

## Media Release

### **iiNet shareholders overwhelmingly vote in favour of the acquisition of AAPT's Consumer Division; iiNet will become the clear leading challenger brand in telecommunications**



**29 September 2010** – Shareholders have voted overwhelmingly to approve the acquisition of the AAPT Consumer Division at iiNet's Extraordinary General Meeting held today.

iiNet's Chief Executive Officer, Michael Malone said that the overwhelming support from iiNet shareholders is a reflection of the compelling strategic rationale for the acquisition and confidence in the company.

"iiNet will become the clear leading challenger brand in the Australian telecommunications market following the acquisition of AAPT's Consumer Division," Mr Malone said.

"iiNet will have more than 1.3 million customer services, including in excess of 650,000 DSL subscribers, the second largest in Australia.

"In addition, we will have over 2,000 staff across four countries dedicated to maintaining the Company's high quality customer service.

"iiNet's significant scale position, combined with our ever growing suite of cool products, well known brands and market leading service levels uniquely positions the company for continued growth in the changing industry landscape," Mr Malone said.

With iiNet shareholders now having approved the acquisition, completion will occur on 30 September 2010. The acquisition has been funded entirely from cash on hand and an extension of existing debt facilities. This has avoided shareholder dilution, whilst retaining a comfortable gearing level. In addition, the acquisition is expected to be EPS accretive in FY11 and beyond.

Alongside this acquisition, on 30 July 2010 Telecom New Zealand sold down its entire stake in iiNet (18.2%) to institutional and sophisticated investors. This block trade significantly increased iiNet's free float, and from 20 September 2010 iiNet has been included in the S&P/ASX 300 Index.

iiNet will provide an update on its trading performance at the Company's upcoming Annual General Meeting.

#### For further information, please contact:

Michael Malone  
Chief Executive Officer, iiNet  
[mmalone@iiNet.net.au](mailto:mmalone@iiNet.net.au)  
P: +61 8 9214 2207

David Buckingham  
Chief Financial Officer, iiNet  
[davidb@staff.iiNet.net.au](mailto:davidb@staff.iiNet.net.au)  
P: +61 8 9213 1358



**WINNER**  
Commitment to Customer  
Service – Consumer  
ACOMMS Communications  
Alliance & CommsDay  
Awards 2009



**WINNER**  
Australian Service  
Excellence Award,  
WA Call Centre Manager  
of the Year,  
National Customer Service  
CEO of the Year  
Customer Service Institute  
of Australia (CSIA)



**WINNER**  
Carrier of the Year 2010  
Best Broadband Service  
(Fixed or Wireless),  
Chief Executive of the Year  
Australian Telecom  
Awards 2009



---

**For further media interviews, please contact:**

Tim Grau - Springboard Australia

E: tim (dot) grau (at) springboard (dot) net (dot) au

M: +61 438 044 598

**About iiNet**

iiNet is Australia's second largest DSL Internet Service Provider and is the clear leading challenger in the telecommunications market. We employ more than 2,000 inquisitive staff across four countries and support over 1.3 million [broadband](#), [telephony](#) and [internet protocol TV](#) services nationwide.

We're a publicly listed company and we maintain our own super-fast broadband [network](#). Our vision is to lead the market with products that harness the potential of the internet and differentiate with [award-winning](#) customer service.

To achieve this, we [employ](#) creative thinkers and true advocates of technology. Our people are a huge part of the iiNet success story, so we've developed a unique and stimulating work culture to ensure they remain engaged and inspired.

A lot has changed since our CEO founded iiNet in a suburban garage back in 1993 and the broadband landscape continues to evolve. What hasn't changed is our passion for the transformative benefits of the internet and our commitment to helping Australians connect better.