



6 February 2008

The Manager

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**ELECTRONIC LODGEMENT**

Dear Sir or Madam

**More high-speed broadband after Government removes roadblock**

In accordance with the listing rules, I attach a copy of media announcement for release to the market.

Regards

A handwritten signature in grey ink, appearing to read 'C. Elliott'.

**Claire Elliott**  
Acting Company Secretary

6 February 2008

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## More high-speed broadband after Government removes roadblock

More Australian homes and small businesses will soon have access to high-speed broadband after Telstra announced it would activate high-speed ADSL2+ broadband at more than 900 telephone exchanges serving 2.4 million consumers across every state and territory.

Telstra was able to announce the upgrade after the Government made clear it did not consider a compelling case had been made for regulating third-party access to the service – an assurance sought by Telstra for more than one year.

Telstra CEO, Sol Trujillo, made the announcement today in Canberra with the Prime Minister, the Hon Kevin Rudd MP, and the Minister for Broadband, Communications and the Digital Economy, Senator the Hon Stephen Conroy.

“The Government’s decision means that more than a million extra Australian families, businesses, non-profit organisations and government agencies will soon be able to enjoy the benefits of high-speed broadband in education, productivity improvements, entertainment and health-care,” Mr Trujillo said.

“This simple act of the new Government unlocks the potential of high-speed broadband for households and businesses around Australia, enabling more people to fully participate in remote education, send or receive x-rays and medical files, rapidly download videos or run their business without sacrificing time with their families.

“This initiative provides the bandwidth families need so they can simultaneously use several devices at home – one parent can download work files, another can plan the family holiday online, while the kids are also online researching for school projects,” Mr Trujillo said.

High-speed ADSL2+ broadband can provide network speeds of up to 20 Megabits per second (Mbps) depending on factors including the distance of a user from the exchange. ADSL2+ can provide speeds of 12 to 20 Mbps to users within 1.5 kilometres of an exchange, and approximately 8 Mbps to users three kilometres from an exchange. These speeds are up to 350 times faster than a standard 56kbps dial-up connection, and up to 78 times faster than a standard 256kbps ADSL connection.

Telstra will activate the following new ADSL2+ services –

- **370 telephone exchanges serving nearly 1.8 million premises will be upgraded within seven working days** – within the first 48 hours exchanges will be upgraded serving nearly one million premises in locations such as Alice Springs (NT), Banora Point (NSW), Buderim (Qld), Deer Park (Vic), Kalgoorlie and Karratha (WA), Newtown (Tas) and Victor Harbour (SA); and within seven working days exchanges will be upgraded serving locations such as Ayr (Qld), Aldinga (SA), Mittagong (NSW), Lakes Entrance (Vic), Sandy Bay (Tas) and Madjimup (WA).
- **132 telephone exchanges serving 230,000 premises will be upgraded within three weeks** – serving locations such as Loxton (SA), Tully (Qld), Narromine (NSW), Camperdown (Vic), Howard Springs (NT), Smithton (Tas) and Yanchep (WA).

Telstra’s national media inquiry line is 1300 769 780 and the Telstra Media Centre is located at:  
[www.telstra.com.au/abouttelstra/media](http://www.telstra.com.au/abouttelstra/media)

For news, views and discussion on telecommunications in Australia see  
[www.nowwearetalking.com.au](http://www.nowwearetalking.com.au)

- **An additional 405 exchanges serving more than 330,000 premises will be upgraded within 200 days** as Telstra completes additional work – serving locations such as Grovedale (Vic), Tumbarumba (NSW), Barcaldine (Qld), Ceduna (SA), Forrestdale (WA) and Cambridge (Tas).

The 900 additional exchanges that will provide ADSL2+ high-speed broadband serve –

- approximately 730,000 homes and businesses in NSW
- more than 660,000 homes and businesses in Victoria
- more than 570,000 homes and businesses in Queensland
- more than 170,000 homes and businesses in Western Australia
- nearly 80,000 homes and businesses in South Australia
- more than 120,000 homes and businesses in Tasmania
- more than 50,000 homes and businesses in the Northern Territory
- more than 2,000 homes and businesses in the Australian Capital Territory.

Existing BigPond members in these areas on standard ADSL plans can call 13-POND to take advantage of the faster speeds by upgrading their plans. Some customers may also need to upgrade their modem.

The extension of high-speed broadband was made possible after the Government made clear that it does not consider there is a compelling case to regulate these services at this point and that, if there were an attempt to regulate them in future, the existence of other competing broadband platforms would be highly relevant.

In a letter to Telstra describing the Government's approach, Minister Conroy said: "[Because] Telstra is in a position to enable ADSL2+ in a number of exchanges across Australia, in metropolitan, regional and rural areas... I would welcome a decision by Telstra to switch on ADSL2+ services in as many exchange areas as possible. Switching on these services would benefit the national interest, delivering significant economic and social benefits to Australian consumers who cannot currently access high speed broadband."

Mr Trujillo said: "Regulatory forbearance will be good for consumers because it permits the rapid deployment of broadband; good for shareholders because Telstra will not be forced to re-sell to competitors services they can provide simply by choosing to invest their own capital; and good for the nation because it encourages investment and facilities-based competition.

"This is evidence of the importance the new Government attaches to broadband deployment to drive jobs, growth and economic development. It is clear that the Government understands the artificial impediments that have been holding back investment in broadband, and is prepared to act in consumers' best interests," Mr Trujillo said.

Telstra is still committed to investing more than \$4.1 billion in an open-access fibre-to-the-node broadband service that would be available for competitors to use on competitive terms. Telstra will participate in the process to be established by the new Government to make sure Australia has a high-speed broadband service in place at the earliest possible date.

#### **Telstra Media Contact –**

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