Media Release

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nbn plan remains on track; FY21 outlook

nbn today released its Corporate Plan 2018-2021, revealing for the first time operational expectations of the business beyond the network build.

nbn end-of-rollout targets:

- **nbn** remains on track to complete the network build in 2020 within $49 billion peak funding;
- Geospatial mapping accuracy predicts 300,000 fewer premises in existence in Australia, resulting in an expected final footprint of 11.6 million premises in FY20;
- Expected number of homes and businesses with an active **nbn**™ service in 2020 remains at 8.1 million;
- Revenue $4.9 billion;
- Internal Rate of Return (IRR) remains between 3.2 per cent and 3.7 per cent; and
- **nbn** to retain high levels of customer experience and top quartile of Best Employer Indices ANZ.

nbn reveals first year operations expectations post build:

- Cash flow positive in FY2021;
- $5.4 billion in revenue from 8.6 million active services and ARPU of $52 per month.

nbn plan remains on track with FY18 biggest build year, adjusted for reduced footprint

With another year of information and experience, **nbn** has applied only minor adjustments to its plan in line with greater data accuracy and planned network upgrades to Fibre-to-the-Curb (FTTC) as previously announced.

nbn added 2.8 million premises to its footprint in FY2017, with its biggest build year ahead of 3 million additional premises expected to be made ready for service in FY2018.

In the following year, a further 2.5 million premises are expected to be made ready for service, with the final 400,000 premises scheduled for completion in FY2020.

Greater geospatial mapping accuracy has delivered an expected final footprint in 2020 of 11.6 million premises, 300,000 lower than the previous estimate of 11.9 million.   When going into detailed design and construction, **nbn** has been able to plot existing premises in Australia with greater accuracy and adjust for reduced new development expectations.

This breaks down as 200,000 fewer premises from the previously planned FY2018 footprint, with the remaining 100,000 premises primarily from FY19-20.

nbn CEO Bill Morrow said:

"Our strategy remains unchanged to have the network built and eight million premises connected to an **nbn**™ service by 2020, within peak funding of $49 billion and IRR of 3.2 per cent to 3.7 per cent.

"This year ahead will be our biggest year yet, adding an astonishing three million premises to the footprint. We have made slight changes to the FY2018 incremental footprint, with 200,000 fewer premises expected to exist, and around 200,000 premises shifted into FY2019 to receive our network upgrade to FTTC technology."

"FTTC is currently expected to support one million premises, and we continue to look for ways to make it cost effective to hopefully expand that footprint further. As planned, we will launch FTTC in 2018," said Mr Morrow.

"On top of the reduced number of expected premises in FY2020 plans, we have also been able to bring forward the rollout for 200,000 premises, making them ready for service earlier in FY2019. This now means we expect to be 97 per cent completed by end of June 2019," he said.

On track to deliver the network build for $49 billion

The technology-based cost per premises (CPP) metrics remain largely unchanged with the planned inclusion of FTTC estimated at $2,900.

"We remain confident we can deliver on our promise to have the country connected in 2020 within $49 billion," said Mr Morrow.

After another year of above-target performance in FY2017, additional experience and information have enabled **nbn** to reduce its expected peak funding range to $47-$51 billion.

"Since our 2016 Corporate Plan we have reduced our peak funding expectations from a $10 billion range, to a $4 billion range today."

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