

Telstra FY25 Results – Retail Shareholder Transcript

Vicki Brady:

FY25 was a strong year for Telstra as we continued to deliver for customers and shareholders.

We celebrated the successful completion of our T25 strategy; delivered on our commitments to lift customer experience, build our reputation and drive sustainable growth; and announced our Connected Future 30 strategy, which will see us radically innovate in our core connectivity business.

We delivered our fourth consecutive year of underlying growth, reflecting momentum across our business, strong cost control and disciplined capital management.

Our reported growth this year is stronger than underlying growth because of significant one-off net costs totalling \$715 million in the prior year.

In 2025, reported financial performance included: EBITDA up 14% to \$8.6 billion; Profit up 31% to \$2.3 billion; Earnings Per Share up 34% to 18.9 cents; and Return on Invested Capital up 1.7 points to 8.5%.

[Caption: To access more information, including a glossary defining all the terms we use, please visit www.telstra.com.au/aboutus/investors.financial-results]

Our underlying growth more accurately reflects our financial performance compared to the prior period. Excluding significant one-off items and other adjustments, underlying financial performance showed: EBITDA up 4.6%; Profit up 1.8%; Cash Earnings Per Share up 12% to 22.4 cents; and Return on Invested Capital up 0.2 points to 8.5%.

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We grew underlying EBITDA across our Mobiles, Fixed Consumer & Small Business, Fixed Enterprise, InfraCo Fixed and Amplitel businesses. Cumulatively, we reduced our core fixed costs by \$428 million since FY22.

On the back of earnings growth, the Board resolved to pay a fully franked final dividend of 9.5 cents per share, bringing total dividends to 19 cents for the year, and representing a 5.6% increase on the prior year.

In June this year we completed our \$750 million on market share buy-back, and announced an additional on-market buy-back of up to \$1 billion. This has been enabled by growth in earnings, and the strength of our balance sheet.

The buy-backs support earnings and dividend per share growth over time, and along with increased total dividends, demonstrate the Board and management's confidence in our financial strength and outlook.

As we close out our T25 strategy, I'm pleased to reflect on the strong momentum and foundation we've built, which comes from continuing to improve and deliver for customers.

We set a high bar across our four T25 pillars, to lift customer experience, extend our network leadership, deliver sustainable growth and value, and to be the place our people want to work.

We've continued to invest in our mobile network, digital infrastructure, and in bringing the latest technology to our customers.

In FY25 we reached three million square kilometres of **mobile** coverage, now reaching 99.7% of Australia's population. We also expanded our 5G network to cover 95% of the population.

In February, we announced we will invest an additional \$800 million in our mobile network over four years, within our business-as-usual capex. We are building on our existing 5G leadership to deliver 5G Advanced performance.

In June, we reached a significant milestone as we began to switch on our Intercity Fibre Network, which will give Australia a new fibre backbone for industries that rely on high-capacity, low-latency connectivity.

Also in June, we launched Australia's first satellite to mobile text messaging product. This is an important step forward for remote areas, and we're seeing around 90,000 devices connect to our satellite to mobile service on average per day.

Overall, we recognised that to remain a leader in connectivity, we need to be a leader in AI, and earlier this year we announced a **joint venture with Accenture**.

We know cyber security remains a concern for our customers, and scammers are evolving fast. We're evolving too, investing in technology and partnerships to help protect our customers and make the digital world safer.

As I look ahead now to the future, there's a lot that gives me confidence. In addition to our incredible team of passionate people across Telstra, trends indicate that demand for connectivity will only grow.

Our core connectivity business is strong, with a unique set of competitive advantages that mean we are well placed to lead through this next period of technological change.

And we have established a strong track record of disciplined delivery through T22 and T25.

This has laid the foundation for our Connected Future 30 strategy, which will see us adapt and lead to shape the future of connectivity.

We are focused on continuing to deliver value for our shareholders, importantly through our core business cash flow, and also through active portfolio and investment management, and disciplined capital management.

Our ambition is to be the number one choice for connectivity in Australia, and to continue delivering on our purpose to build a connected future so that everyone can thrive.

[Caption: Thank you for your continued support and investment in Telstra. For more information please visit telstra.com.au/investor]

