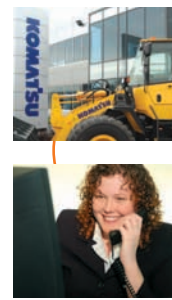


Bridge to the world



- Komatsu employs 1100 people throughout New Zealand and Australia - 70% involved in product support.
- Komatsu customers are backed by an investment of more than \$200million in parts.
- Komatsu run 28 branches and 36 service depots throughout New Zealand and Australia.



Ross Lindsay

The fact that it snakes across 2400 km of seabed doesn't stand in the way of Komatsu's GM for New Zealand, Bruce Dabb, metaphorically praising the Trans-Tasman Southern Cross fibre optic cable as 'our bridge to the world'.

The cable, cornerstone of the TelstraClear Trans-Tasman Private IP Service, is providing clients such as Komatsu with the conduit of basically unrestricted opportunity for improving and expanding customer support and other services.

Arguably the world heavyweight champions of earthmoving and mining excavators and forestry log handlers, Komatsu enjoys strong brand awareness and loyalty in New Zealand.

A relatively new business entity in this country, Komatsu nevertheless appears to be successfully creating audible ripples of customer satisfaction. Alex Mathieson of Atom Hire has been associated with Komatsu products for 23 years. Operating a fleet of excavators, loaders and dump trucks, Atom Hire is one of the largest owners of Komatsu equipment in the Wellington region.

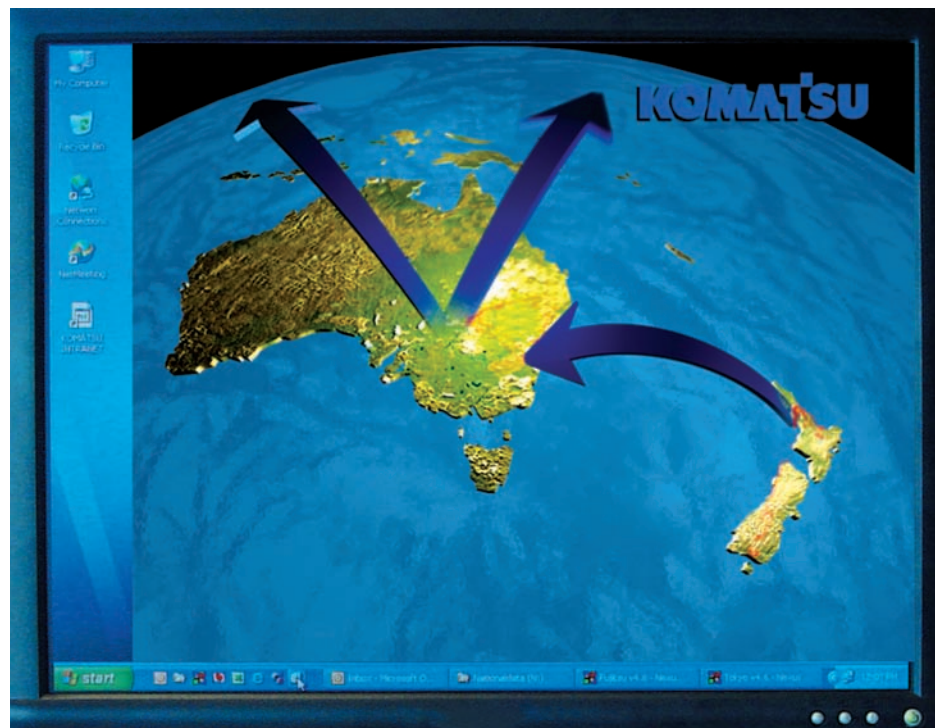
"There's a huge amount of effort, from the Komatsu team, going into service and support," Alex says, "that's been noted throughout the industry, and Komatsu will reap the rewards of this down the track."

Bruce Dabb is committed to making this a very short track indeed.

"What TelstraClear has done is empower us with the technology and infrastructure to deliver our customers real time benefits. Firstly we have an extremely efficient network backbone the length of New Zealand. This in turn links seamlessly into the optical fibre cable to give us our bridge to the world.

"Globally we now have real time access to the Komatsu spare parts, data and information network. Our customers can also directly access a lot of this.

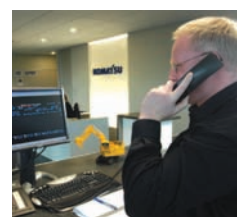
"We can look into the system right now and see what part is on what shelf and where," explains Bruce Dabb. "Should a machine need a replacement part, we will know within seconds whether it's available from the couple of million



Better Business Fact File - Komatsu / TelstraClear

- TelstraClear provides voice, IP data, internet and intranet.
- Fast, cost effective networking within New Zealand and globally via the TelstraClear Trans-Tasman Private IP Service and Telstra global partners.

dollars of parts we stock in New Zealand. If not, our world search capability pretty much instantly finds and shows us the closest of the



Komatsu network holding the part we require. For instance, it may be Houston, Texas. In real time we can electronically grab that part and set

in train logistics to get it over here.

"We are only too conscious that for our customers, and in turn, their customers, downtime is very, very costly."

Cost is something that comes up a lot when talking with Bruce Dabb. So too does security.

Describing Komatsu New Zealand as broadband hungry, Bruce views the Trans-Tasman Private IP Service as inherently cost effective by virtue of TelstraClear charging only for bandwidth taken rather than requiring users to commit to a bandwidth and its associated fee regardless of usage. He says this has halved costs for Komatsu New Zealand.

"Until TelstraClear came to us with the benefits

of the Trans-Tasman Private IP Service we were locked into a bandwidth of a certain size.

Besides having to pay for what we didn't use, if we wanted to put in more than the capacity of our bandwidth then we had to queue at either end. Now we present what we want in real time and the system just swallows it up. I might have a 20 minute, 11 megabyte powerpoint presentation to send to Sydney. I push the button



and away it goes. It used to be that anything over a megabyte meant going into the queue and being drip fed overnight. So you can imagine, big files are

no longer an issue for us. We also use the system for video conferencing with the guys in Australia," Bruce says.

"Security is another excellent feature of the system. By that I mean uptime security achieved through TelstraClear managing and monitoring our network through the fibre optic cable twenty-four seven. As of right now I can confidently state our service has had 99.999 percent availability."

Asked whether he would describe Komatsu New Zealand's involvement with TelstraClear as mission critical, Bruce Dabb's answer is very much to the affirmative.

"Our involvement with TelstraClear is absolutely mission critical. Parts access and inventory, day to day data and information transfer and even invoicing is tied into the system. I'd hate to think of the consequences of it going down, but we see ours as faith well placed in a partner we find utterly responsive to our business needs. They provide the degree of immediacy and service we need to deliver real time benefits to our customers."

The Trans-Tasman Private IP Service is one of a number of products provided by TelstraClear to turn closer Trans-Tasman relations into something more than a catch cry.

Working in partnership with Telstra in Australia, TelstraClear provide their New Zealand clients with a dedicated team who work to simplify communications management both here and in Australia... a bridge to the world for New Zealand companies.

Bruce Dabb
General Manager
Komatsu



"We are very broadband hungry. To provide immediacy to our service and supply, we chose a partner that could deliver real-time benefits.

That partner is TelstraClear."

For more information contact:
TelstraClear Better Business Team
0508 555 500
www.telstraclear.co.nz

Technology and System Summary



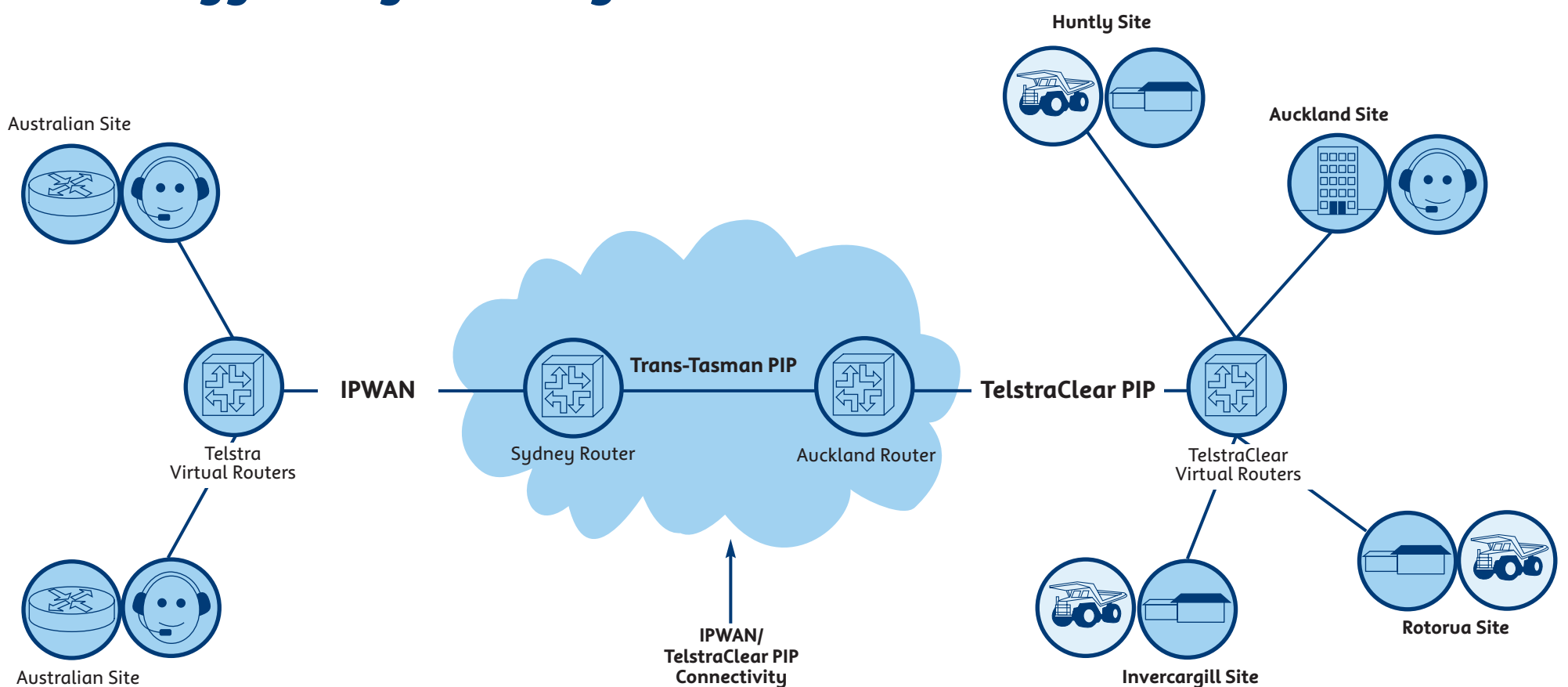
TelstraClear provides a full business communications service to Komatsu including voice, data, internet and intranet. Seamless connectivity between all the company sites in New Zealand is created by the TelstraClear fibre optic network - a 'backbone' throughout the North and South Island, and TelstraClear's **Trans-Tasman Private IP** - a service enabled by the Southern Cross fibre optic cable.



Business benefits include:

- High speed connectivity to all key sites throughout New Zealand, delivered by TelstraClear's Private IP network.
- Fully managed Trans-Tasman service with one point of contact for Komatsu - this service provided in partnership with Telstra Australia.

Technology and System Diagram



Glossary

- IPWAN = Internet Protocol Wide Area Network. Telstra IP Network
- PIP = Private Internet Protocol. TelstraClear's IP Network