# Final Terms

**Final Terms dated 15 November 2011**

**Telstra Corporation Limited**

(ABN 33 051 775 556)

Issue of €750,000,000 3.75% Fixed Rate Notes due 16 May 2022 (the “Notes”) under the unlimited

**Debt Issuance Program**

**Part A - Contractual Terms**

Terms used in this document are deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Prospectus dated 24 October 2011 and the supplemental Prospectus dated 8 November 2011 which together constitute a base prospectus for the purposes of Directive 2003/71/EC (together with any amendments thereto, including Directive 2010/73/EU to the extent implemented as at the date of these Final Terms, the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described in it for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus dated 24 October 2011 as so supplemented. The Prospectus and the supplemental Prospectus are available for viewing on the Issuer’s website, [www.telstra.com.au/abouttelstra/investor/treasury/foreign-documentation/index.htm](http://www.telstra.com.au/abouttelstra/investor/treasury/foreign-documentation/index.htm).

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<tbody>
<tr>
<td>1</td>
<td><strong>Issuer:</strong></td>
<td>Telstra Corporation Limited</td>
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<tr>
<td>2</td>
<td>(i) <strong>Series Number:</strong></td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>(ii) <strong>Tranche Number:</strong></td>
<td>1</td>
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<td>3</td>
<td><strong>Specified Currency or Currencies:</strong></td>
<td>Euro (€)</td>
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<td>4</td>
<td><strong>Aggregate Nominal Amount:</strong></td>
<td></td>
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<tr>
<td></td>
<td>(i) <strong>Series:</strong></td>
<td>€750,000,000</td>
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<td></td>
<td>(ii) <strong>Tranche:</strong></td>
<td>€750,000,000</td>
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<td>5</td>
<td><strong>Issue Price:</strong></td>
<td>98.771 percent of the Aggregate Nominal Amount.</td>
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<td>6</td>
<td>(i) <strong>Specified Denomination(s):</strong></td>
<td>€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000.</td>
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<td>(ii) <strong>Calculation Amount:</strong></td>
<td>€1,000</td>
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<td>7</td>
<td>(i) <strong>Issue Date:</strong></td>
<td>16 November 2011</td>
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<td>(ii) <strong>Interest Commencement Date:</strong></td>
<td>The Issue Date</td>
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<td>8</td>
<td><strong>Maturity Date:</strong></td>
<td>16 May 2022</td>
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<td>9</td>
<td><strong>Record Date:</strong></td>
<td>Not Applicable</td>
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<td>10</td>
<td><strong>Interest Basis:</strong></td>
<td>3.750% Fixed Rate (with further particulars as specified below)</td>
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<td>11</td>
<td><strong>Redemption/Payment Basis:</strong></td>
<td>Redemption at par</td>
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</table>
12 Change of Interest or Redemption/Payment Basis: Not Applicable

13 Put/Call Options: Not Applicable

14 (i) Status of Notes: Senior

(ii) Date Board approval for issuance of Notes obtained: Board delegation of power dated 1 June 1999 and a long term borrowing authorisation of the Chief Executive Officer and Group Managing Director Finance and Administration executed on 16 August 2011.

15 Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16 Fixed Rate Note Provisions Applicable

(i) Fixed Rate of Interest: 3.750 percent per annum payable annually in arrears.

(ii) Interest Payment Dates: 16 May in each year, commencing on 16 May 2012 and ending on the Maturity Date as varied from time to time in accordance with the provisions of item 35 ("Change of control")

(iii) Fixed Coupon Amounts: €18.65 per Calculation Amount payable on the initial Interest Payment Date (16 May 2012) as varied from time to time in accordance with the provisions of item 35 ("Change of control")

(iv) Broken Amount: €37.50 per Calculation Amount payable on each subsequent Interest Payment Date as varied from time to time in accordance with the provisions of item 35 ("Change of control")

(v) Day Count Fraction: Actual/Actual (ICMA)

(vi) Business Day Convention: Modified Following Business Day Convention (no adjustment)

(vii) Additional Business Centre(s): Sydney, Melbourne

(Note these are in addition to the Principal Financial Centre(s) for the Specified Currency referred to in Condition 36.1)

(viii) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable

(ix) Calculation Agent: Not Applicable

17 Floating Rate Note Provisions Not Applicable

18 Zero Coupon Note Provisions Not Applicable

19 Index Linked Interest Note Provisions Not Applicable
Dual Currency Note Provisions

PROVISIONS RELATING TO REDEMPTION

Issuer Call Option
Investor Put Option
Final Redemption Amount
Early Redemption Amount (Tax)

Condition 17.2 ("Early Redemption for Taxation Reasons") is applicable
The Early Redemption Amount is Euro 1,000 per Calculation Amount

Early Termination Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

Form of Notes:
Temporary Global Note, which will be deposited with a common depository for Euroclear and Clearstream Banking, Luxembourg, on or about the Issue Date and will be exchangeable for interests in a Permanent Global Note on or about the Exchange Date (a date not earlier than 40 days after the Issue Date) upon certification as to non-U.S. beneficial ownership which is exchangeable in whole, but not in part, for Definitive Notes in the limited circumstances specified in the Permanent Global Note.

Additional Financial Centre(s) or other special provisions relating to payment dates:
TARGET, Sydney, Melbourne

Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):
No

Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:
Not Applicable

Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:
Not Applicable

Notices:
Condition 32 ("Notices to Noteholders") applies

Consolidation provisions
Not Applicable

Governing law:
English law

Redenomination, renominalisation and reconventioning provisions:
Not Applicable
Applicable. The following provisions apply:

(a) Variation of Interest Rate following a Change of Control Event

If a Change of Control Event (as defined below) occurs the following provisions apply:

(i) from and including the commencement of the first Interest Period following the occurrence of a Change of Control Event, the Interest Rate for that Interest Period and each following Interest Period shall be increased by 1.50 per cent. above the initial Interest Rate;

(ii) if at any time and from time to time after the initial Interest Rate has been increased pursuant to paragraph (a)(i) above, a Favourable Rating Change occurs, then from and including the commencement of the first Interest Period following the occurrence of the Favourable Rating Change, the Interest Rate for that Interest Period and each following Interest Period shall be reduced by 1.50 per cent. so that it is equal to the initial Interest Rate;

(iii) for the avoidance of doubt if during any Interest Period a Change of Control Event occurs followed by a Negative Rating Change and then a Favourable Rating Change within that same Interest Period, then there will not be any adjustment to the Interest Rate for the subsequent Interest Periods.

For the purpose of the Change of Control provisions above:

A Change of Control occurs at the time that any person or any person and an Associate (as defined in the Corporations Act) of a person at any time:

(i) directly or indirectly owns more than 50 per cent. of the ordinary share capital of the Issuer; or

(ii) has voting power (as that term is defined in section 610 of the Corporations Act) in the Issuer of more than 50 per cent. and any agreement, arrangement or understanding under which voting power arises is not subject to a defeating condition or a condition that a resolution under item 7 in the table in section 611 is passed.

A Change of Control Event will be deemed to have occurred if either:

(i) in anticipation of a Change of Control; or

(ii) during the Change of Control Period,

there is a Negative Rating Change, provided that, in the case of an anticipated Change of Control, a Change of Control Event will be deemed to have occurred only if and when a Change of Control subsequently occurs and that the occurrence takes place within 90 days after the Negative Rating Change.
A Negative Rating Change occurs in respect of a Change of Control Event if the rating assigned to the Issuer’s Senior Debt by any one Rating Agency, whether at the invitation of the Issuer or by the relevant Rating Agency’s own volition:

(i) is reduced to a Non Investment Grade rating; or

(ii) is withdrawn and the relevant Rating Agency announces or publicly confirms or (having been requested by the Issuer) informs the Issuer that the withdrawal was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, a Change of Control. For the avoidance of doubt, a rating will not be deemed to be withdrawn if the Rating Agency that withdraws its rating is either S&P or Moody’s and a Replacement Rating Agency (defined below), rates the Issuer’s Senior Debt at or above Investment Grade before the end of the Change of Control Period.

Change of Control Period means, in respect of a Change of Control, the period ending 90 calendar days after the Change of Control occurs or is publicly announced.

Favourable Rating Change means the public announcement by any Ratings Agency assigning a credit rating to the Issuer’s Senior Debt of an increase in the rating of the Issuer’s Senior Debt from a rating below Investment Grade to a rating at or above Investment Grade. For the avoidance of doubt, where there is a rating assigned to the Senior Debt by more than one Rating Agency, a Favourable Rating Change occurs only when both Rating Agencies have announced an increase in the rating of the Issuer’s Senior Debt to at or above Investment Grade.

Investment Grade in relation to the Issuer’s Senior Debt means (in the case of S&P) BBB- or higher and (in the case of Moody’s) Baa3 or higher.

Non Investment Grade in relation to the Issuer’s Senior Debt means (in the case of S&P) BB+ or lower and (in the case of Moody’s) Ba1 or lower.

Rating Agency means:

(a) Standard & Poor’s Rating Services, a division of The McGraw Hill Companies, Inc. and its successors (“S&P”), Moody’s Investors Service, Inc. and its successors (“Moody’s”); and

(b) if either S&P or Moody’s cease for any reason to provide a rating of the Issuer’s Senior Debt, another internationally recognised rating agency (“Replacement Rating Agency”) that provides a rating for the Issuer’s Senior Debt.

Senior Debt means the Notes so long as they have a current rating from any Ratings Agency and, if the Notes do not have a current rating, any other unsecured, unsubordinated and unguaranteed debt of the Issuer having a maturity or term of 5 years or more from their date of issue or drawdown which has a
current rating from a Rating Agency. A rating is taken to be “current” at any time if it has been issued or renewed within the period of 12 months immediately preceding the occurrence of the Change of Control Event.

(b) Other Special Conditions:

(i) The Issuer must promptly notify the Noteholders, the Fiscal Agent, and the London Stock Exchange of any change to the Interest Rate under item 35(a) above.

(ii) If either S&P’s or Moody’s rating for the Notes is withdrawn (other than consequent upon a Change of Control) and there is not at least one rating of the Issuer’s Senior Debt by a Rating Agency, the Issuer undertakes to use its best efforts to ensure that a Replacement Rating Agency provides a rating for the Senior Debt of the Issuer.

36 Other final terms or special conditions: Not Applicable

DISTRIBUTION

37 (i) If syndicated, names of Managers: Joint Lead Managers:
BNP Paribas
Deutsche Bank AG, London Branch
The Hongkong and Shanghai Banking Corporation Limited

Co-Lead Manager:
Commonwealth Bank of Australia

(ii) Stabilising Manager (if any): BNP Paribas

38 If non-syndicated, name and address of Dealer: Not Applicable

39 U.S. Selling Restrictions Regulation S Category 2; TEFRA D

40 Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange’s regulated market and to admission to the Official List of the UK Listing Authority of the Notes described herein pursuant to the Debt Issuance Program of Telstra Corporation Limited.

RESPONSIBILITY

Telstra Corporation Limited (as Issuer) accepts responsibility for the information contained in these Final Terms.

Signed on behalf of Telstra Corporation Limited (as Issuer):

[Signature]
Duly authorised officer

ROBERT HANLEY AS ATTORNEY
PART B – OTHER INFORMATION

1. LISTING

(i) Listing: Application has been made for the Notes to be admitted to the Official List of the UK Listing Authority

(ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange plc.

(ii) Estimate of total expenses related to admission trading: Approximately €50,000

2. RATINGS

Ratings:

The Notes to be issued have been rated:

S&P: A

Moody’s: A2

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, cancellation, reduction or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 781G of the Corporations Act 2001 of Australia and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive the Prospectus and anyone who receives the Prospectus must not distribute it to any person who is not entitled to receive it.

Standard & Poor’s (Australia) Pty Ltd and Moody’s Investors Service Pty Limited are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in the Prospectus under “Sale and subscription”, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

4. YIELD (FIXED RATE NOTES ONLY)

Indication of yield: 3.897%

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield and may vary if the provisions of item 35 (“Change of control”) operate to alter the fixed rate of interest.

5. OPERATIONAL INFORMATION

ISIN Code: XS0706229555

Common Code: 070622955
Any clearing system(s) other than Euroclear, Clearstream, Luxembourg, Austraclear or NZClear and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Additional Agent(s) names and addresses (if any): Not Applicable

6. PUBLIC OFFER TEST COMPLIANT

The Notes are intended to be issued in a manner which satisfies the requirements of Section 128F of the Income Tax Assessment Act 1936 of Australia.