



Morgan Stanley 2012 Emerging Companies Conference

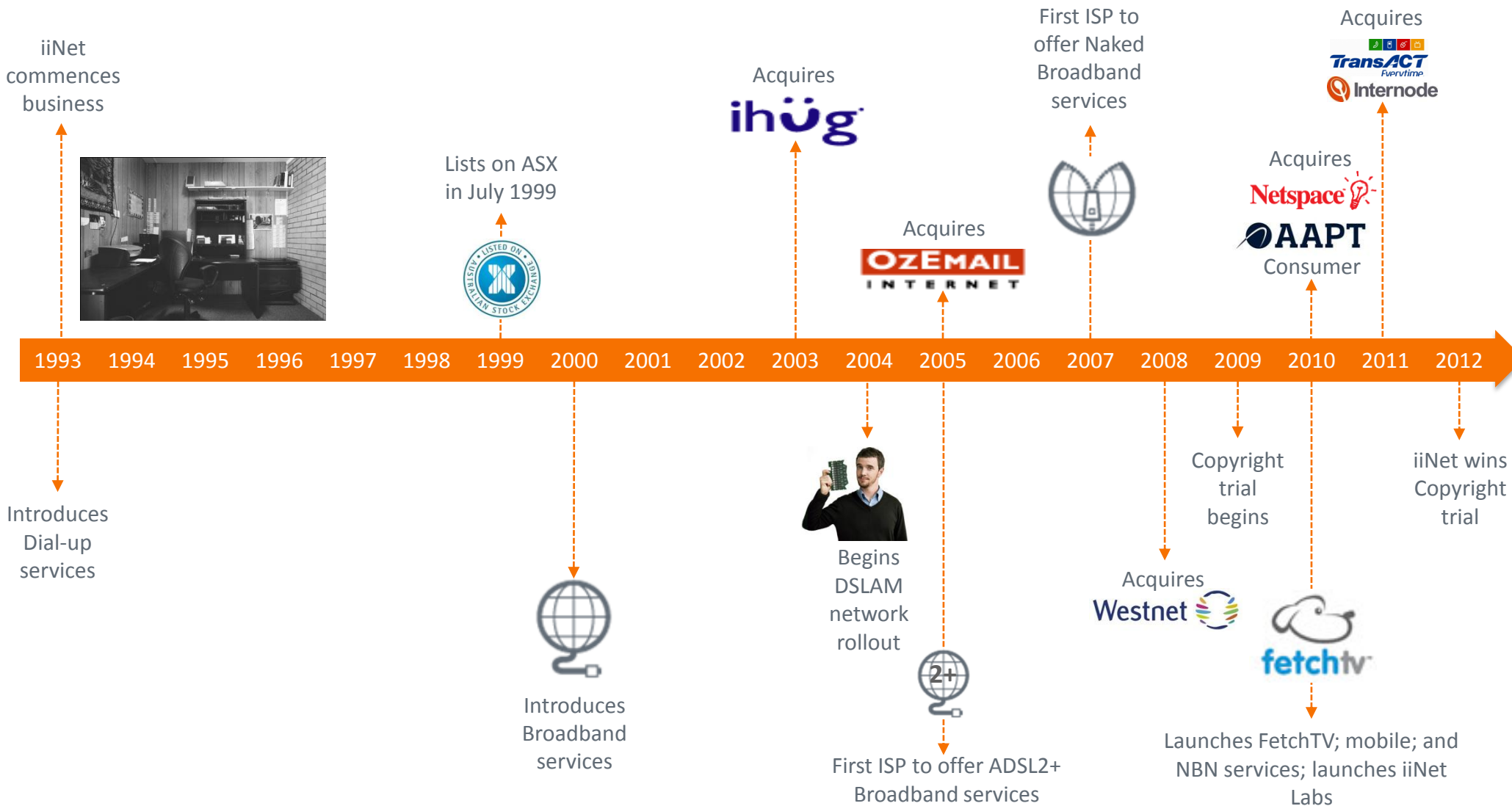
13 June 2012

iiNet's history

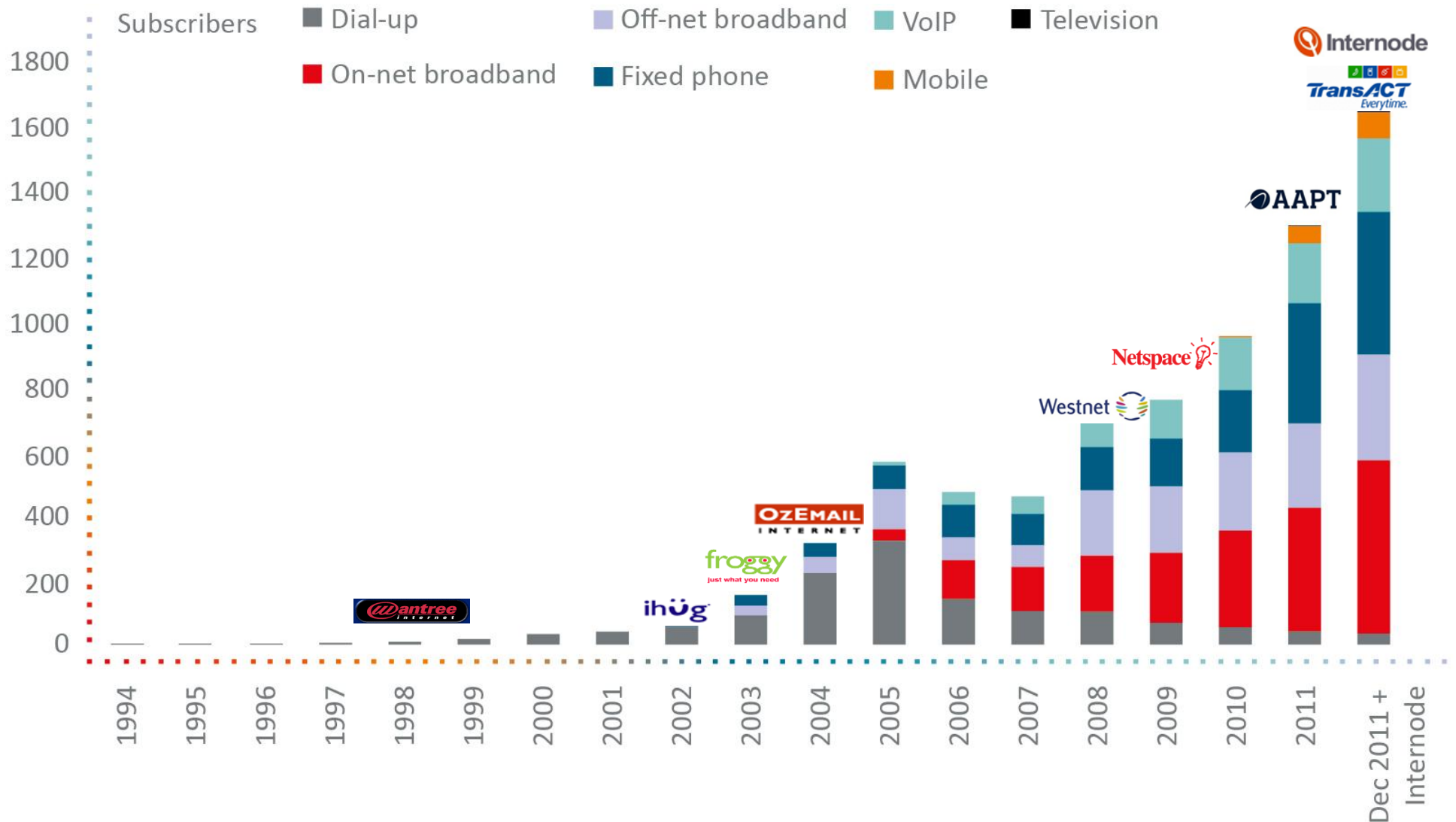
Our current focus

Platform for future growth

iiNet's 20 year history

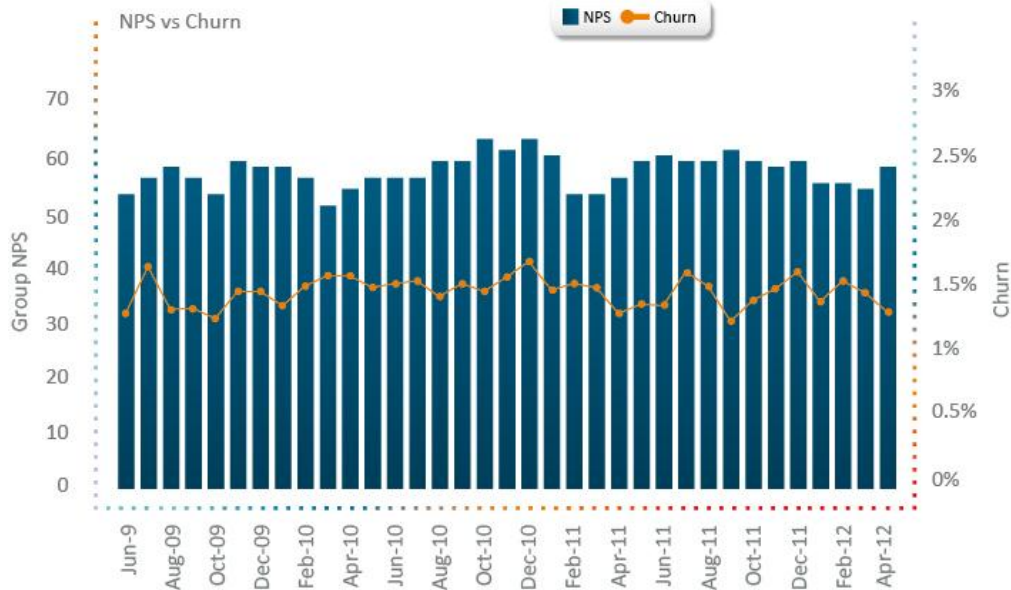
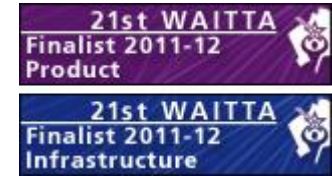


Significant scale position – The acquirer of choice

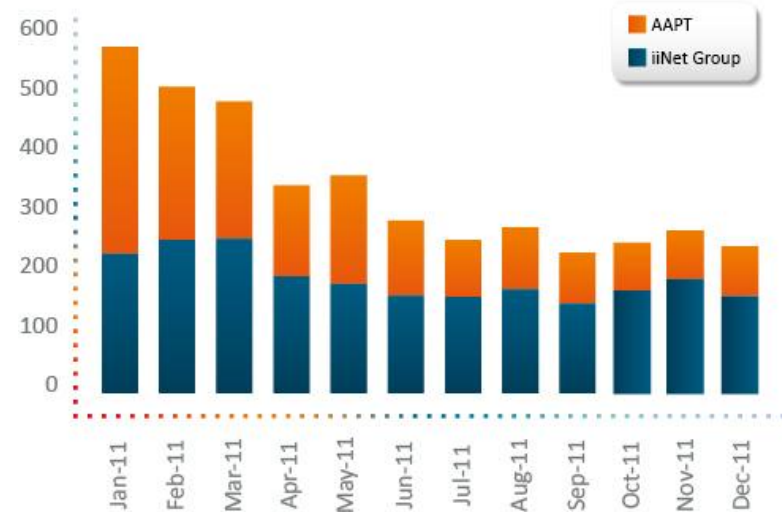


Leading industry service and low churn

iinet
connect better



Reduction in TIO Customer Complaints



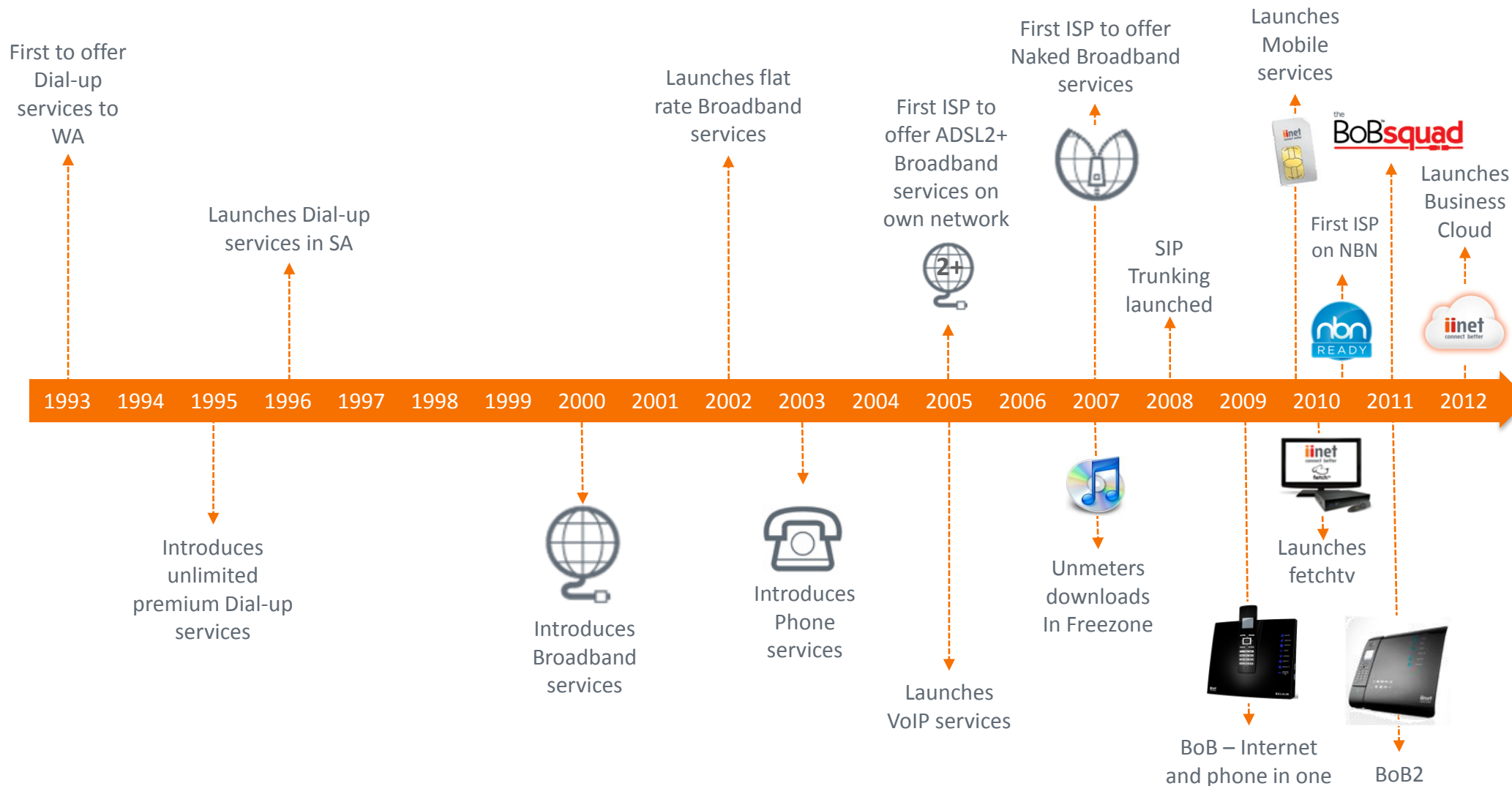
AWARDS FOR MARKETING EXCELLENCE

“Follow the sun” service model

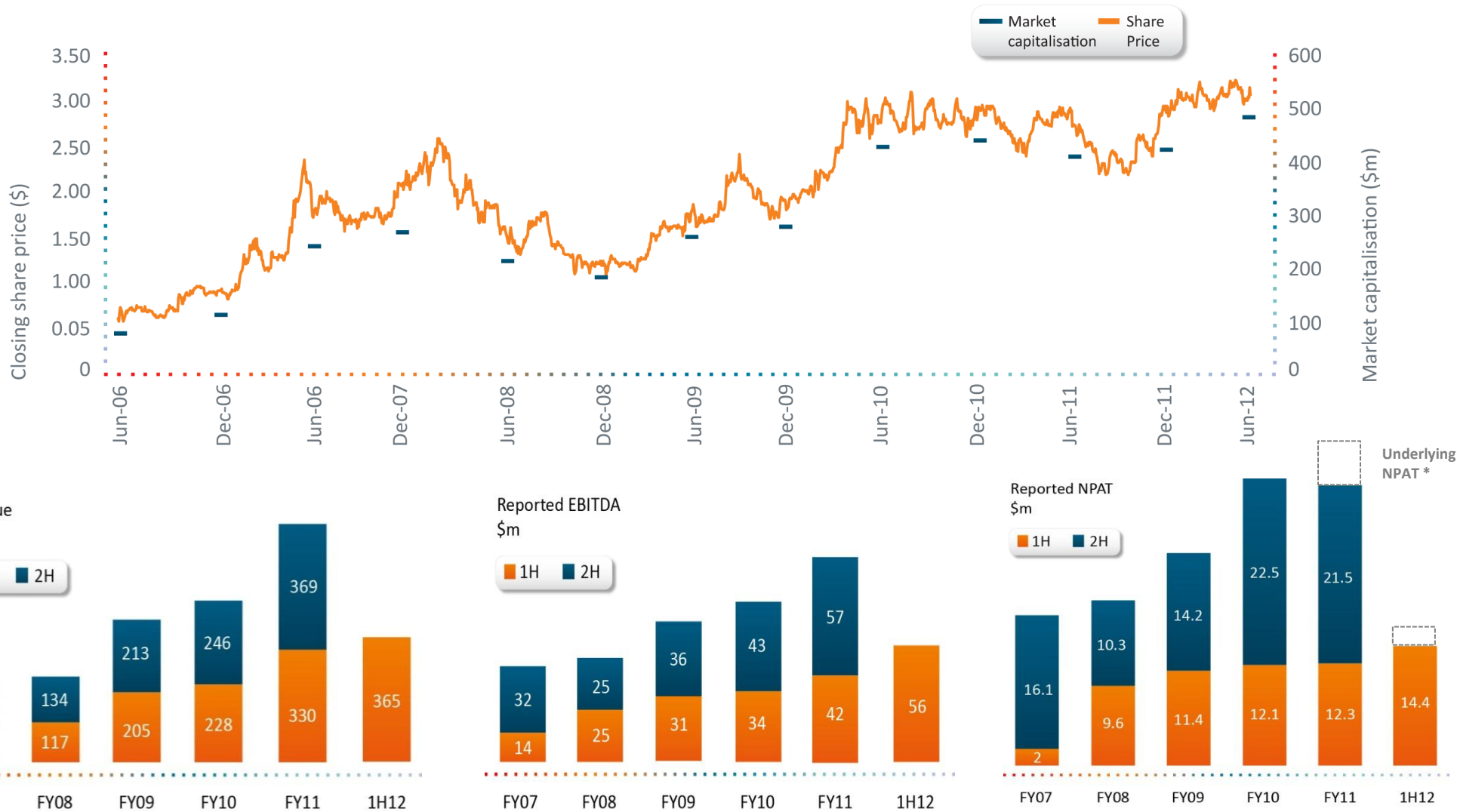


Leading product innovation

iinet
connect better



Strong financial growth



iiNet's history

Our current focus

Platform for future growth

Increasing products per customer and ARPU – enablers in place

iinet
connect better

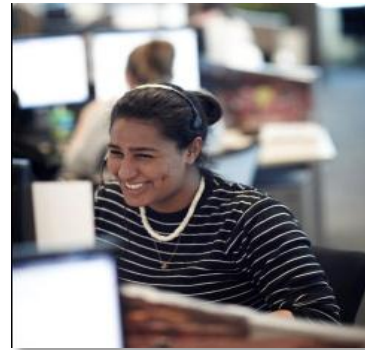
Customer segmentation

A culture of sales & service

Making it easy to buy



Detailed segmentation – customer insights driven



Shifting the cultural balance through training, reward and recognition



Getting started

Just the basics, great phone call rates and super-fast internet.

Included in this bundle:  

[Learn More](#)



Using innovation in technology to improve the customer experience (online and through the call centre)

TV Bundle

The smart, customisable choice for today's households.

Included in this bundle:   

[Learn More](#)



Increasing products per customer and ARPU – segmentation

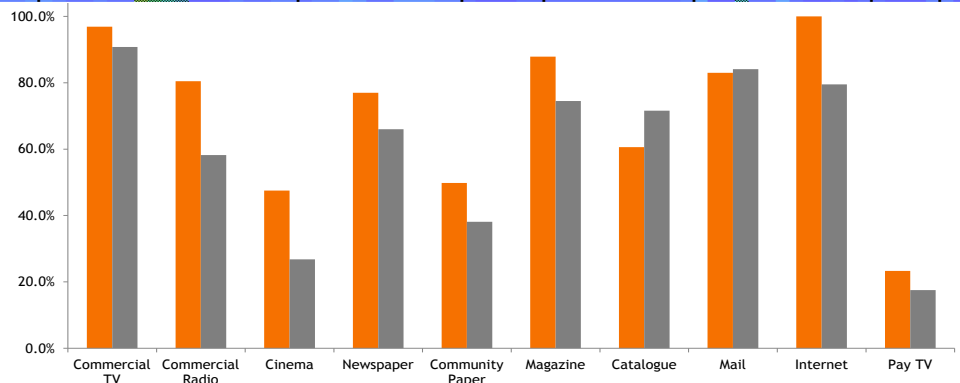


Chart - Relative performance of iinet segment versus national average

Detailed behavioural and attitudinal segmentation to :

- Drive cross selling to existing customers
- Inform the future product roadmap
- Create targeted channel communications
- Increase effectiveness of media spend

The laptop screen displays an iinet offer: "Our gift to you - a sweet little SIM for 6 months." It lists benefits like 1450 minutes, 15GB data, and 150 songs. Below are four call-to-action buttons: "Fetchtv", "Benefits with phone", "Less than 6 months left on your contract?", and "Out of contract?".

The TV monitor displays a "Free your TV!" offer for FetchTV for 3 months at no monthly cost. A red circular badge says "FREE YOUR TV" and "BETTER VALUE • BETTER MOVIES".

A culture of sales & service

- Promotional activity creating momentum
- Service platform creates the “right” to sell
- Agents incentivised - sales training, reward and recognition
- Segmentation increasing campaign effectiveness


Increasing products per customer and ARPU – product innovation



Relax, Australia. We can switch you faster.

We mean within hours, not days.

Now with Anytime Quota.



BoBsquad – now national



TransACT



Internode



Data Packs



Increasing products per customer and ARPU – easy to buy

iinet
connect better

personal

business

about iinet

support

contact

customer home

log in



Sales: 13 19 17 Support & billing: 13 22 58

iinet
connect better

Bundles

Internet

Phone

Mobile

TV

BoB™

Home installations

Software

ADSL Broadband

Your address

502 Hay St, SUBIACO WA 6008

Reset

Plans

Hardware

FAQ

5 reasons to bundle

Terms, fees & guarantees

ADSL Broadband Plans

ADSL is our flagship internet service, with over 650,000 subscribers in Australia. As the second largest provider of ADSL broadband, we commit to delivering fast internet, great value and awesome customer service.



iiNetwork ADSL2+
our own network

Off-Net ADSL1&2+
if you're outside our network

[Check out our Naked DSL plans](#) ?

This product is available in your area, along with Naked DSL.

Select your quota:

Home-1 \$39.95 20GB <small>(anytime quota)</small>	Home-2 \$59.95 100GB <small>(anytime quota)</small>	Home-3 \$79.95 200GB <small>(anytime quota)</small>	Home-4 \$99.95 400GB <small>(anytime quota)</small>
---	--	--	--

Add-ons:

- Phone
Great call rates & benefits
- plus \$29.95 to bundle with Phone 1 (20¢ untimed local calls)
 - plus \$31.95 to bundle with Phone 2 (17¢ untimed local calls)



Cart summary

Your quota

ADSL2+ Home-1 20GB

Contract options

Select one Contract

Monthly cost

✕ ADSL2+ Home-1 \$39.95

(24 Month contract)

Total Monthly \$39.95

Upfront cost

✕ ADSL2+ Home-1 \$79.95

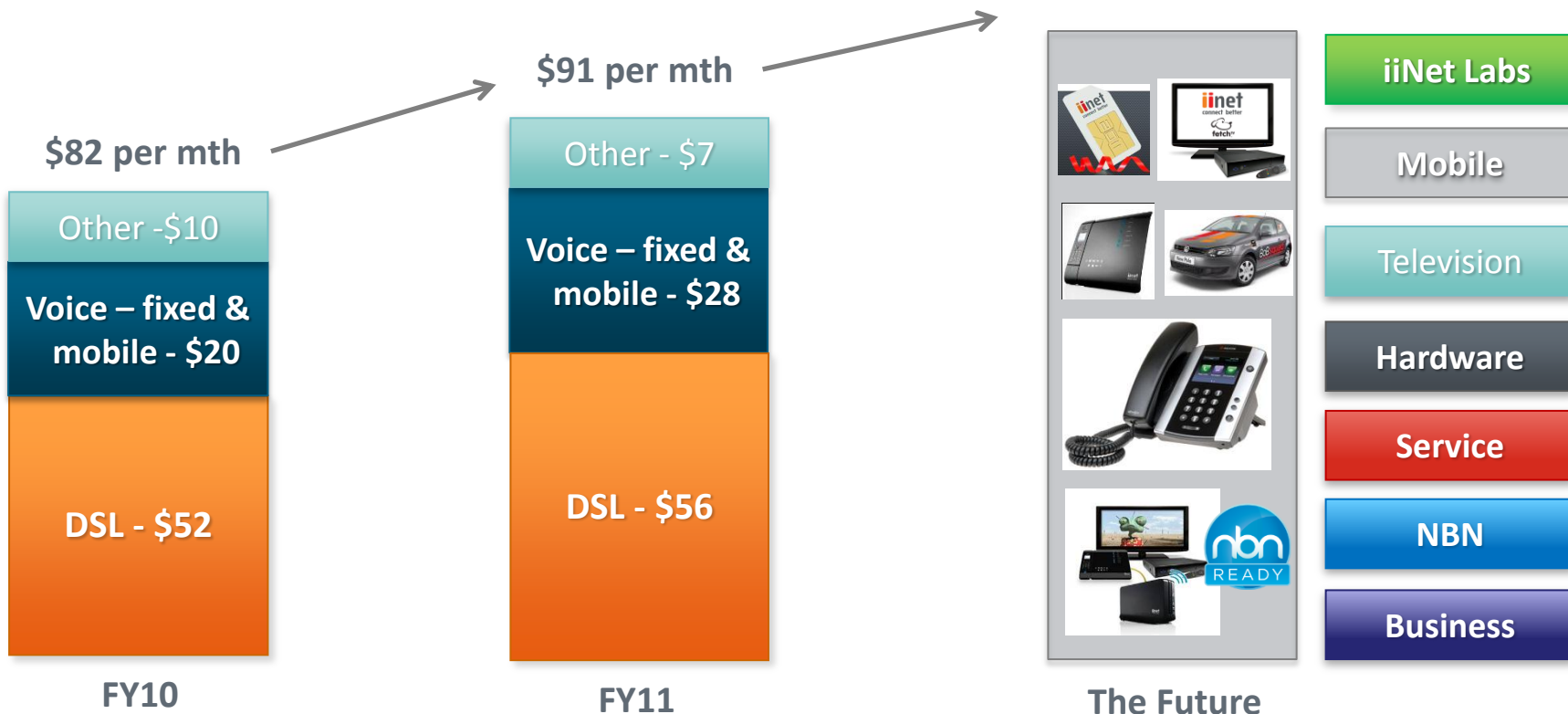
Total Upfront \$79.95

Finalise order

or call us on 13 19 17

Increase products per customer and ARPU – future growth target

Increase products per customer to 3 – currently 2.1 and growing



Ubiquitous, affordable, high speed broadband + transparent separation of wholesale and retail suppliers
 = Access to regional markets + improved margin opportunity → Better for customers and better for iiNet

Our plans have been released

Plan	Peak+Offpeak	Speed	Price
NBN-1	20GB+20GB	12/1Mbps	\$49.95
NBN-2	100GB+100GB	12/1Mbps	\$59.95
NBN-3	500GB+500GB	12/1Mbps	\$79.95

All your local and national calls for \$9.95

Add a Turbo pack to Boost your speed

25/5Mbps	\$5	50/20Mbps	\$15	100/40Mbps	\$20
----------	-----	-----------	------	------------	------

Simple

Affordable

Tailored

Positive benefits for iiNet customers

"Susan, an off-net customer with iiNet"

Internet & phone			
Price	\$79.90	Speed	1500/256
Quota	100/100		

..on iiNet NBN Susan could..

- Save \$5 per month
- Get the same quota
- Get 33x the download speed

"Mike, a Naked customer with iiNet"

Internet & VoIP phone			
Price	\$69.95	Speed	ADSL 2+
Quota	100		

..on iiNet NBN Mike would..

- Spend \$5 less per month
- Get double the quota
- Access equivalent speed

"Danny, an on-net customer with iiNet"

Internet & phone			
Price	\$79.90	Speed	ADSL 2+
Quota	200		


..on iiNet NBN Danny could..

- Save \$5 per month
- Get the same quota (split peak/off-peak)
- Access 2x the download speed

Getting serious about Business

Basic Bundle	\$79⁹⁵	50GB Anytime Quota (\$1,998.75 Minimum spend) ADSL2+ Speeds
Value Bundle	\$99⁹⁵	250GB Anytime Quota (\$2,478.75 Minimum spend) ADSL2+ Speeds
Enhanced Bundle	\$119⁹⁵	500GB Anytime Quota (\$2,958.75 Minimum spend) ADSL2+ Speeds
Premium Bundle	\$139⁹⁵	1000GB Anytime Quota (\$3,438.75 Minimum spend) ADSL2+ Speeds

INCLUDING





Business Phone


Local calls *Included*
National calls *Included*


*Untimed 1300 & 13 calls.
\$1.98 up to 30 mins
international calls for top 20 countries, 37c per minute calls to mobiles (charged per 30 second block)*


IDEAL FOR BUSINESSES WHO USE


Websites


Email


Stream content


Send & receive large files


External data back-up

High speed internet

High speed internet, loads of download quota, don't count uploads and an included upload speed booster.




ADSL

**ADSL 2+
*UPLOAD BOOSTER**

Award winning support

Don't worry if you don't understand what you need that's what our local award winning support team are here for.



Reliability


99.5% uptime guarantee

99.5%


UPTIME GUARANTEE

Predictable costs

Included local and standard national calls to fixed lines



All our business bundles include these neat items

 Anytime Quota

 IGB of included webspace

 Priority business support

 We don't count uploads

 20 included mailboxes

 Static IP address




iiNet Business Handsets On contract or outright

See below our handsets available and the monthly or outright prices .

	<p>Samsung Galaxy SII</p> <p>★★★★★</p> <p>\$30 24 month contract</p> <p>\$720 outright</p>		<p>Samsung Galaxy S</p> <p>★★★★★</p> <p>\$20 24 month contract</p> <p>\$480 outright</p>		<p>Alcatel OT990</p> <p>★★★★★</p> <p>\$8 24 month contract</p> <p>\$192 outright</p>
---	--	--	--	---	--

iiNet SIM Cards Starting from \$14.95 p/month

Get loads of included calls, texts and data plus extra call value to other iiNet mobile. So your staff can stay connected for less, all for one low monthly fee.

<p>Business on a budget</p> <p> \$14⁹⁵ \$225 calls & SMS 200MB data \$135 iiNet to iiNet calls</p>	<p>Stay Connected</p> <p> \$29 \$660 calls & SMS 1.5GB data \$1000 iiNet to iiNet calls</p>	<p>Total peace of mind</p> <p> \$49 \$860 calls & SMS 3GB data \$1800 iiNet to iiNet calls</p>
---	---	--

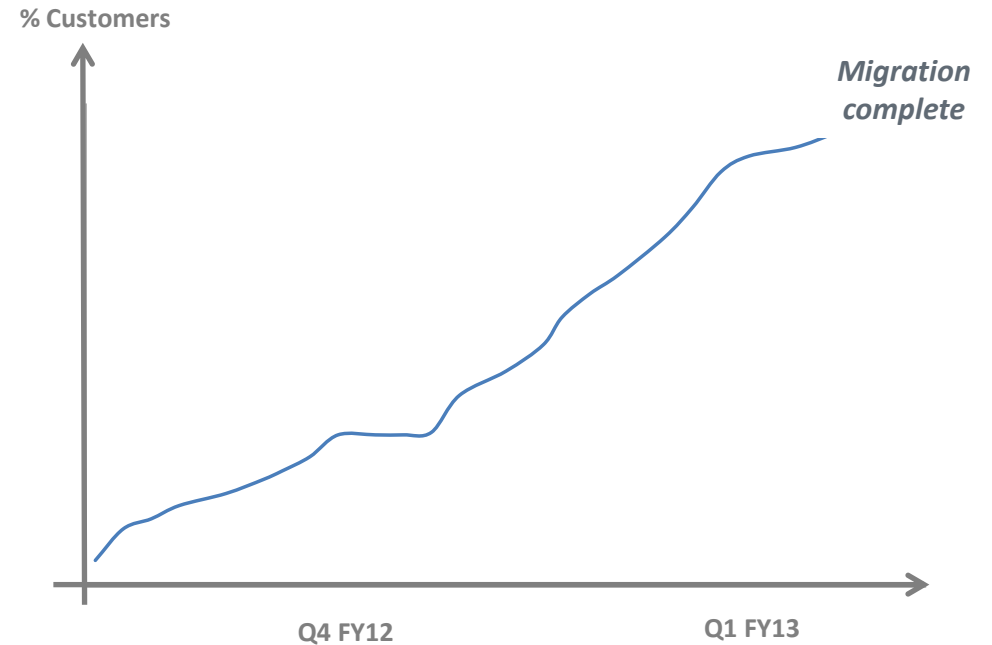
Moving AAPT customers to the iiNet world



AAPT integration nearing completion

Metrics	Actual	vs Expectations
Annualised EBITDA	\$20m	✓
On-net migrations 25k customers	Complete	✓
Service improvement	NPS up significantly YoY	✓

Billing migration ~80% now underway



Billing licence cost reduction (>\$5m) maintains earnings in FY13

Accelerating integration benefits from TransACT and Internode

iiNet
connect better



Systems integration synergies of
\$2-3m in FY13/14



Network synergy delivery of \$7m in FY13

Focus area	Completion
iiNet residential knowledge → TransACT	Q4 FY12
TransACT C&G knowledge → iiNet	Q4 FY12
Review and integration of systems and processes across networks - NBN, HFC, VDSL, DSL	H1 FY13
Customer experience / process enhancements	Ongoing
Back office / IT systems integration	Ongoing

Focus area	Completion
Exchange backhaul consolidation	Q4 FY12
Rationalise peering & domestic transit	Q4 FY12
DSLAM integration – 15k customers	Q1 FY13
International bandwidth rationalisation	H2 FY13 onwards
Review of voice networks & data centres	Ongoing – value TBD
Back office & IT systems integration	Review ongoing

Integration of operating structures underway and providing further opportunities for FY13

iiNet's history

Our current focus

Platform for future growth

- **A strong history of growth from humble beginnings**
 - Strong financial returns to shareholders – Underlying EBITDA +28% CAGR (FY07-FY11)
 - Industry leading product and service offering
 - Now a scale business with 16% of the fixed broadband market
- **Plans underway for the next phase of growth**
 - Selling more products to our existing customers – increase ratio to 3
 - Capitalising on the NBN opportunity and margin improvement
 - Increasing market share in the Business market
- **Strong momentum going into FY13/14**
 - Full year of Internode and TransACT worth +\$42m EBITDA in FY13
 - Internode network synergies of \$7m p.a. in FY13 and beyond
 - TransACT system integration synergies of \$2-\$3m in FY13/14
 - Organisational integration underway providing further opportunities
 - Improved regulatory environment - benefits of access determination on wholesale ADSL



Q&A

Some of the information contained in this presentation contains “forward-looking statements” which may not directly or exclusively relate to historical facts. These forward-looking statements reflect iiNet Limited current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the control of iiNet Limited.

Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from iiNet Limited current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained herein with caution.