13 August 2026

Market Announcements Office
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AUSTRALIA

ELECTRONIC LODGEMENT

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

TLS delivers strong performance and progress on Connected Future 30

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

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Telstra delivers strong performance and progress on Connected Future 30

FY26 EBITDAaL
REPORTED: $8.2b | 3.0% ↑
UNDERLYING EBITDAaL[1]: $8.3b | 4.0% ↑

FY26 EBIT
REPORTED: $4.0b | 1.7% ↑
CASH EBIT[2]: $4.7b | 8.0% ↑

FY26 NPAT
REPORTED: $2.4b | 2.7% ↑
UNDERLYING NPAT[3]: $2.5b | 4.9% ↑

FY26 EPS
REPORTED: 19.9 cps | 5.3% ↑
CASH EPS[4]: 25.5 cps | 14% ↑

CUSTOMER EXPERIENCE
STRATEGIC NPS IMPROVED 1 POINT LAST 12 MONTHS
EPISODE NPS IMPROVED 2 POINTS LAST 12 MONTHS

FY26 ROIC
REPORTED[5]: 8.8% | 0.3pp ↑
UNDERLYING ROIC[6]: 9.0% | 0.5pp ↑

TOTAL DIVIDEND[7]
21 cps | 10.5% ↑
90.5% FRANKED
(19 CPS FRANKED
2 CPS UNFRANKED)

ON-MARKET SHARE BUY-BACK
FY26 $1.25B COMPLETED
UP TO $1B IN FY27

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

Thursday 13 August 2026

Below statements attributable to Telstra CEO Vicki Brady

FY26 was a strong year as we continued to deliver for customers and shareholders. We increased investment in our network and delivered ongoing earnings growth, reflecting momentum across our business, and disciplined cost control and capital management.

Reported financial performance compared to the prior period included EBITDAaL up 3 percent to $8.2 billion, Net Profit after Tax up 2.7 percent to $2.4 billion and Earnings Per Share up 5.3 percent to 19.9 cents.

Our underlying results provide a clearer view of our financial performance when compared to the prior year. Our Underlying EBITDAaL[1] was up 4 percent to $8.3 billion, Cash EPS[4] up 14 percent to 25.5 cents and Underlying Return on Invested Capital[6] up 0.5 percentage points to 9 percent.

Our mobile service revenue grew across all products – Postpaid, Prepaid and Wholesale handheld, mobile broadband and IoT. We delivered average revenue per user growth across all categories, brands and segments, and mobile users grew by over 270,000 or 1.9 percent.

We grew EBITDA in Fixed Consumer and Small Business through strong cost management.

In Fixed Enterprise, we've continued to make strong progress to reset this business and focus on our core connectivity offerings. Our deliberate reshaping of this business, and focus on portfolio management is ongoing.

In our International Wholesale and Enterprise business, we have made significant progress to refocus on digital infrastructure.

And our Infrastructure business continues to grow, supported by rising demand in the AI era.

Progress on Connected Future 30

Over FY26 we laid important foundations for the ongoing delivery of our Connected Future 30 strategy.

On Customer Engagement, we've focussed on making interactions easier, more personal and more valuable for customers. Our efforts saw Strategic NPS increase to +20 and Episode NPS to +49, the highest year end results since we started measuring NPS.

Under our Network as a Product layer, we continued to invest to deliver Australia's leading mobile network. Over FY26, we upgraded nearly 1,200 mobile sites with 5G Advanced capability and built more than 150 new mobile sites. We also upgraded more than 1,800 network sites with back-up power. And we brought new services and value to customers – choosing to invest in Satellite Messaging and Select Satellite Applications, and continuing to expand our product offerings for enterprise customers.

Under Digital Infrastructure, we are seeing very strong demand signals for our digital infrastructure assets, and we are turning those into contracted value. We've signed long-term contracts across our Aura Network, subsea cable or long-haul fibre assets, including Google, AWS, Firmus and Microsoft as our foundational partner on our Aura Network. We are over halfway through the build of our Aura Network, with more than 8,500kms of fibre in the ground and six routes ready for service.

Our Aura Network sales pipeline has increased significantly over the last six months. This strengthens our confidence in the project's returns, including an expected mid-teens IRR and a cash payback period of around nine years.

We now expect the total strategic investment, including for Viasat, to be around $1.8 billion from FY23 to FY28, compared with our previous estimate of around $1.6 billion. This reflects a combination of inflationary pressures and project-specific factors.

Dividends and on-market share buy-back

On the back of cash earnings growth, the Board resolved to pay a final dividend of 10.5 cents per share, bringing the total dividend for the year to 21 cents per share and representing a 10.5 percent increase on the prior year on a cash basis. The final dividend is 90.5 percent franked, with a franked amount of 9.5 cents per share and an unfranked amount of 1 cent per share.

The final dividend 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, and our Connected Future 30 ambition remains to deliver mid-single digit growth in cash earnings.

In June this year we completed our $1.25 billion on-market share buy-back, and today we have announced a further on-market share buy-back of up to $1 billion. This shifts our capital structure toward more debt and less equity and has been enabled by earnings growth and the strength of our balance sheet.

Importantly, these buy-backs are alongside increased capex and strategic investment. Buy-backs allow us to lower our cost of capital and manage our sources of funding more efficiently. This approach also supports earnings and dividend per share growth and, together with increased dividends, demonstrates our confidence in our financial strength and outlook.

A year of extraordinary change

The pace of change over the last 12 months has been extraordinary. We've seen significant shifts in geopolitics, economic pressures, policy and technology, with AI and global investment in digital infrastructure accelerating dramatically. Telstra has continued to adapt and deliver strongly through this, and it has reinforced our Connected Future 30 strategy.

Australia is at a critical moment. We are laying the foundations for the next few decades of our economic growth, prosperity and resilience. We must position ourselves to drive and participate in the value created by AI and the digital infrastructure boom, with sovereign capability and assets working in our national interest. We also understand Australians are concerned about the impact AI could have on jobs and society. As a country, how we build trust, skills and inclusion will have a significant impact on whether it delivers benefits to all Australians.

Telstra remains committed to enabling Australia's digital future, and to working with government to ensure benefits and opportunities are shared widely.

Outlook and FY27 guidance

Looking ahead, we are focussed on continuing to deliver value for our customers, communities and shareholders, including through delivering on our Connected Future 30 targets around cash earnings growth, underlying ROIC and operating leverage.

We will remain disciplined on costs and capital allocation. As we continue to invest in network resilience and growth, including taking the lessons from our outage in July, we will maintain our focus on productivity, simplification and positive operating leverage.

In FY27, we expect continued Underlying EBITDAaL growth with a guidance range between $8.5 and $8.8 billion. BAU capex is expected to be between $3.35 to $3.65 billion with a lift in network investment, supporting our leadership and ongoing growth. Our Cash EBIT is expected to be between $4.75 to $4.95 billion. Strategic investment is expected at $0.2 to $0.3 billion.

	FY26	FY27 guidance[8]
Underlying EBITDAaL[1]	$8.34b	**$8.5b to $8.8b**
Business-as-usual capex[9]	$3.36b	**$3.35b to $3.65b**
Cash EBIT[2]	$4.66b	**$4.75b to $4.95b**
Strategic investment[10]	$0.46b	**$0.2b to $0.3b**

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This release contains forward looking statements which are based on assumptions and information known by Telstra as at today's date. Refer to the disclaimer set out in slide 2 of the CEO/CFO Analyst Briefing Presentation and Materials lodged with the ASX on 13 August 2026.

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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. A detailed reconciliation of our reported results to underlying results can be found in the "Guidance versus reported results" schedule (set out in our ASX announcement titled "Financial results for the full year ended 30 June 2026" lodged with the ASX on 13 August 2026). The adjustments have been reviewed by our auditor for consistency with the basis set out in the guidance we provided to the market.

[2] Cash EBIT is Underlying EBITDAaL less BAU capex and spectrum amortisation, and excludes guidance adjustments.

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

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

[5] Return on Invested Capital (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 less tax. Tax in Underlying ROIC calculation (FY25 $10 million; FY26 $41 million) represents the tax effect of guidance adjustments and, in FY26, the recognition of deferred tax assets arising from changes in tax law ($41 million).

[7] Total dividend includes interim dividend of 10.5 cents per share and final dividend of 10.5 cents per share. Total dividend growth of 10.5 percent on a cash basis, from FY25 19 cents per share (fully franked) to FY26 21 cents per share (90.5 percent 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] BAU capex is measured on an accrued basis and excludes spectrum, guidance adjustments, strategic investment, externally funded capex and capitalised leases.

[10] Strategic investment capex is measured on an accrued basis and relates to the Aura Network and Viasat projects.