DECEMBER

BROADBAND DEPLOYMENT UPDATE



UFB

27% of New Zealanders in UFB areas have access, and over 19,000 users are now connected to UFB

ightarrow see page 2

Rural Broadband Initiative (RBI)

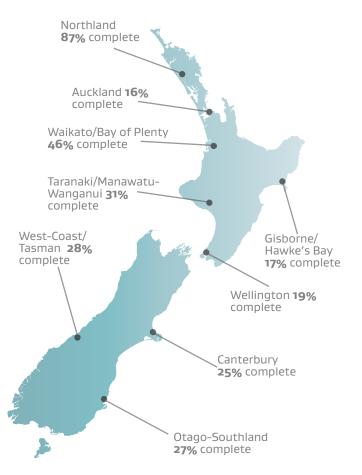
250 towers have now been upgraded → see page 3

Priority Users

Over 80% of the programme target for schools to be ready for service has been reached

ightarrow see page 5

UFB DEPLOYMENT PROGRESS:



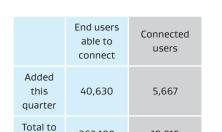
BROADBAND@MBIE.GOVT.NZ

ULTRA-FAST BROADBAND INITIATIVE (UFB)

Connecting 75% of New Zealanders with fibre to the premise by end 2019. Fibre will be capable of peak speeds of at least 100Mbps.

Highlights

- > 61 retail providers are actively offering UFB services.
- > UFB connections are now available in 26 candidate areas. For information on whether you can connect to UFB, please contact your retail service provider or go to www.broadband.govt.nz



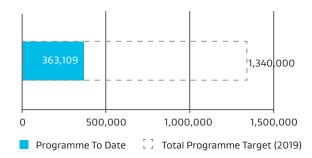
19,915

363,109

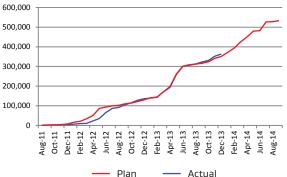
date*

TABLE 1: UFB Progress at December Quarter 2013

FIGURE 1A: UFB end users able to connect







\rightarrow UFB

The Greymouth UFB build got underway in December 2013. When completed, over 3,500 homes and businesses as well as eight local schools will be able to connect directly to the fibre network. The build involves local contractor Electronet and local power company Westpower, working with Chorus.



RURAL BROADBAND INITIATIVE (RBI)

Connecting 86% of rural homes and businesses (outside UFB areas) with broadband at peak speeds of at least 5Mbps by 2016. This is through fixed wireless and improved copper services (some rural homes and businesses will be able to choose between the two services).

3

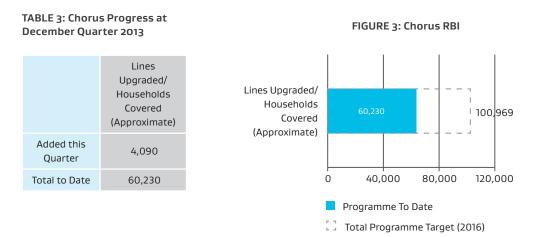
VODAFONE's role is the provision of fixed wireless broadband capable of peak speeds of at least 5Mbps.

| | Towers Upgraded | New Towers Installed | Households Covered (Approximate) |
|--------------------|-----------------|----------------------|-------------------------------------|
| Added This Quarter | 60 | 16 | 41,951 |
| Total to Date | 250 | 76 | 179,161 |

TABLE 2: Vodafone Progress at December Quarter 2013

| FIGURE 2: Vodafone RBI | | | | | | | | | |
|---|---------|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
| Towers Upgraded | 250 387 | | | | | | | | |
| New Towers Installed | 76 | | | | | | | | |
| 0 100 200 300 400 | | | | | | | | | |
| Programme To Date Total Programme Target (2016) | | | | | | | | | |

CHORUS' role is the deployment of fibre to cabinets, offering improved broadband services. Some residences will receive copper-based broadband speeds of up to 20Mbps.



RURAL BROADBAND INITIATIVE (RBI)

\rightarrow RBI

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At the half way point of the five year RBI programme, Vodafone is well on target for its share of the rural broadband programme. The lattice tower at Tokanui in the Southland District is one of 16 new towers installed in the quarter. The RBI towers are built to allow other operators to co-locate, and some have already been enabled with super fast 4G mobile technology.



To be connected with fibre capable of peak speeds of at least 100Mbps through the UFB or RBI. Remote schools will receive point-to-point wireless connections capable of peak speeds of at least 10Mbps.

TABLES 4A & 4B: Schools Progress at December Quarter 2013

| Added this Quarter | Schools with fibre past the school gate | Schools ready for service | Total to date | Schools with fibre past the school gate | Schools ready for service |
|-----------------------|---|------------------------------|-------------------|---|------------------------------|
| UFB | 93 | 101 | UFB | 1,282 | 1,196 |
| RBI | 39 | 38 | RBI | 836 | 832 |
| Remote schools | n/a | 1 | Remote schools | n/a | 39 |

Note: The programme target covers state and state-integrated schools. It includes schools that have been connected to fibre outside of the UFB and RBI.



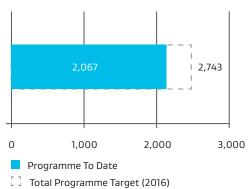


FIGURE 5: Total rural hospitals ready for service



Total Programme Target (2016)

\rightarrow **PRIORITY USERS**



"I am blown away at the difference this has made in the classroom; from student engagement and even curriculum delivery. Students can access and engage with internet programmes and apps instantly. The world of possibilities teachers can now engage in is huge in terms of delivering education in the 21st century."

Kane Todd, Principal, Makahu School

(Remote Schools Broadband, in partnership with Araneo)

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Website

The quarterly broadband update is available in pdf format through the Ministry's Economic Development website:

http://www.med.govt.nz/sectors-industries/technology-communication/fastbroadband/deployment-progress

Data Sources

The broadband deployment update is compiled with information from Crown Fibre Holdings and the various companies mentioned in this update .

Next Release

The next quarterly broadband update is scheduled for release May 2014. Please forward any enquiries to: Communications and IT Policy Resources, Energy and Communications Branch Ministry of Business, Innovation and Employment P O Box 1473, Wellington, New Zealand Telephone: +64 4 472 0030 Email: broadband@mbie.govt.nz



MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT HĪKINA WHAKATUTUKI

New Zealand Government