

# NBN CO FY25 FINANCIAL RESULTS

**12 August 2025**



**ELLIE  
SWEENEY**  
Chief Executive Officer

# NBN CO MET FULL YEAR GUIDANCE FOR FY25

**\$5.7bn**

Revenue  
FY24: \$5.5bn

**\$1.6bn**

Operating Expenditure  
FY24: \$1.7bn

**\$4.2bn**

EBITDA  
FY24: \$3.9bn

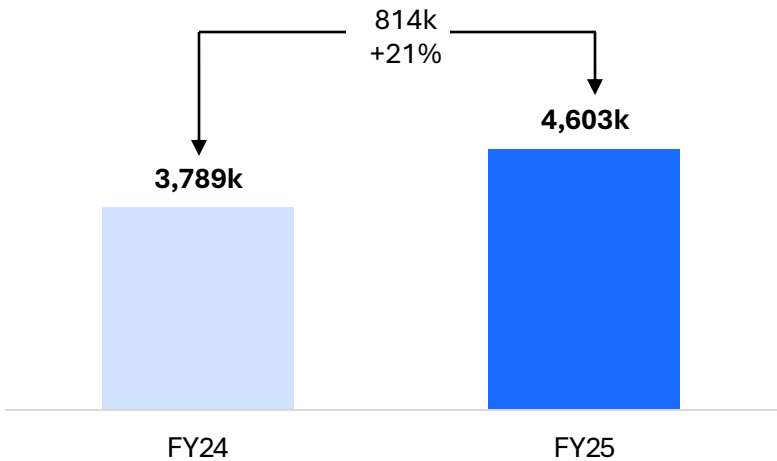
**\$3.5bn**

Capital Expenditure  
FY24: \$3.8bn

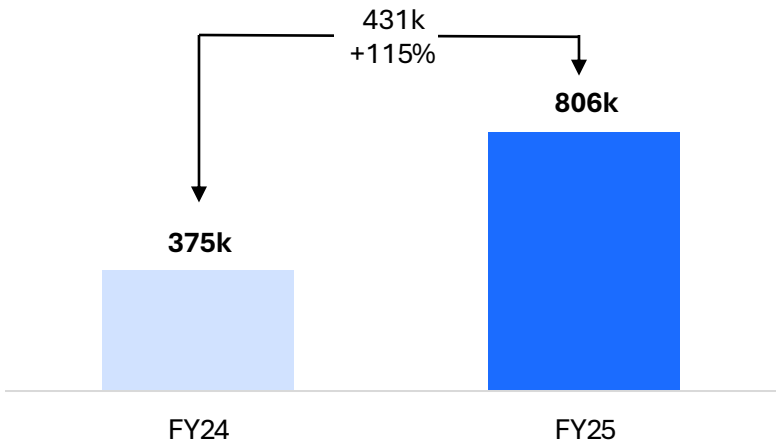
EBITDA includes Earnings Before Interest, Tax, Other non-operating income, Depreciation and Amortisation and Gains/(Losses) on derivatives measured at fair value through profit/(loss).

# DEMAND FOR FIBRE UPGRADES AND HIGH-SPEED SERVICES CONTINUES TO GROW

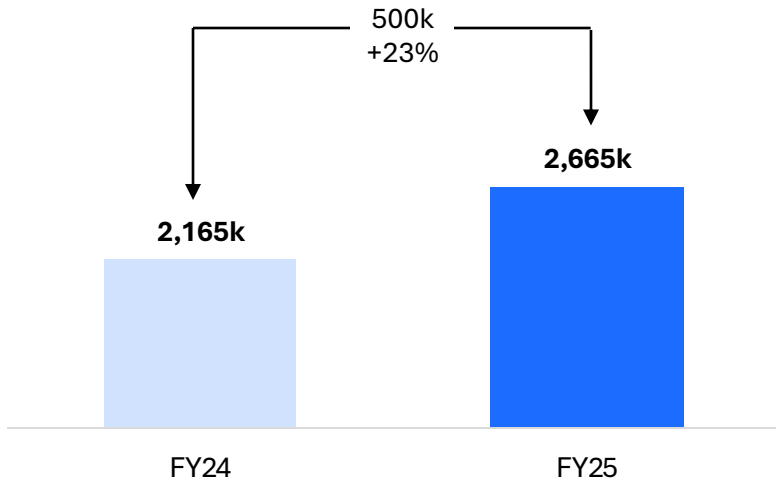
Fibre Upgrades – Ready for Order



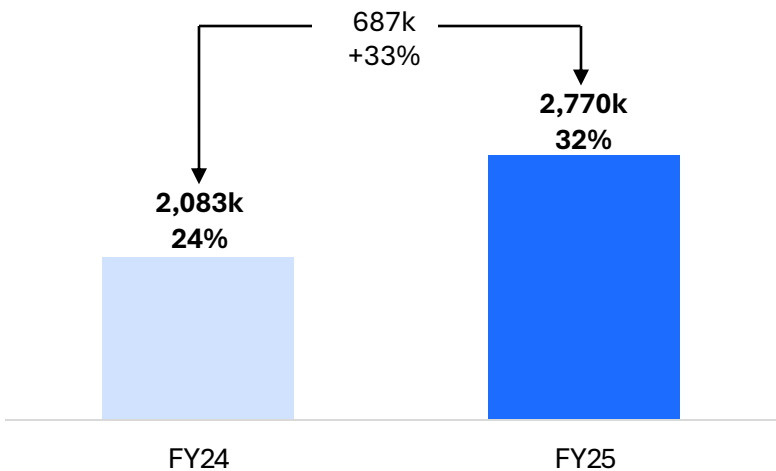
Fibre Upgrades Completed



FTTP Active Premises



Number of premises on 100 Mbps+





# ACHIEVEMENT AND MOMENTUM

- 01** Delivered near **gigabit-capable** services to almost 9.8 million premises
- 02** Data traffic over the nbn network **continues to grow**
- 03** **Faster full fibre upgrades** from beginning to end with fibre now the **dominant fixed line technology**
- 04** More efficient operations leading to **improved customer service** metrics
- 05** **Supported** small and medium businesses alongside enterprise customers
- 06** Advanced plans to **upgrade remaining** Fibre to the Node (FTTN) premises, supported by the Australian Government
- 07** Upgraded our HFC network, **serving 2.5 million premises** with faster speeds
- 08** Completed Fixed Wireless **network upgrades**
- 09** Signed an agreement with Amazon's Project Kuiper to deliver **high-speed broadband** to regional and remote Australia within nbn's satellite footprint
- 10** Submitted the **Replacement Module Application**
- 11** **Employee engagement** score in the top quartile globally

# ACCELERATE GREAT

- 01 Increase speeds across three existing tiers on HFC and FTTP
- 02 Launch a new era of multi-gig residential plans on HFC and FTTP
- 03 Next Generation FTTP Network Termination Device (NTD)







**INNOVATION THAT  
DRIVES IMPACT**





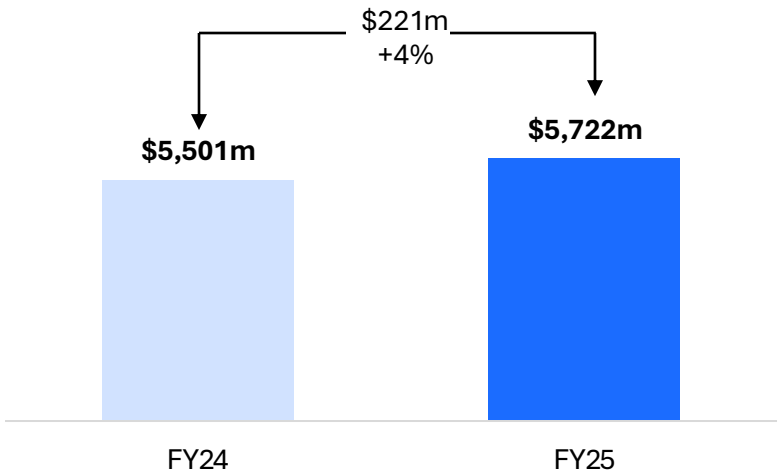
# **SIMON ATKINSON**

**Chief Financial Officer**

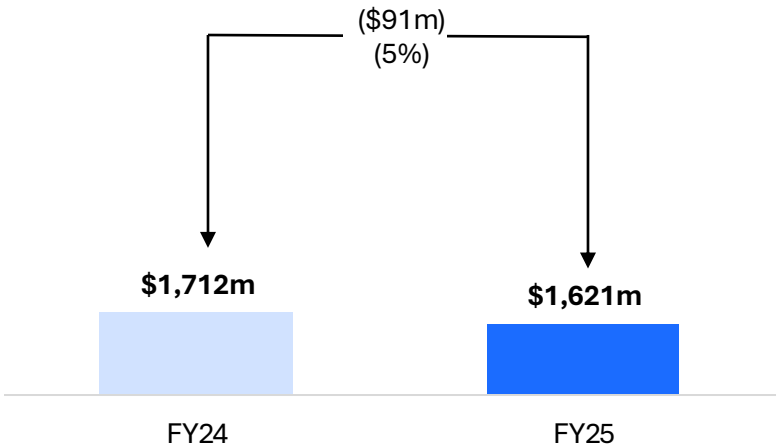


# FY25 HEADLINE RESULTS

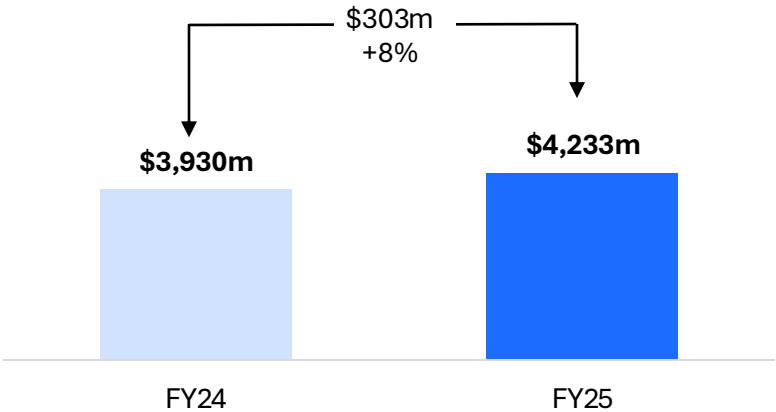
## Total Revenue



## Operating Expenditure

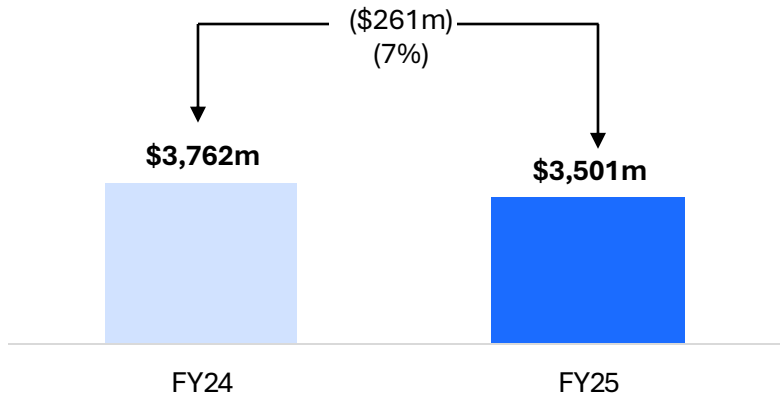


## EBITDA<sup>1</sup>



1. EBITDA is defined as earnings before interest, tax, other non-operating income, depreciation, amortisation and gains or losses on derivatives measured at fair value

## Capital Expenditure



## Strong customer demand for high-speed tiers drives FY25 revenue growth

	For the 12 months ended		
	30 June 2025	30 June 2024	% Increase/ (Decrease)
Telecommunications revenue (\$m)	5,526	5,220	6%
Other revenue (\$m)	196	281	(30%)
<b>Total (\$m)</b>	<b>5,722</b>	<b>5,501</b>	<b>4%</b>
Activations (# '000 premises)	8,630	8,609	0.2%
Percentage of services on 100 Mbps+	32%	24%	33%
Residential ARPU	\$50	\$47	6%

- Telecommunications revenue has increased by 6% due to a \$3 growth in Residential ARPU to \$50, driven by greater customer take up of higher speed tier plans (100 Mbps and above) which reached 32% as at 30 June 2025 and the application of CPI-linked wholesale price changes in line with the SAU Variation which governs the wholesale prices charged by NBN Co
- Activations remain stable with a marginal increase of approximately 21,000 premises on the nbn<sup>®</sup> network compared to 30 June 2024
- The greater uptake of higher speed tiers is supported by the increased customer demand for fibre connection upgrades, with approximately 430,000 upgrades occurring during FY25

## Ongoing cost efficiency initiatives continue to shape NBN Co's operating expenditure

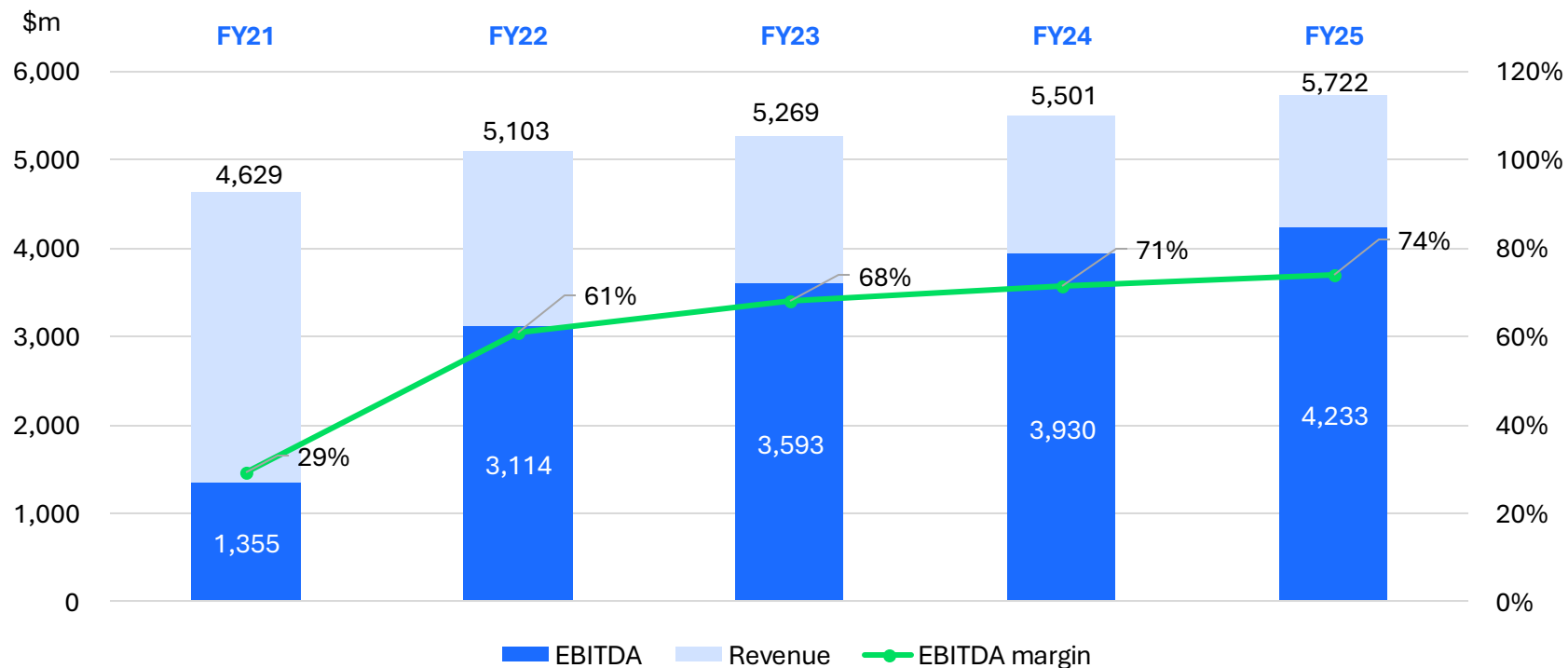
\$m	For the 12 months ended		
	30 June 2025	30 June 2024	% Increase/ (Decrease)
Direct network costs	561	605	(7%)
Employee benefits expenses	597	610	(2%)
Other operating expenses	463	497	(7%)
<b>Total operating expenses</b>	<b>1,621</b>	<b>1,712</b>	<b>(5%)</b>
Operating expenses as a % of revenue	28%	31%	(3%)

- Direct network costs decreased by 7%, as a result of cost efficiency benefits achieved by the Company's continued focus on cost optimisation, process simplification and network performance and reliability
- Employee benefits expenses decreased marginally, reflecting workforce transformation initiatives and productivity gains, partially offset by annual remuneration adjustments in line with market conditions
- Other operating expenses declined by 7%, driven by efficiency gains across multiple areas, including reduced insurance and software licensing costs, as well as lower discretionary spending



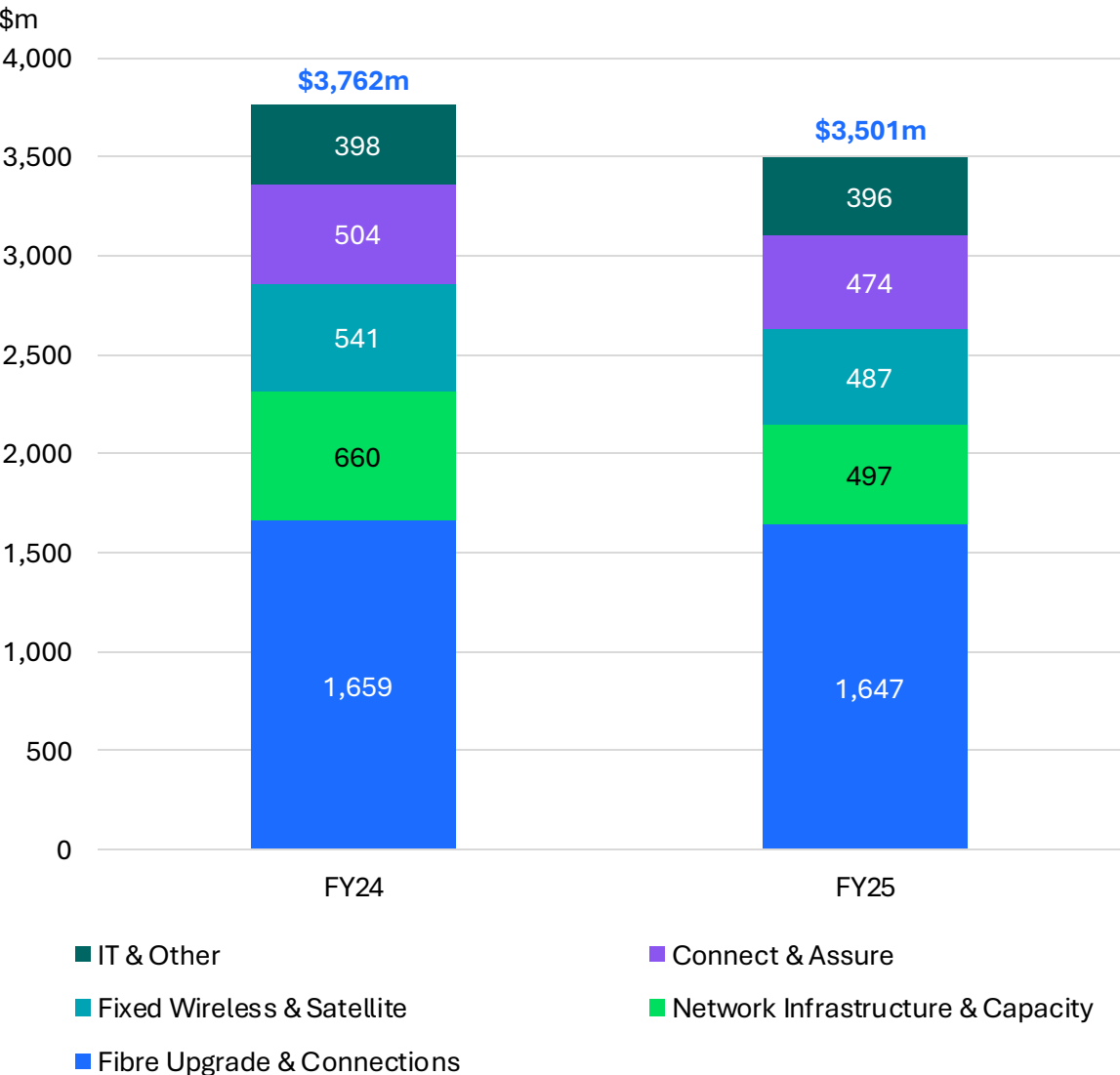
# CONTINUING EBITDA MOMENTUM

Revenue, EBITDA and EBITDA margin



- EBITDA growth continues to be driven by both increasing revenues and declining operating costs
- EBITDA margin continues to grow in line with expectation, reaching 74% for FY25, up from 71% in FY24

## Continued capital expenditure to invest in network upgrades and connect and assure premises



NBN Co is committed to investing and upgrading the nbn<sup>®</sup> network to meet the evolving needs of customers and support growing data demand. In FY25, capital expenditure of \$3,501 million was invested in the following areas:

- 1 \$1.6 billion expenditure to deliver the Company’s fibre network modernisation programs, including upgrading local fibre infrastructure to enable access to fibre and providing new fibre connections into premises
- 2 Network infrastructure and capacity investment of \$497 million to extend fibre network access to new developments and enterprise customers and upgrades to support increased network capacity requirements
- 3 \$487 million investment to enhance the Fixed Wireless and Satellite network, enabling the completion of the Fixed Wireless and Satellite Upgrade Program in December 2024
- 4 Capital allocated to connect and assure activities totalled \$474 million, supporting first-time connections, reconnections, and ongoing network assurance efforts
- 5 IT and other strategic investments of \$396 million, targeted at software and systems development, network security and resilience, and facility costs

# CASH FLOW SUMMARY

Investments in network upgrades are underpinned by strong operating cash flow growth and equity funding

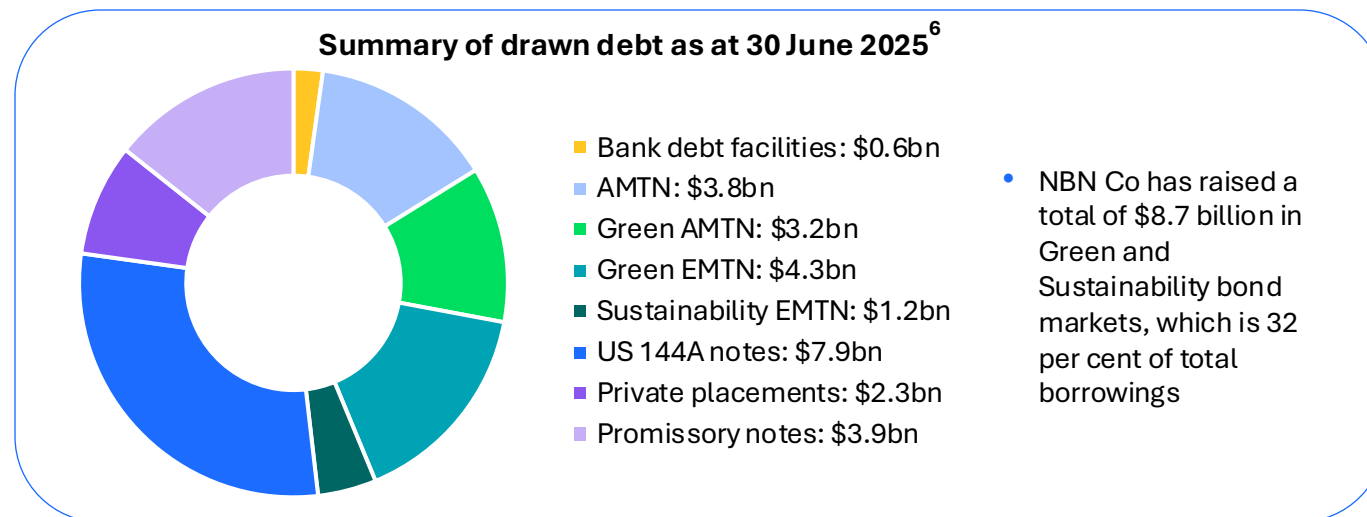
\$m	For the 12 months ended		
	30 June 2025	30 June 2024	% Increase/ (Decrease)
EBITDA	4,233	3,930	8%
Interest received	8	18	(56%)
Net (increase)/decrease in working capital	1	(283)	n/m
<b>Net cash provided by operating activities</b>	<b>4,242</b>	<b>3,665</b>	<b>16%</b>
Capital expenditure payments	(3,470)	(3,793)	(9%)
Equity funding from the Commonwealth	1,186	771	54%
Lease payments	(1,181)	(1,147)	3%
Interest paid on borrowings and other financial liabilities	(1,047)	(882)	19%
<b>Free cash flow</b>	<b>(270)</b>	<b>(1,386)</b>	<b>(81%)</b>
<b>Funded by</b>			
<i>Net proceeds from borrowings</i>	275	1,065	(74%)
<i>Settlement of derivatives</i>	-	334	(100%)
<i>Increase in cash</i>	(5)	(13)	(62%)
<b>Total</b>	<b>270</b>	<b>1,386</b>	<b>(81%)</b>

- Operating cash flows are growing in line with the Company's improving EBITDA and demonstrate strong cash conversion and stable working capital position
- Free cash flow remained negative, due to ongoing substantial capital investments into the network, partially offset by \$1,186 million funded by equity injections from the Commonwealth of Australia, as part of their commitment to provide NBN Co equity funding in support of fibre upgrades
- Lease and interest payments increased, driven by CPI-linked variable lease payment terms, the impact of higher average borrowings and an increase in the weighted average cost of debt during FY25
- This was funded by a net increase in borrowings of \$275 million



## NBN Co maintains a strong liquidity position and continues to fund network investment through sustainable debt financing

Debt overview	As at	
	30 June 2025	30 June 2024
Contributed equity (\$m)	31,762	30,576
Company debt (\$m) <sup>1</sup>	27,163	26,888
Weighted average cost of drawn debt <sup>2</sup>	3.54%	3.24%
Fixed interest ratio <sup>3</sup>	87%	74%
Weighted average duration of available debt (years) <sup>4</sup>	4.1	4.4
Committed liquidity (\$m) <sup>5</sup>	6,005	2,914
Total Debt/EBITDA ratio	9.3x	9.9x
Interest Cover	2.1x	2.1x



- In FY25, NBN Co received approximately \$1,186 million in equity funding from the Commonwealth of Australia, as part of its broader commitment to provide equity funding to support FTTN upgrades, including the announcement in January 2025 to provide up to \$3 billion to enable the remaining FTTN premises to be made eligible for an upgrade by the end of 2030
- As at 30 June 2025, the Company had access to more than \$37 billion of funding available from debt capital markets (including short-term promissory note issuances) and committed bank facilities, which represents a net increase in available funding of \$3.8 billion during FY25. Transactions throughout FY25 included: NBN Co's inaugural EUR 700 million Sustainability EMTN bond issuance, AUD \$1,500 million Green bond issuances under the Company's AMTN programme and Sustainability Bond Framework and a further conventional bond issuance of AUD \$1,000 million through the Company's AMTN programme and USD \$1,000 million issued via US 144A/Reg S bonds
- The weighted average cost of drawn debt increased to 3.54%, as a result of higher market interest rates on both the unhedged floating-rate debt and newly issued interest-bearing borrowings
- Committed liquidity increased to \$6.0 billion, up from \$2.9 billion as at 30 June 2024, driven by capital market debt issuances and the repayment of bank debt during the period

1. Principal value of drawn debt, including overdraft facility but excluding hedge valuation adjustments, accrued interest and fees

2. Average for the financial period, includes the interest rate impact of hedging activities and amortisation of associated fees

3. Percentage comprises fixed and floating rate debt that has been hedged as a proportion of total debt. Excludes forward starting interest rate swaps

4. Excluding promissory note issuances and overdraft facilities

5. Excluding uncommitted debt with less than 12 months to maturity. Comprised of undrawn committed bank facilities and available cash less promissory note issuances and overdraft facility

6. The figures presented in the graph have been rounded to the nearest 1 decimal place

# FY25 STATUTORY RESULTS

## NBN Co delivered on its revenue and EBITDA targets as outlined in the 2025 Statement of Corporate Intent

\$m	For the 12 months ended			
	30 June 2025	30 June 2024	% Increase/ (Decrease)	
Total revenue	5,722	5,501	4%	<ul style="list-style-type: none"> <li>Higher revenue is driven by 6% increase in telecommunications revenue resulting from ARPU growth due to pricing changes and greater demand for higher speed tier plans.</li> </ul>
Operating income	132	141	(6%)	<ul style="list-style-type: none"> <li>Primarily consists of income recognised for Fixed Wireless upgrade grants and the Regional Broadband Scheme</li> </ul>
Operating expenses	(1,621)	(1,712)	(5%)	<ul style="list-style-type: none"> <li>Operating expenses have decreased by 5% mainly due to the delivery of ongoing cost efficiency initiatives which have exceeded inflationary cost increases</li> </ul>
<b>EBITDA</b>	<b>4,233</b>	<b>3,930</b>	<b>8%</b>	<ul style="list-style-type: none"> <li>EBITDA increase of 8% to \$4,233 million</li> </ul>
Depreciation and amortisation expense	(3,275)	(3,209)	2%	<ul style="list-style-type: none"> <li>Depreciation and amortisation expenses have remained relatively stable with a marginal increase of 2%</li> </ul>
Other income	51	38	34%	<ul style="list-style-type: none"> <li>Non-cash income related to contributed network infrastructure from third parties</li> </ul>
<b>EBIT<sup>1</sup></b>	<b>1,009</b>	<b>759</b>	<b>33%</b>	<ul style="list-style-type: none"> <li>EBIT improved by 33% to \$1,009 million</li> </ul>
Finance costs on lease arrangements	(956)	(942)	1%	<ul style="list-style-type: none"> <li>Higher finance costs on lease arrangements as a result of CPI-linked increases</li> </ul>
Net finance costs on borrowings <sup>2</sup>	(1,016)	(888)	14%	<ul style="list-style-type: none"> <li>Net finance costs have risen due to higher average debt borrowings and an increased weighted average cost of debt during the year</li> </ul>
<b>Statutory loss before tax</b>	<b>(963)</b>	<b>(1,071)</b>	<b>(10%)</b>	<ul style="list-style-type: none"> <li>10% or \$108 million improvement in statutory loss before tax</li> </ul>

1. EBIT is defined as earnings before interest and tax

2. Includes gain/(loss) on derivatives measured at fair value through the P&L



**ELLIE  
SWEENEY**  
Chief Executive Officer





# LOOKING AHEAD TO FY26

Building Momentum







**BACKING COMMUNITIES  
WHERE IT MATTERS**



# ELEVATE AUSTRALIA BY CONNECTING PEOPLE AND POWERING PROGRESS







# Questions