

14 May 2014

The Manager

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ELECTRONIC LODGEMENT

Dear Sir or Madam

Telstra completes sale of CSL

In accordance with the Listing Rules, I attach a copy of a media release, for release to the market.

Yours faithfully



Damien Coleman
Company Secretary

Telstra completes sale of CSL

Wednesday 14 May 2014 – Telstra today announced it had completed the sale of its Hong Kong based mobiles business CSL to HKT Limited.

This followed recent regulatory consent by the Office of the Communications Authority in Hong Kong.

The sale proceeds equate to US\$1.99 billion for Telstra's 76.4 per cent interest in CSL after preliminary completion adjustments. As part of the sale HKT also acquired the remaining 23.6 per cent shareholding held by New World Development.

The transaction is expected to generate a profit on sale for Telstra of approximately A\$561 million subject to completion accounts and audit.

The CSL unaudited year to date operating results at the end of April include income of A\$1.05 billion and EBITDA of A\$261 million. These results will be consolidated in Telstra's FY 14 results.

The net proceeds are incremental to Telstra's free cashflow guidance of A\$4.6billion to A\$5.1billion in FY14 which excludes any proceeds on the sale of businesses.

Telstra will now consider the net proceeds from this transaction, consistent with its capital management framework and will provide a further update to the market when it announces its full year results in August 2014.

Read Telstra's original announcement of this deal by following [the link](#).

ENDS

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