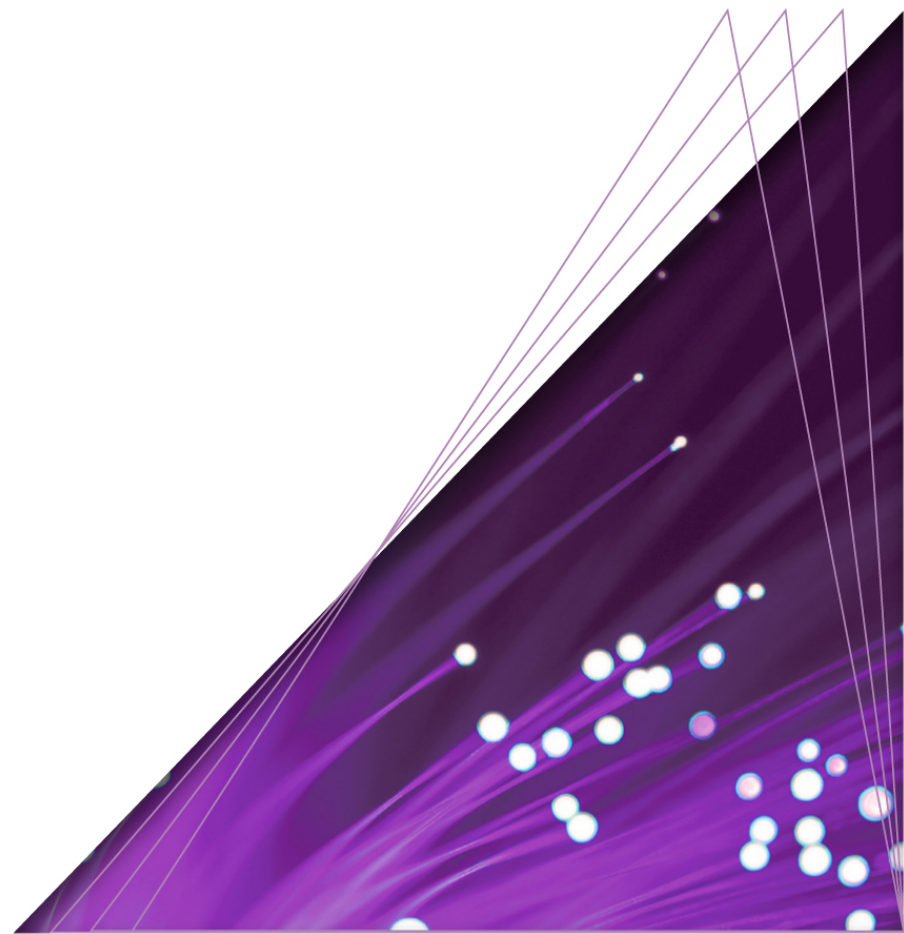


# 2013



## ANNUAL GENERAL MEETING

4 DECEMBER 2013



EBITDA up 12% to \$293.1m

Reported NPAT up 64% to \$149.2m

Reported EPS up 63% to 18.8 cents

} both up 31% excluding impact of tax legislation change on prior year results

Consumer division EBITDA of \$180.6m up \$31.1m, driven by net increase of 76,000 broadband subscribers and 105,000 mobile phone subscribers

Corporate division EBITDA of \$110.3m, up 13% on an underlying basis\*

Free cashflow of \$174.5m; \$107m debt repaid

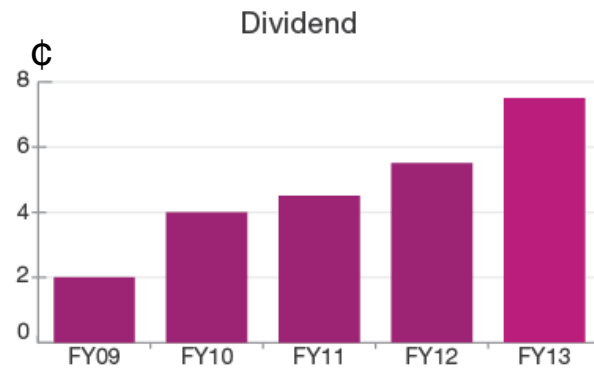
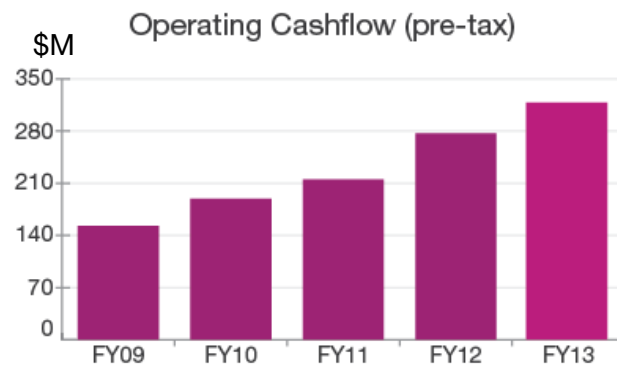
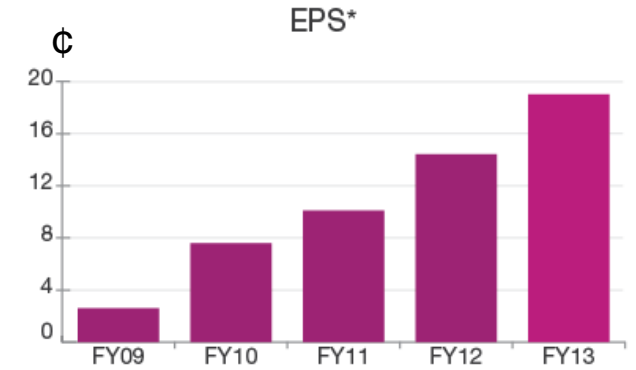
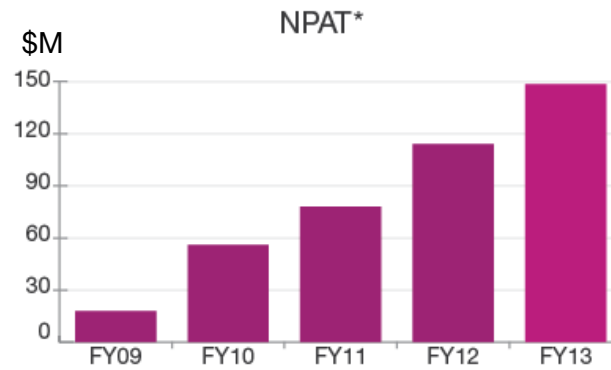
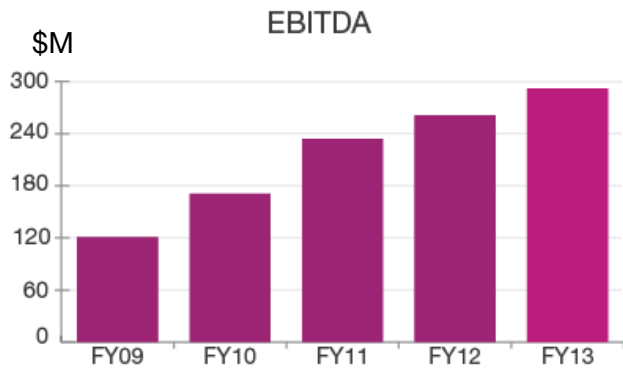
Total FY13 dividends up 36% to 7.5 cents per share

\*Refer to notes on slide 9 for reconciliation to 'underlying' basis

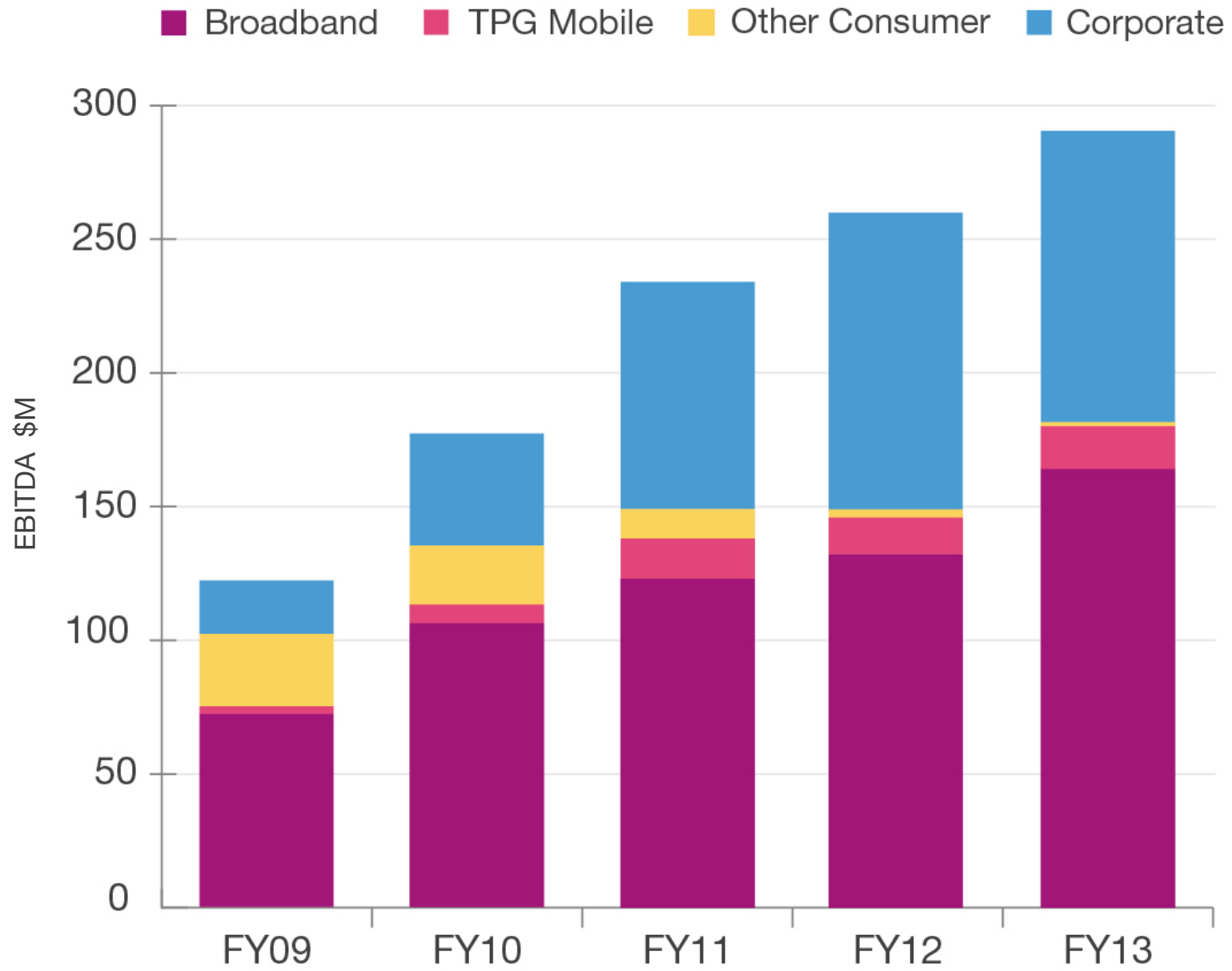
\$M

	FY13	FY12	Growth
Revenue	724.5	663.1	9%
EBITDA	293.1	261.4	12%
Reported NPAT	149.2	91.0	64%
Reported EPS (cents)	18.8	11.5	63%
<i>NPAT excluding FY12 one-off tax expense</i>	<i>149.2</i>	<i>114.2</i>	<i>31%</i>
<i>- adjusted EPS (cents)</i>	<i>18.8</i>	<i>14.4</i>	<i>31%</i>
<i>NPAT excluding amortisation &amp; one-off tax</i>	<i>165.9</i>	<i>137.9</i>	<i>20%</i>
<i>- adjusted EPS (cents)</i>	<i>20.9</i>	<i>17.4</i>	<i>20%</i>

# FINANCIALS: 5 CONSECUTIVE YEARS OF STRONG GROWTH



\* Note FY12 NPAT and EPS exclude the \$23m one-off tax expense that arose from the retrospective change in rights to future income tax legislation that occurred in that year.



\$M

	FY13	FY12
Operating Cash Flow	318.0	277.2
Tax	(79.2)	(47.7)
Interest	(6.0)	(14.9)
Capex	(58.3)	(64.6)
Free Cash Flow	174.5	150.0

\$M

	FY13	FY12
Free Cash Flow	<u>174.5</u>	<u>150.0</u>
<b>Utilisation of cash:</b>		
Debt repayments	107.0	84.5
Investment in data security business	10.0	-
Prior year investments	-	33.8
Dividend payments (net of DRP in FY12)	49.6	26.0
Other	(4.5)	1.4
Increase in cash at hand	<u>12.4</u>	<u>4.3</u>
	174.5	150.0

	\$M
Group debt balance at 31 July 2012	149.0
Repayments made during FY13	(107.0)
Group debt balance at 31 July 2013	42.0

As at December 2013 the Group is now in a net cash position.



# FINANCIALS: SEGMENT & PRODUCT ANALYSIS



\$M

REVENUE	TPG Broadband	TPG Mobile	Other Consumer	Consumer Total	Corporate	Unalloc.	Total
FY12	347.2	52.0	13.5	412.7	250.4	-	663.1
FY13	403.1	68.6	8.6	480.3	244.2	-	724.5

EBITDA	TPG Broadband	TPG Mobile	Other Consumer	Consumer Total	Corporate	Unalloc.	Total
FY12	131.8	14.2	3.5	149.5	110.8 <sup>2</sup>	1.1	261.4
FY13	162.5 <sup>1</sup>	15.8	2.3	180.6	110.3 <sup>3,4</sup>	2.2	293.1

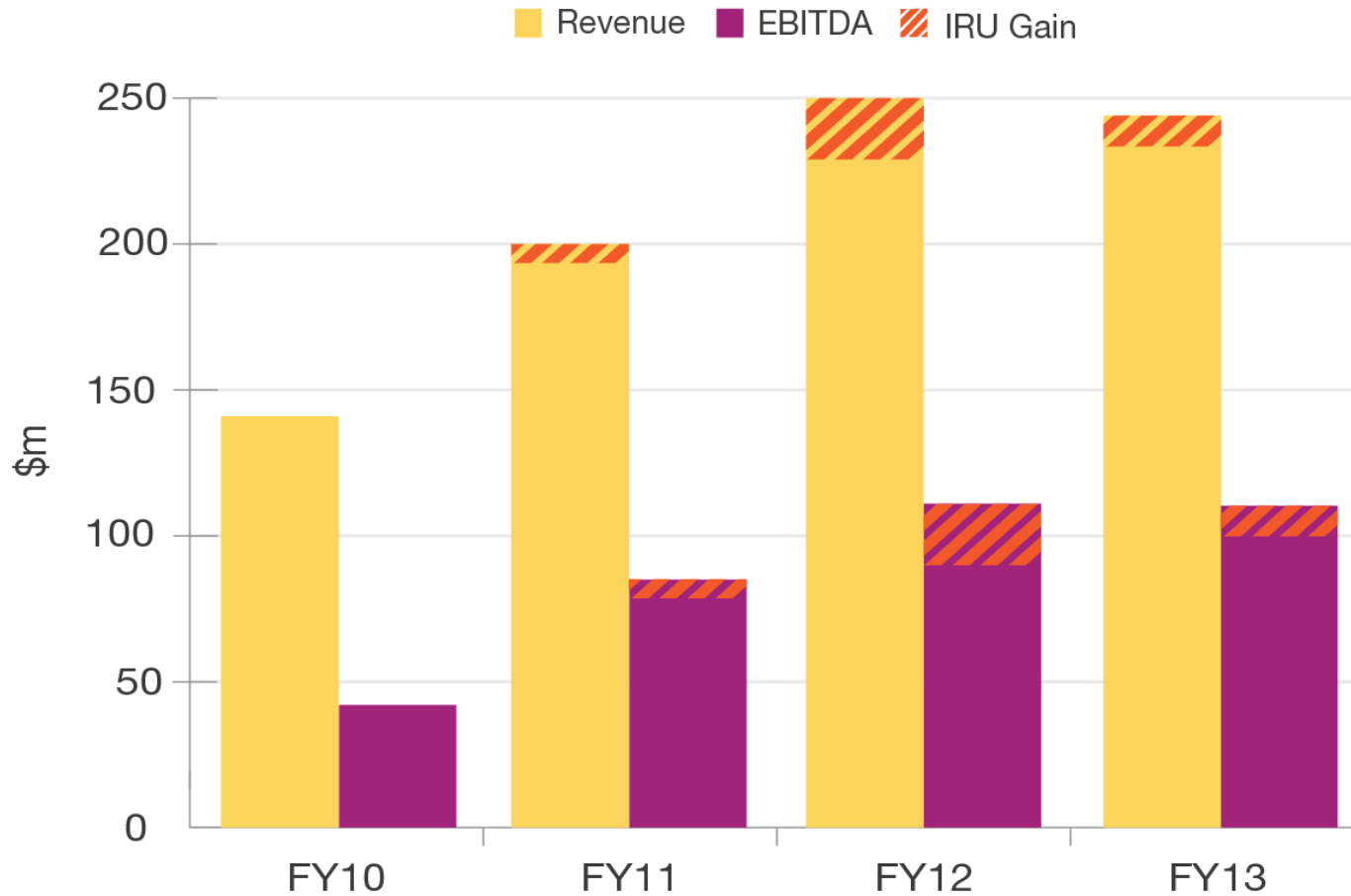
EBITDA MARGIN	TPG Broadband	TPG Mobile	Other Consumer	Consumer Total	Corporate	Unalloc.	Total
FY12	38%	27%	26%	36%	44% <sup>2</sup>	-	39%
FY13	40% <sup>1</sup>	23%	27%	38%	45% <sup>3</sup>	-	40%

<sup>1</sup>TPG Broadband FY13 EBITDA includes \$10.0m of net one-off benefits (principally back-dated supplier rebates).

<sup>2</sup>Corporate FY12 EBITDA included a \$20.7m net gain on sale of capacity under an IRU, and \$2.0m of other one-off benefits.

<sup>3</sup>Corporate FY13 EBITDA includes a \$10.5m net gain on sale of capacity under an IRU.

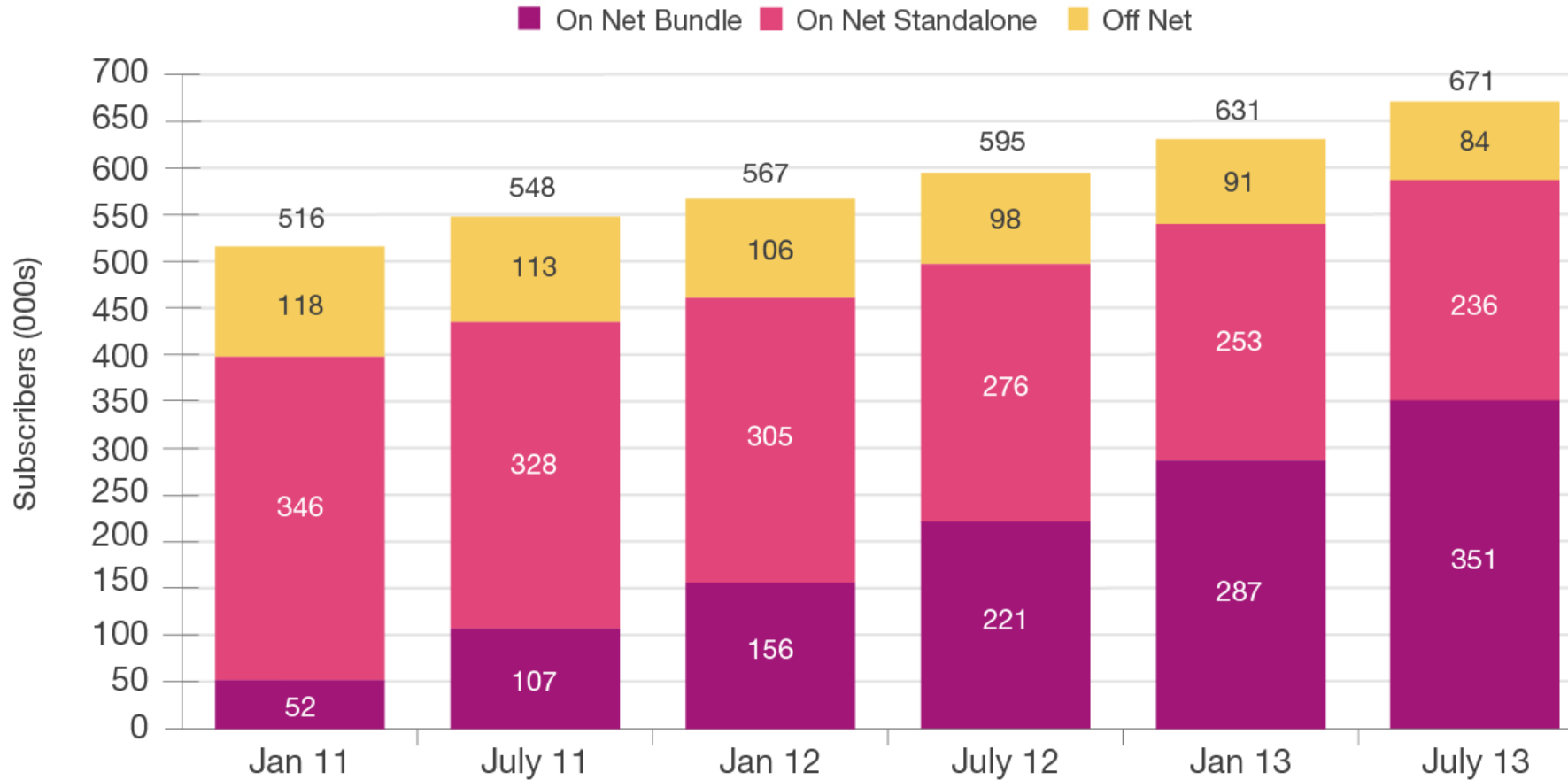
<sup>4</sup>Corporate FY13 EBITDA up by \$11.7m (13%) on an underlying basis (ie excluding the impact of 2 & 3 above).



FY12 EBITDA included a \$2.0m one-off benefit. Excluding this and the IRU gains, FY13 EBITDA is up by 13% on an underlying basis relative to FY12.

Underlying EBITDA margin % increased from 38% in FY12 to 43% in FY13.

# CONSUMER: BROADBAND SUBSCRIBERS



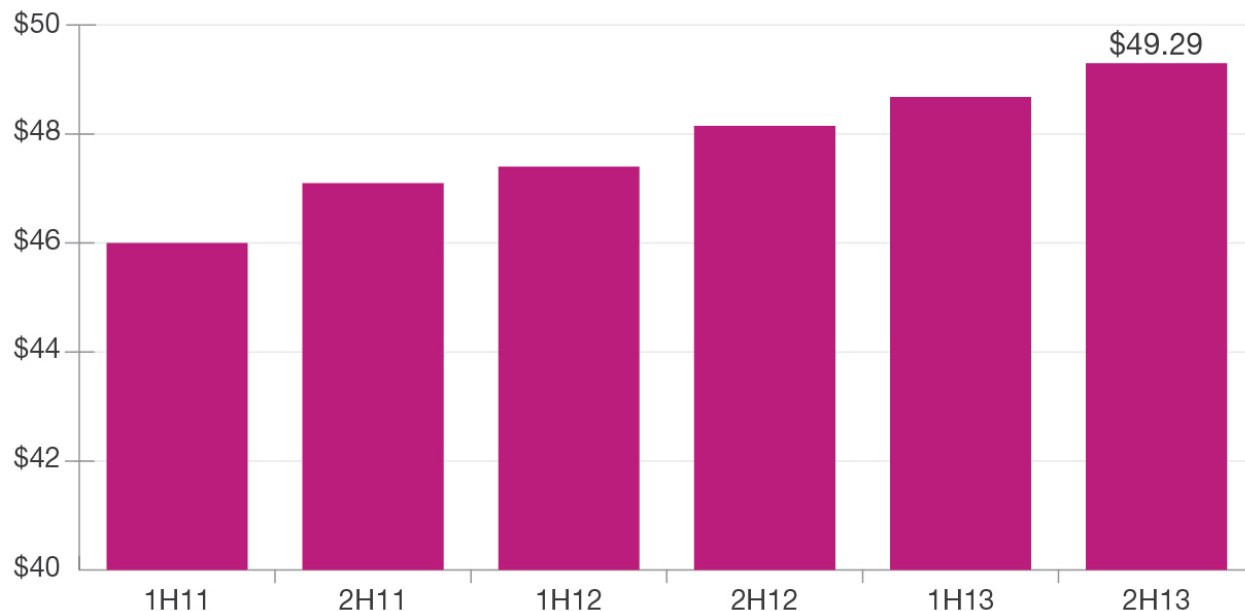
Overall growth of 76k in FY13, compared to 47k in FY12

Award Winning ADSL2+ with Home Phone: 130k growth in FY13

Subscriber growth is 100% organic

On Net churn rate 1.4% in FY13

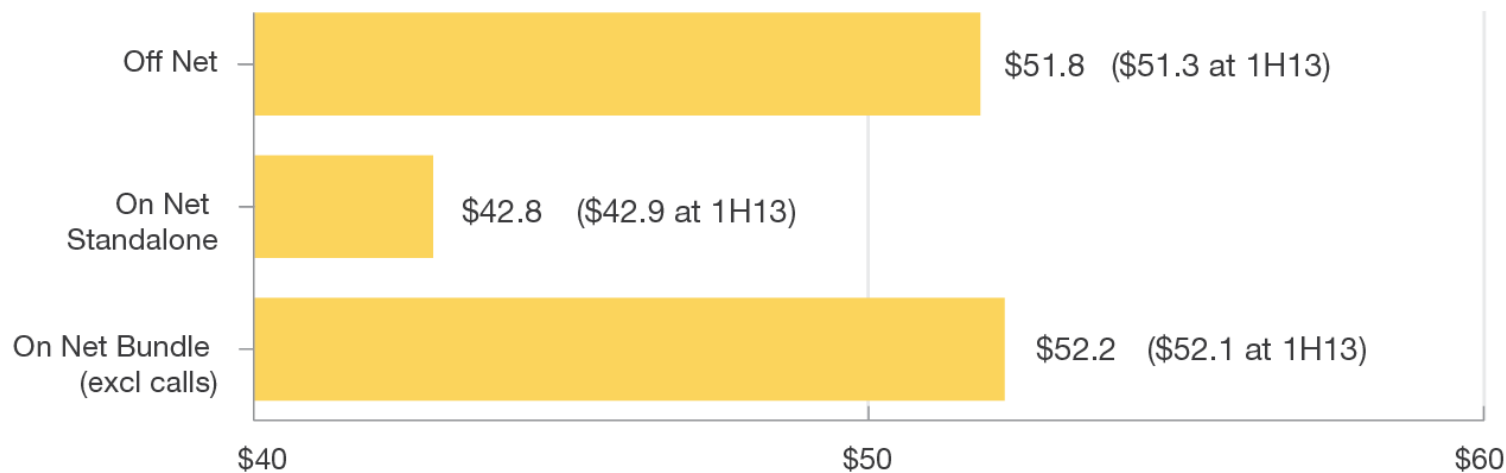
## Overall Broadband ARPU Trend



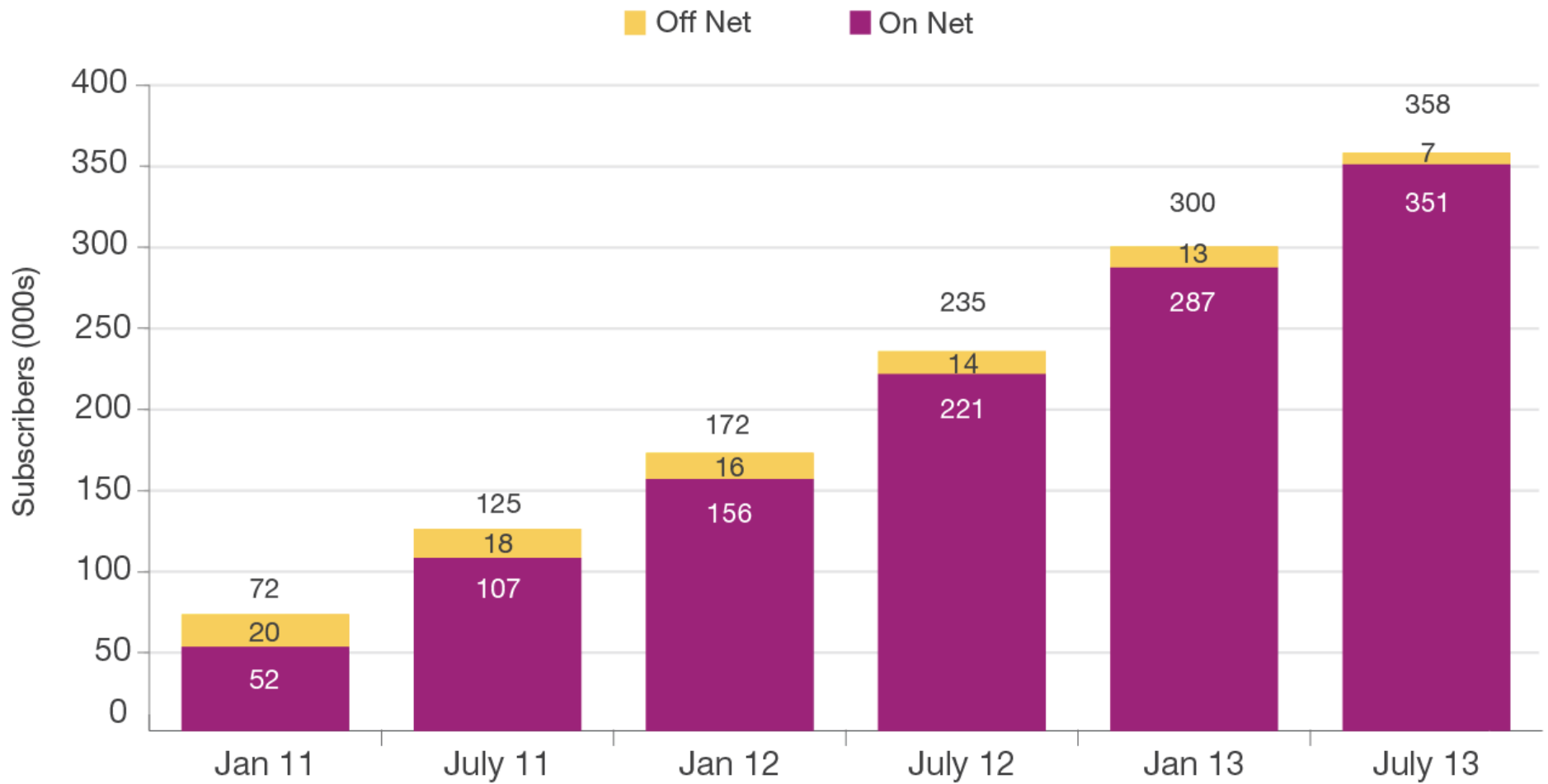
Overall ARPU continuing to trend higher as bundle plans form a larger proportion of the customer base (up to 52% of the base at July 13).

The bundle also generates monthly call charge revenue not included in these charts; current average steady at ~\$6 per month per subscriber.

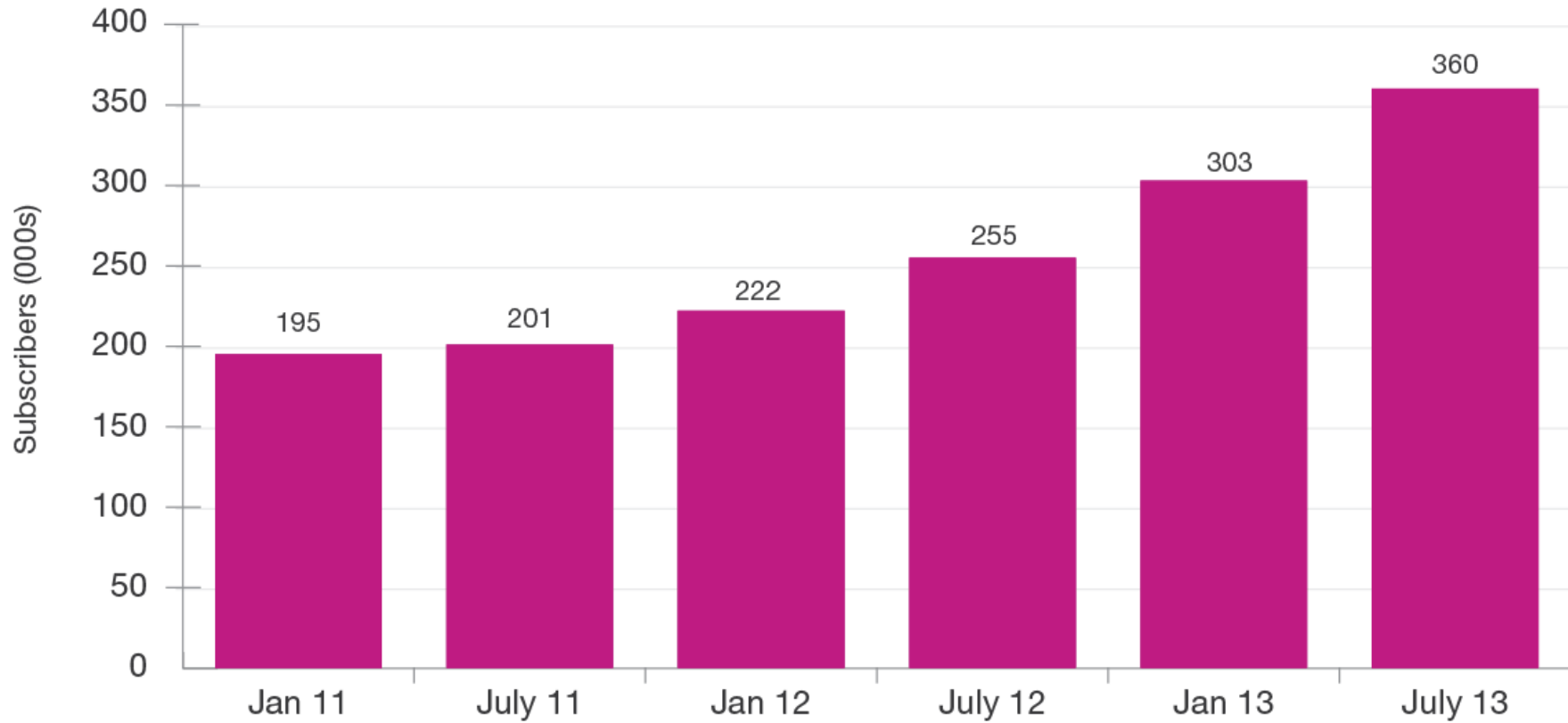
## 2H13 Broadband ARPU composition



# CONSUMER: HOME PHONE SUBSCRIBERS



Over 350,000 customers added since launch in mid 2010



105,000 mobile subscriber growth in FY13, compared to 54,000 in FY12

Canstar Blue - Most Satisfied Customers (3 years in a row)



\$M

	FY13 Actual	FY14 Guidance
Regular EBITDA	273	290 - 300
IRU gains	10	-
One-off credits	10	-
Total EBITDA	293	290 - 300

FY14 year-to-date results tracking well to budget

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.