CHORUS

24 August 2026

Key FY26 Results

- Operating revenue of $1,029 million, up $15 million on FY25
- Operating expenses of $303 million, down $6 million on FY25
- EBITDA of $726 million, up 3% on FY25
- Net profit after tax of $37 million (FY25: $4 million)
- Net cash flows from operating activities increased 4% to $740 million
- Unimputed final dividend of 36 cents per share, total FY26 dividend 60 cents per share (FY25: 57.5cps)
- Total fibre connections increased by approximately 32,000 to 1,147,000
- Fibre uptake increased to 75.9% of serviceable addresses
- Continued uplift in data traffic, average monthly data usage up 9% vs FY25 to 731 gigabytes in June 2026

Strong financial performance underpinned by disciplined execution

Chorus today reported growth in revenue, EBITDA and net profit for the year ended 30 June 2026 (FY26), reflecting continued fibre uptake, disciplined execution and capital allocation as the company moves to a simpler all-fibre business.

Chief Executive Mark Aue said the result demonstrated the resilience of Chorus' business model and the deliberate action taken across the business to manage costs in a challenging macroeconomic and geopolitical environment.

"FY26 marked the start of the second horizon of Chorus' strategy, extending through to FY29, focused on growth, simplicity and efficiency. We are building momentum towards a simpler, more focused business, while continuing to invest in the digital infrastructure New Zealand will rely on for decades," said Mr Aue.

Growth: fibre remains the foundation of current and future demand

Operating revenue increased to $1,029 million, with 6% growth in fibre revenues more than offsetting the continued decline in legacy service revenues. Closing fibre ARPU increased from $58.28 in June 2025 to $59.51 in June 2026.

Total fibre connections increased by approximately 32,000 during FY26 to 1,147,000, representing 96% of Chorus' total connections.

"Fibre uptake is now at 75.9%[1] of addresses where Chorus fibre is available, bringing our aspiration of 80% by 2030 another step closer," said Mr Aue.

He said that based on global trends the company expected artificial intelligence and data centre growth to create the next wave of digital connectivity demand, reinforcing the importance of New Zealand's fibre infrastructure.

"As New Zealand's largest fibre network provider, Chorus is well positioned for this next phase of digital growth. Our network spans more than 200,000 kilometres of fibre across the nation, including a robust backbone transport layer connecting homes, businesses and critical infrastructure. Fibre's low latency and symmetrical capability make it well placed to support the more balanced data flows that AI-enabled applications will demand," he said.

Average monthly data usage on the Chorus network increased 9% year on year to 731 gigabytes in June 2026, while upload traffic continued to grow faster than download traffic.

Chorus also launched several adjacent infrastructure services over the period, including Express Connect, a purpose built Data Centre service giving businesses a fast and reliable way to move data; Unified Transport, a simplified data transport product; and TimeSync, a national precision timing service. Chorus continues to explore additional opportunities through a disciplined investment framework, including a feasibility assessment for a potential new inter-island subsea cable, and trials for battery energy storage systems that could leverage the large Chorus property portfolio.

"These services are about making it easier for customers to move more data, connect more sites and support the next generation of digital services," Mr Aue said.

At the same time, Chorus is focused on helping New Zealanders who still face barriers to getting connected.

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[1] *Total address base adjusted in Q4 FY26 to remove ~53k non-serviceable/vacant lots where a premise cannot be connected. FY25 has also been restated.*

“As connectivity becomes increasingly fundamental to learning, working, accessing services and staying connected to communities, we are focused on practical ways to help more people access and benefit from fibre,” he said.

During the year, Chorus launched Equity Fibre 100, an affordable wholesale broadband product for eligible low-income households. Developed alongside community partners, the product forms part of Chorus’ long-term commitment to equitable connectivity across Aotearoa. Six retailers have signed on to offer products based on Equity Fibre 100, and Chorus is encouraging additional retailers to help broaden access.

Simplicity: progressing towards an all-fibre future

The company has brought forward its nationwide copper retirement date to 2028, reflecting the pace of copper connection decline and the progress made migrating customers to fibre and other modern technologies.

Copper connections declined by 48,000 nationwide during FY26. The copper-to-fibre transition is now largely complete across New Zealand’s fibre footprint, with fewer than 1,000 copper connections remaining to migrate to fibre across all fibre companies’ networks and 43,000 copper connections remaining in areas where fibre is not available.

The transition continues to be supported by community engagement, clear customer information and close collaboration with retailers and alternative providers to help remaining copper customers move to modern services.

As copper retirement progresses, Chorus is also simplifying the property footprint that supported the legacy network. The company is working through a multi-year property optimisation programme, including opportunities to exit or repurpose sites no longer required in an all-fibre environment.

Efficiency: disciplined execution supports performance

Operating expenses reduced by $6 million to $303 million during FY26, reflecting lower network maintenance costs associated with declining copper fault volumes, reduced consulting and discretionary expenditure, and benefits from Chorus’ operating model changes.

Capital expenditure reduced by $40 million to $375 million, driven by lower discretionary growth expenditure and project phasing, while net cash flows from operating activities increased 4% to $740 million.

Mr Aue said Chorus remained focused on disciplined investment and operational efficiency as it executes this phase of its strategy.

Chorus also continued to improve its sustainability performance as it transitions towards an all-fibre business. Practical energy-efficiency initiatives, including copper retirement, legacy equipment removal and cooling optimisation, helped reduce electricity use by 7% from FY25. Scope 1 and 2 emissions reduced to 5,998 tCO_2e, a 43% reduction from Chorus’ FY20 baseline.

Final dividend

Chorus has confirmed it will pay an unimputed final dividend of 36 cents per share on 6 October 2026 to all shareholders registered at 5:00pm on 15 September 2026. This brings the total dividend for FY26 to 60 cents per share. The shares will be quoted on an ex-dividend basis from 14 September 2026. The dividend reinvestment plan will not be available for the final dividend.

Outlook

Looking ahead, Chorus expects FY27 EBITDA of between $730 million and $760 million, gross capital expenditure of $375 million to $415 million and an FY27 dividend of a minimum of 62 cents per share, subject to no material adverse changes in circumstances or outlook. The company also expects to partially impute the FY27 dividends.

“As demand for high-capacity, reliable, low-latency connectivity grows, we are confident in the long-term outlook for fibre and in our ability to create enduring value for our customers, communities and shareholders. The future is increasingly digital, AI-enabled and dependent on fibre. Chorus is uniquely positioned to power that future,” Mr Aue said.

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