Fortescue.

FULL YEAR RESULTS FY26

20 AUGUST 2026

Underlying net profit after tax of US$3.5 billion and strong free cash flow of US$3.2 billion underpin fully franked FY26 dividends of A$1.08 per share

Highlights

- Delivered strong safety results with a Leading Safety Index (LSI) of 172 and a Total Recordable Injury Frequency Rate (TRIFR) of 1.3 for the 12 months to 30 June 2026 (FY26).
- Sustained operating excellence resulted in record iron ore shipments of 201.3 million tonnes (Mt) and an industry-leading Hematite C1 unit cost of US$18.74/wet metric tonne (wmt).
- Underlying EBITDA of US$8.6 billion, nine per cent higher than FY25, with an Underlying EBITDA margin of 51 per cent.
- Underlying net profit after tax (NPAT) of US$3.5 billion, three per cent higher than FY25, and Underlying earnings per share (EPS) of US$1.13 (A$1.66).
- Statutory NPAT of US$2.9 billion, including a US$525 million non-cash impairment charge relating to Iron Bridge and a US$73 million compensation claim expense.
- Net cash flow from operating activities of US$6.8 billion and free cash flow of US$3.2 billion after investing US$3.6 billion in capital expenditure.
- Robust balance sheet with cash of US$5.1 billion and net debt of US$0.9 billion at 30 June 2026, with gross debt to EBITDA of 0.7 times and gross gearing of 23 per cent.
- Enhanced Fortescue's debt capital structure through liability management and the successful syndication of a low-cost RMB14.2 billion term loan.
- Fully franked final dividend of A$0.46 per share, increasing total dividends declared in FY26 to A$1.08 per share, equating to A$3.3 billion and a 65 per cent payout of Underlying NPAT.
- Continued progress on Fortescue's Green Grid, strengthening long-term cost competitiveness in the Pilbara and creating future opportunities to supply renewable energy to other industries.
- The Green Grid comprises the build-out of 2.4GW of renewable energy, including 1.5GW of solar and 900 MW of wind generation, firmed by 4-5GWh of batteries.
- Implemented a new Hematite life of mine plan incorporating the Blacksmith Project, anticipated to deliver significant value through an improved C1 unit cost profile and greater capital efficiency.
- Successfully completed the acquisition of Alta Copper, securing ownership of its portfolio of exploration assets, including the Cañariaco Copper Project in northern Peru.
- Surpassed 230,000 metres of exploration drilling at the Belinga Iron Ore Project in Gabon.
- Total economic contribution of A$27.2 billion in FY26.

Fortescue Metals and Operations Chief Executive Officer, Dino Otranto, said "Our record operating performance this year underpinned a nine per cent increase in Underlying EBITDA and a 25 per cent increase in free cash flow. We invested US$3.6 billion across the business and finished the year with US$5.1 billion in cash and net debt of just US$0.9 billion.

“That puts us in a strong position to continue investing in growth while delivering returns to shareholders.

“The Board has declared a fully franked final dividend of A$0.46 per share, bringing total dividends declared for FY26 to A$1.08 per share, representing a 65 per cent payout of Underlying net profit after tax.

“We’re also continuing to look for ways to lift productivity and get more from our assets. AI is one of our biggest opportunities to create value and has the potential to change almost every aspect of how we operate. We’re already putting it to work across drilling, processing, rail and haulage, and using it to optimise how we generate, store and use energy across our Green Grid.

“And this is just the start. Autonomy changed how we operated and helped drive our costs down. We see AI doing the same – but on a much broader scale.”

Fortescue Growth and Energy Chief Executive Officer, Gus Pichot, said “Fortescue is building on the strong foundations of our Pilbara operations to grow, strengthen and diversify our portfolio across metals, critical minerals, energy and technology.

“We continue to evolve our decades-long relationship with China, moving beyond iron ore sales to build deeper partnerships in renewable energy and green technology. It’s important for the future prosperity of both our countries that this spirit of strong cooperation continues, underpinned by fair and proper market practices, including in our ongoing negotiations with China Mineral Resources Group.

“Our exploration teams are making strong progress. We have now completed over 230,000 metres of drilling for the Belinga project as we progress studies and approvals with the Government of Gabon. We have also expanded our copper portfolio with the acquisition of the Cañariaco project in Peru, adding to our existing drilling programs across Argentina, Kazakhstan, Canada and Australia.

“Importantly, technology connects everything we do, and our innovations are increasingly becoming operational solutions. Our Nabrawind self-erecting technology will make construction of our wind turbines faster and cheaper, and testing of our Fortescue Zero power systems is being finalised ahead of our Liebherr T 264 trucks joining operations later this year.”

Sustainability

- Sustainability is integral to how Fortescue operates, grows and delivers its strategy. Fortescue’s FY26 Sustainability Report: Climate Statement featured in the FY26 Annual Report is its first mandatory climate-related financial statement. The Climate Transition Plan is a voluntary companion. All reports are available on the Company’s website at www.fortescue.com.
- The Pilbara Decarbonisation Program continues to progress, with more than 300,000 solar panels installed at the Cloudbreak Solar Farm, 550 kilometres of transmission lines completed to date and 370MWh of battery storage capacity installed.
- Total social investment was A$99 million in FY26, including community-based training, donations and partnerships.
- The Billion Opportunities program remains a cornerstone of Fortescue’s commitment to economic inclusion for Aboriginal people in the Pilbara. In FY26, Fortescue awarded more than A$1 billion in contracts and spent more than A$1 billion with Aboriginal businesses.
- Fortescue invested A$3 million in FY26 in partnerships supporting research and conservation to advance the pathway towards achieving Net Positive Impact on biodiversity. Since FY24, more than A$13 million has been invested in biodiversity conservation through partnerships and direct projects.
- Fortescue aims to achieve and sustain gender balance, in line with its 40:40:20 aspiration. Progress was made in FY26, with women representing 40.5 per cent of senior leadership roles.

Operational and financial review

- Strong and consistent performance across Fortescue's supply chain resulted in record iron ore shipments of 201.3Mt in FY26.
- Revenue of US$17.0 billion increased by nine per cent on FY25, driven by a seven per cent increase in the Hematite realised price to US$91/dry metric tonne (dmt) and a two per cent increase in iron ore sales to 201.4Mt.
- Hematite C1 unit cost of US$18.74/wmt was four per cent higher than FY25, achieving guidance at the guidance exchange rate despite elevated energy prices and inflationary pressures.
- Underlying EBITDA of US$8.6 billion was nine per cent higher than FY25 (US$7.9 billion), reflecting the increase in revenue, with an Underlying EBITDA margin of 51 per cent.
- Attributable Underlying NPAT of US$3.5 billion increased by three per cent compared with FY25 (US$3.4 billion). Statutory NPAT of US$2.9 billion decreased by 15 per cent compared with FY25, reflecting a US$525 million non-cash impairment charge relating to Iron Bridge and a US$73 million compensation claim expense.

Operations summary	FY26	FY25	Change (%)
Ore mined (M wmt)	246.0	238.9	3
Ore processed (M wmt)	201.3	201.1	0
Ore shipped (M wmt)	201.3	198.4	1
Ore sold (M wmt)	201.4	198.3	2
Hematite realised price (US$/dmt)	90.7	84.8	7
Hematite C1 unit cost (US$/wmt)	18.74	17.99	4

Volumes stated on a 100 per cent basis. Timing differences may occur between shipments and sales as FMG Trading holds inventory at Chinese ports.

Earnings summary	FY26	FY25	Change (%)
Revenue (US$ million)	16,966	15,541	9
Underlying EBITDA (US$ million)	**8,635**	**7,941**	**9**
Underlying EBITDA margin (%)	51%	51%	(0)
Statutory NPAT (US$ million)	2,860	3,366	(15)
Attributable NPAT (US$ million)	**2,870**	**3,373**	**(15)**
Underlying NPAT (US$ million)	3,458	3,366	3
Attributable Underlying NPAT (US$ million)	**3,468**	**3,373**	**3**
Underlying EPS (US cents)	113	110	3
Underlying EPS (AUD cents)	166	169	(2)

Financial position

- Fortescue has a robust balance sheet structured on investment grade terms and conditions.
- Cash balance of US$5.1 billion and gross debt of US$5.9 billion, resulting in net debt of US$0.9 billion at 30 June 2026.
- Credit metrics are strong, with gross debt to FY26 EBITDA of 0.7 times and gross gearing of 23 per cent at 30 June 2026.
- Net cash flow from operating activities of US$6.8 billion increased by six per cent, and free cash flow of US$3.2 billion increased by 25 per cent on FY25.

- Total capital expenditure and investments in FY26 were US$3.6 billion, comprising US$2.1 billion for sustaining and hub development, US$368 million for exploration and studies, US$848 million for decarbonisation, US$190 million for other projects, and US$88 million for the Energy segment.

Financial position (US$ million)	30 June 2026	30 June 2025	Change (%)
Borrowings	5,302	4,835	10
Lease liabilities	629	604	4
Total debt	**5,931**	**5,439**	**9**
Cash and cash equivalents	5,074	4,328	17
Net debt	**857**	**1,111**	**(23)**
Equity	20,245	19,956	1
Cash flow (US$ million)	**FY26**	**FY25**	**Change (%)**
Net cash flow from operating activities	**6,836**	**6,474**	**6**
Capital expenditure	(3,640)	(3,930)	(7)
Net cash flow from investing activities	(3,632)	(3,919)	(7)
Free cash flow	**3,204**	**2,555**	**25**

Dividend

- The Board has declared a fully franked final dividend of A$0.46 per share. The ex-dividend date is 1 September 2026, and the dividend will be paid to shareholders on 29 September 2026.
- Including the interim dividend of A$0.62 per share, the total dividends declared for FY26 are A$1.08 per share, representing a payout ratio of 65 per cent of FY26 Underlying NPAT.
- This is consistent with Fortescue's dividend policy to pay out 50 to 80 per cent of full year Underlying NPAT.

Dividend summary	FY26	FY25	Change (%)
Attributable Underlying NPAT (US$ million)	3,468	3,373	3
Underlying EPS (US cents)	113	110	3
Underlying EPS (AUD cents)	166	169	(2)
Interim dividend (AUD cents)	62	50	24
Final dividend (AUD cents)	46	60	(23)
Total dividend (AUD cents)	**108**	**110**	**(2)**
Dividend payout ratio (%)	65	65	-

FY27 guidance

- Iron ore shipments of 197 – 207Mt, including 11 – 14Mt for Iron Bridge (100 per cent basis).
- C1 unit cost for Hematite of US$20.50 – US$21.75/wmt.
- Metals capital expenditure of US$3.7 – US$4.7 billion, inclusive of:
    - Sustaining and hub development: US$2.3 – US$2.7 billion
    - Decarbonisation: US$0.9 – US$1.3 billion
    - Exploration and studies: US$300 – US$500 million
    - Other projects: US$150 million.
- Energy capital expenditure of approximately US$150 million and net operating expenditure of approximately US$300 million.

Guidance is based on an assumed FY27 average exchange rate of AUD:USD 0.70.

This announcement was authorised for lodgement by the Company Secretary.

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Appendix

Earnings reconciliation (US$ million)	FY26	FY25	Change (%)
Operating sales revenue	16,966	15,541	9
Cost of sales excluding depreciation and amortisation	(7,343)	(6,671)	10
Net foreign exchange (loss) / gain	(88)	44	(300)
Administration expenses	(579)	(433)	34
Research expenditure	(391)	(551)	(29)
Other income	79	32	147
Share of loss from equity accounted investments	(9)	(21)	(57)
Underlying EBITDA	**8,635**	**7,941**	**9**
Finance income	180	174	3
Finance expenses	(346)	(371)	(7)
Depreciation and amortisation	(2,872)	(2,506)	15
Exploration, development and other expenses	(406)	(248)	64
Legal compensation expense	(104)	-	-
Impairment expense	(750)	-	-
Income tax expense	(1,477)	(1,624)	(9)
Statutory NPAT	2,860	3,366	(15)
Attributable NPAT	**2,870**	**3,373**	**(15)**
Underlying NPAT	3,458	3,366	3
Attributable Underlying NPAT	**3,468**	**3,373**	**3**

Reconciliation of Underlying EBITDA and Statutory NPAT under the Australian Accounting Standards.
Underlying EBITDA is earnings before interest, tax, depreciation and amortisation, exploration, development and other expenses.