19 February 2026

Market Announcements Office
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AUSTRALIA

ELECTRONIC LODGEMENT

– Telstra Group Limited (ACN 650 620 303) – ASX: TLS

Telstra delivers strong first-half performance and progress against Connected Future 30 strategy

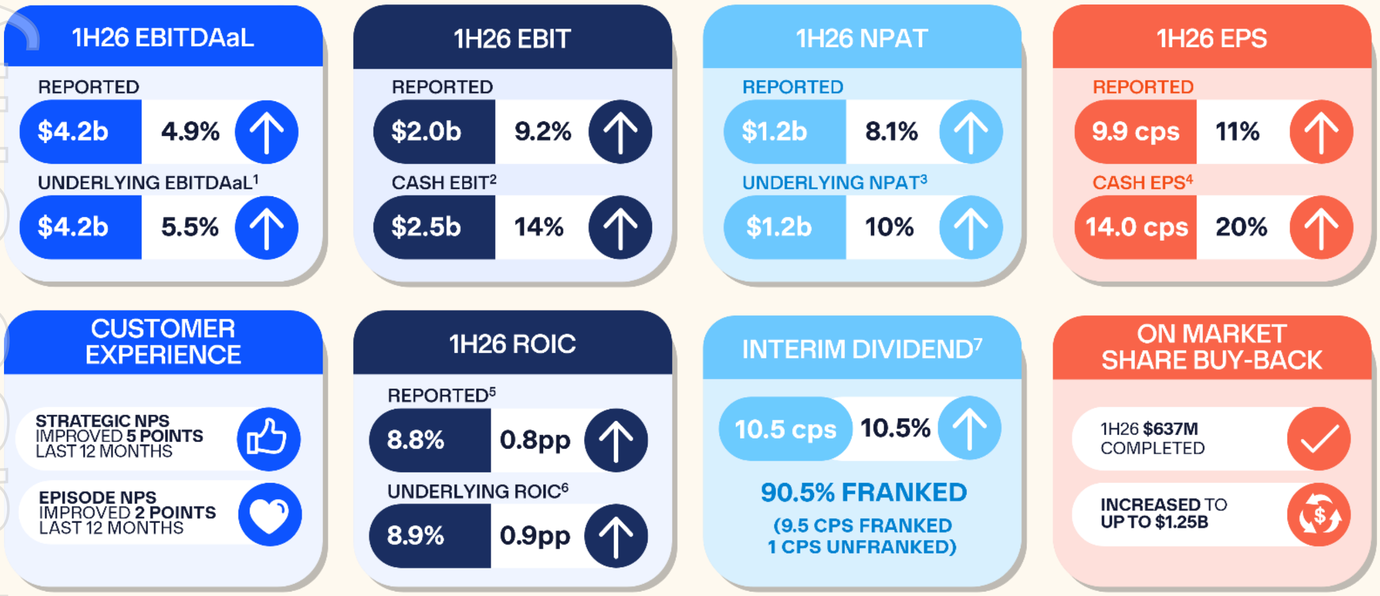
In accordance with the Listing Rules, attached is a market release by Telstra Group Limited for release to the market.

Release of announcement authorised by:

The Telstra Group Limited Board

Market Release

Telstra delivers strong first-half performance and progress against Connected Future 30 strategy



All percentage growth rates on prior corresponding period (PCP).

Thursday 19 February 2026

Below statements attributable to Telstra CEO Vicki Brady

The first half of FY26 was a strong period for Telstra. We delivered ongoing growth in earnings, reflecting momentum across our business, strong cost control and disciplined capital management.

We grew underlying EBITDA across our Mobiles, Fixed C&SB, InfraCo Fixed and Amplitel businesses. Importantly, our Mobiles business has continued to perform well, with EBITDA growth of $93 million. Mobiles growth was driven by higher ARPU and more customers continuing to choose our network and the value it provides. Mobile services revenue grew by 5.6%.

Across the business, we achieved 14% Cash EBIT growth. This percentage growth rate is higher than the rate we expect at full year, largely due to lower BAU capex in the first-half. Our full-year Cash EBIT guidance is equivalent to around 5% to 10% annual growth.

We delivered positive operating leverage of 3.1 percentage points, in line with our Connected Future 30 target. Given the low level of income growth in the period, we achieved operating leverage largely through strong cost discipline and efficiency gains. We reduced underlying operating expenses by $179 million or 2.4%, more than offsetting pressure from rising costs.

On the back of cash earnings growth, the Board resolved to pay an interim dividend of 10.5 cents per share. The interim dividend is 90.5% franked, with a franked amount of 9.5 cents per share and an unfranked amount of 1 cent per share[7].

The interim dividend uplift, and the level of franking applied, is consistent with our Capital Management Framework, and our aim to deliver a sustainable and growing dividend. Our dividend is supported by strong cash earnings this half, and our Connected Future 30 ambition remains to deliver mid-single digit growth in cash earnings.

Today, we are also announcing an increase in our current on-market share buy-back from up to $1 billion to up to $1.25 billion. This increase is supported by strong progress in completing $637 million of the buy-back in the half, earnings growth, and the strength of our balance sheet.

Market Release

The on-market share buy-back is expected to support earnings and dividend per share growth, and along with the increased interim dividend, reflects the Board and management's confidence in our financial strength and outlook.

Connected Future 30 highlights from the half

We also made a positive start to our Connected Future 30 strategy, which will see us double down on connectivity, drive growth and play a critical role in enabling a prosperous digital future for Australia.

Investing in connectivity

Connectivity is foundational to supporting national productivity, resilience and security

On track to achieve **1 point uplift in Network Experience Index** in FY26

umlaut "Best in Test" (Nov 2025) for 8th consecutive year and our **highest ever score**

Launched **Telstra Satellite Messaging**

Aura Network – this week we reached the half-way mark with **7,000km** of fibre in the ground

- $1.1b strategic investment across Aura Network and Viasat projects to date (FY23 to 1H26)
- Sydney to Melbourne coastal via Canberra routes live
- More routes expected to be completed in FY26, including Sydney to Melbourne central via Canberra, and Sydney to Perth

Supporting customers

Significant improvements to customer experience from **digitisation and AI**

- 86% of consumer service interactions are now completed through our **Digital Self Service**
- **AI Virtual Assistant** launched Nov 2025 – almost three-fold increase in customers being able to resolve their enquiry using AI

More than **99.9% of our 7.7 million** consumer customers migrated to our **new digital stack**

Strategic NPS increased by 5 points and **Episode NPS increased by 2 points** over the last 12 months

Laying the foundations for our Connected Future 30 strategy

Innovating in core connectivity, capability and how we capture value

- In mobile, our investment in **5G Advanced** is moving us towards a smarter, more adaptable and programmable network
- In fixed, we launched our **Adaptive Network Centre** in June 2025

Joint Venture with Accenture transforming our business with AI

Good progress since launch, including retiring legacy platforms, strengthening Responsible AI governance, streamlining data architecture, and opening access to global innovation via our Silicon Valley hub

Upskilling our people with AI tools

- More than 75% of our team with access to AI tools used them weekly or more often
- Almost 9,000 of our people completed Data & AI Academy course this financial year

Outlook and FY26 guidance

Looking ahead, we are focussed on continuing to deliver value for our customers, communities and shareholders as we build momentum behind our Connected Future 30 strategy. This includes through our core business cash flow, active portfolio and investment management, and disciplined capital management.

Now that we've completed our first half, today we are tightening our FY26 underlying EBITDAaL guidance to between $8.2 billion and $8.4 billion. Our guidance on other measures is unchanged.

	FY25	1H26	FY26 guidance[8]
Underlying **EBITDAaL**[9]	$8.02b	$4.19b	**$8.2b to $8.4b**
Business-as-usual capex[10]	$3.39b	$1.55b	$3.2b to $3.5b
Cash EBIT[11]	**$4.31b**	**$2.48b**	**$4.55b to $4.75b**
Strategic investment[12]	**$0.33b**	**$0.23b**	**$0.3b to $0.5b**

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[1] Underlying EBITDA after leases (EBITDAaL) excludes guidance adjustments. Guidance adjustments include material one-offs, such as mergers and acquisitions, disposals, impairments, spectrum, restructuring costs and such other items as determined by the Board and management. Refer to Half-year results and operations review - guidance vs reported results reconciliation which details the adjustments made for the current and comparative period to reflect performance on the basis on which we provided guidance to the market for FY26 (set out in our ASX announcement titled "Financial results for the half-year ended 31 December 2025" lodged with the ASX on 19 February 2026)

[2] Cash EBIT defined as underlying EBITDAaL less BAU capex and spectrum amortisation. Refer to Half-year results and operations review - guidance vs reported results reconciliation which details the adjustments made for the current and comparative period to reflect performance on the basis on which we provided guidance to the market for FY26 (set out in our ASX announcement titled "Financial results for the half-year ended 31 December 2025" lodged with the ASX on 19 February 2026)

[3] Underlying Net Profit After Tax (NPAT) excludes guidance adjustments (as defined above).

[4] Cash EPS defined as cash earnings (underlying EBITDAaL less BAU capex, spectrum amortisation, finance costs, tax and non-controlling interests) per share.

[5] ROIC calculated as Net Operating Profit After Tax (NOPAT) as a percentage of total capital.

[6] Underlying ROIC calculated as Underlying NOPAT as a percentage of total capital, excluding guidance adjustments (as defined above) less tax.

[7] Interim dividend growth of 10.5% on a cash basis, from 1H25 9.5 cents per share (fully franked) to 1H26 10.5 cents per share (90.5% franked).

[8] This guidance excludes material one-offs, such as mergers and acquisitions, disposals, impairments, spectrum, restructuring costs and such other items as determined by the Board and management.

[9] Underlying EBITDAaL as defined in footnote 1. Depreciation of right-of-use assets (leases) was $600m in FY25. We expect leases to remain broadly the same in FY26. Underlying EBITDAaL guidance range tightened - previously $8.15b to $8.45b.

[10] BAU capex is measured on an accrued basis and excludes spectrum, guidance adjustments, strategic investment, externally funded capex and capitalised leases.

[11] Cash EBIT as defined in footnote 2. Spectrum amortisation was $321m in FY25.

[12] Strategic investment capex is measured on an accrued basis and relates to the Aura (Intercity Fibre) Network and Viasat projects.