

MEDIA RELEASE

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Telecom notes Ultra-fast Broadband announcement

Telecom has today noted Crown Fibre Holdings' (CFH) announcement that it has confirmed its partners for two regions of the government's Ultra-fast Broadband initiative, representing around 16% of the 75% targeted by the UFB initiative.

CFH has selected NorthPower (covering the Whangarei area) and Ultra Fast Fibre Limited, owned by WEL Networks (covering Hamilton, Tauranga, Cambridge, Te Awamutu, Tokoroa, New Plymouth, Hawera and Wanganui).

CFH had previously announced on 9 September 2010 that it was in priority negotiations with companies relating to those areas.

"This announcement confirms CFH's previously indicated intention in these areas, and Telecom's proposal is focused on the remainder of the country," said Paul Reynolds, Telecom CEO.

"We continue to engage in the process being run by CFH to determine the successful partners for the rest of the country, however time is running out and we are conscious that our shareholders need resolution.

"We are firmly of the belief that a structurally separate Chorus as the cornerstone of a national framework for fibre is the most efficient and effective way to deliver the government's fibre vision and that is reflected in our proposal.

"We are also open to partnership with other public and private sector owners of fibre assets, including the parties selected as CFH's partners, where partnership can improve the overall economics of a national solution to deliver fibre further and faster for New Zealand," he said.

ENDS

Contact:

Ian Bonnar
Telecom New Zealand
027 215 7564