

# ASX

## Release

The Manager  
Company Announcements Office  
Australian Securities Exchange  
Level 40, Central Park  
152 – 158 St Georges Terrace  
Perth WA 6000

Dear Sir/Madam,

### **iiNet-TPG Scheme of Arrangement – Outcome of Scheme Consideration Elections and Scale Back**

**22 July 2015:** Pursuant to iiNet Limited's ("iiNet") scheme of arrangement under which it is proposed that TPG Telecom Limited ("TPG") will acquire all of the shares in iiNet not already held by TPG, iiNet Shareholders could make a Cash Election or Share Election to receive their Scheme Consideration. This election could be made by submitting the Election Form by no later than 5.00pm (WST) on Tuesday, 21 July 2015 ("Election Date").

Share Elections were capped at a maximum of 27,523,946 new TPG shares ("Share Cap") and subject to a scale back in the event that Share Cap was reached.

iiNet Shareholders who did not make an Election by the Election Date (valid or otherwise), or who made a valid Share Election which would have resulted in less than a marketable parcel of 54 New TPG Shares being issued (being \$500 worth of New TPG Shares as at the Election Date), are deemed to have made a Cash Election.

The Cash Election and Share Election alternatives are explained in detail in the Scheme Booklet sent to iiNet Shareholders on 15 June 2015.

#### **Election Outcome**

Valid Share Elections corresponding to a total of 48,202,422 New TPG Shares were received by iiNet. As this exceeded the Share Cap, iiNet Shareholders who made a valid Share Election will be scaled back.

As a result of the scale back, iiNet Shareholders who made a valid Share Election and hold 96 iiNet Shares or less would have received less than a marketable parcel of New TPG Shares (calculated as at the Election Date) and are therefore deemed to have made a Cash Election.

### **Consideration to be provided for Share Elections**

iiNet Shareholders who made a valid Share Election will receive, for each iiNet Share held continuously from the Election Date until the Record Date (currently expected to be 5:00pm (WST) on Monday, 31 August 2015):

- **0.5533** New TPG Shares;
- **\$3.77** in cash; and
- a Discretionary Special Dividend of up to \$0.75 per iiNet Share (if declared) in cash and top-up cash consideration for the difference between the amount of the Discretionary Special Dividend declared (if any) and \$0.75.

Fractional entitlements to New TPG Shares will be rounded to the nearest whole share, and the cash proportion of the Scheme Consideration (as a result of the scale back) will be rounded to the nearest whole cent.

### **Consideration to be provided for Cash Elections**

iiNet Shareholders who made (or are deemed to have made) a Cash Election will receive total consideration of \$9.55 per iiNet Share, consisting of:

- Cash consideration of \$8.80 per iiNet Share; and
- a Discretionary Special Dividend of up to \$0.75 per iiNet Share (if declared) in cash and top-up cash consideration for the difference between the amount of the Discretionary Special Dividend declared (if any) and \$0.75.

### **Ineligible Foreign Shareholders**

Ineligible Foreign iiNet Shareholders who made a valid Share Election will not be issued New TPG Shares. Instead, their entitlement will be issued to a nominee appointed by TPG and sold on-market on ASX at such price and on such other terms as the nominee determines in good faith, and at the risk of the Ineligible Foreign iiNet Shareholders. TPG will remit the net proceeds (net of brokerage and other costs) of New TPG Shares sold to each Ineligible Foreign iiNet Shareholder in accordance with their entitlement.

### **Receipt of Consideration**

Subject to the Scheme becoming effective, iiNet Shareholders will receive their Scheme Consideration, the Discretionary Special Dividend (if declared) and any top-up cash consideration from TPG on the Implementation Date. This is currently expected to be Monday, 7 September 2015. iiNet Shareholders who made a Share Election will need to hold their iiNet Shares continuously from the Election Date to the Record Date in order to receive the Share Consideration. The Election is not transferable. The holder of any iiNet Shares acquired after the Election Date (including by iiNet Shareholders who made a valid Share Election) will be deemed to have made a Cash Election in respect of those iiNet Shares.

### **Trading of New TPG Shares**

TPG will seek confirmation from the ASX that the New TPG Shares issued as Scheme Consideration will commence trading on the ASX on a deferred settlement basis from the first trading day after the Effective Date, which is expected to be Tuesday, 25 August 2015.

Thereafter, the New TPG Shares will trade on a normal settlement basis with effect from the first trading day after the Implementation Date, which is expected to be Tuesday, 8 September 2015.

Scheme Shareholders who sell New TPG Shares before they receive their holding statements or confirm their holdings of New TPG Shares do so at their own risk. Neither iiNet nor TPG takes any responsibility for such trading.

– ENDS –

**For further information please contact:**

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**About iiNet**

iiNet is Australia's second largest DSL Internet Service Provider and the leading challenger in the telecommunications market. Publicly listed on the ASX 200, this billion-dollar company has been recognised as a global leader in customer service, winning a silver medal at the Contact Centre World Awards in 2014.

We employ more than 2,500 inquisitive staff across three countries – 80 per cent of whom are employed to directly service nearly one million customers. We maintain our own broadband network and support over 1.8 million broadband, telephony and Internet Protocol TV (IPTV) services nationwide.

We're committed to making it simple for all Australians to connect across both our own network and on the NBN. Our vision is to lead the market with services that harness the potential of the Internet and then differentiate with award-winning customer service.



A full list of current awards can be viewed at iiNet Awards  
<http://www.iinet.net.au/about/awards.html>

