

MARKET RELEASE
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Spark New Zealand announces joint venture with Vocus Communications to help deliver New Zealand's fibre future

Spark New Zealand has announced it will form a fibre construction joint venture with Vocus Communications called Connect 8 to further safeguard New Zealand's fibre future.

The move confirms Spark's commitment to being the leader in data network capability and data services for New Zealanders. It comes at a time when the telecommunications market is rapidly changing. Both business and consumer customers are increasingly demanding faster speeds with better resiliency in response to an increased demand for digital services.

David Havercroft, Chief Operating Officer for Spark New Zealand, says the joint venture puts Spark in an even better position to help New Zealand businesses navigate a digital future in which fibre will become increasingly important. Customers have the assurance that Spark New Zealand can deliver fibre to them in a range of different ways and with greater flexibility.

"Spark New Zealand already has 8000 kilometres of fibre cable in New Zealand. This, paired with the Optical Transmission Network (OTN) - the core data transport network - connects more cities, exchanges and data centres than any other network provider in the country."

"Spark New Zealand is investing hundreds of millions of dollars every year to provide customers with better services, strengthening and expanding our integrated network, including the rolling out of world-class 4G services using more of the latest 700 MHz spectrum than any other provider," adds Havercroft.

"We've now got New Zealand's leading data network integrating 3G, 4G, WiFi, ADSL, VDSL and Fibre, backed up by a nationwide optical transport network and a growing number of data centres- all of which is underpinning excellent connectivity and capability for business customers."

Chief Executive of Spark Digital, Tim Miles, says that Connect 8 will benefit the business division of the company as it continues to reposition its focus to Cloud Infrastructure, mobility, managed ICT and platform-as-a-service.



"We know that the potential benefits of fibre are still largely untapped by New Zealand businesses, and that flexibility of construction and delivery can be one of the challenges in making the most of that opportunity.

"The joint venture will allow Spark Digital to add Vocus Communications leadership and construction capability to our network delivery options. It also gives us more flexibility, supplier-capacity, and control over delivery time frames - therefore enabling more businesses to get on with unleashing their digital potential."

Under the joint venture agreement, Spark New Zealand will acquire 50% of the Vocus Communications construction business. Connect 8 will continue to construct fibre and telecommunications assets for Vocus Communications, Spark New Zealand and other telecommunication providers in New Zealand. Vocus Communications and Spark New Zealand will be equally represented on the Connect 8 board and receive equal distributions of profits.

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