

Full year results and operations review - June 2012

SUMMARY FINANCIAL RESULTS

	FY 2012 (\$m)	FY 2011 (\$m)	YoY change
Sales Revenue	25,232	24,983	1.0%
Total Revenue	25,368	25,093	1.1%
Operating Expenses	15,269	15,154	0.8%
EBITDA	10,234	10,151	0.8%
Depreciation & Amortisation	4,412	4,459	-1.1%
EBIT	5,822	5,692	2.3%
Net finance costs	888	1,135	-21.8%
Tax	1,510	1,307	15.5%
Attributable NPAT	3,424	3,250	5.4%
Accrued capex	3,591	3,410	5.3%
Free cashflow	5,197	5,477	-5.1%

REPORTED RESULTS

- Total revenue increased by 1.1% to \$25.4 billion
- EBITDA increased by 0.8% to \$10.2 billion
- Net Profit After Tax increased by 5.4% to \$3.4 billion
- Capex to sales ratio of 14.2%
- Free cashflow of \$5.2 billion

RESULTS ON A GUIDANCE BASIS*

	FY 2012	FY 2012 Guidance
Total revenue	1.3%	Low single digit growth
EBITDA	2.1%	Low single digit growth
Capex/sales	14.2%	~14%
Free cashflow	\$5.3bn	\$4.5 - 5.0bn
Dividend	28cps	28cps fully franked

* Before impairments, Government NBN Definitive Agreement receipts and regulated wholesale price changes. The guidance basis has been reviewed by our auditors.

CEO MESSAGE

Telstra has announced results for fiscal year 2012 highlighting growth in revenue and profits in line with guidance, as well as adding 1.6 million Australian mobile customers.

Telstra's strategy continues to deliver benefits to customers and shareholders, with an increased focus on customer service leading to strong customer retention and acquisition in the 12 months to 30 June 2012.

During the year Telstra invested nearly \$3.6 billion of capital, including significant investments in Australia's largest and fastest national mobile network, extending Australia's largest 4G LTE coverage to more than 1,000 base stations serving more than 375,000 customers.

Telstra also confirmed a fully franked 14 cent final dividend, bringing the total dividend to 28 cents per share for fiscal year 2012, returning \$3.4 billion to shareholders.

"We have seen two years of significant customer growth as our strategy continues to bear fruit. This has translated into strong financial results despite tough domestic and international economic conditions," Chief Executive Officer David Thodey said today.

"The results of our focus on our customers and simplifying our business can be seen in improved customer feedback.

We delivered on our commitments, met guidance and demonstrated greater resilience than other sectors in a challenging market environment.

"We have achieved top and bottom line growth and expect to do so again in the 2013 financial year."

TOTAL REVENUE GROWTH

