Business Description and Financial Statements
The report to shareholders for the year ended 30 June 1998 is provided in two parts:

- Annual Review 1998
- Annual Report 1998

Both parts will be lodged with the Australian Stock Exchange (ASX) and the Australian Securities & Investments Commission (ASIC) and are available on the Internet:

http://www.investor.telstra.com.au

The Annual Report 1998 is a detailed report prepared to meet Australian statutory reporting obligations. In addition, the information required to fulfil the Form 20-F annual reporting obligations of the United States Securities and Exchange Commission (SEC), has been included in this report.

Terms used in this Report

In this report, the terms Telstra, the Telstra Group and the Company, refer to Telstra Corporation Limited, a corporation organised under the laws of the Australian Capital Territory, Australia, and its controlled entities as a whole; the expression Telstra Entity is used to refer to the legal entity Telstra Corporation Limited. Telstra® is a registered trademark of Telstra. The term Commonwealth refers to the Commonwealth of Australia and the term Government refers to the Government of the Commonwealth of Australia.

The term Shares refers to the ordinary shares of the Telstra Entity; Instalment Receipt or IR refers to the receipt issued by the Trustee (as defined) evidencing beneficial ownership of a Share pending receipt of the Final Instalment; ADS refers to an American Depositary Share which represents 20 Shares; ADR refers to an American Depositary Receipt evidencing an ADS; Interim ADS refers to an Interim American Depositary Share, which represents 20 IRs; and Interim ADR refers to an Interim American Depositary Receipt evidencing an Interim ADS.

Telstra’s fiscal year ends on June 30. Reference in this report to a year or to a fiscal year is a reference to the year ended June 30 unless otherwise stated; reference to 1998 in this report is a reference to fiscal 1998 and other fiscal years are referred to in a similar manner unless otherwise stated.

All amounts are expressed in Australian dollars (A$) unless otherwise stated.

A Glossary of other terms used is provided to assist with the general understanding of this report. (See Contents page 1).
How to contact Telstra

Telstra Corporation Limited
Incorporated in the Australian Capital Territory
Telstra is listed on Stock Exchanges in Australia, New Zealand (Wellington) and USA (New York)

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Company Secretary
Michael Montalto
Ph: (03) 9634 6400

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242 Exhibition Street
Melbourne Victoria 3000

Investor Relations Unit
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242 Exhibition Street
Melbourne Victoria 3000
Australia

The Telstra Share/Instalment Receipt Registrar
Perpetual Registrars Limited
Securities Registration Services
PO Box 14300
Melbourne City MC
Victoria 8001
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Annual Report Hotline
To receive further copies of this report or copies of the Annual Review 1998, please call Freecall™ 1800 13 12 34.

Website
This Report and the Annual Review can also be found via Telstra’s Investor Relations home page at http://www.investor.telstra.com.au

Depositary for American Depositary Receipts
The Bank of New York
Level 22, W
101 Barclay Street
New York, New York 10286
Ph: (212) 815 5838
Facsimile: (212) 571 3050

Financial Calendar 1998-99
Half-year end 31 December 1998
Half-year result announced 11 March 1999
Ex-dividend share trading starts 22 March 1999
Record date for interim dividend 26 March 1999
Interim dividend paid 30 April 1999
Full-year end 30 June 1999
Annual result announced 26 August 1999
Ex-dividend share trading starts 20 September 1999
Record date for final dividend 24 September 1999
Final dividend paid 29 October 1999
Annual General Meeting 12 November 1999

Note: Timing of events can be subject to change.