

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

5. SEGMENT INFORMATION

Operating segments

We report segment information on the same basis as our internal management reporting structure, which determines how our Company is organised and managed.

Segment results are reported according to the internal management reporting structure at the reporting date. Segment comparatives reflect the organisational changes that have occurred since the prior reporting period to present a like-for-like view.

During the year ended 30 June 2014, the following changes were made to our operating segments:

- a new business unit “Global Enterprise and Services” (GES) was created that operates as a global scale, industry-based services and solutions business. GES is a separate reportable segment which includes mainly Telstra Enterprise and Government (previously a separate reportable segment), Network Applications and Services (NAS) (previously in the Telstra Operations segment), Telstra Global (previously in the Telstra International Group segment), as well as Telstra Ventures Group and Global Applications and Platforms (both previously in the “All Other” category)
- Telstra Customer Sales and Services business unit changed its name to Telstra Retail (TR), now reported as a separate segment and, following the creation of GES, it includes Telstra Consumer (TC), Telstra Business (TB), Telstra Health (TH) and TR head office function
- On 28 February 2014, we divested 70 per cent of our directories business via disposal of our 100 per cent shareholding in Sensis Pty Ltd and its controlled entities (Sensis Group) and acquisition of 30 per cent of Project Sunshine I Pty Ltd, the new holding company of the Sensis Group. The Sensis Group results, previously reported within the Telstra Media Group (TMG) segment, have been included in the “All Other” category. The remaining parts of the TMG segment are now reported within the TR segment.

For the financial year 2014 the Telstra Group is organised for internal management reporting purposes into the following reportable segments:

Telstra Retail (TR) is responsible for:

- supporting consumer customers and small to medium enterprises in Australia
- providing a full range of telecommunication products, services and solutions across mobiles, fixed and mobile broadband, telephony and Pay TV
- the operation of inbound and outbound call centres, Telstra shops (owned and licensed) and the Telstra dealership network
- delivering for Telstra customers self-care capabilities, across all phases of the customer experience, from browsing to buying, billing and service requests
- the supply of Hybrid Fibre Coaxial (HFC) cable services to our Foxtel joint venture and the distribution of Foxtel products
- providing a connected health IT ecosystem and delivering transformative change in the healthcare sector.

Global Enterprise and Services (GES) is responsible for:

- sales and contract management support for business and government customers in Australia and globally
- product management for advanced technology solutions, including data and Internet Protocol (IP) networks, and NAS such as managed network, unified communications, cloud, industry solutions and integrated services
- technology delivery for NAS customers in Australia and globally.

Telstra Operations (TOPs) is responsible for:

- overall planning, design, engineering and architecture of Telstra networks, technology and information technology
- construction of infrastructure for our fixed, mobile, IP and data networks
- delivery of customer services across these networks
- operation, assurance and maintenance (including activation and restoration of these networks)
- supply and delivery of information technology solutions to support our products, services, customer support functions and our internal needs.

Telstra Wholesale (TW) is responsible for:

- the provision of a wide range of telecommunication products and services delivered over Telstra networks and associated support systems to non-Telstra branded carriers, carriage service providers and internet service providers.

Telstra International Group (TIG) is responsible for managing the following assets outside Australia:

- Telstra China, our mainland China business providing digital media services in auto, IT and consumer electronics (this includes the Autohome and Sequel Media businesses)
- CSL New World Mobility Limited (CSL), our 76.4 per cent owned subsidiary in Hong Kong, responsible for providing to the Hong Kong market full mobile services, including handset and device sales, mobile voice, and mobile data products. In May 2014, we disposed of our entire 76.4 per cent shareholding in CSL and its controlled entities (CSL Group). Refer to note 20 for further details.

In our segment results, the “All Other” category consists of various business units that do not qualify as reportable segments in their own right and includes the Sensis Group results.