



Media release

26 August 2016

nbn builds on momentum to complete the network by 2020

nbn today released its Corporate Plan 2017, outlining the complete network rollout and integrated business plan through to 2020.

Key nbn targets for FY2020 as compared to Corporate Plan 2016:

- Remains on track to complete network build by 2020;
- Remains on track to connect 8 million premises by 2020;
- Increased annual revenue for FY2020 to an estimated \$5bn, with ARPU forecast to \$52;
- Remains on track to complete network build with peak funding of \$49bn;
- Decreased top end of peak funding range by \$2bn to \$46-54bn; and,
- Increased IRR to 3.2 - 3.7 per cent.

With the insight and experience from another twelve months of constructing and operating the network and the release of the full range of Multi-Technology Mix (MTM) products, **nbn** has released its Corporate Plan 2017.

Already today, nearly two thirds of all Australian premises are either in design, construction or able to order an **nbn** service. This increased in-field experience provides greater accuracy of the design, construction and activation processes and the total costs across the technology mix.

Looking to adopt a more flexible approach to new and evolving technologies and to the rollout, **nbn** has provided a detailed outlook to deliver the **nbn** network on time and at the least possible cost.

nbn CEO Bill Morrow said:

“We’ve had a terrific 2016 financial year, exceeding the company’s key targets set by the Board.

“During the year we completed the MTM by introducing three new products to market: Fibre-to-the-Node, the Sky Muster™ satellite service and HFC,” he said.

“We have strengthened our relationships with our partners; finalised contracts to the end of the build; and, improved data quality. These factors have enabled **nbn** to minimise many of the uncertainties and cost assumptions in the business. This has led to a projected decrease in the top end of the peak funding range, now \$46-54 billion, down from \$46-56 billion in the 2016 Corporate Plan.

“We have bold targets to deliver one of the most complex construction projects in our country’s history to ensure no Australian is left behind. We are on track to make fast broadband available to everyone in 2020.



“To do this we need to work closely with our Retail Service Providers, and apply an intense focus on the end-user experience as we shift from being a company building the network to delivering exceptional service.”

“Data consumption is expected to grow at 30 percent each year (CAGR), with millions of Australians making the most of their access to fast broadband. This will result in increased ARPU, which, paired with a positive speed tier mix, will produce strong revenue growth.

The **nbn** network remains a critical and highly complex project; the risks are known and are being managed. The technology-agnostic approach enables nbn the flexibility to select the ideal technology for each neighbourhood as one of the last steps in the design process, and to introduce new technologies as they become commercially viable. This has led to the introduction of rollout ranges for each technology type.

“We are fully flexible in our approach to the **nbn** network, so we can ensure we deliver broadband access to everyone as soon as possible and at least possible cost,” said Mr Morrow.

“We have managed to de-risk many of our previous assumptions with greater experience, increased planning and data accuracy and contracts in place with our partners.

“The road ahead is steep. We are realistic about the challenges and we are well aware of the risks. We have never been better prepared to manage the successful delivery of the **nbn** network.”

Media enquiries

Dan Holland

danholland@nbnco.com.au

Mobile: 0429 364 299

Emma Gilmour

emmagilmour@nbnco.com.au

Mobile: 0447 073 290

Resources

Click here to access the Corporate Plan 2017

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