

## 2007 Australia - Telco Company Profiles - Telstra and Optus

**Description:** For those needing detailed overviews and statistics as well as objective analysis on all aspects of Telstra and Optus, this report provides essential reading and gives in-depth information on:

Company overviews and structure;  
Major divisions and subsidiaries;  
Financial and operating statistics;  
Marketing and financial analyses and strategic overviews;  
Network overviews.

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**Summary:**

Executive Summary

Telstra

Telstra is Australia's largest telecommunications provider offering a full range of telecom >services throughout Australia including: basic access services to most homes and businesses, local and long-distance telephone call services, mobile and Internet services.

This report includes a brief overview of Telstra's main areas of operation as well as key operating and financial statistics in areas such as mobile, broadband, local access and pay TV; a wide range of analyses cover topics such as corporate strategies, broadband and international issues.

Detailed overviews of Telstra's major subsidiaries include Telstra Country Wide and Sensis. For more information, see chapter 1.6, page 39.

Sensis is Telstra's advertising subsidiary and Australia's leading information resource. For more information, see chapter 1.5, page 30.

#### Optus

Optus provides a range of communications services including mobile, national and long distance services, business network services, broadband and satellite services and pay TV.

This report gives an overview of the main divisions within Optus including: Consumer and Multimedia, Mobile, Business and Wholesale.

A breakdown of key operating and financial statistics is provided for sectors including Internet, Broadband, voice services, mobile and pay TV. Financial and marketing analyses cover topics such as corporate strategies, broadband and mobile. For more information, see chapter 2.1, page 42.

A detailed overview of Optus' network is also provided as well as overviews of Optus' major subsidiaries including Uecomm and Virgin Mobile. For more information, see chapter 2.5, page 87.

#### Key highlights

##### Telstra

For the six months to December 2006, overall sales revenue increased by 2% and EBITDA dropped by 7%. By 2007 Sensis claimed to have 14% of the Australian main media market and over 20% of the online ad market.

In comparison with its international peers, Telstra is not yet tapping into new revenue streams like triple play, IPTV and VoIP.

The company is still however one of the best-placed telcos in the world to profit from the new developments in digital media.

##### Optus

With a large proportion of its total revenue attributed to mobile, Optus is starting to feel the pinch of a mobile market that has almost reached the point of saturation.

Legacy voice products dropped in its 2006/07 annual results as expected, but what was of most concern, was the extent of that fall.

With the OPEL network proposal we are at last seeing real initiative and innovation from Optus.

If the network is successfully implemented, it gives Optus the opportunity to make real inroads into Telstra's market share in the broadband market.

2nd Tier Telcos are covered in a separate report.