



MARKET RELEASE

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Spark welcomes spectrum allocation and prepares for 5G rollout over the next 12 months

Spark today welcomed the announcement of the direct allocation process of 5G spectrum, with the Company to be offered management rights to 60 MHz of 3.5 GHz (or C Band) spectrum.

Spark CEO Jolie Hodson said the allocation enables a significant investment in 5G infrastructure across the country over the coming year, which will play a critical role in New Zealand's response to and recovery from Covid-19.

"Over time 5G will fundamentally transform how we work, learn and connect as a country and act as a catalyst for innovation with emerging technologies such as robotics, artificial intelligence, augmented and virtual reality and the Internet of Things (IoT)," said Hodson.

Work done for Spark by NERA Economic Consulting estimates that the rollout of 5G in New Zealand could add between \$5.7 billion and \$8.9 billion per year to the New Zealand economy over the next 10 years.

"Our recovery from Covid-19 is a long game, and it has never been more important to improve our productivity as a country and ensure we are well positioned to adapt to new ways of working. And in a world where physical distancing will remain critical for some time, technologies that connect people virtually have a fundamental role to play in our economic recovery," continued Hodson.

"Securing 3.5GHz spectrum was critical for the rollout of a full suite of 5G services, so we would like to acknowledge the Government for facilitating the allocation, which will enable us to proceed with our planned 5G roll out at pace.

"We plan to switch on 5G sites in a number of major centres and regions across the North and South islands over the next year. To maintain this momentum, we are



keen to work with Government to accelerate the timeline for the longer-term spectrum auction, which is currently scheduled for November 2022.”

Spark will announce further details about its roll out plans in due course.

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Notes to the editor:

- The 3.5GHz spectrum band is the first to be allocated by the government to enable further development of 5G networks.
- Rights run through to 31 October 2022.
- Long-term rights to 3.5GHz spectrum are currently expected to begin in November 2022, with details of this allocation to be developed over the next two years.
- 5G is expected to significantly improve data speed and capacity, and reduce latency, for conventional mobile and fixed wireless broadband networks, as well as providing opportunities for new emerging technologies, innovations and services.

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