The following slides give an overview of the NBN Co Limited Half-Year Report to 31 December 2013. For full details please refer to the Report. Some Balance sheet items and notes quoted as at 31st December 2012 have not been subject to review by our auditors under the accounting standards. The full year financial statements as at 30 June 2013 were however subject to audit.

Dr. Ziggy Switkowski Executive Chairman
Robin Payne CFO
Greg Adcock COO

This document sets out NBN Co’s proposals in respect of certain aspects of the National Broadband Network. The contents of this document represent NBN Co’s current position on the subject matter of this document. The contents of this document should not be relied upon by our stakeholders (or any other persons) as representing NBN Co’s final position on the subject matter of this document, except where stated otherwise. NBN Co’s position on the subject matter of this document may also be impacted by legislative and regulatory developments in respect of the National Broadband Network. All prices shown in this document are exclusive of GST.

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Dr. Ziggy Switkowski
Executive Chairman
Today’s agenda

• CFO – Financial results to 31 December 2013

• COO – Progress with rollout, particularly our work with construction partners to stabilise the construction program

• Q&A – A chance to interact with the executive team
First six months

- Reconstituted board
- Key executive appointments
- Improving transparency
  - Quarterly reporting
  - Relevant rollout metrics and maps
  - Senate committee hearings
- Strategic Review
- Increased overseas benchmarking
- Contractor relationships
- Special Access Undertaking – Wholesale Broadband Agreement
Steps ahead

• New CEO
• Employee engagement – baseline survey
• Continued FTTP rollout
• Disconnections
• Transformation steps
  – Telstra/Optus negotiations
  – COO organisation review
  – FTTx pilots
• Engagement with construction partners and RSPs
• Review of satellite and fixed wireless strategy
• Cost Benefit Analysis findings in June
• Financial Plan 2014/15 and 2014/17 Corporate Plan
Agenda

- Summary of Results
- Revenue and End User Experience
- Capital Expenditure
- Operating Expenses
- Life to Date Cash Flow
### Summary Results

<table>
<thead>
<tr>
<th></th>
<th>$m 6 months ending</th>
<th>31 December 2012</th>
<th>30 June 2013</th>
<th>31 December 2013</th>
<th>Change % (Dec 12 – Dec 13)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td></td>
<td>29</td>
<td>36</td>
<td>48</td>
<td>63%</td>
</tr>
<tr>
<td><strong>Telecommunications Revenue</strong></td>
<td></td>
<td>5</td>
<td>11</td>
<td>22</td>
<td>314%</td>
</tr>
<tr>
<td><strong>Interest Income</strong></td>
<td></td>
<td>24</td>
<td>25</td>
<td>26</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td>333</td>
<td>416</td>
<td>500</td>
<td>50%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>(328)</td>
<td>(304)</td>
<td></td>
<td>(476)</td>
<td>45%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>(402)</td>
<td>(527)</td>
<td></td>
<td>(645)</td>
<td>60%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>$m As at</th>
<th>31 December 2012</th>
<th>30 June 2013</th>
<th>31 December 2013</th>
<th>Change % (Dec 12 – Dec 13)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td></td>
<td>3,523</td>
<td>5,519</td>
<td>7,674</td>
<td>118%</td>
</tr>
<tr>
<td><strong>Lease Liabilities</strong></td>
<td></td>
<td>654</td>
<td>1,337</td>
<td>2,697</td>
<td>313%</td>
</tr>
<tr>
<td><strong>Contributed Equity</strong></td>
<td></td>
<td>3,778</td>
<td>5,228</td>
<td>6,478</td>
<td>71%</td>
</tr>
</tbody>
</table>
Monthly ARPU for 6 months to 31 December 2013
Incremental Fibre Connect Orders by Speed Tier
Incremental Fixed Wireless Connect Orders by Speed Tier

Percentage of Connect Orders Received

End User Mix

NBNCo®

Bringing broadband to life
Capital Expenditure

Incremental Capital Expenditure

<table>
<thead>
<tr>
<th></th>
<th>1H 12</th>
<th>2H 12</th>
<th>1H 13</th>
<th>2H 13</th>
<th>1H 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Capex</td>
<td>346</td>
<td>507</td>
<td>792</td>
<td>975</td>
<td>1,187</td>
</tr>
<tr>
<td>Transit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LT Satellite</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Wireless</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Developments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Connect</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access Fibre</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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</table>

$m \text{ }$1H14

<table>
<thead>
<tr>
<th>Description</th>
<th>$m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Capex</td>
<td>184</td>
</tr>
<tr>
<td>Transit</td>
<td>236</td>
</tr>
<tr>
<td>LT Satellite</td>
<td>264</td>
</tr>
<tr>
<td>Fixed Wireless</td>
<td>125</td>
</tr>
<tr>
<td>New Developments</td>
<td>28</td>
</tr>
<tr>
<td>Customer Connect</td>
<td>77</td>
</tr>
<tr>
<td>Access Fibre</td>
<td>274</td>
</tr>
</tbody>
</table>

Total $1,187$
Capital Expenditure

LTD Capital Expenditure ($m) = $4.3bn

- Common Capex $1,194
- Access Fibre $860
- Customer Connect $125
- New Developments $272
- Fixed Wireless $408
- LT Satellite $658

LTD Cost of Property, Plant, Equipment and Intangibles ($m) = $7.3bn

= + $2.7bn
+ $0.2bn
+ $0.1bn

- Common Capex $1,290
- Access Fibre $986
- Customer Connect $125
- New Developments $363
- Fixed Wireless $408
- LT Satellite $658

Transit $3,456
Operating Expenses

Incremental Operating Expenses

Incremental Operating Expenses (Half on Half)
Life to Date Cash Flow

**Source of Funds**
- Equity: $6,478
- Revenue: $42
- Interest: $163

**Use of Funds**
- Operating Costs: $(95)
- Capital Costs: $(2,046)
- Cash and Deposits: $679
Greg Adcock
Chief Operating Officer
December 2013 – Key operational data

**Brownfields**

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premises passed</td>
<td>273,174</td>
</tr>
<tr>
<td>Premises activated</td>
<td>52,531</td>
</tr>
</tbody>
</table>

- Premises Servicable
- Premises Non Servicable (Service Class Zero)
- Cumulative premises activated

Graph showing cumulative number of premises passed and cumulative number of premises activated from 01 Jul 2010 to 31 Dec 2013.

- 52,531 premises activated as of 31 Dec 2013.
December 2013 – Key operational data

New Developments

<table>
<thead>
<tr>
<th>Lots/premises passed</th>
<th>77,872</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premises activated</td>
<td>27,546</td>
</tr>
</tbody>
</table>

Ready for Service
Cumulative premises activated

Cumulative number of premises passed

26 Aug 2011
31 Dec 2013

Cumulative number of premises activated

0
3,000
6,000
9,000
12,000
15,000
18,000
21,000
24,000
27,000
30,000
33,000
36,000
39,000
December 2013 – Key operational data

Fixed Wireless

- Premises covered: 65,860
- Premises activated: 6,512

Satellite

- Premises covered: 48,000
- Premises activated: 44,170

Cumulative number of premises covered and activated from 24 Jun 2011 to 31 Dec 2013.
Moving to the faster, more cost effective rollout

- Transit = 60% complete
- Points of Interconnect = 80% complete
Fixed Wireless communications upgrade

Nationally

• Total 273 base stations integrated
  – 152 in six months Dec 13
• Total 768 sites acquired
  – 286 sites acquired in six months to Dec 13
• 25/5 Mbps wholesale speeds
Transit Aggregation Nodes & Depots – Sydney’s North and West
Achieving Stability

FSAM Lifecycle Status - Month by Month Incremental Activity

FSAM Lifecycle Status Forecast - Month by Month Incremental Activity
FTTB Pilot

• 10 Multi-Dwelling Units
• Carlton, Brunswick, Parkville
• Up to five RSPs participating
• Connecting VDSL2 equipment to existing lines in comms rooms

Pictured right – MDU in Parkville Vic – 78 premises
Above the FTTB rack and VDSL2 equipment adjacent to existing Main Distribution Frame
Our FY14 Objectives – What does success look like?

Where do we need to be by June 2014?

- It’s not just the numbers
- We need to change the conversation

Measures that Matter

- Serviceable Premises/Activations
- Our Customer Engagement
- Our People Engagement
- Industry Confidence
- Unit Cost
- Transformation
Questions & Answers?