

Media Release

TPG selects Hawaiki cable and invests in fibre capacity between Sydney and the US west coast

Sydney, 19 August 2013 - The TPG Telecom Limited group (ASX: TPM) has issued a Letter of Intent to submarine cable group Hawaiki Cable Limited, under which TPG confirms its intention to acquire fibre capacity on the Australia-US segment of the Hawaiki submarine cable system.

The 14,000 km cable system will link Australia, New Zealand and Hawaii to the US west coast and is scheduled for completion in late 2015.

Under the multi-million dollar deal, TPG will acquire fibre capacity from Sydney to the US which will initially provide up to 3Tbps capacity using the latest 100Gbps wavelength technology, together with the ability to upgrade to 400Gbps and other future technologies. TPG will also acquire capacity on the Hawaiki trans-Tasman segment from Sydney to Whangarei in Northland, New Zealand.

Rémi Galasso, Chief Executive Officer of Hawaiki Cable Limited said, "We are honoured to work with TPG. Its leading position in the Australian telecom market makes the group a key partner for our new cable system."

David Teoh, Executive Chairman of TPG said, "With the continued growth in the TPG Group's consumer broadband, corporate and wholesale businesses, international connectivity is an important component of TPG's widespread telecommunications infrastructure.

"Hawaiki has a team with considerable experience in fibre cable systems and this project represents an excellent opportunity to give us a new high quality international link direct to the US, complementing existing international links, which include TPG's own Sydney to Guam undersea cable system."

Stephen Banfield, Chief Financial Officer of TPG, said that, "Whilst the detailed financial terms of the deal are confidential, TPG can advise that it would expect to incur capital expenditure in relation to this project of between US\$10m and US\$20m for each of the next 3 financial years commencing FY14."

Ends

For more information on Hawaiki, please visit www.hawaikicable.co.nz or contact:

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