

————— **2015** —————
ANNUAL GENERAL MEETING
————— **PRESENTATION** —————



2 DECEMBER 2015

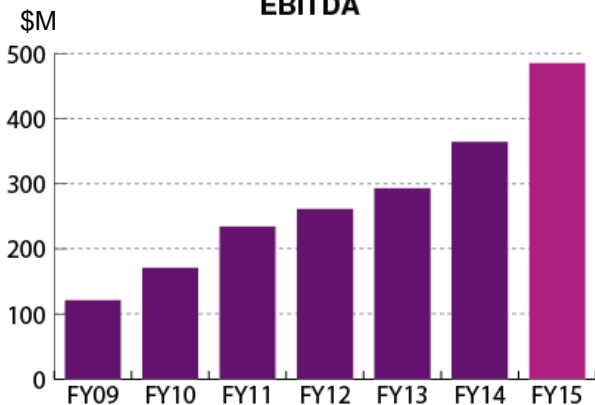
\$m

	FY15	FY14	Growth
Revenue	1270.6	970.9	31%
EBITDA	484.5	363.7	33%
NPAT	224.1	171.7	31%
EPS (cents)	28.2	21.6	31%
EPS (cents) excl intangible amortisation	32.1	24.7	30%

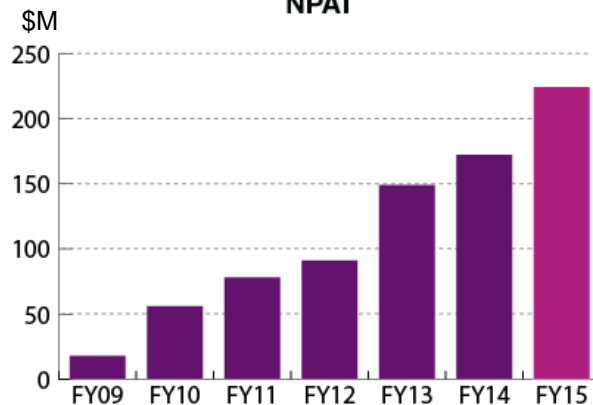
FY15 FINANCIALS: CONTINUED STRONG GROWTH



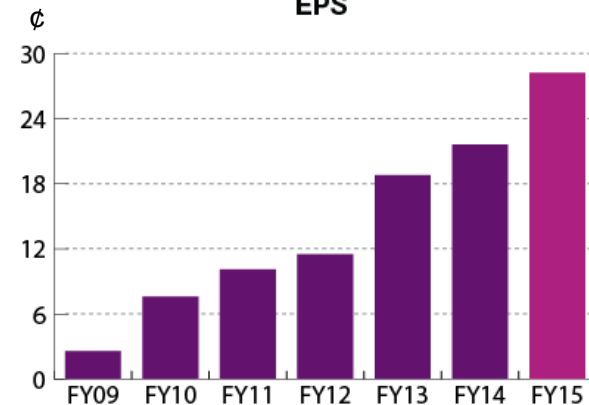
EBITDA



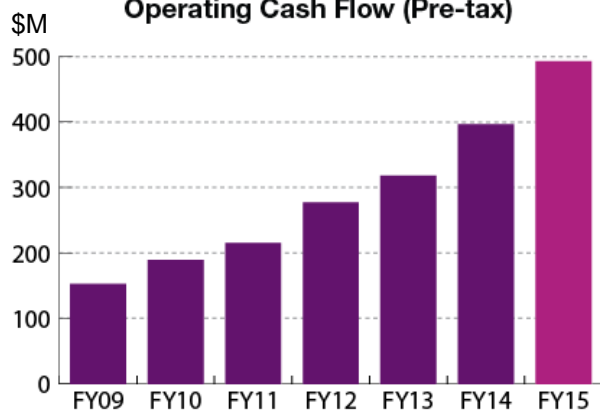
NPAT



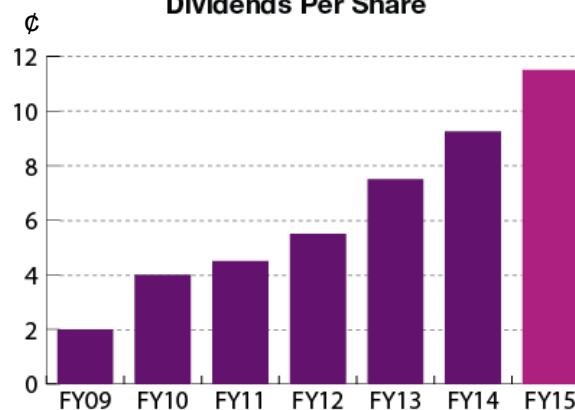
EPS



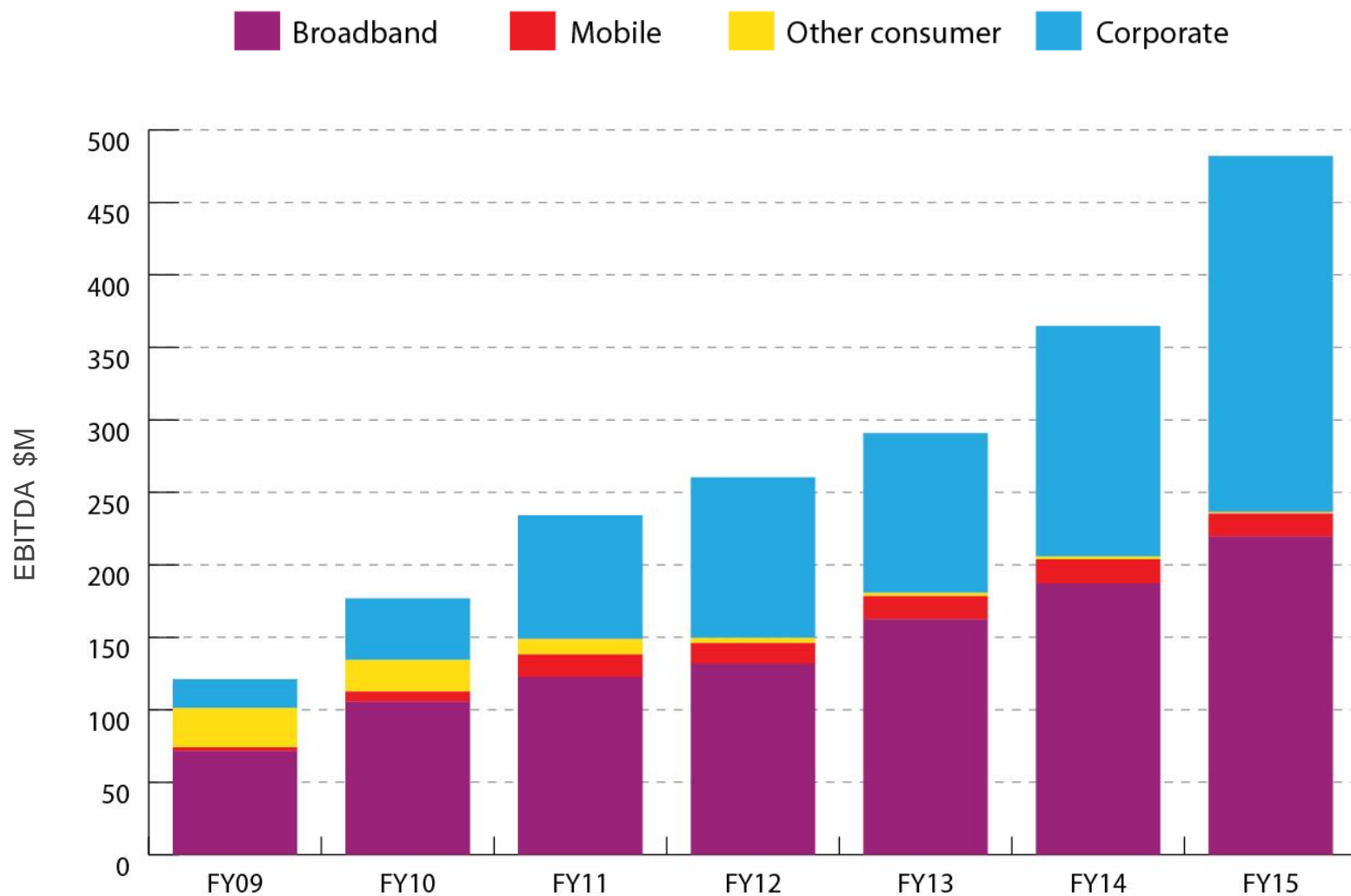
Operating Cash Flow (Pre-tax)



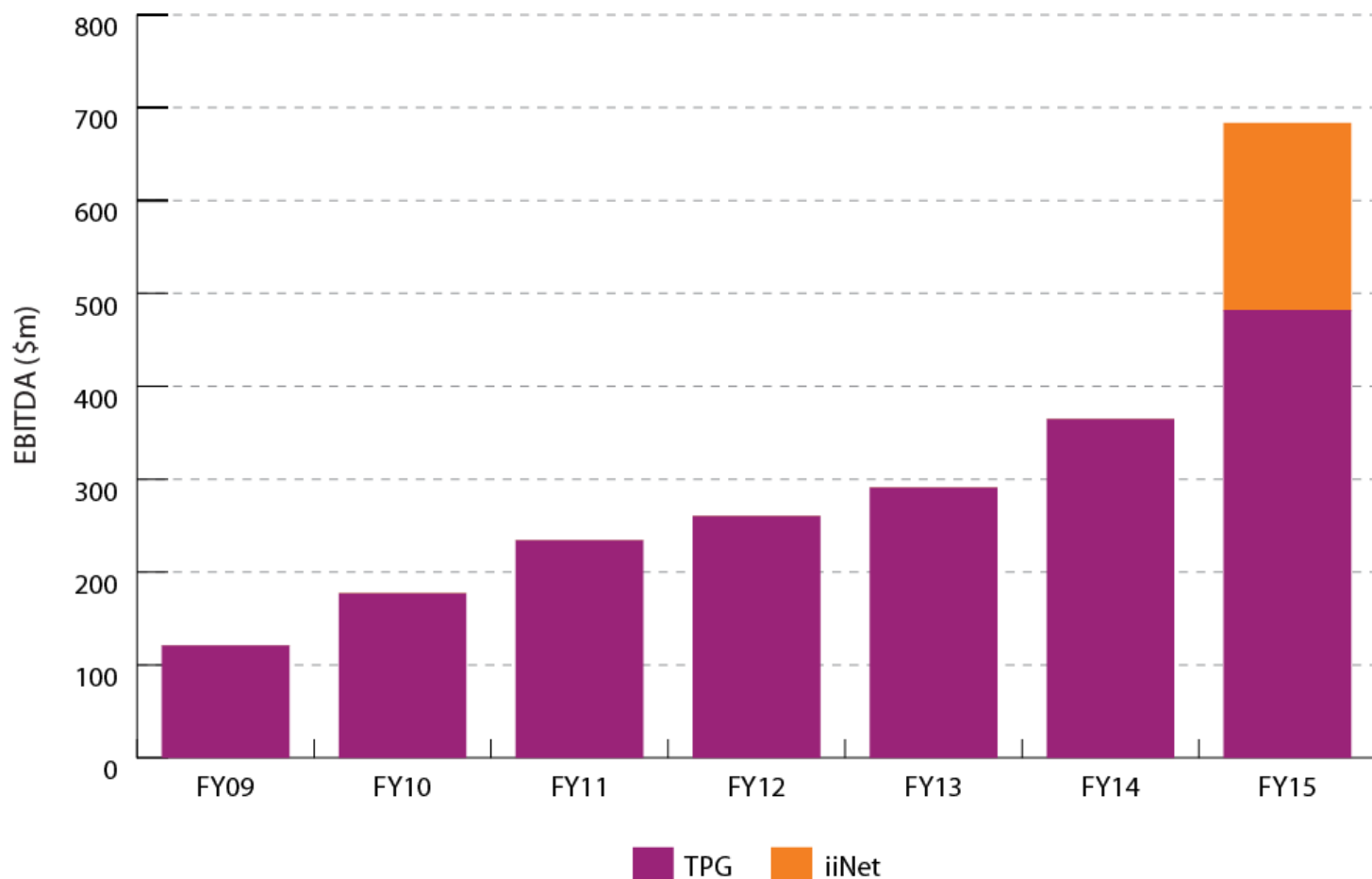
Dividends Per Share



FY15 FINANCIALS: EBITDA GROWTH



Proforma Merged FY15 EBITDA



Combined proforma FY15 EBITDA of \$686m¹

¹ Sum of reported FY15 EBITDA for TPG (to 31 July 2015) and iiNet (to 30 June 2015). Takes no account of any impact that may arise from acquisition accounting or alignment of accounting policies.

\$m

	FY15	FY14
Operating Cash Flow	492.8	396.6
Tax	(110.9)	(96.1)
Interest	(14.3)	(7.5)
Capex	(153.8)	(69.5)
Free Cash Flow	213.8	223.5

Continued strong operating and free cashflow performance

\$m

	FY15	FY14
Free Cash Flow	<u>213.8</u>	<u>223.5</u>
<i>Utilisation:</i>		
Equity investments	115.6	-
AAPT acquisition	-	465.9
Net repayment / (drawdown) of debt	21.0	(308.0)
Dividend payments	81.4	67.5
Other	(4.1)	0.4
Movement in balance of cash at hand	(0.1)	(2.3)
	<u>213.8</u>	<u>223.5</u>

	\$m
Group debt balance at 31 July 2014	350.0
Repayments made during FY15	(21.0)
Group debt balance at 31 July 2015	329.0

Bank debt on completion of iiNet acquisition increased to \$1.85B increasing gearing to ~2.6x pro forma LTM Net Debt to EBITDA ¹

Capital raise in November 2015 reduced debt by \$300m and pro forma gearing to ~2.2x ¹

¹ LTM EBITDA of \$686m based on reported FY15 EBITDA for TPG and iiNet. Net debt based on \$1.85 billion pro forma bank debt and reported FY15 cash balances for TPG and iiNet.

FY15 FINANCIALS: SEGMENT & PRODUCT ANALYSIS



\$m

REVENUE	Consumer				Corporate	Other	TOTAL
	Broadband	Mobile	Other	Total	Total		
FY14	478.4	79.1	5.7	563.2	407.7 ²	-	970.9
FY15	544.4	79.1	4.6	628.1	642.5	-	1270.6

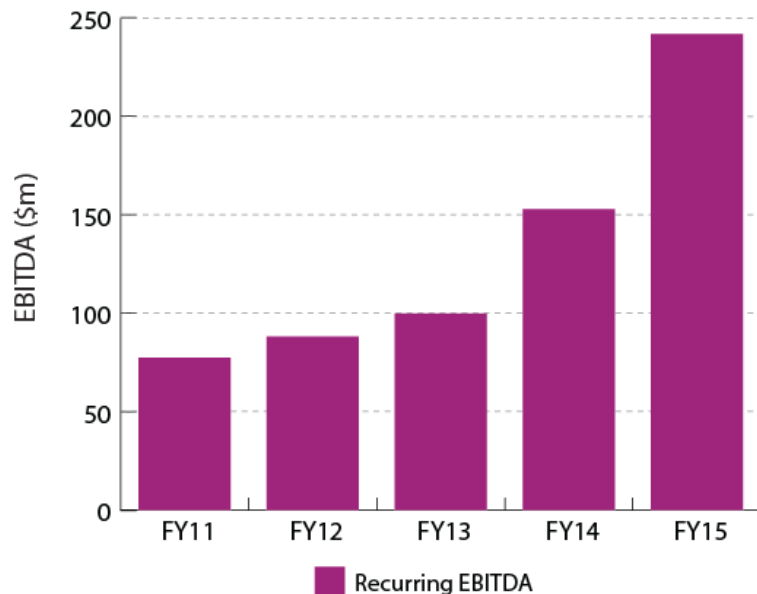
EBITDA	Consumer				Corporate	Other	TOTAL
	Broadband	Mobile	Other	Total	Total		
FY14	187.1 ¹	16.7	1.8	205.6	159.1 ²	(1.0)	363.7
FY15	222.5	15.8	1.4	239.7	242.3	2.5	484.5

EBITDA %	Consumer				Corporate	Other	TOTAL
	Broadband	Mobile	Other	Total	Total		
FY14	39%	21%	32%	37%	39% ²	-	37%
FY15	41%	20%	30%	38%	38%	-	38%

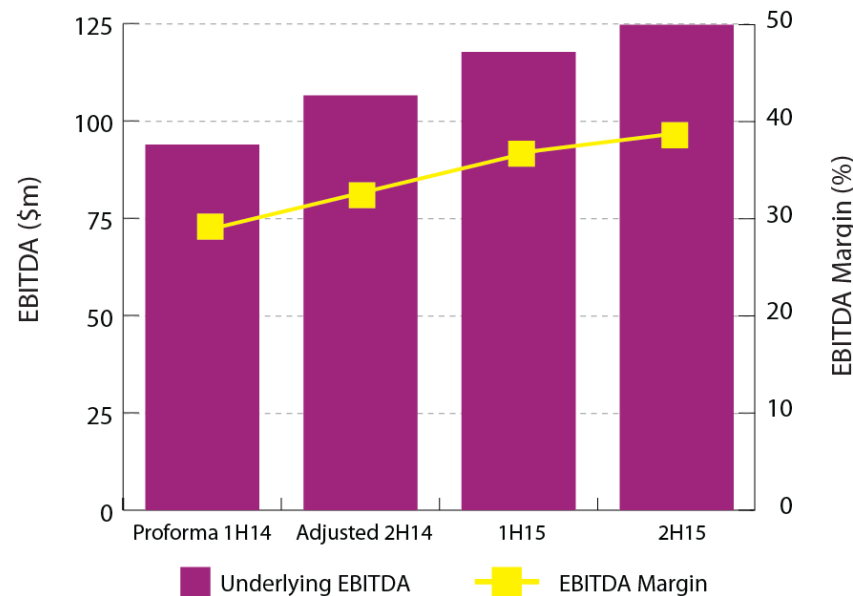
¹ Consumer broadband FY14 EBITDA included \$3.3m of one-off benefits.

² Corporate FY14 revenue and EBITDA included 5 months post acquisition contribution from AAPT of \$164.8m and \$38.2m respectively.

Growth in recurring Corporate EBITDA



Organic Corporate EBITDA growth since AAPT acquisition



Increase in FY15 Corporate EBITDA driven by AAPT acquisition and subsequent organic growth.

Continued EBITDA growth and margin expansion in 2H15.

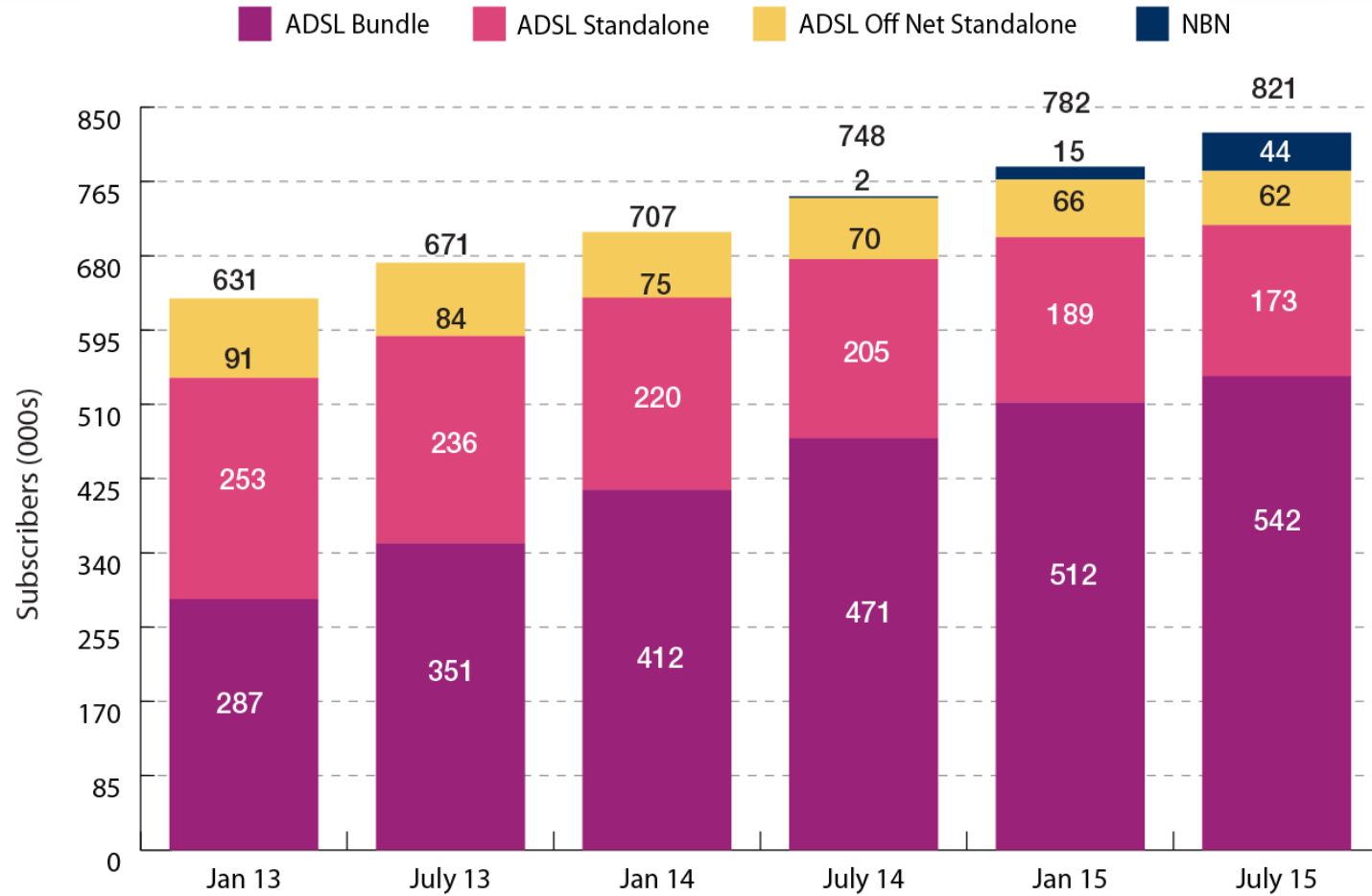
EBITDA margin up from 29% for “Proforma 1H14” to 39% in 2H15.

“**Recurring EBITDA**” excludes IRU gains and other one-off items reported in respective years’ investor presentations.

“**Proforma 1H14**” comprises the recurring corporate division results for 1H14 reported on page 9 of the 1H14 results presentation plus the annual run-rate reported for AAPT on page 4 of TPG’s 9/12/13 AAPT acquisition investor briefing converted to a half-yearly run-rate.

“**Adjusted 2H14**” comprises the recurring EBITDA result reported for AAPT in 2H14 for the 5 months post acquisition period extrapolated to a full 6 months, plus the recurring EBITDA result reported for the TPG Corporate division for 2H14.

CONSUMER: BROADBAND SUBSCRIBERS

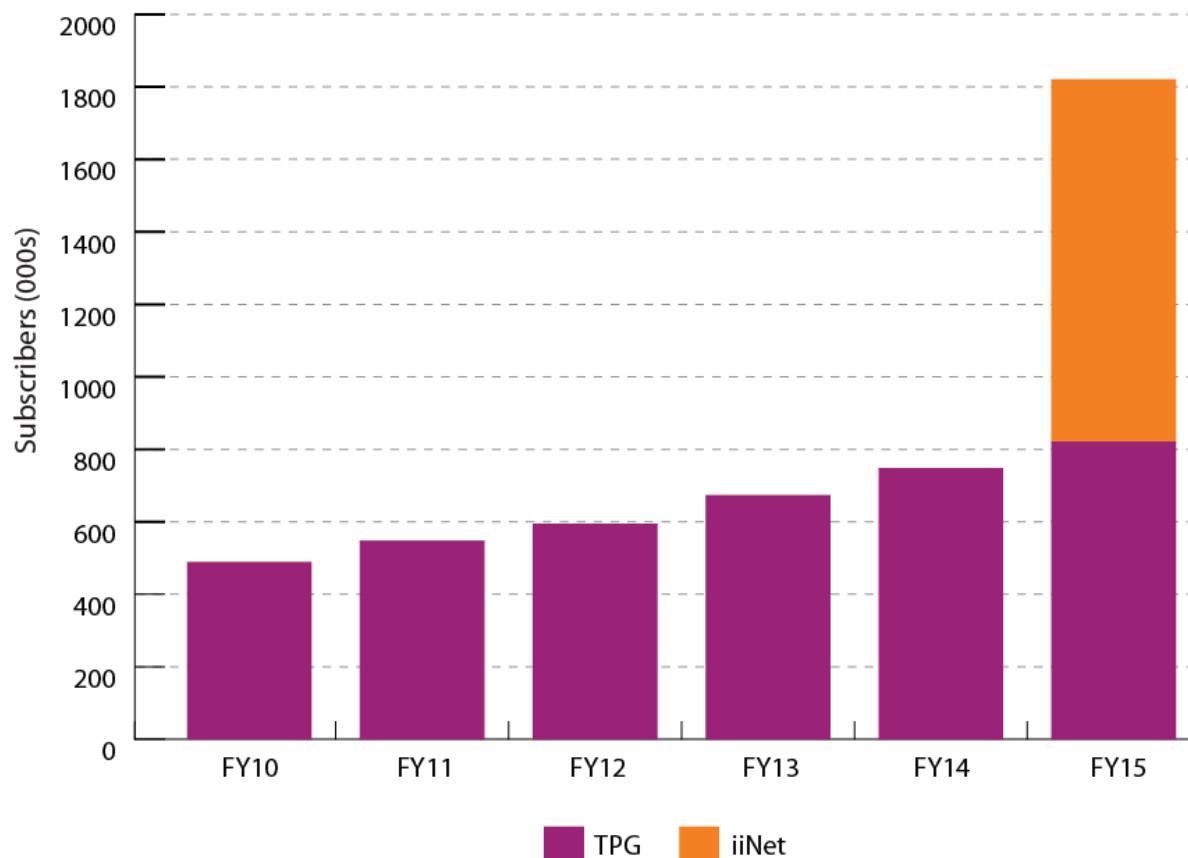


Overall growth of 73k in FY15 (excludes FTTB which is now within wholesale)

Subscriber growth is 100% organic

Average monthly On Net churn rate 1.4% in 2H15

Proforma Merged FY15 Closing Broadband Subscribers

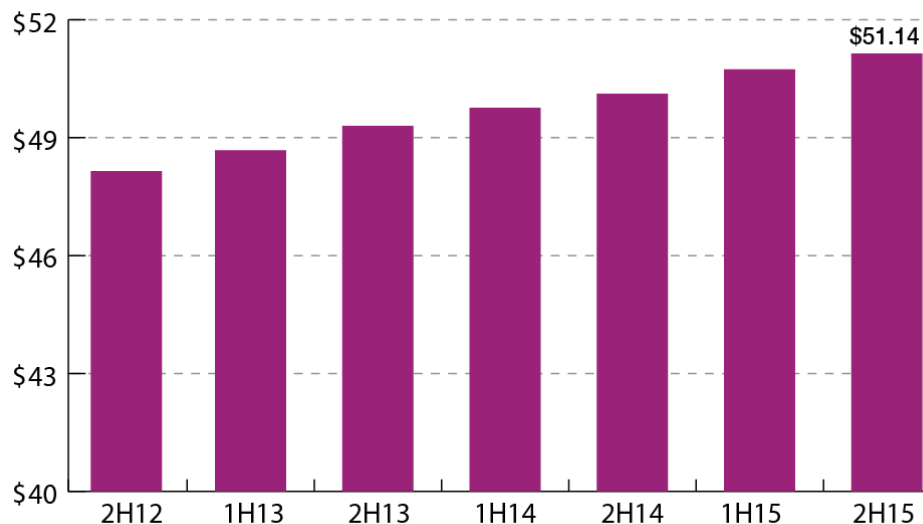


Combined broadband subscribers at the end of FY15 of 1.81 million¹

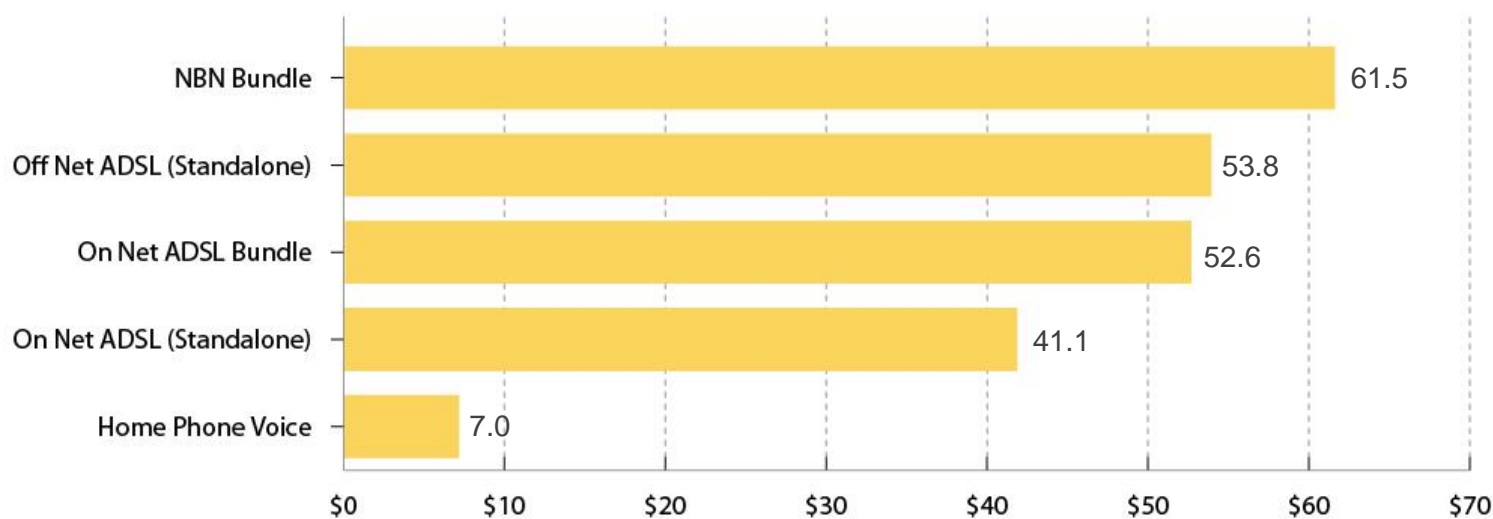
Australia's 2nd largest fixed broadband provider

¹ sum of TPG's and iiNet's reported closing subscribers for FY15

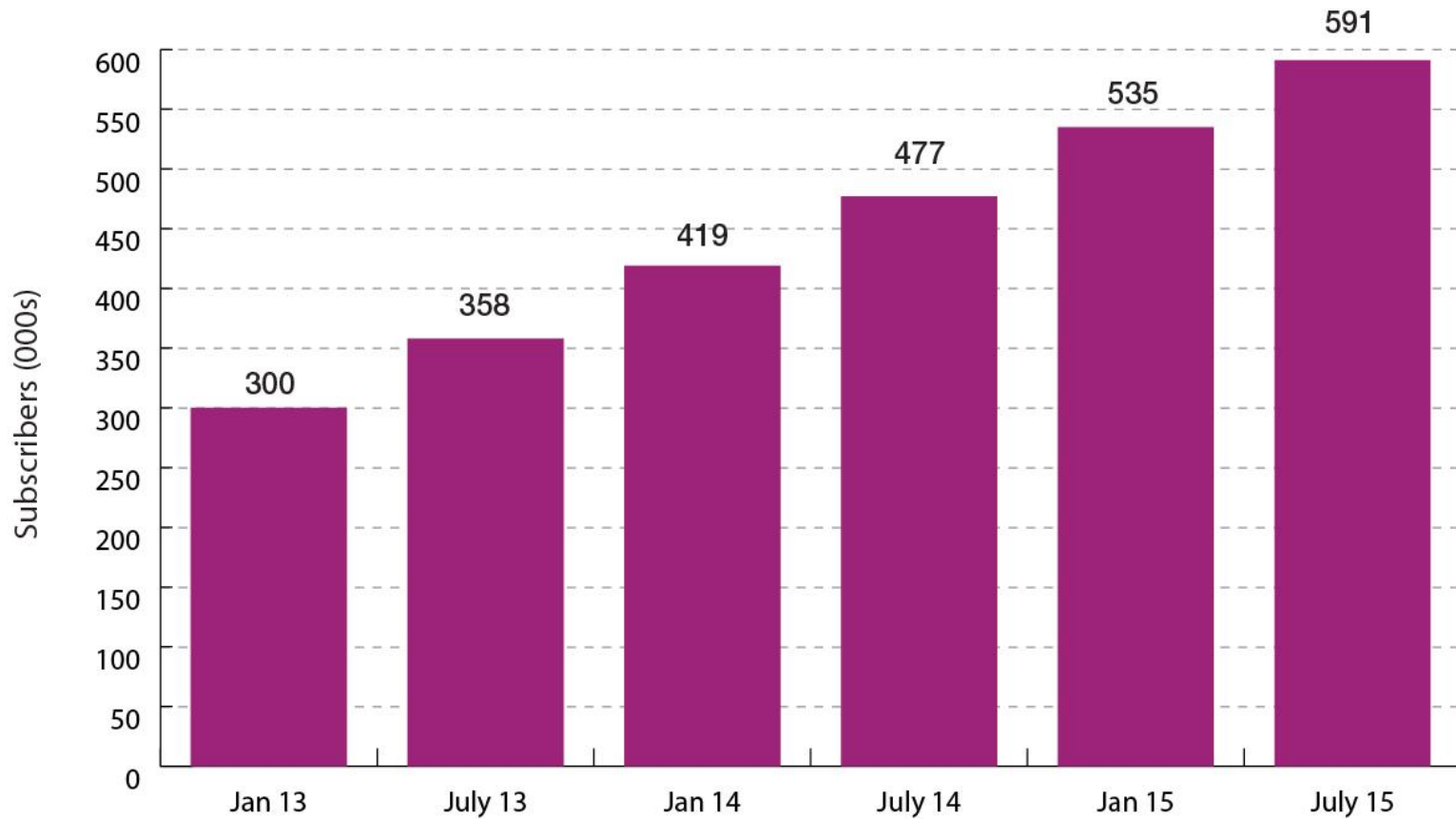
Overall Broadband ARPU Trend



2H15 Broadband ARPU composition

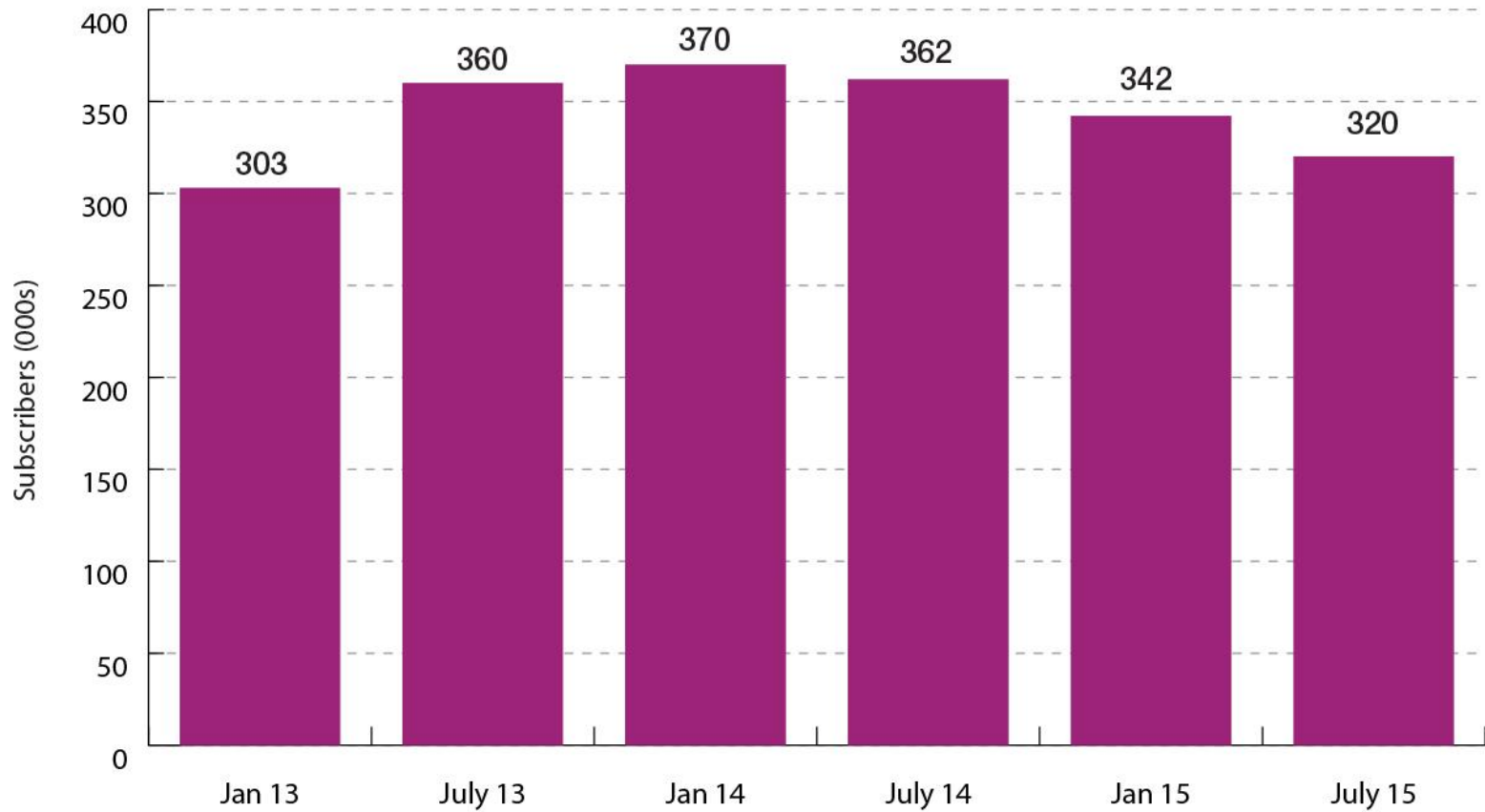


Note: broadband ARPUs exclude GST, voice revenue and any one-off charges (e.g. installs and equipment sales).

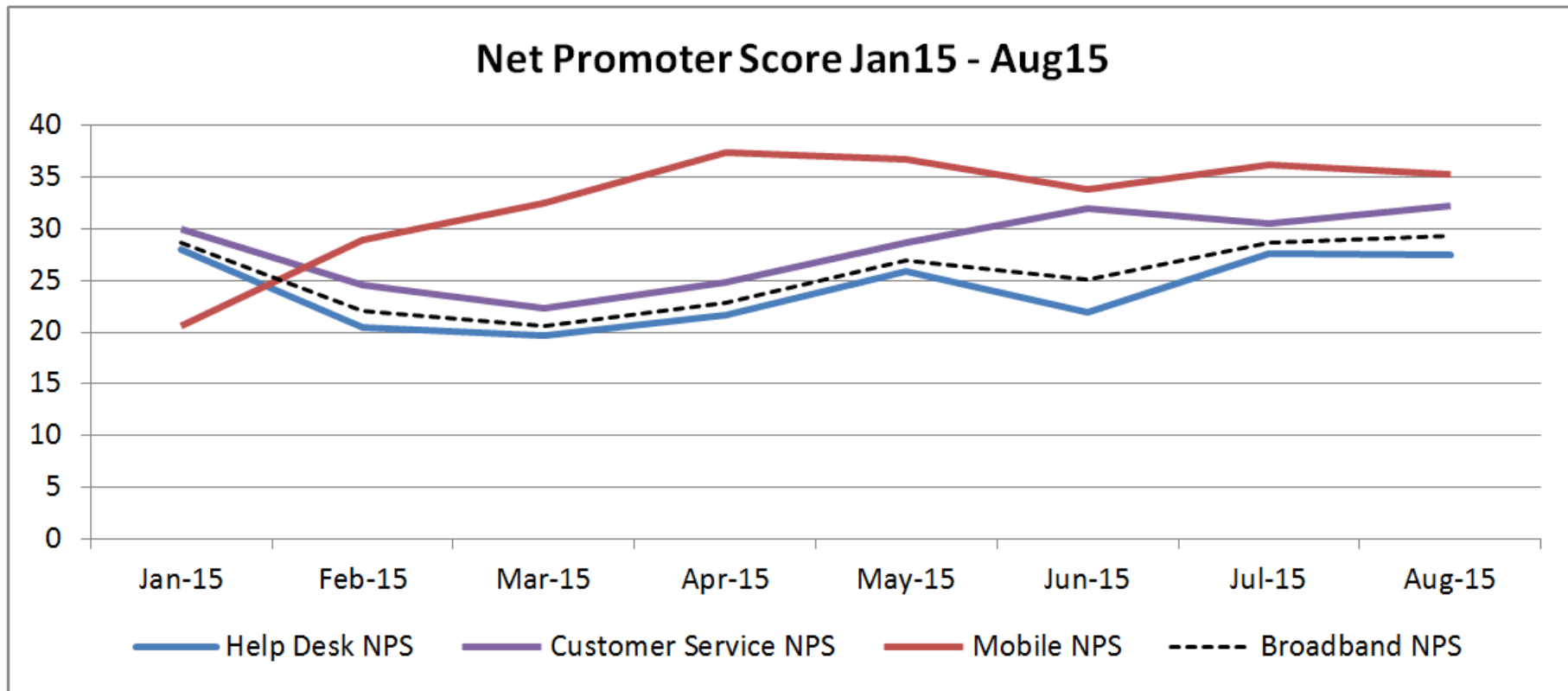


Steady growth on TPG's own Home Phone fixed line product

On Net voice made possible by means of national voice network



From end of September 2015 TPG Mobile products enabled via VHA MVNO



Focused on customer service - we are more than just price



Retain iiNet, Internode and Westnet brands


Introduction of aggressive and fresh products

Existing customer product upgrades and improvements

Maintain call centres to ensure strong customer service reputation is upheld

Consolidate and improve IT systems

Maximise use of TPG Group owned infrastructure



Calls
local + standard
national

Broadband
1000_{GB}


**WiFi
Modem**

FULLY LOADED NAKED BUNDLE

\$79.99
/month

Min cost \$2,009.71

on 24 month plan, incl \$79.95 setup & \$10 delivery charge. \$0.08/GB. Quota includes upload and download. Not available in all areas. Telephone connection fee may apply.



New Naked Bundle Plan set introduced 17 September 2015

National advertising campaign

Super NBN Deal

iiinet
the nbn experts



\$79.99
/month

Min cost \$1,919.76 on 24 month plan

Call us now on 13 19 17



Buffering's an ugly
thing, Australia.



\$0.08/GB. Not available in all areas. Quota includes upload and download. *These speeds are maximum connection speeds as provided by nbn™. Actual throughput speeds may be slower and could vary due to various factors.

iiNet NBN product range updated

NBN Fibre to the Node plans now available



SUPER-ULTRA MEGA-FAST VDSL2 BROADBAND

\$79.99 /month
Min cost \$1989.75 on 24 month plan

Call us on 13 19 17 ■ iinet.net.au/vdsl2

- between 50 & 80 Mbps download speed*
- 1000GB Broadband
- Calls local + standard national

Incl \$59.99 standard installation & \$10 delivery charge. \$0.08/GB. Quota includes upload and download. Not available in all areas. Actual throughput speeds may be slower and could vary due to various factors.

New VDSL2 Plans released in Canberra

Focus on Group owned infrastructure

SUPERFAST **CABLE BROADBAND**

iinet

\$79.99

/month

Min cost \$1989.75 on 24 month plan

Call us on 13 27 31 ■ **iinet.net.au/cable**



Incl \$59.99 standard installation & \$10 delivery charge. \$0.08/GB. Quota includes upload and download. Not available in all areas. *Actual throughput speeds may be slower and could vary due to various factors.

Awesome new HFC plans coming soon to Mildura, Ballarat & Geelong

Focus on Group owned infrastructure



- Leverage iiNet business strength in the small business space
- iiNet Enterprise and Government moved into TPG Sales

BizPhone

Business PABX solution



SoftPhone



\$24.95
/month

BizPhone Desktop App
Min Cost \$598.80

Standard or Cordless



\$29.95
/month

Including handset rental
Min Cost \$728.75

Premium



\$49.95
/month

Including handset rental
Min Cost \$1,208.75

Fibre400

Unlimited 400Mbps internet

Fibre400

\$399

**+ \$39.90 GST
/month**

Min cost \$17,999.40

- ✓ **Symmetrical**
400/400Mbps
- ✓ **Flexible**
Scales with your business
- ✓ **Reliable**
99.95% availability SLA





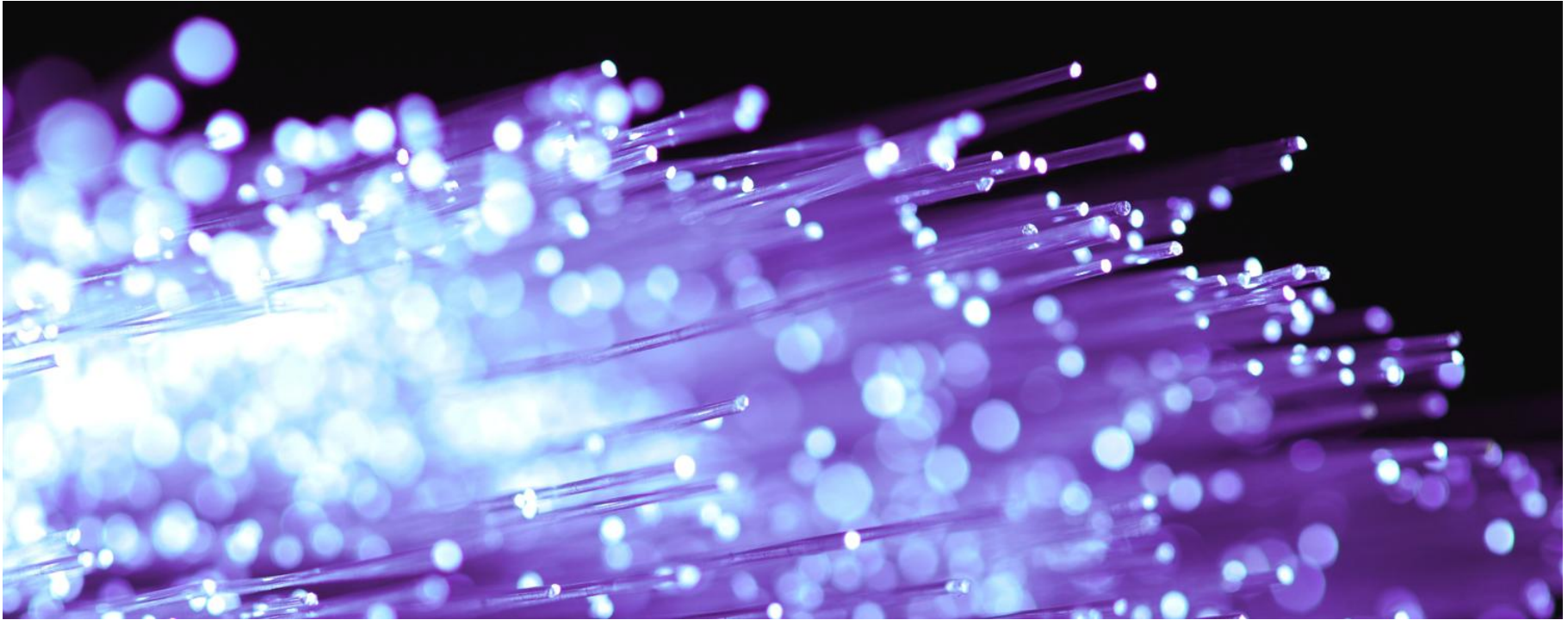
Overview

Two companies, two agreements.

\$1+ billion combined value

Vodafone has contracted TPG to roll out Dark Fibre to more than 3,000 Vodafone cell sites

TPG mobile customer base to move to Vodafone network.



Transmission deal

Capital expenditure \$300-400m over rollout period, majority of which over next 3 years.

Construction started - majority of sites due to be completed in 2018.

Each dark fibre service contracted for 15 years from date each site delivered.

Minimum contracted revenue over the term > \$900m.

THANK YOU

Q&A

This presentation contains certain forward-looking and unaudited information. Such information is based on estimates and assumptions that, whilst considered reasonable by the Company, are subject to risks and uncertainties. Actual results and achievements could be significantly different from those expressed in or implied by this information.