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STOCK EXCHANGE ANNOUNCEMENT

13 October 2017

Chorus Q1 FY18 Connections Update

Total fixed line connections declined by 20k to 1,582,000 in the three months to 30 September, while total broadband connections declined by 2k to 1,184,000

- line loss slowed progressively through Q1 as our Ask for Better campaign made customers more aware of their better broadband options
- broadband connections grew in Chorus' UFB areas, while local fibre companies continued to gain fibre connections in their areas and some retailers promoted their wireless networks more widely

More customers than ever made the switch to better broadband on copper VDSL or fibre

- 53% of broadband connections now on VDSL or fibre, up from 45% at 30 June
- 50,000 connections were added to VDSL, our largest increase ever
- field force productivity was the highest ever with 40,000 new fibre connections built
- fibre uptake across all Chorus UFB areas is now 39%, with Blenheim leading at 47% uptake

Data demand continues to grow as video streaming drives increased broadband usage

- 1,240 gigabits per second average network throughput at 9pm in September 2017, up from 1,084 Gbps in June 2017
- 162GB monthly average household data usage in September (128GB average on copper broadband; 251GB on fibre), up from 155GB in June

ENDS

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