TPG Telecom Limited
ABN 46 093 058 069
and its controlled entities

ASX Appendix 4D and Half Year Financial Report 31 January 2013

Lodged with the ASX under Listing Rule 4.2A

Contents

TPG Telecom Limited
ASX Appendix 4D

Half Year ended 31 January 2013
(Previous corresponding period: Half Year ended 31 January 2012)

Results for announcement to the market

Earnings

				$A'000
Revenue	up	10%	to	357,039
Earnings before interest, tax, depreciation and amortisation (EBITDA)	up	16%	to	153,609
Profit for the period attributable to owners of the Company	up	41%	to	78,293
Earnings per share (basic and diluted)	up	39%	to	9.9 cents

Dividends

	Amount per security	**Franked amount per security**
This period:		
Final dividend for FY12	2.75 cents	2.75 cents
Interim dividend for FY13 (payable 21 May 2013)	3.50 cents	3.50 cents
Previous corresponding period:		
Final dividend for FY11	2.25 cents	2.25 cents
Interim dividend for FY12	2.75 cents	2.75 cents

For the FY13 interim dividend the record date for determining entitlement to the dividend will be 16 April 2013. The directors suspended the Dividend Reinvestment Plan (DRP) with effect from the interim FY12 dividend until further notice and, accordingly, the DRP will not apply to the interim FY13 dividend.

Net Tangible Assets

	31 Jan 2013	**31 Jan 2012**
Net tangible assets per security	$0.19	$0.04

Commentary on results

The Company has provided a commentary on the results in its Review of operations which accompanies this report.

TPG Telecom Limited and its controlled entities
Directors' report

For the half-year ended 31 January 2013

The directors present their report together with the consolidated financial report for the half-year ended 31 January 2013.

Directors

The names of directors of the Company in office at any time during, or since the end of, the half-year are set out below:

Name	**Period of directorship**
David Teoh *Chairman* *Executive Director* *Chief Executive Officer*	Director since 2008
Robert Millner *Non-Executive Director*	Director since 2000
Denis Ledbury *Non-Executive Director*	Director since 2000
Alan Latimer *Executive Director*	Director since 2008
Joseph Pang *Non-Executive Director*	Director since 2008
Shane Teoh Non-Executive Director	Director since 2012

Review of operations

TPG Telecom Limited's financial results for the half year ended 31 January 2013 ("1H13") include Net Profit After Tax ("NPAT") of $78.3m, an increase over 1H12 of 41%.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") for the half year increased by 16% to $153.6m.

Earnings per share ("EPS") increased by 39% to 9.9 cents per share. EPS excluding the impact of intangible amortisation expense was 11.0 cents per share.

Consumer business

The Group grew its consumer broadband subscriber base by 36,000 in the half year, almost double the growth achieved in the same period last year. The growth in 1H13 continued to be driven by TPG's ADSL2+ with Home Phone bundle plans which grew by 66,000 subscribers in the 6 month period. This growth was partially offset by a decline in standalone on-net (23,000) and off-net (7,000) subscribers.

Review of operations (continued)

The Group also significantly increased its rate of mobile subscriber growth, adding 48,000 subscribers during 1H13, compared to 54,000 for the whole of FY12.

As at 31 January 2013 the Group had 631,000 broadband subscribers and 303,000 mobile subscribers.

The Consumer division's EBITDA growth of $20.8m relative to 1H12 includes approximately $10.0m of net one-off benefits arising predominantly from back-dated rebates received during the half year pursuant to the ACCC's determinations for wholesale DSL and IIC charges levied by Telstra.

Corporate business

The Group's Corporate division achieved an EBITDA of $57.5m for the half year which is consistent with 1H12. However, the accounting gains from IRU sales of $10.5m included within this result are $2.0m lower than in 1H12, meaning that the division's underlying recurring earnings continued to show solid growth.

During the half year the final phase of the fibre network expansion to fulfill the VHA contract was completed on schedule. This helped the Group add a further 766km to its fibre footprint which now exceeds 3,800km.

Cashflow

The Group's cashflow was again very strong; $160.0m cash was generated from operations (pre-tax), and free cashflow for the half year was $86.0m.

This free cashflow enabled the Group to repay $54.0m of debt in the half year, as well as to pay an increased dividend and make a $7.5m strategic investment in Cocoon Data Holdings Limited, a data security business with whom the Company has also signed a product development and distribution agreement.

The Group's gross debt as at 31 January 2013 was down to $95.0m, representing a debt to annual EBITDA leverage ratio of less than 0.4 times. This relatively low leverage ratio gives the Group significant borrowing capacity for future potential growth if required.

Dividend

In light of the Group's strong cashflow and earnings growth, the Board of Directors has declared an increase to the interim FY13 dividend by 27% to 3.5 cents per share (fully franked), payable on 21 May 2013 to shareholders on the register at 16 April 2013.

FY13 Guidance

The directors have upgraded the Group's FY13 EBITDA guidance from $263-273m to a new estimated range of $285-290m.

Lead Auditor’s Independence Declaration

The lead auditor’s independence declaration is set out on page 22 and forms part of the directors’ report for the half-year ended 31 January 2013.

Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the financial report and directors’ report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Dated at Sydney this 19th day of March 2013.

Signed in accordance with a resolution of the directors:

David Teoh
Chairman

TPG Telecom Limited and its controlled entities
Consolidated interim income statement

For the half-year ended 31 January 2013

In thousands of AUD	**Note**	**31 Jan 2013**	**31 Jan 2012**
Revenue	*7*	357,039	324,508
Other income	*8*	2,326	603
Telecommunications expense		(154,195)	(145,918)
Employee benefits expense		(29,793)	(28,510)
Other expenses		(21,768)	(18,821)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**153,609**	**131,862**
Depreciation of plant and equipment		(24,195)	(23,034)
Amortisation of intangibles		(12,699)	(17,846)
Results from operating activities		**116,715**	**90,982**
Finance income		1,457	466
Finance expenses		(5,482)	(10,711)
Net financing costs		**(4,025)**	**(10,245)**
Profit before income tax		**112,690**	**80,737**
Income tax expense	*9*	(34,397)	(25,075)
Profit for the period attributable to owners of the Company		**78,293**	**55,662**
Earnings per share:			
Basic and diluted earnings per share (cents)	*12*	9.9	7.1

The condensed notes on pages 11 to 18 are an integral part of these consolidated interim financial statements.

TPG Telecom Limited and its controlled entities
Consolidated interim statement of comprehensive income

For the half-year ended 31 January 2013

In thousands of AUD	***Note***	**31 Jan 2013**	**31 Jan 2012**
Profit for the period		**78,293**	**55,662**
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation differences		8	6
Net change in fair value of available-for-sale financial assets, net of tax	***10***	11,757	5,173
Other comprehensive income, net of tax		**11,765**	**5,179**
Total comprehensive income attributable to owners of the Company		**90,058**	**60,841**

TPG Telecom Limited and its controlled entities
Consolidated interim statement of financial position

As at 31 January 2013

In thousands of AUD	***Note***	**31 Jan 2013**	**31 July 2012**
Assets			
Cash and cash equivalents		16,215	13,767
Trade and other receivables		39,719	38,013
Inventories		288	363
Investments	***10***	63,070	47,619
Prepayments and other assets		9,467	7,515
Total Current Assets		**128,759**	**107,277**
Trade and other receivables		14,396	6,049
Investments	***10***	7,500	-
Property, plant and equipment		323,427	323,915
Intangible assets		510,676	523,225
Prepayments and other assets		222	434
Total Non-Current Assets		**856,221**	**853,623**
Total Assets		**984,980**	**960,900**
Liabilities			
Trade and other payables		86,295	85,376
Loans and borrowings	***11***	241	357
Current tax liabilities		37,959	39,542
Employee benefits		4,835	4,606
Provisions		2,325	2,347
Accrued interest		341	276
Deferred income and other liabilities		52,133	44,443
Total Current Liabilities		**184,129**	**176,947**
Loans and borrowings	***11***	91,258	144,360
Deferred tax liabilities		15,079	15,140
Employee benefits		689	743
Provisions		6,544	6,671
Deferred income and other liabilities		27,839	26,262
Total Non-Current Liabilities		**141,409**	**193,176**
Total Liabilities		**325,538**	**370,123**
Net Assets		**659,442**	**590,777**
Equity			
Share Capital		516,907	516,907
Reserves		22,699	10,497
Retained earnings		119,836	63,373
Total Equity		**659,442**	**590,777**

The condensed notes on pages 11 to 18 are an integral part of these consolidated interim financial statements.

TPG Telecom Limited and its controlled entities
Consolidated interim statement of changes in equity

For the half-year ended 31 January 2013

In thousands of AUD	*Note*	Share capital	Foreign currency translation reserve	Treasury share reserve	Fair value reserve	Total reserves	Retained earnings	Total equity
Balance as at 1 August 2011		**502,874**	**100**	**(81)**	**1,092**	**1,111**	**11,876**	**515,861**
Profit for the period		-	-	-	-	-	55,662	55,662
Foreign currency translation differences		-	6	-	-	6	-	6
Net change in fair value of available-for-sale financial assets, net of tax		-	-	-	5,173	5,173	-	5,173
Total comprehensive income for the period		**-**	**6**	**-**	**5,173**	**5,179**	**55,662**	**60,841**
Share based payment transactions		-	-	19	-	19	-	19
Issue of ordinary shares		607	-	-	-	-	-	607
Transaction costs, net of tax		(24)	-	-	-	-	-	(24)
Dividends paid to shareholders	***13***	13,450	-	-	-	-	(17,638)	(4,188)
Total contributions by and distributions to owners		**14,033**	**-**	**19**	**-**	**19**	**(17,638)**	**(3,586)**
Balance as at 31 January 2012		**516,907**	**106**	**(62)**	**6,265**	**6,309**	**49,900**	**573,116**
Balance as at 1 August 2012		**516,907**	**106**	**(445)**	**10,836**	**10,497**	**63,373**	**590,777**
Profit for the period		-	-	-	-	-	78,293	78,293
Foreign currency translation differences		-	8	-	-	8	-	8
Net change in fair value of available-for-sale financial assets, net of tax		-	-	-	11,757	11,757	-	11,757
Total comprehensive income for the period		**-**	**8**	**-**	**11,757**	**11,765**	**78,293**	**90,058**
Share based payment transactions		-	-	437	-	437	-	437
Dividends paid to shareholders	***13***	-	-	-	-	-	(21,830)	(21,830)
Total contributions by and distributions to owners		**-**	**-**	**437**	**-**	**437**	**(21,830)**	**(21,393)**
Balance as at 31 January 2013		**516,907**	**114**	**(8)**	**22,593**	**22,699**	**119,836**	**659,442**

TPG Telecom Limited and its controlled entities
Consolidated interim Statement of Cash Flows

For the half-year ended 31 January 2013

In thousands of AUD	***Note***	**31 Jan 2013**	**31 Jan 2012**
Cash flows from operating activities			
Cash receipts from customers		392,707	364,227
Cash paid to suppliers and employees		(232,691)	(217,629)
Cash generated from operations		160,016	146,598
Income taxes paid		(40,999)	(27,715)
Net cash from operating activities		**119,017**	**118,883**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(33,199)	(33,749)
Acquisition of subsidiaries, net of cash acquired	***14***	-	(11,313)
Costs incurred on acquisition of subsidiaries	***14***	-	(132)
Acquisition of investments	***10***	(7,500)	(22,380)
Proceeds from sale of investments		2,475	-
Dividends received		1,196	603
Net cash used in investing activities		**(37,028)**	**(66,971)**
Cash flows from financing activities			
Transaction costs related to issue of shares		-	(24)
Payment of finance lease liabilities		(206)	(333)
Proceeds from borrowings	***11***	17,000	10,000
Repayment of borrowings	***11***	(71,000)	(36,677)
Transaction costs related to loans & borrowings		-	(1,290)
Interest received		1,087	466
Interest paid		(4,391)	(9,018)
Dividends paid, net of Dividend Reinvestment Plan	***13***	(21,830)	(4,188)
Net cash used in financing activities		**(79,340)**	**(41,064)**
Net increase in cash and cash equivalents		2,649	10,848
Cash and cash equivalents at beginning of the period		13,767	9,525
Effect of exchange rate fluctuations		(201)	(445)
Cash and cash equivalents at 31 January		**16,215**	**19,928**

The condensed notes on pages 11 to 18 are an integral part of these consolidated interim financial statements.

1. Reporting entity

TPG Telecom Limited (the 'Company') is a company domiciled in Australia. The consolidated interim financial report of the Company for the six months ended 31 January 2013 comprises the Company and its subsidiaries (together referred to as the 'Group').

The consolidated annual financial report for the Group for the year ended 31 July 2012 is available on the Company's website www.tpg.com.au.

2. Statement of Compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Group for the year ended 31 July 2012.

The consolidated interim financial report was approved by the Board of Directors on 19 March 2013.

The Group is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

3. Significant accounting policies

The accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial report for the year ended 31 July 2012.

4. Basis of measurement

Notwithstanding the fact that the classifications within the 31 January 2013 consolidated statement of financial position show a net current liability position, the accounts have been prepared on a going concern basis as there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable based on its Board approved cashflow projections.

5. Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 July 2012.

6. Segment reporting

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer (the chief operating decision maker) in assessing performance and in determining the allocation of resources.

6. Segment Reporting (continued)

The operating segments identified by the Group are the Consumer and Corporate segments.

The Group's Consumer segment provides retail telecommunications services to retail and small business customers. The Group's Corporate segment provides telecommunications services to corporate, government, and wholesale customers.

In the following table, costs in the 'Unallocated' column comprise professional fees incurred in relation to business combinations, plus other corporate costs and listing fees.

6. Segment Reporting (continued)

In thousands of AUD	Information about reportable segments						Reconciliation to profit for the period			
	Consumer		Corporate		Total results		Unallocated		Consolidated results for the period	
	31 Jan 2013	31 Jan 2012*	31 Jan 2013	31 Jan 2012*	31 Jan 2013	31 Jan 2012	31 Jan 2013	31 Jan 2012	31 Jan 2013	31 Jan 2012
Revenue	230,628	200,227	126,411	124,281	357,039	324,508	-	-	357,039	324,508
Other income	-	-	-	-	-	-	2,326	603	2,326	603
Telecommunications expense	(107,566)	(101,418)	(46,629)	(44,500)	(154,195)	(145,918)	-	-	(154,195)	(145,918)
Employee benefits expense	(13,309)	(11,287)	(16,427)	(17,223)	(29,736)	(28,510)	(57)	-	(29,793)	(28,510)
Other expenses	(14,918)	(13,531)	(5,877)	(5,130)	(20,795)	(18,661)	(973)	(160)	(21,768)	(18,821)
Results from Segment activities	**94,835**	**73,991**	**57,478**	**57,428**	**152,313**	**131,419**	**1,296**	**443**	**153,609**	**131,862**
Depreciation of plant and equipment									(24,195)	(23,034)
Amortisation of intangibles									(12,699)	(17,846)
Results from operating activities									116,715	**90,982**
Net financing costs									(4,025)	(10,245)
Profit before income tax									**112,690**	**80,737**
Income tax expense									(34,397)	(25,075)
Profit for the period									**78,293**	**55,662**

Geographic Information

All of the Group’s revenues are derived from Australian based entities, except for $4.5m (2012: $3.6m) derived from overseas customers.

All of the Group’s non-current assets are located in Australia, except for assets amounting to $126.2m (2012: $129.7m) that are located either overseas or in international waters.

* The prior year comparative figures have been slightly restated by re-allocating an amount of $4.5m between the revenue and telecommunications expenses of the two segments in order to better reflect the effects of inter-segment transactions. This re-statement has not impacted the respective segments' reported profits.

7. Revenue

In thousands of AUD	31 Jan 2013	31 Jan 2012
Revenue comprises the following:		
Rendering of services	321,696	287,931
Sale of goods	4,548	3,161
Network capacity sales, recognised as:		
operating leases	20,297	20,881
finance leases	10,498	12,535
	357,039	**324,508**

8. Other income

In thousands of AUD	31 Jan 2013	31 Jan 2012
Dividend income	1,196	603
Profit on sale of investments	1,130	-
	2,326	**603**

9. Income tax

In thousands of AUD	31 Jan 2013	31 Jan 2012
Current tax expense		
Current period	40,181	26,511
Adjustments for prior periods	-	30
	40,181	**26,541**
Deferred tax expense		
Origination and reversal of temporary differences	(6,060)	(1,719)
Adjustments for prior periods	276	253
	(5,784)	(1,466)
Income tax expense	**34,397**	**25,075**

Numerical reconciliation between tax expense and pre-tax accounting profit

In thousands of AUD	31 Jan 2013	31 Jan 2012
Profit before tax	112,690	80,737
Income tax using tax rate of 30%	33,807	24,221
Increase in income tax expense due to:		
Non-deductible expenses	314	571
Under-provided in prior periods	276	283
Income tax expense	**34,397**	**25,075**

10. Investments

In thousands of AUD	31 Jan 2013	31 July 2012
Available-for-sale financial assets		
Current		
Carrying amount at 1 August	47,619	11,293
Acquisitions	-	22,406
Disposals at cost	(1,345)	-
Change in fair value	16,796	13,920
Carrying amount at end of period	**63,070**	**47,619**
Non-current		
Carrying amount at 1 August	-	-
Acquisitions	7,500	-
Carrying amount at end of period	**7,500**	**-**

10. Investments (continued)

The current available-for-sale financial assets represent investments in ASX listed equity securities.

The non-current available-for-sale financial assets balance represents an investment in Cocoon Data Holdings Limited ('CDHL'). During the half year ended 31 January 2013, the Company entered into an agreement with CDHL under which the Company agreed to a) invest $5.0m to acquire approximately 15% of the ordinary shares in CDHL, and b) purchase a further $5.0m of CDHL securities in the form of Converting Notes. $7.5m of the total committed $10m investment was paid during the half year, with the remaining $2.5m payable upon delivery by CDHL of products detailed within a Product Development and Distribution Agreement which was also entered into by the two parties during the period.

11. Loans and borrowings

In thousands of AUD	**31 Jan 2013**	**31 July 2012**
Current Liabilities		
Finance lease liabilities	241	357
Non-current liabilities		
Gross secured bank loans	95,000	149,000
Less: Unamortised borrowing costs	(4,141)	(5,129)
Secured bank loans	90,859	143,871
Finance lease liabilities	399	489
	91,258	**144,360**

The Group's bank loan has a limit of $300m, of which $205m was undrawn as at 31 January 2013. During the half year ended 31 January 2013, the Group repaid $54m net of a drawdown of $17m. The Group also has a $20m working capital facility in place as at 31 January 2013.

The security provided by the Group to secure the bank facilities is unchanged from that detailed in the 31 July 2012 annual report.

12. Earnings per share

	31 Jan 2013 Cents	31 Jan 2012 Cents
Basic and diluted earnings per share	9.9	7.1

In thousands of AUD	31 Jan 2013	31 Jan 2012
Profit attributable to ordinary shareholders used in calculating basic and diluted earnings per share	78,293	55,662

Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	31 Jan 2013 Number	31 Jan 2012 Number
Ordinary shares on issue at 1 August	793,808,141	783,481,644
Effect of shares issued under the Dividend Reinvestment Plan	-	3,771,073
Effect of shares issued on acquisition of IntraPower Limited	-	301,300
Weighted average number of ordinary shares at 31 January	**793,808,141**	**787,554,017**

13. Dividends

Dividends recognised in the current period were as follows:

In thousands of AUD	Cents per share	Total amount	Amount paid in Cash	Amount paid in Shares	Date of payment
2013					
Final 2012 ordinary	2.75	21,830	21,830	-	20 Nov 2012
2012					
Interim 2012 ordinary	2.75	21,830	21,830	-	22 May 2012
Final 2011 ordinary	2.25	17,638	4,188	13,450	22 Nov 2011

All dividends recognised were fully franked at the tax rate of 30%.

On 19 March 2013 the directors have declared a fully franked interim 2013 dividend of 3.5 cents per share. The dividend has a record date of 16 April 2013 and will be paid on 21 May 2013. The directors suspended the Dividend Reinvestment Plan (DRP) with effect from the interim FY12 dividend until further notice and, accordingly, the DRP will not apply to the interim FY13 dividend.

14. Business Combinations

The Group acquired IntraPower Limited on 3 August 2011. The FY12 annual report contains further details of this acquisition.

15. Subsequent events

There has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

TPG Telecom Limited and its controlled entities
Directors' declaration

For the half-year ended 31 January 2013

In the opinion of the directors of TPG Telecom Limited ("the Company"):

1. the financial statements and notes set out on pages 6 to 18, are in accordance with the *Corporations Act 2001* including:

   a. giving a true and fair view of the financial position of the Group as at 31 January 2013 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and

   b. complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 19th day of March 2013.

Signed in accordance with a resolution of the directors:

David Teoh
Chairman

KPMG

Independent auditor's review report to the members of TPG Telecom Limited

We have reviewed the accompanying half-year financial report of TPG Telecom Limited, which comprises the consolidated statement of financial position as at 31 January 2013, consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year period ended on that date, notes 1 to 15 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year period.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 January 2013 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of TPG Telecom Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of TPG Telecom Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 January 2013 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

KPMG

KPMG

Anthony Travers
Partner

Sydney

19 March 2013

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of TPG Telecom Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 January 2013 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Anthony Travers
Partner

Sydney

19 March 2013