



MEDIA STATEMENT

15 July, 2011

Chorus consults industry on future fibre products

Chorus has today released service descriptions and other related documents for the key Ultra Fast Broadband (UFB) products.

The release of the documents, in line with the previously-published timetable for the development of the Chorus Wholesale Services Agreement, is part of the joint industry consultation process carried out with Crown Fibre Holdings (CFH) via the Telecommunications Carriers' Forum (TCF).

"We are pleased to be able to share the new products we have under development and look forward to hearing the industry's feedback as we move together towards the fibre future," said Mark Ratcliffe, CEO Chorus.

Subject to shareholder approval, Telecom is aiming to demerge Chorus by the end of the year, to enable it to take the cornerstone role in the UFB initiative.

However, as part of Telecom's UFB agreement, the services are scheduled to be launched in August and September, to enable Retail Service Providers (RSPs) to develop fibre-based offerings for their customers before the planned demerger is voted on by shareholders.

Additional new fibre products

In addition, Chorus is also announcing product information on other new services, which are not part of the consultation process but are still fibre based services.

"As New Zealand's fibre partner Chorus will have a critical role in enabling the future success of RSPs across the country, and these products form the backbone of how we will serve them," Mr Ratcliffe said.

A description of all products announced today is available at http://www.chorus.co.nz/f878,62106/Product_Summary_July_2011.pdf

HSNS price reduction opens up fibre for more businesses

Chorus has also announced that from 24 August 2011 it is reducing the price of its High Speed Network Service (HSNS) product, in line with the UFB Agreement with CFH.

HSNS is an existing fibre-based product that is sold to service providers to enable them to provide high speed fibre services to business and corporate customers.

The HSNS price will be reduced across all 33 UFB regions, including the regions where Chorus has not been selected as the Crown's partner. For the standard

product, the monthly access price will be \$380 per month, which will apply to existing as well as new circuits.

“This price reduction should enable service providers across New Zealand to develop high-speed fibre products at a price point that is compelling to a far wider proportion of the business market than has previously been the case,” he said.

Chorus Co-Innovation Labs

Chorus has also announced the launch of the Chorus Co-Innovation Labs. This will support RSPs in their product development and allow them to test the new fibre products.

The labs will be open in both Auckland and Wellington from today.

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