

24 September 2003

**Office of the Company Secretary**

The Manager

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**ELECTRONIC LODGEMENT**

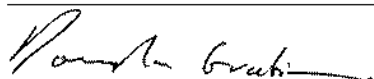
Dear Sir or Madam

**Telstra divests its shareholding in Indonesia's fixed network operator**

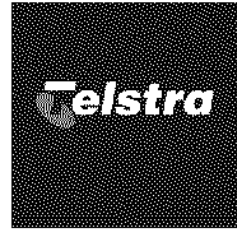
In accordance with the listing rules, I attach an announcement for release to the market.

Yours sincerely

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**Douglas Gratton**  
Company Secretary



# Media Release

24 September 2003

279/2003

## **Telstra divests its shareholding in Indonesia's fixed network operator**

Telstra today announced that it has agreed to sell its 20.4 per cent shareholding in Mitra Global Telekomunikasi Indonesia (MGTI), a fixed line telecommunications operator in Central Java, Indonesia.

Telstra and all the other MGTI shareholders have agreed to accept a cash offer from PT Alberta Telecommunication, a subsidiary of Saratoga Investama Sedaya.

PT Alberta Telecommunication will acquire 100 per cent of MGTI for approximately US\$266 million enterprise value. The final price will be calculated according to methods agreed by all the parties as applied to the MGTI balance sheet prepared after closing.

Telstra International Managing Director Asian Business Development, Brian Pilbeam, said the offer represented full value for Telstra's investment.

"The disposal of our shareholding in MGTI is part of Telstra's continuing process of divesting non-strategic investments, allowing our international operation to focus on driving value from our existing major properties," Mr Pilbeam said.

"Telstra has built up valuable experience and we continue to believe that Indonesia is a market with potential. We will continue to evaluate opportunities against our investment criteria as and when they arise."

MGTI was formed in 1995 under the Indonesian KSO Partner strategy. MGTI was commissioned to build and operate a fixed line network for incumbent PT Telkom in the Central Java region for a period of 15 years (until 2010). Telstra has been a shareholder of MGTI since the company was established.

The transaction is expected to be completed within three months and is subject to obtaining various regulatory approvals and the satisfaction of certain other conditions.

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Telstra's national media inquiry line is 13 1639 and the Telstra Newsroom is located at:  
[www.telstra.com.au/newsroom](http://www.telstra.com.au/newsroom)