

**TPG Telecom Limited
2016 Annual General Meeting
Chairman's Address**

Good morning everyone and welcome to the TPG Telecom 2016 Annual General Meeting. My name is David Teoh, I am the Executive Chairman of the Company. Thank you for your attendance today. I would also like to welcome those people listening to today's proceedings via our live webcast.

A quorum of members is present and I therefore declare the meeting open.

I would like to introduce my fellow Directors:

- Mr Denis Ledbury;
- Mr Robert Millner;
- Mr Joseph Pang; and
- Mr Shane Teoh.

We are also joined by some of our senior management team:

- Stephen Banfield, Chief Financial Officer and Company Secretary;
- Craig Levy, Chief Operating Officer;
- Mark Rafferty, Group Executive, Corporate, Government & Wholesale;
- Mandie De Ville, Chief Information Officer;
- Wayne Springer, General Manager of Products and Pricing;
- Tony Moffatt, General Counsel; and
- Reggie Naik, General Manager of Fibre Operations.

I'd like to welcome our auditors, KPMG, including Mr Chris Hollis, the audit partner, who will be available to answer any questions in relation to the auditor's report on the FY16 accounts and the conduct of the audit.

The notice of meeting was dispatched to all shareholders. If there is no objection, I propose that the notice of meeting be taken as read.

FY16 was another busy and successful year for the Group. We achieved an eighth consecutive year of record profit results. EBITDA was up by 75% compared to last year and Net Profit After Tax and Earnings per Share were both up by over 60%.

At the beginning of FY16 we completed the acquisition of iiNet and consequently there has been significant focus during the year on integrating the businesses to improve the efficiency of the combined Group. Our year 1 integration activities helped increase iiNet's EBITDA margin from 18% in FY15 to 24% in FY16 whilst maintaining the premium levels of customer service for which iiNet has gained a strong reputation.

We achieved continued organic customer growth and used our strong cash generation to further expand our network infrastructure whilst also paying down debt and increasing dividends paid to shareholders by 26%.

I am sure that some of you have been watching with some concern the decline in the Company's share price since September as well as commentary on the margin headwinds that the Group is facing as it transitions to the NBN. However, we have ahead of us numerous exciting opportunities to consider and strategies to implement using our extensive infrastructure assets and other strengths which I am confident will continue to create excellent value for our shareholders over the long term.

The Group's achievements are made possible by the dedication of our hard working employees. I would like to thank them all again for their efforts this year and look forward to their ongoing contribution to the Group's success in FY17 and beyond.

On behalf of the Board, I would like to thank all our shareholders for their continued support of the Company.

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