



# Media Release

9 November 2015

## nbn records strong first quarter

### HFC customer pilot paves way for launch of final MTM technology

Monday, 9 November 2015 – The company rolling out Australia's national broadband network has recorded strong customer and revenue growth in the three months to 30 September.

The number of homes ready for service increased by 91 per cent to 1.38 million, compared to the same quarter last year.

Active end users on the **nbn**<sup>TM</sup> network increased by nearly 130 per cent versus the same quarter last year, to reach 610,000 premises to date.

Telecommunications revenue for the quarter was \$71 million, an increase of more than 150 per cent versus the same quarter last year.

**nbn** CEO Bill Morrow said:

"The figures give the company confidence that it is tracking well towards its full-year targets. At the same time we have recently set the course for the completion of the rollout. Our recent Corporate Plan, coupled with our construction plan for the next three years, covers 85 per cent of the country, with the remainder of the rollout on course to be completed by 2020."

Mr Morrow said the company's confidence was reinforced by the strong weekly build and activation run-rates as well as the successful launch towards the end of the quarter of the FTTN product. The next technology, HFC, is on track for commercial launch in 2016. The recently-launched Sky Muster satellite is also poised to deliver high speed broadband to rural and remote users in the same timeframe.

During the quarter, the company incurred \$1.063 billion in capital expenditure, recorded an EBITDA loss of \$336 million, and operating expenses of \$409 million. Average Revenue per User increased by 2.9% in the three month period to \$43.

### Multi-Technology Mix

The company also announced it has commenced an end-user pilot over Hybrid Fibre-Coaxial (HFC) cables.

The pilot in Redcliffe, Queensland, will involve around 300 homes and four service providers, testing the connection process and the customer experience.

The **nbn** Corporate Plan estimates that around four million premises – or around one third of Australian homes and business – will receive high-speed broadband via HFC.

Mr Morrow said:

"The pilot marks pleasing progress for our HFC product. It will pave the way for the commercial release of HFC in 2016, marking the release of the final MTM (Multi-Technology Mix) technology. It will also help put us on course to meet our target of delivering better broadband to eight million happy homes by 2020."

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