Chorus
Half Year Report

For the six months ended 31 December 2014

Chorus

Half Year Report
Summary

For the six months ended 31 December 2014

NPAT
$64m
Net profit after tax

Fixed line connections
1,782,000

EBITDA*
$321m
Earnings before interest, tax, depreciation and amortisation

UFB Build
421,000
End-users within reach

* EBITDA is a non-GAAP profit measure calculated as reported profit for the period before net finance expense, tax, depreciation and amortisation. Chorus monitors this as a key indicator of Chorus' performance and believes it assists investors in assessing the performance of the core operations of the business.

Report from Chairman Sue Sheldon and CEO Mark Ratcliffe

MARK RATCLIFFE, CEO

SUE SHELDON, CHAIRMAN

Dear shareholders,

Chorus reports net profit after tax for the six months ended 31 December 2014 of $64 million. Revenues were $527 million and earnings before interest, tax, depreciation and amortisation (EBITDA) were $321 million. This represents another period of solid operating performance by Chorus, underpinned by stable fixed line connection numbers, continuing broadband growth and the ongoing focus on initiatives to address the regulatory price cuts from 1 December 2014.

Chorus is steadily delivering better broadband capability across New Zealand with the Ultra-Fast Broadband (UFB) and Rural Broadband Initiative (RBI) rollouts, having now brought about half a million end-users within reach of better broadband since they began in 2011. The UFB rollout has now been completed in three of Chorus' 24 UFB areas. Retail Service Providers (RSPs) are offering services more widely across the UFB footprint and this has fostered ongoing growth in fibre connections, although uptake varies significantly from town to town. Chorus' Gigatown competition also successfully increased community focus on the potential economic and social benefits of fibre with the winning city, Dunedin, now ideally placed to become a leading digital innovation hub for New Zealand.

On 2 December 2014 the Commerce Commission (the Commission) issued its draft pricing decision under the Final Pricing Principle (FPP) review process. The aggregate draft pricing of $38.39 is an improvement on the $34.44 pricing suggested by the Commission's initial benchmarking processes and consequently helped Chorus shares to recover some of their previously eroded value. However, Chorus believes that the draft pricing significantly undervalues the true cost of network investment in New Zealand and continues to make extensive submissions to this effect.

The announcement of the Commission's draft pricing saw Chorus' outlook revised from negative to stable with 'BBB' ratings affirmed by Standard & Poors and Baa3 by Moody's Investor Services.

Unfortunately, on 19 December the Commission announced a further delay to the FPP timetable, extending the date for a final decision from April to September 2015. As the Board has stated previously, no dividends will be paid until the conclusion of the Commission's FPP review processes. The delay is also significant because Chorus has had to implement the $34.44 benchmark pricing from 1 December 2014. Chorus will therefore be potentially operating under these reduced cash flows for an additional five months.

The reduced cash flows mean Chorus is cash constrained, so other than where Chorus has contractual or regulatory obligations Chorus is making decisions that prioritise short term cash. This may require Chorus to sacrifice value and network enhancing capital expenditure and constrain proactive maintenance to the detriment of end-users.

This makes Chorus' initiatives to reshape the business and generally manage for cash all the more important. A large number of revenue, operating cost and capital expenditure initiatives have now been implemented and Chorus will continue to limit discretionary spending on New Zealand's fixed line network until regulatory pricing and framework enable this activity.

1. Regulatory update

1.1 Draft Final Pricing Principle (FPP) determination

On 2 December 2014 the Commission released its draft FPP determinations which propose an aggregate monthly wholesale price of $38.39, compared to the aggregate $34.44 price previously derived from the Commission's Initial Pricing Principle (IPP) benchmarking reviews.

The draft FPP individual product prices are:

- A draft Unbundled Copper Local Loop (UCLL) price of $28.22; compared to $23.52 currently;
- A draft Sub Loop Unbundling (SLU) price of $14.45; compared to $14.21 currently; and
- A draft Unbundled Bitstream Access (UBA) price of $10.17 compared to $10.92 currently.

The aggregate price represents around a $6.50 decline from the regulated wholesale price of $44.98 that was in place until 1 December 2014. On the basis that all other charges and demand remain consistent, Chorus estimates that the draft FPP pricing represents around an $80 million annualised EBITDA reduction from demerger pricing.[1] This compares to the aggregate annualised EBITDA reduction of around $170 million Chorus identified from the Commission's earlier UCLL, Unbundled Copper Low Frequency Service (UCLFS) and UBA IPP decisions.

Chorus has submitted modelling from global telecommunications consultancy Analysys Mason to the Commission. Based upon extensive data from Chorus' UFB and RBI rollouts across the country, this modelling continues to support Chorus' view that aggregate FPP pricing should be at or above 2011 levels. The outcomes of the Commission's further pricing reviews are uncertain. Chorus' submissions can be found on the Commission's website.

The Commission has also provided its emerging view on backdating, suggesting prices should be backdated to 1 December 2014, but not earlier. Chorus does not agree with this view given that UCLL pricing was re-benchmarked downwards by the IPP decision in December 2012. It has always been clear that the IPP price could change and a range of retail service providers, as well as Chorus, requested the FPP review within the statutory timeframe after the IPP decision. Chorus has submitted that the Commission consider

[1] Based on connection numbers at 30 September 2014.

precedent from the Court of Appeal where substantial emphasis was put on the nature of the FPP as a "substitutionary" pricing review that replaces a benchmarked price. The Commission last year required Chorus to backdate re-benchmarked (IPP) UCLFS connection charges from April 2014 to December 2012 (the original decision/IPP date), resulting in a substantial cost to Chorus.

The Commission has not yet provided any draft views on the transaction charges that Chorus charges for the necessary work to provision or enable a service.

On 19 December the Commission advised of significant changes to the FPP timetable. These included the introduction of a second draft determination and the final determination being delayed from April to September 2015. This is the third significant timetabling change since the process started in February 2013 and creates further uncertainty for Chorus, its investment programme and the industry.

1.2 Government review of telecommunications regulatory framework

The New Zealand telecommunications industry is entering its fourth year of significant regulatory pricing processes. As Chorus has noted previously, the implementation of the 2011 legislative reforms has not delivered on the policy intent to transition to fibre. It is difficult for Chorus to justify discretionary network investment in the absence of a fit-for-purpose regulatory framework that provides for a fair rate of return. This is further exacerbated by the lack of certainty as to the regulatory framework that will apply from 2020 once the UFB rollout is complete.

Current legislation provides for the Government to commence a review of the Telecommunications Act before 2016 with a view to implementing an updated regulatory regime from 2020. The Ministry of Business, Innovation and Employment noted in a recent *Briefing to the Incoming Minister for Communications* that:

"New Zealand's communications networks are predominantly owned and operated by private companies. Ongoing private sector investment will be required and the settings have to be right to encourage investment and innovation. Private sector participants need to be clear about whether, when, and why, government is likely to intervene in the sector, and confident that the regulatory systems are stable and supportive of investment.

Industry investment has been high in recent years, though this has largely been driven by the UFB roll-out. Traffic projections indicate demand for services will continue to grow, which will require ongoing investment in new technology to support high bandwidth applications and services.

Our telecommunications framework has not been updated to reflect significant changes such as the new fixed fibre network covering much of the country. There is a risk that the framework, absent changes, will inhibit investment and ultimately innovation. A key priority is progressing the review of the Telecommunications Act, commencing the next phase early in 2015 with a focus on the optimal regulatory regime to apply after 2020."[2]

The briefing paper recommends that:

"The next phase of the Review start from first principles, and that it be a wide ranging exercise that tests fundamental features of the regime. This is consistent with the legislative scope set out

[2] Briefing to the Incoming Minister for Communications, MBIE, 7 November 2014, p7.

in s.157AA of the Act. A likely focus of the review will be the importance of creating an efficient and predictable regulatory price setting process."[3]

The current uncertainty for long term investment makes early clarity of the post 2020 regulatory framework crucial. The briefing paper notes that legislation will need to be in place during the current term of government if it is to take effect in 2020.

1.3 Other regulatory matters

The Commission has a range of other regulatory implementation and monitoring functions. This includes determining how much telecommunications providers pay towards the $50 million Telecommunications Development Levy (TDL) each year. On 9 January 2015, the Commission determined that Chorus was liable for $11.5 million of the $50 million Telecommunications Development Levy for the financial year ending 30 June 2014.

The Commission is currently consulting on whether or not to open a review of the UBA standard terms determination general terms and service description and, if a review is opened, what the scope should be. It is uncertain at this time how the Commission intends to proceed in light of the status of the FPP process, from a timing and substance perspective.

2. Capital expenditure

Gross capital expenditure for the six months ended 31 December 2014 was $338 million. About 88% of the gross capital expenditure spend was fibre related, principally for the contracted UFB and RBI projects. As noted above, reduced cash flows mean Chorus is cash constrained and this is impacting on the capital expenditure choices being made and may ultimately result in the sacrifice of value and network enhancing capital expenditure to the detriment of end-users.

UFB communal capital expenditure totalled $152 million, with build work completed for 51,000 premises by 31 December 2014 out of a FY15 target of 106,000 premises. This means Chorus' UFB network now passes 312,000 UFB premises and approximately 421,000 end-users are within that footprint.

The rollout is on schedule and communal costs are tracking in line with expectations, as the build programme shifts from more expensive central business district areas into residential zones and aerial deployment options also become available (subject to access conditions).

On 23 December Chorus announced that it has agreed a new fixed price UFB deployment contract with Visionstream for the Auckland UFB area. The contract replaces the targeted cost regime previously agreed in April 2013 and provides Chorus with additional certainty on deployment costs through the remainder of the UFB deployment period.

UFB connections and layer 2 (the investment in network electronics and equipment) spend grew to $78 million as retail service providers increased their UFB service footprints and marketed fibre more widely. This meant UFB connections continued to grow and at 31 December 2014 Chorus had about 47,000 fibre connections within the areas where it had deployed UFB.

The average cost of connection for standard residential end-user premises was approximately $1,350 for the period, excluding the long run average cost of layer 2 equipment.
On 25 November Chorus announced that new service company agreements had enabled

[3] MBIE, p24.

it to update its connections cost guidance for the current financial year from a previous range of $1,300 to $1,500 (excluding layer 2 and for standard installations only), to a new range of $1,150 to $1,350 (excluding layer 2 and including standard installations and some non-standard single dwelling unit installations). Chorus' total programme view for the average cost to connect standard residential premises (including layer 2) remains $900 to $1,100 in FY12 dollars, or approximately $1,000 to $1,200 in FY15 dollars.

Fibre products and systems spend was $18 million as Chorus continued to develop fibre provisioning systems and introduced new fibre products. Spend on other fibre connections and growth was $31 million, driven by sustained demand for business grade fibre connections and an increase in subdivision projects.

RBI spend was $18 million and continues to reduce as the rollout programme tracks down to completion in FY16. A total of 81,000 rural end-users have now benefitted from Chorus' rollout of RBI fibre.

Copper related capital expenditure reduced to a total of $28 million as the expansion of the UFB network footprint saw demand for copper connections reduce and cash management initiatives, such as full cost recovery, further constrained end-user demand. Chorus also continued to restrict its discretionary investment in expanding copper network capability and coverage, as well as proactive maintenance programmes, as a consequence of the ongoing regulatory uncertainty.

Common capital expenditure was $13 million. The reduction in spend compared to the prior period reflects the deferral of Information Technology (IT) projects and building related maintenance programmes given Chorus' broader cash constraints.

3. Operating results

3.1 Operating revenue

Unadjusted revenues were up around 1% compared to revenue for the six months to 30 June 2014. This includes the one month impact of the final benchmarked price for UBA. After adjusting for changes in regulated UCLFS pricing and insurance receipts in the six months to 30 June 2014, revenues were down by around 1% on a like-for-like basis.[4]

Fixed line connections

At 31 December 2014 there were approximately 1,782,000 fixed line connections, an increase of 5,000 lines since 30 June 2014. The overall connection trend remains largely flat.

Baseband copper lines[5] decreased by 36,000 lines to approximately 1,435,000 lines during the period. The baseband copper lines total does not include some connections that have been identified as intact but non-revenue generating (FY14 and HY13 totals in the connection table on page 7 have been adjusted accordingly). There are also a growing number of baseband copper lines that would typically have been disconnected, but they are currently being retained by end-users who have switched to a fibre connection because their retail service provider requires the copper line for voice service delivery.

[4] A comparison of underlying results can be found in the investor presentation appendices.

[5] For billing purposes, this total includes instances where UCLFS is sold with UBA connections. Although the UCLFS Standard Terms Determination contemplates such connections as naked UBA connections, the price outcome is the same as if these connections were billed for naked UBA and zero for UCLFS/Baseband.

The reduction in baseband copper connections was offset by an increase in other fixed line connection products. 'Naked' connections (naked Basic UBA, naked Enhanced UBA and naked Very High Speed Digital Subscriber Line (VDSL)) grew by 16% to 136,000 lines.

Fibre connections grew by 55% to 65,000 lines. This growth continues to reflect the uptake of fibre as the UFB footprint expands, as well as new business and carrier connections on Chorus' existing fibre network. About 53,000 of Chorus' nationwide fibre connections were mass market Next Generation Access (NGA) end-users, up from 31,000 lines at 30 June.

Chorus had approximately 47,000 fibre connections within the areas where it had deployed UFB communal network at 31 December 2014, up from 27,000 connections at 30 June 2014. This includes a combination of residential UFB connections and new, or pre-UFB, business fibre connections within the areas where Chorus' UFB network was built. Uptake varies widely from area to area, generally reflecting the number and focus of retail service providers promoting fibre services in each area. The majority of UFB end-users are on entry level 30Mbps fibre products, although the proportion of end-users on 100Mbps plans has increased since Chorus' introduction of a $40 product in mid-2014.

There are 189 unbundled exchanges, with approximately 131,000 access lines being used by retail service providers to deliver unbundled services to consumers. This total comprised 127,000 UCLL connections and 4,000 SLU lines (offered in conjunction with Chorus' commercial Sub Loop Extension Service (SLES) product).

Baseband Internet Protocol (IP) connections, used by retail service providers to deliver a voice over internet protocol service over copper, increased steadily from a small base, as retail service providers seek to reduce their input costs. Baseband IP is currently available across about 10% of Chorus' lines.

Broadband connections

Total broadband connections continued to grow, with an increase of 23,000 connections to 1,186,000. Growth was driven by the strong growth of mass market fibre connections and ongoing retail service provider promotion of VDSL and 'naked' services. The ongoing expansion of Chorus' fixed broadband coverage through the RBI rollout also contributed.

UBA pricing reduced from $21.46 to $10.92 from 1 December 2014, resulting in basic copper revenues being approximately $2 million lower and enhanced copper revenues being $10 million lower than the comparable prior period. The regulatory process is ongoing.

Infrastructure

Infrastructure revenue increased slightly as retail service providers continue to request commercial co-location space to interconnect with Chorus' UFB footprint.

Field services

Field services revenue has increased slightly despite reductions in maintenance of retail service provider networks. Revenue in this category is dependent on third party demand or damages to Chorus' network by third parties and therefore varies from period to period. Included in field services revenue in the six months to 30 June 2014 is the impact of backdating the UCLFS charges. Excluding this, field services revenue declined slightly.

Chorus summary connection numbers

	31 DECEMBER 2014	30 JUNE 2014	31 DECEMBER 2013
Total fixed line connections	**1,782,000**	**1,777,000***	**1,774,000***
Baseband copper	1,435,000	1,471,000	1,495,000
UCLL	127,000	127,000	125,000
SLU/SLES	4,000	4,000	5,000
Naked Basic/Enhanced UBA/Naked VDSL	136,000	117,000	103,000
Data services over copper	15,000	16,000	19,000
Fibre	65,000	42,000	27,000
Total broadband connections	**1,186,000**	**1,163,000**	**1,132,000**
Basic UBA	135,000	164,000	246,000
Naked Basic UBA	10,000	9,000	11,000
Enhanced UBA	792,000	802,000	747,000
Naked Enhanced UBA	103,000	93,000	87,000
VDSL	70,000	49,000	20,000
Naked VDSL	23,000	15,000	5,000
Fibre (Bitstream 2, 3 and fibre subdivisions)	53,000	31,000	16,000

* baseband copper decline includes 4,000 connections (2,000 HY14) previously counted as intact but non-revenue generating. FY14 and HY14 totals have been adjusted accordingly.

3.2 Operating expenses

Operating expenses have increased by 1.5% compared to the six months to 30 June 2014. Growth in expenses had been tracking at more than 2.5% per period for previous periods, so the current period reflects cost reduction initiatives implemented as a result of the UBA price reduction. Notable categories include:

Network maintenance costs of $48 million were slightly down on the previous period primarily due to lower levels of retail service provider network faults.

Labour costs of $38 million for the period represent staff costs that are not capitalised. At 31 December Chorus had 815 permanent and fixed term employees, down from 823 employees at 30 June 2014. Business restructuring reductions were partially offset by the employment of a small number of additional people to support the continued growth in complex provisioning and fibre provisioning.

Provisioning costs of $28 million have remained largely stable compared to the previous periods, despite more expensive VDSL installations continuing to drive costs. A large proportion of provisioning costs are recovered from retail service providers as field services revenue.

Depreciation and amortisation, before the release of Crown Funding, has increased slightly compared to prior periods reflecting the significant capital expenditure relating to the UFB build. The release of Crown Funding against depreciation has also increased. The amortisation amount has declined slightly over the period as older assets are fully depreciated.

3.3 Finance expenses

Finance expenses of $78 million for the six months to 31 December 2014 have increased from $67 million for the six months to 30 June 2014. This reflects a combination of both increased Bank Bill Reference Rate (BKBM) (which is the base rate for much of Chorus' debt) and interest margin on the revolving credit facilities and the impact of the reset of interest rate swaps in December 2013. In addition to this is $7 million of ineffectiveness arising from the European Medium Term Note (EMTN) hedging relationship.

4. Dividends, equity and capital management

As part of its 25 July 2014 bank amendments, Chorus agreed that no dividends will be paid until the later of the conclusion of the Commission's final pricing principle review processes or 30 June 2015.

In September 2014 a total of 652 Chorus employees participated in the employee equity building scheme. The scheme aims to better align employee and shareholder interests and 185,168 shares were purchased on market at an average price of $1.76 per share. The shares are held by a trustee and vest to participating employees after a three year period.

At 31 December 2014, Chorus had a long term credit rating of BBB/stable outlook by Standard & Poor's and Baa3/stable by Moody's Investors Service.

5. Outlook

Although the draft FPP determination resulted in an increase in pricing relative to the prior benchmarking processes, Chorus' outlook continues to be clouded by regulatory challenges including:

- having to operate the business on reduced revenues, with the benchmarked pricing applying until the conclusion of the FPP process which continues to experience delays more than two years after the process commenced;
- draft FPP pricing that undervalues Chorus' network relative to Chorus' own extensive analysis and experience through the UFB and RBI rollouts; and
- the absence of clarity on the post 2020 regulatory framework, although this may begin to be addressed with the expected commencement of the Government's review.

Together, these factors mean that discretionary activity and investment must continue to be restricted with the consequential impacts on the national infrastructure. Chorus therefore looks forward to engaging in the Government framework review and also learning more details about the Government's proposals to undertake further phases of UFB and RBI investment. Chorus is interested in extending the reach of better broadband if its financial position permits and the framework enables a fair rate of return.

For now, Chorus' focus is on delivering on its existing commitments. UFB uptake is expected to continue to grow in line with the rollout footprint and the growing accessibility of online entertainment content services.

This uptake is already driving additional capital expenditure demands, with expected FY15 gross capital expenditure now in the range from $625 to $650 million.

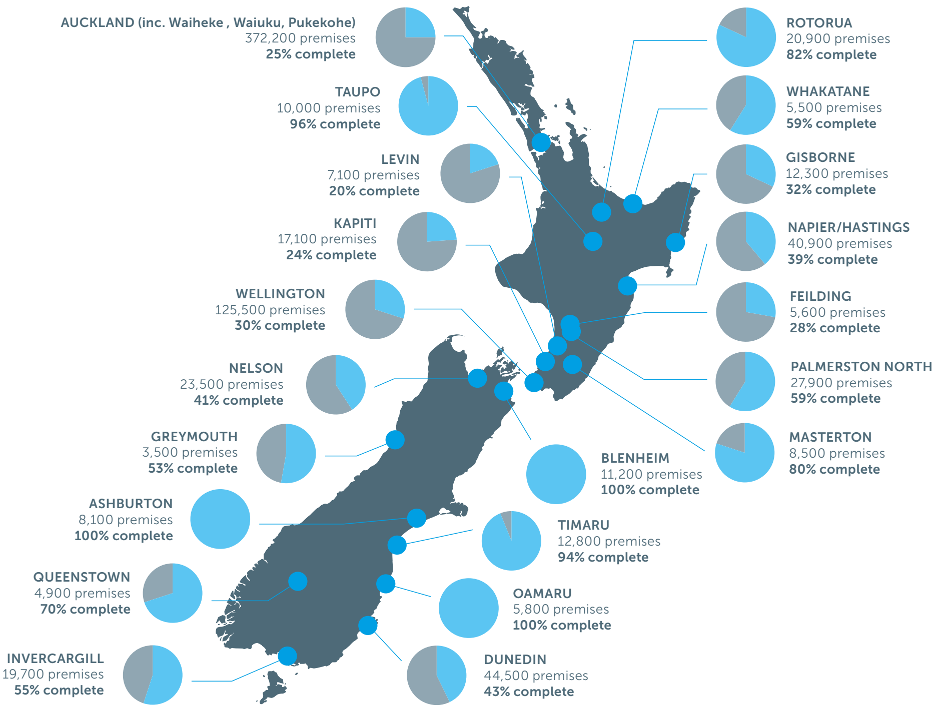
Chorus has, however, made good progress in its focus on minimising deployment costs and has announced a narrowing in the communal spend for the UFB rollout from $1.7 to $1.9 billion to a new range of $1.75 to $1.8 billion.

SUE SHELDON
Chairman

MARK RATCLIFFE
CEO and
Managing Director

23 February 2015

Progress by Chorus UFB Area as at 31 December 2014



PREMISES = TOTAL UFB PREMISES IN CANDIDATE AREA, EXCLUDING GREENFIELDS

Half Year Report

Highlights and Challenges

Highlights

- Draft FPP pricing decision an improvement on benchmarked pricing.
- UFB build now complete for three towns and the UFB and RBI rollouts both on schedule, with about 500,000 end-users able to access better broadband capability.
- Total fixed line connections stable at 1,782,000 and broadband connections grew by 23,000 to 1,186,000.
- UFB uptake growing ahead of FY15 expectations.
- Chorus' Gigatown competition increased UFB awareness significantly and will bring socio-economic benefits to the Dunedin community as the winners of subsidised gigabit capability.

Challenges

- Growth in fibre connections is driving additional demands on capital expenditure during a period of constrained cash.
- The consolidation of the New Zealand telecommunications industry and revenue pressures within it continue to drive retail service provider focus on input costs from Chorus.
- Regulated price cuts based on the Commerce Commission's benchmarked pricing have been in effect from 1 December 2014, reducing revenues significantly.
- Delays in the FPP process will necessitate Chorus' managing for cash focus lasting for a much longer period with consequential effects on discretionary investment.
- Long term network investment is challenging in the absence of clarity on a post 2020 regulatory framework and may constrain Chorus' participation in further Government broadband initiatives.

Condensed consolidated **income statement**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

(DOLLARS IN MILLIONS)	NOTE	GROUP SIX MONTHS ENDED 31 DEC 2014 UNAUDITED $M	 SIX MONTHS ENDED 31 DEC 2013 UNAUDITED $M	 YEAR ENDED 30 JUNE 2014 AUDITED $M
Basic copper		252	279	543
Enhanced copper		156	143	293
Fibre		45	34	75
Value added network services		19	19	38
Infrastructure		11	10	19
Field services		40	43	75
Other		4	7	15
Total operating revenue		**527**	**535**	**1,058**
Labour costs		(38)	(37)	(72)
Provisioning		(28)	(27)	(56)
Network maintenance		(48)	(49)	(99)
Other network costs		(15)	(20)	(38)
Information technology costs		(31)	(25)	(55)
Rent and rates		(7)	(6)	(12)
Property maintenance		(5)	(6)	(12)
Electricity		(7)	(6)	(13)
Insurance		(2)	(2)	(4)
Consultants		(2)	(3)	(5)
Other		(23)	(25)	(43)
Total operating expenses		**(206)**	**(206)**	**(409)**
Earnings before interest, income tax, depreciation and amortisation		**321**	**329**	**649**
Depreciation		(130)	(129)	(259)
Amortisation		(29)	(33)	(63)
Earnings before interest and income tax		**162**	**167**	**327**
Finance income		5	3	8
Finance expense	8	(78)	(62)	(129)
Net earnings before income tax		**89**	**108**	**206**
Income tax expense		(25)	(30)	(58)
Net earnings for the period		**64**	**78**	**148**
Earnings per share				
Basic earnings per share (dollars)		**0.16**	**0.20**	**0.38**
Diluted earnings per share (dollars)		**0.14**	**0.17**	**0.31**

Condensed consolidated
Statement of comprehensive income

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	GROUP		
(DOLLARS IN MILLIONS)	SIX MONTHS ENDED 31 DEC 2014 UNAUDITED $M	SIX MONTHS ENDED 31 DEC 2013 UNAUDITED $M	YEAR ENDED 30 JUNE 2014 AUDITED $M
Net earnings for the period	**64**	**78**	**148**
Other comprehensive income			
Items that will be reclassified subsequently to profit and loss when specific conditions are met			
Effective portion of changes in fair value of cash flow hedges (pre-tax)	5	18	3
Amortisation of de-designated cash flow hedges transferred to income statement	(1)	-	(1)
Tax expense on cash flow hedge	(1)	(5)	(1)
Other comprehensive income net of tax	**3**	**13**	**1**
Total comprehensive income for the period net of tax	**67**	**91**	**149**

The financial statements are approved and signed on behalf of the Board.

SUE SHELDON
Chairman

MARK RATCLIFFE
Chief Executive Officer and Managing Director

Authorised for issue on 23 February 2015.

Condensed consolidated statement of financial position

AS AT 31 DECEMBER 2014

		GROUP		
(DOLLARS IN MILLIONS)	NOTES	31 DEC 2014 UNAUDITED $M	31 DEC 2013 UNAUDITED $M	30 JUNE 2014 AUDITED $M
Current assets				
Cash and call deposits		103	170	176
Trade and other receivables		195	210	196
Derivative financial instruments		-	-	1
Finance lease receivable		3	3	3
Total current assets		**301**	**383**	**376**
Non-current assets				
Derivative financial instruments		3	14	3
Software and other intangibles	2	213	169	174
Network assets	1	3,261	2,952	3,128
Total non-current assets		**3,477**	**3,135**	**3,305**
Total assets		**3,778**	**3,518**	**3,681**
Current liabilities				
Trade and other payables		348	344	323
Income tax payable		46	14	32
Derivative financial instruments		30	31	14
Debt	3	20	-	-
Total current liabilities excluding Crown funding		**444**	**389**	**369**
Current portion of Crown funding	5	11	9	11
Total current liabilities		**455**	**398**	**380**
Non-current liabilities				
Income tax payable		13	-	-
Derivative financial instruments		94	83	123
Finance lease payable		128	125	126
Debt	3	1,577	1,706	1,639
Deferred tax payable		190	184	192
Total non-current liabilities excluding CFH and Crown funding		**2,002**	**2,098**	**2,080**
CFH securities	4	84	42	73
Crown funding	5	439	307	417
Total non-current liabilities		**2,525**	**2,447**	**2,570**
Total liabilities		**2,980**	**2,845**	**2,950**
Equity				
Share capital		465	465	465
Hedge reserves		3	12	-
Retained earnings		330	196	266
Total equity		**798**	**673**	**731**
Total liabilities and equity		**3,778**	**3,518**	**3,681**

Condensed consolidated **statement of changes in equity**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	GROUP			
(DOLLARS IN MILLIONS)	SHARE CAPITAL $M	RETAINED EARNINGS $M	CASH FLOW HEDGE RESERVE $M	TOTAL $M
Balance at 1 July 2014	**465**	**266**	**-**	**731**
Comprehensive income				
Net earnings for the period	-	64	-	**64**
Other comprehensive income				
Net effective portion of changes in fair value of cash flow hedges	-	-	3	**3**
Total comprehensive income	**-**	**64**	**3**	**67**
Contributions by and distributions to owners:				
Dividends	-	-	-	**-**
Supplementary dividends	-	-	-	**-**
Tax credit on supplementary dividends	-	-	-	**-**
Dividend reinvestment plan	-	-	-	**-**
Total transactions with owners	**-**	**-**	**-**	**-**
Balance at 31 December 2014 (UNAUDITED)	**465**	**330**	**3**	**798**

	GROUP			
(DOLLARS IN MILLIONS)	SHARE CAPITAL $M	RETAINED EARNINGS $M	CASH FLOW HEDGE RESERVE $M	TOTAL $M
Balance at 1 July 2013	**447**	**178**	**(1)**	**624**
Comprehensive income				
Net earnings for the period	-	78	-	**78**
Other comprehensive income				
Net effective portion of changes in fair value of cash flow hedges	-	-	13	**13**
Total comprehensive income	**-**	**78**	**13**	**91**
Contributions by and distributions to owners:				
Dividends	-	(60)	-	**(60)**
Supplementary dividends	-	(5)	-	**(5)**
Tax credit on supplementary dividends	-	5	-	**5**
Dividend reinvestment plan	18	-	-	**18**
Total transactions with owners	**18**	**(60)**	**-**	**(42)**
Balance at 31 December 2013 (UNAUDITED)	**465**	**196**	**12**	**673**

Condensed consolidated statement of changes in equity

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

	GROUP			
(DOLLARS IN MILLIONS)	SHARE CAPITAL $M	RETAINED EARNINGS $M	CASH FLOW HEDGE RESERVE $M	TOTAL $M
Balance at 1 July 2013	**447**	**178**	**(1)**	**624**
Comprehensive income				
Net earnings for the period	-	148	-	**148**
Other comprehensive income				
Amortisation of de-designated cash flow hedges transferred to income statement	-	-	(1)	**(1)**
Net effective portion of changes in fair value of cash flow hedges	-	-	2	**2**
Total comprehensive income	**-**	**148**	**1**	**149**
Contributions by and distributions to owners:				
Dividends	-	(60)	-	**(60)**
Supplementary dividends	-	(5)	-	**(5)**
Tax credit on supplementary dividends	-	5	-	**5**
Dividend reinvestment plan	18	-	-	**18**
Total transactions with owners	**18**	**(60)**	**-**	**(42)**
Balance at 30 June 2014 (AUDITED)	**465**	**266**	**-**	**731**

Condensed consolidated **statement of cash flows**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

		GROUP		
(DOLLARS IN MILLIONS)	NOTE	SIX MONTHS ENDED 31 DEC 2014 UNAUDITED $M	SIX MONTHS ENDED 31 DEC 2013 UNAUDITED $M	YEAR ENDED 30 JUNE 2014 AUDITED $M
Cash flows from operating activities				
Cash was provided from/(applied to):				
Cash received from customers		537	645	1,173
Finance income		3	2	5
Payment to suppliers and employees		(215)	(218)	(406)
Income tax paid		-	(30)	(30)
Interest paid on debt and derivatives		(64)	(59)	(120)
Net cash flows from operating activities		**261**	**340**	**622**
Cash flows applied to investing activities				
Cash was provided from/(applied to):				
Purchase of network assets and software and intangibles		(345)	(353)	(690)
Sale of network assets and software and intangibles		1	1	-
Capitalised interest paid		(2)	(3)	(7)
Net cash flows applied to investing activities		**(346)**	**(355)**	**(697)**
Cash flows from financing activities				
Cash was provided from/(applied to):				
Net proceeds from/(repayment of) finance leases		1	(1)	(3)
Crown funding (including CFH securities)		69	123	241
Proceeds from debt and derivatives	8	45	480	450
Repayment of debt		(103)	(455)	(505)
Settlement of derivatives		-	-	30
Dividends paid		-	(42)	(42)
Net cash flows from financing activities		**12**	**105**	**171**
Net cash flow		**(73)**	**90**	**96**
Cash at the beginning of the period		176	80	80
Cash at the end of the period		**103**	**170**	**176**

Condensed consolidated **statement of cash flows**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

Reconciliation of net earnings to net cash flows from operating activities

	GROUP		
(DOLLARS IN MILLIONS)	SIX MONTHS ENDED 31 DEC 2014 UNAUDITED $M	SIX MONTHS ENDED 31 DEC 2013 UNAUDITED $M	YEAR ENDED 30 JUNE 2014 AUDITED $M
Net earnings for the period	64	78	148
Adjustment for:			
Depreciation charged on network assets	136	133	267
Amortisation of Crown funding	(6)	(4)	(8)
Amortisation of software and other intangible assets	29	33	63
Income tax expense	(2)	(9)	1
Hedge ineffectiveness	7	-	-
Other	5	2	8
	233	**233**	**479**
Change in current assets and liabilities:			
Change in trade and other receivables	(21)	74	92
Change in trade and other payables	22	24	24
Change in income tax payable	27	9	27
	28	**107**	**143**
Net cash flows from operating activities	**261**	**340**	**622**

Notes to the Financial Statements

Reporting entity and statutory base

Chorus Limited is a profit-oriented company registered in New Zealand under the Companies Act 1993 and a FMC Reporting Entity for the purposes of the Financial Markets Conduct Act 2013.

The condensed consolidated interim financial statements presented are those of Chorus Limited (the Company, Parent or the Parent Company) together with its subsidiaries (the Chorus Group, Group or Chorus) as at and for the six months ended 31 December 2014.

Nature of operations

Chorus is New Zealand's largest fixed line communications infrastructure service provider. Chorus maintains and builds a network predominantly made up of local telephone exchanges, cabinets, copper and fibre cables.

Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with the New Zealand equivalent to International Accounting Standard No. 34: "Interim Financial Reporting" and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These financial statements are prepared in New Zealand dollars, which is Chorus' functional currency. References in these financial statements to '$', 'NZ$' and 'NZD' are to New Zealand dollars, references to 'GBP' are to pounds sterling. These condensed interim financial statements do not include all of the information required for the full annual financial statements and should be read in conjunction with the consolidated financial statements of Chorus as at and for the year ended 30 June 2014.

The condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of computation as the financial statements for the year ended 30 June 2014.

The condensed consolidated interim financial statements for the six months ended 31 December 2014, and comparative information for six months ended 31 December 2013 are unaudited. The comparative information for the year ended 30 June 2014 is audited. Comparative balances have been reclassified where appropriate to conform with the current period's presentation.

Measurement basis

The measurement basis adopted in the preparation of these financial statements is historical cost, modified by the revaluation of financial instruments as identified in the specific accounting policies disclosed in the notes to the consolidated financial statements for the year ended 30 June 2014 and described in note 8 to these condensed consolidated interim financial statements.

Estimates

In preparing the condensed consolidated interim financial statements management has made estimates and assumptions about the future that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

In preparing the condensed consolidated interim financial statements, the significant judgements made by management in applying Chorus' accounting policies and the key source of uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2014 with the addition of judgements in relation to the carrying value of Chorus' assets. Specifically NZ GAAP requires that the carrying values of assets in the statement of financial position are supported by an estimate of the future cash flows those assets are expected to generate.

Network assets (note 1)

Assessing the appropriateness of useful life and residual value estimates of network assets requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by Chorus, technological advances, regulation and expected disposal proceeds from the future sale of the asset.

The regulatory environment is currently having a significant impact on the operating environment of Chorus, including its future cash flows. The Commerce Commission (the Commission) announced on 5 November 2013 its interim pricing principle based on benchmarked prices for the copper broadband service (UBA) at a level substantially below then prevailing pricing levels. This determination applied from 1 December 2014.

The Government review of the regulatory framework is expected to commence this calendar year.

The determination and the regulatory review causes challenges and uncertainty on the estimates of Chorus' future cash flows for a number of reasons including:

- The Commission is undertaking a final pricing principle review of its UBA and UCLL decisions which means the Commission will undertake economic cost modelling to determine the price of Chorus' UBA and UCLL services rather than benchmarking prices against those in other countries. The draft final pricing principle was announced on 2 December 2014, which proposed an aggregate price of $38.39, compared to the aggregate $34.44 price that was previously derived from the Commission's initial pricing principle. The process is ongoing with a final decision expected by September 2015;

- Chorus continues to develop options available to it, and within its own control, to mitigate the impact of the Commission's November 2013 decision; and
- The regulatory pricing and policy post 2020 will not be known specifically until after the conclusion of the regulatory review. The outcome and timing of this review is unknown.

While the Directors believe that the carrying value of Chorus' assets remain appropriate, adverse outcomes in relation to any of these uncertainties could have a significant impact on the carrying value of Chorus' assets.

Prior period reclassifications

On 1 July 2014 Chorus migrated its general ledger from Spark's shared SAP finance system to its own independent SAP finance system. As part of this migration the general ledger hierarchy was reviewed and certain expenditure items and assets were re-presented in the financial statements. Specifically for the six months ended 31 December 2013 $4 million of labour recoveries (30 June 2014: $7 million) were reclassified from other costs to labour costs and $8 million of assets (30 June 2014: $8 million) previously classified as network assets were reclassified to software and other intangibles.

Note 1 – Network assets

	GROUP		
(DOLLARS IN MILLIONS)	31 DEC 2014 UNAUDITED $M	31 DEC 2013 UNAUDITED $M	30 JUNE 2014 AUDITED $M
Cost			
Opening balance	7,267	6,752	6,752
Additions	270	297	607
Other	(1)	1	1
Disposals	-	(6)	(93)
Closing balance	7,536	7,044	7,267
Accumulated depreciation			
Opening balance	(4,139)	(3,964)	(3,964)
Depreciation	(136)	(133)	(267)
Disposals	-	5	92
Closing balance	(4,275)	(4,092)	(4,139)
Net carrying amount	**3,261**	**2,952**	**3,128**

Capital commitments

As at 31 December 2014 Chorus had entered into contracts to build the ultra-fast broadband network and for the purchase of network assets for $334 million before any permitted contract variations (30 June 2014: $17 million; 31 December 2013: $30 million). The significant increase in capital commitments is due to the fixed price arrangements related to part of the UFB build for the remainder of the UFB deployment period.

Depreciation

The Crown funding released against depreciation for the six months ended 31 December 2014 was $6 million (30 June 2014: $8 million; 31 December 2013: $4 million).

Note 2 – Software and other intangibles

	GROUP		
(DOLLARS IN MILLIONS)	31 DEC 2014 UNAUDITED $M	31 DEC 2013 UNAUDITED $M	30 JUNE 2014 AUDITED $M
Cost			
Opening balance	519	463	463
Additions	68	35	72
Other	-	6	5
Disposals	-	-	(21)
Closing balance	587	504	519
Accumulated amortisation			
Opening balance	(345)	(302)	(302)
Amortisation	(29)	(33)	(63)
Disposals	-	-	20
Closing balance	(374)	(335)	(345)
Net carrying amount	**213**	**169**	**174**

Other cost movement

Certain shared system assets owned by Chorus are required for continued use by Spark post demerger and have been de-recognised based on the extent of Spark use. The extent of Spark use has been reassessed during the six months ended 31 December 2013 resulting in recognition of previously de-recognised assets.

Capital commitments

As at 31 December 2014 Chorus had entered into contracts to develop intangible assets for $6 million (30 June 2014: $11 million; 31 December 2013: $13 million).

Note 3 – Debt

	GROUP		
(DOLLARS IN MILLIONS)	31 DEC 2014 UNAUDITED $M	31 DEC 2013 UNAUDITED $M	30 JUNE 2014 AUDITED $M
Syndicated bank facility A – Jul 2016	450	500	500
Syndicated bank facility B – Nov 2017	365	440	390
Syndicated bank facility C – May 2019	250	250	250
Euro medium term notes – Apr 2020	519	522	504
Short term debt facility	20	-	-
Less: syndicated loans facility fee	(7)	(6)	(5)
	1,597	**1,706**	**1,639**
Current	**20**	**-**	**-**
Non-current	**1,577**	**1,706**	**1,639**

As at 31 December 2014 Chorus had in place $1,500 million committed syndicated bank facilities on market standard terms and conditions (30 June 2014: $1,600 million, 31 December 2013: $1,600 million). The amount of undrawn syndicated bank facility that is available for future operating activities at 31 December 2014 is $435 million (30 June 2014: $460 million; 31 December 2013: $410 million).

On 25 July 2014 Chorus announced amendments to its committed banking facilities. Amongst other amendments Chorus agreed to limit the total drawings across all committed bank facilities to $1.2 billion until outcomes from the Commission's final pricing principle processes are known and reduce the syndicated bank facility A – July 2016 by $100 million. As part of these amendments, Chorus has agreed that no dividends will be paid until the later of either the conclusion of the Commission's final pricing principle review processes or 30 June 2015.

As at 31 December 2014 Chorus had $20 million of short term debt drawn under an uncommitted money market facility (30 June 2014: nil; 31 December 2013: nil).

The EMTN debt of 260 million GBP as at 31 December 2014 has been hedged at $677 million (30 June 2014: $677 million; 31 December 2013: $677 million).

Note 4 – CFH Securities

	GROUP		
(DOLLARS IN MILLIONS)	31 DEC 2014 UNAUDITED $M	31 DEC 2013 UNAUDITED $M	30 JUNE 2014 AUDITED $M
CFH debt securities	52	27	46
CFH equity securities	32	15	27
Total CFH securities	**84**	**42**	**73**

Note 5 – Crown funding

	GROUP		
(DOLLARS IN MILLIONS)	31 DEC 2014 UNAUDITED $M	31 DEC 2013 UNAUDITED $M	30 JUNE 2014 AUDITED $M
Ultra-Fast Broadband	236	138	220
Rural Broadband Initiative	190	157	185
Other	24	21	23
	450	**316**	**428**
Current	**11**	**9**	**11**
Non-current	**439**	**307**	**417**

Ultra-Fast Broadband

Chorus receives funding from the Crown to partially finance construction costs associated with the development of the UFB network. Changes to the CFH funding agreement means Chorus can now receive funding for a percentage of partially passed premises. During the six months to 31 December 2014, Chorus has received funding for partially complete premises and 2,302 fully completed premises passed (30 June 2014: 132,668; 31 December 2013: 32,387). This brings the total number of fully completed and paid for premises passed at 31 December 2014 to approximately 263,000 (30 June 2014: 261,000; 31 December 2013: 161,000).

Continued recognition of the full amount of the Crown funding is contingent on certain material performance targets being met by Chorus. The most significant of these material performance targets relate to the number of premises passed by fibre optic cables by key dates and compliance with certain specifications under user acceptance testing by CFH. Performance targets to date have been met.

Rural Broadband Initiative

Chorus receives Crown funding from the Ministry of Business, Innovation and Employment (MBIE) for capital expenditure incurred under the Rural Broadband Initiative.

Chorus is entitled to claim payment for the grantable costs attributable to the relevant milestones for deploying the rural links or rural cabinets. MBIE will pay Chorus one dollar of funding for each dollar of grantable costs incurred by Chorus up to a maximum funding limit of around $236 million. In addition, MBIE reimburses Chorus for all capital expenditure attributable to school lead-ins.

Other

Chorus receives funding towards the cost of relocation of telecommunications equipment, school lead-ins and extending the network coverage to rural areas.

Note 6 – Segmental reporting

Chorus has determined that it operates in one segment providing nationwide fixed line access network infrastructure. The determination is based on the reports reviewed by the Chief Executive Officer and the Board in assessing performance, allocating resources and making strategic decisions.

Note 7 – Equity

Dividends

No dividends were paid during the six months ended 31 December 2014. Dividends were declared and paid by Chorus during the respective periods as follows:

	31 DEC 2014 UNAUDITED		31 DEC 2013 UNAUDITED		30 JUNE 2014 AUDITED	
	$M	CENTS PER SHARE	$M	CENTS PER SHARE	$M	CENTS PER SHARE
2013 final dividend paid	-	-	60.0	15.5	60.0	15.5
2014 dividend paid	-	-	-	-	-	-
Dividends paid during the year	**-**	**-**	**60.0**	**15.5**	**60.0**	**15.5**
Final dividend declared subsequent to balance date not provided	-	-	-	-	-	-

Net tangible assets per security

Net tangible assets per security for the period 31 December 2014 is $1.48 (30 June 2014: $1.42; 31 December 2013: $1.29).

Note 8 – Derivative financial instruments

Chorus uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates, interest rates and the spot price of electricity. In December 2013 interest rate swaps with a face value of $676 million and fair value of $31 million were closed out and reset at the prevailing market interest rates. These transactions realised $30 million of cash and resulted in an $11 million gain being recorded in the cash flow hedge reserve to be amortised over the period to 2020. During the six month period to 31 December 2014 amortisation of derivatives totalled $2 million finance income and $1 million finance expense. New swaps that hedge the same underlying exposure and risk profile were entered into on the same date, but at a higher effective borrowing cost (4.89% compared to 3.99% prior to the transaction).

Following the close out of the interest rate swaps relating to the EMTN the hedge relationship was reset in December 2013 with a fair value of $49 million. As long as the hedge remains effective any future gains or losses will be processed through the hedge reserve, however the $49 million will flow to finance expense in the income statement at some time over the life of the derivatives. It will be a non cash charge. Neither the direction, nor the rate of the impact on the income statement can be predicted. For the six months to 31 December 2014 ineffectiveness of $7 million was recognised within finance expense in the income statement (30 June 2014: no ineffectiveness; 31 December 2013: no ineffectiveness).

Note 9 – Related party transactions

Key management personnel compensation

The gross remuneration of directors and key management personnel during the period was $4.5 million (30 June 2014: $5.8 million; 31 December 2013: $4.0 million).

Note 10 – Contingencies

Earthquake-prone buildings

Chorus is three years through a six year assessment programme to assess buildings in its property portfolio and then take appropriate action where buildings are determined to be earthquake-prone. Chorus considers it has a contingent liability for remedial work or other activity, for buildings not yet assessed but that may ultimately be found to be earthquake-prone. Chorus is unable to reliably determine the remedial work or other costs associated with buildings yet to be assessed under the current building code requirements, but it is not expected to be material.

Asbestos in buildings

Chorus is undertaking a programme to assess the presence and condition of any asbestos containing materials (ACM) within buildings in its property portfolio and take appropriate action where buildings are identified as containing ACM. It is expected that the assessment programme will take approximately three years to complete. Chorus considers it has a contingent liability for the identification and removal of ACM in buildings not yet assessed. Chorus is unable to reliably determine the removal costs associated with buildings yet to be assessed, but it is not expected to be material.

Note 11 – Post balance date events

UFB Service company agreement

On 23 February 2015 Chorus announced a fixed price UFB deployment contract with Downer for the 40% of the UFB build Downer is undertaking. The contract replaces the targeted cost regime previously agreed and provides Chorus with additional certainty on deployment costs through the remainder of the UFB deployment period.

Auditors' Review Report

To the shareholders of Chorus Limited

We have completed a review of the condensed consolidated financial statements of Chorus Limited and its subsidiaries ("the Group") on pages 11 to 26 which comprise the statement of financial position as at 31 December 2014, the income statement and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the six month period ended on that date, and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities

The directors of Chorus Limited are responsible for the preparation of condensed consolidated financial statements in accordance with NZ IAS 34 Interim Financial Reporting and for such internal control as the directors determine is necessary to enable the preparation of the condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibilities

Our responsibility is to express a conclusion on the condensed consolidated financial statements based on our review. We conducted our review in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity.* NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared, in all material respects, in accordance with NZ IAS 34 Interim Financial Reporting. As the auditor of the Group, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

A review of condensed consolidated financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on those financial statements.

Our firm has also provided other assurance services to the Group. These matters have not impaired our independence as auditors of the Group. The firm has no other relationship with, or interest in, the Group.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these condensed consolidated financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2014, and of its financial performance and its cash flows for the six month period ended on that date, in accordance with NZ IAS 34 Interim Financial Reporting.

Carrying value of assets

We draw your attention to page 19 and 20 of the condensed consolidated interim financial statements which explain that significant uncertainties exist in relation to future regulatory, legal and policy outcomes that may impact the assessment of the carrying value of the Group's assets. Our opinion is not qualified in respect of this matter.

KPMG

Wellington, 23 February 2015

Glossary of terms

ACM	Asbestos Containing Materials
BKBM	Bank Bill Reference Rate
CFH	Crown Fibre Holdings Limited
Chorus	Chorus Limited and subsidiaries
Commission	Commerce Commission
EBITDA	Earnings before interest, tax, depreciation and amortisation
EMTN	European Medium Term Note
FPP	Final Pricing Principle
FY	Financial year – twelve months ended 30 June
IP	Internet Protocol
IPP	Initial Pricing Principle
IT	Information Technology
MBIE	Ministry of Business, Innovation and Employment
Mbps	Megabits per second
NGA	Next Generation Access
RBI	Rural Broadband Initiative
RSP	Retail Service Provider
SLES	Sub Loop Extension Service
SLU	Sub Loop Unbundling
TDL	Telecommunications Development Levy
UBA	Unbundled Bitstream Access
UCLFS	Unbundled Copper Low Frequency Service
UCLL	Unbundled Copper Local Loop
UFB	Ultra-Fast Broadband
VDSL	Very High Speed Digital Subscriber Line

Board of Directors

Sue Sheldon
Independent chairman
Director since 1 July 2011

Anne Urlwin
Independent director
Director since 1 December 2011

Clayton Wakefield
Independent director
Director since 1 December 2011

Jon Hartley
Independent director
Director since 1 December 2011

Keith Turner
Independent director
Director since 1 December 2011

Prue Flacks
Independent director
Director since 1 December 2011

Mark Ratcliffe
Managing director
Director since 9 December 2011

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