



Media release

9 February 2017

nbn 2017 half year results

On schedule, on budget, and approaching half way point

nbn today released its financial results for the six months to 31 December 2016. With strong performance across all key metrics, the company is on track to reach the half-way complete milestone this year, further progressing towards its 2020 goal.

In the six month reporting period, **nbn** achieved incremental growth and increasing productivity gains. Key achievements included the successful launch of the second Sky Muster™ satellite into orbit and the announcement of a greater focus on the world-leading Fibre-to-the-Curb technology in its network mix.

Key highlights as at 31 December 2016:

- The number of premises able to order an **nbn**™ service rose to 3.8 million, an increase of 129 per cent versus the six months ended 31 December 2015 (H1 FY2016)
- The number of homes and businesses with an active service over the **nbn**™ network increased to 1.6 million, a 125 per cent increase in comparison to H1 FY2016
- Revenue earned in the half-year was \$403 million (146 per cent increase in comparison to H1 FY2016)
- ARPU remains constant at \$43 in comparison to H1 FY2016

nbn CEO, Bill Morrow, said:

“It has been another impressive result for the **nbn** team and our partners as we step closer to completing the build and connecting eight million homes by 2020.

“This result gives further confidence in **nbn**’s ability to deliver, and we remain on track to achieve our full year 2017 targets.

“Our increased productivity is enabling our retailers to market more services in more areas. Take up of services over the **nbn**™ network is growing, as is average data use per home, meaning that each week thousands more Australians are seeing the benefits of fast broadband via the **nbn**™ network.

“Growing penetration is driving encouraging revenue growth. In the past six months, **nbn** recorded revenue close to the total achieved in the entire fiscal 2016 year. This strong growth is demonstrating the long term sustainability of the company.

“With a robust balance sheet clearly being built, **nbn** is on track to invest in future upgrade paths as demand requires.”

Productivity increases

The December weekly run rate of new premises made ready for service grew to approximately 48,000 on a 12-week rolling average basis, which is considerable compared to the December 2015 figure of 21,000. In terms of



connections, the December 2016 weekly run rate was approximately 20,000, a doubling of output in comparison to the same time a year ago. Last week, the weekly run rate for new connections had already increased to 28,000.

“The rollout continues to accelerate; our weekly growth, particularly over the calendar year, shows the shift in scale,” added Morrow.

“Now, 80 per cent of the country is either in design, in construction or already able to order a service. This shows the vast reach of **nbn**[™] network into a majority of communities across the country.

“The company is on track to reach the half-way point of the rollout this year, and we are confident in our progress towards Australia being the first fully-connected continent.”

End users and retailers experience

As the network and user base grows, **nbn** is working closely with retailers to drive an enhanced experience. The company has commenced a broader education on **nbn** wholesale speed tiers, aiming to ensure a more informed conversation between end users and retailers about the full potential of the **nbn**[™] service in their area.

“We are refining processes with our retailers to ensure ordering and installing a service over the **nbn**[™] network can be completed more efficiently, and that the service itself delivers to expectations,” said Mr Morrow.

“Already we are seeing more end users purchasing plans from retailers, based on the 100Mbps wholesale speed tier. **nbn** experienced the greatest incremental growth in this speed tier in the December quarter.

“With the **nbn**[™] network, there is greater choice than ever before. We encourage everyone to ask their retailer about what is available, as **nbn** provides a range of wholesale speed choices to retailers,” he said.

Media enquiries

Dan Holland

Mobile: 0429 364 299

Emma Gilmour

Mobile: 0447 073 290

Resources

Click here for presentation



Notes to editors

By 2020, **nbn** aims for:

- All homes and businesses across Australia to access high speed broadband;
- 8 million premises to be connected to the **nbn**[™] network;
- Annual revenue of more than \$5 billion.

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