

2011

FULL YEAR RESULTS
20 September 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)

On Net Broadband Home Phone Bundle growth from 9k to 107k subscribers in the year

PIPE network rollout for VHA contract progressing well to schedule

Acquisition of 100% of IntraPower to be completed in 1H12

Repaid \$100m of debt

\$m

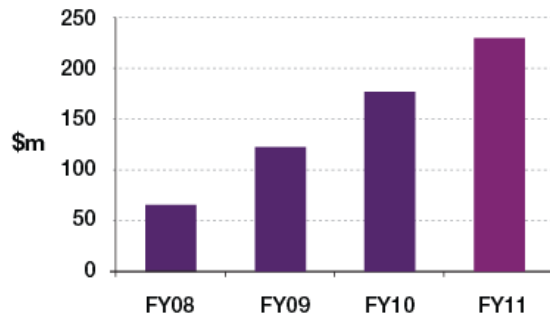
	FY11	FY10	Growth
Revenue	574.5	508.0	13%
EBITDA	234.0	171.1	37%
NPAT	78.2	55.7	40%
EPS (cents)	10.1	7.6	33%
EPS (cents) excl. intangible amortisation*	14.3	11.8	21%

* See Appendix for details

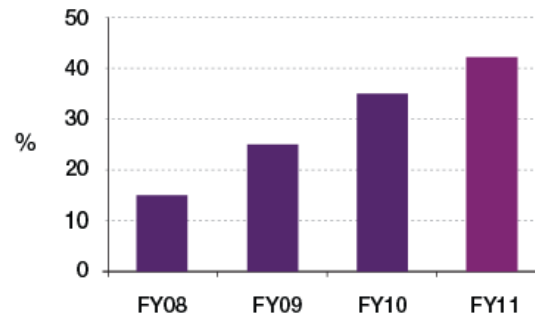
FY11 Financials: 3 Consecutive Years of Strong Growth



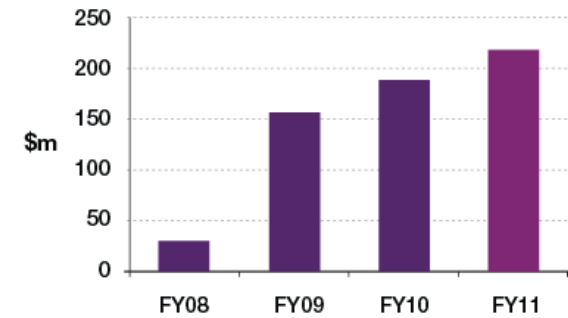
EBITDA



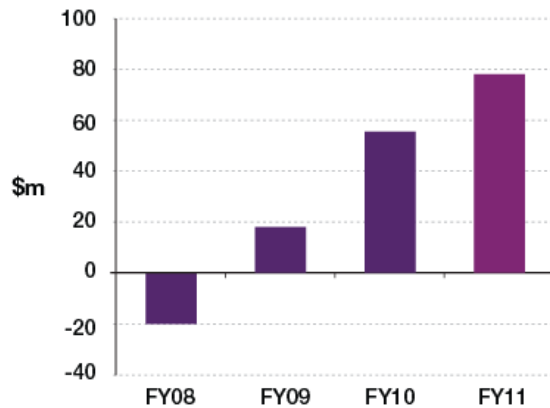
EBITDA Margin



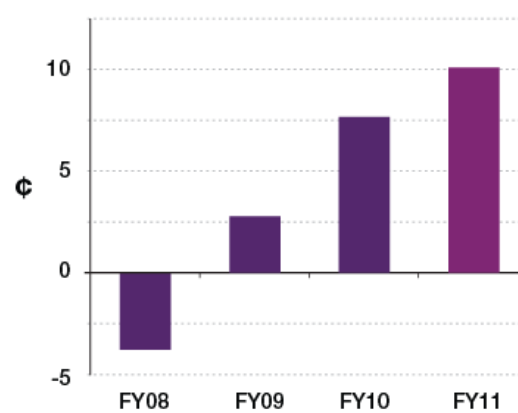
Operating Cashflow



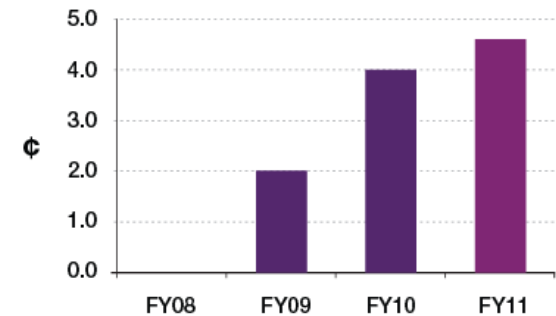
NPAT



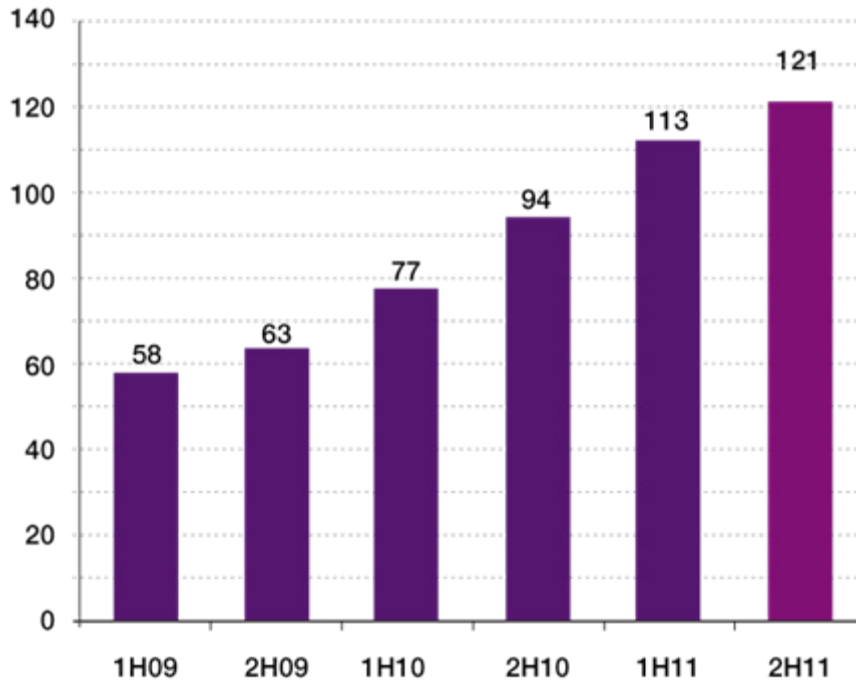
EPS



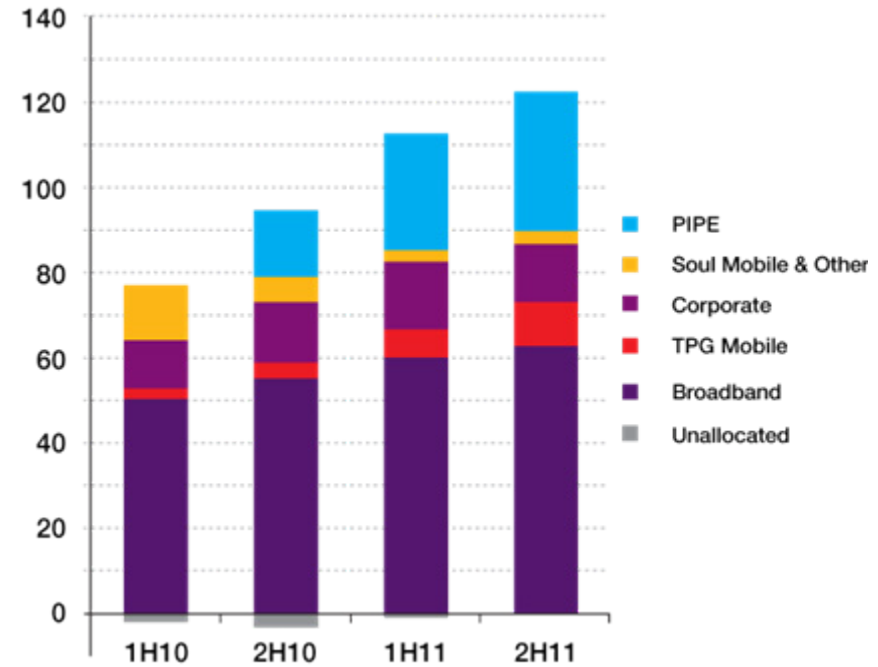
Dividend



EBITDA Growth (\$m)



EBITDA Composition (\$m)



Strong organic EBITDA growth continued

\$m

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

\$19m delta between EBITDA and operating cashflow attributable to \$12m reduction in trade payables and \$7m increase in trade debtors (of which \$6.4m is attributable to IRU fee collected post year-end)

High final FY10 tax payment during FY11 offsetting low instalments paid during FY10

	\$m
Group debt balance at 31 July 2010	332
Quarterly repayments of \$20m	(80)
Additional voluntary repayments (net of a \$10m drawdown made during 1H11)	(20)
Group debt balance at 31 July 2011	232

\$48m undrawn facility available

Quarterly repayments of \$20m ongoing

Debt to annual EBITDA leverage ratio: < 1.0x at 31 July 11

\$m

REVENUE	TPG Broadband	TPG Mobile	Soul Mobile	Other Consumer	Consumer Total	Corporate Total	PIPE	Unalloc.	Total
FY10	258.5	38.4	41.7	28.8	367.4	111.4	29.1	-	508.0
FY11	298.8	49.2	10.7	15.5	374.2	109.0	91.3	-	574.5

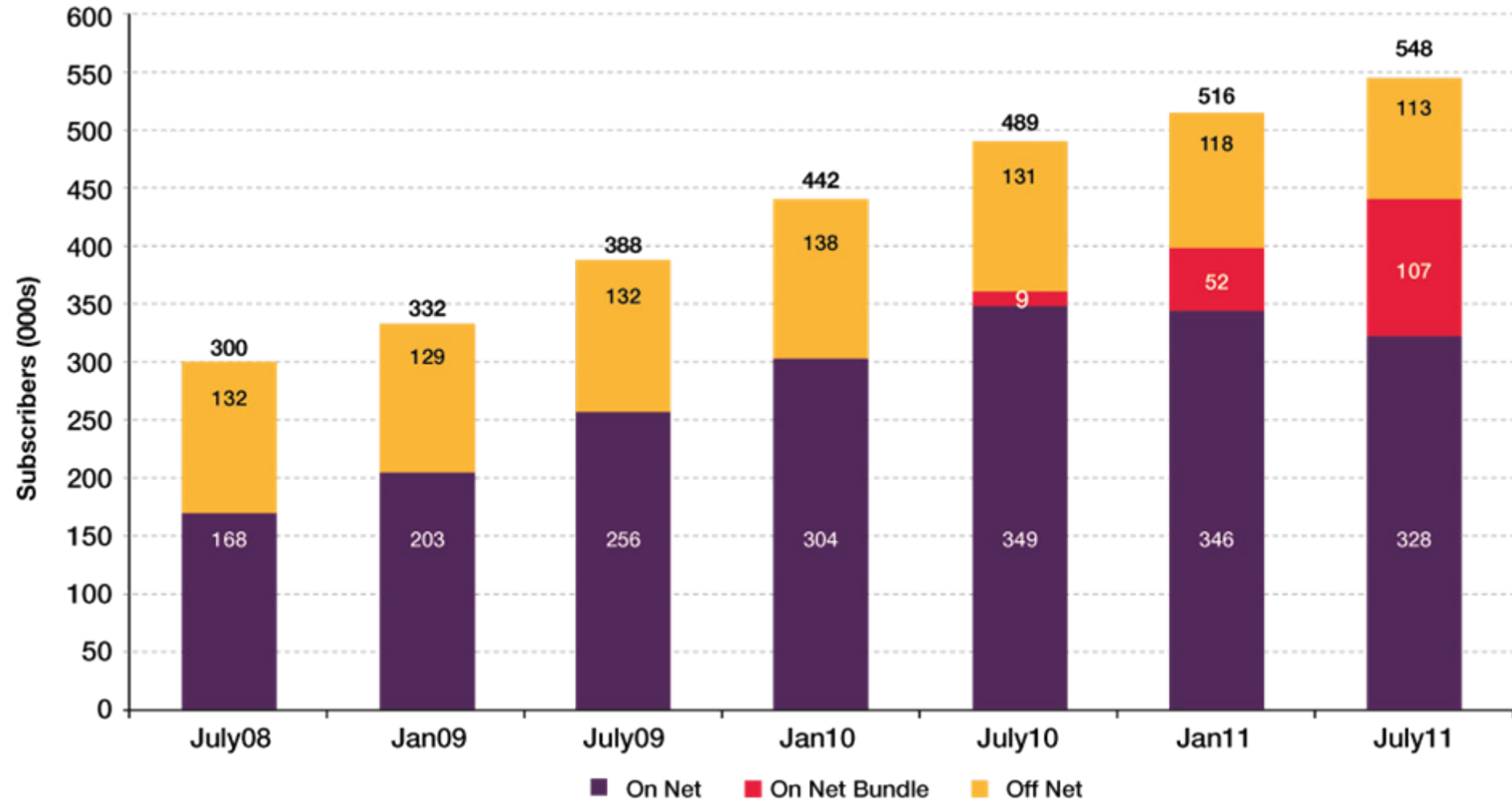
EBITDA	TPG Broadband	TPG Mobile	Soul Mobile	Other Consumer	Consumer Total	Corporate Total	PIPE	Unalloc.	Total
FY10	105.5	7.0	17.0	4.8	134.4	26.8	15.4	(5.7)	171.1
FY11	122.7	15.4	7.0	3.6	148.7	28.3	57.2	(0.2)	234.0

EBITDA Margin	TPG Broadband	TPG Mobile	Soul Mobile	Other Consumer	Consumer Total	Corporate Total	PIPE	Unalloc.	Total
FY10	40.8%	18.2%	40.7%	16.7%	36.6%	24.1%	52.9%	-	33.7%
FY11	41.1%	31.3%*	65.4%	23.2%	39.7%	26.0%	62.6%**	-	40.7%

Margin improvement across all continuing operations through efficient use of our own infrastructure

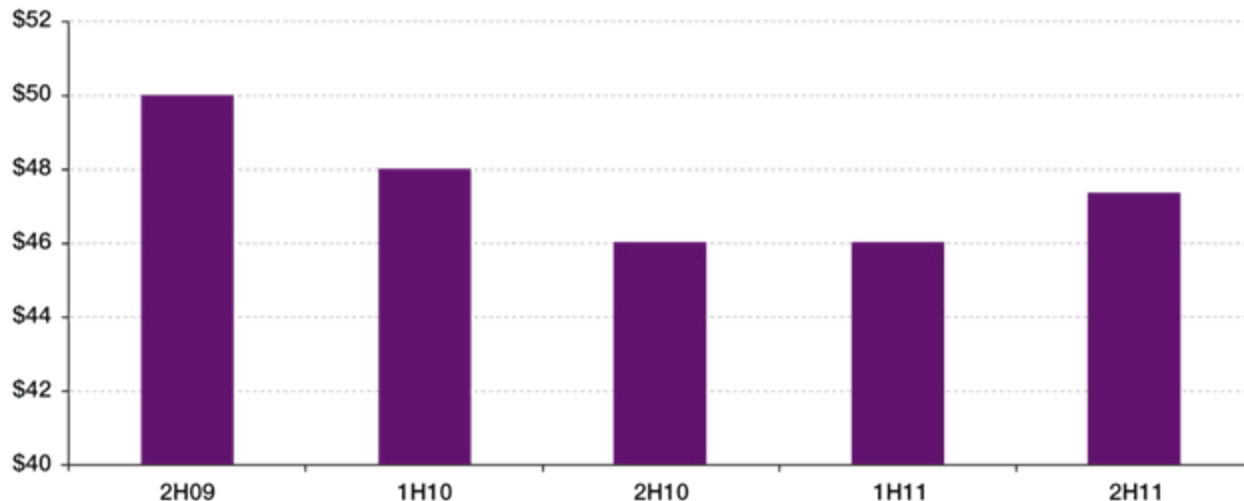
* TPG Mobile FY11 EBITDA includes \$3.0m of non-recurring benefits

** PIPE FY11 EBITDA includes a \$1.75m one-off benefit and a \$6.4m net gain on sale of capacity under an IRU

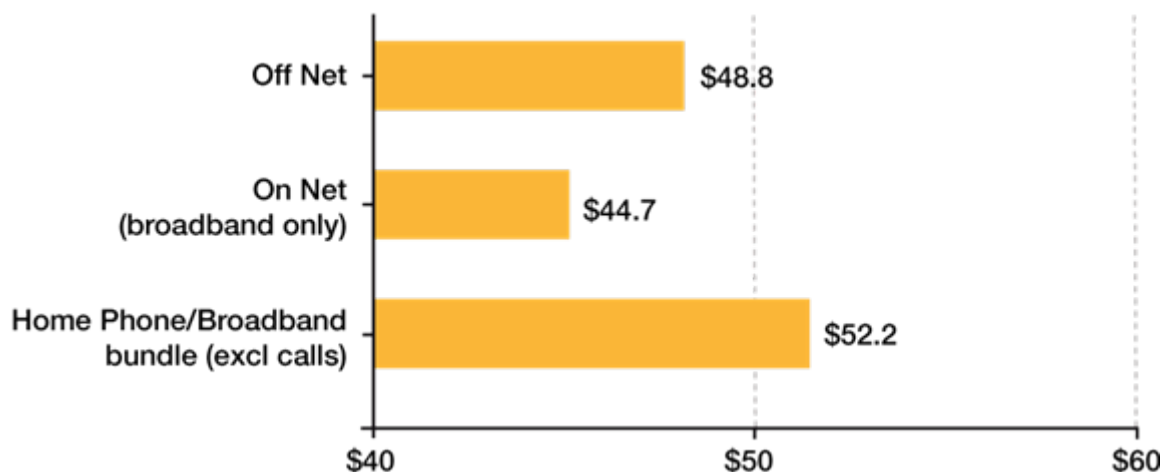


- All subscriber growth is organic
- On Net churn rate 1.5%
- On Net Bundle key driver of growth
- Overall On Net growth of 77k net additions in FY11

Overall Broadband ARPU Trend



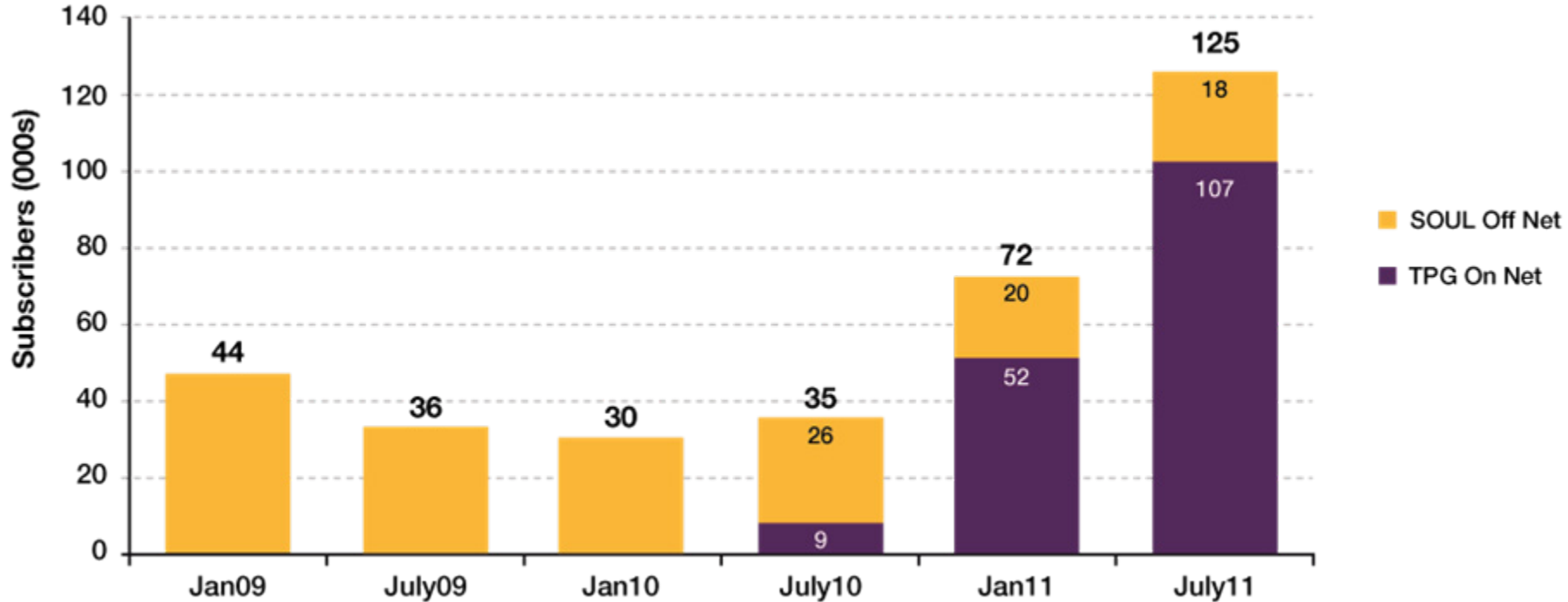
2H11 Broadband ARPU composition



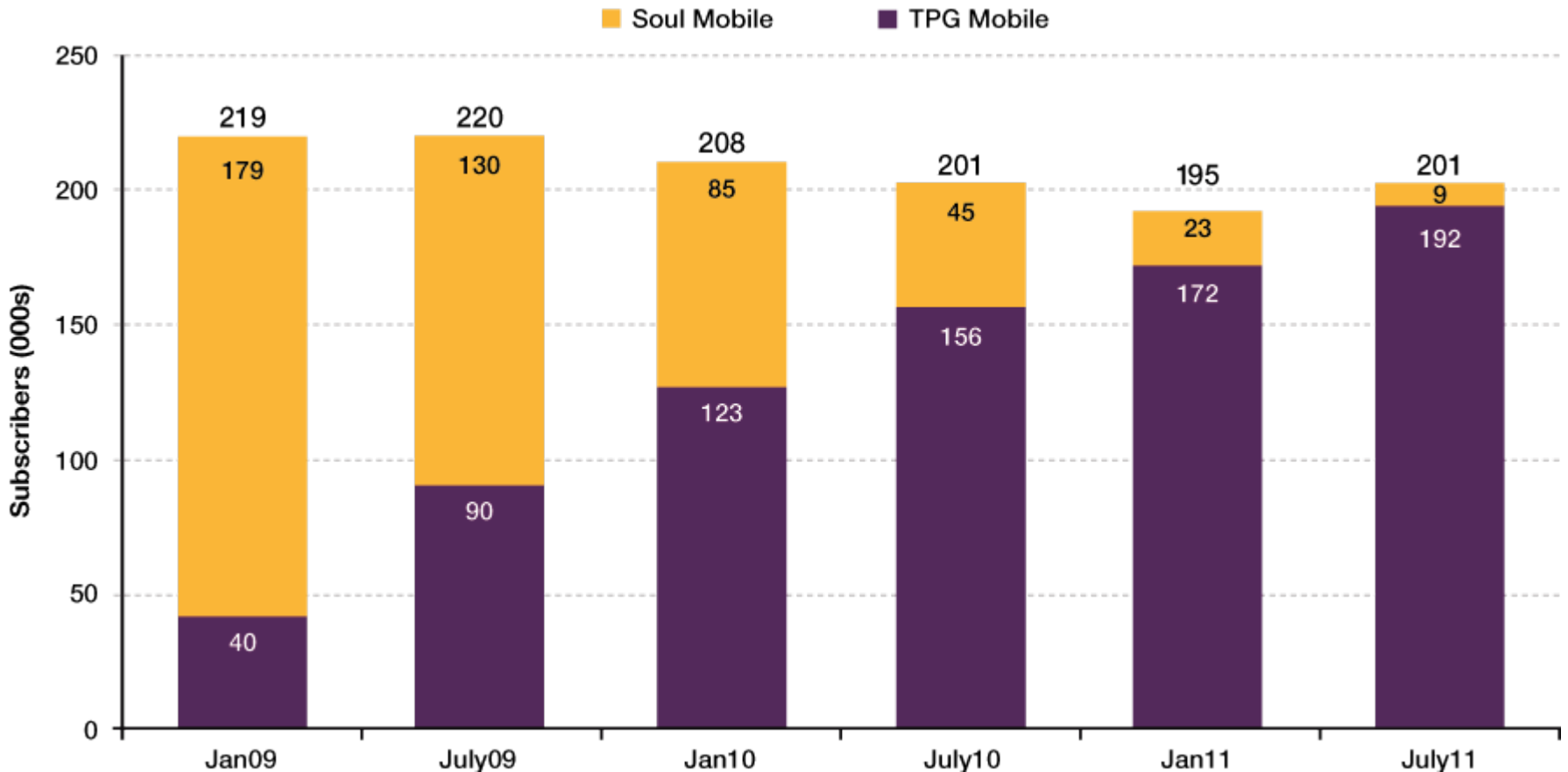
- ARPU now trending higher as the best selling bundled plan (\$59.99 incl. GST) forms a larger proportion of the customer base

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

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



Strong growth driven by On Net broadband bundle



201,000 total mobile subscribers

36,000 TPG mobile subscriber growth in FY11



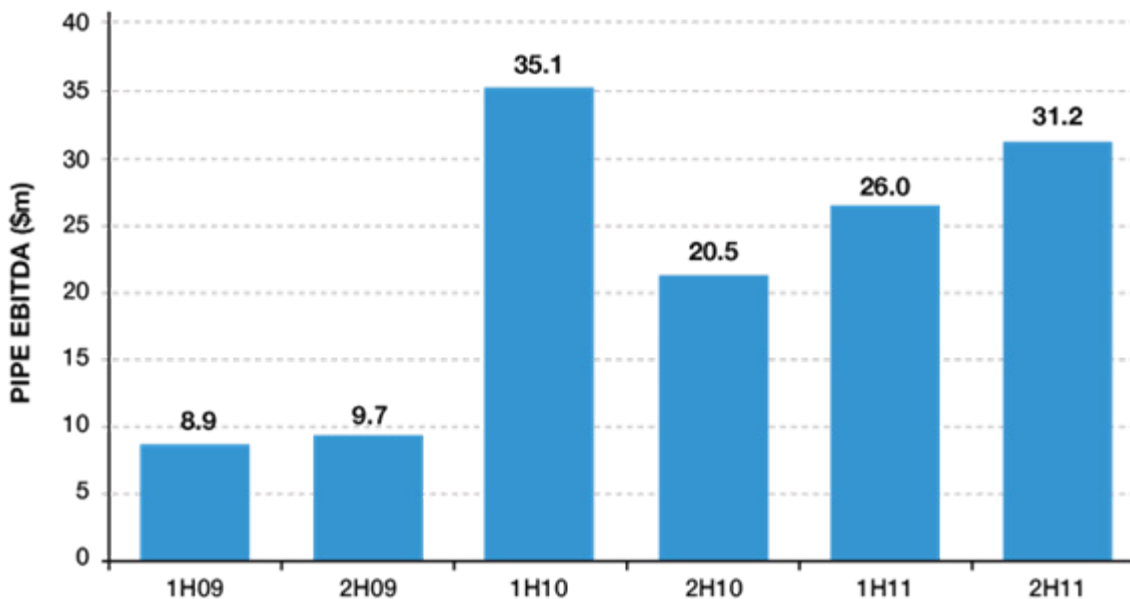
IntraPower acquisition effective August 2011

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.



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

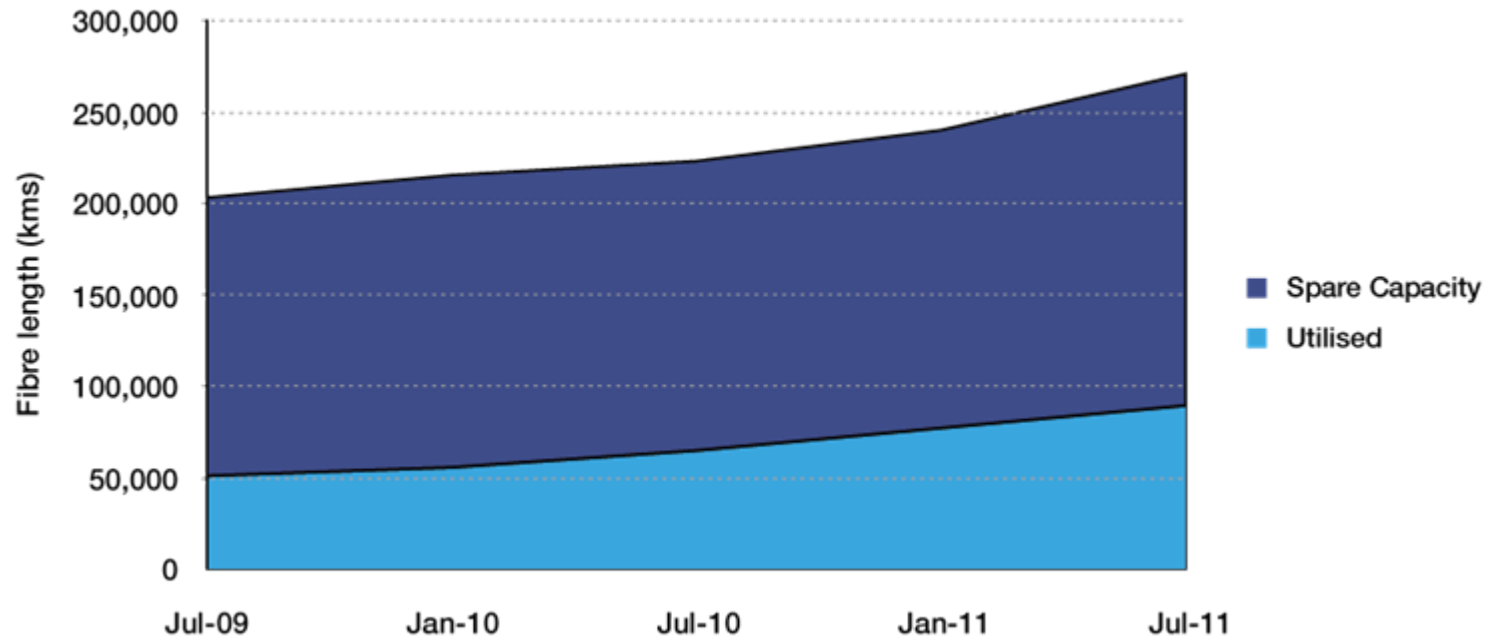
Notes:

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 1,847 cable kms at July 2011, with significant growth during FY11 due to VHA, ASX and IRESS dark fibre contracts.

Utilisation up to 33% at Jul-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.

\$m

	Guidance
FY12 EBITDA	250 - 260

2.25 cents per share final FY11 dividend

Payable	22 November 2011
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Record date	18 October 2011
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DRP discount	2.0%
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Total dividends for FY11 = 4.5 cents per share

The Group's accounts currently include substantial intangible amortisation charges which predominantly arise from the accounting for the acquisitions of TPG and PIPE Networks. These are non-cash items. The table below shows the expected ongoing amortisation schedule.

Expected Amortisation Schedule

	FY10 (actual)	FY11 (actual)	FY12 (forecast)	FY13 (forecast)	FY14 (forecast)	FY15 (forecast)
Discontinued business*	6.9	0.4	-	-	-	-
TPG acquired customer base	20.5	9.9	4.0	2.0	2.0	1.0
PIPE acquired customer base	12.5	30.5	22.0	15.0	11.0	9.0
Other	4.6	6.2	6.2	5.1	4.6	4.6
TOTAL	44.5	47.0	32.2	22.1	17.6	14.6
Post tax expense included in Reported NPAT	31.2	32.9	22.5	15.5	12.3	10.2

* Relates to amortisation of deferred subscriber acquisitions costs from the Soul Communications postpaid mobile business, now discontinued

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.