

Optus Delivers Full Year Revenue and EBITDA Growth

Australia – Optus today reported a strong set of results for the fourth quarter, with operating revenue up 11% to A\$2.29 billion. Mobile service revenue rose 6% to A\$1.21 billion, driven by a higher mobile handset customer base and strong take-up of tiered mobile data plans.

Blended mobile handset average revenue per user (ARPU) increased 4% on the same quarter last year, reflecting continual 4G customer growth and an increase in customers' mobile data usage.

In Mass Market Fixed, operating revenues were up 3%, driven by an increase in Optus' broadband customer base and a range of compelling home broadband and entertainment offers.

Quarterly EBITDA grew 10% to A\$723 million driven by strong mobile service revenue growth and lower selling costs from higher take-up of Device Repayment Plans. Net profit grew 7% to A\$239 million. Free cash for the quarter was A\$405 million.

Allen Lew, Optus Chief Executive Officer, said, "In spite of intense competition in the Australian market, Optus has delivered strong EBITDA and net profit growth this quarter. This shows our strategy is working. We will continue to lead the market with innovative, value-driven offers, an expanding 4G network footprint and exceptional customer experience."

Full Year Performance

For the financial year ended 31 March 2015, Optus delivered strong full year revenue and EBITDA growth, underpinned by the improved performance of its mobile operations.

Operating revenue was up 4% to A\$8.79 billion. EBITDA grew 5% to A\$2.62 billion, while annual net profit grew 1% to A\$841 million. Underlying net profit grew 4% year-on-year to A\$873 million. EBITDA margin improved 0.4 percentage points to 29.9%.

Free cash flow for the full year was up 8% to A\$976 million.

Customer Growth

Optus' ambition to grow its share of the Australian market continues. During the quarter, Optus added 64,000 postpaid handset customers, bringing its total number of mobile subscribers to 9.43 million.

Demand for 4G services is strong, with 345,000 new 4G subscribers this quarter. At the end of the period, Optus had 3.53 million 4G Plus customers which accounted for 37% of the total mobile customer base.

Throughout the year, Optus continued to enhance the competitiveness of its network – with A\$1.3 billion in capital expenditure and complementary spectrum investments of more than A\$720 million. At the end of April 2015, Optus' 4G network reached 86% of the Australian population.

In Mass Market Fixed, great value unlimited data plans, combined with a focus on the NBN and Optus' exclusive Netflix subscription offer, delivered broadband customer growth of 20,000 to 1.02 million customers.

“Looking ahead, Optus will continue to differentiate its brand with new home and mobile products that lead the market in value and flexibility, and which give our customers the freedom to use data in ways that suit their lifestyle,” Mr Lew said.

Financial Highlights

	Quarter		YoY Change %	Full Year		YoY Change %
	31 Mar			31 Mar		
	2015 A\$ m	2014 A\$ m		2015 A\$ m	2014 A\$ m	
Operating revenue	2,285	2,066	10.6	8,790	8,466	3.8
EBITDA	723	657	10.1	2,624	2,502	4.9
<i>EBITDA margin</i>	31.7%	31.8%		29.9%	29.5%	
EBIT	392	351	11.8	1,364	1,290	5.7
Underlying net profit	248	227	9.5	873	842	3.7
Net profit	239	223	7.1	841	835	0.7
Free cash flow	405	387	4.6	976	903	8.1

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