

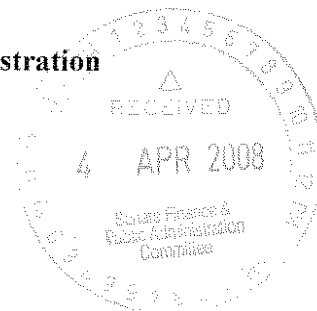
Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Finance and Deregulation Portfolio

Future Fund Management Agency

Additional Estimates Hearing – February 2008



Question: F84

Outcome: Enhanced capacity for the Australian Government to offset unfunded superannuation liabilities

Topic: Value of Telstra component of the portfolio between 1 July 2007 and 31 January 2008

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Senator Brandis asked:

I would like the change in value of the Telstra share component of the portfolio as well between 1 July and 31 January?

Answer:

The value of the Telstra component of the portfolio at 1 July 2007 was \$9.78 billion. The value of the Telstra share component of the portfolio at 31 January 2008 was \$9.04 billion.

In September 2007 the Future Fund participated in Telstra's Dividend Reinvestment Plan (DRP), which is a permitted disposal mechanism under the escrow arrangements detailed in the Ministerial Direction of 28 February 2007. As a result the Future Fund disposed of approximately 74 million shares at a DRP price of \$4.3272 realising \$321 million in proceeds.