

# NOTES TO THE FINANCIAL STATEMENTS

(Continued)

## 25. INVESTMENTS IN CONTROLLED ENTITIES (CONTINUED)

### (e) Controlled entities not individually audited by EY

These companies are not audited by EY, our Australian statutory auditor.

### (f) New incorporations and business combinations

On 22 August 2013, we acquired 100 per cent of NSC Group Pty Ltd and its controlled entities. Refer to note 20 for further details.

On 2 September 2013, we acquired 100 per cent of DCA eHealth Solutions Pty Ltd and its controlled entities. Refer to note 20 for further details.

On 30 September 2013, we acquired 50 per cent of Fred IT Group Pty Ltd and its controlled entities. Refer to note 20 for further details.

On 9 October 2013, we incorporated Muru-D Pty Ltd.

On 18 October 2013, Autohome (Hong Kong) Limited acquired 100 per cent of Autohome Media Limited (formerly Prbrownies Marketing Limited). During the year Autohome Media Limited incorporated the following wholly owned subsidiaries:

- Autohome Shanghai Advertising Co. Ltd
- Beijing Autohome Software Co. Ltd
- Beijing Autohome Technologies Co. Ltd
- Beijing Autohome Advertising Co. Ltd
- Guangzhou Autohome Advertising Co. Ltd.

On 31 December 2013, we acquired 100 per cent of O2 Networks Group. Refer to note 20 for further details.

On 11 March 2014, we incorporated Telstra Foundation (Philippines) Inc.

On 18 June 2014, we incorporated Telstra Holdings Singapore Pte. Ltd.

### (g) Purchase of additional interest

On 10 December 2013, Telstra Octave Holdings Limited acquired the remaining 33 per cent interest in Octave Investments Holdings Limited in exchange for selling the net assets of the five variable interest entities controlled by Sharp Point Group Limited. As a result our shareholding in Octave Investments Holding Limited as at 30 June 2014 is 100 per cent. Subsequent to this acquisition we ceased operations of the Octave Group and the legal entities in the Octave Group entered into voluntary liquidation (refer (b) above).

During the year we decreased our ownership of Autohome Inc. from 66.0 per cent at 30 June 2013 to 63.2 per cent at 30 June 2014, via share buy-back, subsequent initial public offering and employee share issues. None of these transactions resulted in a change of control. Changes in valuation of non-controlling interests resulting from these transactions are recorded in the general reserve. Refer to note 20 for further details.

### (h) Sales and disposals

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. Refer to note 12 for further details on the disposal. Our 30 per cent associate investment in Project Sunshine I Pty Ltd is disclosed in note 26.

On 14 May 2014, we sold our entire 76.4 per cent shareholding in CSL Limited and its controlled entities (CSL Group) for a total expected cash consideration of \$2,140 million subject to completion audit. Refer to note 20 for further details.

### (i) Limited by guarantee

We own 100 per cent of the equity of Telstra Foundation Ltd (TFL). TFL is limited by guarantee (guaranteed to \$100) with Telstra Corporation Limited being the sole member. We did not contribute any equity to TFL on incorporation. TFL is the trustee of the Telstra Foundation Community Development Fund and manager of the Telstra Kids Fund.