

TELECOM SOUTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

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14 FELLOW SUBSIDIARY COMPANIES

At 30 September 1991 the principal fellow subsidiaries of the Company were as follows:

- Telecom Auckland Limited
- Telecom Central Limited
- Telecom Wellington Limited
- Telecom Networks and Operations Limited
- Telecom New Zealand International Limited (formerly Telecom Networks and International Limited)
- Telecom Directories Limited
- Telecom Equipment Supplies Limited
- Telecom Cellular Limited
- Telecom Mobile Radio Limited
- Telecom Repair Services Limited
- Telecom Paging Limited
- New Zealand Telecommunications Systems Support Centre Limited
- Comtel Communications Limited
- Telecom Corporation of New Zealand (Overseas Finance) Limited
- TCNZ (UK) Investments Limited
- Telecom Wellington Investments Limited
- Telecom Operations Limited
- Mokuso Holdings Limited
- Teleco Insurance, Inc

*In-substance subsidiaries*

- Netway Communications Limited

15 SEGMENTAL REPORTING

The Company's principal business activity is the provision of telecommunication services, constituting more than 90% of total operating revenues, operating earnings and identifiable assets.

The Company's business is conducted in New Zealand and is therefore within one geographical area for reporting purposes.