



ASX & Media Release

FY25 Results Announcement and FY26 Guidance

13 August 2025

AGL Energy Limited (AGL) today announced its results for the twelve months ended 30 June 2025 (FY25).

FY25 Results Highlights and FY26 Guidance

- Statutory Loss: \$(98) million, including significant items of \$(596) million (post-tax), which included an increase in onerous contracts of \$(398) million and Retail Transformation costs of \$(87) million, and a negative movement in the fair value of financial instruments of \$(142) million
- Underlying EBITDA in line with guidance: \$2,010 million, down 9% on FY24
- Underlying Net Profit after tax in line with guidance: \$640 million, down 21% on FY24
- Fully franked final dividend of 25 cents per share declared; total dividend for FY25 of 48 cents per share (fully franked)
- FY26 earnings guidance range:
 - Guidance range for FY26 Underlying EBITDA between \$1,920 and \$2,220 million
 - Guidance range for FY26 Underlying Net Profit after tax between \$500 and \$700 million

CEO Commentary – FY25 Results Highlights

AGL Managing Director and CEO, Damien Nicks, said: “We delivered a strong full year financial result consistent with our guidance provided in February. As we had previously announced, we expected a decrease in earnings compared to FY24 due to lower wholesale electricity prices resetting through contract positions, and Consumer customer margin compression following a period of heightened market activity, as well as our FY25 pricing decision to not fully pass through the year-on-year cost increases to customers to help with customer affordability. Additionally, increased depreciation and amortisation reflected the continued strategic investment in our assets.”

“The resilience and flexibility of our asset portfolio helped mitigate the earnings impact of outages in our thermal plants, particularly in the second half of the year, and we continued to see strong earnings from our growing battery portfolio. Importantly, in a period of ongoing inflationary pressures and investment in growth, through disciplined cost management and digitisation we kept operating costs broadly flat as planned.”

“This result continues the recovery in AGL’s earnings and lays a solid foundation for the continued strategic investment in growth and the transition of AGL’s business.”

FY25 Operational and Strategy Highlights

- Total Injury Frequency Rate (TIFR) down to 2.0 (per million hours worked) from 3.5 in FY24
- Total AGL customer services: 4.6 million¹, up 78k on FY24; Strategic Net Promoter Score (NPS) improved to +8 and Customer Satisfaction increased to 81.6

¹ Services to customers number is as at 30 June 2025 and excludes approximately 308,000 services to customers of ActewAGL

- Total generation volumes: 33 TWh, down 3% on FY24; Fleet Equivalent Availability Factor (EAF) of 79.1%, 6.7pp lower than FY24
- AGL Community Power launched – sharing the benefits of the energy transition with customers who may not be able to directly access the benefits of solar and batteries
- CER and demand side flexibility portfolio advanced through the acquisition of Tesla's South Australia's Virtual Power Plant (SAVPP) portfolio
- Development pipeline increased to 9.6 GW
- Flexible fleet capacity grown to 8.3 GW
- Final Investment Decision reached on 500 MW / 2,000 MWh Tomago Battery in July; 500 MW Liddell Battery on track for commencement of operations in early 2026

CEO Commentary – FY25 Operational Highlights

AGL Managing Director and CEO, Damien Nicks, said: “We are very pleased to report the continued improvement in our Total Injury Frequency Rate that we saw at the half-year, down further to 2.0 per million hours worked. This was a testament to our people and our relentless focus on preventing injuries across the organisation, which has included numerous safety awareness campaigns and targeted workshops. We continue to strive to further improve this metric.”

“We are providing a broader range of essential services to a larger customer base, with total services to customers now numbering more than 4.56 million, up 3,000 energy services, 36,000 Telco services and 39,000 Netflix services over FY25. Strategic NPS improved with a score of +8, Customer Satisfaction increased to 81.6, and we've maintained a healthy spread to overall market churn of over 4 percentage points.”

“Assisting our customers with the ongoing cost of living pressures is a key priority, and I'm pleased to report that we have delivered our 2-year, \$90 million Customer Support Package to customers that need it most, which included \$76 million in direct financial support, including debt relief and payment matching. We've now embedded the Customer Support Program into our everyday operations, including upgrading digital resources to improve accessibility and streamline support for customers in need.”

“After a year of excellent generation fleet performance in FY24, the availability of our total fleet was down 6.7 percentage points, mainly due to the thermal fleet, with an additional major planned outage compared to the prior year, coupled with unplanned downtime in the second half. Encouragingly, volatility captured through trading increased despite the lower availability, and we are targeting further improvement of availability in FY26. Overall generation was 1.2 TWh lower, impacted by lower coal fired generation, partially offset by the gas fleet and a stronger contribution from our renewable generation assets.”

CEO Commentary – Business Transition and Strategic Execution

“FY25 was a year of significant execution for AGL across all our strategic priorities – building on our achievements since the launch of our refreshed strategy in 2022. We had significant investment in growth this year, as we press forward with the delivery of our strategy - with ~\$900 million deployed towards battery developments and strategic investments.”

“This included almost half a billion dollars towards growth capital expenditure, including the construction of the Liddell Battery, and another \$400 million for the acquisitions of Firm Power, Terrain Solar and our strategic investment in Kaluza.”

“Importantly in July, we launched AGL Community Power – a program which aims to share the benefits of the energy transition with those who cannot purchase solar and batteries or who may be locked out due to barriers to home ownership.”

“As part of this initiative, we acquired from Tesla the “SAVPP”, one of Australia's largest VPPs - advancing our portfolio of decentralised assets under orchestration and demand side portfolio flexibility.”

“We continued to execute on the transition of our generation portfolio. Our development pipeline of 9.6 gigawatts has tripled in size since we announced the inaugural Climate Transition Action Plan (CTAP) in 2022, with the acquisition of Firm Power and Terrain Solar significantly strengthening our optionality and firming and storage capacity.”

“We’re making excellent progress in accelerating our grid-scale battery investments, with a final investment decision (FID) reached on the 500 MW Tomago Battery in July, and we have a clear pathway to FID for an additional 900 MW of grid-scale battery projects, as announced at our February results.”

“The Liddell Battery remains on track for commencement of operations in early 2026, and we’ve strengthened our long duration firming optionality through the acquisition of two early stage pumped hydro projects in the Upper Hunter region next to our Muswellbrook Pumped Hydro project with Idemitsu.”

Climate Transition Action Plan (CTAP)

AGL has also released its second CTAP, which will be subject to a non-binding, advisory shareholder vote at the company’s Annual General Meeting on 3 October 2025. The CTAP is available [here](#) and builds on the ambitions of AGL’s inaugural CTAP, including increasing the interim target for new renewable and firming capacity from 5 GW by 2030 to 6 GW by FY30, of which there is a target of at least 3 GW of grid-scale batteries. Interim Scope 1 and 2 emissions reduction targets have been bolstered, prioritising direct emissions reductions, and a new ambition has been set to reduce Scope 3 emissions by 60% compared to FY19 levels following the closure of AGL’s coal-fired power stations.

Statutory Loss and Underlying Profit

AGL’s Statutory Loss after tax was \$(98) million. This included significant items of \$(596) million (post-tax) excluded from Underlying Net Profit, which included an increase in onerous contracts of \$(398) million and Retail Transformation costs of \$(87) million. There was also a negative movement in the fair value of financial instruments of \$(142) million. This fair value movement is non-cash, albeit required under Australian Accounting Standards.

Underlying Net Profit after tax, which excludes the movements in the fair value of financial instruments and significant items, was \$640 million, down 21%.

Dividends and Capital Management

AGL delivered underlying cash from operating activities (before significant items, interest and tax) of \$1,449 million, \$980 million lower than FY24 due to a \$381 million prepayment of bill relief received prior to the start of the financial year, of which \$329 million has been credited to AGL’s customer accounts over FY25. Excluding this early prepayment from FY24 and the amount paid out from FY25, AGL’s operating cash flow was \$1,778 million, a decrease of \$270 million, largely driven by outflows related to purchasing green certificates and coal. The rate of conversion of EBITDA to operating cash flow, excluding the bill relief paid out mentioned above, rehabilitation and margin calls, was 97 percent, in line with the prior year.

At 30 June 2025, AGL had \$1,296 million of cash and undrawn committed debt facilities available.

AGL has declared a final fully franked dividend for FY25 of 25 cents per share. AGL’s dividend policy is to target a payout ratio of 50 to 75 percent of annual Underlying Net Profit after tax. The FY25 final dividend has been determined using a 50 percent payout ratio of Underlying Net Profit after tax for the total FY25 dividend. The 50 percent payout ratio for the full year recognises the ongoing funding and liquidity requirements of the business, including for the construction of the Liddell and Tomago batteries, and the implementation of the Retail Transformation Program.

The final dividend will be paid on 25 September 2025.

Outlook

AGL's FY26 guidance reflects a continued strong outlook for Underlying EBITDA, with an expected increase in depreciation and amortisation and finance costs impacting Underlying NPAT as AGL continues the delivery of its strategy.

AGL has today provided FY26 earnings guidance as follows:

- Underlying EBITDA between \$1,920 and \$2,220 million
- Underlying Net Profit after tax between \$500 and \$700 million

The expected increase in Underlying EBITDA for FY26 compared to FY25 reflects the following drivers:

- An improvement in plant availability and fleet flexibility, including the commencement of operations of the Liddell Battery
- Increased Customer Markets earnings due to an improvement in margin and growth

The above drivers are expected to be partially offset by:

- Gas margin compression due to expiring gas supply contracts
- Higher operating costs reflecting investment in growth, with the impact of inflation offset by productivity and optimisation benefits.

The expected decrease in Underlying Net Profit after tax for FY26 compared to FY25 reflects the expected increase in Underlying EBITDA as above, more than offset by the following drivers:

- An increase in depreciation and amortisation due to continued investment in the availability and flexibility of AGL's assets, as well as the commencement of the Liddell Battery
- Higher finance costs due to an increase in total borrowings

Longer term, AGL aims to more than offset any earnings impact of coal and gas re-contracting with earnings from its significant investment in flexible assets and the broader delivery of our strategy.

All guidance is subject to any impacts arising from regulatory and government intervention, variability in trading conditions and plant availability.

Appointments to AGL's Executive Team

In February 2025, we announced that Markus Brokhof, AGL's Chief Operating Officer, will be retiring with effect from 15 September 2025. The Board is appreciative of Markus' leadership over the last five years, who has been instrumental in delivering AGL's strategy to transition our energy portfolio.

As a result of Markus' retirement, AGL has decided to reshape AGL's Integrated Energy business unit into two new business units - Energy Assets and Energy Markets and Development, reflecting the growing size and complexity of our generation portfolio, development pipeline, and trading activities, which will enable greater specialisation to meet the challenges of the energy transition going forward.

In addition, a new business unit 'Strategy, Sustainability and Enterprise Energy Solutions' has been established to provide an integrated approach to the delivery of AGL's strategy, including our decarbonisation ambitions. This business unit will also include our commercial and industrial business, recognising the significant role of these customers in future large-scale electrification, development and the growth of our overall portfolio.

AGL is pleased that three new Executive General Managers have been appointed from AGL's internal talent to lead the new business units, reflecting our strong talent and capability pipeline.



Matthew Currie has been appointed Chief Operations and Construction Officer and will lead the Energy Assets business unit. David Moretto has been appointed Chief Commercial Officer, who will lead the Energy Markets and Development business unit.

Ryan Warburton has been appointed Executive General Manager, Strategy, Sustainability and Enterprise Energy Solutions, who will lead our strategy and sustainability teams and our commercial and industrial business, including sustainable business energy solutions and the strategic growth of the Perth Energy business in Western Australia.

All appointments will take effect from 15 September 2025. Each of Matthew, David and Ryan have been high performing General Managers at AGL for a number of years and part of AGL's succession plans. AGL is confident that they will continue to effectively lead AGL and execute our strategy.

FY25 Results Presentation, Webcast and Conference Call, and Climate Transition Action Plan (CTAP) briefing

AGL will hold a webcast and conference call to discuss the FY25 results at 11.00am (AEST), Wednesday, 13 August 2025. Questions will be taken at the conclusion of the webcast.

A copy of the presentation will be lodged with the ASX and made available on AGL's website.

All FY25 documents, the pre-recorded presentation and webcast are accessible via <https://www.agl.com.au/about-agl/investors/results-centre>

AGL will also host a briefing on the 2025 Climate Transition Action Plan at 3:00pm (AEST) on Thursday, 21 August 2025.

Pre-registration is required to access both events.

A transcript and archive of the webcasts will be available on AGL's website in due course.

Authorised for release by AGL's Board of Directors.

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About AGL Energy

At AGL, we believe energy makes life better and are passionate about powering Australian life. Proudly Australian for more than 185 years, AGL supplies around 4.6 million^[1] energy, telecommunications and Netflix customer services. AGL operates Australia's largest private electricity generation portfolio within the National Electricity Market, comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, and batteries and other firming and storage technology. We are building on our history as one of Australia's leading private investors in renewable energy to be a leader in the transition to a lower emissions and smart energy future in line with the goals of our Climate Transition Action Plan. We'll continue to innovate in energy and other services to enhance the way Australians live, move and work.

For more information visit [agl.com.au](https://www.agl.com.au).

^[1] Services to customers number is as at 30 June 2025.