

29 April 2004

Office of the Company Secretary

The Manager

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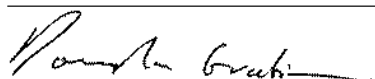
ELECTRONIC LODGEMENT

Dear Sir or Madam

Telstra pays interim dividend

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

Yours sincerely



Douglas Gration
Company Secretary

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

Media Release



29 April 2004

127/2004

Telstra pays shareholders interim dividend of \$1.6 billion

Telstra Corporation will pay the interim dividend of 13 cents per share to its 1.75 million shareholders, a total amount of \$1.6 billion, on Friday 30 April 2004.

Chief Executive Officer, Dr Ziggy Switkowski, said the interim ordinary dividend of 13 cents, declared at the half year financial results on 12 February 2004, was an increase of one cent on the prior corresponding half, up eight per cent on the previous interim ordinary dividend.

"Telstra's policy is to pay at least 60 per cent of net profit to shareholders and we have paid more than this percentage over the last two years in ordinary and special dividends. This has amounted to \$6.176 billion in total," Dr Switkowski said.

"Our ongoing capital management strategy has also seen the successful completion of a \$1 billion off-market Buy-Back in this period as well. The decision as to the size, timing and form of future capital returns will be a matter for the Board," he said.

Telstra's policy of paying dividends directly into shareholders' nominated bank accounts commences with this payment and 96 per cent of the dividend will be paid to more than 92 per cent of shareholders in this fast, efficient and secure way.

The dividend record date was 26 March, and the dividend is fully franked at a tax rate of 30 per cent.

Media inquiries

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