

**NBN Co H1 2025 Results Announcement - Feb 12, 2025**  
**CEO Ellie Sweeney - opening remarks**

**Welcome and acknowledgement.**

Good morning everyone and welcome to NBN's results presentation for the six months ending 31 December 2024.

I am joining the call today from the lands of the Cammeraygal people.

I am in North Sydney today and on behalf of NBN, I wanted to recognise the deep connection Australia's First Nations peoples have to Country, and pay our respects to Elders past and present.

This is my first results presentation as NBN's new CEO and I'm delighted to be with you all this morning.

Before I get into the results, I wanted to acknowledge the recent extreme weather events affecting North and Far North Queensland.

In particular, I want to recognise the NBN teams and emergency services crews responding on the ground in challenging conditions.

The NBN network has broadly withstood the inundation, but where it has gone down our field crews have been working around the clock to safely restore connectivity, where conditions allow.

To everyone involved, thank you, and stay safe.

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And now to the business of the day, our NBN H1 FY25 Results.

We have distributed our media release and presentation slides for today's call – but if you have not received them, please head over to the Media Centre on our website.

Joining me today is our Chief Financial Officer, Philip Knox, who will shortly step through the results in detail.

Our Chief Customer Officer, Anna Perrin, and Chief Network Officer, Dion Ljubanovic will join us for the Q&A component of today's call.

I wanted to start by making some introductory remarks and touch on the key aspects of the half before I hand over to Philip.

**Focussing on 'the why' - Delivering on our purpose.**

NBN has one critical purpose: to lift Australia's digital capability by ensuring that Australians have access to the benefits of a modern digital world.

We do that by providing fast, reliable and affordable connectivity via wholesale broadband services which aim to meet the current and future needs of Australian households, communities and businesses.

It's a huge job, and the Australian community depends on us getting it right.

Australians are also very clear about the benefits they want from their broadband:

They want to connect with their friends and families.

They want connectivity that enables new skills and ways of working and learning.

And connectivity that drives productivity, innovation, inclusiveness and resilience in our economy.

NBN has the people, the capabilities and the clear intention to help deliver all of these benefits for our nation.

More than 20 million Australians use the NBN every day and the network carries more than 80 per cent of Australia's data traffic.

This traffic will only continue to grow, and we continue to see steady year-on-year data increases.

For context, the average download per service per month was 492 Gigabytes in December 2024, more than seven times what it was a decade before.

Australians look to NBN to provide broadband connectivity, and our results today show we are making great progress in delivering it.

### **Financial and operational highlights.**

Let me turn now to the numbers.

Today, we are pleased to announce a solid set of numbers for the half. Results that reflect the strength of the organisation and the discipline in our approach.

Total revenue was \$2.87 billion for the six months to 31 December 2024, and that's a 4 per cent increase on H1 FY24.

EBITDA was \$2.12 billion, up 7 per cent on H1 FY24.

These results are in line with our FY25 guidance for revenue and EBITDA, as laid out in our 2025 Statement of Corporate Intent.

We saw solid growth in business revenue of \$599 million, up 5 per cent on H1 FY24.

Operating expenses decreased by 2 per cent in H1 FY25 as we delivered cost efficiency initiatives.

We have maintained a highly disciplined and prudent approach in relation to our operating expenditure.

In terms of connections, we closed the half serving a total of 8.8 million services in approximately 8.62 million residential and business premises.

I also wanted to reference capital expenditure.

This was \$1.9 billion in the half, up 2 per cent on H1 FY24 as we invested in network digital infrastructure and capacity.

Philip will explore this in more detail shortly.

Since completing the initial build in 2020, we have upgraded virtually every part of our network.

Let me step through the key aspects of that upgrade program now.

### **Network investment update.**

Our network investment strategy is fundamentally about improving our ability to provide **faster** speeds, **greater** capacity and **improved** network reliability to more premises around Australia.

This strategy – and the program of work that sits behind it - means that today 82 per cent of Australian homes and businesses are now near gigabit capable<sup>1</sup>.

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<sup>1</sup> NBN Co provides wholesale services to phone and internet providers. Regardless of the retail service an end customer purchases, the actual wholesale speeds delivered by NBN Co's highest residential wholesale speed tier will be less than 1 Gbps due to equipment and network limitations and the peak information rate may fall anywhere within this range. References to speed are not end customer speeds;

That equates to over 9.4 million premises across the country.

We are on track to complete upgrades to the local fibre network that will enable 3.5 million homes and businesses served by Fibre to the Node (FTTN), along with 1.5 million premises served by Fibre to the Curb (FTTC), to upgrade to Fibre to the Premises (FTTP) by the end of December 2025.

This will take the percentage of homes and businesses that are near gigabit capable to over 90 per cent.

In the two and a half years since we launched the Fibre Connect Program a total of 594,000 premises have upgraded to full fibre connections - gaining access to the most reliable, resilient and future-ready technology and the fastest available residential wholesale speed tiers.

Demand for fibre upgrades and higher speed tiers grew during the half, with more than 217,000 upgrades completed in the six months to 31 December 2024.

It is important to recognise that well over 50 per cent of all new NBN orders were for plans that were 100 Megabit speeds and above<sup>2</sup>. At the same time the year before it was 45 per cent.

Our network upgrades, coupled with our customers' increasing propensity to choose higher speed plans, means the average wholesale service download speed on our network has increased.

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they are wholesale layer 2 peak information rate bandwidth provided to retail providers. An end customer's experience, including the speeds actually achieved over the nbn network depends on some factors outside NBN Co's control (like equipment quality, software, and how a retail service provider designs its network) and the NBN Co technology used for the connection.

<sup>2</sup> NBN Co provides wholesale services to phone and internet providers. An end customer's experience, including speeds actually achieved over the nbn network, depends on some factors outside NBN Co's control (like equipment quality, software, and how a retail service provider designs its network) and the NBN Co technology used for the connection.

It is now 87.5 Megabits per second, up from the average download speed of 76.6 Megabits per second just six months earlier.

We have significantly upgraded the capabilities of our Hybrid Fibre Coaxial, or HFC network, which offers services to around 2.5 million homes and businesses across the country.

HFC customers can now access the highest residential speed tiers and, alongside customers on FTTP, will be among the first that stand to benefit from the boost to our highest speed residential products.

Turning now to our Fixed Wireless network, we have delivered on our commitment to expand coverage and increase speed and capacity by December 2024.

Today more than 800,000 homes and businesses can access faster speeds on Fixed Wireless.

There has been a lot of recent interest in Low Earth Orbit Satellites, and I wanted to inject some perspective into the conversation.

For NBN, it is important that we have a range of technologies to service the connectivity needs of all Australians, no matter where they live.

Australia's vast and diverse geography requires a tailored approach to delivering reliable, high-speed broadband to all communities.

For the vast majority of our customers, our world class fibre network – with its unmatched speed, reliability, capacity and scalability – is the best solution.

When compared to LEOSat, fibre is currently five times faster, has unlimited data and very low latency.

In parts regional and rural Australia, not covered by nbn Fixed Line network, NBN's upgraded Fixed Wireless network uses the latest wireless technology including 5G millimetre wave to deliver peak wholesale download speeds of 200 to 400 Megabits per second to the majority of these customers.

In the more remote and isolated parts of the country our Sky Muster Satellite Premium Plus service provides customers with access to uncapped<sup>3</sup> data usage with download speeds of up to 100 Megabits per second<sup>4</sup>.

We are currently exploring options including having a LEOSat offering in place before our Sky Muster geostationary satellites reach the end of service in the early 2030s.

### **Accelerating wholesale speeds.**

Speed increases are a key focus for our network.

In September last year, we were delighted to announce a package of exciting changes for our residential, business and enterprise customers.

For **residential** customers that means there will be increased wholesale speeds on three tiers on HFC and FTTP and the launch of 2 Gigabit wholesale plans on HFC and FTTP.

For our **business** customers we will be reducing the effective wholesale price on three business speed tiers on FTTP as well as

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<sup>3</sup> Subject to Fair Use Policy and shaping.

<sup>4</sup> An end customer's experience, including the speeds actually achieved over the nbn® network, depends on some factors outside NBN Co's control (like equipment quality, software, and how a retail service provider designs its network) and the NBN Co technology used for the connection. Satellite end customers may also experience latency.

introducing a new speed tier on HFC and a new 2 Gigabit tier on FTTP.

And for new **enterprise** customers we will reduce the effective wholesale prices on higher enterprise ethernet bandwidths with improved service.

### **Next 622K upgrade.**

Many will have seen the announcement last month that the Australian Government will be making an equity investment of up to \$3 billion - combined with an investment from NBN of more than \$800 million – to create an upgrade path for the final premises on Fibre to the Node, and those not covered by previous fibre upgrade programs.

This will enable customers to transition from copper and onto world class fibre - the fastest, most reliable, scalable, resilient and future-ready technology.

Of the 622,000 homes and businesses across Australia that are part of that program, more than half are in regional areas.

What that means is that by the end of 2030, 94 per cent of homes and businesses in the fixed line footprint will have access to near gigabit or multi-gigabit wholesale speeds, up from 90 per cent by the end of 2025.

A key aspect of that announcement is the productivity benefits it creates.



Recent modelling by Accenture<sup>5</sup> estimates that investment will catalyse a \$10.4 billion cumulative GDP uplift over the decade to 2034, and a \$3.7 billion annual GDP uplift thereafter.

We estimate around 10,000 jobs will also be created and 4,000 businesses supported as a result of having access to higher speeds.

I wanted to spend a moment reflecting on the broader productivity benefits of digital connectivity because it's a critical issue for Australia's future.

### **Driving productivity.**

One question we are often asked is why network speed matters?

Why are we investing in building a faster and more reliable network?

And why are we so committed to creating a migration path for customers off copper technology?

For customers, fast and robust broadband is about being able to do more online and not have to worry about latency<sup>6</sup>, that often-annoying gap between a request for data being sent and the data being received.

Fibre provides the highest speed and capacities of any technology, delivers the most consistent experience, is the most efficient network to operate, the most resilient technology to

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<sup>5</sup> Research commissioned by nbn. [Accenture economic modelling reveals GDP benefits for faster, stronger NBN](#)

<sup>6</sup> For nbn satellite customers, latency is inherent to satellite technology due to the distance that data needs to travel to the satellite and back (a 72,000 km round trip) [nbn Home Internet Helper – help minimise satellite latency](#)

weather and provides the simplest future ready pathway for decades to come for customers.

It is hands down the superior technology when it comes to progressively replacing the copper network.

From a customer perspective, once fibre is available in your street and you are connected, you will be future-ready for decades to come.

And that's important, because as technology innovation advances, multi-gigabit broadband speeds will become essential to supporting the explosion of data-hungry applications...

...like virtual and augmented reality;

...like 4K and 8K streaming;

...and like the broadscale use of AI, large language models and a host of other technical innovations already becoming mainstream.

For businesses, it's about the productivity gains that flow from digitisation, the efficiencies, the innovation and the chance to access new markets online, and to attract talent to work from anywhere.

Australia needs to be ready for that, and ultra-fast broadband connectivity will be key.

So, for NBN, our network upgrade activity is as much an investment for today as it is for the future.

These things are important to NBN - and they are important to me – and they mean we will drive strongly for efficiency, innovation, and creating a better customer experience in everything we do.

An important part of this is how we work with our Retail Service Provider partners.

### **Improving how we work with our retail partners.**

We want to improve how we collaborate and engage with our RSPs because we know that it is only by working together that we will improve the end-customer experience.

To that end, we have invested in key systems, processes and partnerships to drive operational improvements across connections, across service assurance, network assurance and field services.

We are focussing on digitisation as a key enabler of efficiency and innovation into the future.

With this in mind, we will streamline and digitise our interactions with RSPs using Application Programming Interfaces – or APIs - to help deliver cost and efficiency benefits for our retail partners and ultimately for their customers.

### **Playing our part in the community.**

Finally, let me turn to the broader responsibility all businesses have in our community.

Our view is that we will only be successful if our customers, our employees, partners and communities are successful as well.

We are focused on a number of fronts in this regard.

We support the Australian Government's School Student Broadband Initiative, created to build digital inclusion by providing free NBN home internet for up to 30,000 families with school-

aged students not connected to broadband services via the nbn network.

So far 23,000 have been connected.

We support First Nations communities, activating Wi-Fi connectivity in 19 remote townships in the half to enable access to a host of essential online services.

And we expanded our use of renewable energy sources to drive down our emissions and operating costs as part of our commitment to a target of 100 per cent renewable electricity purchases from December 2025.

### **Conclusion – building Australia’s digital capabilities.**

Let me thank the whole NBN team, our partners, and our stakeholders for their dedication and trust.

Since I started as CEO late last year, I’ve been fortunate to see the passion and focus the team brings to the critical task of building Australia’s digital capabilities.

It is an enormous privilege to lead an organisation that plays such a pivotal role in shaping Australia’s future.

By expanding and enhancing our digital infrastructure and technology, we can drive meaningful change and ensure that all Australians can thrive.

It’s a huge job and we know the Australian community really depend on us to get it right.

With that let me hand over to Philip to take you through the numbers in more detail.

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**CEO recap**  
**[After CFO presentation and before questions].**

Thanks Philip.

So let me just recap on what you've heard today before we take your questions.

**We are on track from a financial perspective.**

**We are on track with our network connections**, and closed the half serving around 8.8 million services in approximately 8.62 million residential and business premises and after adding more than 36,000 net connections in the 12 months to 31 December, 2024.

We completed upgrades to the local fibre network that, coupled with the rollout of FTTP and HFC enhancements, will mean around 10 million premises - or 90 per cent of homes and businesses in the fixed line footprint - will have access to gigabit wholesale speed tiers by the end of this year.

**And we are on track with our plans to invest for the future**, to drive more speed, greater capacity and more reliability into the network, while continuing to tightly manage our operating expenses.

We're not just building and maintaining infrastructure; we're building Australia's future and making a fundamental contribution to the social and economic fabric of our nation.

With that we would now be happy to take any questions you may have.

*[Facilitator will now introduce callers]*

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