



CHRISTCHURCH CITY HOLDINGS LIMITED

MEDIA RELEASE

24 May 2011

Enable contract win very positive for Christchurch

Christchurch City Holdings Ltd (CCHL) welcomes the success of its company Enable Networks securing the contract for the Government-backed fibre network (UFB).

This is an excellent result for Christchurch residents and businesses, and for ratepayers who will have a significant investment in the network, Christchurch Mayor Bob Parker says.

“It is good news for the whole Christchurch community that a local company owned by the City will manage the build of the Christchurch part of one of the largest and most significant infrastructure developments New Zealand will ever see.

“Having our city connected to an ultra fast broadband network is one of the first steps for us as we rebuild our city for the 21st century. As a local company focused solely on the interests of local residents and businesses, Enable will play an important role in realising our vision for the future.”

Enable has a proven track record in delivering telecommunications and broadband services to Christchurch with its established fibre networks and already has a strong customer base in the city. It is perfectly placed to construct the UFB to 180,000 homes, businesses and schools in Christchurch, Rangiora, Kaiapoi, Woodend, Lincoln, Prebbleton and Rolleston by 2020.

Enable is one in a stable of strategic assets owned by CCHL, the Christchurch City Council’s investment arm. The others include Orion New Zealand Ltd, Christchurch International Airport Ltd (CIAL), Red Bus Ltd, Lyttelton Port Company Ltd (LPC), EcoCentral Limited and City Care Ltd.

Mr Parker says the role of CCHL is to invest in and develop the city’s infrastructure so that it will meet the needs of Christchurch today and in the future, while at the same time delivering a return to ratepayers.

CCHL chief executive Bob Lineham says Enable’s UFB network will deliver on both of these things.

“Once the network is completed, Enable will deliver a significant return to ratepayers,” Mr Lineham says.

“This is a significant investment for the city and CCHL has worked closely with Enable to come up with a plan to fund the capital required to build the network with no significant impact on ratepayers.”

At the year 10 mark, it is planned that 50% of homes, and most businesses, health centres and schools will be connected to the network at a cost of approximately \$440 million.

“This investment will be funded by a mixture of government funding, CCHL funding, debt and strong cash flow,” says Mr Lineham.

-Ends-

To further information, please contact:

Bob Parker, Mayor of Christchurch

027 443 4575

Bruce Irvine, Chairman of CCHL

021 392 329

Bob Lineham, CCHL chief executive

(03) 941 8411 or (021) 997 657