31 March 2008

The Manager

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

ELECTRONIC LODGEMENT

Dear Sir or Madam

Telstra presentation to the Credit Suisse Asian Investment Conference

In accordance with the listing rules, I attach a copy of a presentation by Sol Trujillo, Chief Executive Officer, to the Credit Suisse Asian Investment Conference for release to the market.

Yours sincerely

Claire Elliott
Acting Company Secretary
Disclaimer

- 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 2007 Annual Report.

- 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.

- SouFun revenues and expenses are unaudited management accounts converted from local currency to $US based on US GAAP and then translated to A-IFRS. Reported SouFun expenses include certain expenses incurred by Sensis to manage the investment in SouFun together with other expenses recognised on consolidation.
Financial Results (Reported)

<table>
<thead>
<tr>
<th>$ billions (except margins &amp; DPS)</th>
<th>1H08</th>
<th>1H07</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Revenue</td>
<td>12.3</td>
<td>11.6</td>
<td>▲ 5.3</td>
</tr>
<tr>
<td>EBITDA</td>
<td>5.2</td>
<td>4.9</td>
<td>▲ 5.2</td>
</tr>
<tr>
<td>EBITDA Margin (%)</td>
<td>42.2</td>
<td>42.3</td>
<td>▼ 0.1pp</td>
</tr>
<tr>
<td>EBIT</td>
<td>3.1</td>
<td>2.9</td>
<td>▲ 6.2</td>
</tr>
<tr>
<td>PAT (post minorities)</td>
<td>1.9</td>
<td>1.7</td>
<td>▲ 13.0</td>
</tr>
<tr>
<td>Accrued Capex</td>
<td>2.3</td>
<td>2.0</td>
<td>▲ 17.5</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>1.3</td>
<td>0.9</td>
<td>▲ 53.6</td>
</tr>
<tr>
<td>Ordinary DPS (cents)</td>
<td>14.0</td>
<td>14.0</td>
<td>-</td>
</tr>
</tbody>
</table>

* Adjusted for one-offs and normalised for transformation costs

Differentiating all product, all segments

Health

Industry

3 Tab
**Strength across all retail segments**

**1H08 Absolute Sales Revenue Growth**

- **TC&C**: +8.5%
- **TB**: +9.3%
- **TE&G**: +4.5%
- **Total Retail (excl Sensis)**: +7.6%
- **Sensis**: +7.8%
- **Wholesale**: -4.6%

**Strength across the board in products....**

**World Class Domestic Revenue Growth**

- **Telstra**: 5.9%
- **Verizon**: 5.9%
- **Telefonica**: 4.0%
- **China Telecom***: 2.8%
- **AT&T**: 2.6%
- **France Telecom**: 1.9%
- **BT**: -2.9%
- **Telecom New Zealand**: -4.6%
- **Telecom Italia***: -7.8%

**Source:** Company reports

* Q3 for operators yet to report

**Mobile Services**: +12.5%

**PSTN**: -2.1%

**Sensis**: +7.8%

**IP and data access**: +8.3%

**Retail Broadband**: +65.2%
Growing retail broadband in a tough market

BigPond market share increasing despite:
- 400+ ISP competitors
- Continued price-driven competition
- Bundled plans heavily marketed by largest competitors
- ULL and LSS priced below cost

![Graph showing Telstra Retail Broadband Market Share](image)

Source: Q3 Merrill Lynch European Broadband Matrix

Mobiles – Winning the 3G ‘value game’

![Graph showing Mobile Services Revenue Growth](image)

Source: Company reports Merrill Lynch
1) Q3 for European operators yet to report

WBB SIOs more than 500,000 at end of February 2008
Revenue decline slowed in PSTN

PSTN Revenue Growth (pcp)

PSTN SIO trends

European Lines: DT, FT, KPN, TEF, TI
US Lines: AT&T, VZ

Total Expenses +5.6%

1H07 Labour $8,859m +4.8%
1H07 DVC $96m +4.3%
1H07 SC&A $110m +4.6%
1H07 Impairment $48m +64.7%
1H07 Other Opex $6m +9.2%
1H07 Total Opex $106m +9.2%
1H07 Total Opex $7,307m +3.7%
1H07 D & A $74m $9,359m
Transformation remains on track

TR1 Update:
On track to complete customer migration by the end of June 2008.

TR2 Update:
On track to go into production by the end of calendar 08.

Next G™ network
Continued development... Now covers 99% of population. Plans to upgrade to 21Mbps this year, 42Mbps in 2009.

FY08 Guidance & LT Management Objectives

Update of FY08 Reported Performance*

<table>
<thead>
<tr>
<th>Total Revenue Growth</th>
<th>Previous FY08 Guidance</th>
<th>Updated FY08 Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.0% to 3.0%</td>
<td>3.0% to 4.0%</td>
</tr>
<tr>
<td></td>
<td>3.0% to 4.0%</td>
<td>4.0% to 5.0%</td>
</tr>
<tr>
<td></td>
<td>5.0% to 7.0%</td>
<td>6.0% to 8.0%</td>
</tr>
<tr>
<td>Accrued Capex</td>
<td>$4.6bn to $4.9bn</td>
<td>No change</td>
</tr>
</tbody>
</table>

| EBITDA growth        | 3.0% to 4.0% to 5.0%   |
| EBIT Growth          | 5.0% to 7.0% to 8.0%   |

* includes Foxtel distributions

Long Term Management Objectives**

| Revenue Growth       | 2.5% to 3.0% pa to FY10 |
| Cost growth          | 2.0% to 3.0%pa to FY10  |
| EBITDA growth        | 2.5% to 3.0% pa to FY10 |
| EBITDA margin        | 46% to 48%pa by FY10    |
| Workforce            | Down 12,000 by FY10     |
| Capex                | 10% to 12% of revenue by FY10 |
| Free cash flow       | $6b to $7b by FY10      |

** Based off FY05 results
Conclusion – driving shareholder value

Network & IT Transformation → Transform GTM & Channels → Cultural Transformation → Revenue growth → Operating leverage → Improving Shareholder Value