

DEVELOP NEW GROWTH BUSINESSES

OUR GOAL: TO DEVELOP GROWTH BUSINESSES IN THE AREAS OF NETWORK APPLICATIONS AND SERVICES, MEDIA AND INTERNATIONAL



WE ARE LOOKING TO GROW THE TELSTRA BUSINESS, NOT JUST PROTECT OUR CURRENT MARKET SHARE.

Developing the growth businesses of Network Applications and Services, Media and International is a key pillar of Telstra's strategy.

Network Applications and Services (NAS) is growing because it can make an enormous difference to businesses – increasing productivity, lowering costs, reducing risk and creating new platforms for innovation.

Telstra Media was established to drive growth from our media assets and manage the transition to digital at our Sensis directories business. This group is responsible for the management and growth of the domestic directories and advertising business and includes the management of leading information brands including Yellow Pages®, White Pages®, and our investment in Digital Media content and the FOXTEL partnership.

We recently announced an exclusive arrangement with MOG, a next generation music subscription service. MOG gives subscribers access to 16 million

music tracks. The high-quality streaming music service is available through compatible PCs, digital music players, Apple and Android smartphones, tablets and wireless HiFi systems. Partnering with companies such as MOG allows us to offer customers compelling content to suit their needs.

Telstra International encompasses our international assets outside Australia and New Zealand. It includes leading Hong Kong mobile operator, CSL; our mainland China businesses which provide digital media services in auto, IT and consumer electronics; and Telstra Global, our global connectivity business.

Our international businesses continue to perform well. Our Hong Kong subsidiary, CSL, added 475,000 new mobile customers last fiscal year and grew revenue by 10 per cent in local currency.