

Telstra

Making life easier™

THE MARKET

As Australia's most familiar and widely used brand, Telstra continues to play an integral role in the everyday lives of Australians, as it has done for generations. And with information looming as the currency of the new millennium, Telstra is poised to play an even greater role in the future, both domestically and internationally.

Often without even realising it, millions of customers interact with Telstra networks every day - when making telephone calls, sending faxes, accessing ATM machines, enjoying cable television and - of course - logging onto the internet.

The information explosion means there are new challenges and opportunities for business. For example, Australians are amongst the world's most avid internet users - and Telstra services are pivotal in connecting Australians to the worldwide web. While data services represent an exciting future, demand for traditional voice services is greater than ever, with 2.7 million basic access lines into businesses and 6.9 million lines into Australian homes.

Telstra connects Australians to the world, offering access to 230 countries and territories. Telstra's intelligent networks are also enabling many Australian companies to build successful new businesses in offshore markets.

ACHIEVEMENTS

When Telstra was partially privatised in 1997 it quickly earned the distinction of having the broadest base of shareholders in the country. More than one million Australians now own a piece of Telstra, and well over half of these are small shareholders. That is a vote of confidence if ever there was one.

Telstra is also very active offshore, with growing businesses in more than 20 countries, including markets as diverse as Cambodia, the United States, Eastern Europe, India, Vietnam, the UK and Japan. And Telstra is rapidly earning a reputation as a world class and truly worldwide telecommu-



nications partner to blue chip companies such as British Aerospace, Novell and Hilton International Hotels.

In the face of deregulation, you'd expect a business that had enjoyed a monopoly for so long to suddenly find life rather tough. But Telstra has enthusiastically embraced competition with an ever-growing commitment to making life easier for its customers. This has ensured both the company's continued success and the enjoyment of the benefits of competition by its customers. Telstra now handles over 500 million operator-assisted calls each year. More than seventy T-Shops owned and operated by Telstra supply just about everything you could ask for in consumer telecommunications.

Telstra also did everything in its power to make life easier for those involved in a spate of recent crises - the Victorian gas emergency, Queensland cyclones Sid and Katrina and the Katherine floods.

- Telstra's assistance included handling of some 20,000 calls an hour at the

peak of the Victorian crisis and dispatching a voluntary crew which worked through the night to restore vital optic fibres damaged in the fire;

- keeping Katherine's communications operating for all but a few hours after the Katherine River broke its banks. (Had Katherine's commu-

nications been lost, Darwin's landline links with the rest of Australia and the world would have been severed.);

- providing additional 1 300 and 1 800 numbers for emergency services and consumer inquiries as well as number diversions; extensions on bill payments to those in need.

Extraordinarily, some staff in the Katherine and Queensland disasters kept working in the full knowledge that they, themselves, had lost everything except the clothes on their backs.

HISTORY

Throughout its 140 year history, the company now known as Telstra, (or parts of it), has been around in various incarnations - Telecom Australia, the Overseas Telecommunications Commission, the Postmaster General's Department, the Overland Telegraph and the East-West Telegraph. But while the company's name has evolved, its commitment to serving the people of Australia has remained.

In the bush Telstra goes above and beyond legislative requirements, as has recently been underscored by developments such as Infifax®, providing farmers access to critical information such as weather and stock reports, prices from the Department of Primary Industries and much more.





The growing affordability of satellites and ISDN lines means that people of remote communities can benefit from the expertise of medical specialists whose services were previously only available to city dwellers. Using various communications links, specialists can give advice, view x-rays, ultrasound and CT scans, and even perform remote operations by robotics.

The Aboriginal Video Distance Education Project at Kowanyama, Far North Queensland, enables children from a small Aboriginal community to use the internet and ConferLink video-conferencing to enhance learning opportunities and interact with other children from Australia and around the world.

The lives of new Australians are also made easier by Telstra, which so far has three service centres dedicated to Mandarin, Cantonese and Vietnamese speaking customers, with more centres earmarked for development. This is in addition to a broad range of linguistic abilities amongst the 5,000 service staff at other centres. Telstra ensures that product and pricing information is communicated to ethnic communities via public and community relations, relevant radio commercials and print ads, and direct mail in a variety of languages.

THE PRODUCT

The telephone has been the core of Telstra's business for many years. But Telstra is more than a phone company - it's a communications company. And with communications now moving well beyond the phone, it's only natural that Australia's leading communications company is moving with them. As a result, Telstra has a more diverse mix of products and services than any other communications company in Australia.

With Big Pond®, Telstra operates several large internet servers in Australia, with sites ranging from children's entertainment to on-line games and music, travel, shopping, legal and finance information.

Telstra also has a relationship with more than three million MobileNet® customers - with value-added services such as operator-assisted paging, through connect, financial and sports information services and international roaming in more than 60 countries.

Telstra owns and operates some 36,892 payphones throughout Australia, approximately half of which are situated in non-metropolitan and rural areas. Another 43,278 payphones are operated by third parties under equipment sales or lease

agreements with Telstra.

Telstra is also at the forefront in the burgeoning world of e-commerce - the buying and selling of goods and services over the internet - and is actively developing e-commerce solutions in many industries, cutting down on administrative costs and allowing businesses to operate in areas in which it was previously cost prohibitive to do so. Industries already benefiting from Telstra's efforts include sporting clubs, stockbrokers, agribusinesses, pharmaceutical wholesalers and the health care profession.

RECENT DEVELOPMENTS

Telstra takes its responsibilities as a major corporate citizen seriously. The company actively supports initiatives like LifeLine and LandCare among many others. The company also has one of the country's most active volunteer staff organisations which supports community initiatives such as Clean Up Australia and The Smith Family.

As Team Millennium Olympic Partner and Telecommunications Supplier to the Sydney 2000 Olympic Games and Worldwide Partner of the Sydney 2000 Paralympic Games, Telstra has the perfect stage for showing the world what Australians can do.

But support for Australian sport begins long before Olympic levels, with sponsorship of swimming through the Telstra Dolphins, weight lifting via the Telstra Titans and Australian women's hockey through the Telstra Hockeyroos, providing support to these sports from grass roots levels through to the elite.

In readiness for the Sydney 2000 Olympic Games, Telstra is building one of the largest, fastest and most sophisticated Olympic communications networks the world has ever seen - Telstra's Millennium Network. The Australian network contains over 1.5 million kilometres of optic fibre cable (enough to circle the world 37 times) and will deliver the spectacle of the Sydney 2000 Olympic Games to a potential audience of more than four billion people. The benefits will be felt in Australia long after the Closing Ceremony.

Telstra is also aiming to ensure that young Australians develop the right on-line skills with the technological demands of the new millennium via its Special Skills Forum. Launched in 1995, Telstra's \$3 million Learn IT™ program was created to help students leave school with the technological literacy which has now become essential no matter what vocation they choose. This money has been used in a variety of



ways, including the provision of computers, modems, lines and Internet access to schools, along with free educational material for primary, secondary and tertiary students on a vast range of telecommunications subjects.

PROMOTION

As Australia's most advertised brand, Telstra uses every medium of mass communication to showcase its plethora of products and services.

In recent years, Telstra has faced up to the real-



ity that it needed to find a way of communicating so many disparate product stories while delivering a coherent brand message. The result of those efforts is the notion of 'Making life easier'™, a promise that goes way beyond merely being an advertising slogan, and has helped redefine the very culture of the company.

BRAND VALUES

Warm, human and empathetic, while still being pragmatic. A company you can trust to make life easier.

THINGS YOU DIDN'T KNOW ABOUT TELSTRA

- In the Asia Pacific region alone, more than 200 multinational corporations have chosen Telstra to provide their telecommunications needs.
- Telstra is ranked in the top ten global telecommunications companies.
- More than a million Australians now own shares in Telstra, and well over half of these are small shareholders.
- Demand for traditional voice services is greater than ever, with 2.7 basic access lines into businesses and 6.9 million lines into our homes.
- Telstra is Team Millennium Olympic Partner and Official Telecommunications Supplier to the Sydney 2000 Olympic Games and Worldwide Partner of the Sydney 2000 Paralympic Games.