Media Release

24 August 2015

nbn performance lays strong foundation for Australia's future

- **nbn meets full year targets**
- **Rollout picks up momentum**
- **Significant milestones met**

nbn, the company building Australia's broadband network, today announced it had met its FY2015 targets.

In the 12 months to 30 June 2015, **nbn** doubled the number of serviceable premises, doubled the number of active end users and more than doubled telecommunications revenue.

nbn CEO Bill Morrow said:

"**nbn** has not only met its targets; it has exceeded them. The achievements of the past 12 months – including the recent regulatory approval of the Telstra agreement and the draft approval of the Optus deal – give us confidence that we can continue to accelerate the build. This will help us to meet our goal of ensuring that every home and business in Australia can receive fast broadband by 2020 so we can spur the digital economy and close the digital divide.

"These achievements come as a direct result of refinements we have made to the organisation, including improved business processes, the resetting of relations with our delivery partners and increasing employee morale."

In the 12 months to 30 June 2015:

- The number of premises that can order an **nbn™** service more than doubled from 553,000 premises to 1.2 million;
- The number of homes and businesses with an active **nbn™** service more than doubled from 210,000 to 486,000;
- Telecommunications revenues more than doubled from $60 million to $161 million;
- Customer satisfaction increased from 6.4 out of 10 to 6.6 points out of 10;
- Employee engagement increased by 16 per cent.

This progress contributed to Average Revenue Per User (ARPU) increasing from $37 to $40 per month and an increase in capital expenditure to $3.3 billion in line with the expansion of the rollout.

nbn has received a total of $13.2 billion in equity funding at end of financial year 2015. Total Government equity contributions are capped at $29.5 billion.

Multi-Technology Model

Mr Morrow confirmed that the company was well advanced in its transition to the multi technology rollout model that would enable Australians to receive fast broadband as soon as possible and at least cost to taxpayers.

In the past 12 months:

- All conditions precedent to the revised Definitive Agreements between **nbn** and Telstra have been satisfied or waived. The ACCC has also delivered a draft decision approving **nbn**'s plans to integrate parts of Optus' Hybrid Fibre Coaxial (HFC) cable network and to progressively migrate its HFC customers onto the **nbn™** network;
- **nbn** carried out the commercial launch of its Fibre to the Building product, and completed construction for the first 200,000 Fibre to the Node premises, which will be activated progressively from the current quarter onwards;
- The company conducted a successful trial of HFC technology, procured HFC equipment and outlined a blueprint to upgrade the entire HFC footprint to the DOCSIS 3.1 standard.

Outside the fixed-line footprint:

- The first of the two dedicated **nbn** satellites have passed all testing procedures and are scheduled for launch on 1 October 2015 AEST, with commercial services scheduled to come online progressively from H2 FY16;
- **nbn** has continued to expand its fixed wireless footprint and piloted the delivery of wholesale speeds of up to 50 Mbps to users - up to double the original wholesale offering*. A full commercial launch of the expanded offering is scheduled for the end of the current calendar year.

- ends -

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Notes to editors

nbn's objective is to ensure that by 2020:

- all homes, businesses and communities across Australia can access high speed broadband;
- 8 million premises are connected to the National Broadband Network;
- the company generates more than $4 billion of annual revenue;
- achieved within the constraints of $29.5 billion of equity funding.

For more information, visit www.nbn.com.au

* We're designing the **nbn**™ network to provide these speeds to our wholesale customers, telephone and internet service providers. End user experience, including the speeds actually achieved over the **nbn**™ network, depends on the technology over which services are delivered to your premises and some factors outside our control like equipment quality, software, broadband plans and how the end user's service provider designs its network.