



2016
HALF YEAR RESULTS PRESENTATION

22 MARCH 2016



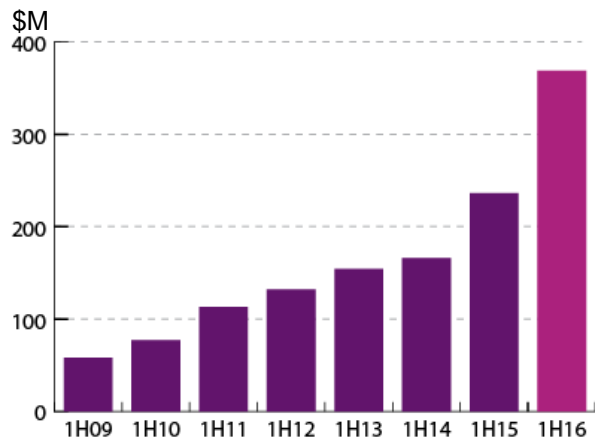
		Reported			Underlying ¹		
		1H16	1H15	Growth	1H16	1H15	Growth
Revenue	\$m	1153.0	627.3	84%	1153.0	627.3	84%
EBITDA	\$m	437.3	236.2	85%	368.8	236.2	56%
NPAT	\$m	202.5	106.7	90%	162.3	119.2	36%
EPS	¢	24.5	13.4	83%	19.6	15.0	31%

1. Refer to slide 3 for reconciliation between reported and underlying results.

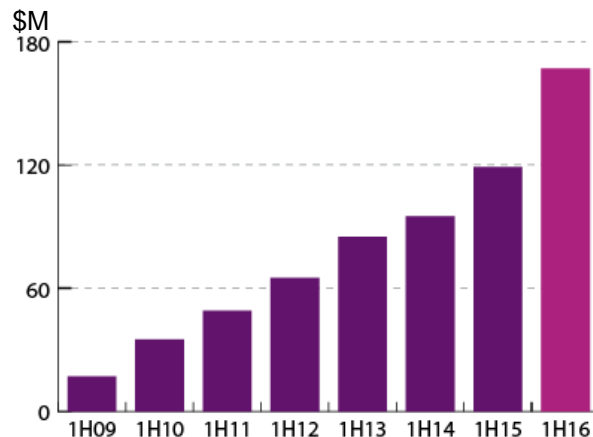
	1H16		1H15	
\$m	EBITDA	NPAT	EBITDA	NPAT
Reported	437.3	202.5	236.2	106.7
<i>Less: Gain on previously held interest in iiNet</i>	(73.1)	(73.1)	-	-
<i>Less: Profit on sale of shares</i>	(9.7)	(6.8)	-	-
<i>Add: One-off iiNet acquisition transaction costs</i>	10.3	10.3	-	-
<i>Add: Non-recurring iiNet re-organisation costs</i>	4.0	2.8	-	-
<i>Add: Acquired customer base intangible amortisation</i>	-	26.6	-	12.5
Underlying	368.8	162.3	236.2	119.2

	\$m
1H15 Group underlying EBITDA	236.2
iiNet EBITDA for 5.25 month post acquisition period	111.1
TPG Consumer Division EBITDA growth	8.6
TPG Corporate Division EBITDA growth	18.7
Adverse accounting impact on TPG Corporate Division from iiNet consolidation	(4.5)
Decrease in dividend income (previously received from iiNet)	(1.3)
1H16 Group underlying EBITDA	368.8

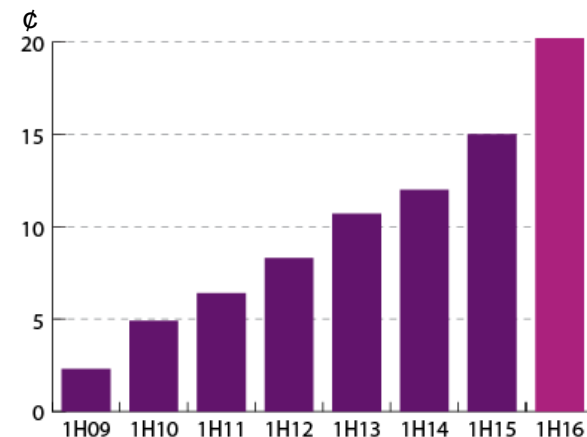
EBITDA



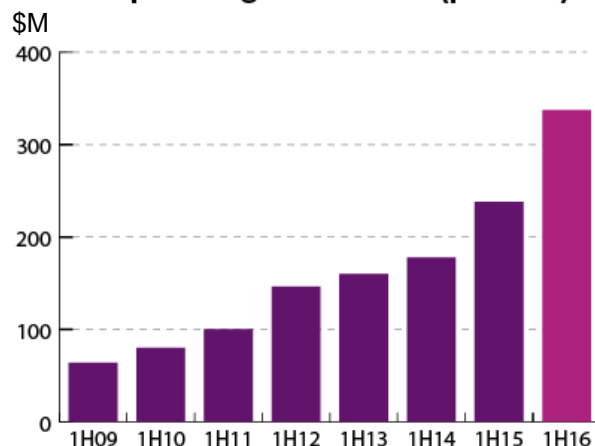
NPAT



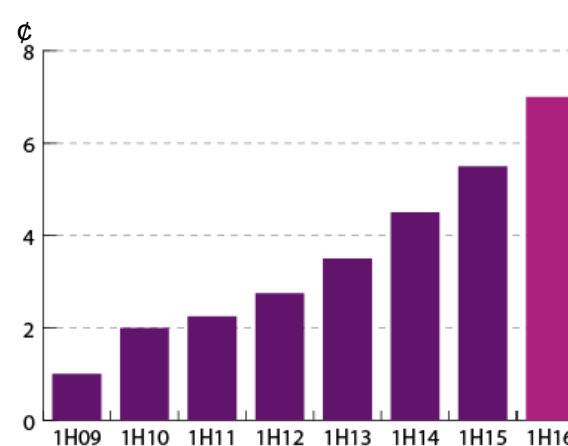
EPS



Operating Cash Flow (pre-tax)

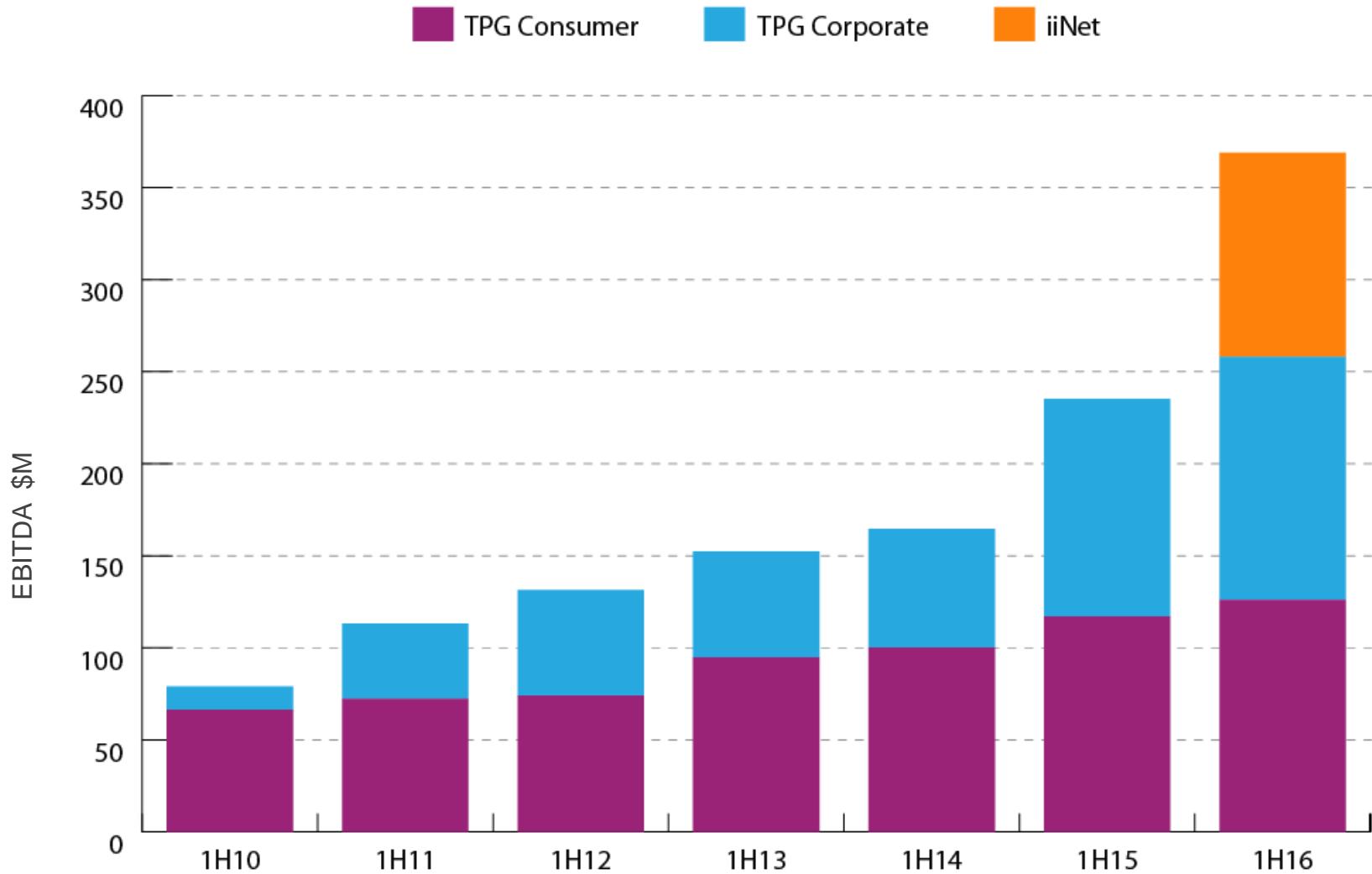


Interim Dividend Per Share



In the above charts: 1H16 EBITDA is the underlying EBITDA as per slide 3. For all other periods EBITDA is as reported. 1H16 NPAT is the underlying NPAT as per slide 3. For all other periods NPAT is as reported except adjusted to exclude the impact of acquired customer base intangible amortisation. EPS is based on the NPAT figures used in the chart.

COMPOSITION OF EBITDA GROWTH



In the above charts 1H16 EBITDA is the underlying EBITDA as per slide 3. For all other periods EBITDA is as reported.

\$m

	1H16	1H15
Operating Cash Flow	339.9	238.1
Tax	(66.2)	(43.7)
Capex	(133.4)	(84.2)
IRU payments	(9.4)	-
Free Cash Flow	130.9	110.2

1H16 capex includes:

- (i) \$27m one-off payment for acquisition of Glebe premises; and
- (ii) \$15.2m iiNet capex.

	\$m	
	1H16	1H15
Free Cash Flow	130.9	110.2
Disposal of / (investment in) equities	45.7	(24.9)
iiNet acquisition (inc transaction costs)	(1317.6)	-
Net proceeds from capital raise	322.5	-
Net drawdown / (repayment) of debt	918.8	(30.0)
Interest payments	(36.5)	(7.3)
Dividend payments	(49.0)	(37.7)
Other	0.3	2.1
Increase in cash balance	15.1	12.4

	\$m
Group debt balance at 31 July 2015	329.0
iiNet acquisition and transaction fees	1317.6
iiNet bank debt acquired	212.1
Repayments from capital raise proceeds	(322.5)
Other repayments made during 1H16	(76.2)
Group debt balance as at 31 January 2016	1460.0

Net debt to EBITDA leverage ratio at 31 Jan 16 ~2.1x¹

1. Based on annualised 1H16 underlying EBITDA and including IRU debt within net debt.

REVENUE	TPG Consumer			TPG/AAPT Corporate	iiNet	Other	TOTAL
	\$m	Broadband	Mobile/Other				
1H15	264.0	44.0	308.0	319.3	-	-	627.3
1H16	295.0	35.9	330.9	325.2	496.9	-	1153.0

EBITDA	TPG Consumer			TPG/AAPT Corporate	iiNet	Other	TOTAL
	\$m	Broadband	Mobile/Other				
1H15	107.6	9.4	117.0	117.7	-	1.5	236.2
1H16	118.6	7.0	125.6	131.9	111.1	0.1	368.8

EBITDA %	TPG Consumer			TPG/AAPT Corporate	iiNet	Other	TOTAL
		Broadband	Mobile/Other				
1H15	41%	21%	38%	37%	-	-	38%
1H16	40%	19%	38%	41%	22%	-	32%

EBITDA shown in the table is the underlying EBITDA as per slide 3.

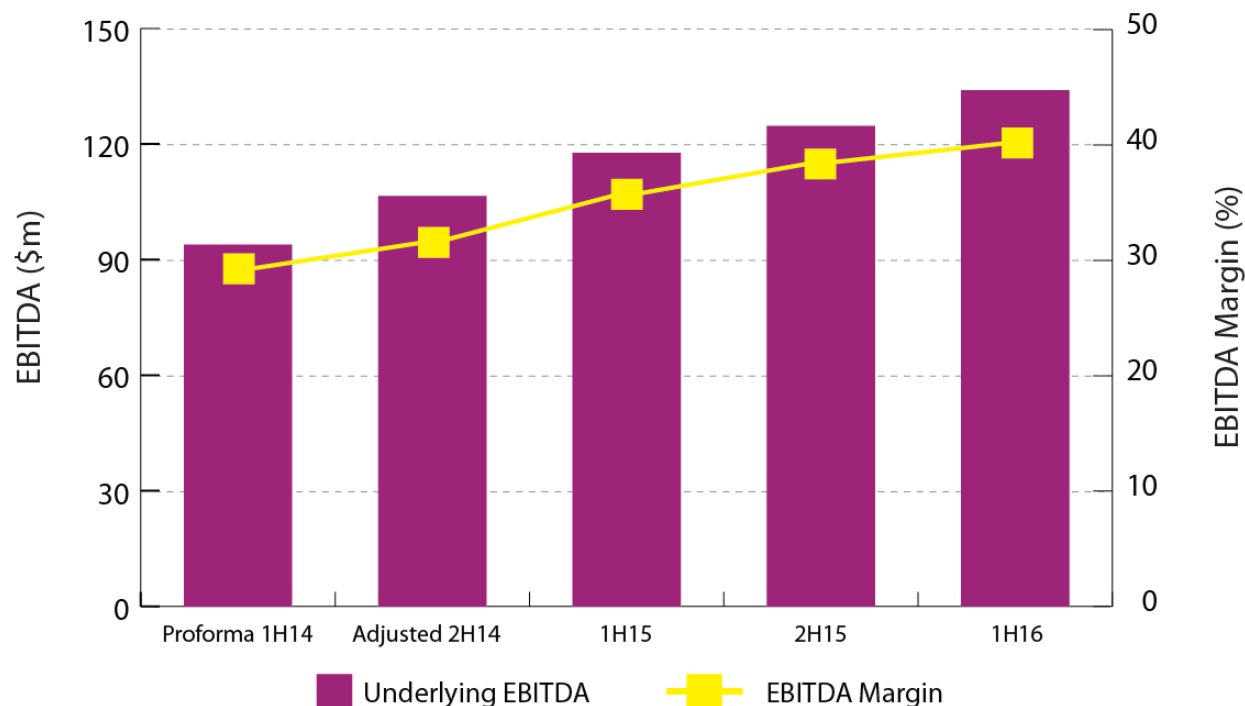
REVENUE \$m	iiNET GROUP				
	Broadband	Fixed Voice	Mobile	Other	TOTAL
1H16	326.8	101.4	27.0	41.7	496.9

EBITDA \$m	iiNET GROUP				
	Broadband	Fixed Voice	Mobile	Other	TOTAL
1H16	85.4	15.2	0.5	9.9	111.1

EBITDA %	iiNET GROUP				
	Broadband	Fixed Voice	Mobile	Other	TOTAL
1H16	26%	15%	2%	24%	22%

EBITDA shown in the table is the underlying EBITDA as per slide 3.
Broadband includes VoIP.

Organic Corporate EBITDA growth since AAPT acquisition



Continued organic Corporate Division EBITDA growth in 1H16 driven by strong sales and continued margin expansion, and despite a \$4.5m adverse accounting impact arising from consolidating iiNet.

“**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.



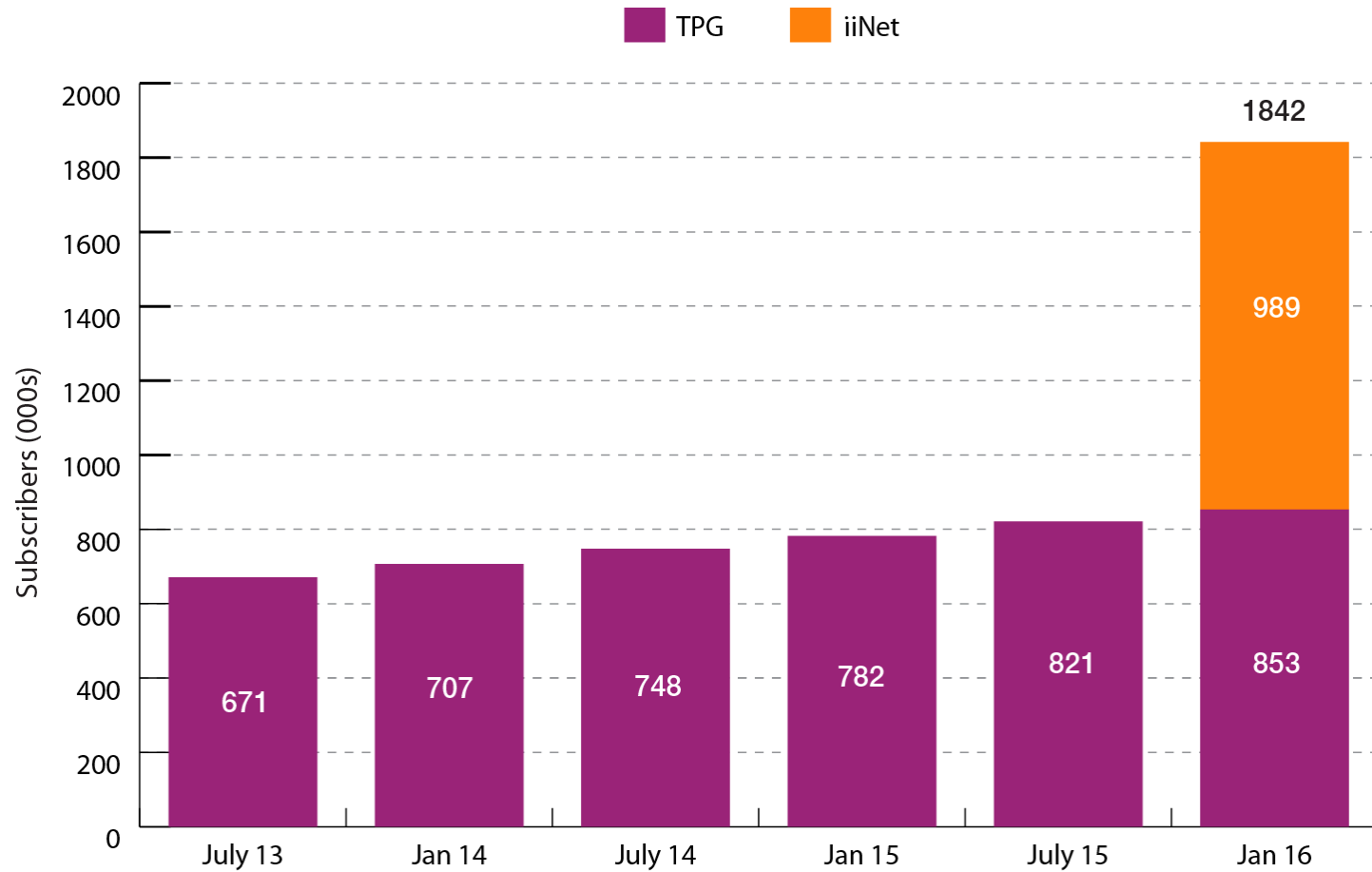
Construction has commenced. Majority of sites due to be completed in 2018. Project on track.

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

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

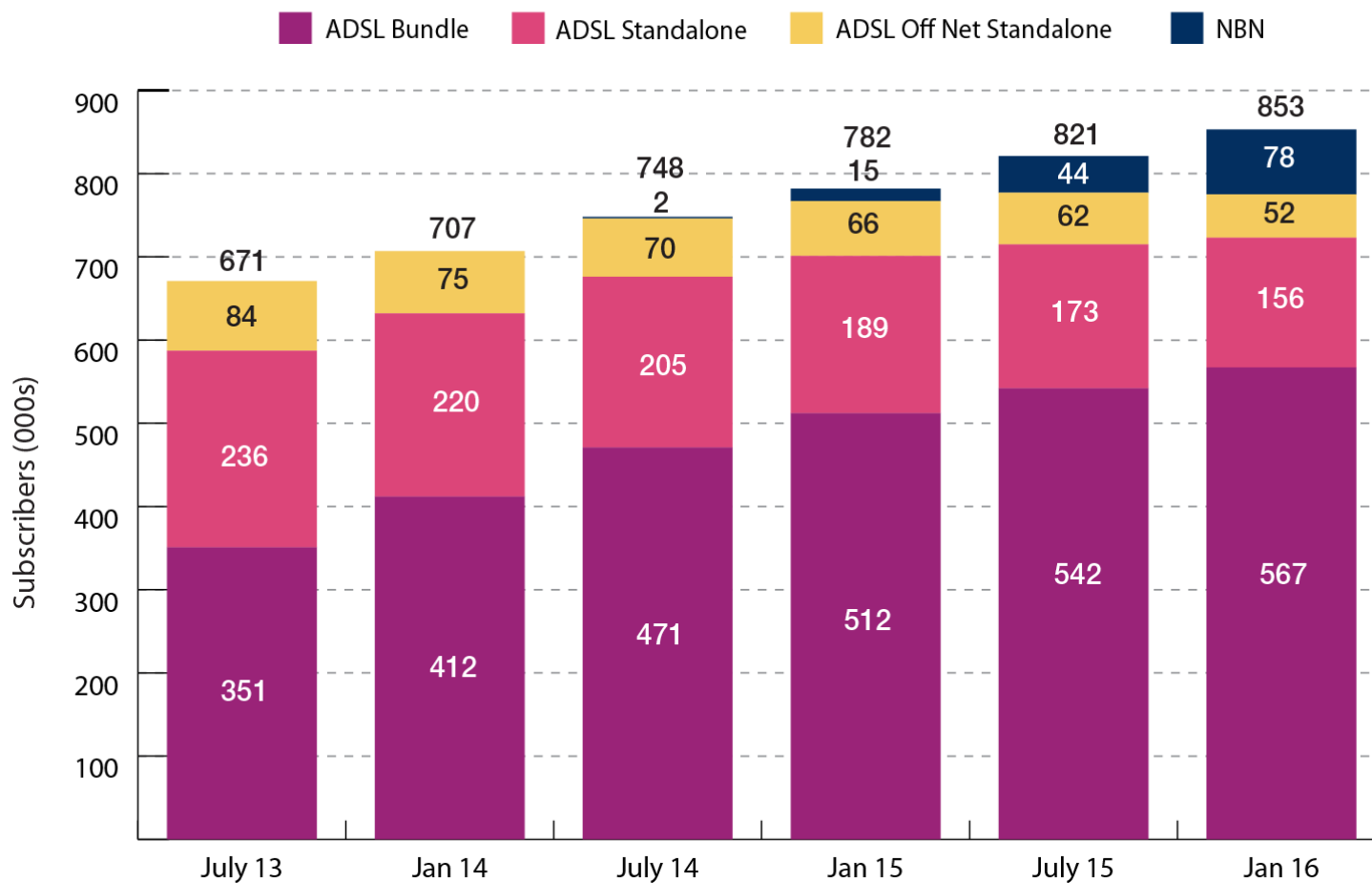
Minimum contracted revenue over the term > \$900m.

GROUP BROADBAND SUBSCRIBERS



Continued TPG organic growth plus the addition of iiNet takes Group broadband subscribers to 1.84m at end of 1H16.

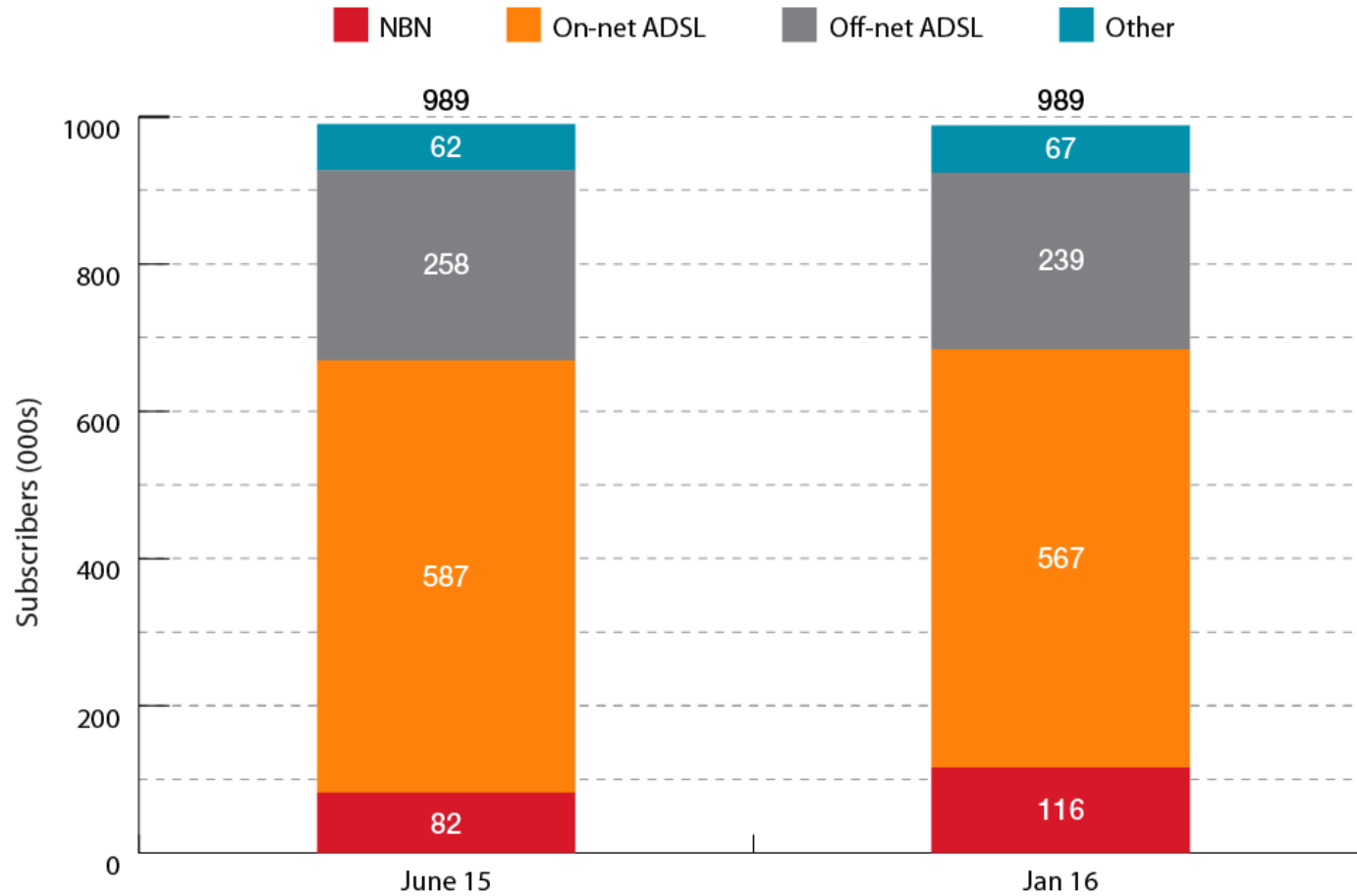
TPG CONSUMER BROADBAND SUBSCRIBERS



Overall growth of 32k in 1H16.

34k NBN growth in the half year.

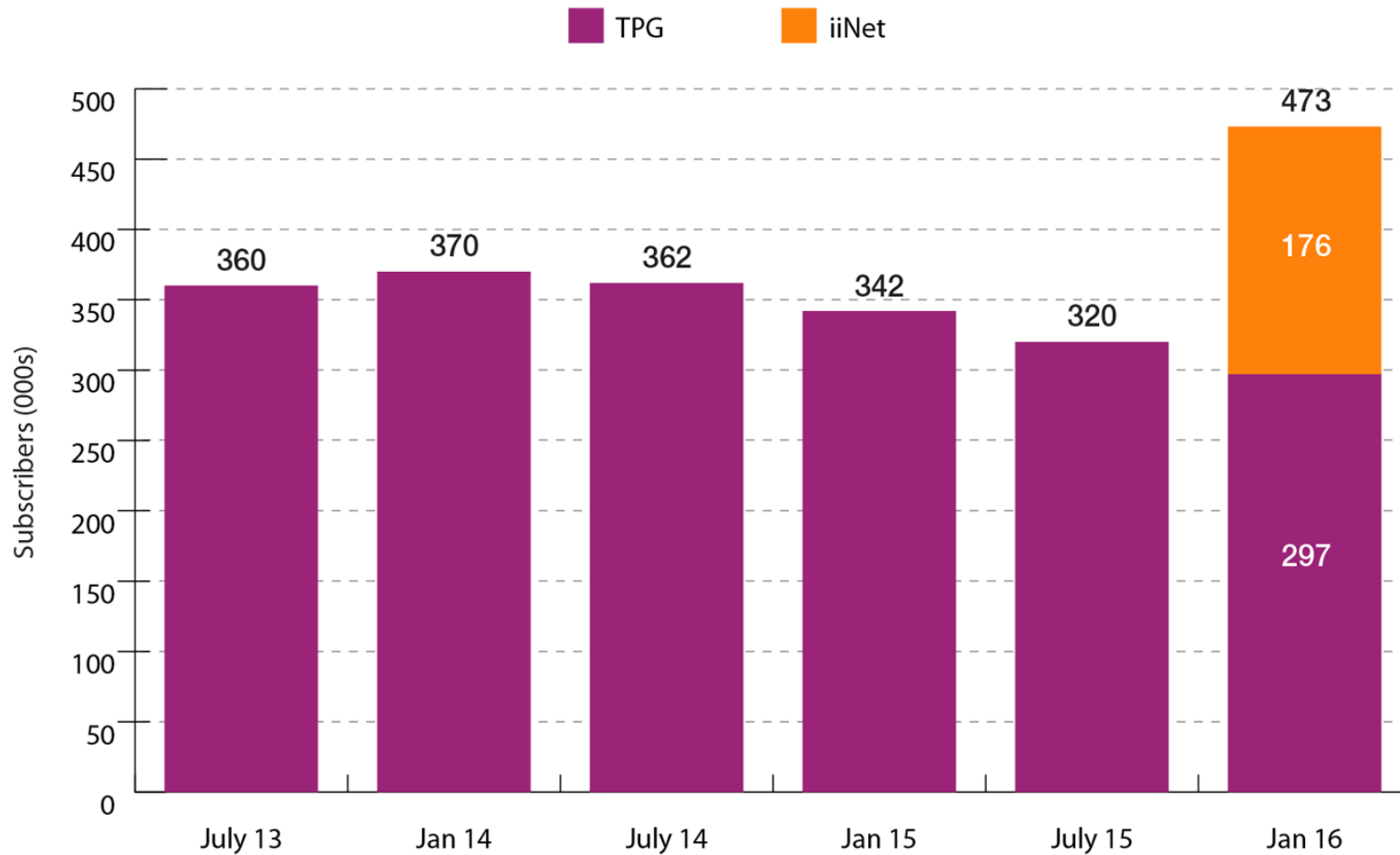
On-net churn 1.4%.



Total iiNet broadband subscribers as at 31 January 16 in line with the 30 June 15 number reported by iiNet.

34k NBN growth in the 7 months.

GROUP MOBILE SUBSCRIBERS



TPG subscriber base migration to Vodafone network ongoing.



Continued focus on customer service (NPS above +53).

Continued marketing of iiNet brands.

Product and process simplification.

Ongoing network and IT integration.

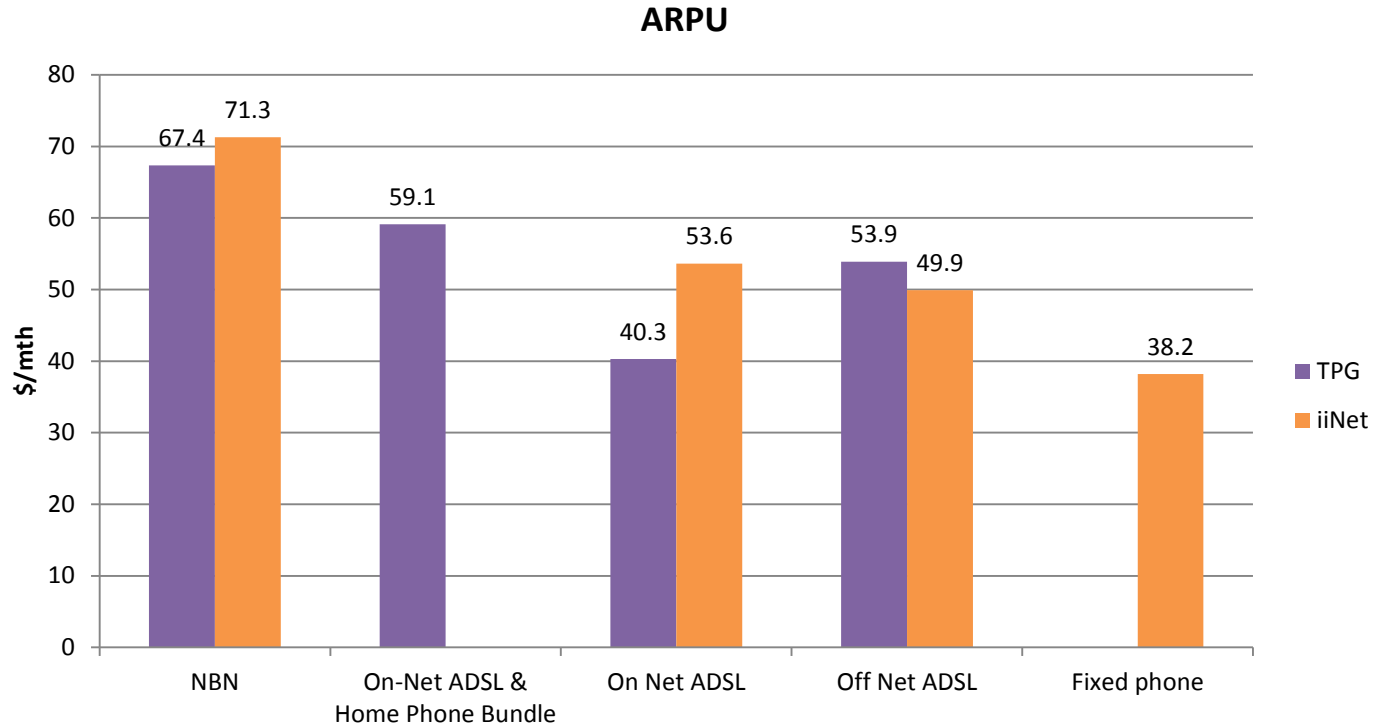
7.0 cents per share interim dividend

Payable	24 May 2016
Record date	19 April 2016

27% increase on prior year interim dividend

\$m	1H16 Actual	FY16 Guidance
Underlying EBITDA	368.8	770-775
Capital Expenditure	133.4	280-310

APPENDICES



Notes:

ARPU for NBN and On Net ADSL include revenue from on-net home phone voice.

iiNet fixed phone ARPU represents revenue from PSTN line rental and calls (461k subscribers as at 31 Jan 16).

Forecast intangible amortisation

\$m	1H16 Actual	2H16 F'cast	FY17 F'cast	FY18 F'cast	FY19 F'cast	FY20 F'cast	FY21-25 F'cast	FY26-30 F'cast
Acquired customer bases	38.0	36.5	62.4	51.0	43.5	31.7	62.8	19.5
Capacity IRUs	5.8	5.1	12.2	15.8	18.1	20.0	113.2	89.0
Other	14.5	15.4	20.5	18.2	17.6	14.7	43.6	24.8
Total	58.3	57.0	95.1	85.0	79.2	66.4	219.6	133.3

Notes:

There are no cashflows associated with the amortisation of acquired customer bases.

Cashflows associated with the amortisation of Capacity IRUs comprise (i) the IRU liability shown in the loans and borrowings note to the accounts and (ii) the IRU commitments included in the capital commitments note to the accounts.

'Other' comprises the amortisation of subscriber acquisition costs, software and capitalised development costs. The associated committed cashflows for the purchase of spectrum are set out in the subsequent events note to the accounts.

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.