



Chorus Limited
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Companies Announcement Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
Sydney, NSW 2000
Australia

26 August 2013

Dear Sir/Madam,

CHORUS FULL YEAR RESULT, FY13: SUPPLEMENTARY DOCUMENTS

Further to the filing of the Appendix 4E, please find attached the following documentation for release to the market:

1. Media Release
2. Investor Presentation
3. NZX Appendix 1
4. NZX Appendix 7

These documents will also be released to the New Zealand Stock Exchange.

Yours sincerely

A handwritten signature in blue ink, appearing to read "V. Oakley", with a stylized flourish at the end.

Vanessa Oakley
General Counsel & Company Secretary
Chorus Limited



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STOCK EXCHANGE ANNOUNCEMENT

26 August 2013

Chorus announces FY13 full year result

- \$171m NPAT
- 15.5cps dividend for six months
- UFB rollout ahead of target and 18% complete
- New guidance for FY14 capital expenditure and FY14 EBITDA outlook

Chorus Limited has today reported its financial result for the twelve months ended 30 June 2013.

The fixed line communications infrastructure company reported a net profit after tax (NPAT) of \$171 million and earnings before interest, tax, depreciation and amortisation (EBITDA) of \$663 million for the period. The result includes \$1 million relating to insurance claims from the Canterbury earthquakes.

Investment in fibre network, principally for the Ultra-Fast Broadband and Rural Broadband Initiative programmes, accounted for \$579 million, or 85%, of Chorus' \$681 million gross capital expenditure for the twelve months ended 30 June 2013.

Chief Executive Officer Mark Ratcliffe describes this as "a good operating result, particularly with both the Ultra-Fast Broadband and Rural Broadband Initiative programmes slightly ahead of target, a small increase in the number of access lines and a 6% increase in copper broadband connections. On the downside, capital expenditure demands continue to be significant and regulatory headwinds remain."

"We are making rapid progress in building a fibre future for New Zealand with more than 3,000 kilometres of fibre cabling deployed in just 12 months, taking our total fibre network beyond 30,000 kilometres," Ratcliffe said.

At 30 June, the UFB network was within reach of 205,500 end-users, or 153,000 premises, and 51,200 rural end-users were within reach of better broadband.

"Achieving ongoing efficiency in the cost of the UFB network rollout and ensuring UFB connections are made on a time and cost efficient basis is a key focus. Spending almost two-thirds of our revenues on capital investment is an extraordinary amount for any company," Ratcliffe said.

The average cost of completing the FY13 UFB network build was \$2,935 per premises passed. Chorus provided guidance that it expects to spend \$660 million to \$690 million on capital expenditure in FY14 and is again targeting an average cost per premises passed of between \$2,900 and \$3,200 for the year, reflecting the challenging mix of build areas planned for FY14.

Chorus now employs 763 permanent and fixed term employees directly, along with a further 4,434 people who are either employed directly by its service company partners or are sub-contracted by the service companies. This means the overall workforce has doubled since Chorus' demerger from Telecom.

Chorus reports growth of 8,000 fixed line connections for the twelve month period to a total of 1,784,000, including 90% growth in fibre connections to 19,000. Demand for fixed broadband connections continued to grow steadily, with about 64,000 copper broadband connections added over the period.

Chorus also faces ongoing challenges with the current regulatory environment. A Commerce Commission decision on copper line pricing in December has already reduced EBITDA by \$20 million on an annualised basis and a recent Government discussion paper proposes a review of the telecommunications regulatory framework with an immediate focus on copper pricing.

While the outcome of the Government's regulatory review is uncertain, all potential options contained within the discussion paper imply reduced future earnings for Chorus. The discussion paper suggests a potential decrease of Chorus' pricing within a range of \$2.48 to \$7.48 per broadband connection per month. Based on 30 June 2013 connection volumes, Chorus anticipates this could imply a reduction in annual EBITDA in the range of \$20 million to \$100 million.

"While these regulatory headwinds remain, management is pleased with the principled approach the Crown is taking to the regulatory review", said Ratcliffe. "We're seeking a clearer, more aligned regulatory environment that delivers the right incentives to encourage the transition to our fibre network, and help New Zealand realise the productivity and economic benefits UFB and RBI can deliver."

Any changes to regulated pricing will likely be a strong influence on Chorus' future revenues and industry willingness to migrate to fibre. Against the backdrop of these regulatory and capital expenditure challenges, Chorus' current view is that its earnings outlook for FY14 is flat to low single digit percentage decline in EBITDA (relative to normalised FY13 EBITDA of \$654 million).

The Chorus Board approved a fully imputed final dividend of 15.5 cents per share to be paid on 11 October 2013. The Dividend Reinvestment Plan will apply for eligible shareholders for this dividend.

Chorus' FY14 dividend guidance is unchanged. The Chorus Board will continue to monitor developments and expects to reassess Chorus' optimal capital management settings as the outcomes from the Government's regulatory framework review become clearer.

ENDS

Results summary for the twelve months ending 30 June 2013:

- Chorus achieved EBITDA of \$663 million.
- Gross capital expenditure was \$681 million with 85%, or \$579 million, spent on fibre related projects.
- Fixed line connections increased by 8,000 to total 1,784,000.
- Fibre connections increased by 90% to total 19,000.
- Continued growth in broadband with 64,000 new copper broadband connections.

Chorus Chief Executive, Mark Ratcliffe, and Chief Financial Officer, Andrew Carroll, will discuss the final results at a briefing in Wellington from 10.00am (NZ time). The webcast will be available at www.chorus.co.nz/webcast.

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Chorus Full Year Result, FY13 26 August 2013, Wellington

For 12 months ending
30 June 2013



Disclaimer

Forward-Looking Statements

- > This presentation may contain forward-looking statements regarding future events and the future financial performance of Chorus, including forward looking statements regarding industry trends, strategies, capital expenditure, the construction of the UFB network, credit ratings and future financial and operational performance. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond Chorus' control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. No representation, warranty or undertaking, express or implied, is made as to the fairness, accuracy or completeness of the information contained, referred to or reflected in this presentation, or any information provided orally or in writing in connection with it. Please read this presentation in the wider context of material previously published by Chorus and released through the NZX and ASX.
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Investment Advice

- > This presentation does not constitute investment advice or a securities recommendation and has not taken into account any particular investor's investment objectives or other circumstances. Investors are encouraged to make an independent assessment of Chorus.



Mark Ratcliffe

Chorus CEO



Agenda

Mark Ratcliffe, CEO

- > Full year performance overview
- > Connection trends
- > UFB and RBI programmes

Andrew Carroll, CFO

- > Financial results
- > Capex and UFB cost per premises passed, including FY14 guidance
- > Dividend and Dividend Reinvestment Plan

Mark Ratcliffe, CEO

- > UFB initiatives and regulatory framework
- > FY14 Outlook
- > Q&A

A good operating result...

- > Net Profit After Tax of \$171 million
- > EBITDA of \$663 million
- > Revenue of \$1,057 million
- > Total fixed line connections stable at 1,784,000
- > Fibre connections grew 90% to 19,000
- > 6% increase in copper broadband connections
- > UFB and RBI programmes ahead of rollout target

BUT regulatory headwinds and capital expenditure demands remain

- > Ongoing regulatory uncertainty as framework remains misaligned with Government's UFB initiative
 - Copper pricing critical to fund fibre rollout
 - Fibre uptake linked to regulatory price settings

- > 64% of revenue spent on capex; driven higher by UFB deployment cost challenges
 - UFB production line taking shape, but not yet 'steady state'
 - Need to achieve further efficiencies in UFB rollout

Fixed line connections stable

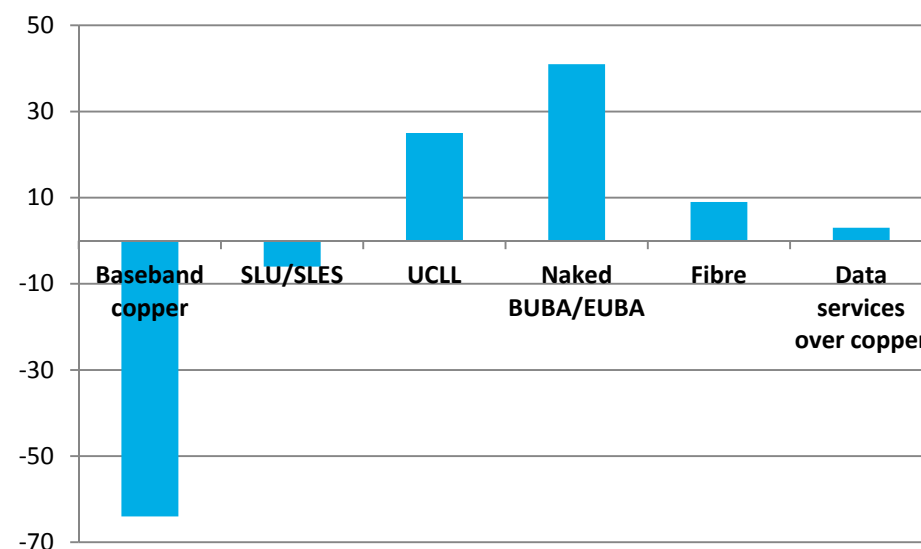
Fixed line connections	30 June 2013	30 June 2012
Baseband copper	1,521,000	1,585,000
UCLL	122,000	97,000
SLU/SLES	6,000	12,000*
Naked Basic/Enhanced UBA and Naked VDSL	91,000	50,000
Data services over copper	25,000	22,000**
Fibre	19,000	10,000
Total fixed line connections	1,784,000	1,776,000

> Connections increased by 8,000 including adjustments for:

- * 7,000 lines double counted in SLU/SLES at 30 June 2012
- ** 7,000 lines omitted from data services over copper at 30 June 2012

> 90% increase in fibre connections

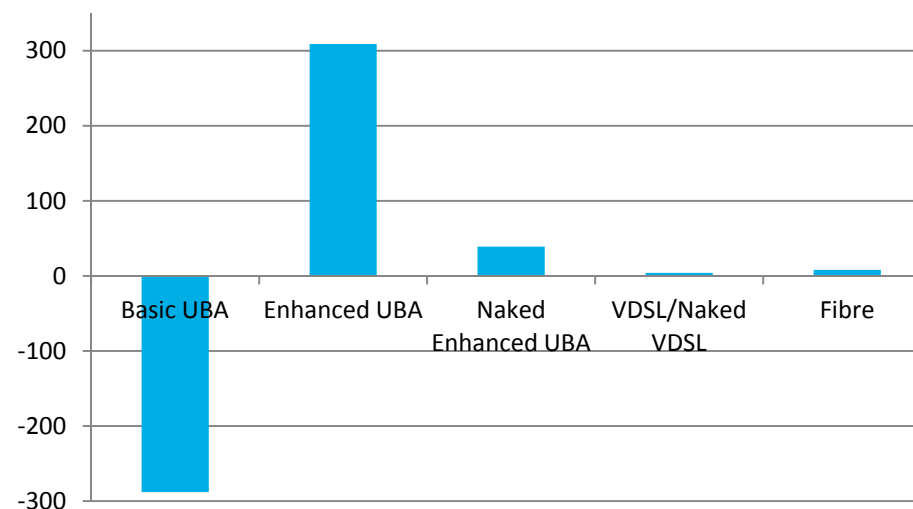
> 82% growth in 'Naked' connections



Continuing broadband growth

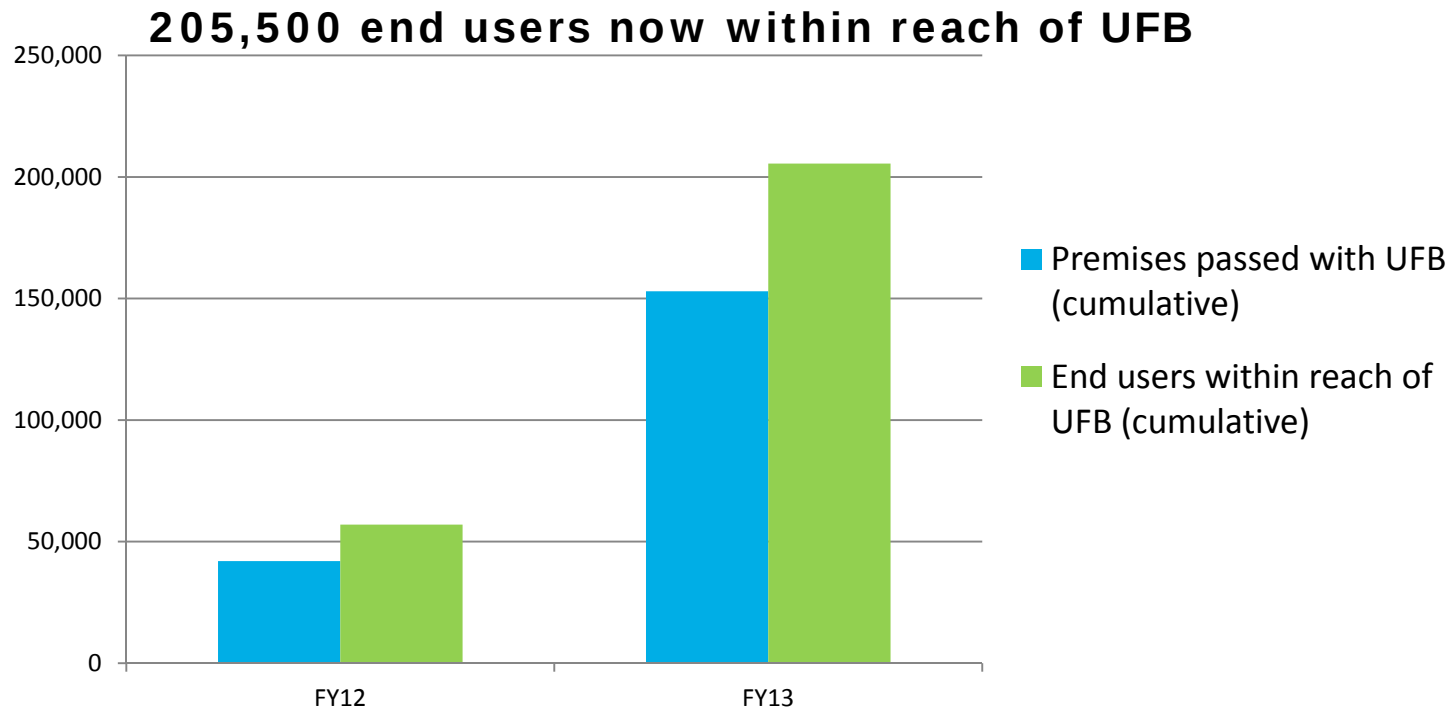
Broadband connections	30 June 2013	30 June 2012
Basic UBA	331,000	619,000
Naked Basic UBA	11,000	11,000
Enhanced UBA	680,000	371,000
Naked Enhanced UBA	78,000	39,000
VDSL/Naked VDSL	4,000	NM
Fibre (Bitstream 2, 3 and fibre subdivisions)	8,000	NM
Total broadband connections	1,112,000	1,040,000

- > 6% growth in copper broadband connections
- > copper lines with Chorus broadband increased from 60% to 63%
- > now including some fibre connections in broadband total



UFB build ahead of plan

- > **18 %** of way through rollout
 - > Build complete for **153,000 premises** (target 149,000)
 - includes **38,000** priority premises: **685 schools**
 - > **105,679** premises tested and paid at 30 June



Rural Broadband rollout

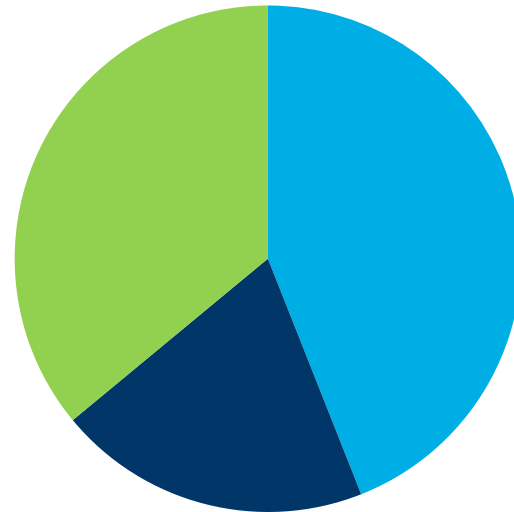
- > 2,150km fibre laid; 779 schools complete
- > 51,200 lines within reach of better broadband

	Complete		To be completed		
	FY12	FY13	FY14	FY15	FY16
Schools	473	306	163	67	1
Hospitals	4	17	16		
Fibre to RBI tower sites	13	40	50	39	12
FTTN cabinets	192	320	306	222	179
Fixed lines served	20,400	30,800	22,100	18,000	10,700
Total \$m	\$59m	\$106m			

Chorus fibre connections

> 19,000 fibre connections comprise:

- **44 %** Next Generation Access (includes UFB Bitstream 2 and 3 and education connections) and pre-UFB fibre subdivision end-users. Predominantly residential connections to 30 June.
- **36 %** Bandwidth Fibre and High Speed Network Services/Bitstream 4)
- **20 %** Direct Fibre ('dark fibre')



■ NGA: \$37.50 to \$175 per month

■ Direct Fibre: \$355 per month

■ Bandwidth Fibre and HSNS: \$380 to \$1,355 per month

Andrew Carroll

Chorus CFO



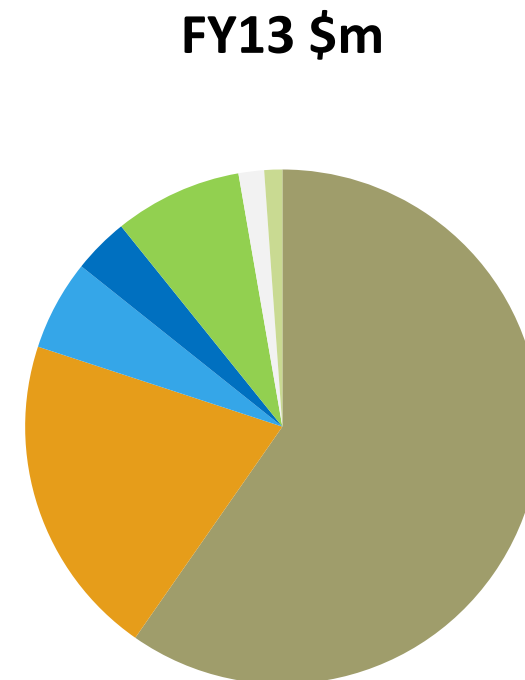
Income statement

	FY13 \$m
Operating revenue	1,057
Operating expenses	(394)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	663
Depreciation and amortisation	(319)
Earnings before interest and income tax	344
Net interest expense	(108)
Net earnings before income tax	236
Income tax expense	(65)
Net earnings for the period	\$171m

- > **FY13 normalised EBITDA** **\$654m**
- > **FY12 normalised, annualised EBITDA** **\$646m**

FY13 Revenue

Revenue category	FY13 \$m	FY13 \$m Normalised	FY12 \$m Normalised, annualised
Basic copper	631	623	665
Enhanced copper	215	215	152
Fibre	60	60	48
Value Added Network Services	37	37	31
Field Services	85	85	81
Infrastructure	17	17	24
Other	12	11	12
Total revenue	1,057	1,048	1,013



- > Basic copper normalised for UCLL pricing reduction and insurance proceeds

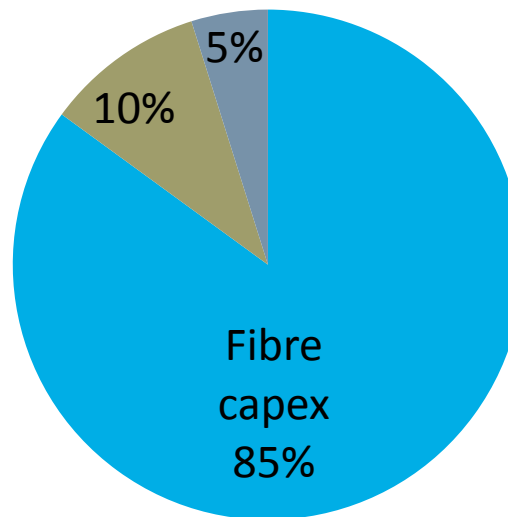
FY13 Operating expenses

	FY13 \$m	FY12 \$m Annualised
Labour costs	67	53
Provisioning	51	39
Network maintenance	100	89
Other network costs	37	38
Electricity	13	19
Rents, rates and property maintenance	24	24
IT costs	52	51
Consultants	6	9
Insurance	4	5
Other	40	40
Total operating expenses	394	367

FY13 gross capex summary

- > **Total capex of \$681m**
- > consistent with H1 guidance of \$640 - \$690m and includes:
 - \$14m additional WIP for FY14 UFB premises
 - \$27m of capex brought forward and \$9m of additional capex that was fully funded

Fibre capex	\$579m
UFB communal	362
UFB connections & fibre layer 2	31
Fibre products & systems	27
Other fibre connections & growth	53
RBI	106



Copper capex	69
Network sustain	33
Copper connections	21
Copper layer 2	8
Product	7

Common capex	33
Information technology	16
Building & engineering services	16
Other	1

CPPP: within FY13 guidance

- > CPPP on track. H1 FY13 guidance was **\$2,900 to \$3,200** for FY13

Year 1	Year 2
CCPP: \$3,567	CCPP for UFB 'new build' premises: \$3,048 Blended CPPP: \$2,935 (includes existing Broadband Over Fibre premises and new subdivisions)

- > **FY14 CPPP guidance of \$2,900 to \$3,200**
 - consistent with CPPP trend chart (FY13 H1 result)
 - continuing to see good progress in bringing costs down for majority of areas
 - FY14 contains challenging mix of build areas with ~10% of areas expected to drive much higher than average costs (e.g. Wellington CBD and Auckland CBD, Ponsonby)

Cost per premises connected (CPPC)

- > Very early days with less than 1% of ultimate UFB footprint connected
- > Programme view: \$900 to \$1,100 (real) average cost to connect standard residential premises; cost expected to be higher in early years of deployment

	Deployment method	Standard Install – Chorus funded up to non standard distance	Non Standard install	
Lead-in	New underground	Up to 15m	15m – 200m	Chorus \$20m fund
	Existing conduit or open trench	Up to 100m	100m-200m	
	Aerial	1 span	Any additional spans required	
In-home wiring	To ONT	Up to 5m	Over 5m*	

* Chorus currently installing ONT at point of highest data usage. Incremental in-home wiring ~10% of standard install cost, based on initial data

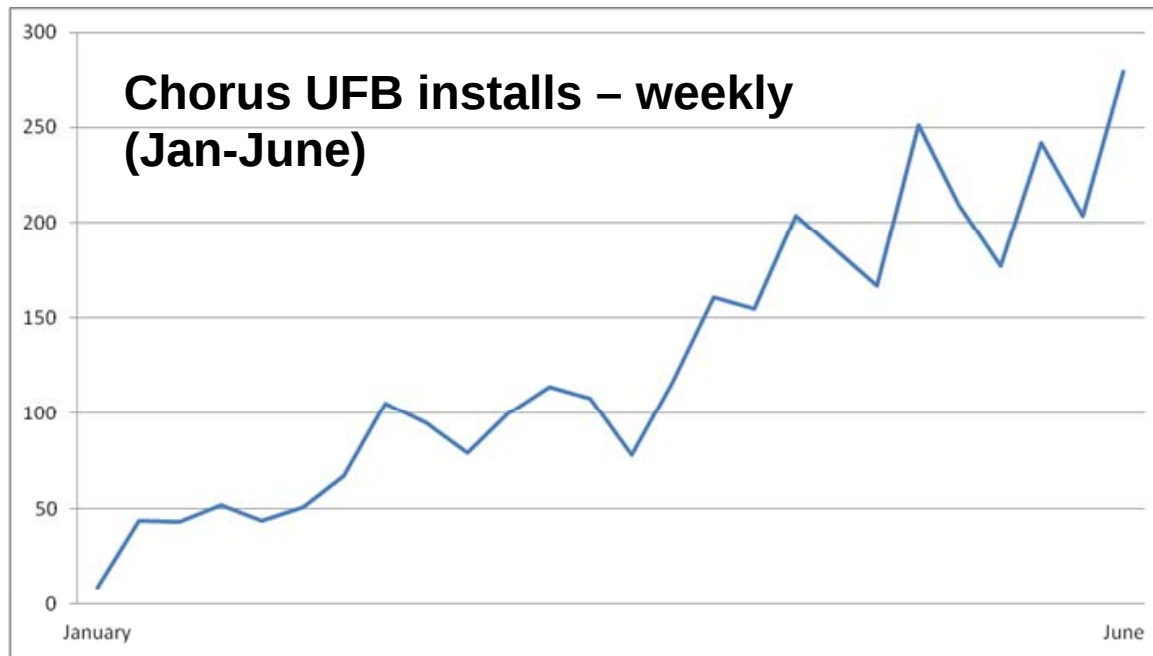
CPPC: H2 view from Chorus data

- > Indicative sample of connections (January-June):
 - mostly Auckland-based single dwelling units
 - mix of connection types influences costs
 - still developing training, processes with service companies
 - early days for RSP interaction
- > \$100k deducted from Chorus NSI fund to 31 March

	% of installs: Standard	% of installs: Non-standard
Lead-in	86%	14%
In-home wiring	30%	70%
Average cost	\$1,600 (includes all non-standard in-home wiring)	\$650 (incremental cost of external lead-in)
Average time taken	16 hours	19 hours

CPPC: Early UFB install volumes

- > building workforce capacity ahead of demand
- > efficiency gains challenging while order levels vary
- > order volumes vary widely between UFB areas
- > UFB installs averaging ~200 per week; compared to ~3,500 average for copper broadband



CPPC: next steps

- > Continuing to build operational capability from 70 crews today
- > Establish longer term commercial agreements for resourcing
- > Develop demand forecasting to ensure efficient resourcing
- > Implement systems and processes to increase productivity
 - new deployment technologies
 - new ordering system in development
 - property pre-qualification tools
 - phased installation: scope > lead-in > in-home wiring
 - separate workstream for large MDUs
- > Improved industry and end-user communication to underpin process and experience

FY14 capex guidance

	FY14 guidance \$m	FY13 guidance \$m
Copper capex	70 – 75	70 – 75
Common capex	60 – 65	30 – 35
Fibre capex	530 – 550	540 – 590
Gross capex	660 – 690	640 – 690

Note: The individual ranges presented above are not necessarily additive

- > **Copper capex:** consistent with prior period
- > **Common capex:** expected increase reflects separation and other IT spend as per H1 guidance
- > **Fibre capex:** modest reduction expected relative to FY13 with RBI spend expected to halve and total communal spend down, partially offset by growth in connection capex and other fibre growth investment

Net Debt / EBITDA

- > Debt increased relative to FY12, reflecting negative FCF through period. Leverage ratio expected to increase through build period
 - Key financial covenants require ratio less than 3.75 times
 - Chorus policy not to materially exceed 3.5 times
 - Calculation below reflects Standard & Poor's treatment

	As at 30 June 2013 \$m
Borrowings	1,872
+ PV of CFH debt securities (senior)	15
+ Net Finance leases	120
+ Operating leases	<u>26</u>
Sub total	2,033
- Cash	(80)
Total net debt	1,953
Net debt/EBITDA	2.9 times

Dividends and DRP

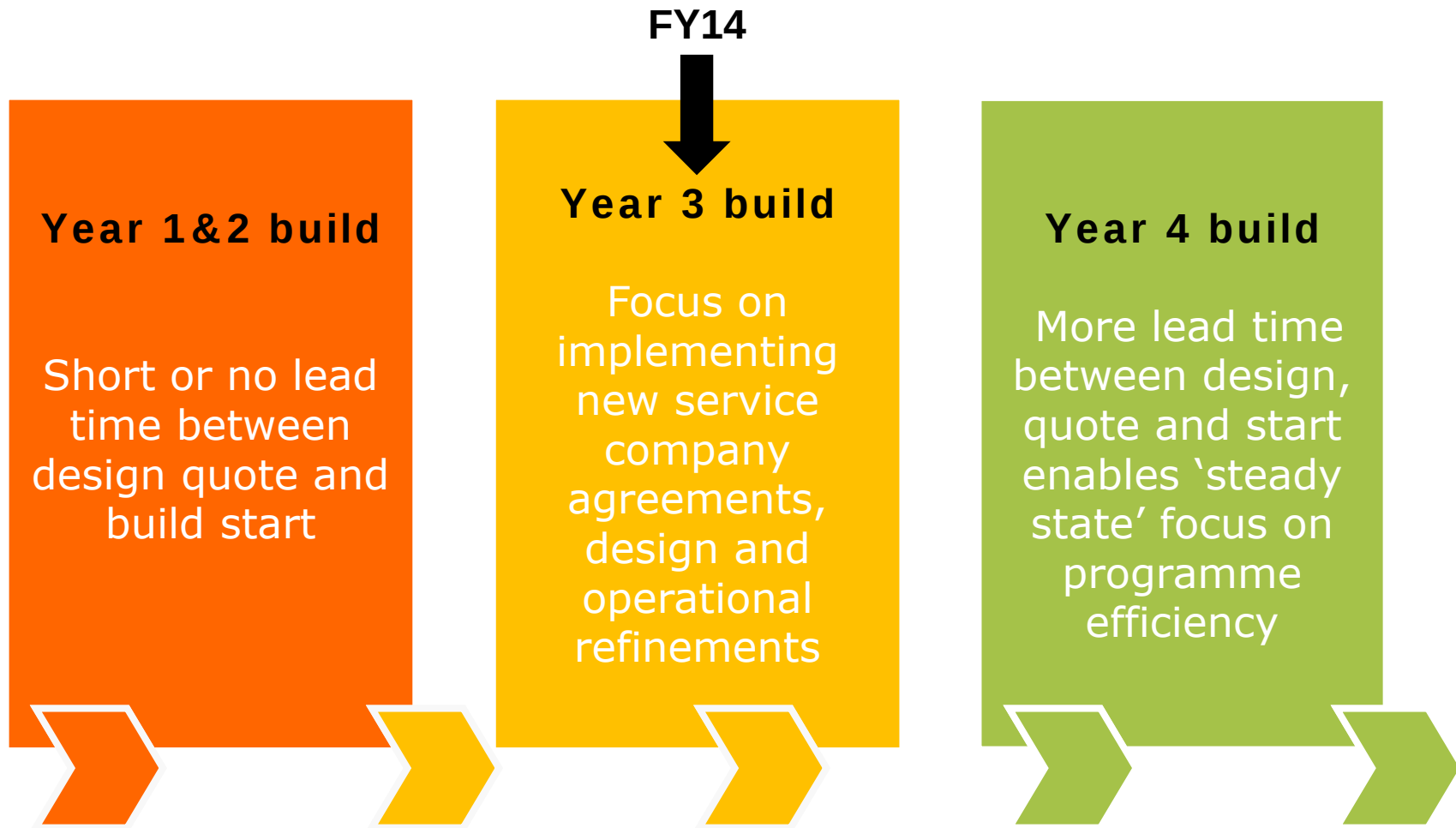
- > FY13 final dividend of 15.5 cents per share, fully imputed
 - Supplementary dividend of 2.7353 cents per share payable to non-resident shareholders
 - Record date: **27 September 2013**
 - Payment date: **11 October 2013**
- > DRP applies for this dividend with 3% discount to the prevailing market price. Shareholders eligible to participate if resident in New Zealand or Australia
- > FY14 dividend guidance is unchanged
- > The Chorus Board will continue to monitor developments and expects to reassess Chorus' optimal capital management settings as the outcomes from the Government's regulatory framework review become clearer

Mark Ratcliffe

Chorus CEO



Moving to 'steady state' roll out



Achieving UFB cost efficiencies

- > Many initiatives complete or underway:
 - organisational changes
 - service company contracts
 - technology evolution
 - local authority requirements
 - deployment techniques



Parallel Government and regulatory processes

Government reviews

TSO review

- Telecommunications Service Obligation (TSO) requires Chorus to maintain lines/coverage and provide voice input service
- submissions made 20 August 2013

Regulatory framework review (first phase)

- Government discussion document (7 August) puts forward three options linking copper pricing to entry level fibre prices between \$37.50 - \$42.50. Implies annual EBITDA reduction of \$20m to \$100m
- Submissions due 13 September. Subject to outcome, pricing may apply from November 2014 or 2015

Commerce Commission processes

UBA pricing review

- Commission continuing with UBA benchmarking process for copper broadband pricing
- final decision expected end October 2013
- current legislation requires pricing to apply from December 2014

UCLL/UCLFS pricing review

- Chorus requested review of Commission's December 2012 reduction of UCLL/UCLFS copper line pricing
- discussion document expected 18 October 2013
- process scheduled to late 2015

FY14: another challenging year

Earnings outlook for FY14

- flat to low single digit percentage decline in EBITDA, relative to normalised FY13 EBITDA of \$654 million
- > **Regulatory framework:** any changes to regulated pricing will influence Chorus' future revenues and fibre demand
- > **UFB rollout:** strong focus on achieving ongoing cost efficiencies
- > **IT transformation:** Chorus will be running two IT systems in parallel
- > **Industry:** intensifying RSP focus on Chorus input costs and potential fixed to mobile substitution with 4G networks
- > **Competition:** other UFB networks past 76,000 premises
- > **End-user demand:** fibre product choice affects ARPU; VDSL connection volumes may increase short term costs

Focus on the future

- > Our strategy is to grow connections and lead New Zealand to fibre
- > New fibre plans to assist retail service providers with product diversity
- > VDSL re-priced to provide a stepping stone for fibre
- > 5,000 people building and maintaining our network, and delivering wholesale services
- > Chorus people engagement at 80%
- > Now in FTSE4Good Index and shared award for waste minimisation



An aerial photograph of a coastal city at sunset. The city is built on a hillside overlooking a large body of water. The sky is a warm orange, and the city lights are beginning to glow. In the foreground, there are some residential buildings and a large church with a red roof. The water is calm, reflecting the sunset. A large marina with many boats is visible in the middle ground. The city skyline is dense with various buildings of different heights and colors.

Any questions?



Revenue categories

Basic Copper	• core regulated products that are earlier technology or products with limited scope for further development e.g Baseband copper (UCLFS), Basic UBA, Naked UBA, UCLL, SLU, SLES
Enhanced Copper	• products enhanced to deliver higher speed capability and better customer experience e.g. Enhanced UBA, VDSL2, Baseband IP, HSNS Lite Copper
Fibre	• existing business fibre and new UFB services. Also includes UFB backhaul and direct, or 'dark', fibre
Value Added Network Services	• products and expertise for higher value or specialist services. Includes carrier network services which provide connectivity across backhaul links
Field Services	• field force in provisioning, maintaining and installing copper or fibre products
Infrastructure	• services that provide access to Chorus' network assets, principally exchange co-location space

Capex categories

Fibre capex categories

UFB communal	• cost of building UFB network along street to pass premises
UFB connections & fibre layer 2	• UFB connections are subject to demand via RSPs • Layer 2 electronics
Fibre products & systems	• Fibre- related product and system development
Other fibre connections & growth	• Demand driven by greenfield & business fibre growth • Regional backhaul to enable RSP traffic • Fibre lifecycle investment
RBI	• Layers 0, 1 - network duct and fibre; Layer 2 cabinet electronics • Expect total 5 year programme to cost around \$280-295 million. Spend weighted to front end of programme

Copper capex categories

Network sustain

- Upgrading or replacing plant (e.g. poles, cabinets, cables) where risk of failure or degraded service
- Proactive network replacement more cost effective than reactive maintenance

Copper connections

- Demand for copper connections for residential / business customers (e.g. infill housing, new buildings)

Copper layer 2

- Demand driven layer 2 investment in broadband capacity and growth. Expected to reduce slowly as customers migrate to fibre

Product fixed

- Largely RSP driven investment in copper-related products

Common capex categories

Information technology

- Investment in future Chorus IT platforms, in part to meet June 2014 deadline to move from Telecom enterprise systems

Building and engineering services

- Spend for growth and plant replacement (e.g. power, air conditioning) at Chorus exchange, building and remote sites

Other

- Items such as office accommodation and equipment

Contributions to capex

UFB

- CFH funds up to \$929 million over course of programme, at a rate of \$1,118 per premise

RBI

- Government grant funding of ~\$236 million over 5 years to cover most layer 0 and 1 capex spend
- Layer 2 is not covered by the grant
- Grant is payable on completion of build work
- Annual grant around 80 - 85% of annual RBI capex spend

Other

- Central & local government contribute to cost (often 100%) when requesting Chorus to relocate or rebuild existing network

Chorus Limited	
Results for announcement to the market	
Reporting Period	Year ended 30 June 2013
Previous Reporting Period	Seven months ended 30 June 2012

	Amount (000s)	Percentage change
Revenue from ordinary activities	\$1,057,000	Up 72.4%
Profit (loss) from ordinary activities after tax attributable to security holders.	\$171,000	Up 67.6%
Net profit (loss) attributable to security holders.	\$171,000	Up 67.6%

Interim/Final Dividend	Amount per security	Imputed amount per security
Final Dividend	15.5cps	6.028cps

Record Date	27 September 2013
Dividend Payment Date	11 October 2013

Comments:	Refer press release. This report should be read in conjunction with the audited financial statements for the year ended 30 June 2013. Note percentage movements above compare a 12 month period with a 7 month period and are therefore not meaningful.
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PRELIMINARY ANNOUNCEMENT - FULL YEAR RESULTS
For the year ended 30 June 2013

1.1 Reporting Period and Previous Reporting Period

The reporting period is the year ended 30 June 2013 and the comparative period is the seven month period ended 30 June 2012 in accordance with Listing Rule 10.4.2.

1.3 (a) Statement of Financial Performance

Refer to attachment.

1.3 (b) Statement of Financial Position

Refer to attachment.

1.3 (c) Statement of Cash Flows

Refer to attachment.

1.3 (d) Dividends

On 25 August 2013, the Board of Directors declared a fully imputed final dividend for the 2013 financial year of 15.5 cents per ordinary share. The total dividend will be \$60,341,353.

For non-resident shareholders a supplementary dividend of 2.7353 cents per ordinary share will also be available in respect of the final dividend.

On 12 April 2013, a fully imputed interim dividend of 10.0 cents per share was paid with a total dividend recognised of \$38,508,212. A supplementary dividend was also paid to non-resident shareholders of 1.7647 cents per share. Under the dividend re-investment plan \$11,596,547 of the interim dividend payable was settled by the issue of 4,216,926 ordinary shares at \$2.75 per ordinary share.

1.3 (e) Dividend Reinvestment Plan

A dividend reinvestment plan (the Plan) has been established which enables eligible shareholders to choose to have Chorus reinvest all or part of their dividend entitlements in additional Chorus shares (rather than receiving cash payments). There are no charges for participation in the Plan, no brokerage fees and additional shares are purchased at a discount to the prevailing market price. The Chorus Board has currently set this discount at 3% which is applied to the volume weighted average sale price for a share, calculated on all price setting trades of shares which take place through the NZX Main Board over a period of five Business Days commencing on the ex dividend date.

The last date for receipt of an election notice to participate in the Plan for the final dividend due for payment on 11 October 2013, is 5pm 27 September 2013.

- 1.3 (f) Statement of Movements in Equity**
Refer to attachment.
- 1.3 (g) Net tangible assets per security**
There are \$1.21 net tangible assets per security (30 June 2012: \$0.90).
- 1.3(h) Control of Entities gained or lost during year**
N/A
- 1.3(i) Details of associates or joint ventures**
N/A
- 1.3 (j) Any other significant information**
Refer to attachment and press release.
- 1.3 (k) Commentary on the results of the period**
Refer to attachment and press release.
- 1.3 (l) Audit**
This report is based on financial statements which have been audited. The auditors have made no qualifications to the financial statements.
- 1.3 (m) Subsequent events**
Refer to attachment.
- 1.3 (n) Revaluation of Assets**
N/A
- 3.1 Accounting Standards**
The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and the Financial Reporting Act 1993. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate for profit-oriented entities. They also comply with International Financial Reporting Standards.
- 3.2 Critical accounting policies**
Refer to attachment.
- 3.3 Changes in accounting policies**
There have been no changes in accounting policies, all policies have been consistently applied throughout the period.

3.4

Audit Report

Refer to attachment.

Notice of event affecting securities

NZSX Listing Rule 7.12.2. For rights, NZSX Listing Rules 7.10.9 and 7.10.10.
For change to allotment, NZSX Listing Rule 7.12.1, a separate advice is required.

Number of pages including this one
(Please provide any other relevant
details on additional pages)

1

Full name of Issuer **CHORUS LIMITED**

Name of officer authorised to make this notice **ANDREW CARROLL** Authority for event, e.g. Directors' resolution **DIRECTORS' RESOLUTION**

Contact phone number **(04) 498 9331** Contact fax number **(04) 499 7070** Date **25 / 8 / 2013**

Nature of event
Tick as appropriate

Bonus Issue ☐	If ticked, state whether: ☐	Taxable ☐	/ Non Taxable ☐	Conversion ☐	Interest ☐	Rights Issue Renounceable ☐
Rights Issue non-renounceable ☐	Capital change ☐	Call ☐	Dividend ☒	If ticked, state whether: Interim ☐	Full Year ☒	Special ☐
						DRP Applies ☒

EXISTING securities affected by this

If more than one security is affected by the event, use a separate form

Description of the class of securities **ORDINARY SHARE** ISIN **NZCNU0001S2**
If unknown, contact NZX

Details of securities issued pursuant to this event

If more than one class of security is to be issued, use a separate form for each class

Description of the class of securities ISIN
If unknown, contact NZX

Number of Securities to be issued following event Minimum Entitlement Ratio, e.g. ① for ② for

Conversion, Maturity, Call Payable or Exercise Date Treatment of Fractions
Enter N/A if not applicable Tick if *pari passu* ☐ OR provide an explanation of the ranking

Strike price per security for any issue in lieu or date Strike Price available.

Monies Associated with Event

Dividend payable, Call payable, Exercise price, Conversion price, Redemption price, Application money.

In dollars and cents		Source of Payment	RETAINED EARNINGS
Amount per security (does not include any excluded income)	\$0.155		
Excluded income per security (only applicable to listed PIEs)			
Currency	NZD	Supplementary dividend details - NZSX Listing Rule 7.12.7	Amount per security in dollars and cents \$0.027353
Total monies	\$60,341,353		Date Payable 11 October, 2013

Taxation

Amount per Security in Dollars and cents to six decimal places

In the case of a taxable bonus issue state strike price \$	Resident Withholding Tax \$0.010589	Imputation Credits (Give details) \$0.060278
	Foreign Withholding Tax \$	FWP Credits (Give details)

Timing

(Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm

For calculation of entitlements -

27 September, 2013**Application Date**

Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date. In the case of applications this must be the last business day of the week.

11 October, 2013**Notice Date**

Entitlement letters, call notices, conversion notices mailed

Allotment Date

For the issue of new securities Must be within 5 business days of application closing date.

OFFICE USE ONLY

Ex Date:
Commence Quoting Rights:
Cease Quoting Rights 5pm:
Commence Quoting New Securities:
Cease Quoting Old Security 5pm:

Security Code:

Security Code:

