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## **MEDIA RELEASE**

# **NBN Co achieves FY24 financial and operational targets in line with guidance**

Performance summary for the 12 months to 30 June 2024:

- Total revenue of \$5.5 billion for FY24, up 4 per cent on the prior corresponding period and met the guidance range of \$5.3 billion to \$5.5 billion set out in the company's Corporate Plan 2024
- Earnings Before Interest, Tax, Depreciation and Amortisation<sup>1</sup> (EBITDA) was \$3.93 billion, 9 per cent higher than the \$3.59 billion EBITDA<sup>1</sup> achieved in FY23. This met the guidance range of \$3.7 billion to \$3.9 billion set out in the company's Corporate Plan 2024
- NBN Co continues to invest in the nbn<sup>®</sup> network by pushing fibre deeper into communities with around 78 per cent of the total nbn<sup>®</sup> Fixed Line network now able to access the nbn<sup>®</sup> Home Ultrafast wholesale speed tier
- As at 30 June 2024, around 375,000 premises nationwide had upgraded from Fibre to the Node (FTTN) or Fibre to the Curb (FTTC) to Fibre to the Premises (FTTP)
- The company has boosted speed capability on its Fixed Wireless technology and introduced new wholesale products up to four times faster than previously available to benefit customers located in rural and remote Australia

NBN Co generated total revenue of \$5.5 billion in FY24, an increase of 4 per cent year-on-year, and Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)<sup>1</sup> of \$3.93 billion, a 9 per cent improvement on FY23. Both revenue and EBITDA were in line with guidance.

The revenue result was based on the growth in telecommunications revenue driven by increased activations and growth in business customer revenue, including Business Fibre and Enterprise Ethernet services. Other revenue significantly increased, which follows the roll out of fibre to newly developed communities and network deployment and upgrade activity under state and territory co-investment projects.

In FY24, residential Average Revenue Per User (ARPU) remained stable at \$47 as previously signalled to the industry post acceptance and implementation of the SAU Variation during the year.

NBN Co closed the full year with more than 8.6 million homes and businesses connected to the nbn<sup>®</sup> network. The company's network investment strategy is designed to keep ahead of national data demand by rolling out new fibre deeper into communities and providing availability to increased speeds, while replacing and ultimately retiring copper infrastructure.



Capital expenditure in the 12 months to 30 June 2024 was \$3.76 billion. The company received \$771 million as an equity injection from the Commonwealth Government as part of its commitment to provide additional funding of up to \$2.4 billion towards full fibre upgrades.

In FY24, NBN Co raised just under \$6.5 billion from debt capital markets and bank facilities.

The company refinanced the remaining balance of \$5.5 billion relating to the \$19.5 billion Commonwealth Government loan in full by 30 June 2024. NBN Co's capital strategy remains focused on funding network investments and maintaining a strong liquidity position.

## **nbn® network update**

NBN Co's network upgrade program continues to unlock social and economic benefits for the nation.

The company is on target with its commitment to enable over 10 million premises, or up to 90 per cent of the nbn® Fixed Line network, to access the nbn® Home Ultrafast wholesale speed tier<sup>2,3</sup> by the end of 2025.

To date, more than 70,000 kilometres of new fibre has been rolled out, which will ultimately extend full fibre access to 3.5 million premises served by Fibre to the Node (FTTN) and 1.5 million premises originally served by Fibre to the Curb (FTTC) technology. Around 78 per cent of the total nbn® Fixed Line network can now access the nbn® Home Ultrafast wholesale speed tier.

In FY24, the company reached a milestone by enabling more than 2 million premises across Victoria and New South Wales, combined, to be eligible for full fibre upgrades on the nbn® network. As at 30 June 2024, around 375,000 premises nationwide had upgraded from FTTN or FTTC to a full fibre service.

In March 2024, the company launched a consultation with Retail Service Providers on a proposal to accelerate speeds to customers connected to the nbn® network via Fibre to the Premises (FTTP) and Hybrid Fibre Coaxial (HFC) technologies. In May 2024, the company also announced a proposal to develop three new 'hyper-fast' wholesale products for residential and business customers connected to the nbn® network via FTTP or HFC technology.

This initiative supports Retail Service Providers to prepare their products and customer services to help meet the growing desire for speed amongst residential, business and enterprise customers.

NBN Co has also significantly invested in its Fixed Wireless network to improve customer experience, speeds and meet evolving data capacity requirements.

During FY24, NBN Co boosted speed capability on the popular Fixed Wireless Plus plan<sup>4,5</sup>. The company also introduced two new Fixed Wireless higher speed tier wholesale products<sup>4,5</sup> to Retail Service Providers intended to enable more homes and businesses in regional Australia to access higher nbn® network speeds on their nbn® Fixed Wireless connection.



The upgrades aimed at supporting more homes and businesses in regional Australia are part of a \$750 million investment made up of \$480 million from the Commonwealth Government and an additional \$270 million from NBN Co.

By the end of the Fixed Wireless and Satellite Upgrade Program, approximately 120,000 premises within the company's Satellite areas will be eligible to access nbn Fixed Wireless. As at 30 June 2024, more than 50,000 premises previously served by satellite technology could access nbn® Fixed Wireless for the first time.

The company also now provides customers in regional and remote Australia access to uncapped internet data use<sup>6</sup> via the new nbn® Sky Muster® Plus Premium satellite plans<sup>7</sup>. This includes entry, mid and high tier levels. Sky Muster® Plus Premium was the first nbn® Satellite plan to offer residential and small business customers uncapped data use to cover all their internet activities<sup>6</sup>.

### **Measures to support digital inclusion**

The company remains committed to helping drive digital inclusion across the nation and is collaborating with communities and government with the aim of improving digital inclusion and availability of high-speed broadband to areas of society most in need.

Following \$20 million grant funding from the Australian Government, announced in February 2024, the company is expanding its existing Community Wi-Fi program to a further 23 remote First Nations communities. Central to this initiative is the use of NBN Co's Sky Muster® Plus Premium services to provide internet access, which will be supported by the installation of wireless access equipment throughout each community.

The company is also proud to be supporting the delivery of the Australian Government's School Student Broadband Initiative (SSBI). The program has been established to provide free home internet over the nbn® network via a participating internet provider until 31 December 2025 for unconnected families with school-aged students.

The company continues to work with numerous organisations across Australia to raise awareness and reach even more eligible families who stand to benefit from the SSBI program. Approximately 15,000 families have now connected to the nbn® network through the initiative.

### **Philip Knox, Interim Chief Executive Officer at NBN Co, said:**

"NBN Co has achieved the key performance targets and full year guidance as set out in the Corporate Plan 2024.

"The investments we continue to make in fibre, higher speeds and greater network operational capacity is making a difference by helping more people reap the benefits of a more connected and productive Australia.



“Looking ahead, our proposed acceleration of nbn speed tiers and the nation’s multi-gigabit future is aimed at ensuring Australia is equipped with the critical infrastructure it will need to support the explosion of data that’s coming in the years ahead.

“Economic research from Accenture<sup>8</sup> estimates that a faster, higher capacity nbn<sup>®</sup> network will increase Gross Domestic Product (GDP) by about \$400 billion over the eight years from 2023 to 2030. These benefits are expected to be even more profound in regional and rural parts of Australia.

“The work we do today to advance the responsible and sustainable financial growth of the company, alongside our prudent and well-considered investments, will help to generate more jobs and educational opportunities, promote community connectedness and social inclusion, and give Australia an economic boost.”

## ENDS

### Footnotes

1. 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).
2. An end customer’s experience, including the speeds actually achieved over the nbn<sup>®</sup> 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.
3. Regardless of the retail service an end customer purchases, the actual wholesale speeds delivered by nbn<sup>®</sup> highest residential wholesale speed tier of 500 to close to 1000 Mbps will be less than 1 Gbps due to equipment and network limitations and the peak information rate may fall anywhere in this range. References to speeds are not customer speeds; they are wholesale layer 2 peak information rate bandwidth provided to retail providers. NBN Co provides wholesale services to phone and internet providers. nbn<sup>®</sup> wholesale speed tiers available to providers vary depending on the access technology in an end user’s area.
4. These are nbn<sup>®</sup> wholesale speed tiers, which NBN Co provides to retail phone and internet providers. Attainable wholesale speeds are subject to the rollout of network upgrades and some premises will require NBN Co to complete upgrades to the equipment at the premises.
5. See footnote 2; and speeds may be impacted by the number of concurrent users on nbn’s Fixed Wireless network (including during busy periods).
6. Fair Use Policy and shaping apply. To proactively protect and ensure the fair access to the nbn network for all users, NBN Co may from time to time, at its discretion, shape the following activities to maximum wholesale upload and download speeds of 256 kbps: uploads and downloads via peer to peer; uploads and downloads to cloud storage platforms; PC and smartphone operating system updates; software/application updates; gaming software updates; any other traffic related to applications which nbn cannot identify. Other activity that NBN Co considers may cause adverse



network impacts may also be added to the above list to be shaped, including streaming video and VPN.

7. See footnote 2; and Satellite users may experience latency.

8. [The economic and social impact of investment in the nbn® network Methodology Report](#), January 2024.

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## Resources



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