

3 June 2003

Office of the Company Secretary

The Manager

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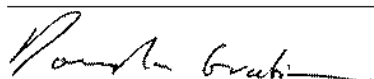
ELECTRONIC LODGEMENT

Dear Sir or Madam

Sensis Operational Briefing

In accordance with the listing rules, I attach an announcement for release to the market.

Yours sincerely

A handwritten signature in black ink, appearing to read "Douglas Gration", written over a horizontal line.

Douglas Gration
Company Secretary

Telstra Corporation Limited
ACN 051 775 556
ABN 33 051 775 556



FOR IMMEDIATE RELEASE

SENSIS TO GENERATE \$1.2B REVENUE THIS FINANCIAL YEAR

Well positioned for strong growth and expanded local advertising

SYDNEY: Tuesday 3 June, 2003: Sensis Pty Ltd, the wholly-owned advertising subsidiary of Telstra Corporation Ltd, today announced it expected to generate more than A\$1.2 billion in revenue this financial year, approaching EBIT growth of nearly 7.0 percent in excess of A\$620 million.

The company's revenue growth forecast of 6.8% is a substantial increase on the 2.2 percent growth delivered last financial year, and the result of an innovative change program implemented by the management team over the last three years and a general recovery in advertising. Yellow Pages® print is forecast to achieve growth of 3.6 percent, White Pages® print growth of nearly 17 percent, and Sensis' online and electronic businesses growth of nearly 30 percent.

Mr Bruce Akhurst, Telstra Group Managing Director and Sensis Chairman, said Sensis continued to make a significant financial and strategic contribution to the Corporation - on average 10 percent of Telstra's earnings before interest and tax.

"Sensis is an extremely important growth engine for Telstra. The collective growth assets in my portfolio - Telstra Wholesale, BigPond, Media (which manages Telstra's interest in FOXTEL) and Sensis - are all key to Telstra's long term future.

"Telstra will continue to invest in Sensis next financial year to ensure it takes full advantage of its core print advertising business and also its growing online advertising activities to build shareholder value", said Mr Akhurst.

Sensis' growth strategy and contribution to Telstra were announced by Mr Akhurst and Mr Andrew Day, Chief Executive of Sensis, at a briefing held in Sydney today. Together, they provided insights into Sensis' medium-longer term growth strategy in local, Australian advertising and overseas directories' management.

Mr Day said, "the full-year revenue forecast should not be regarded as a one-off results of this magnitude are achievable for the foreseeable future".

He added that Sensis had a capable and experienced management team that was achieving growth from its directory and new media advertising businesses through a deliberate focus on product innovation, enhancing its go-to-market capabilities and sales excellence.

"Our deliberate, grassroots customer approach is paying dividends, with the company achieving an impressive 7.5 percent revenue growth from its recently concluded non-metropolitan Yellow Pages® sales campaign - the best result in five years".

"Our print directories' business will maintain growth above four percent per annum for the foreseeable future, and our developing online and electronic businesses will continue to deliver growth in excess of 25 percent per annum in an increasingly competitive market", said Mr Day.

Sensis' 13 percent share of national advertising now exceeds that of radio and magazines, and is approximately one-third the size of television and newspapers.

In 2002/3, Sensis' online, electronic and wireless businesses will deliver revenue in excess of \$50 million, making it one of the most successful online companies in Australia. Sensis represents 28 percent of Australia's online advertising spend, with its online advertising solutions in the highest growth areas of search and directories.

"Sensis intends to grow its 13 percent share of Australian advertising by expanding its existing directory and non-directory advertising assets, and pursuing targeted, "bolt-on" acquisitions similar in size and type to the CitySearch® and BMC Media online advertising businesses that we have successfully integrated into Sensis.

"Our aim is to establish Sensis as *the* major player in local, Australian advertising and we're well on the way to achieving this. We will also leverage our world class directory management capabilities to pursue potential opportunities to acquire overseas directory companies", said Mr Day.

Sensis understands the challenges associated with its growth strategy and will be an intelligent partner or acquirer of local, advertising assets in Australia and directory assets overseas.

Mr Day emphasised that Sensis was an advertising business with a different strategy, different identity and different core competencies from a telecommunications company.

"Our new corporate identity was introduced last August to provide an umbrella for all the company's advertising activities across print, voice, online and wireless. The brand reflects the very essence of our business; keeping people like you and me in touch with the people, businesses and places they're looking for - 24 hours a day, seven days a week", said Mr Day.

-ends-

About Sensis Pty Ltd

Sensis is a leading Australian information, advertising and directories business, providing print, voice and online products and services to more than 420,000 customers nationally, about 90 percent of whom are small and medium enterprises (SMEs). As a national, wholly-owned subsidiary of Telstra Corporation Limited, Sensis manages two of Australia's leading brands, Yellow Pages® and White Pages®, along with the Internet city guide, CitySearch®, and the interactive location and navigation brand, Whereis®. For more information, visit the corporate Internet site at www.sensis.com.au.

® and ™ - registered trade mark and trade mark of Telstra Corporation Limited
CitySearch® - registered trademark of CitySearch Australia Pty Ltd

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The Sensis Advertising Business

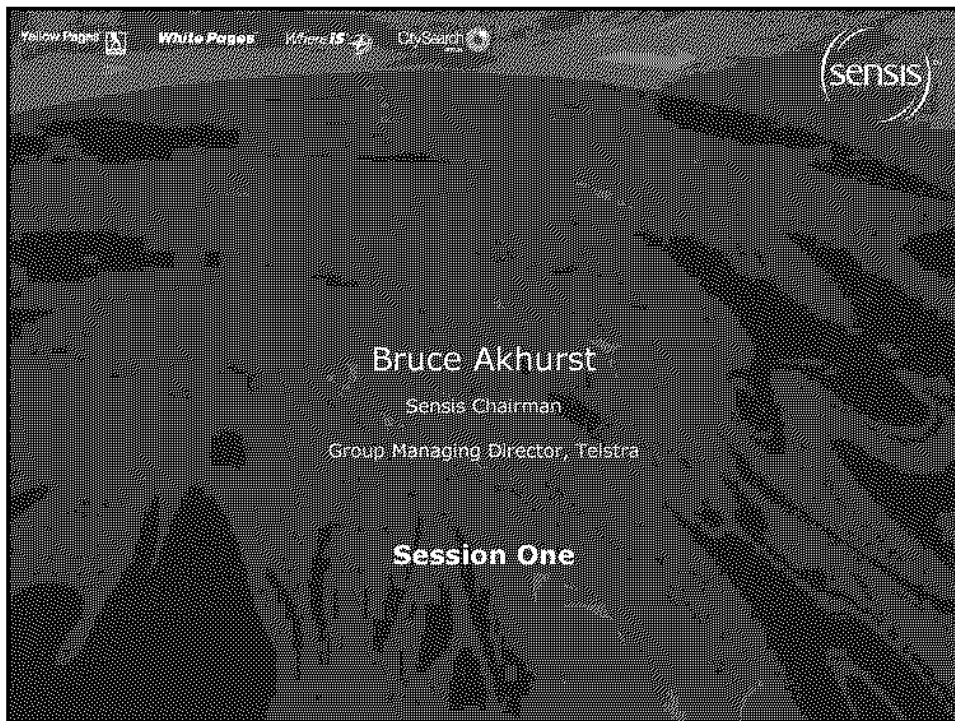
3 June 2003

Cautionary statement regarding forward-looking statements

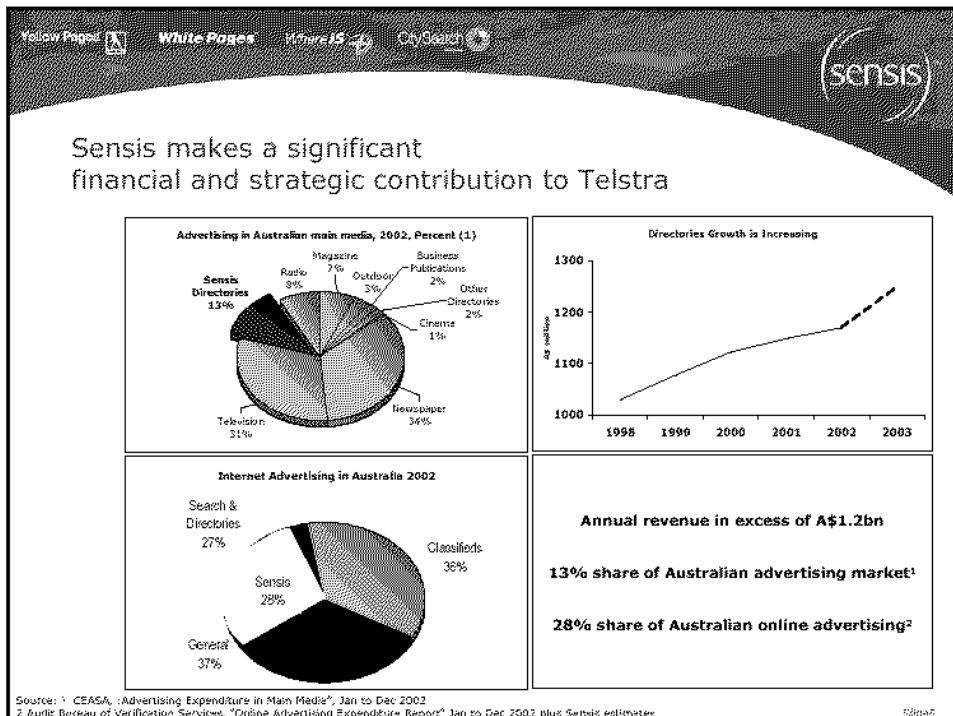
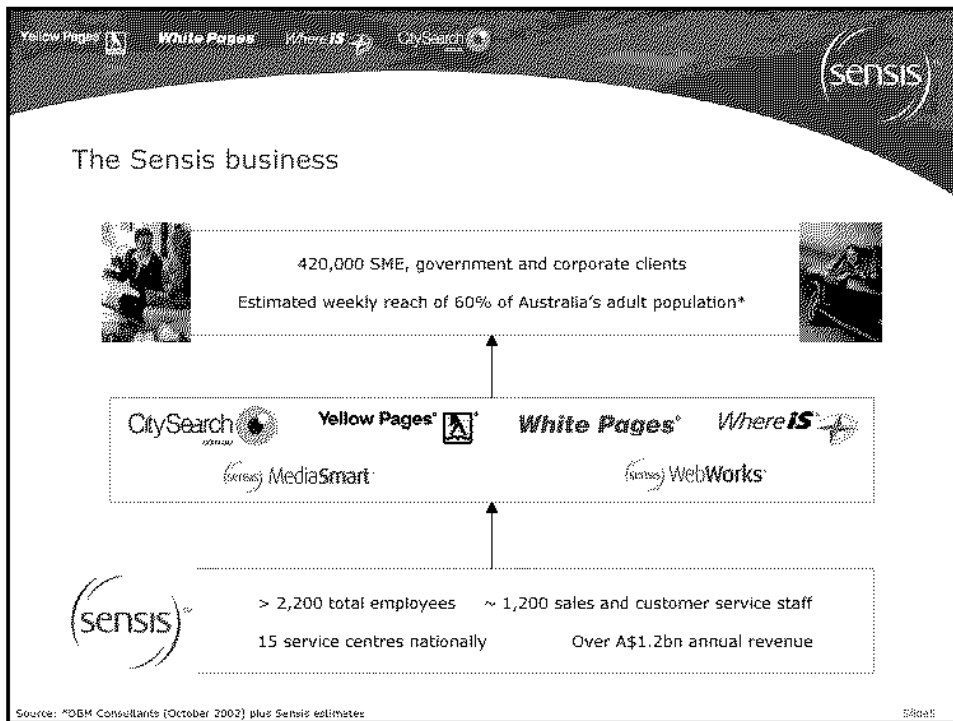
This presentation includes certain forward-looking statements that are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, those forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Telstra and Sensis, which may cause actual results to differ materially from those expressed in the statements contained herein. For example, the factors that are likely to affect the results of Sensis and Telstra include general economic conditions in Australia; exchange rates; competition in the markets in which Sensis and Telstra will operate; the inherent regulatory risks in the businesses of Telstra and Sensis and the Australian market; and the substantial technological changes taking place in the directory, advertising and publishing industries, as well as in the Internet, mobile and telecommunications arenas.

Note on relationships between corporate entities

Sensis Pty Ltd is the wholly-owned advertising subsidiary of Telstra Corporation Limited. Sensis is responsible for the conduct of certain activities relating to Yellow Pages®, White Pages®, GoEuroka™, Whereis® and related products and services for Telstra Corporation Limited and is responsible for the conduct of similar activities relating to CitySearch® products for CitySearch Australia Pty Ltd. All references to Sensis™ (or "we") or to Sensis™ (or "our") products, services, brands or company should be construed accordingly.



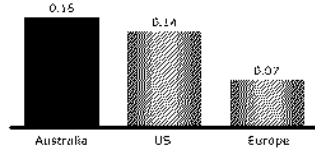
This slide has a white background with a curved top edge. It features the same navigation bar and 'sensis' logo as the first slide. The title 'Telstra BigPond, Wholesale, Media and Sensis' is centered. Below the title is a bulleted list: 'Includes three of Telstra's growth engines' (with sub-points: BigPond, Sensis, Media (Foxtel)), 'World Class Wholesale model', 'Revenues in excess of \$4bn', 'EBIT contribution over \$2.5bn', and 'Staff approximately 3,050'. The Telstra logo is in the bottom right corner.



Sensis is one of the world's top ten directories businesses

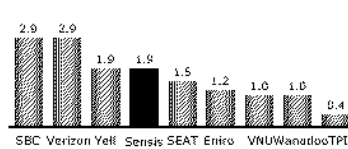
Directory advertising spend, 2002

Percent of GDP



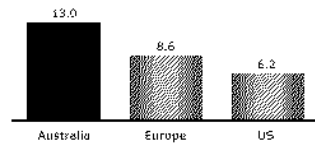
Revenue per customer, 2002

US Thousands



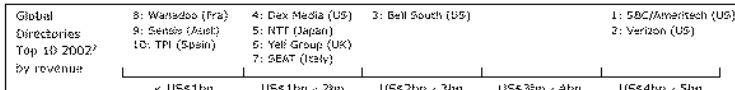
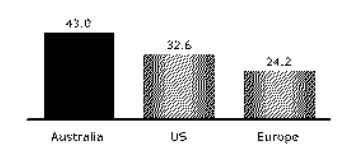
Average directory share of total advertising market, 2002

Percent of revenue



Average Yellow Pages paying customer penetration, 2002

Percent of total number of businesses



Source: 1 CEASA, The Kelsey Group, Sensis 2 The Kelsey Group, "Global Yellow Pages" 2003

S80a7

The Sensis Executive Leadership Team



Bruce Akhurst
Sensis Chairman
Telstra Group Managing Director



Andrew Day
Sensis Chief Executive



Greg Ellis
Strategy and Online



Chris Armstrong
Internet/Local



Thomas Arthur
Product



Lyndell Johnston
Marketing & Print Advertising Solutions



John King
SME Online



Robert Rath
Business Services



John Coates
Finance

S80a8

Today's Presenters



Bruce Akhurst
Sensis Chairman
Telstra Group Managing Director



Andrew Day
Sensis Chief Executive



Thomas Arthur
Sensis General Manager Product



Lyndell Johnston
Sensis General Manager Marketing & Print Advertiser Solutions



Greg Ellis
Sensis General Manager Strategy & Online

Slide 3

Presentation Timings

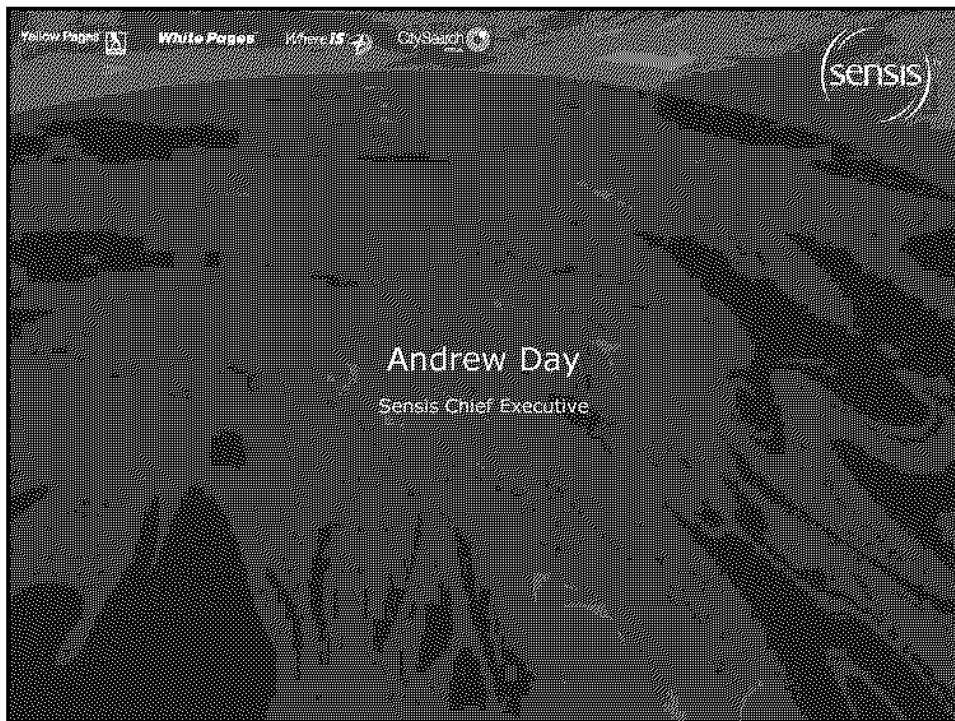
Session 1: 9.30am - 11.00am

- Introduction
- Operational Performance of Sensis' Core and Developing Businesses
- Questions and Answers

Session 2: 11.15am - 12.30pm

- Introduction
- Sensis' Medium-Longer Term Growth Strategy
- Sensis and the Local Advertising Market
- International Directory Opportunities
- Questions and Answers
- Close

Slide 10



Andrew Day
Sensis Chief Executive

Yellow Pages

White Pages

Whereis

CitySearch

Sensis' portfolio and vision

- Delivering a targeted, multi-channel solutions portfolio:
 - Directories advertising
 - Non-directories advertising
 - Information services
- Leveraging five key brands:
 - Sensis™
 - White Pages®
 - Yellow Pages®
 - Whereis®
 - CitySearch®
- To:
 - Small and medium enterprises
 - Government
 - The corporate sector
- A company with the vision to be...

The first step in every Australian contact...
connecting people, businesses and places

Information Services Products and Brands

Electronic Procurement Solutions
Electronic White Pages®
Macrumatch®
Whereis®

Online

Wireless

Non-Directories Advertising Brands

Sensis MobileSmart™
CitySearch®
Yellow Pages®

Online

Wireless

Directories Advertising Brands

Yellow Pages® directories
Yellow Pages® OnLine
Yellow Pages® Connect
White Pages® directories
White Pages® OnLine

Print

Online

Voice

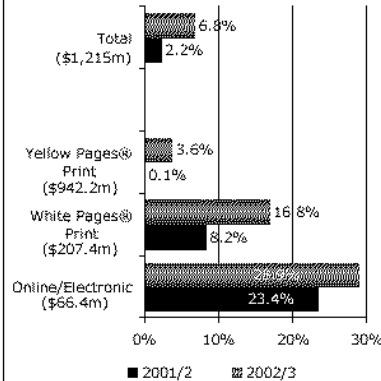
Wireless

Full Year 2002/3: Forecasting powerful and sustainable revenue growth

Delivering Growth

- 6.8% external revenue growth FY2002/3
- The launch of a new brand: Sensis™
- CitySearch® lifestyle guide and advertising business of BMC Media integrated into the business
- Yellow Pages® and White Pages® print product innovation:
 - Full & half page ads
 - White Pages® directory colour
- Yellow Pages® OnLine Display and Display Plus products launched:
 - First generation in our integrated content plan
- Electronic Procurement Solutions launched
- New AMDPCS contract
- Sensis Customer Charter launched
- Sensis People Commitment launched

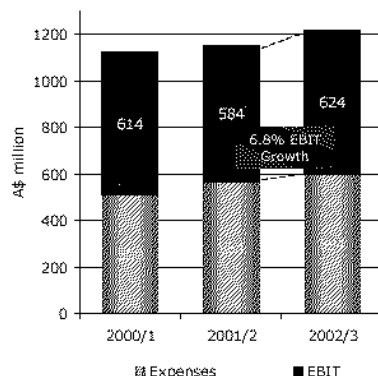
External Revenue Growth: FY 2001/2 and 2002/3 (estimated)



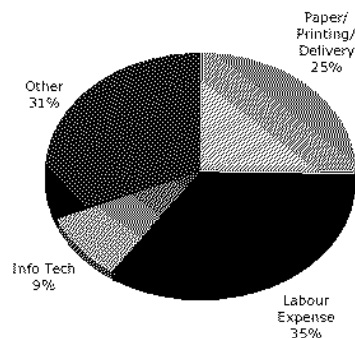
Slide 3

Full Year 2002/3: Forecasting strong EBIT

EBIT Performance: 2000/1 to 2002/3 (estimated)



Expense Breakdown: 2002/3 (estimated)



Slide 4

A company-wide focus on cost control over the last three years

Cost Initiatives

- Consolidated call centres from 22 to 2 using leading technology (2000/1)
- Change in paper grade for information pages (2001/2)
- Renegotiated print contract and outsourcing IT contract (2001/2)
- Increased post-consumer recycling from 6% in 1999 to over 66% in 2002
- Outsourced overflow during peak months of July and August 2002
- Initiated real time QA monitoring of staff and customer calls
- Launched electronic proofing of advertisements by customers
- Relocated information pages from the L-Z directories
- Leading reductions - Yellow Pages® print
- White Pages® business-residential and surname suppression

Cost Impact

- Costs totalling approximately A\$60m taken out of the business over the last three years
- Key results included
 - Reduced call centre operating cost by \$10m
 - Saved \$20m through IT supply contract renegotiation
 - Saved \$7m through print outsourcing contract renegotiation
 - Saved almost \$2m through Yellow Pages® print initiatives
 - Saved almost \$3m through White Pages® print initiatives

Sensis

Sensis' Core and Developing Businesses

Operational Report: 2002/3

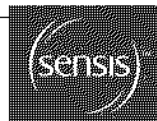
Sensis is a business with many identities

Advertising Business

- A major player in Australia's advertising market
- Yellow Pages® directories:
 - > 400,000 paying customers
 - Last 7 day usage 45%
- White Pages® directories:
 - > 1.2m business listings
 - Last 7 day usage 54%

Content Management Business

- A wide and deep range of content across many channels:
 - Print
 - Online
 - Voice
 - Electronic



Publishing Business

- Publishing and distributing high quality products to meet the needs of customers and consumers:
 - 75 Yellow Pages® directories and 55 White Pages® directories (some consolidated)
 - 29m copies distributed annually

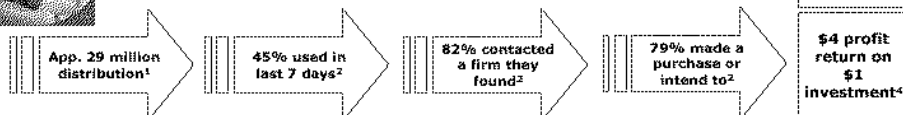
Sales Business

- Sell, publish and service print, online and voice solutions nationally to SME customers to:
 - Unparalleled reach to the SME market with 900 sales consultants
 - Deliver the benefits of quality information, services and consumer interaction

Source: 1 Independent research of people aged 18 - 64 by DBM Consultants in Syd, Melb, Bris, Adel, Perth, Oct 2001 - Sept 2002
2 Red Sheriff, May 2003

Sensis7

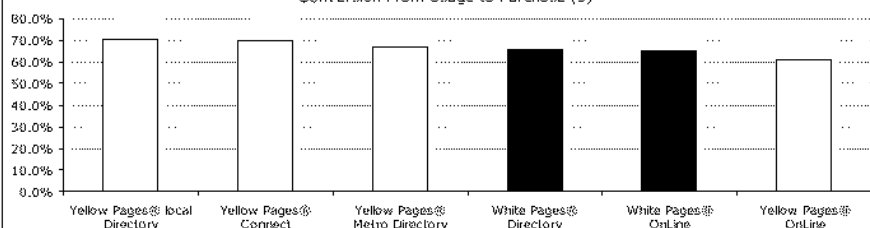
Yellow Pages® and White Pages® directories offers among the highest returns of all advertising media



\$15 revenue return on \$1 investment⁴

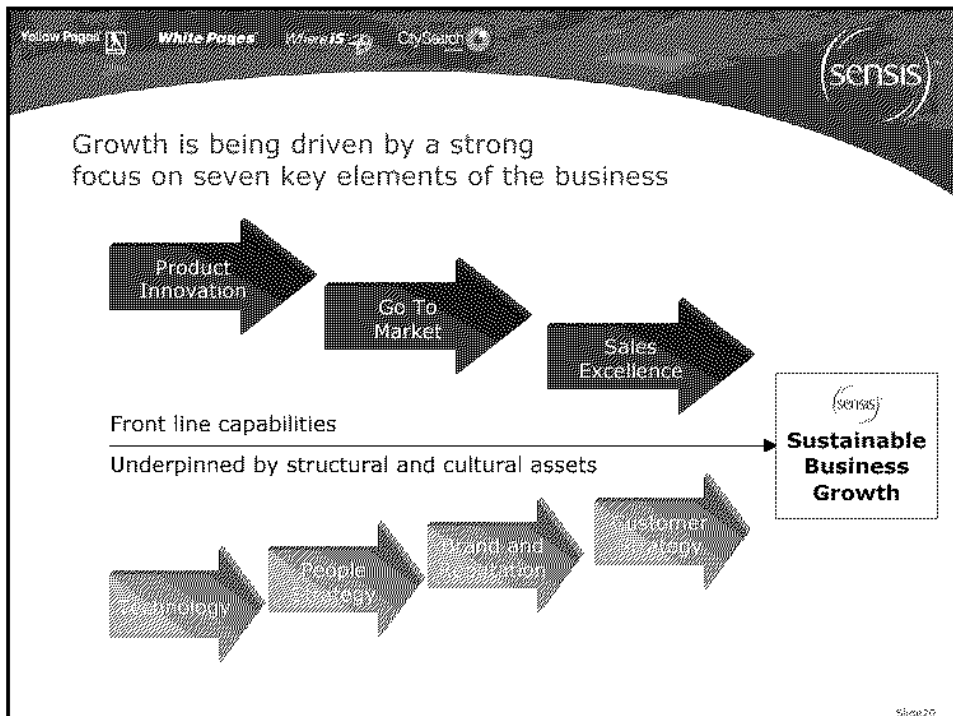
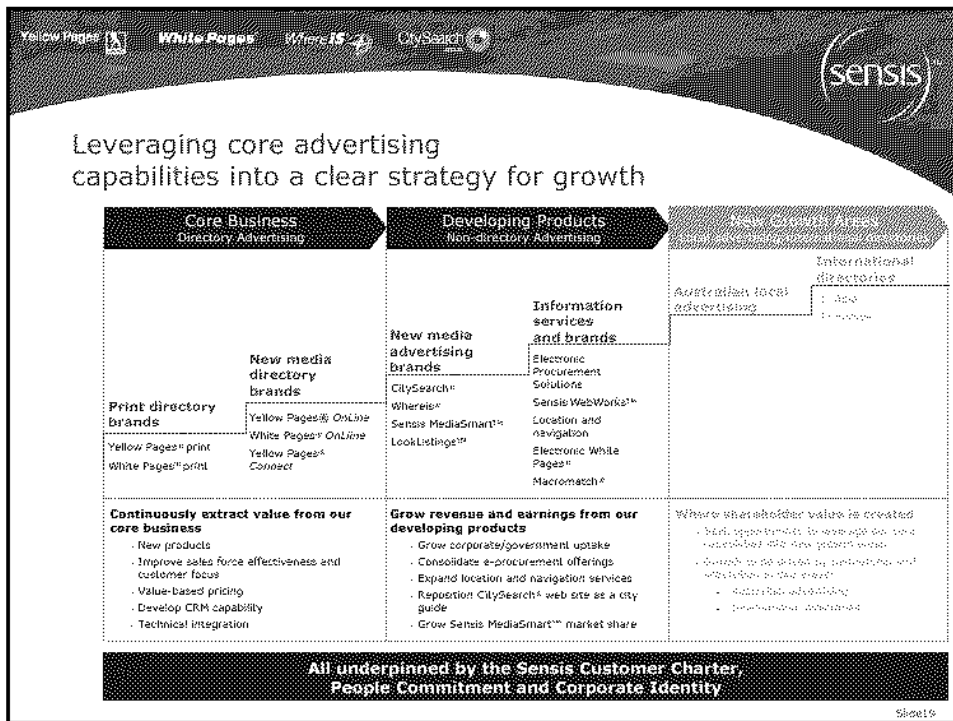
\$4 profit return on \$1 investment⁴

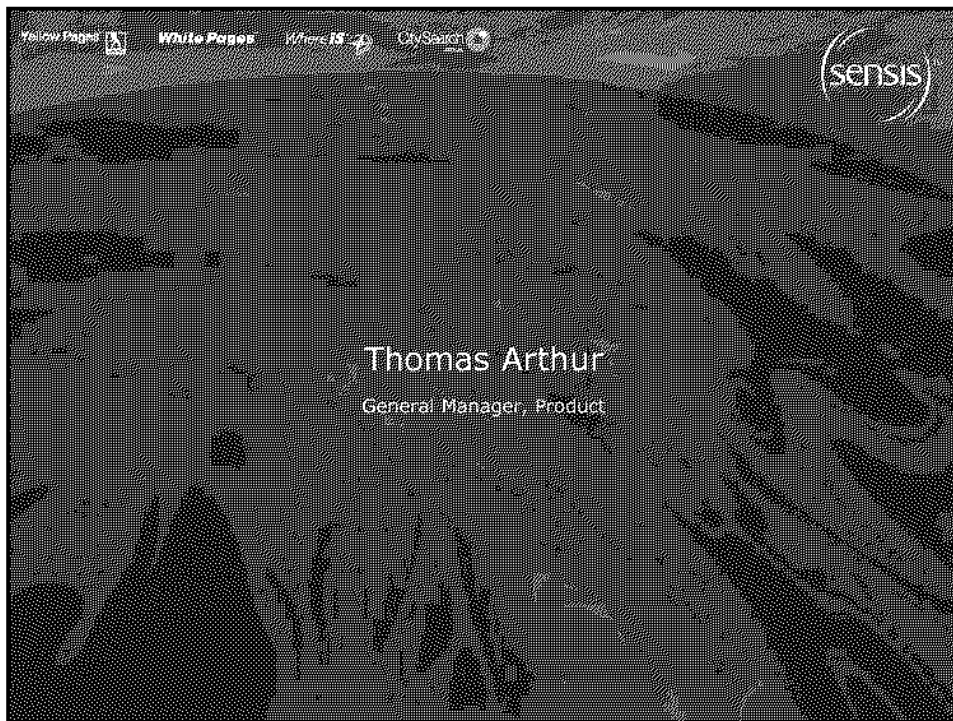
Conversion From Usage to Purchase (3)



Source: 1 Sensis, 2 Independent research of people aged 18 - 64 by DBM Consultants in Syd, Melb, Bris, Adel, Perth, Oct 2001 - Sept 2002, 3 Taylor Nelson Sofres - Sensis Heading Usage Study February 2003, 4 CRM Associates, as reported by The Kelsey Group, "Positioning Yellow Pages" Sept 2002

Sensis8





Product innovation: Core Advertising Business

Innovations

- White Pages® directories process & two-spot colour
- White Pages® directories surname suppression
- White Pages® directories business / residential split
- Yellow Pages® directories inside and back covers and filter / banner ads
- Full and 1/2 page display ads
 - At Feb 2003, incremental revenue 68% above target
- New Yellow Pages® local directories
- Yellow Pages® OnLine Display and Display Plus products
- White Pages® OnLine Duo

Directories

Performance

- Circulation almost 30 million - almost 80 editions
- 'Last 7 day' print metro usage¹:
 - 54% White Pages® directories
 - 45% Yellow Pages® directories
- Yellow Pages® directories the most used buying information source¹:
 - 43% metro, 47% regional
- Yellow Pages® OnLine and White Pages® OnLine directories each app. 1.5m unique users in May²
- Yellow Pages® Connect approx. 500,000 calls/mth

Source: ¹ Independent research of people aged 18 - 64 by DBM Consultants in Syd, Melb, Bris, Adel, Perth, Oct 2001 - Sept 2002

² Red Sheriff, May 2003

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Product innovation: Developing advertising products

Innovations

- Sensis WebWorks™ Web Starter
- New online advertising formats and ad delivery technologies for Sensis MediaSmart™
- Yellow Pages® OnLine directory and CitySearch city guide bundle
- CitySearch® web site redesign and repositioning as a city guide
 - A consistent, national user and advertiser value proposition
- Launch of Basic Inclusion low-level entry and Premium Positioning products for CitySearch® web site
- Integration of CitySearch® web site with Whereis® location and navigation functionality

Advertising

(sensis) WebWorks

(sensis) MediaSmart

CitySearch
©2001-03

Performance

- CitySearch® city guide and advertising assets of BMC Media (Sensis MediaSmart) now integrated into the business
- Sensis MediaSmart™ online media¹:
 - Almost 4 million unique users/mth
 - Av. Reach 52% of Australian online audience/mth
 - Sites include AFL, NRL, ASX
- CitySearch® lifestyle guide²:
 - Over 700,000 users and 6m page views in May
- Sensis WebWorks™ web site facility experienced a consistent growth trend over 2003²

Source: ¹ Red Sheriff, May 2003; ² Sensis

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Product innovation: Developing information products

Innovations

- Enhancements to Whereis® location based services
 - Whereis® Guidance Call Centre Application
 - StreetNet 'hybrid' for the Logistics and Tracking market
 - Whereis® for the PDA marketplace
 - Version 9 Whereis® CDs for a selection of vehicle manufacturers
- Through-seller agreements for Macromatch® data matching service and Electronic White Pages® directory
- Launch of Electronic Procurement Solutions
 - Supplier enablement
 - Electronic catalogue service
 - Data service
 - Custom procurement services

Information Services

WhereIS

Macromatch

Electronic White Pages

Electronic Procurement Solutions



Performance

- Whereis® OnLine site viewed by almost 750,000 unique users in May¹. Over 2 million maps served/mth².
- Strong growth in Macromatch® and Electronic White Pages® from through-seller agreements
- Electronic Procurement Solution's first customer project progressing
- Current focus of Electronic Procurement Solutions is Data Services and Customer Procurement solutions

Source: ¹ Red Sheriff, May; ² Sensis

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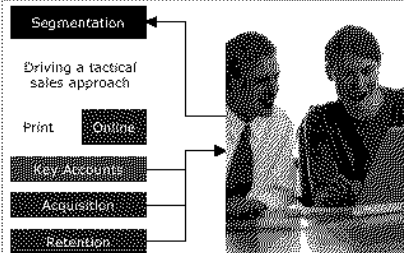




Enhanced go to market: a tactical approach

Innovations

- Rollout of new segmentation variables for Yellow Pages® directories
- A tactical approach to Yellow Pages® directories sales channels
 - Two cross-portfolio channels:
 - Key accounts
 - Acquisition
 - Telesales for lower value accounts
 - Reduce sales overhead
 - Strong focus on lead generation
 - From telesales to acquisition
 - From print to online
 - Print face to face retention channel
- Agency/through-seller channels: Sensis MediaSmart™ and Business Services
- Business Commercialisation unit:
 - SME market acceleration
 - Cross-company government focus



Performance

- A more integrated and targeted research, sales and marketing approach
- Increased focus on
 - Lead generation
 - Migration from print to online
- Greater 'solution sell' capabilities
- Macromatch® through-seller agreements resulted in CYTD Feb 03 rising sharply with 50% less sales resource

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Sales excellence

Best of Breed Environment

Remuneration / Sales channel and tools / Cultural change and People Commitment
Customer process solution support / Lead referral

Knowledge & Capability

- Training:
 - Product
 - Sales
 - Business environment
- Market research
- Heading research
- Segmentation



Technology-Enabled

- Sales force automation
- Siebel
- Capability in Yellow Pages®, coming for White Pages® products
- CRM in development
- Mobile technologies
- Hardware

Performance

- Strongest Yellow Pages® directories non-metro sales performance in the last five years - 7.5% revenue growth
- Total sales performance for Yellow Pages® print directories up by 3.6%
- 16.8% growth in total White Pages® print directories sales performance
- Launched 1/2 and full page adds in 20 books non metro books - A\$10m additional and A\$5m incremental revenue

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Enhanced Technology

Sales Force Automation

- **Siebel enabled:** Increased Siebel usage
Improve sales consultant effectiveness
- **Online proofing:** Faster proof turnaround
- **Work item tracker:** Generate greater efficiencies in the tracking of specified work items

Call Centre Excellence

- **Optimise commercial performance:** First call resolution
Multi-skilled workforce
- **State of Art Technology:** EIC platform stability
Drive IVR to improve customer service

CRM

- **Marketing:** Align product offering to customer need
- **Sales:** Plan account, contact customers, sell
- **Customer service:** Manage customer relationships
- **Finance:** Manage customer payments and credit

Content Management

- **Point of truth content storage for non print**
- **Multi media publication**

Flexibility

Customer Knowledge

Single customer view

An enhanced sales and service approach

Cross-portfolio solution self capabilities

Multi-media publishing capabilities

Operational efficiencies

Slide 23



Our People: aligning values with strategy

Total staff:

>2,200

Average age:

32 years

Average tenure:

3.5 years

Male/Female:

46%/54%

Sensis Values
and Behaviours
People
Growth
Learning

Sensis Culture
Programme



Sensis People
Commitment

Sensis
Leadership
Programme

Workforce Goals:

STAY

SAY

STRIVE

Workplace Environment Goals:

Innovative Responsive Successful Fun Committed to learning

Slide 24



Building our brand and reputation from the inside out

New Corporate Brand



Print



New Media



Industry Development



People Strategy

Customer
Strategy

Credible change initiatives

Above and
below the line

Leadership

Power brands

High profile based on leadership

Brands that are *advocated* by our people, customers and the broader community

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Our Customers:
delivery founded on our people and cultural strategies

The Sensis Customer Charter

- First directory company in the world to launch a Customer Charter
- A three-phase commitment to customers designed to:
 - Improve order turnaround and customer service levels
 - Drive improvements in fulfilment
 - Drive production efficiencies
- Phase 1 launched 19 February 2003
- Addressing print and online directories fulfilment processes
- Based on three promises:
 - We will deliver products and services as specified and on time
 - We will listen to you and help you get the most out of doing business with us
 - If we make a mistake, please let us know
- A focus on tangible, measurable outcomes
- Ongoing measurement regime
 - Reported weekly to senior management



Performance

- Yellow Pages® directory print display proof turnaround
 - 90% average within 15 days
- Customer information pack turnaround:
 - 98.9% within 7 days
- Online contract turnaround time
 - Average 15 days - some 58% below pre-charter
- Query responsiveness:
 - Average 60% for ads and 61% for sales in 24 hours

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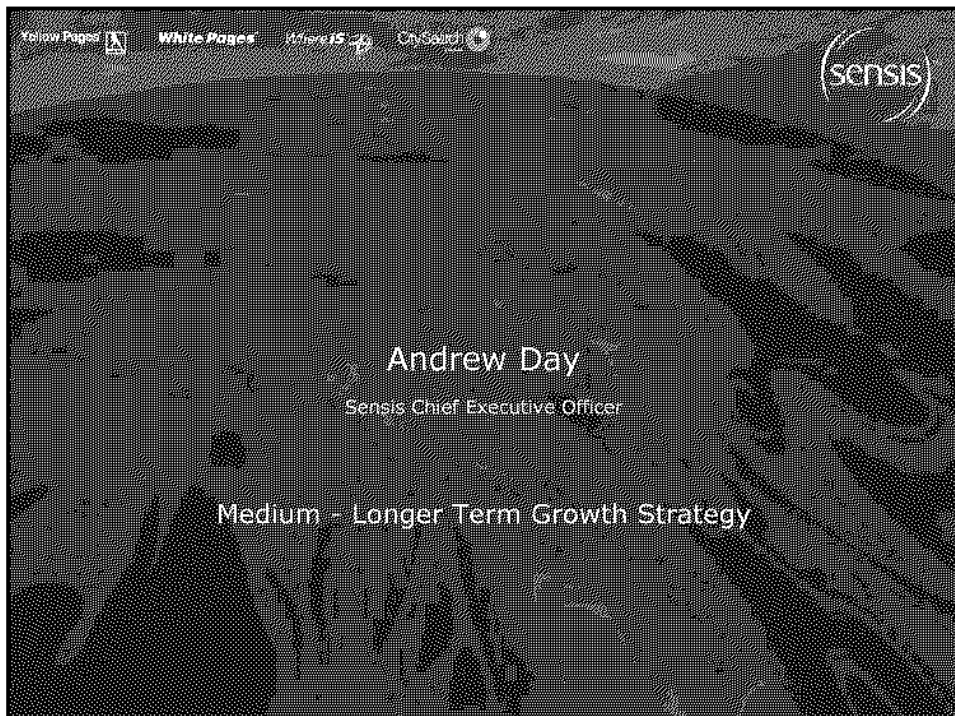


Yellow Pages  White Pages  Where IS  CitySearch 



Bruce Akhurst
Sensis Chairman
Telstra Group Managing Director

Session One: Questions and Answers



Sensis will become *the* leading player in local, Australian advertising

Organic Growth

- **Core directory & non-directory advertising**

- Yellow Pages® and White Pages® directories
- Sensis MediaSmart™ media service, Sensis WebWorks™ web services
- Whereis® location based services and Electronic Procurement Solutions

Partnerships and acquisitions

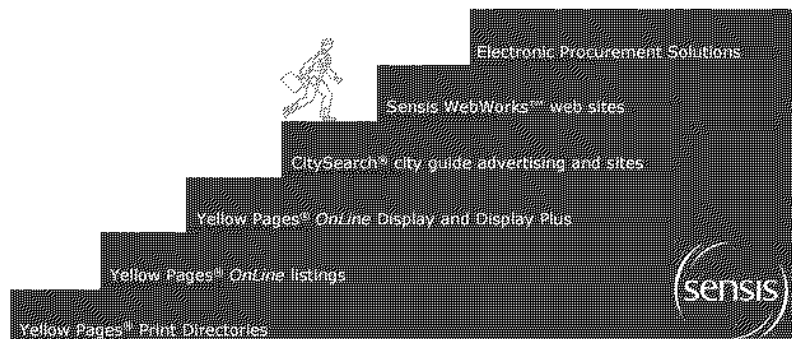
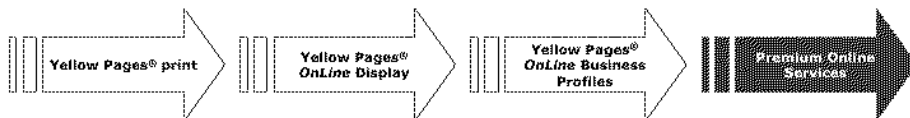
- **Recent acquisitions successfully integrated**

- CitySearch® city guide
- BMC Media

- **Future targeted, 'bolt-on' acquisitions**

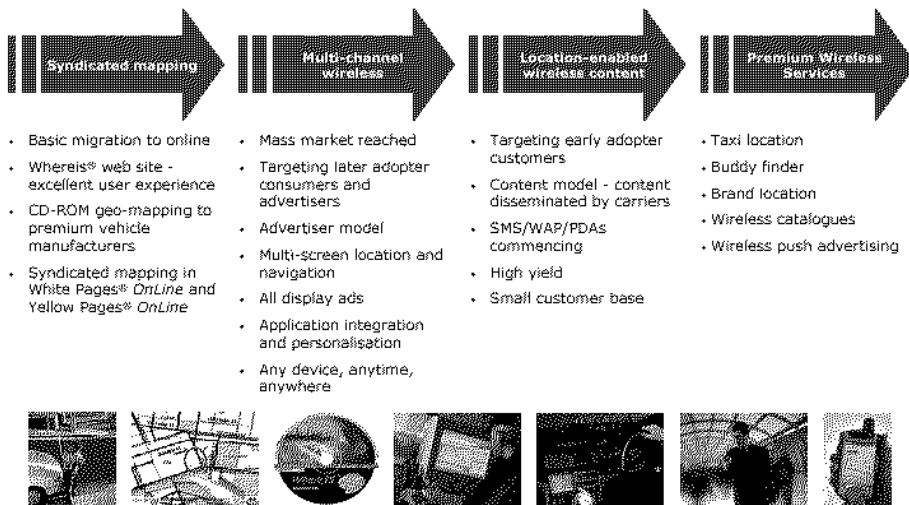
Slide 17

Organic growth: expanding from print directory advertising to online & then enhanced services



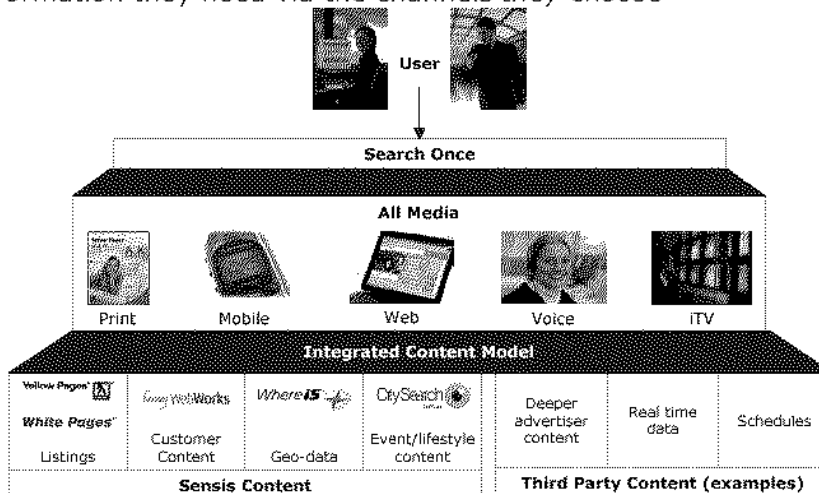
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Organic growth: extending online experience into wireless innovation



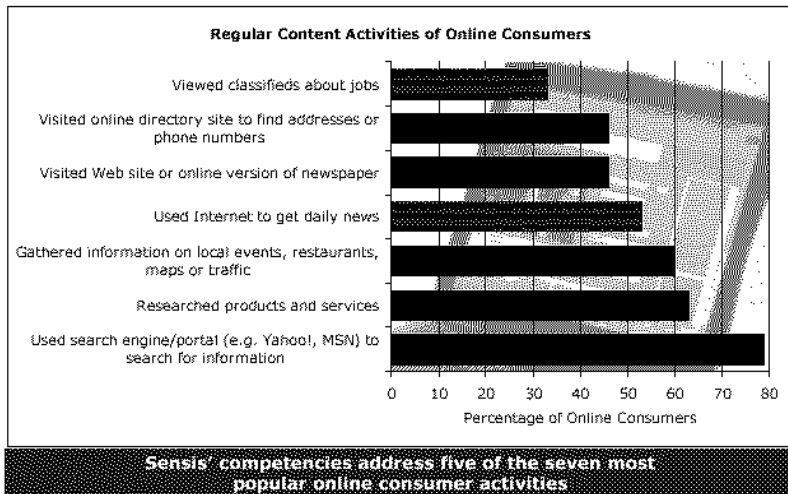
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Organic growth: Sensis' content and multimedia capabilities will allow users to "search once" for the information they need via the channels *they* choose



Slide 34

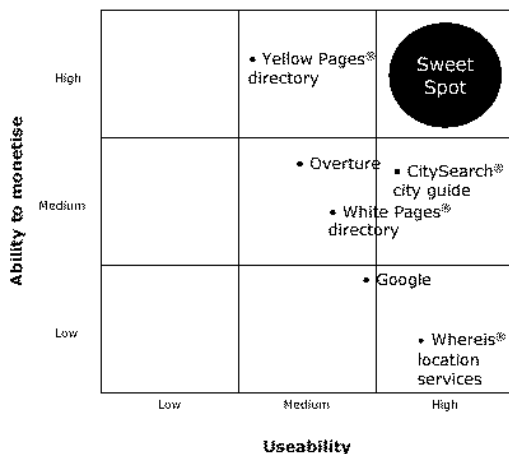
Local advertising: Buyers are going online to research purchases



Source: Jupiter/The NPD Group, Inc. Individual User Survey (5/02)

Slide 4.1

Organic growth: Sensis is therefore uniquely positioned to reach the 'sweet spot' in local search



The Sweet Spot:

Local content

Single Search

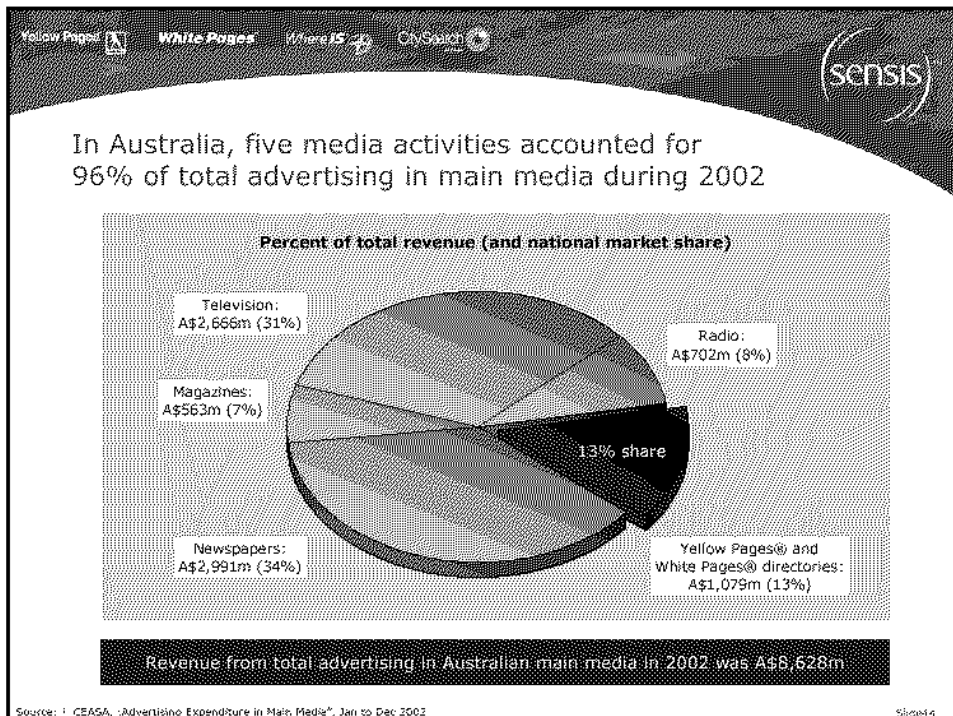
Reach

Monetised results

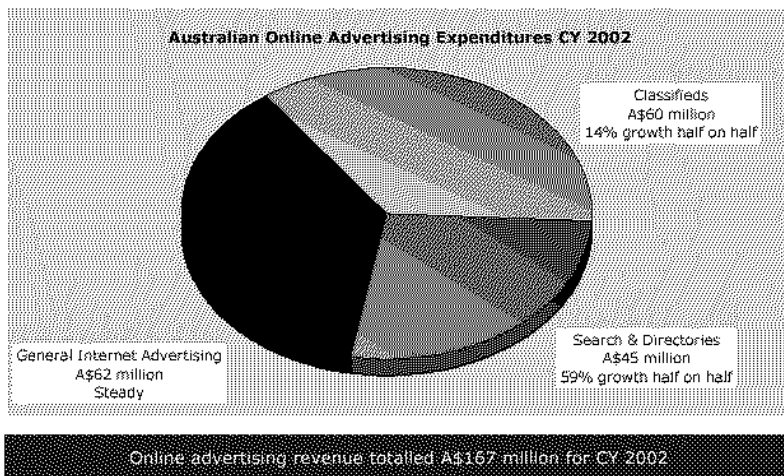
First choice brand

Source: Sensis estimates

Slide 4.2



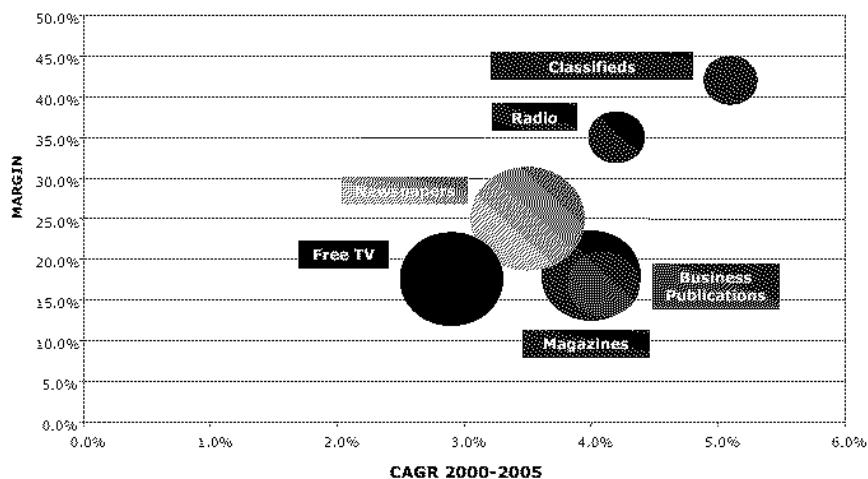
Online advertising grew by 19% half on half 2002
This growth was driven by local advertising



Source: Audit Bureau of Verification Services, "Online Advertising Expenditure Report" Jan to Dec 2002

Slide 45

Newspapers, magazines & free TV will continue to account
for most advertising spend between 2002 & 2005

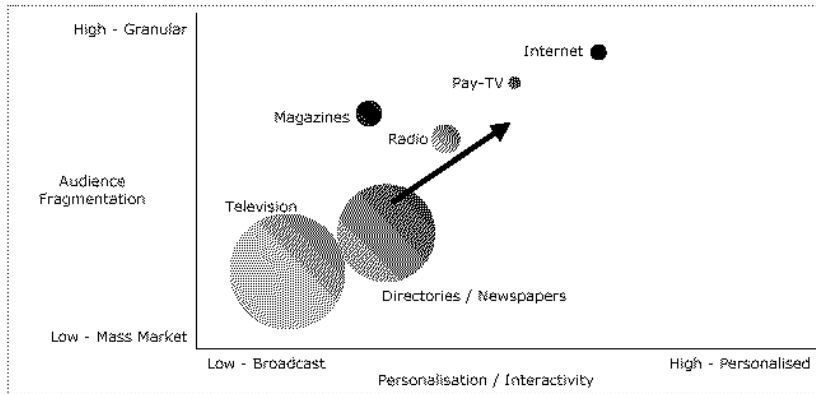


Source: 1 CEASA, "Advertising Expenditure in Main Media", Jan to Dec 2002, Sensis, Company Reports

Slide 46

Users are demanding more personalised and relevant advertising via the channels they choose

Sensis is well positioned to meet their needs



To operate at both ends of the advertising continuum, your assets and capabilities must have scale and transportability. Sensis is uniquely positioned with impressive sales, product management, content and multimedia publishing capabilities.

Slide47

Local Advertising: buyers are doing more and more research before they make a purchase

This creates significant opportunities for Sensis



Buyers



Advertisers

Buyers (both business and consumer) are using a **wider range of media**

Pre-purchase research is increasing

Buyers are **willingly being drawn** down the path to purchase

A growing focus on the **efficient management** of easy to use **content** across **multiple media**

Growing need for **personalisation** and end to end **integration** of the advertising mix

Advertisers going further along the value chain to **guide buyers from advertisement to purchase**

Advertisers can increasingly reach and influence buyers at their point of interest. This allows for targeted advertising, with direct and measurable results.

Slide48

Yellow Pages White Pages WhereIS CitySearch sensis

Sensis holds the necessary building blocks for success in the local advertising market

Brands

(sensis)
White Pages[®]
Yellow Pages[®]
CitySearch[®]
WhereIS[®]

Reach

Over 400,000 paying customers
Almost universal print reach
3 mil. online unique users in May¹
Yellow Pages[®] Connect 500,000 calls per month²

Multi-media Publishing

Already hold the capability to publish via:
Print
Online
Wireless
Voice

Evolving capabilities will streamline across multiple media

Content

Approximately 10 million listings
Deeper business content acquired through print and online advertising operations
CitySearch[®] city guide the leading content site within the lifestyle vertical

Financial

Accelerating growth provides strong options for investment
A recognised growth engine with strong support from Telstra

Operational

Over 1,000 sales and customer service staff reaching some 80% of Australia's SME base³
2,200 staff in total across Australia
Offices in 7 of 8 Australian states and territories

Sensis is already supported by outstanding audience and operational assets. It is in a strong position to leverage these assets and growth.

Source: ¹ Red Sheriff, January to April 2003, ² Sensis

Sens49

Yellow Pages White Pages WhereIS CitySearch sensis

Partnership and acquisitions: growing our share of the Australian local advertising market

Brands

Online advertising
(i.e. site representation)

Content

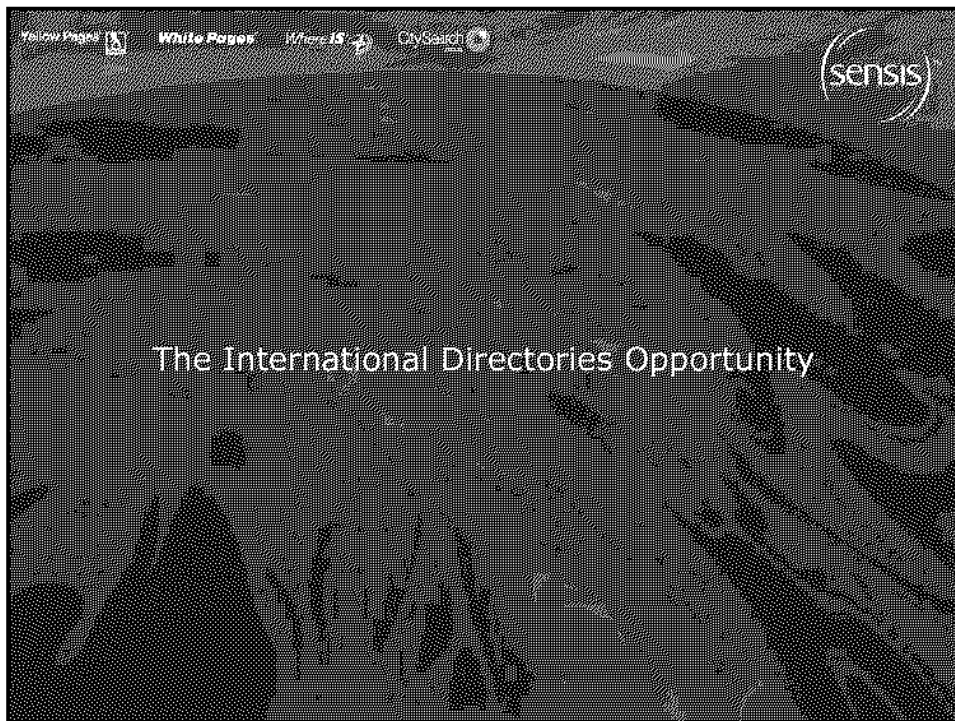
Internet verticals
(e.g. real estate, business)
Community publications

Timetables and schedules
Classifieds
Real time data
(e.g. traffic)
Other search content
Deeper location content

Applications

Targeted, 'bolt-on' acquisitions designed to complement and extend the value of Sensis' existing assets and competencies

Sens50



Yellow Pages White Pages Where IS CitySearch (sensis)

The Global Directories Marketplace

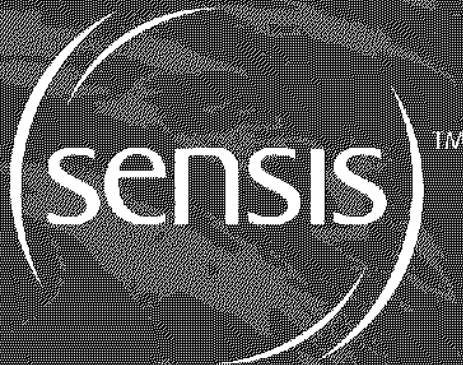
- Growth rates** in established markets under pressure from a range of factors.
- Significant **ownership changes** for directory companies overseas.
- Multiple directories** owned by the same company.
- Search** becoming an increasingly important part of the Yellow Pages® OnLine experience.
- There are increasing ways to **access directories data** across print, voice, online, mobile, wireless etc. This creates **significant opportunities**.

Slide 2

A focus on Asia with a watch on European opportunities

1. Asia	2. Europe	3. North America
- Most directory businesses relatively small compared to Australia - offering strong growth opportunities - Our focus is on South Korea, New Zealand and China - Key challenges from a cultural and legal/regulatory perspective - A number of assets becoming available - Fit with Telstra's Asian Strategy	- Proven business model for Yellow Pages directories business - Market characterised by high degree of concentration - Copyright protection offered in most countries - Potential for growth - Low level of regulation except UK - Consolidation currently taking place - Private Equity firms increasingly active in the market. - Asset owners highly geared - potential to offer directories business for sale	US - No copyright protection - Increasingly competitive - large number of directories - Mature market with few growth opportunities - Strong online position of non-directories businesses Canada - Dominant player on Eastern side - Bell Actimedia - More competitive in West - province based - Copyright protection available

Slide 53



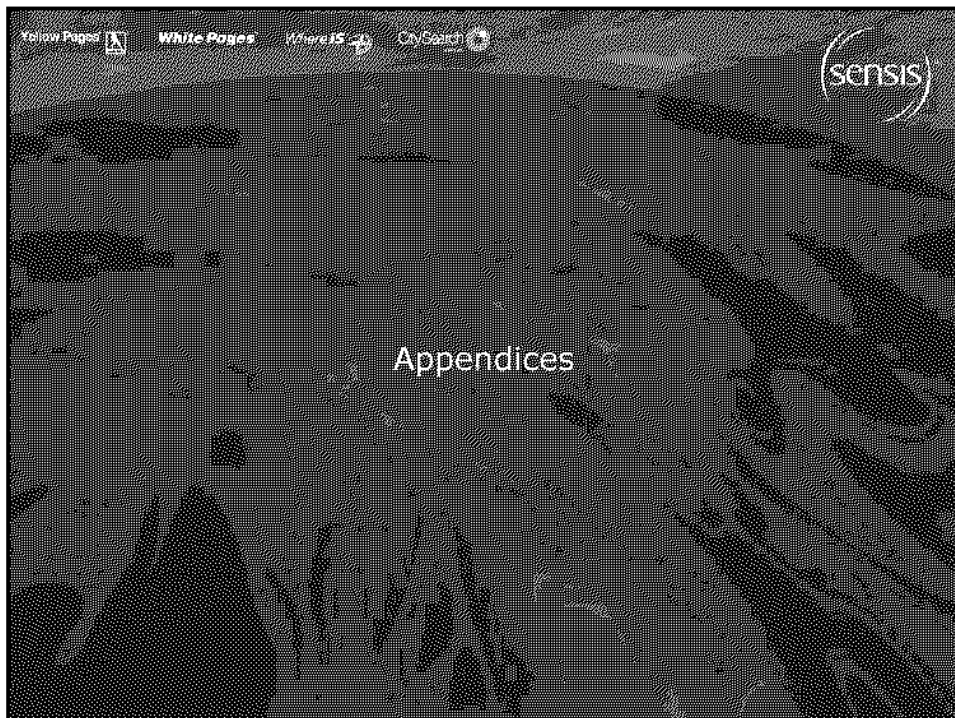


Yellow Pages  White Pages  Where IS  CitySearch  

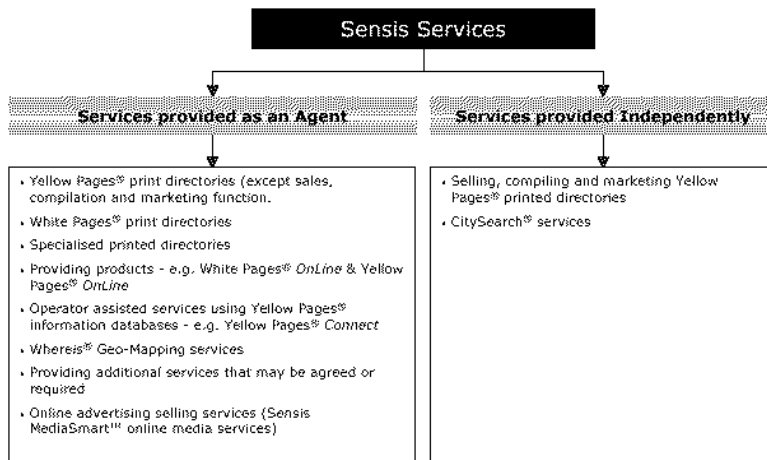
In summary

- A\$1.215bn FY03 revenue (forecast)**
- 6.8% FY03 revenue and EBIT growth (forecast)**
- A clear strategy for sustainable growth**
 - Organic growth leveraging the core product portfolio into new online and offline solutions
 - Parallel acquisition opportunities where they add value
- Sensis will be the leading player in local Australian advertising**
- Sensis will consolidate its position as a major player in Asian directories**

Slide 5



Sensis structure and arrangements with Telstra Corporation Limited



Asset ownership structure and key financials

Current Asset Ownership

Telstra-Owned Assets

- IP rights (copyright)
- Major third-party contracts
 - Predominantly in printing and production
- Residual assets including plant
- Registered trademark rights, excluding CitySearch®
- Goodwill for directories business (including common law brand names)

Sensis-Owned Assets

- Employees
- Under core services agreements
 - Sell Yellow Pages® directories
 - Agency/manage White Pages® directories and other
 - Agency/manage White Pages® and Yellow Pages® publishing

Contribution to Telstra: 2002

Total asset value	A\$2.8bn
External Revenue:	A\$1,139m
EBIT	A\$ 584m
Free cashflow:	A\$ 525m