



Media Release

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UFB win highlights successful 2011 for city-owned fibre company

Enable Services Limited* generated above target returns for 2011 while ensuring significant future growth by winning the contract for the government-backed Ultra-Fast Broadband (UFB) project.

At today's Annual General Meeting, CEO, Steve Fuller said, "The performance of the company in generating a \$454k net profit, despite a difficult year punctuated by the three earthquakes, highlights the rapidly growing customer demand for ultra-fast fibre-based broadband services in our city."

This profit was underpinned by a 170 percent revenue growth to \$4.9 million, and was generated despite extraordinary costs associated with bidding for the UFB project and a small asset impairment loss of \$148k due to earthquake damage.

Mr Fuller added, "If it was not for these two exceptional costs, our net profit would have been over \$700k representing a 60 percent increase on 2010."

Enable Services was also very fortunate in that the earthquakes caused almost no damage to its underground fibre network. This meant it could continue to provide service to customers and help them relocate their businesses in the wake of the earthquakes, and was not faced with a significant repair bill.

Mr Fuller also pointed out the costs incurred in 2011 winning the contract to partner with the Government to build the UFB network, will prove to be a shrewd investment as the project gains momentum.

"We launched the UFB project last week. We already have teams in the field building the first residential phase and are about to start adding commercial areas of the city not already able to access our 350 kilometre business network.

"By 31 August 2012, the number of commercial entities and residential premises that can connect to our network will more than double – to over 20,000. This number will continue to grow rapidly as we extend the network over the eight-year build period; creating literally tens of thousands of potential customer connections generating returns to our business and city.

“In addition, over 200 local jobs are being created immediately in order to build the new fibre network – and more will follow.”

A full copy of the Enable Services Annual Report can be found at <http://enable.net.nz/about-us/our-company>.

**Christchurch City Networks Limited (trading as Enable Networks) changed its name to Enable Services Limited on 5 October 2011.*

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