



# 2011

ANNUAL GENERAL MEETING  
7 December 2011



FY11 EBITDA of \$234.0m; 37% growth on prior year

First full 12 months EBITDA contribution from PIPE Networks of \$57.2m

Strong organic EBITDA growth across all core continuing business operations

Organic broadband subscriber growth for the year of 59k (77k On Net), driven by Home Phone Bundle. Continued growth in FY12

Network rollout for VHA contract progressing well to schedule

Repaid \$100m of debt in FY11

Refinancing of current facilities with improved terms negotiated in 1H12

Acquisition of Cloud expertise and infrastructure via purchase of IntraPower

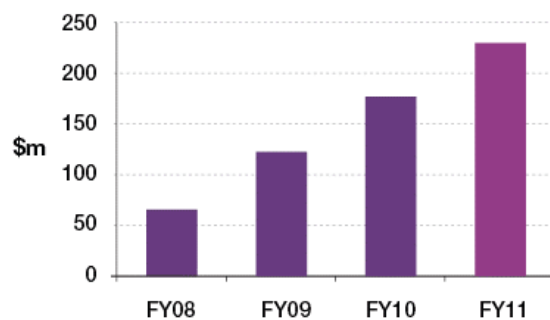
\$m

	FY11	FY10	Growth
<b>Revenue</b>	574.5	508.0	13%
<b>EBITDA</b>	234.0	171.1	37%
<b>NPAT</b>	78.2	55.7	40%
<b>EPS (cents)</b>	10.1	7.6	33%
<b>EPS (cents) excl. intangible amortisation</b>	14.3	11.8	21%

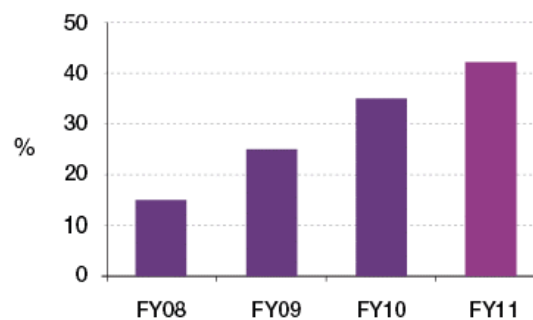
# FY11 Financials: 3 Consecutive Years of Strong Growth



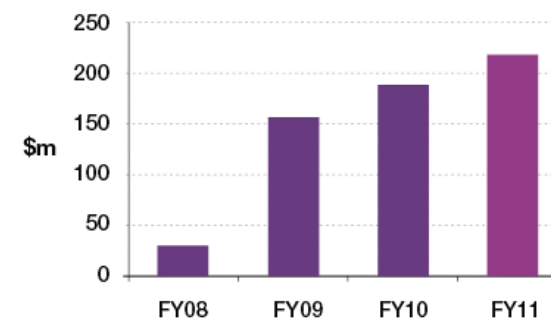
### EBITDA



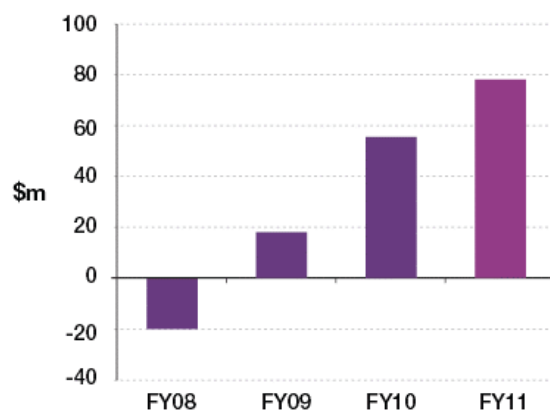
### EBITDA Margin



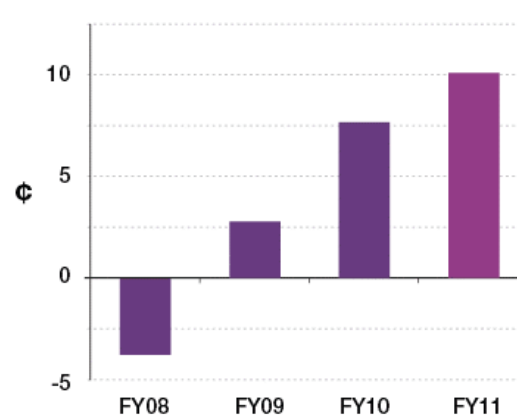
### Operating Cashflow



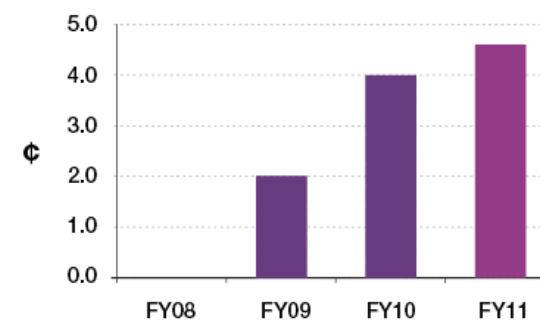
### NPAT



### EPS

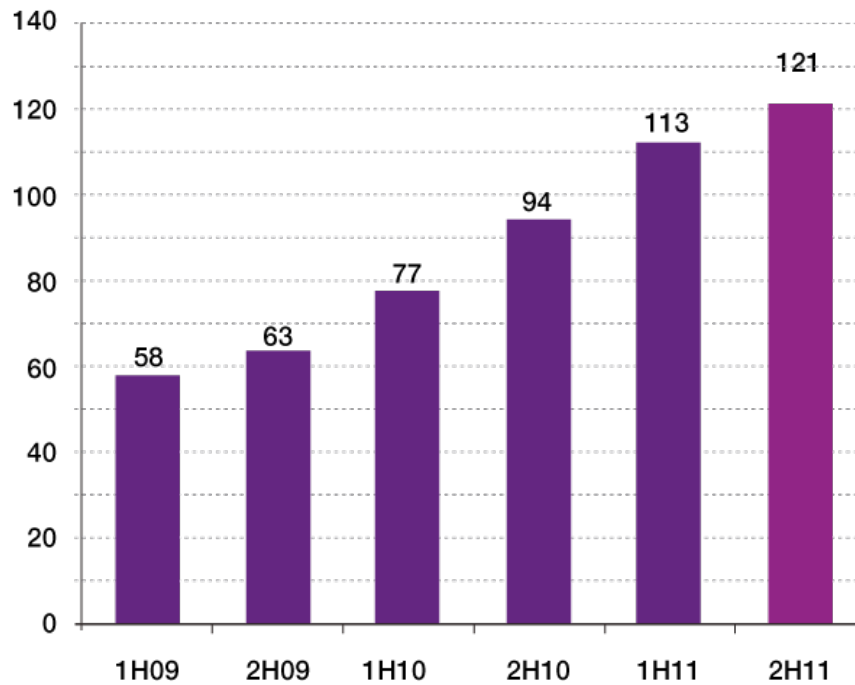


### Dividend

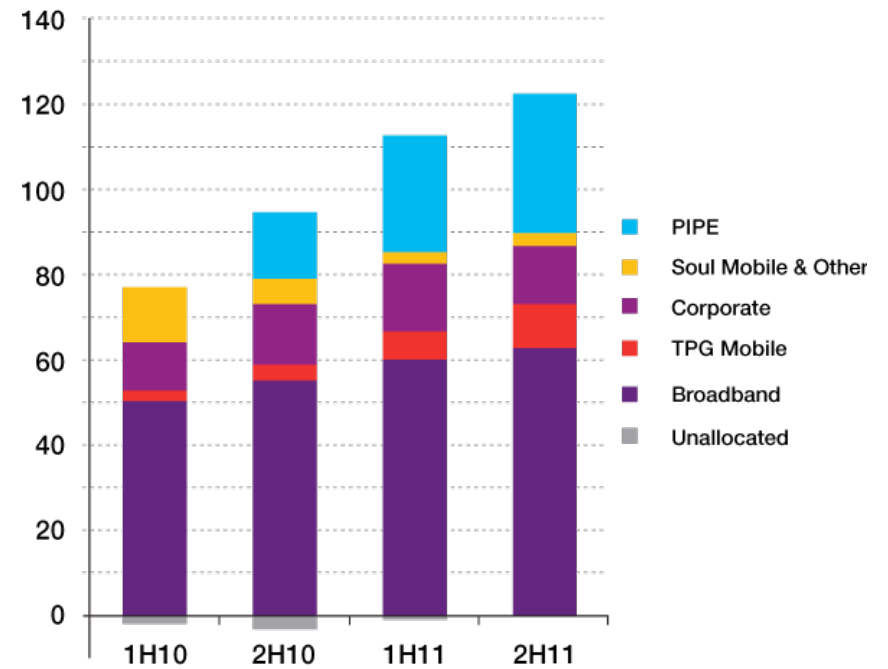




## EBITDA Growth (\$m)



## EBITDA Composition (\$m)



Strong organic EBITDA growth continued

\$m

	FY11	FY10
<b>Operating Cash Flow</b>	215.2	189.1
<b>Tax</b>	(47.5)	(16.8)
<b>Interest</b>	(23.4)	(11.5)
<b>Capex</b>	(43.3)	(68.2)
<b>Free Cash Flow</b>	101.0	92.6

	\$m
<b>Group debt balance at 31 July 2010</b>	332
<b>Repayments made during FY11</b>	(100)
<b>Group debt balance at 31 July 2011</b>	232

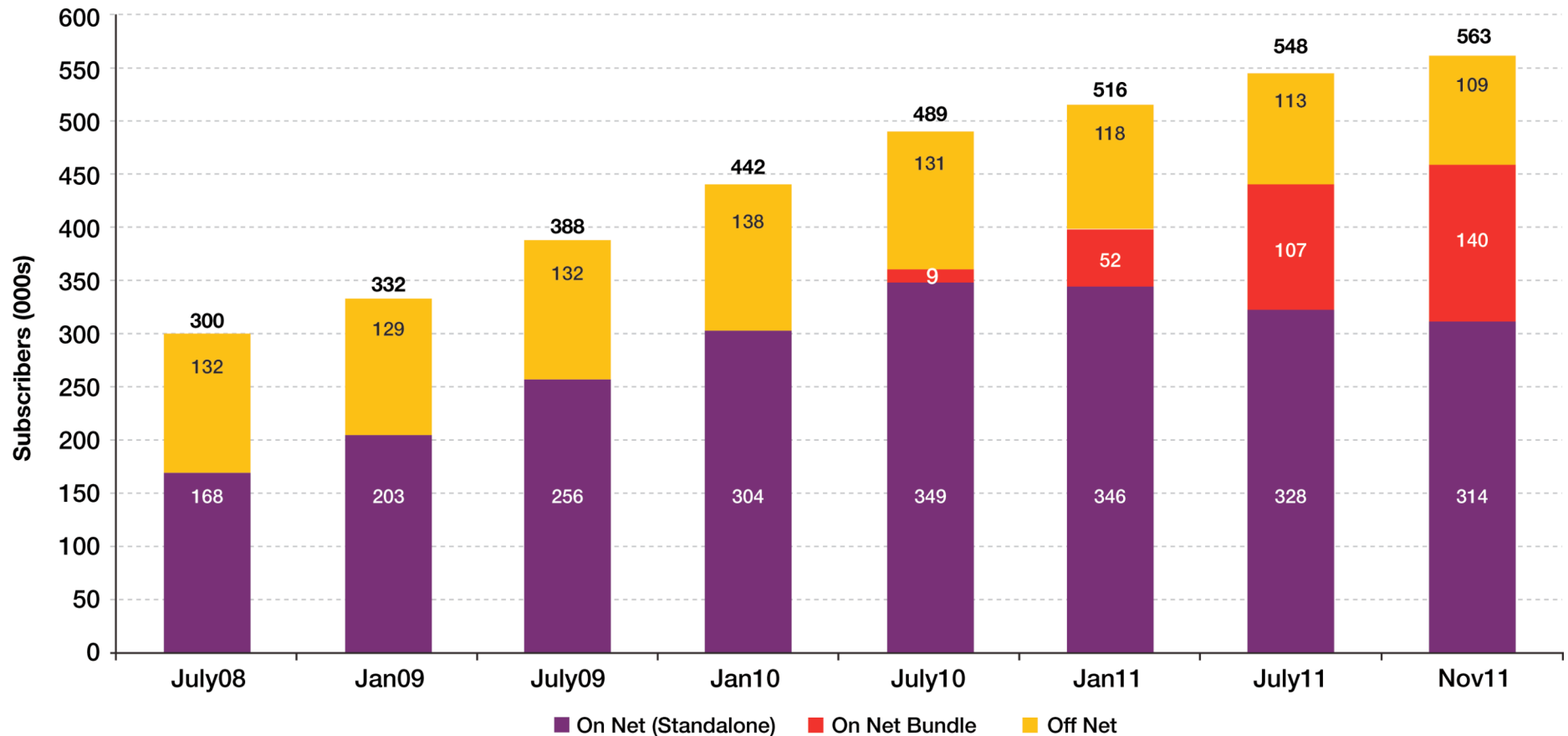
Further \$10m repaid to-date in FY12

Debt to annual EBITDA leverage ratio < 1.0

Refinancing with existing syndicate for execution in Dec 11

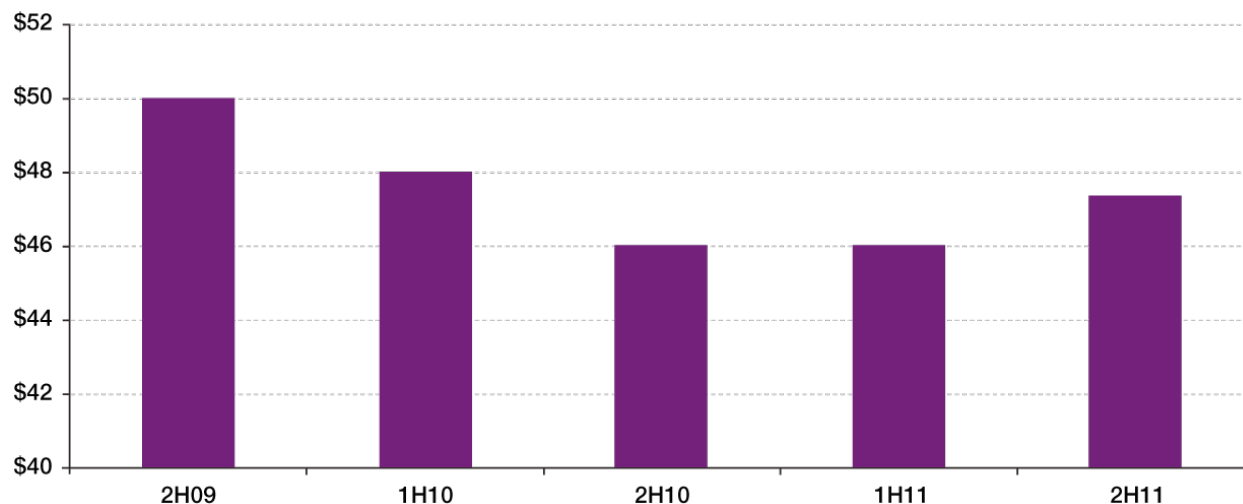
- term extended to 2015
- improved pricing
- \$320m facility limit
- no compulsory repayments until end of term

# Broadband Subscribers



- All subscriber growth is organic
- Overall On Net growth of 77k net additions in FY11
- On Net churn 1.5%
- 19k On Net growth in 4 Months -to-date in FY12

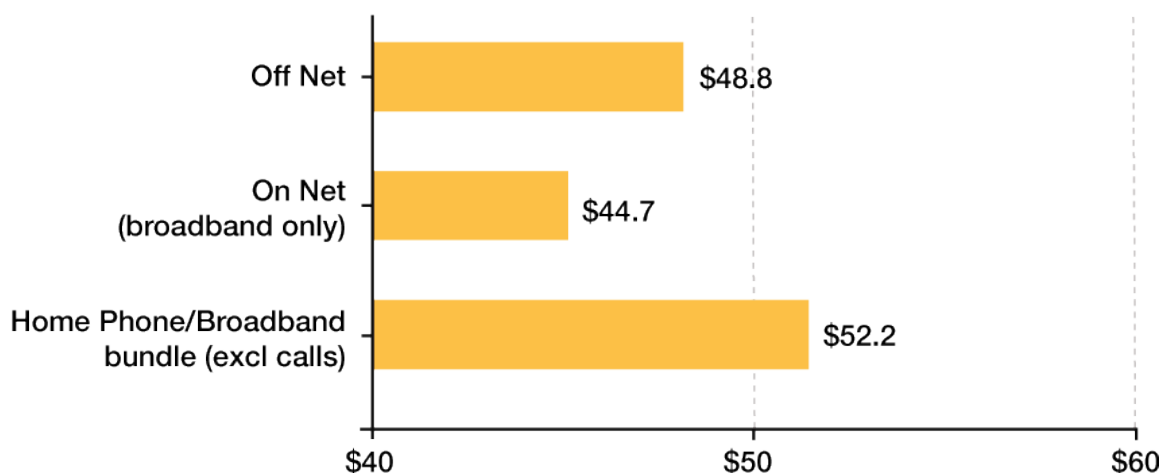
## Overall Broadband ARPU Trend



- ARPU now trending higher as the best selling bundled plan (\$59.99 incl. GST) forms a larger proportion of the customer base

- The bundle also generates monthly call charge revenue not included in these charts; currently approx \$7.0 (excl. GST)

## 2H11 Broadband ARPU composition



*Note: ARPUs shown excl. GST and any one-off charges e.g. installs and equipment sales*

BUNDLE DEAL

24 MONTH PLAN

# UNLIMITED ADSL2+

\$ **69**<sup>99</sup>  
PER MONTH

MIN CHARGE \$1789.71  
Includes upfront fees

INCLUDES:

Offer available to new customers only



LINE RENTAL  
TPG Home Phone



UNLIMITED LOCAL  
& Standard National Calls to Landlines



100 INTERNATIONAL  
Minutes Per Month



Wi-Fi MODEM  
Internet Gateway

Min charge includes \$10 Delivery + \$20 Deposit + \$79.95 Setup. New customers only. See website for exclusions, rates, coverage & terms.

# Introducing SOHO Bundle Deal



**\$ 129<sup>99</sup>** PER MONTH  
MIN CHARGE \$3449.71  
Includes upfront fees



**BUSINESS  
LANDLINE**

+



**5x MOBILE  
\$550 Value PLANS**

+



**1GB MOBILE  
BROADBAND**

+



**ADSL2+  
ROUTER**

**UNLIMITED**  
+  
**ADSL2+**

**SOHO BUNDLE DEAL**

**24 MONTH PLAN**

Min charge: \$140 Deposit + Once off \$100 SIM (6 SIMs) + \$79.95 Setup + \$10 Delivery. Limited coverage availability at selected ADSL2+ enabled exchange areas.

# IMPROVED INSTALL TIMES

## ADSL2+ with Home Phone

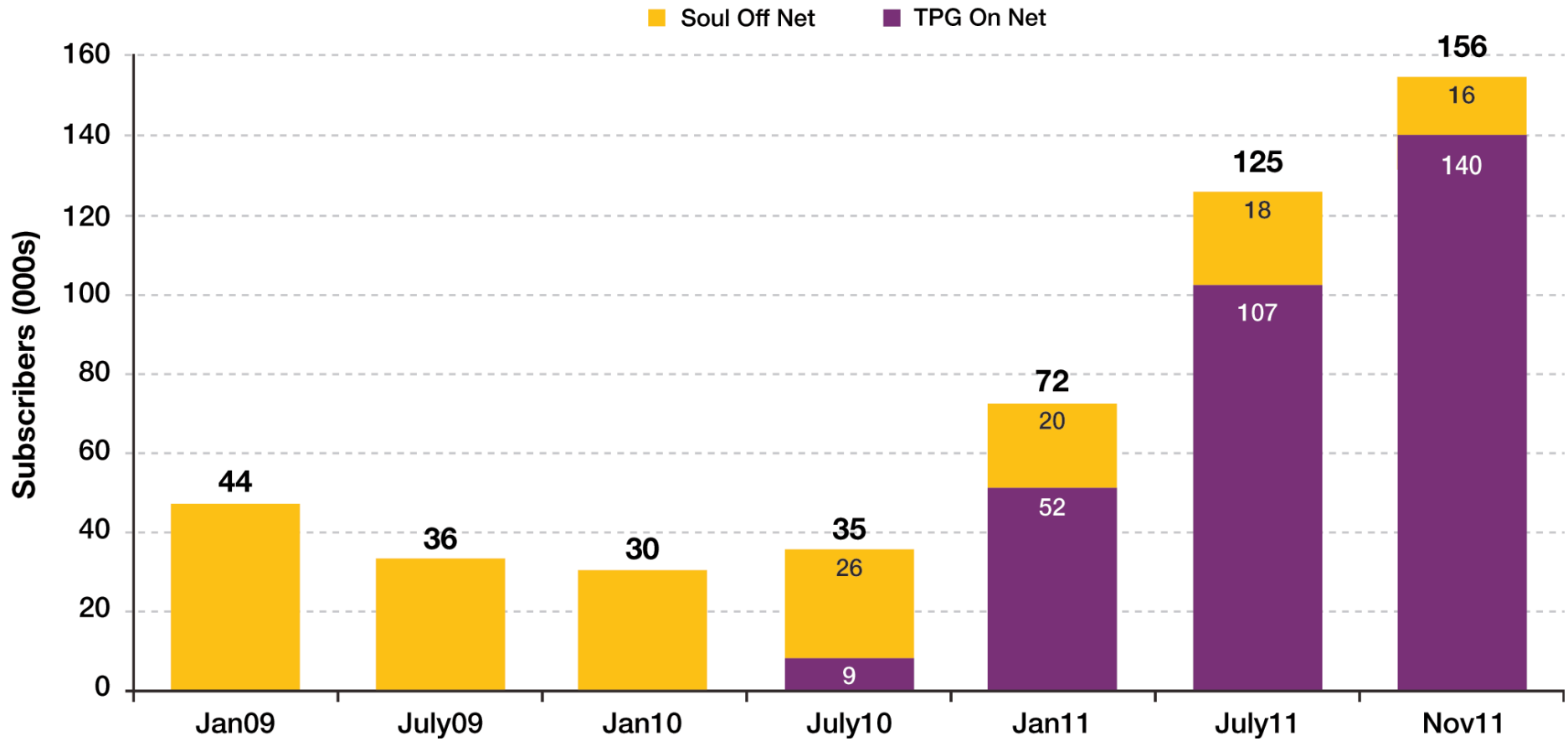


- Internet downtime during installation reduced to 2 hours or less
- Available to new and existing customers
- Formally implemented from December 11

*Note: Previous installation process required ADSL2+ service to be cancelled prior to order – customers used to experience 10 to 15 days of Internet outage.*

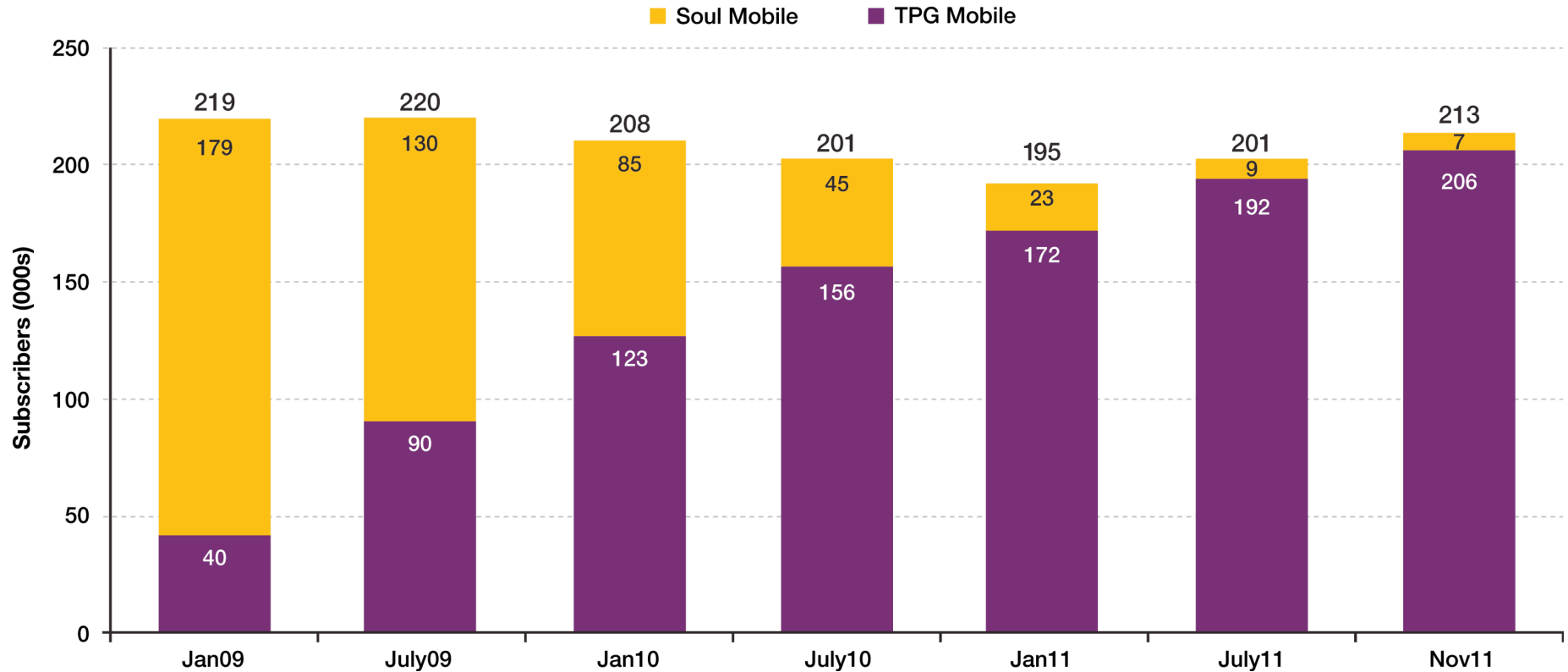


# Home Phone Subscribers



Strong growth driven by On Net broadband bundle

# Mobile Subscribers



Overall mobile base is growing now that wind-down of Soul mobile base is almost complete

36k TPG mobile subscriber growth in FY11 and 14k added in 4 months to-date in FY12

# TRUSTEDCLOUD™

Secure, Reliable IT as a Service

## **IntraPower acquisition effective August 2011**

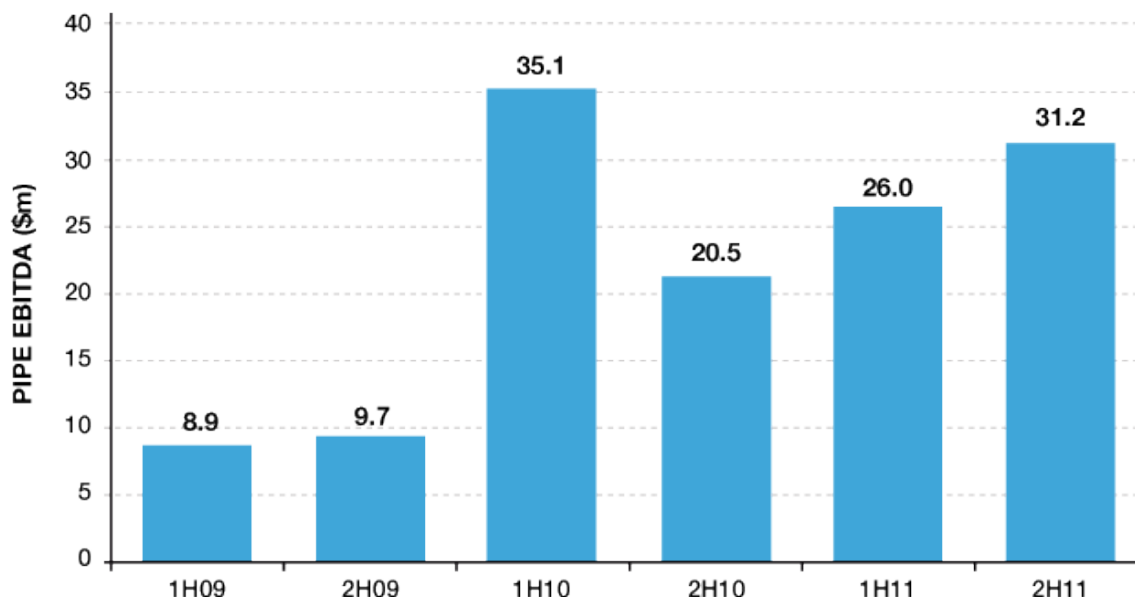
### **Provides secure and reliable “IT-as-a-service”**

Winner of 2011 Australian Telecommunications Users Group (ATUG) Award for the Best Communications Initiative for Small Business

### **Trusted Cloud Platform**

Enables on-demand network access to a shared pool of computing resources with the objective of providing availability from anywhere at any time.

- Expanding premium infrastructure in Melbourne, Brisbane and Sydney
- Adding new cloud based products for business
- Expanding sales force in Sydney, Melbourne, and Brisbane through cross-training



Strong organic EBITDA growth, driven by domestic Fibre, Ethernet and IP sales

\$6.4m net gain on sale of domestic capacity IRU in 2H11 partially off-set by increased duct rental charges arising from network rollouts to service major contract wins

FY10 EBITDA (pre acquisition by TPG) incorporated large one-off profits from PPC-1 IRU sales

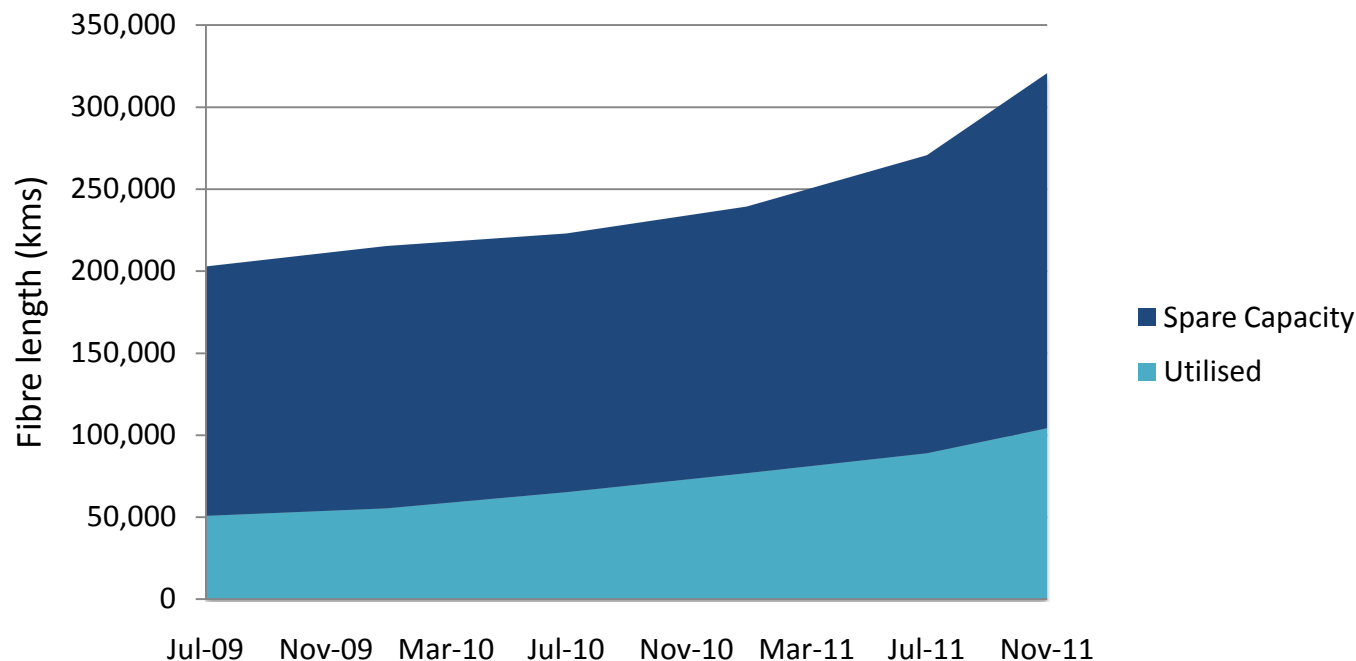
*Notes:*

*1H11 domestic EBITDA includes a one-off \$1.75m non-recurring benefit.*

*PIPE's results only consolidated by TPG from April 2010.*

*PIPE's full year FY10 results are unaudited and exclude one-off costs associated with its sale.*

## Network Utilisation

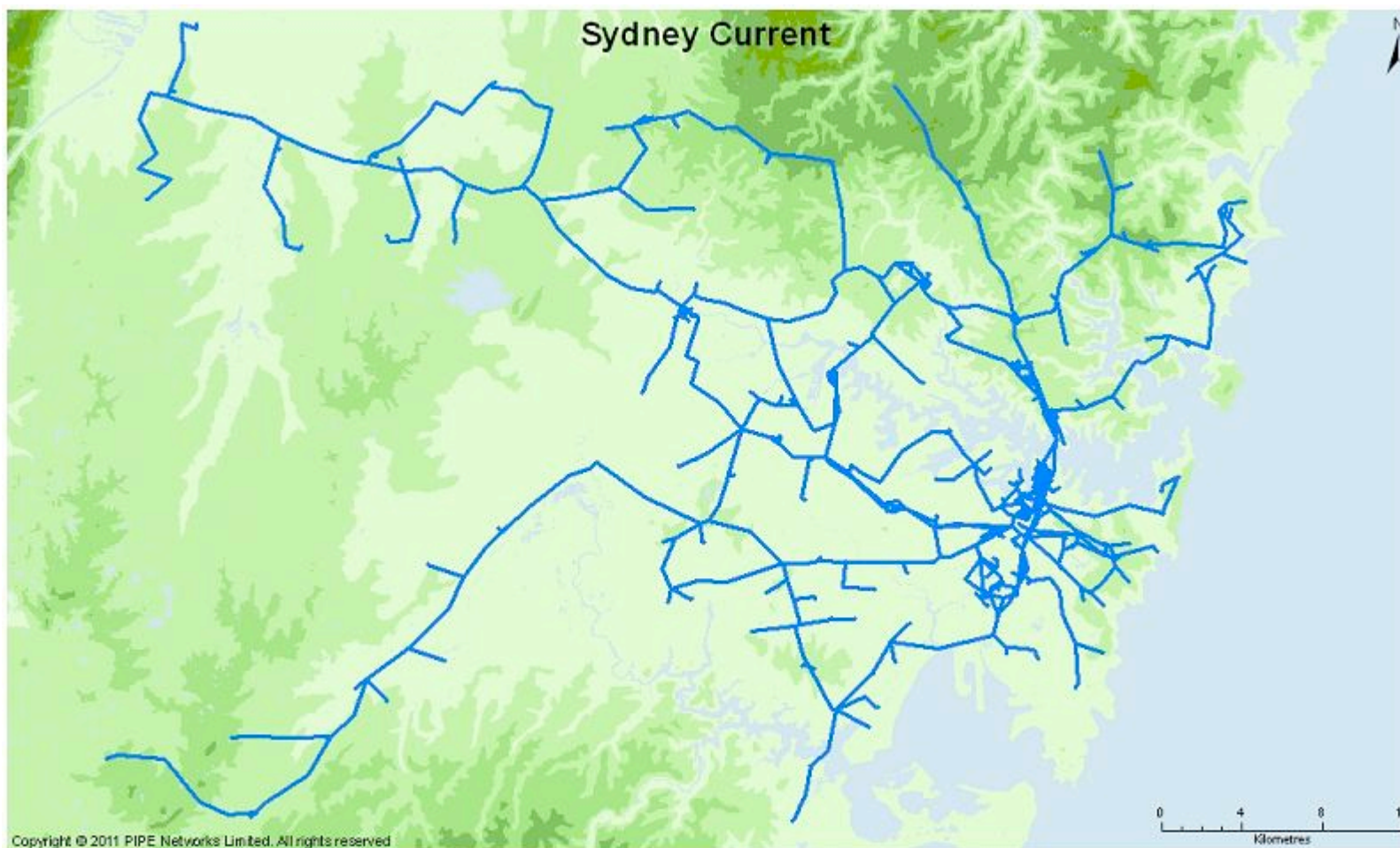


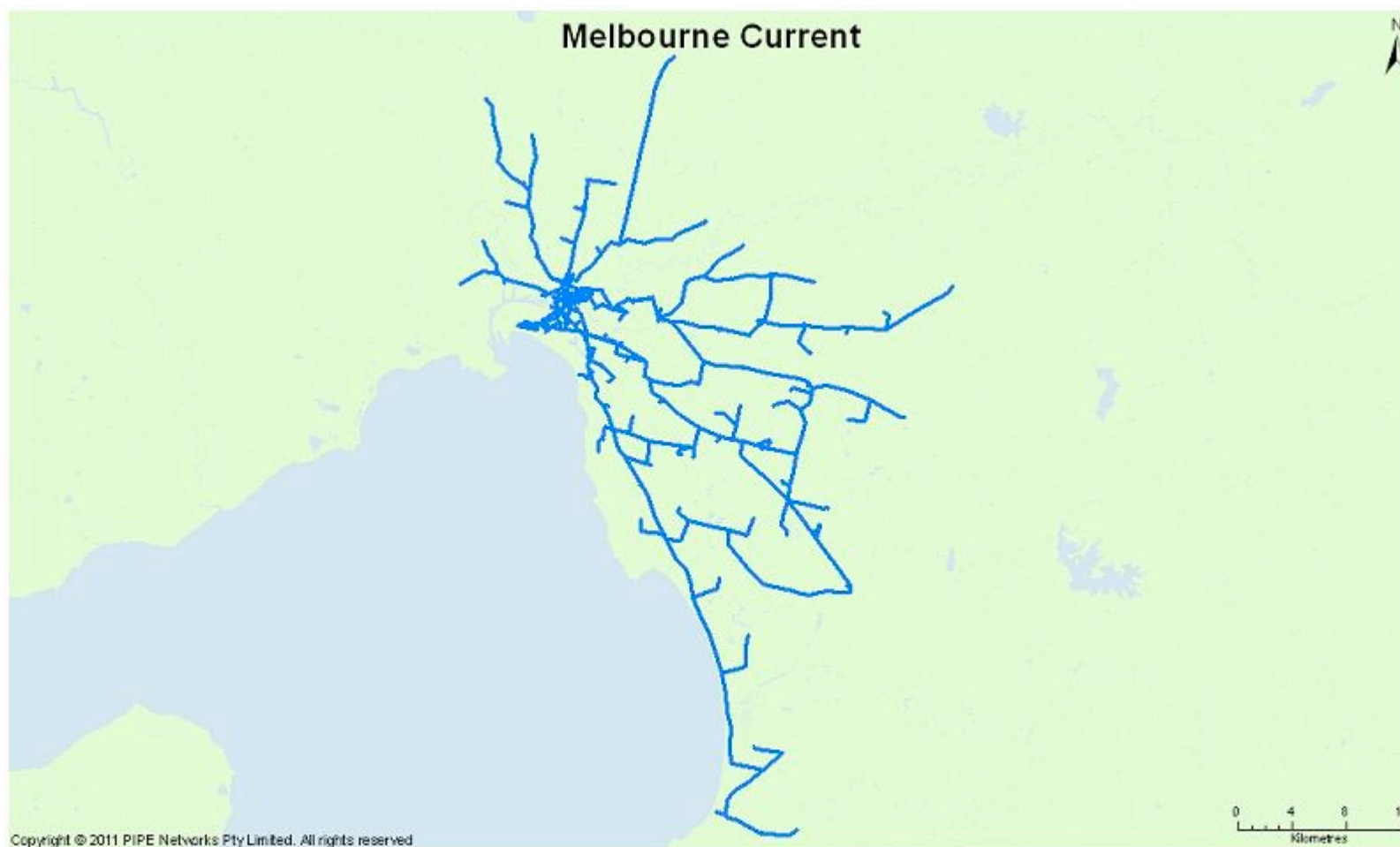
Fibre network at 2,147 cable kms at Nov 2011, with significant growth during FY11 due to VHA, ASX and IRESS dark fibre contracts.

Utilisation up to 33% at Nov-11 (29% at Jul-10) as the existing “On-Net” network (lower delivery cost) is utilised, via strong organic growth in PipeFibre, PipeEthernet and PipeIP products.

Utilisation may drop as new fibre capacity is built to service the VHA contract, however this will also provide significant new opportunities due to expanded network reach.

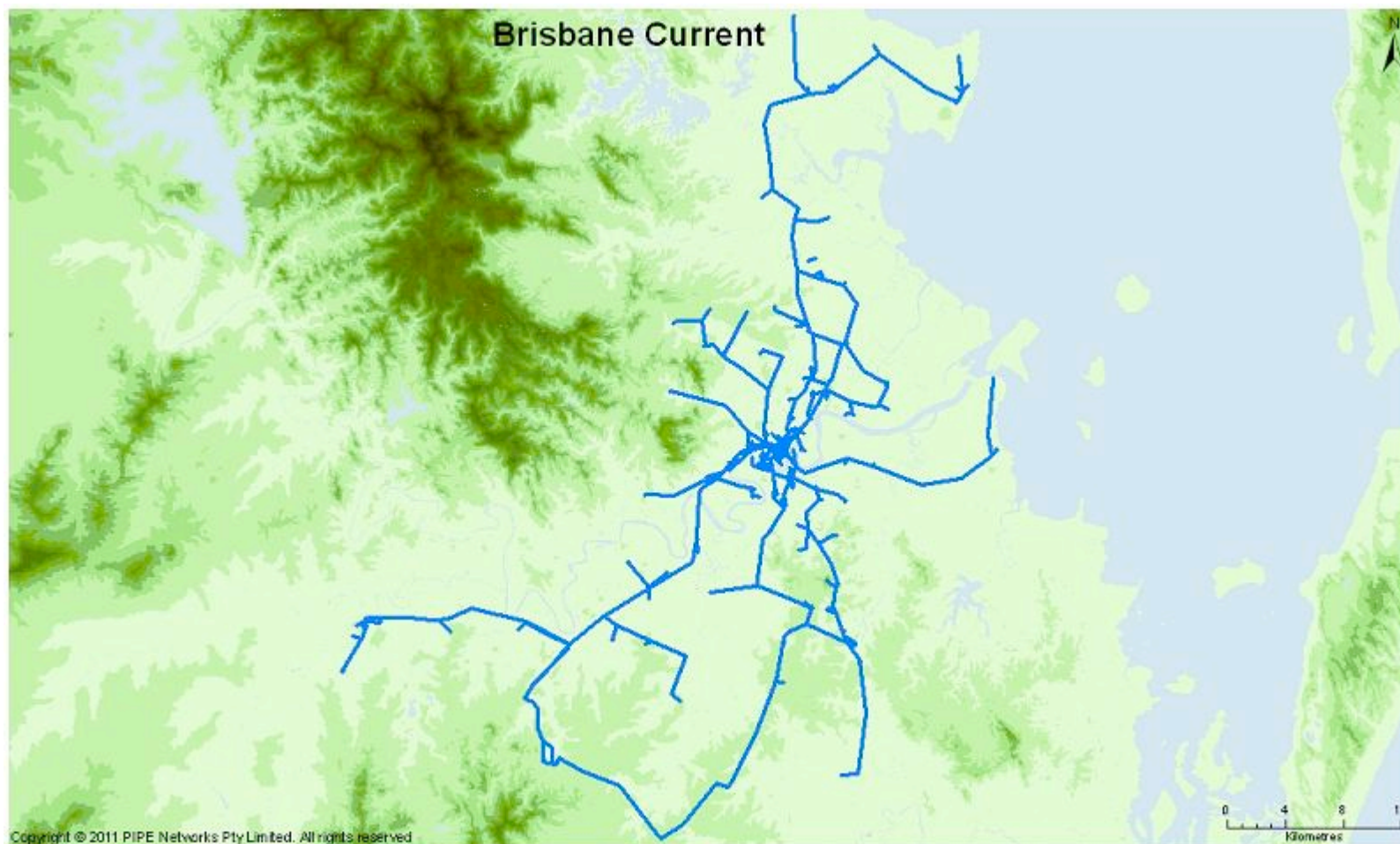
# PIPE Networks – Sydney Network Growth



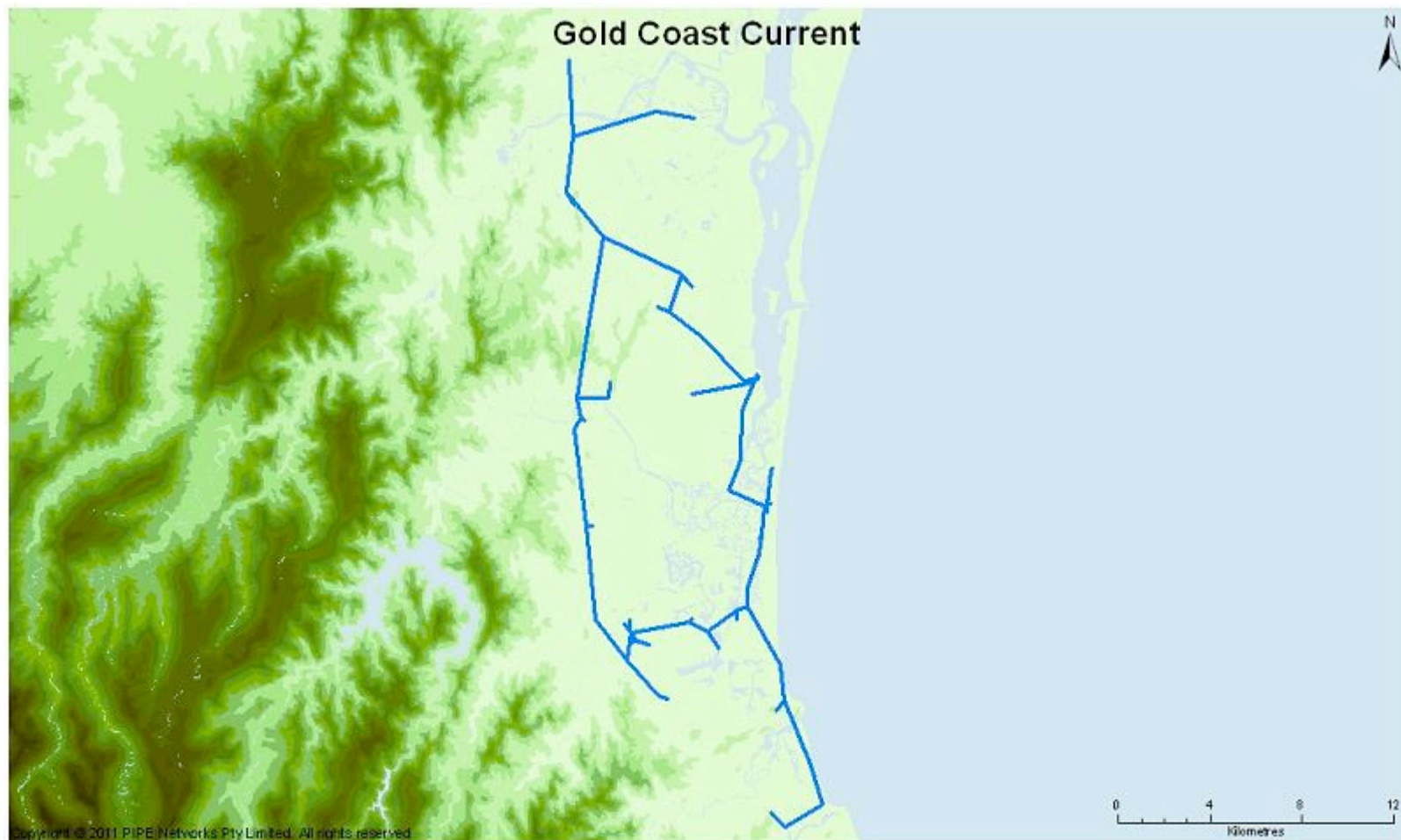




# PIPE Networks – Brisbane Network Growth







\$m

	<b>Guidance</b>
<b>FY12 EBITDA</b>	<b>250 - 260</b>

Year-to-date results tracking well against budget

# Thank you

Questions?

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.