

# Local Fibre Access Infrastructure FTTH

Access to common sources (e.g. know-how, research, news, education, health, networks) is key for a knowledge based sustainable society

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## Simple Business Model is key

- **Separate** services from infrastructure
- Build **open access** networks
- Fibre access infrastructure is the **next utility** like water, gas, electricity distribution networks
- Implement **jointly** with experts of telecommunication and utilities
- Offer **data centre** for interconnection and access the fibre
- Offer **IP streams** for service providers via a separate company (different skills and different finance model)

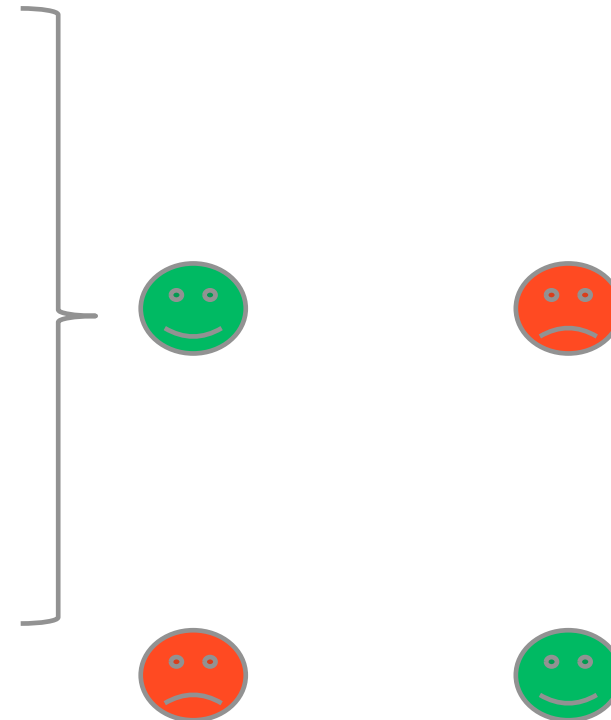
# Why Fibre Access?

## Key choice driver

## Fiber

## Copper Wire

- Future proof and affordable local access
- Symmetric up and down loading of high volume data
- Peer-to-peer communications
- Increase in competition of communication services
- Freedom of choice
- Low operating expenses
- Low initial investment



Fibre (i) is **technology agnostic**; (ii) a shared medium ideal for **symmetric** network architecture; (iii) has nearly **unlimited** capacity, and (iv) **reduced** operating costs

# However fibre access infrastructure development has to be carefully planned to substantially reduce the initial investment

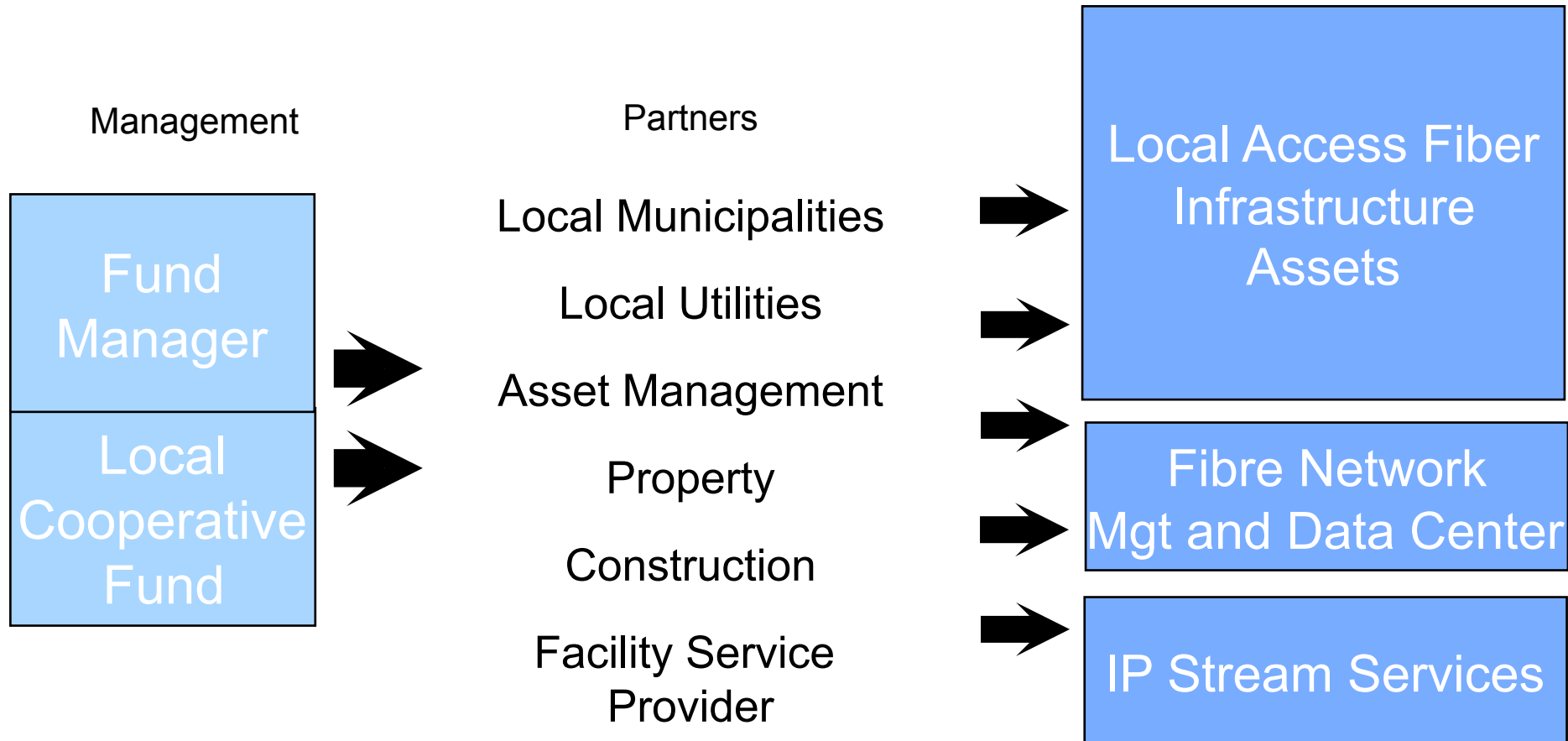
## Main investment characteristic

- 80% of the value is in the duct system and access to buildings
- Civil engineering and property business outweigh telecommunications elements
- Independence of the infrastructure from the services is key

## The cost per user can be reduced

- Working jointly with municipality and local utilities - 50% of construction cost reduction
- One infrastructure for all service providers
- Seamless fiber networks to decrease operating cost by around 40-50%
- Roll-out starts in high density areas to decrease implementation cost per user in the beginning
- Long-term commitments from off-takers including local government to lower interest rates and equity returns
- To attract users to invest in own infrastructure (retail funding) secures usage

# Combining sector expertise & development skills with asset management



# Structure and Process

