

# Australian Broadband Network and Service Initiatives

**Justin Milne - Chief of Telstra BigPond**

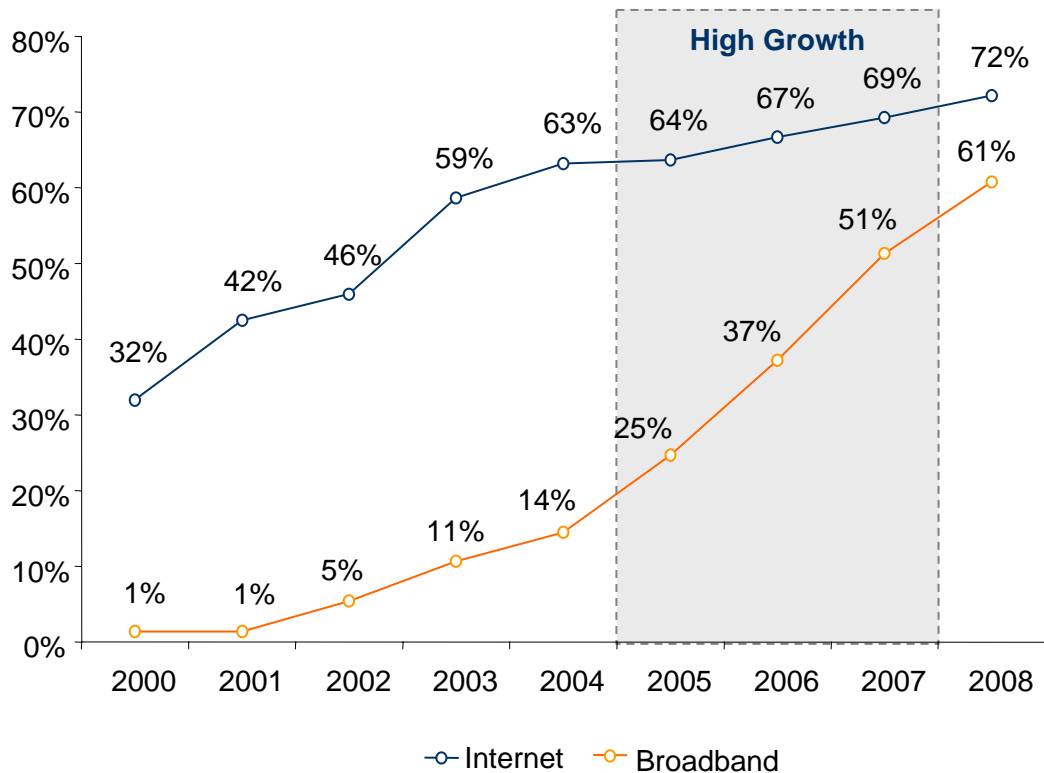
**Korea – Australia – New Zealand Broadband Summit**

**Thursday 9<sup>th</sup> June 2005**

Australians are high internet users. Strong Broadband growth is forecast to continue during the remainder of 2005 and into 2006. By the end of 2008, 72% of households will be online, with 9 out of 10 using Broadband.



**Australian Household Internet Penetration  
(Dec 2000 – Dec 2008)**



**Australia – Background  
(May 2005)**

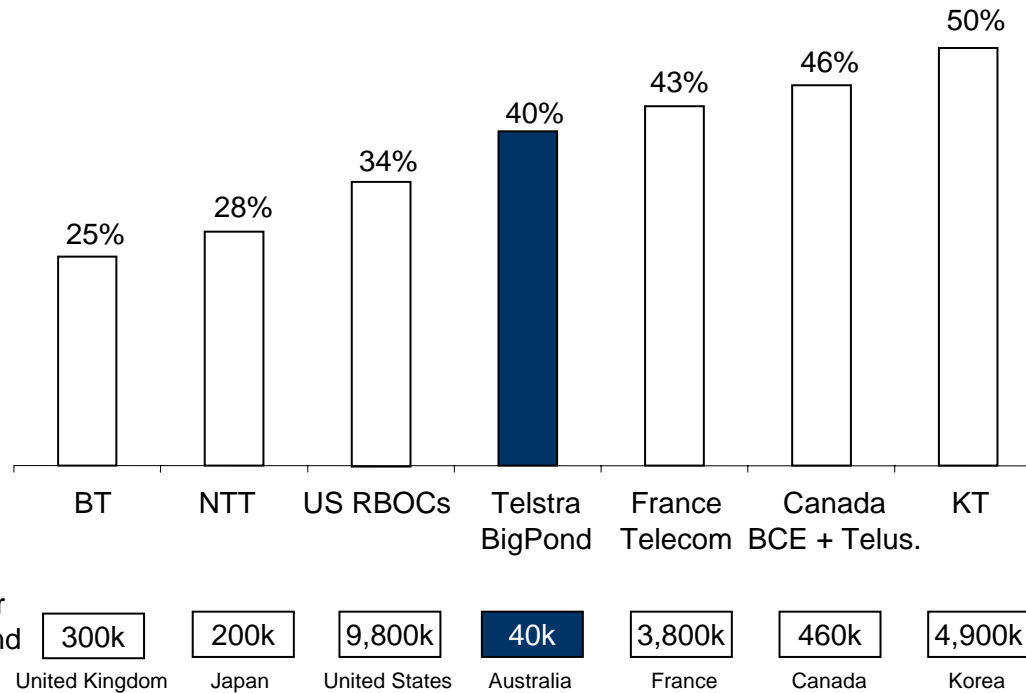
**Population:** 20.3 million  
**Land Mass:** 7.6 million sq km  
**Economy:** 14<sup>th</sup> largest economy in the world  
**Households:** 8 million  
**Internet Households:** 5.1 million (64%)  
**Broadband Households:** 1.7 million (21%)  
**Broadband Market:** 14<sup>th</sup> largest broadband market in the world



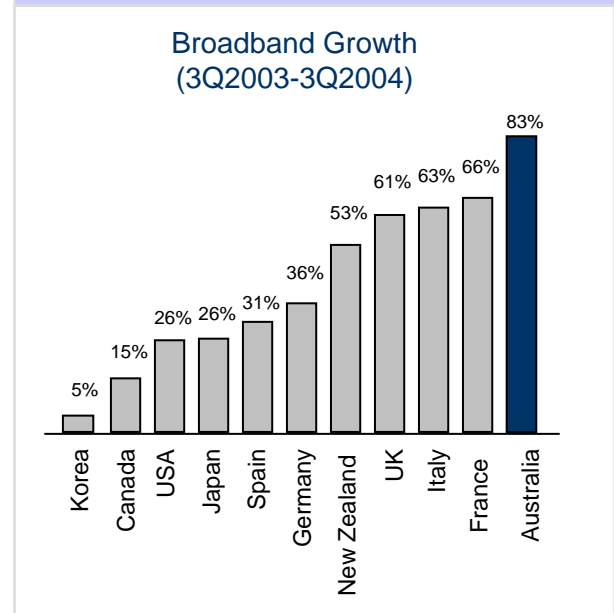
The Australian internet market is very competitive with more ISP's per head of population than international peers. In this environment BigPond is focusing on providing exceptional value for money.



### International Incumbent Retail Broadband Market Share<sup>1</sup> (Year End 2004)



### In 2004, Australia had world leading broadband growth<sup>2</sup>



Source:  
 (1) McKinsey, Company reports, KISDI, Ovum, ABS and Alcatel  
 (2) Point Topic  
 Note: US RBOCS and Canadian Incumbents share was assumed to be 85% of the DSL market as the resale market is small. NTT data is from 2004

**In 2004, BigPond grew market share at a time when Australia had world leading Broadband growth.**

## Broadband Is Crucial



Traditional Revenue Streams



New Revenue Streams

## Key Initiatives



Focus on Providing Value



Extend Footprint and Suite of Fixed and Wireless Products



Business Rebuild to Ensure Profitable Growth



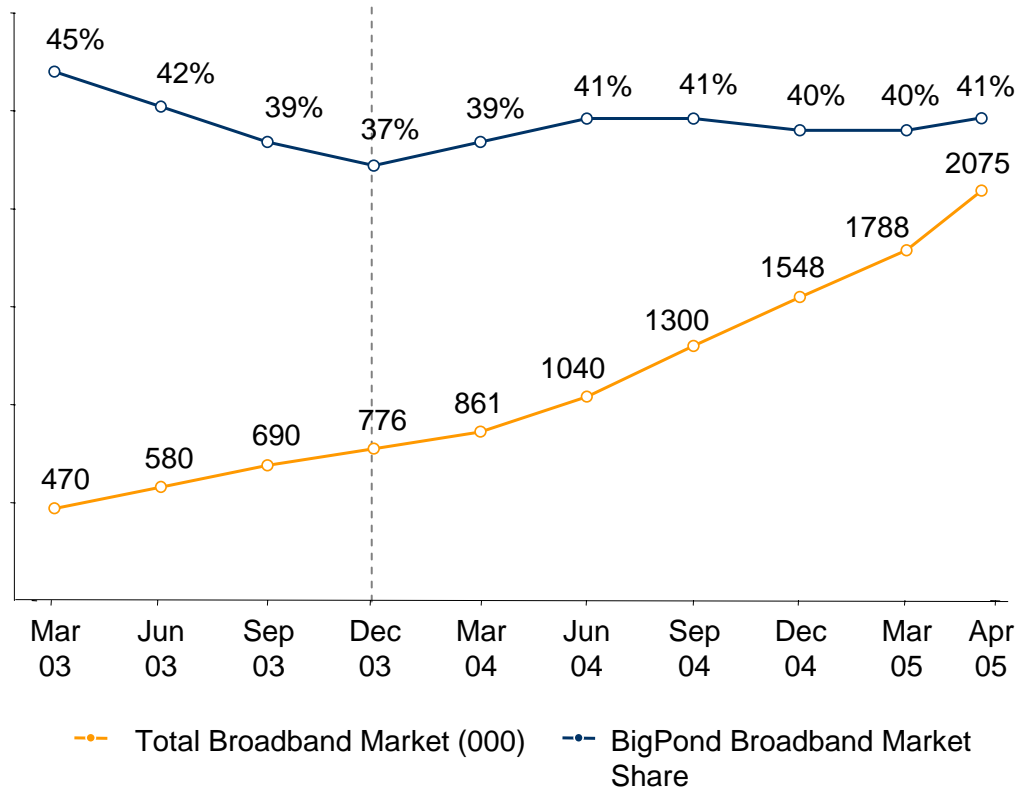
Value Added Services and Content to Drive Differentiation and Additional Revenue



Product Innovation and Converged Services

Price and value are key to take up. BigPond's introduction of a \$29.95 price point and "Broadband at Dial-Up prices" call to action led to accelerated market growth, with increased market share.

**Broadband Market Size and BigPond Market Share  
(Mar 03 – Apr 05)**



**DIAL UP BROADBAND**

**BIGPOND™ BROADBAND INTERNET AT DIAL-UP PRICES**

**\$29.95<sup>#</sup> MONTHLY ACCESS**

**30MB PER MONTH ON A 12 MONTH CONTRACT**  
Speed ranges from 10Mbps per Mbps, 200MB per month is approximately 1,000 emails, 1,000 web pages visited, 10 music downloads.

**OTHER NEW PRICES INCLUDE OUR \$49.95\* A MONTH 30MB PLAN AND OUR \$59.95\* A MONTH UNLIMITED\* UPLOADS AND DOWNLOADS PLAN. (SPEED MAY BE SLOWED TO 64Kbps AFTER 1GB) SO WHY WAIT? JOIN NOW.**

THE PRICE OF BROADBAND FOR SOME CUSTOMERS CAN BE AROUND THE SAME AS DIAL-UP ONCE INSTALLED

- Available on the Cable Unleashed plan and ADSL 20M plan
- \*We could also save up to 10% on eligible mobile and fixed charges with "Mobile Rewards"
- †If your Broadband needs increase, you can change to a more suitable plan without any charges in excess of your current contract term will continue on the new plan
- ‡Can't get Broadband? Ask about our fast Internet solution - Right4U 100M

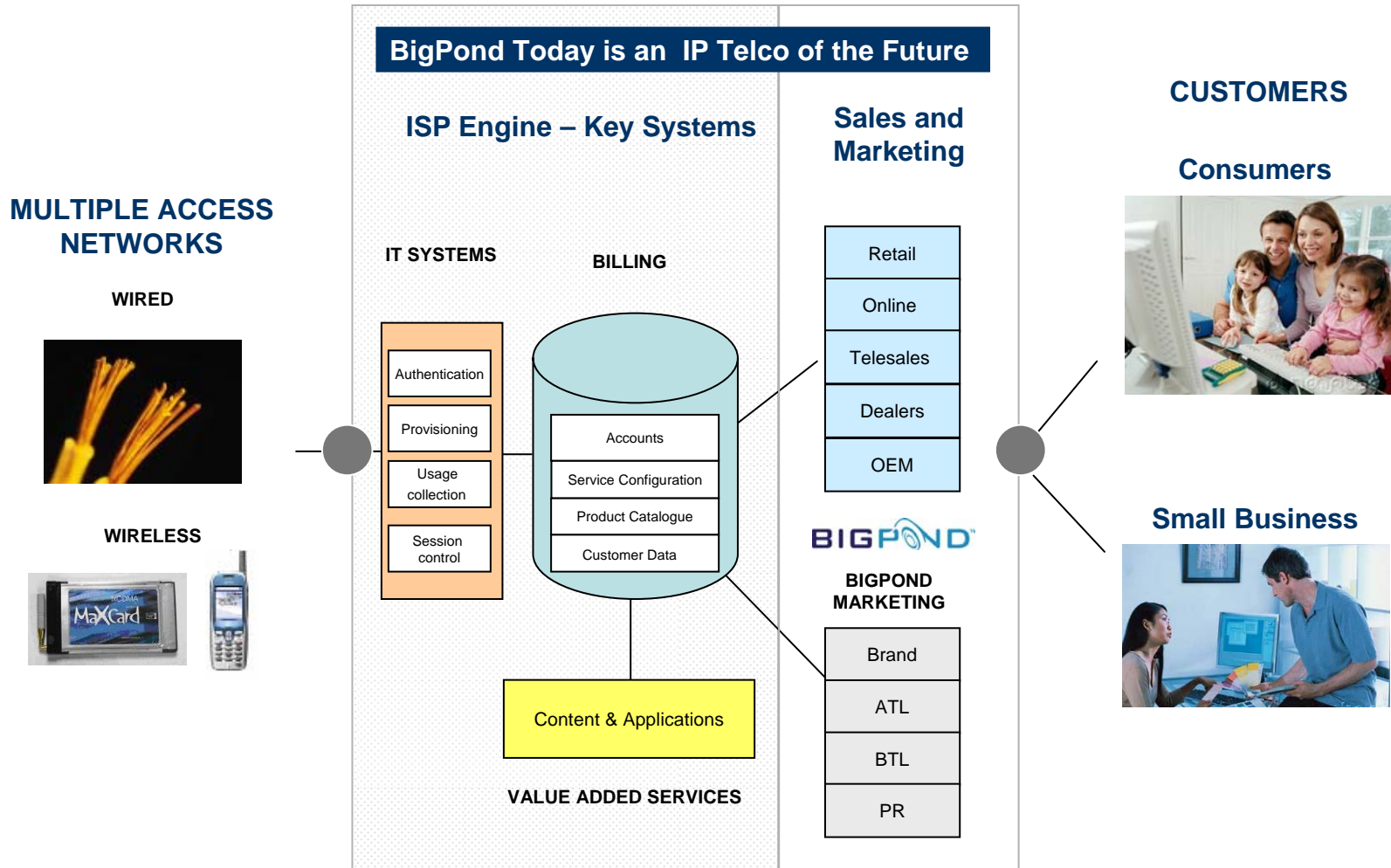
### Key Network Initiatives

	Network	Reach	Initiatives
Fixed	<b>DSL</b> Up to 1.5mbps	85% Households	<ul style="list-style-type: none"> <li>• Higher speed services up to 12mbps</li> <li>• Extend coverage to 90% by end of 2006</li> </ul>
	<b>Cable</b> Up to 5mbps	30% Households	<ul style="list-style-type: none"> <li>• Improve service quality</li> </ul>
	<b>Fibre</b> Up to 50mbps	Pilot stage	<ul style="list-style-type: none"> <li>• Rollout fibre in new housing estates</li> </ul>
Wireless	<b>EVDO</b> 300 – 600kbps	CBD, Metro & Major Regional	<ul style="list-style-type: none"> <li>• Business product in market</li> <li>• Soon to launch consumer version</li> </ul>
	<b>Satellite</b> Up to 512kbps	~100% Households	<ul style="list-style-type: none"> <li>• Deploy next generation platform</li> <li>• Government HIBIS scheme is driving uptake in rural areas</li> </ul>

BigPond is about to launch wireless broadband services



To enable cost effective growth and increased ability to sell and service new digital and converged services, BigPond is transforming and rebuilding its core platforms.



### Existing Value Added Services

#### Security



Anti Virus



Firewall



Security



Anti Spam

#### Hosting



Web Hosting



Business & Premium Hosting



Family Hosting

#### Utility



Blackberry



Wireless



Photos @ BigPond

### Value Added Services In Development



Premium Mail



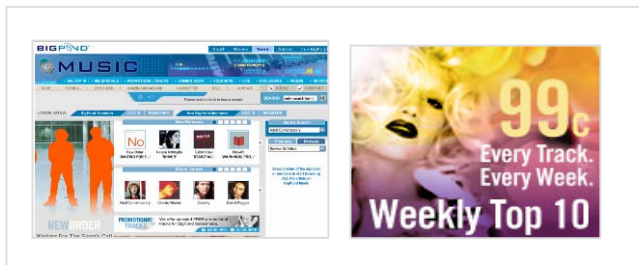
Online Storage



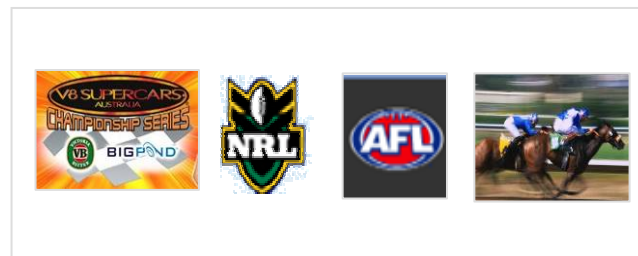
BigBlog

BigPond's Content offerings include Music, Movies, Sport and Games. Each property is the leader in its genre.

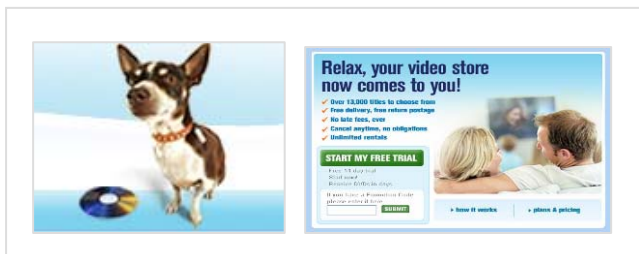
## BIGPOND™ MUSIC



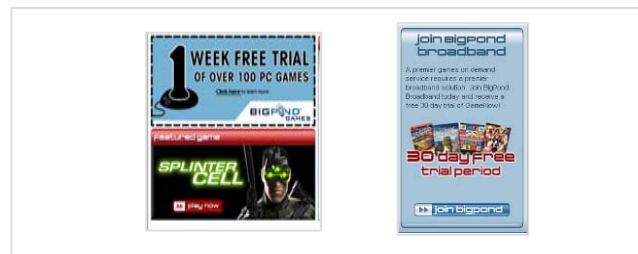
## BIGPOND™ SPORT



## BIGPOND™ MOVIES



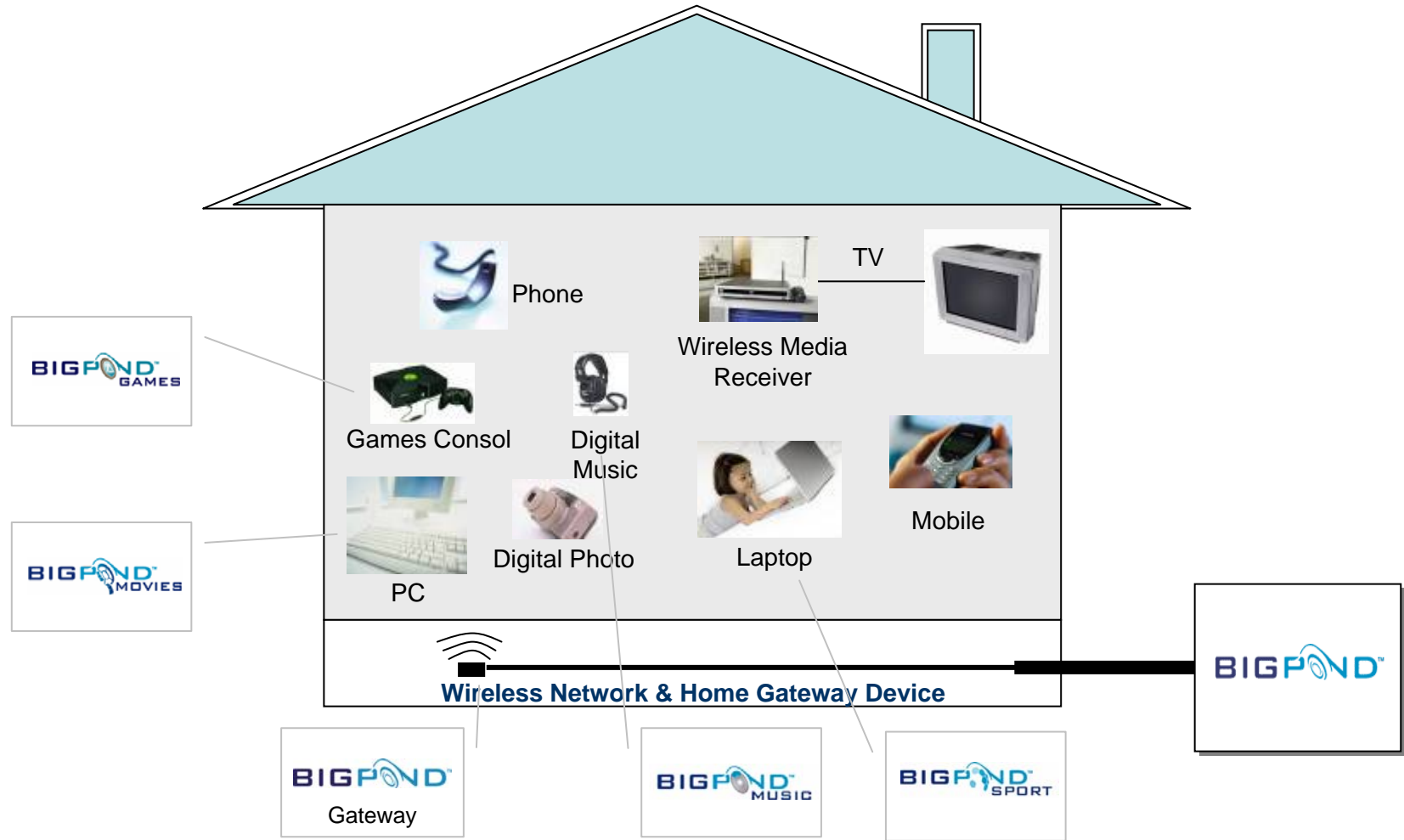
## BIGPOND™ GAMES



### Telstra is the leader in online Content

- Exclusive and compelling sporting content
- Genre leading music, movie and games businesses
- Ability to leverage content and download products across multiple networks

Going forward Telstra is focusing on developing a relationship with Australian consumers in their digital homes. Many of the current BigPond offerings are a precursor to this.



Like other Telco's, BigPond is also working to develop unique converged offerings which offer our services and content on multiple devices.

