0.7%)**	**1,543**	**0.0%**	**1,498**	**(4.3%)**	**3,041**	**(2.2%)**
Network applications and services	**590**	**(3.4%)**	**611**	**(2.4%)**	**1,201**	**(2.9%)**	**479**	**(18.8%)**	**554**	**(9.3%)**	**1,033**	**(14.0%)**	**484**	**1.0%**	**659**	**19.0%**	**1,143**	**10.6%**	**575**	**18.8%**	**688**	**4.4%**	**1,263**	**10.5%**	**636**	**10.6%**	**851**	**23.7%**	**1,487**	**17.7%**
Media																														
Pay TV bundling	233	14.2%	234	5.4%	467	9.6%	247	6.0%	264	12.8%	511	9.4%	286	15.8%	298	12.9%	584	14.3%	302	5.6%	301	1.0%	603	3.3%	302	0.0%	293	(2.7%)	595	(1.3%)
T-Box	0	n/m	0	n/m	0	n/m	0	n/m	1	n/m	1	n/m	22	n/m	18	1700.0%	40	3900.0%	20	(9.1%)	23	27.8%	43	7.5%	19	(5.0%)	27	17.4%	46	7.0%
IPTV	4	0.0%	5	25.0%	9	12.5%	4	0.0%	5	0.0%	9	0.0%	8	100.0%	11	120.0%	19	111.1%	8	0.0%	12	9.1%	20	5.3%	12	50.0%	13	8.3%	25	25.0%
Content	34	88.9%	33	26.9%	67	52.3%	37	8.8%	37	12.1%	74	10.4%	41	10.8%	39	5.4%	80	8.1%	41	0.0%	39	0.0%	80	0.0%	36	(12.2%)	33	(15.4%)	69	(13.8%)
Sensis and Advertising	933	2.8%	1,134	0.4%	2,067	1.5%	869	(6.9%)	1,078	(4.9%)	1,947	(5.8%)	705	(18.9%)	1,099	1.9%	1,804	(7.3%)	548	(22.3%)	965	(12.2%)	1,513	(16.1%)	479	(12.6%)	857	(11.2%)	1,336	(11.7%)
Cable	31	(8.8%)	45	4.7%	76	(1.3%)	35	12.9%	50	11.1%	85	11.8%	38	8.6%	64	28.0%	102	20.0%	58	52.6%	60	(6.3%)	118	15.7%	61	5.2%	59	(1.7%)	120	1.7%
Media - Total	**1,235**	**5.7%**	**1,452**	**2.0%**	**2,687**	**3.7%**	**1,193**	**(3.4%)**	**1,433**	**(1.3%)**	**2,626**	**(2.3%)**	**1,100**	**(7.8%)**	**1,529**	**6.7%**	**2,629**	**0.1%**	**977**	**(11.2%)**	**1,400**	**(8.4%)**	**2,377**	**(9.6%)**	**909**	**(7.0%)**	**1,282**	**(8.4%)**	**2,191**	**(7.8%)**
International																														
CSL New World	495	2.1%	494	14.4%	989	7.9%	374	(24.4%)	396	(19.8%)	770	(22.1%)	424	13.4%	390	(1.5%)	814	5.7%	436	2.8%	424	8.7%	860	5.7%	494	13.3%	517	21.9%	1,011	17.6%
China digital media	101	134.9%	150	233.3%	251	185.2%	191	89.1%	161	7.3%	352	40.2%	133	(30.4%)	43	(73.3%)	176	(50.0%)	74	(44.4%)	54	25.6%	128	(27.3%)	73	(1.4%)	89	64.8%	162	26.6%
Global connectivity and NAS	258	16.7%	264	16.3%	522	16.5%	215	(16.7%)	199	(24.6%)	414	(20.7%)	187	(13.0%)	221	11.1%	408	(1.4%)	252	34.8%	256	15.8%	508	24.5%	277	9.9%	289	12.9%	566	11.4%
International - Total	**854**	**13.9%**	**908**	**29.2%**	**1,762**	**21.3%**	**780**	**(8.7%)**	**756**	**(16.7%)**	**1,536**	**(12.8%)**	**744**	**(4.6%)**	**654**	**(13.5%)**	**1,398**	**(9.0%)**	**762**	**2.4%**	**734**	**12.2%**	**1,496**	**7.0%**	**844**	**10.8%**	**895**	**21.9%**	**1,739**	**16.2%**
TelstraClear	275	(4.2%)	272	(1.1%)	547	(2.7%)	269	(2.2%)	260	(4.4%)	529	(3.3%)	265	(1.5%)	251	(3.5%)	516	(2.5%)	255	(3.8%)	246	(2.0%)	501	(2.9%)	164	(35.7%)	0	(100.0%)	164	(67.3%)
Other sales revenue (i)	78	0.0%	65	(14.5%)	144	(6.5%)	71	(9.0%)	95	46.2%	166	15.3%	87	22.5%	94	(1.1%)	181	9.0%	103	18.4%	196	108.5%	299	65.2%	192	86.4%	185	(5.6%)	377	26.1%
Total sales revenue	**12,644**	**3.2%**	**12,727**	**2.6%**	**25,371**	**2.9%**	**12,323**	**(2.5%)**	**12,490**	**(1.9%)**	**24,813**	**(2.2%)**	**12,263**	**(0.5%)**	**12,720**	**1.8%**	**24,983**	**0.7%**	**12,405**	**1.2%**	**12,827**	**0.8%**	**25,232**	**1.0%**	**12,534**	**1.0%**	**12,968**	**1.1%**	**25,502**	**1.1%**
Other revenue	66	(45.0%)	70	37.3%	136	(20.5%)	19	(71.2%)	85	21.4%	104	(23.5%)	20	5.3%	90	5.9%	110	5.8%	14	(30.0%)	122	35.6%	136	23.6%	67	378.6%	109	(10.7%)	176	29.4%
Total revenue	**12,710**	**2.7%**	**12,797**	**2.7%**	**25,507**	**2.7%**	**12,342**	**(2.9%)**	**12,575**	**(1.7%)**	**24,917**	**(2.3%)**	**12,283**	**(0.5%)**	**12,810**	**1.9%**	**25,093**	**0.7%**	**12,419**	**1.1%**	**12,949**	**1.1%**	**25,368**	**1.1%**	**12,601**	**1.5%**	**13,077**	**1.0%**	**25,678**	**1.2%**
Other income	53	(50.5%)	54	(19.4%)	107	(38.5%)	47	(11.3%)	65	20.4%	112	4.7%	125	166.0%	86	32.3%	211	88.4%	82	(34.4%)	53	(38.4%)	135	(36.0%)	110	34.1%	192	262.3%	302	123.7%
Total income	**12,763**	**2.3%**	**12,851**	**2.6%**	**25,614**	**2.4%**	**12,389**	**(2.9%)**	**12,640**	**(1.6%)**	**25,029**	**(2.3%)**	**12,408**	**0.2%**	**12,896**	**2.0%**	**25,304**	**1.1%**	**12,501**	**0.7%**	**13,002**	**0.8%**	**25,503**	**0.8%**	**12,711**	**1.7%**	**13,269**	**2.1%**	**25,980**	**1.9%**
Expenses																														
Labour (iii)	2,680	3.4%	2,480	(5.4%)	5,160	(1.0%)	2,438	(9.0%)	2,202	(11.2%)	4,640	(10.1%)	2,520	3.4%	2,434	10.5%	4,954	6.8%	2,549	1.2%	2,419	(0.6%)	4,968	0.3%	2,394	(6.1%)	2,409	(0.4%)	4,803	(3.3%)
Goods and services purchased	2,632	(1.6%)	2,681	7.0%	5,313	2.5%	2,615	(0.6%)	2,745	2.4%	5,360	0.9%	3,148	20.4%	3,035	10.6%	6,183	15.4%	3,161	0.4%	3,018	(0.6%)	6,179	(0.1%)	3,182	0.7%	3,207	6.3%	6,389	3.4%
Other expenses (iii)	2,116	3.7%	2,079	(3.3%)	4,195	0.1%	2,019	(4.6%)	2,165	4.1%	4,184	(0.3%)	2,161	7.0%	1,856	(14.3%)	4,017	(4.0%)	2,041	(5.6%)	2,081	12.1%	4,122	2.6%	2,149	5.3%	2,009	(3.5%)	4,158	0.9%
Operating expense (before interest)	7,428	1.7%	7,241	(0.5%)	14,669	0.6%	7,072	(4.8%)	7,112	(1.8%)	14,184	(3.3%)	7,829	10.7%	7,325	3.0%	15,154	6.8%	7,751	(1.0%)	7,518	2.6%	15,269	0.8%	7,725	(0.3%)	7,625	1.4%	15,350	0.5%
Share of net (profit)/loss from jointly controlled and associated entities	1	n/m	-4	(500.0%)	-3	(400.0%)	0	(100.0%)	-2	(50.0%)	-2	(33.3%)	-1	n/m	0	(100.0%)	-1	(50.0%)	0	(100.0%)	0	n/m	0	(100.0%)	0	n/m	1	n/m	1	n/m
EBITDA	**5,334**	**3.1%**	**5,614**	**7.1%**	**10,948**	**5.1%**	**5,317**	**(0.3%)**	**5,530**	**(1.5%)**	**10,847**	**(0.9%)**	**4,580**	**(13.9%)**	**5,571**	**0.7%**	**10,151**	**(6.4%)**	**4,750**	**3.7%**	**5,484**	**(1.6%)**	**10,234**	**0.8%**	**4,986**	**5.0%**	**5,643**	**2.9%**	**10,629**	**3.9%**
Depreciation and amortisation	2,255	9.9%	2,135	(0.1%)	4,390	4.8%	2,185	(3.1%)	2,161	1.2%	4,346	(1.0%)	2,204	0.9%	2,255	4.3%	4,459	2.6%	2,186	(0.8%)	2,226	(1.3%)	4,412	(1.1%)	2,146	(1.8%)	2,092	(6.0%)	4,238	(3.9%)
EBIT	**3,079**	**(1.3%)**	**3,479**	**12.0%**	**6,558**	**5.3%**	**3,132**	**1.7%**	**3,369**	**(3.2%)**	**6,501**	**(0.9%)**	**2,376**	**(24.1%)**	**3,316**	**(1.6%)**	**5,692**	**(12.4%)**	**2,564**	**7.9%**	**3,258**	**(1.7%)**	**5,822**	**2.3%**	**2,840**	**10.8%**	**3,551**	**9.0%**	**6,391**	**9.8%**
Net finance costs	403	(19.4%)	498	(15.0%)	901	(17.0%)	520	29.0%	443	(11.0%)	963	6.9%	571	9.8%	564	27.3%	1,135	17.9%	396	(30.6%)	492	(12.8%)	888	(21.8%)	465	17.4%	444	(9.8%)	909	2.4%
Profit before income tax expense	2,676	2.1%	2,982	18.3%	5,658	10.1%	2,612	(2.4%)	2,926	(1.9%)	5,538	(2.1%)	1,805	(30.9%)	2,752	(5.9%)	4,557	(17.7%)	2,168	20.1%	2,766	0.5%	4,934	8.3%	2,375	9.5%	3,107	12.3%	5,482	11.1%
Income tax expense	755	11.4%	827	10.1%	1,582	10.7%	726	(3.8%)	872	5.4%	1,598	1.0%	598	(17.6%)	709	(18.7%)	1,307	(18.2%)	689	15.2%	821	15.8%	1,510	15.5%	752	9.1%	865	5.4%	1,617	7.1%
Profit for the period	**1,921**	**(1.1%)**	**2,155**	**21.8%**	**4,076**	**9.8%**	**1,886**	**(1.8%)**	**2,054**	**(4.7%)**	**3,940**	**(3.3%)**	**1,207**	**(36.0%)**	**2,043**	**(0.5%)**	**3,250**	**(17.5%)**	**1,479**	**22.5%**	**1,945**	**(4.8%)**	**3,424**	**5.4%**	**1,623**	**9.7%**	**2,242**	**15.3%**	**3,865**	**12.9%**

(i) Premium services, FFs was moved out of Other Sales Revenue and into Other Fixed Products
(ii) Satellite Revenue has been moved out of Other data and calling products into Mobile
(iii) Labour expenses includes Labour substitution costs previously reported under Other Expenses

Telstra Corporation Limited

Half-yearly comparison
Year ended 30 June 2013

Summary Reported Half-Yearly Data	Half 1 Dec-08	PCP Growth	Half 2 Jun-09	PCP Growth	Full year Jun-09	PCP Growth	Half 1 Dec-09	PCP Growth	Half 2 Jun-10	PCP Growth	Full year Jun-10	PCP Growth	Half 1 Dec-10	PCP Growth	Half 2 Jun-11	PCP Growth	Full year Jun-11	PCP Growth	Half 1 Dec-11	PCP Growth	Half 2 Jun-12	PCP Growth	Full year Jun-12	PCP Growth	Half 1 Dec-12	PCP Growth	Half 2 Jun-13	PCP Growth	Full year Jun-13	PCP Growth
Selected statistical data																														
Fixed voice																														
Retail basic access lines in service (thousands)	7,829	0.0%	7,733	(1.7%)	7,733	(1.7%)	7,545	(3.6%)	7,407	(4.2%)	7,407	(4.2%)	7,298	(3.3%)	7,158	(3.4%)	7,158	(3.4%)	7,034	(3.6%)	6,877	(3.9%)	6,877	(3.9%)	6,699	(4.8%)	6,543	(4.9%)	6,543	(4.9%)
Wholesale basic access lines in service (thousands)	1,341	(22.5%)	1,285	(14.1%)	1,285	(14.1%)	1,263	(5.8%)	1,253	(2.5%)	1,253	(2.5%)	1,235	(2.2%)	1,212	(3.3%)	1,212	(3.3%)	1,200	(2.8%)	1,180	(2.6%)	1,180	(2.6%)	1,207	0.6%	1,239	5.0%	1,239	5.0%
Total basic access lines in service (thousands)	9,170	(4.0%)	9,018	(3.7%)	9,018	(3.7%)	8,808	(3.9%)	8,660	(4.0%)	8,660	(4.0%)	8,533	(3.1%)	8,370	(3.3%)	8,370	(3.3%)	8,234	(3.5%)	8,057	(3.7%)	8,057	(3.7%)	7,906	(4.0%)	7,782	(3.4%)	7,782	(3.4%)
NBN voice lines in service (thousands)	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	12	n/m	12	n/m
Fixed voice lines in service (thousands)	9,170	(4.0%)	9,018	(3.7%)	9,018	(3.7%)	8,808	(3.9%)	8,660	(4.0%)	8,660	(4.0%)	8,533	(3.1%)	8,370	(3.3%)	8,370	(3.3%)	8,234	(3.5%)	8,057	(3.7%)	8,057	(3.7%)	7,906	(4.0%)	7,782	(3.4%)	7,782	(3.4%)
Unconditioned local loop services in operation (thousands)	615	57.3%	698	32.4%	698	32.4%	770	25.2%	831	19.1%	831	19.1%	914	18.7%	1,001	20.5%	1,001	20.5%	1,061	16.1%	1,160	15.9%	1,160	15.9%	1,245	17.3%	1,322	14.0%	1,322	14.0%
Number of local calls (millions)	2,501	(16.4%)	2,343	(12.9%)	4,844	(14.7%)	2,176	(13.0%)	1,958	(16.4%)	4,134	(14.7%)	1,872	(14.0%)	1,698	(13.3%)	3,570	(13.6%)	1,576	(15.8%)	1,418	(16.5%)	2,994	(16.1%)	1,292	(18.0%)	1,143	(19.4%)	2,435	(18.7%)
National long distance minutes (millions)	3,278	(7.1%)	3,277	(4.1%)	6,555	(5.6%)	3,053	(6.9%)	2,862	(12.7%)	5,915	(9.8%)	2,770	(9.3%)	2,638	(7.8%)	5,408	(8.6%)	2,420	(12.6%)	2,271	(13.9%)	4,691	(13.3%)	2,066	(14.6%)	1,868	(17.7%)	3,934	(16.1%)
Fixed to mobile minutes (millions)	1,675	(2.3%)	1,657	(2.3%)	3,332	(2.3%)	1,611	(3.8%)	1,522	(8.1%)	3,133	(6.0%)	1,562	(3.0%)	1,560	2.5%	3,122	(0.4%)	1,503	(3.8%)	1,450	(7.1%)	2,953	(5.4%)	1,371	(8.8%)	1,287	(11.2%)	2,658	(10.0%)
International direct minutes (millions)	278	1.8%	282	2.5%	560	2.2%	280	0.7%	261	(7.4%)	541	(3.4%)	260	(7.1%)	250	(4.2%)	510	(5.7%)	241	(7.3%)	228	(8.8%)	469	(8.0%)	222	(7.9%)	241	5.7%	463	(1.3%)
Average PSTN revenue per user per month ($'s)	57.89	(1.1%)	57.14	(1.0%)	57.46	(1.1%)	56.03	(3.2%)	54.12	(5.3%)	54.99	(4.3%)	53.04	(5.3%)	51.66	(4.5%)	52.41	(4.7%)	49.97	(5.8%)	47.65	(7.8%)	48.88	(6.7%)	46.35	(7.2%)	45.46	(4.6%)	45.89	(6.1%)
Average fixed voice revenue per user per month ($'s)	57.89	(1.1%)	57.14	(1.0%)	57.46	(1.1%)	56.03	(3.2%)	54.12	(5.3%)	54.99	(4.3%)	53.04	(5.3%)	51.66	(4.5%)	52.41	(4.7%)	49.97	(5.8%)	47.65	(7.8%)	48.88	(6.7%)	46.35	(7.2%)	45.44	(4.6%)	45.86	(6.2%)
Fixed broadband																														
Fixed retail broadband SIOs (thousands)	2,297	9.2%	2,274	0.9%	2,274	0.9%	2,222	(3.3%)	2,234	(1.8%)	2,234	(1.8%)	2,376	6.9%	2,396	7.3%	2,396	7.3%	2,504	5.4%	2,599	8.5%	2,599	8.5%	2,684	7.2%	2,772	6.7%	2,772	6.7%
Broadband wholesale SIOs (thousands)	1,179	(14.3%)	1,110	(12.7%)	1,110	(12.7%)	1,053	(10.7%)	1,003	(9.6%)	1,003	(9.6%)	919	(12.7%)	869	(13.4%)	869	(13.4%)	815	(11.3%)	767	(11.7%)	767	(11.7%)	761	(6.6%)	769	0.3%	769	0.3%
Fixed broadband SIOs (thousands) [i]	3,476	(0.1%)	3,384	(4.0%)	3,384	(4.0%)	3,275	(5.8%)	3,237	(4.3%)	3,237	(4.3%)	3,295	0.6%	3,265	0.9%	3,265	0.9%	3,319	0.7%	3,366	3.1%	3,366	3.1%	3,445	3.8%	3,541	5.2%	3,541	5.2%
Wholesale spectrum site sharing SIOs (thousands)	501	32.9%	580	33.1%	580	33.0%	672	34.1%	735	26.7%	735	26.7%	741	10.3%	725	(1.4%)	725	(1.4%)	717	(3.2%)	696	(4.0%)	696	(4.0%)	658	(8.2%)	631	(9.3%)	631	(9.3%)
Average fixed retail broadband revenue per user per month ($'s)	57.32	6.1%	57.24	6.4%	57.70	6.5%	55.87	(2.5%)	55.11	(3.7%)	55.54	(3.7%)	53.26	(4.7%)	52.05	(5.6%)	53.34	(4.0%)	53.41	0.3%	53.72	3.2%	53.64	0.6%	54.30	1.7%	54.32	1.1%	54.52	1.6%
Average fixed broadband revenue per user per month ($'s)	57.32	6.1%	57.24	6.4%	57.70	6.5%	55.87	(2.5%)	55.11	(3.7%)	55.54	(3.7%)	49.34	(11.7%)	48.79	(11.5%)	49.39	(11.1%)	49.85	1.0%	49.96	2.4%	49.93	1.1%	50.30	0.9%	50.53	1.1%	50.35	0.8%
ISDN																														
ISDN access (basic access line equivalents) (thousands) [ii]	1,284	(0.3%)	1,291	(0.5%)	1,291	(0.5%)	1,305	1.6%	1,308	1.3%	1,308	1.3%	1,312	0.5%	1,308	0.0%	1,308	0.0%	1,304	(0.6%)	1,297	(0.8%)	1,297	(0.8%)	1,282	(1.7%)	1,285	(0.9%)	1,285	(0.9%)
ISDN average revenue per user per month ($'s) [ii]	62.39	(6.9%)	59.37	(4.4%)	60.64	(8.1%)	59.46	(4.7%)	56.40	(5.0%)	58.05	(4.3%)	56.88	(4.3%)	54.67	(3.1%)	55.87	(3.8%)	53.56	(5.8%)	52.10	(4.7%)	52.86	(5.4%)	51.47	(3.9%)	49.25	(5.5%)	50.19	(5.1%)
Mobiles																														
Total retail mobile SIOs (thousands) [iii]	9,706	4.2%	10,191	9.2%	10,191	9.2%	10,386	7.0%	10,555	3.6%	10,555	3.6%	11,482	10.6%	12,223	15.8%	12,223	15.8%	13,205	15.0%	13,815	13.0%	13,815	13.0%	14,423	9.2%	15,072	9.1%	15,072	9.1%
Postpaid handheld mobile SIOs (in thousands)	5,673	4.3%	5,727	3.0%	5,727	3.0%	5,394	(4.9%)	5,427	(5.2%)	5,427	(5.2%)	5,728	6.2%	6,062	11.7%	6,062	11.7%	6,400	11.7%	6,596	8.8%	6,596	8.8%	6,861	7.2%	7,019	6.4%	7,019	6.4%
Mobile broadband (data cards) SIOs (in thousands)	765	95.2%	1,046	98.9%	1,046	98.9%	1,210	58.2%	1,498	43.2%	1,498	43.2%	1,970	62.8%	2,310	54.2%	2,310	54.2%	2,746	39.4%	3,118	35.0%	3,118	35.0%	3,336	21.5%	3,570	14.5%	3,570	14.5%
Prepaid mobile handheld unique users (thousands)	1,915	6.4%	1,951	8.3%	1,951	8.3%	1,921	0.3%	1,889	(3.2%)	1,889	(3.2%)	1,943	1.1%	1,921	1.7%	1,921	1.7%	1,988	2.3%	2,029	5.6%	2,029	5.6%	2,102	5.7%	2,197	8.3%	2,197	8.3%
Machine to Machine (M2M) (thousands)	0	n/m	0	n/m	0	n/m	484	n/m	539	n/m	539	n/m	577	19.2%	658	22.1%	658	22.1%	744	28.9%	809	22.9%	809	22.9%	888	19.4%	970	19.9%	970	19.9%
Satellite (thousands)	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	0	n/m	24	n/m	25	n/m	25	n/m	26	8.3%	27	8.0%	27	8.0%
Total wholesale SIOs (thousands) [iv]	75	5.6%	72	(2.7%)	72	(2.7%)	76	1.3%	81	12.5%	81	12.5%	80	5.3%	74	(8.6%)	74	(8.6%)	65	(18.8%)	57	(23.0%)	57	(23.0%)	67	3.1%	241	322.8%	241	322.8%
Mobile voice telephone minutes (millions)	5,570	13.2%	5,435	5.0%	11,005	9.0%	5,723	2.7%	5,801	6.7%	11,524	4.7%	6,416	12.1%	7,096	22.3%	13,512	17.3%	8,063	25.7%	8,863	24.9%	16,926	25.3%	9,906	22.9%	10,504	18.5%	20,410	20.6%
Number of SMS sent (millions)	4,353	35.0%	4,590	22.4%	8,943	28.3%	4,783	9.9%	4,611	0.5%	9,394	5.0%	4,810	0.6%	5,095	10.5%	9,905	5.4%	5,882	22.3%	6,165	21.0%	12,047	21.6%	6,771	15.1%	6,992	13.4%	13,763	14.2%
Blended average revenue per user (incl interconnection and MRO) ($'s) [iii]	52.11	10.2%	49.41	1.3%	50.58	5.0%	50.55	(3.0%)	50.18	1.6%	50.61	0.1%	49.77	(1.5%)	47.71	(4.9%)	48.90	(3.4%)	47.71	(4.1%)	43.94	(7.9%)	46.08	(5.8%)	44.29	(7.2%)	43.47	(1.1%)	43.84	(4.9%)
Average postpaid handheld revenue per user (excl. MRO) ($'s)	0	n/m	0	n/m	0.00	n/m	0	n/m	0	n/m	0	n/m	65.59	n/m	65.33	n/m	65.36	n/m	66.48	1.4%	63.69	(2.5%)	65.42	0.1%	64.75	(2.6%)	65.39	2.7%	65.33	(0.1%)
Average postpaid handheld revenue per user (incl. MRO) ($'s)	63.77	n/m	60.64	n/m	62.35	n/m	65.13	2.1%	65.85	8.6%	65.26	4.7%	64.81	(0.5%)	63.32	(3.8%)	63.95	(2.0%)	63.38	(2.2%)	59.04	(6.8%)	61.51	(3.8%)	58.88	(7.1%)	58.29	(1.3%)	58.80	(4.4%)
Average prepaid handheld revenue per user ($'s)	15.04	n/m	15.53	n/m	15.14	n/m	15.38	2.3%	15.12	(2.6%)	15.36	1.5%	17.52	13.9%	15.94	5.4%	16.89	10.0%	16.76	(4.3%)	16.67	4.6%	16.87	(0.1%)	17.79	6.1%	18.44	10.6%	17.94	6.3%
Average mobile broadband revenue per user per month ($'s)	74.48	n/m	58.50	n/m	64.29	n/m	58.82	(21.0%)	52.07	(11.0%)	55.30	(14.0%)	43.44	(26.1%)	36.37	(30.1%)	40.22	(27.3%)	32.50	(25.2%)	29.84	(18.0%)	31.26	(22.3%)	29.75	(8.5%)	29.93	0.3%	29.80	(4.7%)
Average machine to machine revenue per user per month ($'s)	0.00	n/m	0.00	n/m	0.00	n/m	11.36	n/m	10.07	n/m	10.63	n/m	9.66	(15.0%)	9.76	(3.1%)	9.54	(10.3%)	9.60	(0.6%)	8.50	(12.9%)	9.09	(4.7%)	8.66	(9.8%)	8.30	(2.4%)	8.46	(6.9%)
Average satellite revenue per user per month ($'s)	0.00	n/m	0.00	n/m	0.00	n/m	0.00	n/m	0.00	n/m	0.00	n/m	0.00	n/m	0.00	n/m	0.00	n/m	47.07	n/m	34.67	n/m	40.70	n/m	43.47	(7.6%)	39.46	13.8%	41.32	1.5%
Pay TV bundling																														
Total pay TV bundling SIOs (thousands)	460	8.0%	450	0.0%	450	0.0%	479	4.1%	504	12.0%	504	12.0%	513	7.1%	508	0.8%	508	0.8%	504	(1.8%)	501	(1.4%)	501	(1.4%)	507	0.6%	500	(0.2%)	500	(0.2%)
Labour																														
Full time employees and employed equivalents	41,540	(1.8%)	39,464	(7.8%)	39,464	(7.8%)	39,763	(4.3%)	41,690	5.6%	41,690	5.6%	35,729	(10.1%)	36,072	(13.5%)	36,072	(13.5%)	36,472	2.1%	36,039	(0.1%)	36,039	(0.1%)	35,157	(3.6%)	34,679	(3.8%)	34,679	(3.8%)
Total workforce, including contractors and agency staff	46,826	(2.7%)	44,671	(7.4%)	44,671	(7.4%)	44,814	(4.3%)	46,801	4.8%	46,801	4.8%	41,404	(7.6%)	40,912	(12.6%)	40,912	(12.6%)	41,183	(0.5%)	39,972	(2.3%)	39,972	(2.3%)	38,663	(6.1%)	37,721	(5.6%)	37,721	(5.6%)

Note: statistical data represents management's best estimates.

(i) SSS was moved out of Fixed Broadband and into Intercarrier Services (Other Fixed Products) during H1
(ii) ISDN SIOs were restated in H1 FY2013 as a result of a change in source system resulting from the original source being decomissioned
(iii) Mobile SIO's and ARPU have been re-stated for 11/12 and 12/13 as a result of Satellite
(iv) December12 Wholesale SIO's have been re-stated due to Prepaid Wholesale offerings.