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 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 "our material risks" section of our Operating and Financial Review (OFR) which is set out in Telstra’s financial results for the year ended 30 June 2018 which was lodged with the ASX on 16 August 2018 and available on Telstra’s Investor Centre website www.telstra.com/investor.

In addition to the risks and uncertainties outlined above, there are particular risks and uncertainties in connection with the implementation of Telstra2022 including the response of customers to changes in products, the risks of disruption from changes to the organisation structure; that detailed business plans have not been developed for the entirety of the strategy and the full scope and cost of Telstra2022 may vary as plans are developed and third parties engaged; Telstra’s ability to execute and manage Telstra2022 in a sequenced, controlled and effective manner and in accordance with the relevant project and business plan (once developed) and Telstra’s ability to execute productivity initiatives and realise operational synergies, cost savings and revenue benefits in accordance with the plan.

These presentations are not intended to (nor do they) constitute an offer or invitation by or on behalf of Telstra, its subsidiaries, or any other person to subscribe for, purchase or otherwise deal in any equity, debt instrument or other securities, nor are they intended to be used for the purpose of or in connection with offers or invitations to subscribe for, purchase or otherwise deal in any equity, debt instruments or other securities.

AASB 15 superseded the existing accounting standards and interpretations for revenue and subscriber acquisition costs in the telecommunications industry. We have adopted AASB 15 from 1 July 2018 and applied the standard retrospectively to prior reporting periods from 1 July 2017 (‘transition date’). As a result, comparatives have been restated where applicable. For further detail refer to Note 1.4 ‘Adoption of the new accounting standards’ in half-year financial 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.

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The Spectrum device, and ™ Trade marks of Telstra Corporation Limited and ® Registered trade mark of Telstra Corporation Limited. Other trademarks are the property of their respective owners.
Who we are

Telstra is Australia’s leading telecommunications and technology company with a 117 year history. Our purpose is to create a brilliant connected future for everyone.

### Size and scale

- **1.3m** Shareholders
- **$37b** Company

### Footprint

- **18.0m** retail mobile services in Australia
- **1.7m** retail fixed voice services
- **3.7m** retail bundle and data services
- **~350** retail stores around Australia

### People

Outside of Australia we currently employ more than **3000 people across 13 countries**

Awarded 2018 **Employer of Choice** for Gender Equality by the WGEA* for the **4th time**

* Australian Government’s ‘Workplace Gender Equality Agency’
### Half year 2019 results | Headlines

<table>
<thead>
<tr>
<th>Reported</th>
<th>Guidance basis¹</th>
<th>Underlying²</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total income³</strong></td>
<td><strong>Total income³</strong></td>
<td><strong>Total income³</strong></td>
</tr>
<tr>
<td>$13.8 billion, -4.1%</td>
<td>$13.8 billion, -3.9%</td>
<td>$12.8 billion, -1.8%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td><strong>EBITDA excluding restructuring</strong></td>
<td><strong>EBITDA excluding restructuring</strong></td>
</tr>
<tr>
<td>$4.3 billion, -16.4%</td>
<td>$4.7 billion, -15.1%</td>
<td>$3.9 billion, -11.2%</td>
</tr>
<tr>
<td><strong>NPAT</strong></td>
<td><strong>EPS: 10.4 cents</strong></td>
<td><strong>FY19 interim dividend: 8 cps⁴</strong></td>
</tr>
<tr>
<td>$1.2 billion, -27.4%</td>
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</table>

1. This guidance assumes wholesale product price stability and no impairments to investments or core assets, and excludes any proceeds on the sale of businesses, mergers and acquisitions and purchase of spectrum. The guidance also assumes the nbn™ rollout and migration in FY19 is broadly in accordance with the nbn Corporate Plan 2019. The guidance is provided on the basis of AASB15.

2. Underlying basis includes guidance adjustments and excludes one-off nbn DA and connection income, and one-off nbn DA and cost to connect (C2C) expenses.

3. Excluding finance income.

4. Interim dividend of 8 cents per share fully franked, comprising ordinary dividend of 5 cents per share and special dividend of 3 cents per share.
## Strong customer adds and T22 momentum

### Continued growth in customer numbers

**Added net new mobile services in the half:**
- +240k retail mobile services to 18.0m as at end of 1H19
  - +239k retail postpaid services to 8.1m as at end of 1H19
  - +115k Belong services included in net new retail postpaid services in the half
  - +261k IoT services
  - -90k prepaid handheld and -170k mobile broadband services
- +125k wholesale services to 1.1m as at end of 1H19

**Mobile revenue growth +2.4% on PCP:**
- Service revenue -0.3%
- Hardware revenue +9.8%
- IoT revenue +35.6%

**Added net new fixed services in the half:**
- +64k retail bundle and data services to 3.7m as at end of 1H19
  - +22k Belong services included in net new retail bundle and data services in the half
  - +308k nbn connections to 2.3m nbn™ network connections or 51% market share (excluding satellite) as at end of 1H19

### Momentum in cost reduction program

- 4.2% or $162m reduction in underlying fixed costs in first half
- ~$900m cost reduction since FY16

- On track to achieve $2.5b net cost reduction target by FY22
- Total costs in FY19 expected to be broadly flat on FY18 excluding restructuring costs

### Episode NPS improvement of +2 over the last 6 months (+6 vs Dec-17)

### Strategic NPS improvement of +3 over the last 6 months (+9 vs Dec-17)

## We are executing against our T22 strategy
## T22

### Strategic pillars

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>Radically simplify our product offerings, eliminate customer pain points and create all digital experiences</td>
<td>Establish a standalone infrastructure business unit to drive performance and set up optionality post the nbn rollout</td>
</tr>
<tr>
<td>Greatly simplify our structure and ways of working to empower our people and serve our customers</td>
<td>Industry leading cost reduction program and portfolio management</td>
</tr>
</tbody>
</table>

### Enabled by our $3b investment program

- **New digital platforms**
- Australia’s largest, fastest, safest, smartest and most reliable next generation network

### Delivering

- Market leading customer experience
- Simplified products, business and operating model
- Extended network superiority and 5G leadership
- Achieve Global High Performance Norm in employee engagement
- Net cost productivity of $2.5bn by FY22
- Post-nbn ROIC > 10%
Leading into the 5G era

Our close relationships with key technology partners like Ericsson and Qualcomm mean we are at the global forefront of 5G and will have first-mover advantage. Our 5G preparations have included:

### 2017
- Our world-first 5G trial data call over mmWave using our production core network

### 2018
- February: our 5G Innovation Centre launched, delivering the world’s first precinct of 5G-enabled Wi-Fi hotspots, Australia’s first 5G connected vehicle and an end-to-end non-standalone data call on a commercial mobile network.
- August: started switching on 5G on the Gold Coast; first regional city site in Toowoomba
- September: hosted 3GPP supporting the progression of global 5G standards
- October: rollout of 5G-enabled mobile base stations in Adelaide, Canberra and Perth
- November: in partnership with Ericsson and Qualcomm, we achieved Australia’s first use of a commercial 5G chipset in a form factor device over our commercial spectrum
- December: world first connection of a 5G commercial mid-band device and Australia’s first 5G video call. $386m invested to secure an additional 30-80MHz nationwide in 5G spectrum auction. Network ready for 5G as at end of 1H19 with 207 5G mobile base stations enabled across the country at the end of the half against our target of 200
- January: Announced partnerships to deliver Telstra customers exclusive access to 5G commercial smartphones in the first half of 2019, which will connect to Australia’s first 5G-ready network
Summary

Continued growth in customer numbers

We are making good progress in executing against our T22 strategy

Our financial results reflect the impacts of the nbn rollout and increased competition

We are more than half way through estimated $3b negative recurring EBITDA nbn impact

T22 strategy is delivering the new platforms and systems that will help us transform our business

We are leading into the 5G era
ASX CEO Connect
19 February 2019

Andrew Penn
Chief Executive Officer