



SP TELEMEDIA ACQUISITION OF PIPE NETWORKS



11 NOVEMBER 2009

\$373m cash, representing \$6.30 per PIPE share, comprising:

- placement of 2.8m PIPE shares to SOT completed on 9 November 2009, and
- purchase of remaining 56.4m PIPE shares/options by scheme of arrangement, subject to PIPE shareholder and Court approval

EPS accretive from Year 1*

Merged Group FY10 Guidance



	SOT \$m	PWK \$m	Combined \$m
Revenue	460	94 - 98	554 - 558
EBITDA	130	51.5 - 53.5	181.5 - 183.5
NPAT	47*	23 - 25	70 - 72

Costs of acquisition, amortisation and synergies excluded. * based on SOT's previously announced EBIT guidance.

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Funding for Acquisition



Total Group Debt on acquisition: ~\$400m

Acquisition funded by debt

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Commenced operations in May 2002

1,300,000 metres of fibre optic-based network

Services the CBDs and metro areas of Sydney, Melbourne and Brisbane

Built submarine cable to Guam connecting Australia to USA and Asia

Telco/ISP, Corporate and Government customer base

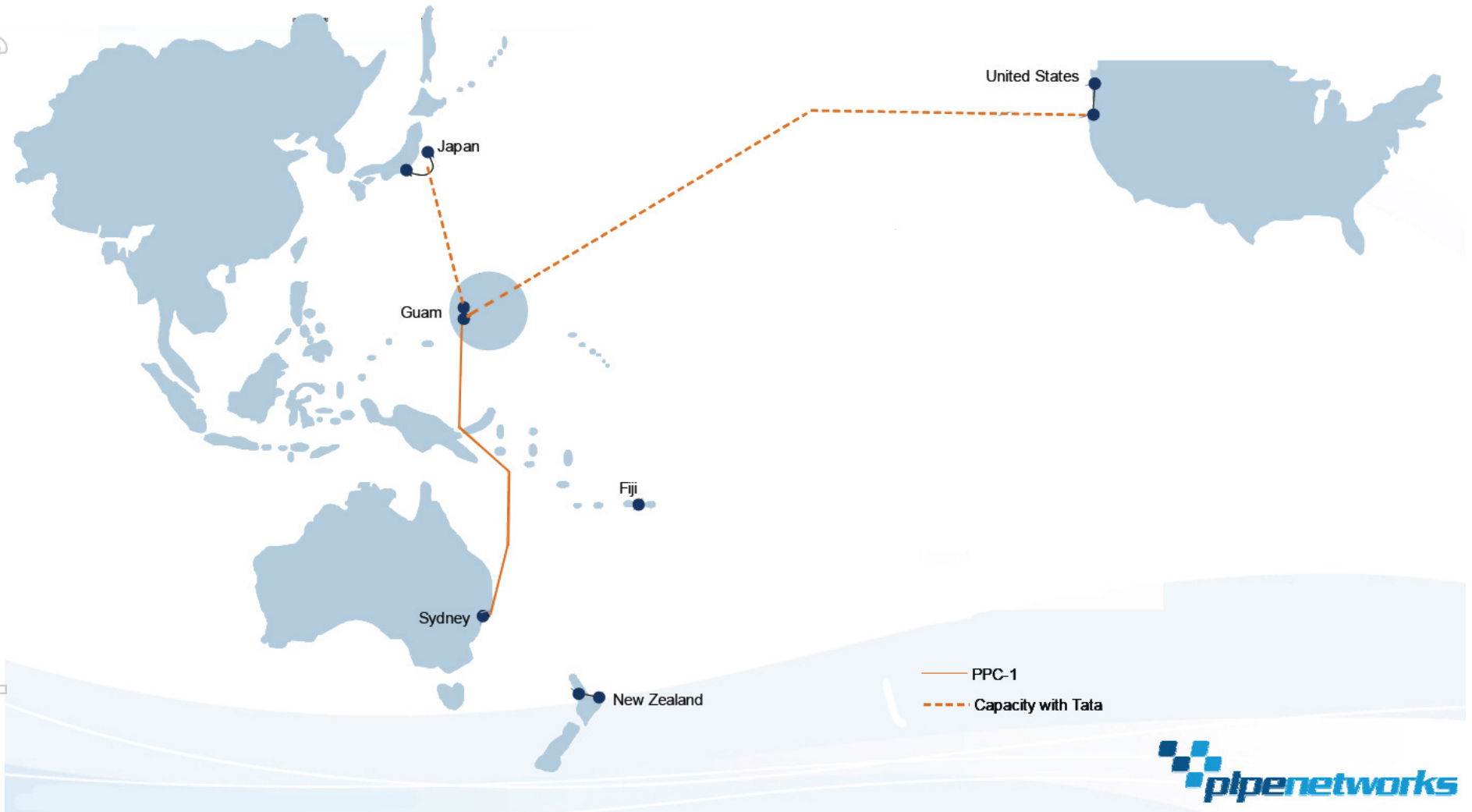
Connects to 100+ providers, 350 Telstra exchanges, 550 buildings



Extensive CBD and metro fibre optic network coverage

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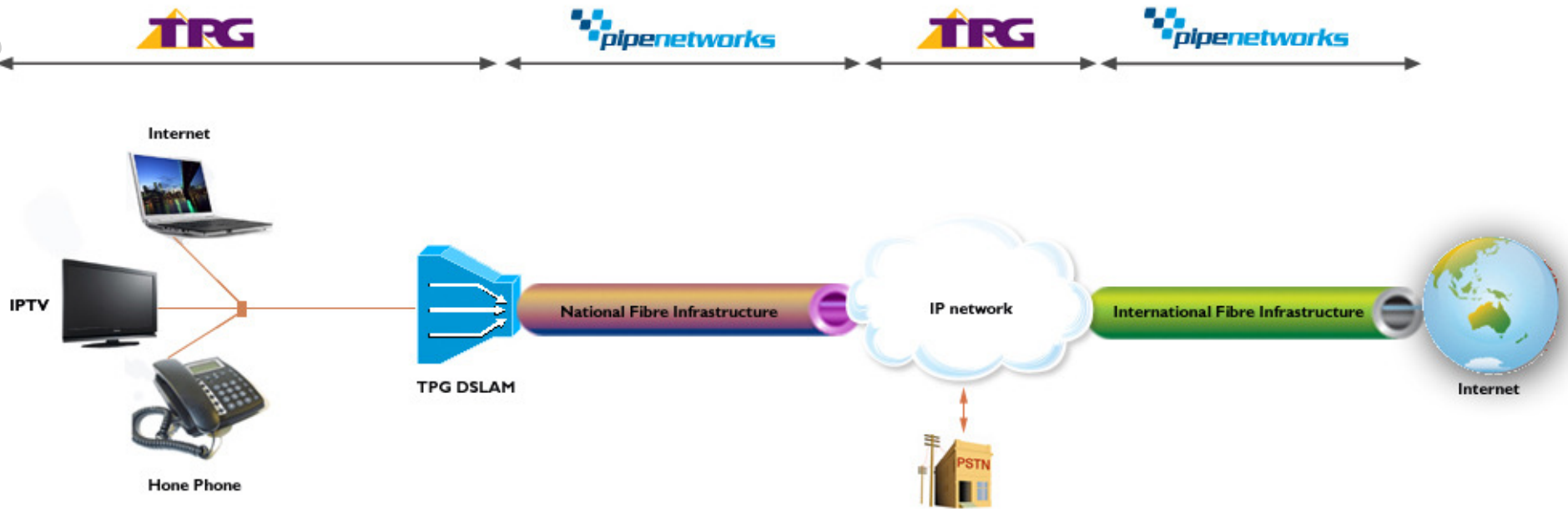
PIPE's Network - International



Strategic asset: PPC-1 submarine cable

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Infrastructure



- 330+ DSLAM national network
- 300+ IP enabled PoPs
- Voice interconnects in 65 of 66 Call Collection Areas



- Fibre network within Australia
- PPC-1 submarine cable to Guam
- Internet Peering

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Considerable cost savings on domestic fibre and international internet bandwidth

International internet bandwidth gives us a significant competitive advantage

Increases our addressable corporate market via on-net footprint

Opportunity to cross sell product offerings

Expands our network to USA and Asia

Good culture match: both organisations very efficient, well-run and cost-conscious

Management Team



David Teoh to remain Executive Chairman and CEO of SOT

Bevan Slattery to remain CEO of PIPE Networks

PIPE will continue to operate as a focused business

Indicative Transaction Timetable



Merger Implementation Agreement signed - 11 November 2009

SOT completes due diligence – by 11 December 2009

SOT finalises debt financing – by 18 December 2009

Scheme booklet and notice of Scheme meeting to be sent to PIPE shareholders
- February 2010

Scheme meeting for PIPE shareholders followed by court hearing - March 2010

Completion and payment of \$6.30 per PIPE share – Late March/Early April 2010

Questions?

Disclaimer:

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.