2026-27 NSW Budget - Debt Investor Update

July 2026

Image: Bondi
Credit: Destination NSW
Cover credit: Sydney Harbour

1. Who is TCorp?

Olympian Rock Lookout, Blue Mountains
Credit: Destination NSW

New South Wales Treasury Corporation (TCorp)

Providing best-in-class financial management, solutions and advice exclusively to the NSW Government family

- Created by the Treasury Corporation Act 1983, TCorp is a wholly owned entity of the state of New South Wales (NSW) and is part of the NSW Treasury portfolio. It has the same legal capacity, powers and authorities as a company under the Corporations Act 2001 (Cth), which allows it to raise and manage money to help the NSW Government and ultimately, the people of NSW.
- The Treasury Corporation Act 1983 creates an independent TCorp Board to set its strategic direction and policies. The Board is structured as a governing board (rather than as an advisory board).
- TCorp's borrowing, investment and financial management activities are regulated by the Government Sector Finance Act 2018.

New South Wales State Government Guarantee

- Guarantor: The Crown in Right of New South Wales, pursuant to the Government Sector Finance Act 2018 (NSW)

- All financial liabilities of TCorp are guaranteed by the NSW Government under the Government Sector Finance Act 2018, Division 6.5, sections 6.26 and 6.27

- Not subject to any direct Federal income or NSW State taxes in the Commonwealth of Australia


Information Memorandum
28 August 2024

NSW GOVERNMENT | tcorp

Benchmark Bond Programme

For the issuance of

Benchmark MTNs
Capital Indexed Bonds
Inflation Indexed Annuity Bonds
Green, Social or Sustainability Bonds

and other debt securities

Click here for Information Memorandum

About tcorp

For the benefit of NSW

TCorp's mission is to provide best-in-class financial management, solutions and advice exclusively to the NSW Government family.

TCorp has a unique remit, being the only Australian public sector organisation that acts as both a government fund manager and a government central borrowing authority.

TCorp provides 2 main service lines to clients:

Investment Management

Our activities include:

- Providing investment management and advisory services to NSW Treasury and other government entities
- In-house asset management of domestic cash and fixed income portfolios, infrastructure and property assets.

Financial Markets

Our activities include:

- Raising funds in local and international debt markets
- Managing risk on the TCorp balance sheet
- Managing liquidity assets
- Providing lending and tailored financial risk management solutions to the NSW Government family.

Our objectives

Our mission to support the NSW Government family is demonstrated in three major ways:

Financial management

Best-in-class for financial management, solutions and advice

People and culture

Sought after by the NSW Government and our clients for the capability and conduct of our people.

Whole-of-state outcomes

Focused on the delivery of whole-of-state outcomes.

NSW retains strong credit ratings

Local currency: Aaa (stable)
Foreign currency: Aaa (stable)
Short term: Prime-1

"The state's fiscal plans are supported by the underlying strength of the state's large, diverse and growing economy, which alongside national economic resilience, supports sustained revenue growth and the state's capacity to service its debt and interest obligations."

MOODY'S RATINGS

June 2025

Local currency: AAA (stable)
Foreign currency: AAA (stable)
Short term: F1+

"The affirmation reflects NSW's strong and diversified economy that will continue to drive sustained revenue growth to enable the state to build operating surpluses to support its rising debt"

FitchRatings

October 2024

Local currency: AA+ (neg)
Foreign currency: AA+ (neg)
Short term: A-1+

"The budget for the Australian state of New South Wales (NSW) outlines plans to improve its operating trajectory similar to our base-case expectations. We consider the execution of the budget tantamount to validating our view of the state's very strong financial management."

S&P Global Ratings

June 2025

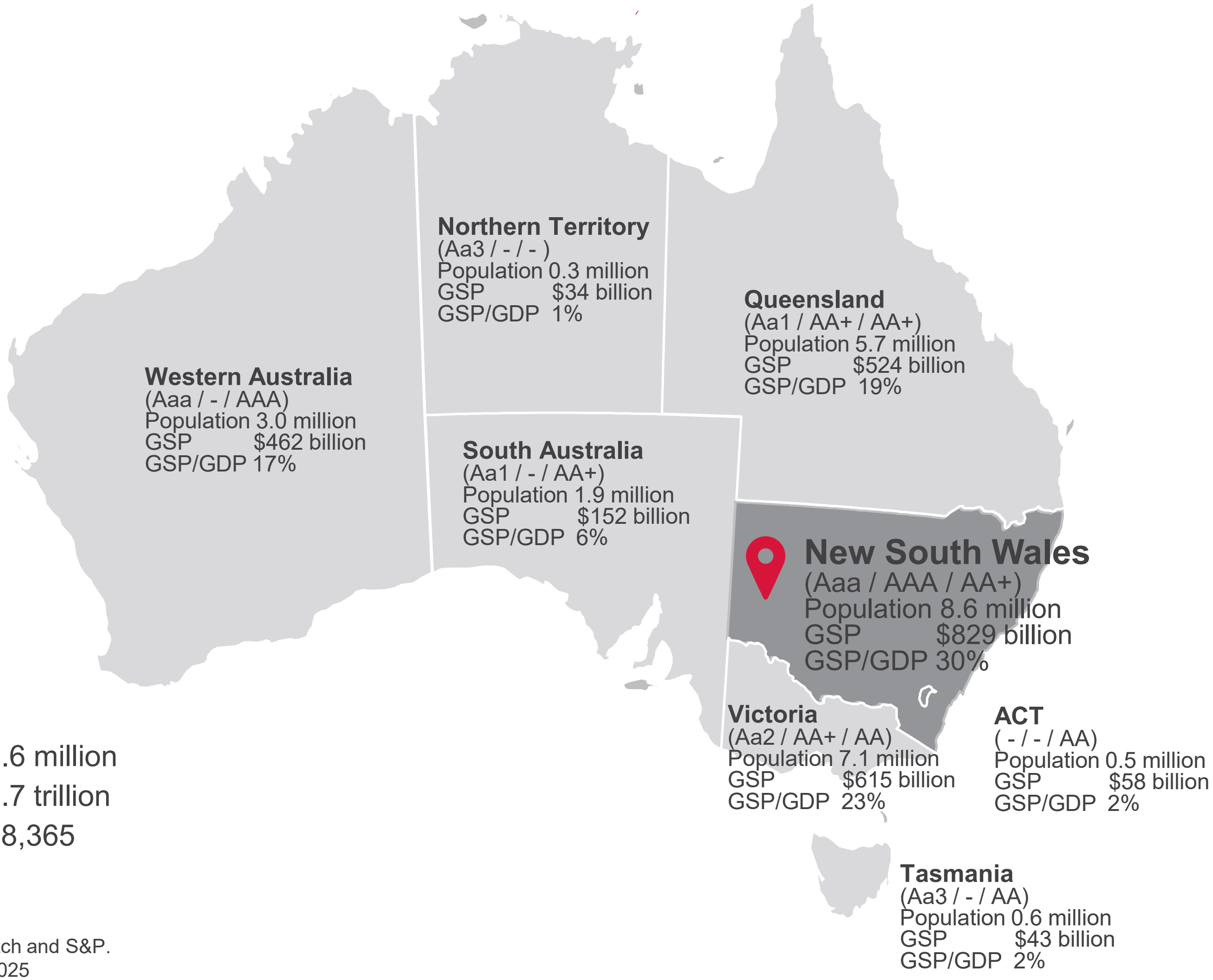
Source: Moody's Investors Service, Fitch Ratings, S&P Global Ratings

2. Economic Outlook

Sydney
Credit: Destination NSW

NSW has the largest economy and population in Australia

Population, Gross State Product and share of national GDP

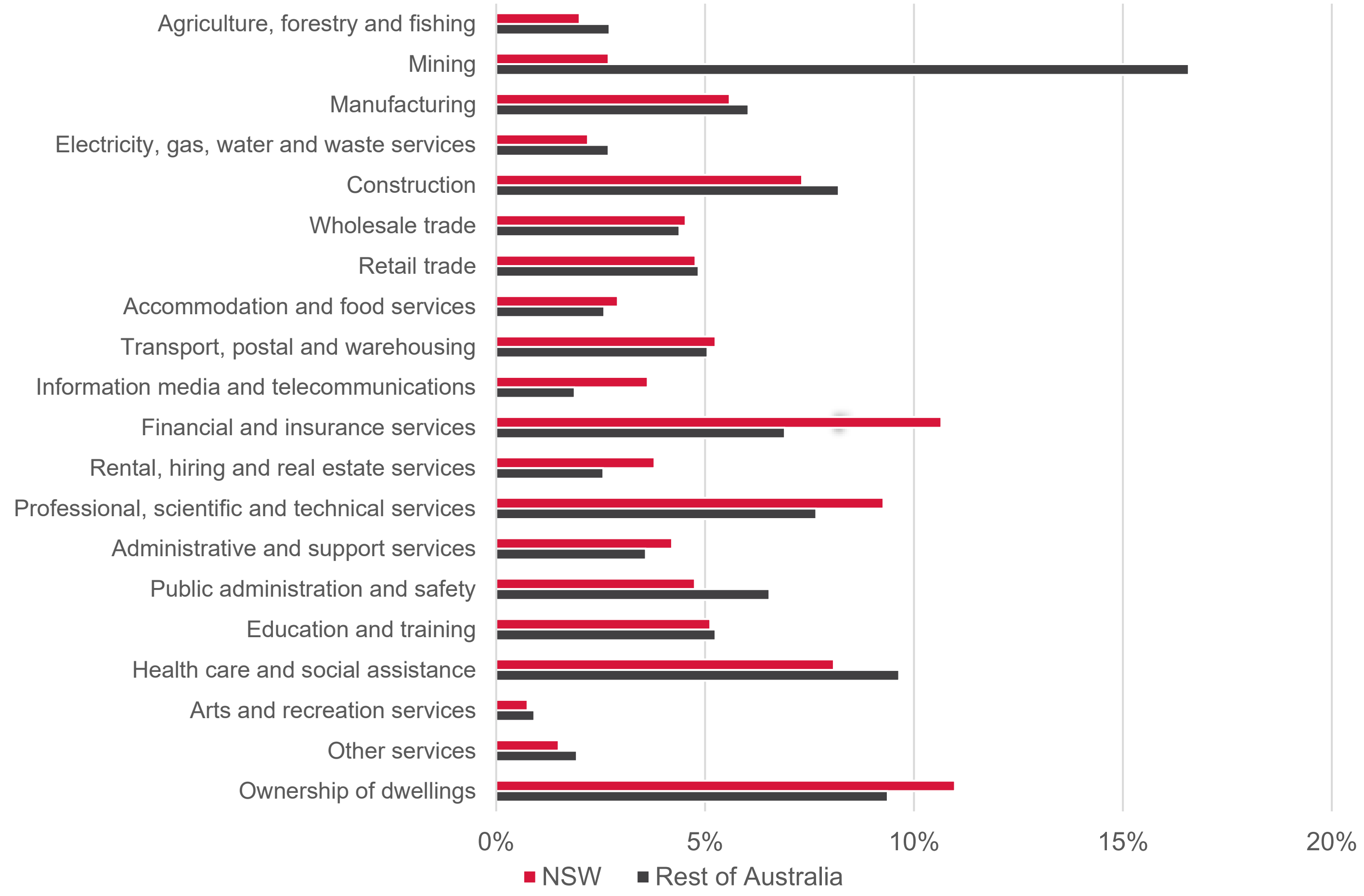


Total population: 27.6 million
Total GDP: $2.7 trillion
GDP per capita: $98,365

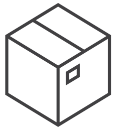
Note: Credit ratings listed in the order of Moody’s, Fitch and S&P.
Source: Australian Bureau of Statistics, at 30 June 2025

NSW economy benefits from being highly rated and diversified

Industry composition of NSW economy vs rest of Australia



NSW exports total A$153bn



Representing around 20% of Australian goods exports

Representing 45% of Australian services exports

Top 5 countries account for 53% of NSW's exports:

- Japan (18.5%)
- China (14.5%)
- United States (8.7%)
- United Kingdom (7.2%)
- Republic of Korea (4.4%)

Source: Australian National Accounts: State Accounts 2024-25, Australian Bureau of Statistics, Department of Foreign Affairs and Trade

Domestic and global headwinds constrain the near-term growth outlook

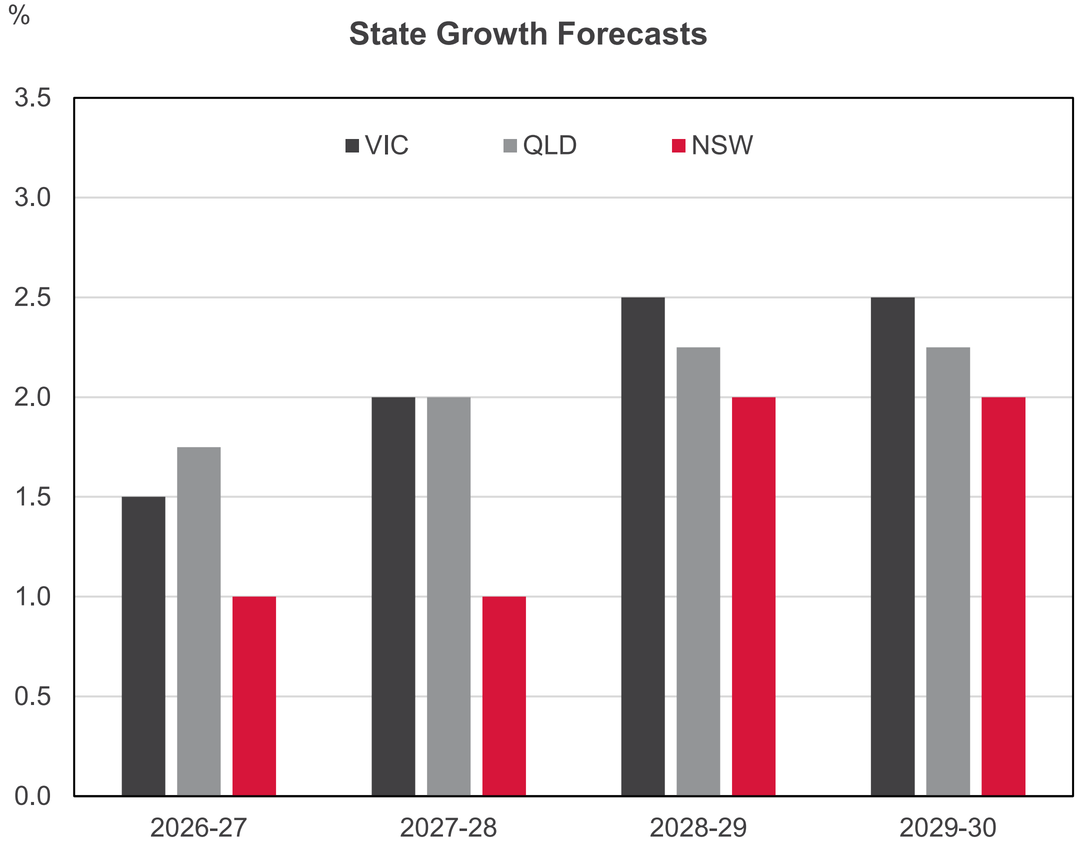
Performance and outlook

	2024-25 Outcome	2025-26 Forecast*	2026-27 Forecast*	2027-28 Forecast*	2028-29 Forecast*	2029-30 Forecast*
Real gross state product	0.9	1¾ (1½)	1 (2½)	1 (2¼)	2	2
Employment	1.5	1 (¾)	1¼	1 (1¾)	1½	1½
Unemployment rate	4.1	4¼ (4½)	4½ (4¼)	4¾ (4)	4½ (4)	4½
Sydney consumer price index	2.4	3¾ (3¼)	3¾ (2¾)	2½	2½	2½
Wage price index	3.2	3½	3½ (3)	3	3	3
Population	1.2 (1.3)	1.2 (1.1)	1.1 (1.0)	1.0	1.0	1.0

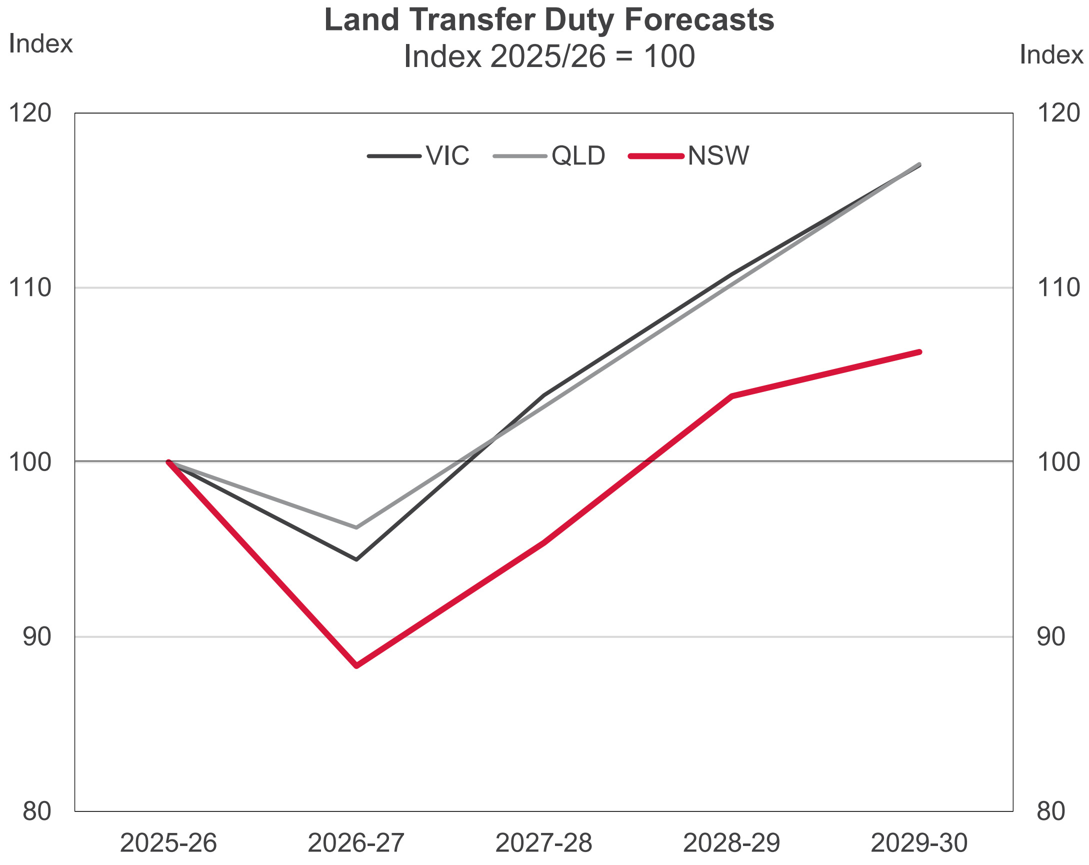
*Forecasts rounded to nearest quarter point and are annual average per cent change. 2025-26 Half-Yearly Review forecasts in parentheses where different
Source: NSW Budget 2026-27 budget paper no.1

NSW is forecasting slower economic growth and weaker stamp duty revenues

NSW has more conservative forecasts for the state's economic growth than QLD or VIC

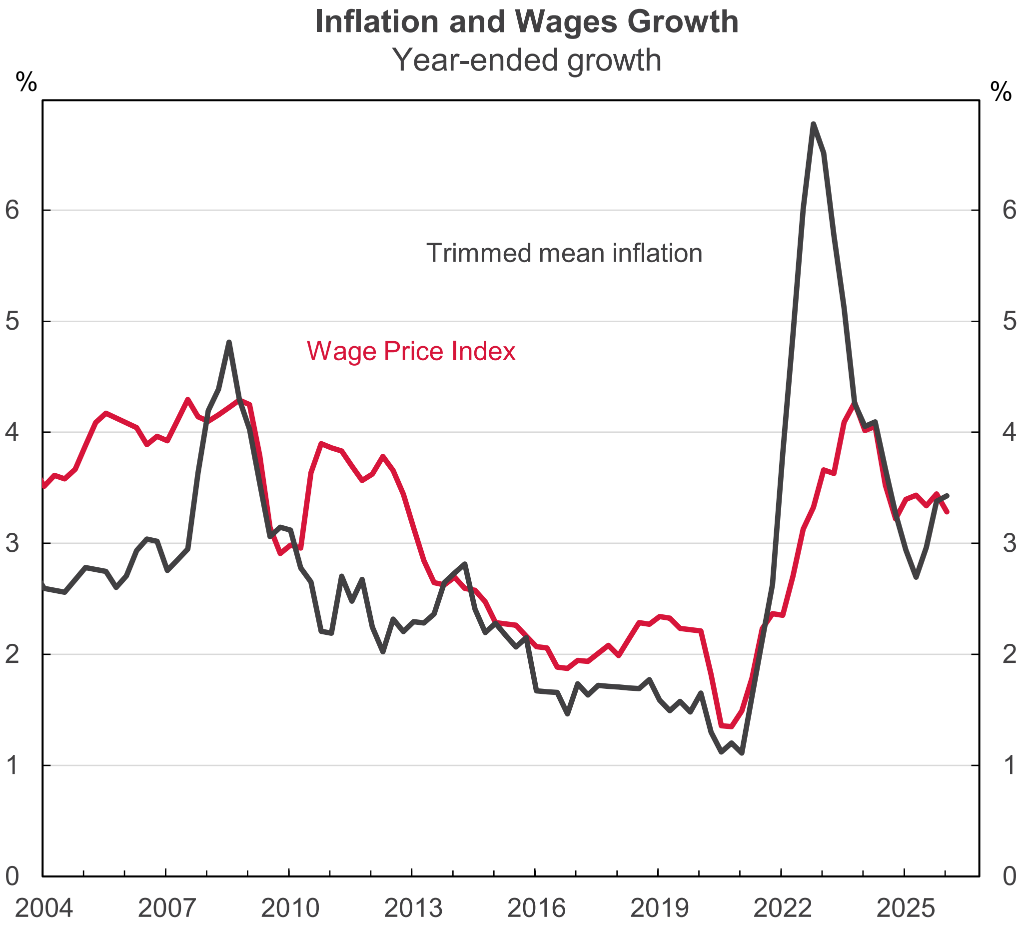


NSW is forecasting a much sharper fall in revenue from land transfers in 2026/27



Source: State Treasury Departments; TCorp

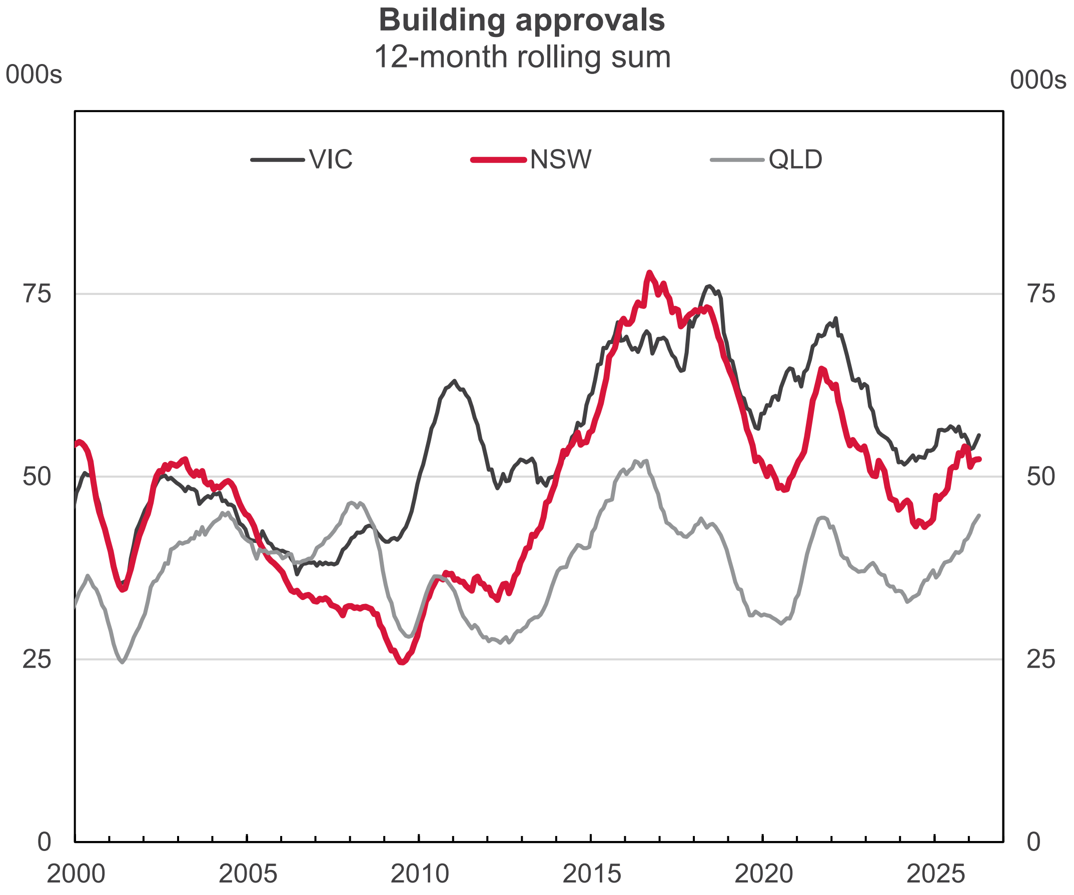
Inflation and wages growth remain elevated, prompting the Reserve Bank to raise interest rates in 2026



Source: Australian Bureau of Statistics

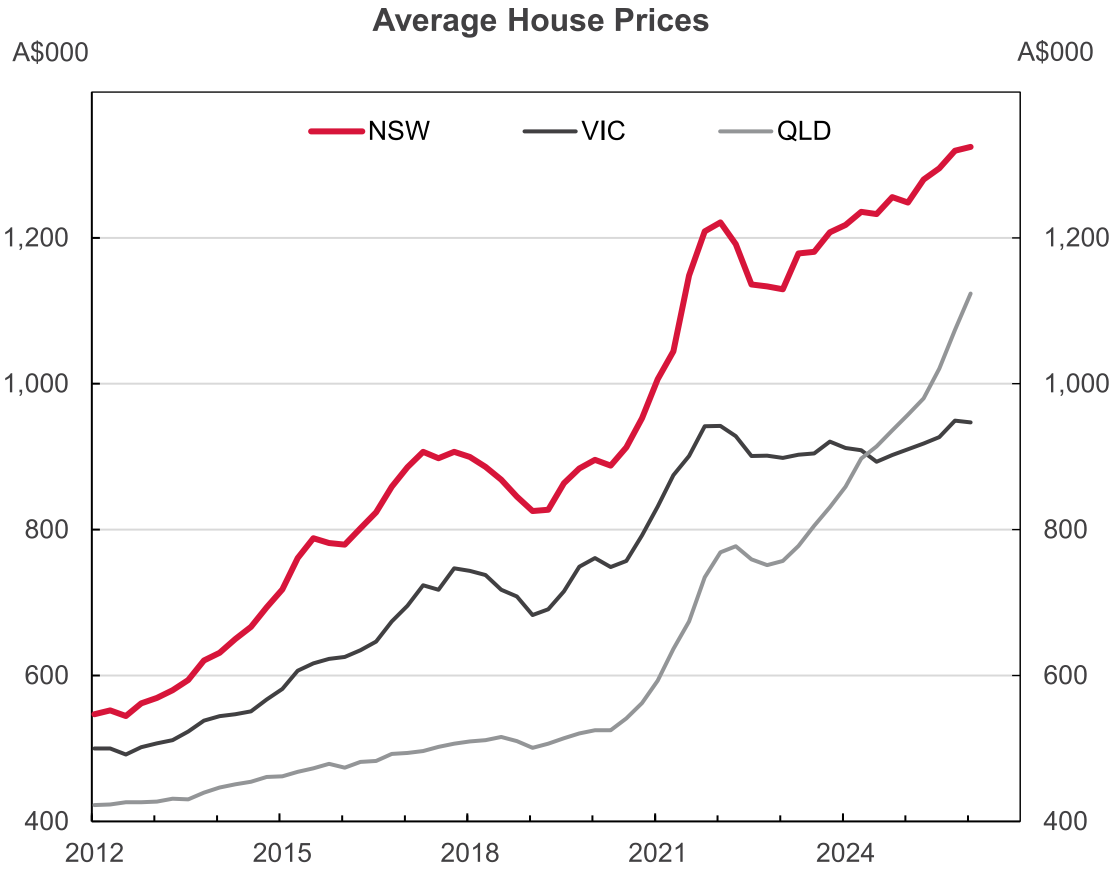
The NSW housing market picked up strongly in 2025, but higher interest rates have seen it slow in recent months

NSW building approvals have risen strongly since early 2025



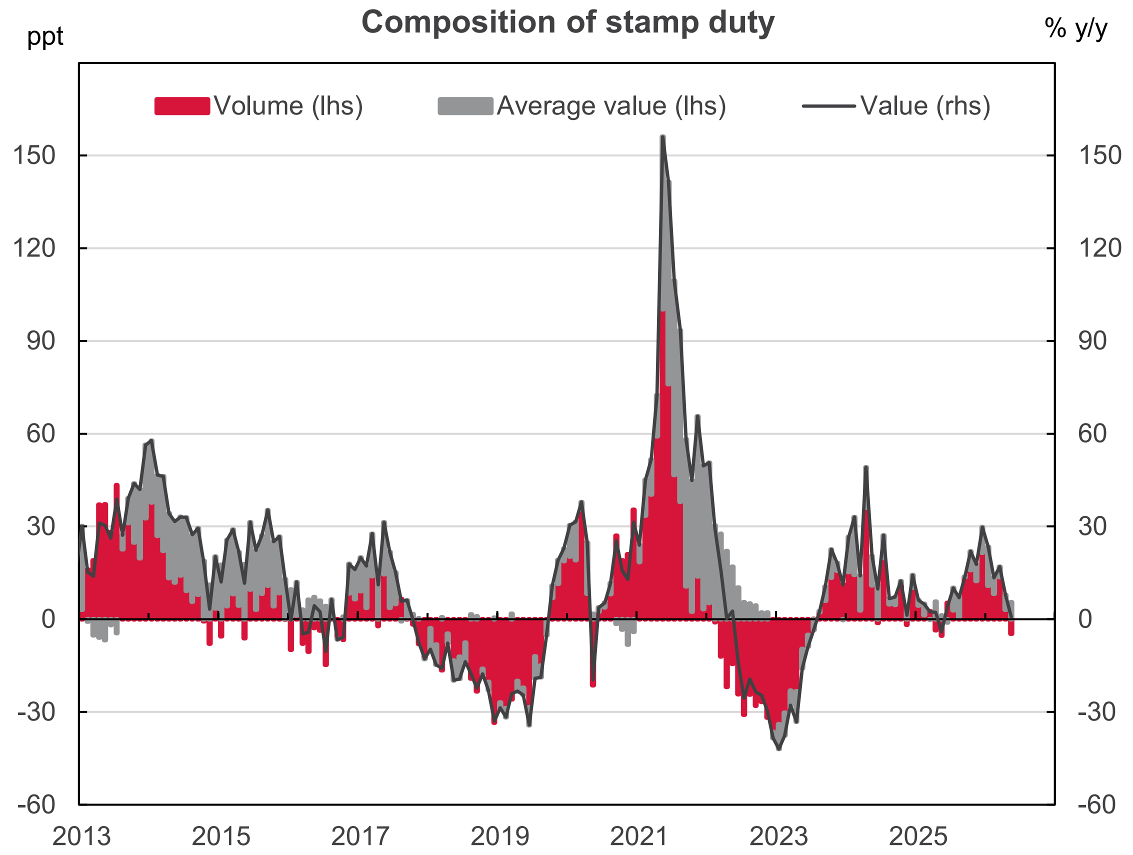
Source: Australian Bureau of Statistics

NSW house prices growth has slowed in recent months

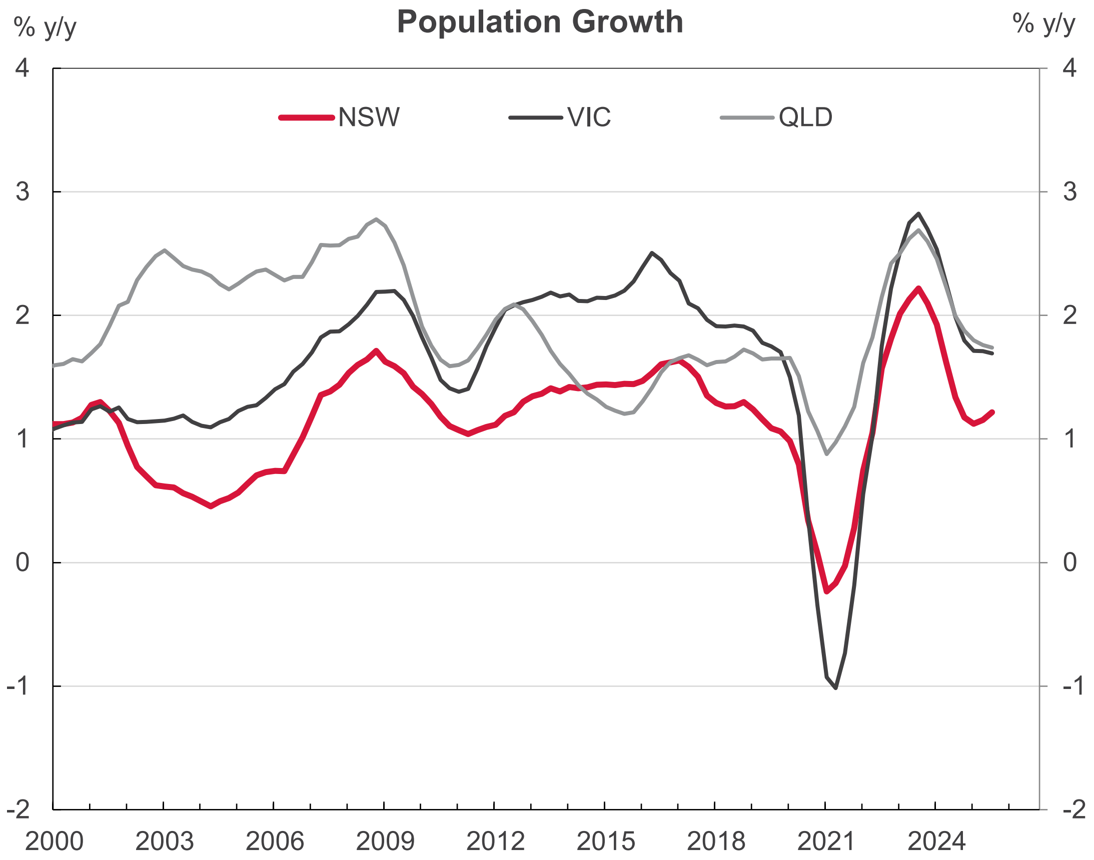


NSW stamp duty receipts have plateaued alongside slowing housing prices and turnover

House prices and turnover have slowed in 2026 in response to higher interest rates



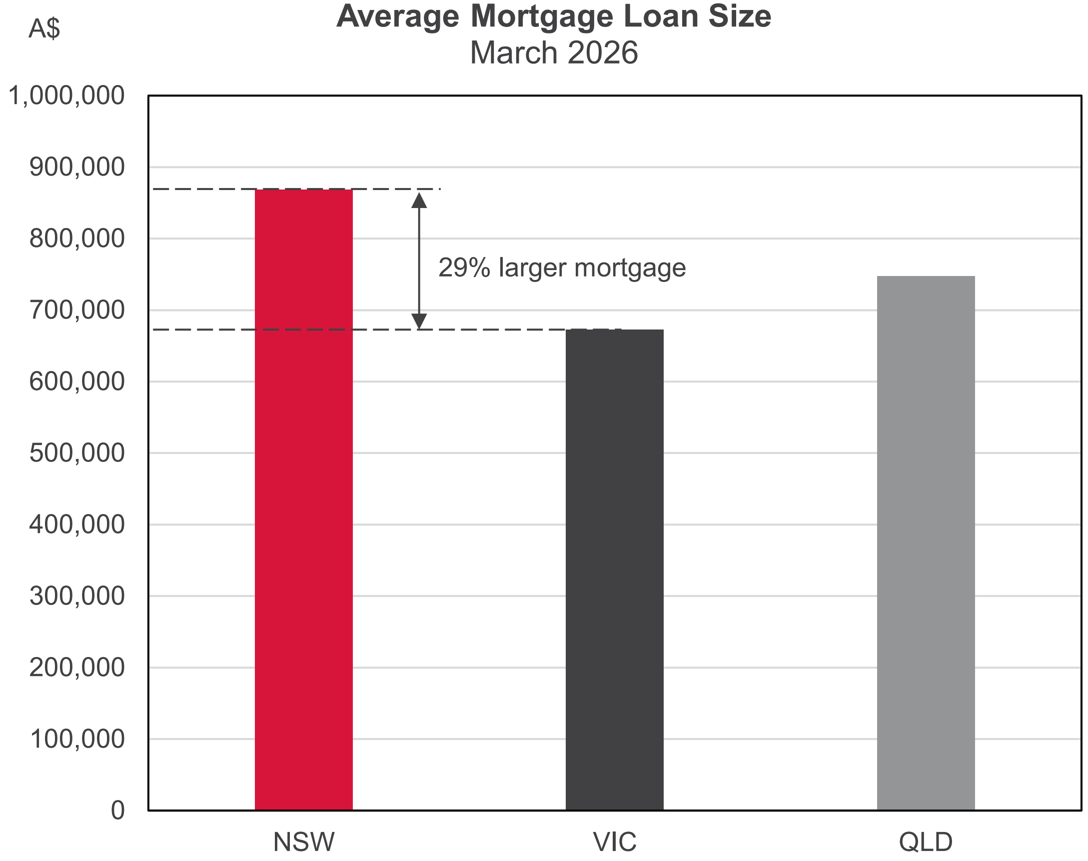
Population growth has slowed back to long-run averages



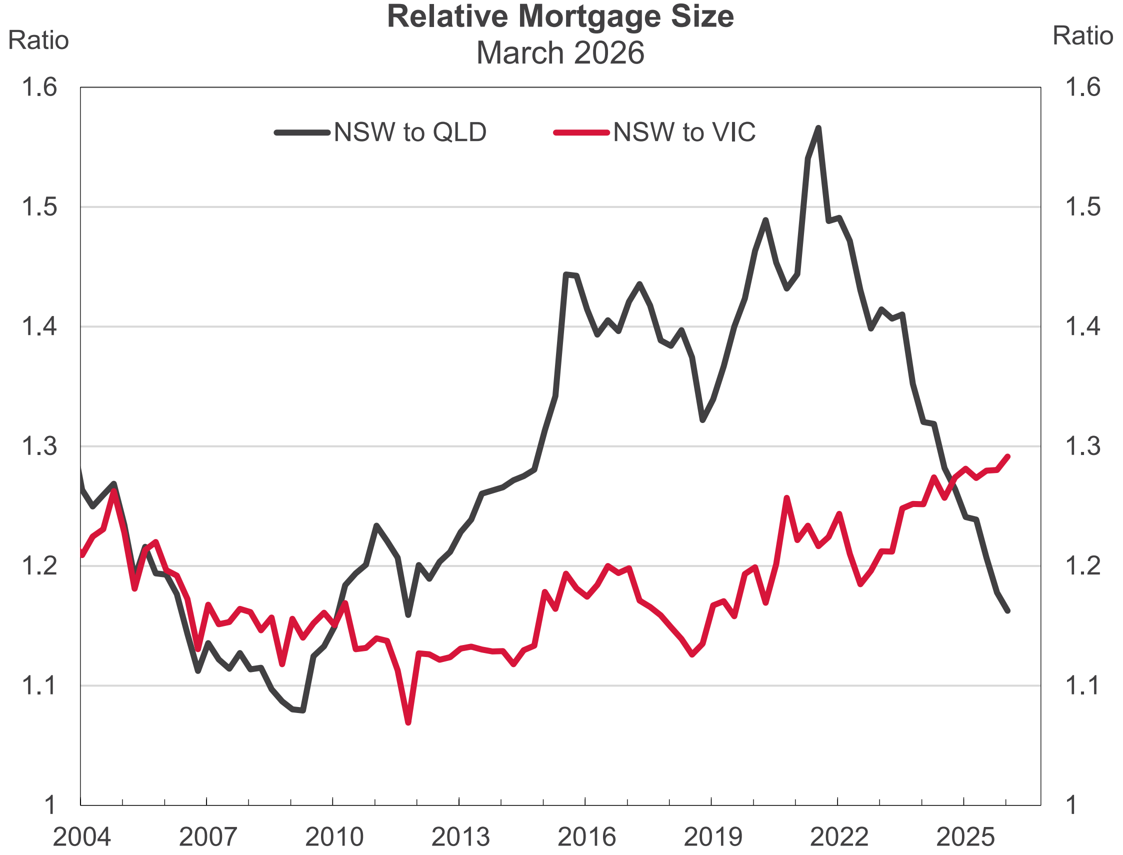
Source: Bloomberg; Revenue NSW

Interest rates have a larger impact on NSW households given its large mortgages

NSW households have larger mortgages than households in VIC or QLD



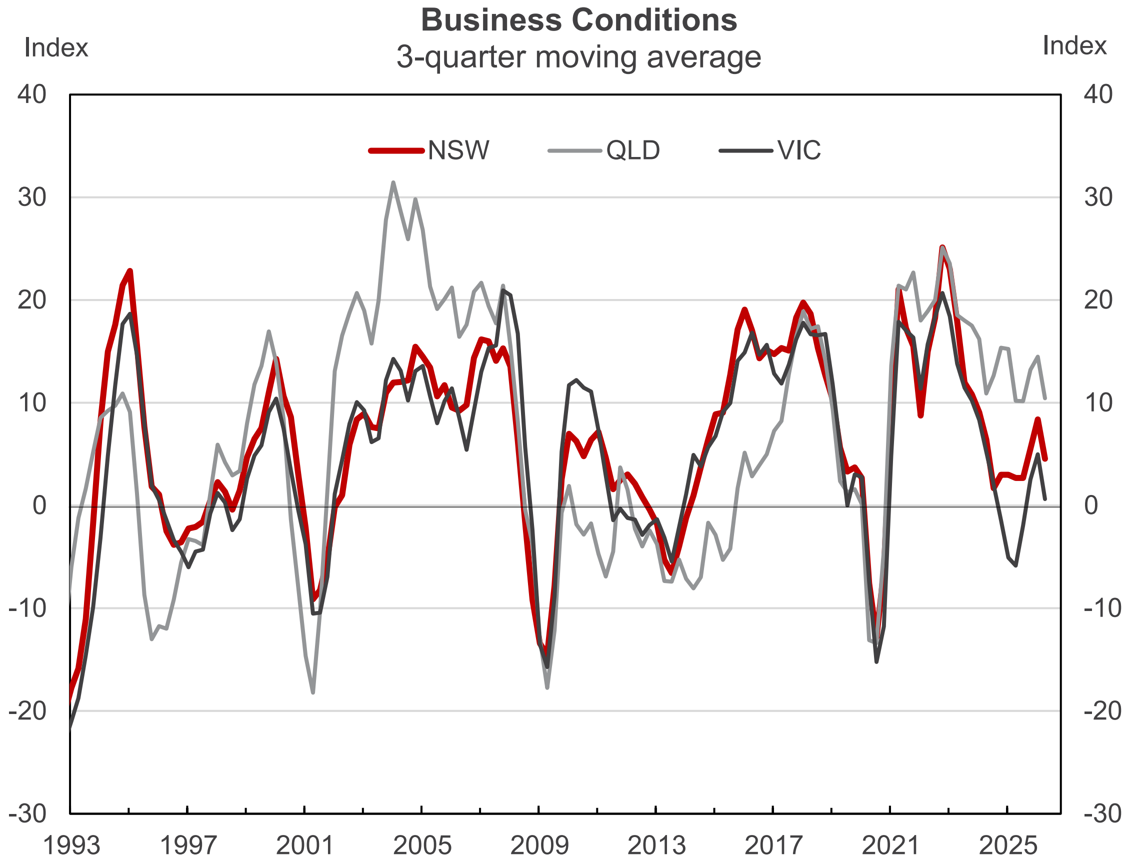
NSW mortgages grew disproportionately quickly during the COVID pandemic, though the gap with QLD has narrowed



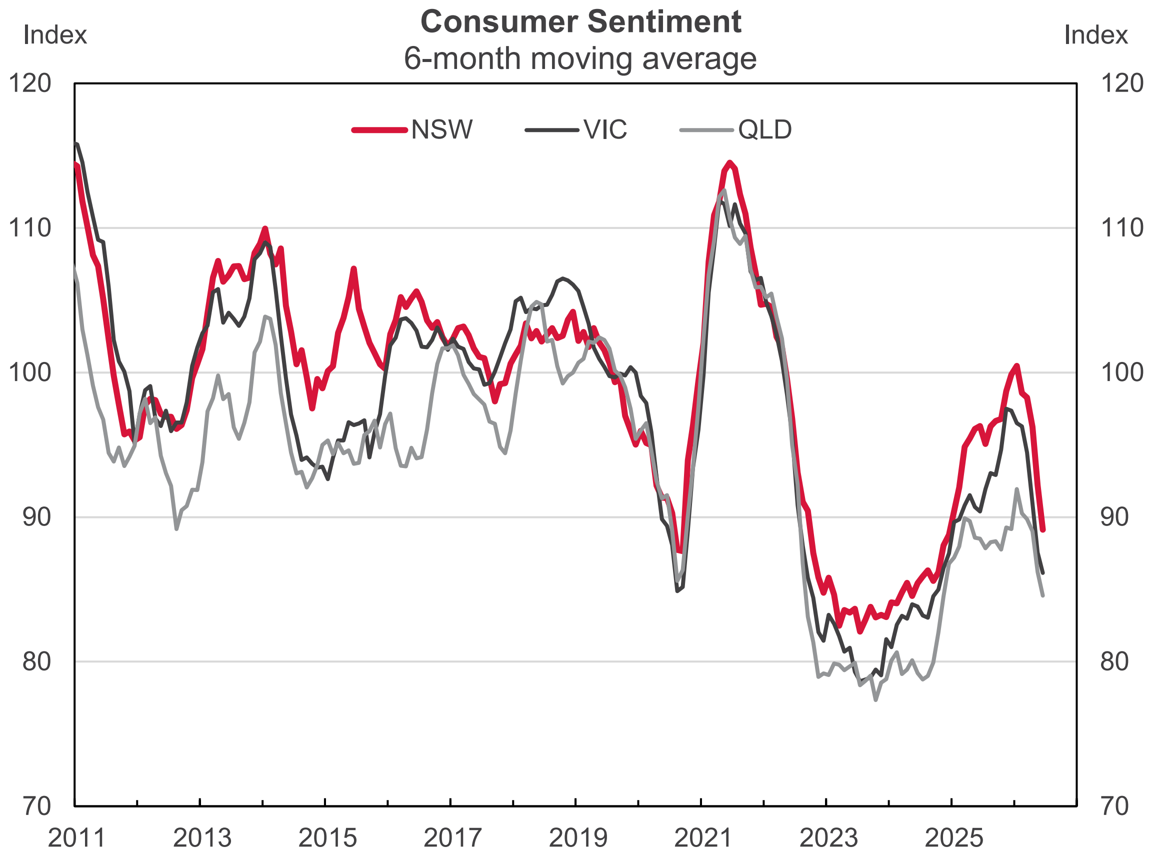
Source: Australian Bureau of Statistics

Consumer sentiment has weakened but business conditions have been resilient

NSW business conditions have been resilient and remained positive over the past year



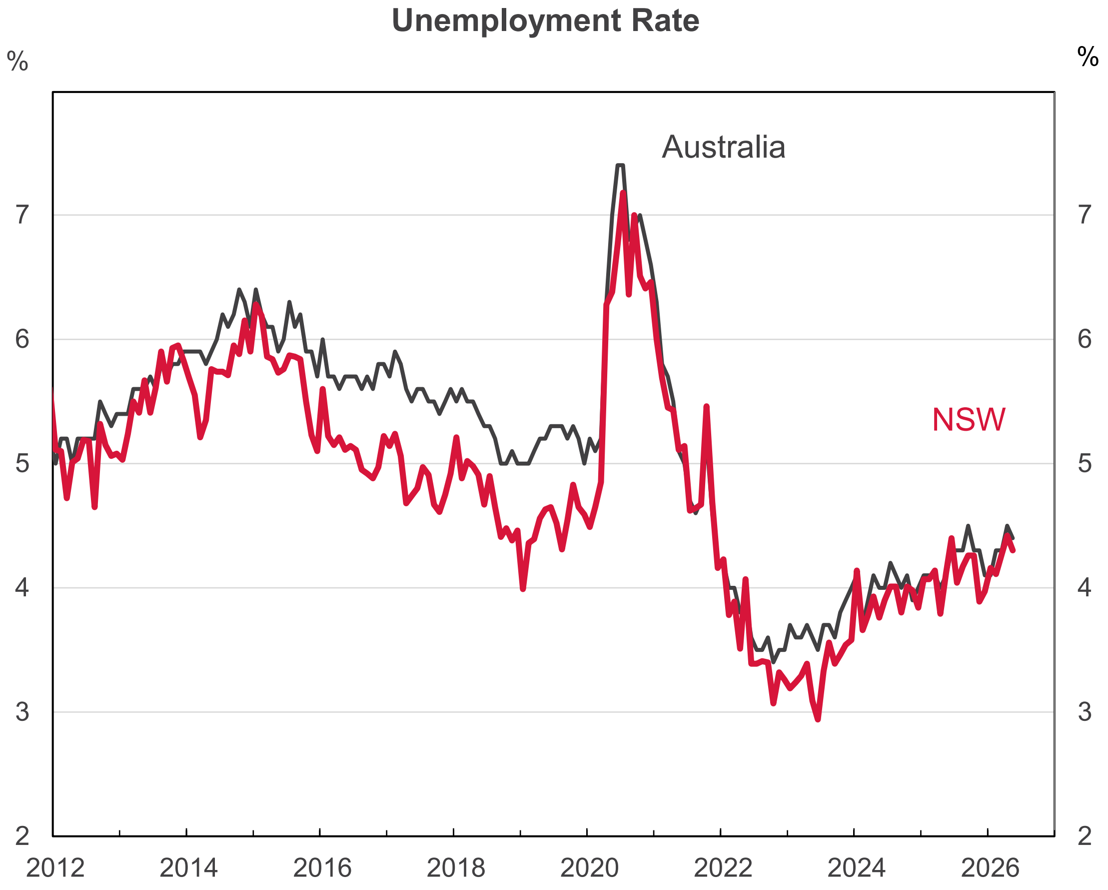
NSW consumers are slightly less pessimistic than their counterparts in VIC and QLD



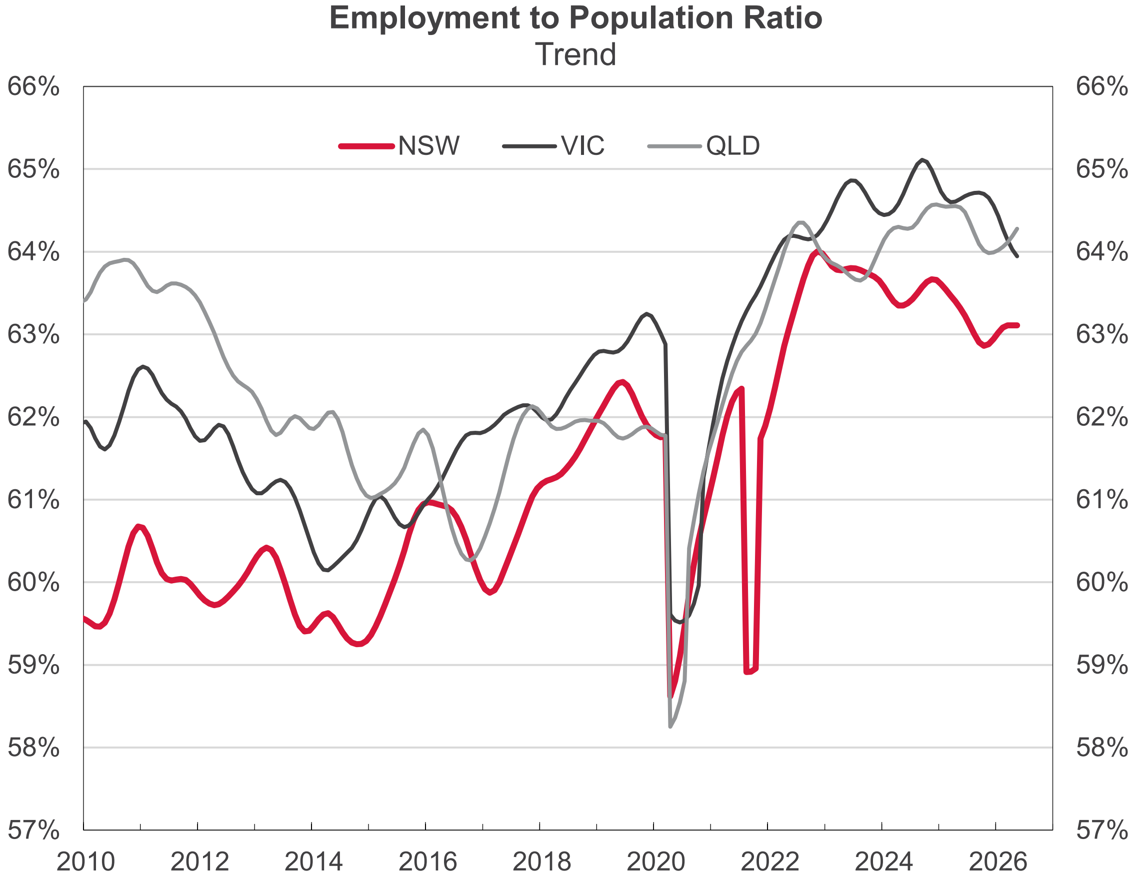
Source: NAB; Westpac

A strong labour market is supporting the economy, but is gradually softening

The unemployment rate remains low, at 4.3%



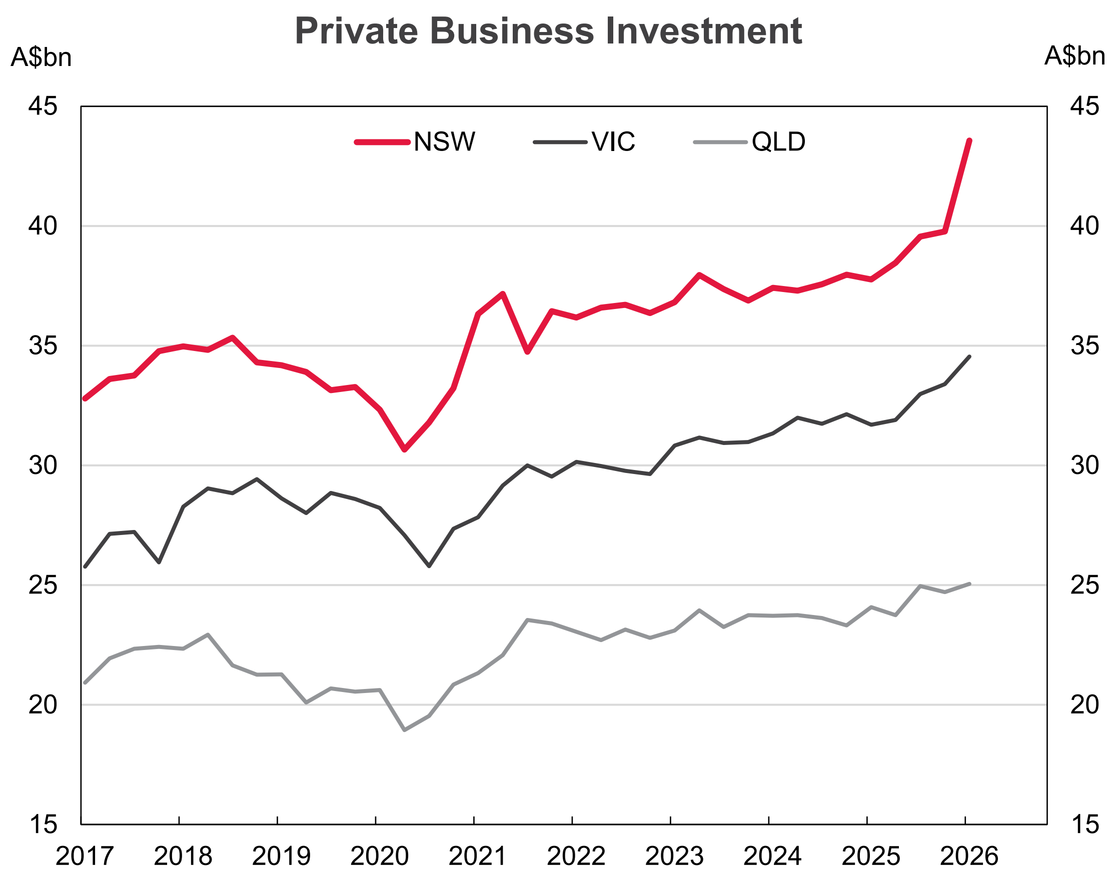
NSW employment has grown in line with population growth over the past year



Source: Australian Bureau of Statistics

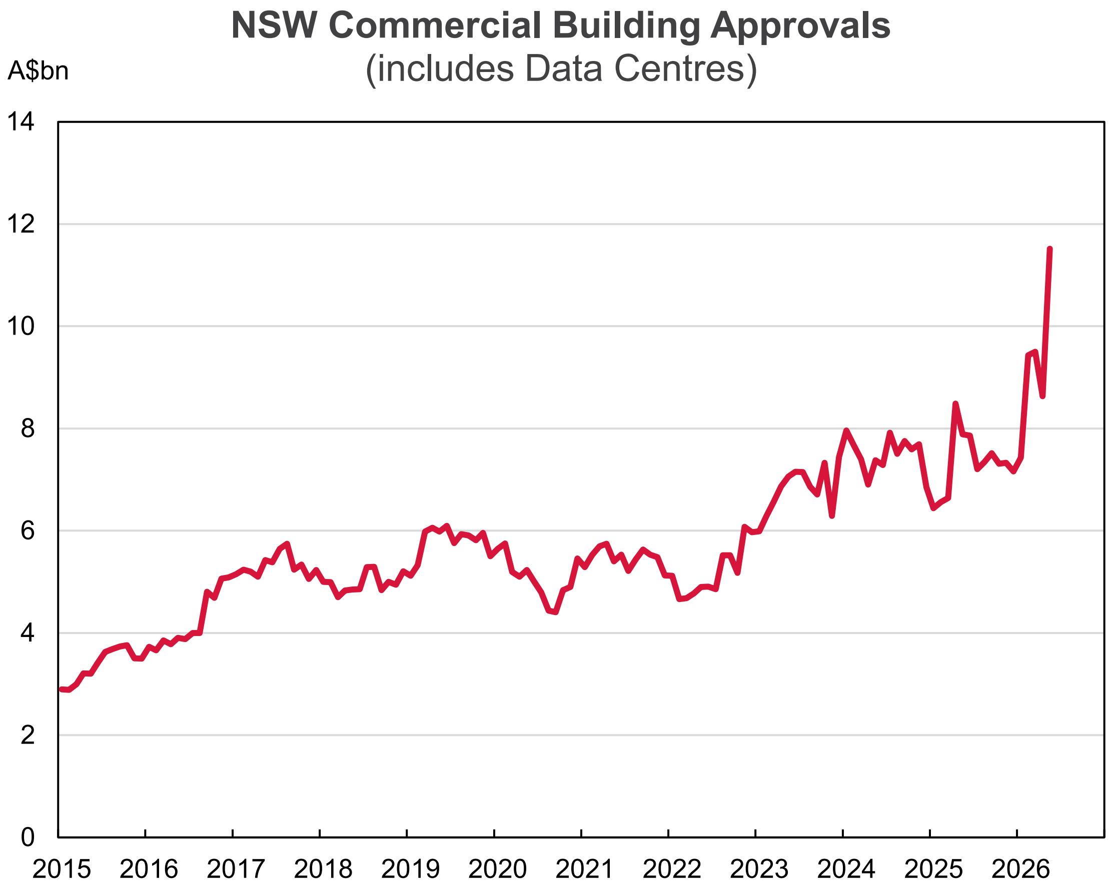
NSW business investment has risen strongly, with the NSW Government focussed on attracting private capital

NSW private-sector capital investment has grown strongly, particularly in data centres and renewable energy projects



Source: Australian Bureau of Statistics

Investment in data centres has underpinned a surge in commercial building approvals over the last year



3. Fiscal Outlook

Crookwell Wind Farm
Credit: Destination NSW

The NSW Government’s two key fiscal principles

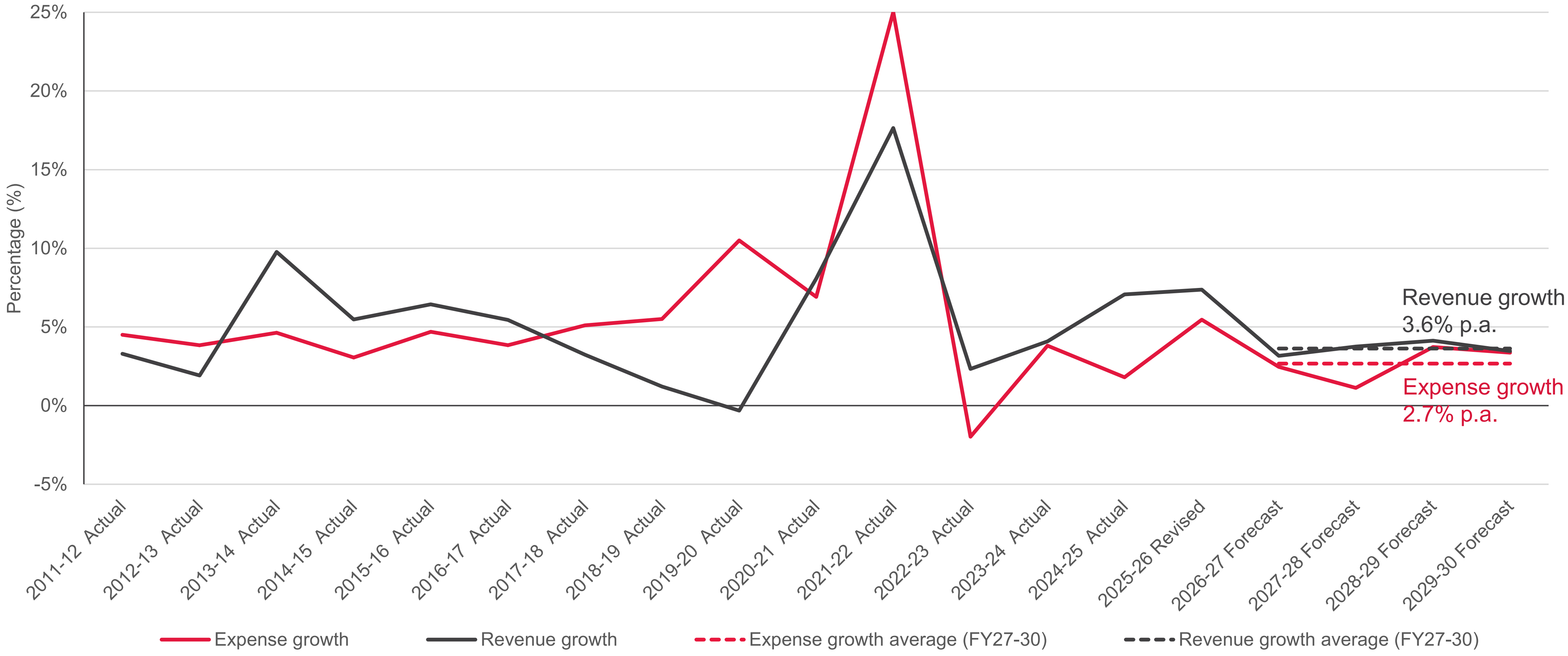
Budget repair continues to strengthen resilience, the commitment to the two key fiscal principles maintained

Returning to a sustainable operating position	Stabilising then maintaining a sustainable debt position
Returning to budget surplus by 2027-28	Gross debt at around 20% of gross state product
Expense growth maintained at around 2.7% over forward estimates	General Government infrastructure programme at around 2% of gross state product

Source: NSW Budget 2026-27 budget paper no.1 budget statement

Improving operating position supported by managing expense growth

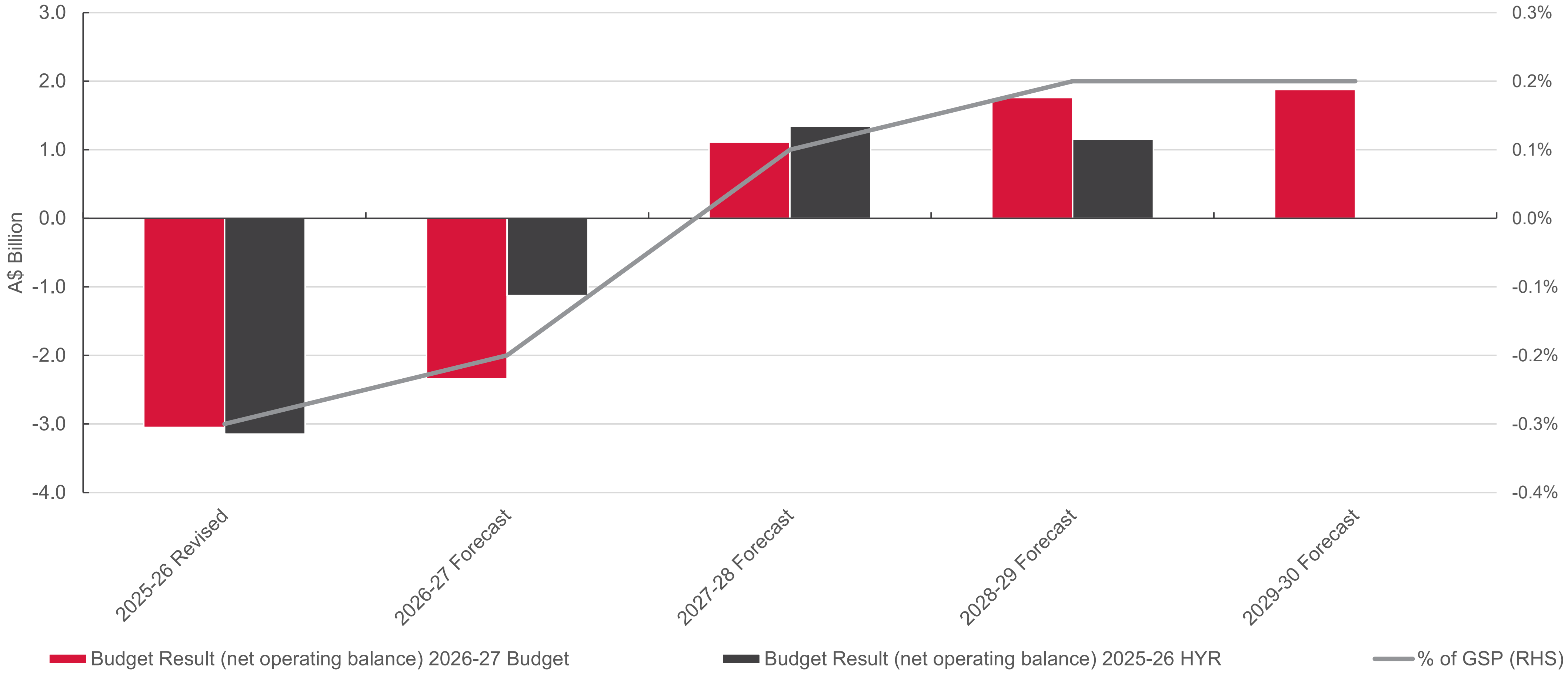
NSW has the lowest average expense growth of any Australian government since 2023/24



Source: NSW Treasury, NSW Budget 2026-27 budget paper no.1, budget statement, general government sector

NSW Budget remains on track for a return to surplus by 2027–28

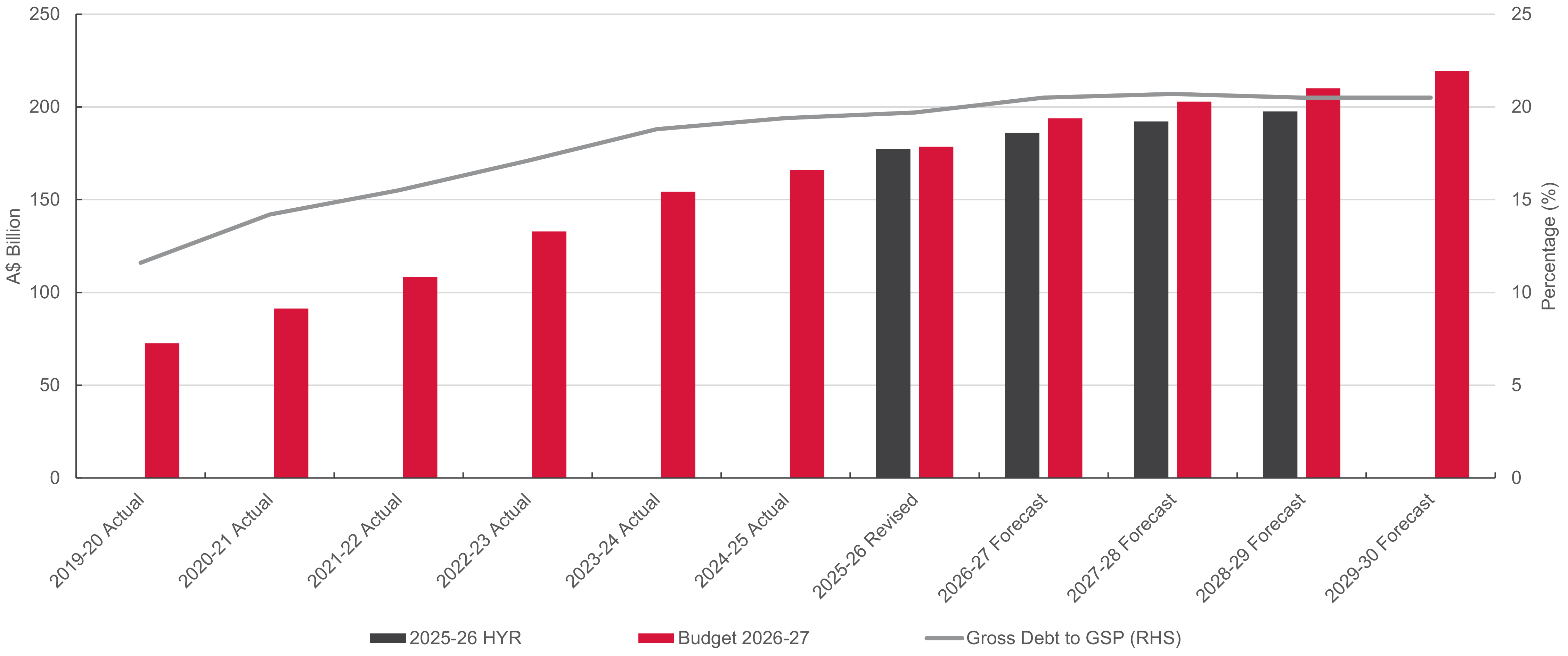
Global economic and fiscal headwinds are increasing shorter-term pressure on the budget result



Source: NSW Budget 2026-27 budget paper no.1, general government sector

Maintaining the state’s gross debt level at around 20% of Gross State Product

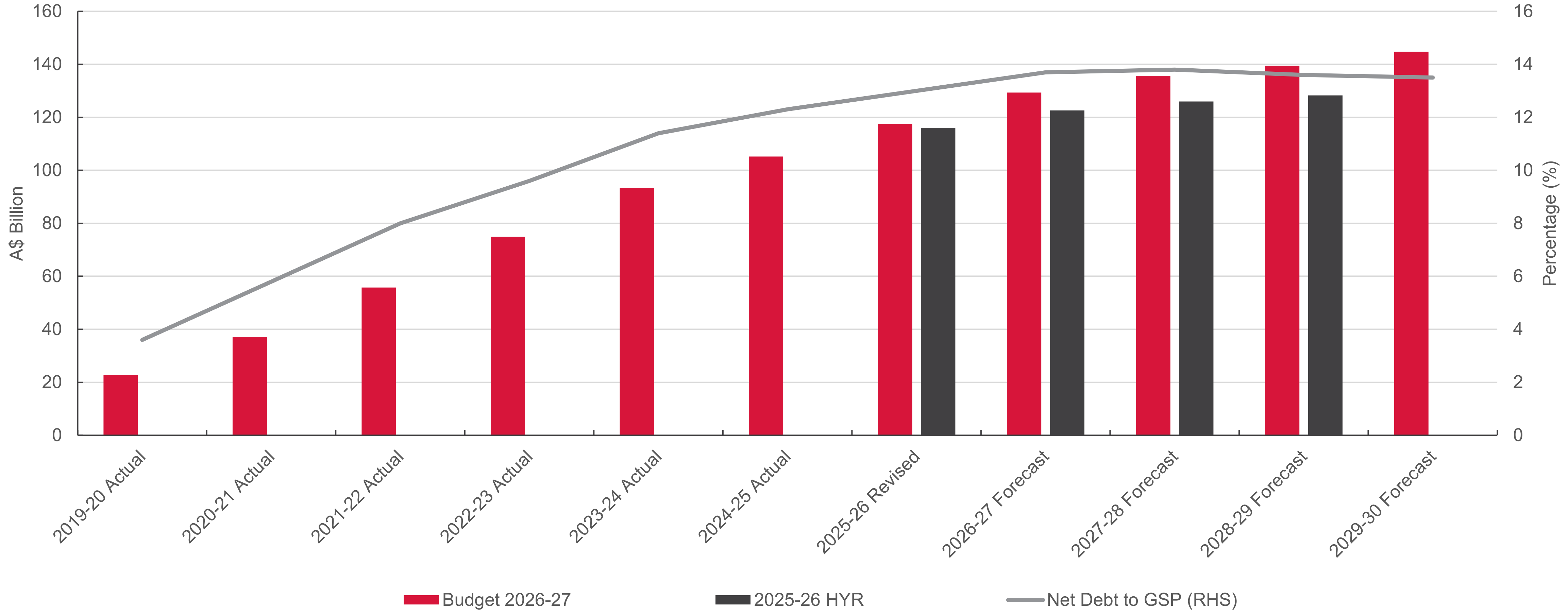
Stabilising the State’s debt trajectory remains critical to long-term budget sustainability, despite external pressures



Source: NSW Budget 2026-27 budget paper no.1, general government sector

Net debt to GSP is forecast to peak at 13.8% in 2027-28 before declining

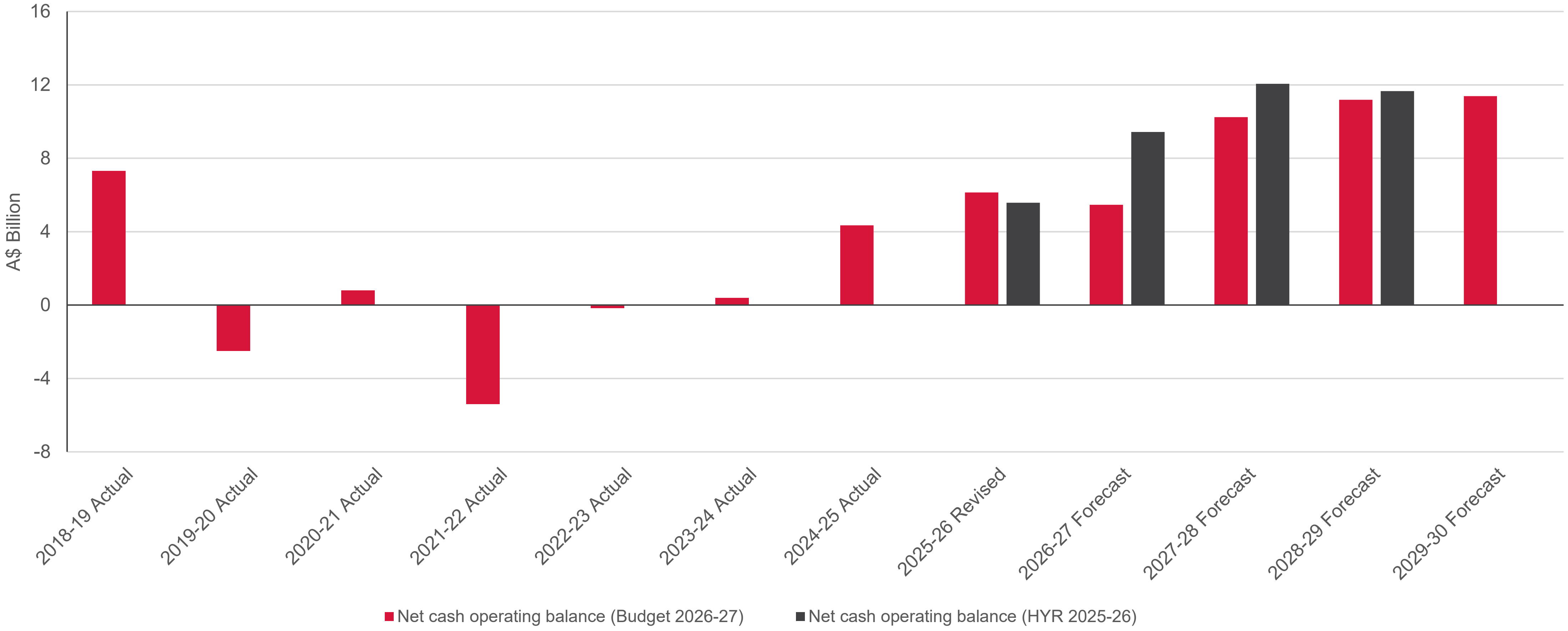
NSW is forecast to have the second lowest net debt to GSP of the Australian states by 2029-30



Source: NSW Budget 2026-27 budget paper no.1, general government sector

A growing net cash operating surplus reduces the borrowing requirement

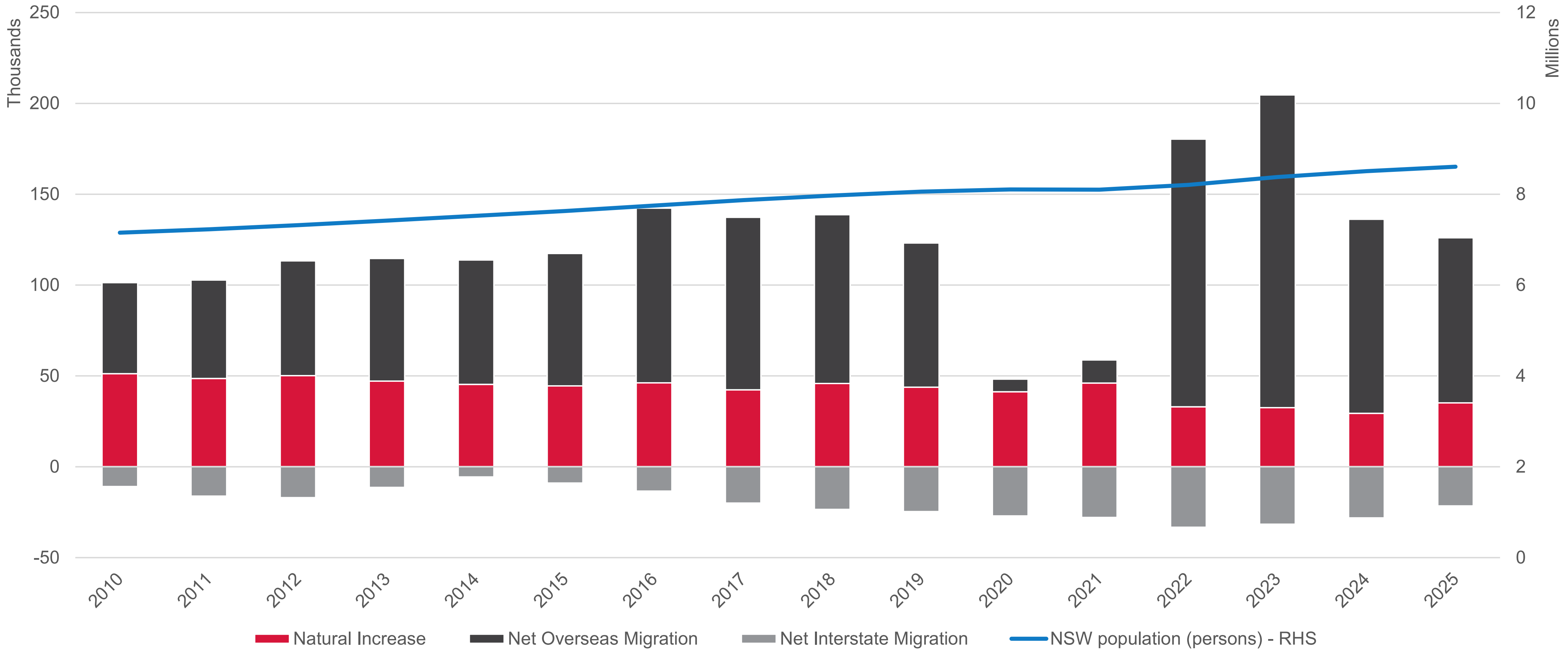
Projected net cash operating surplus of $11.4bn by 2029–30 supports infrastructure delivery, reduces reliance on debt funding



Source: NSW Budget 2026-27 budget paper no.1, general government sector

Net overseas migration has driven population growth in NSW

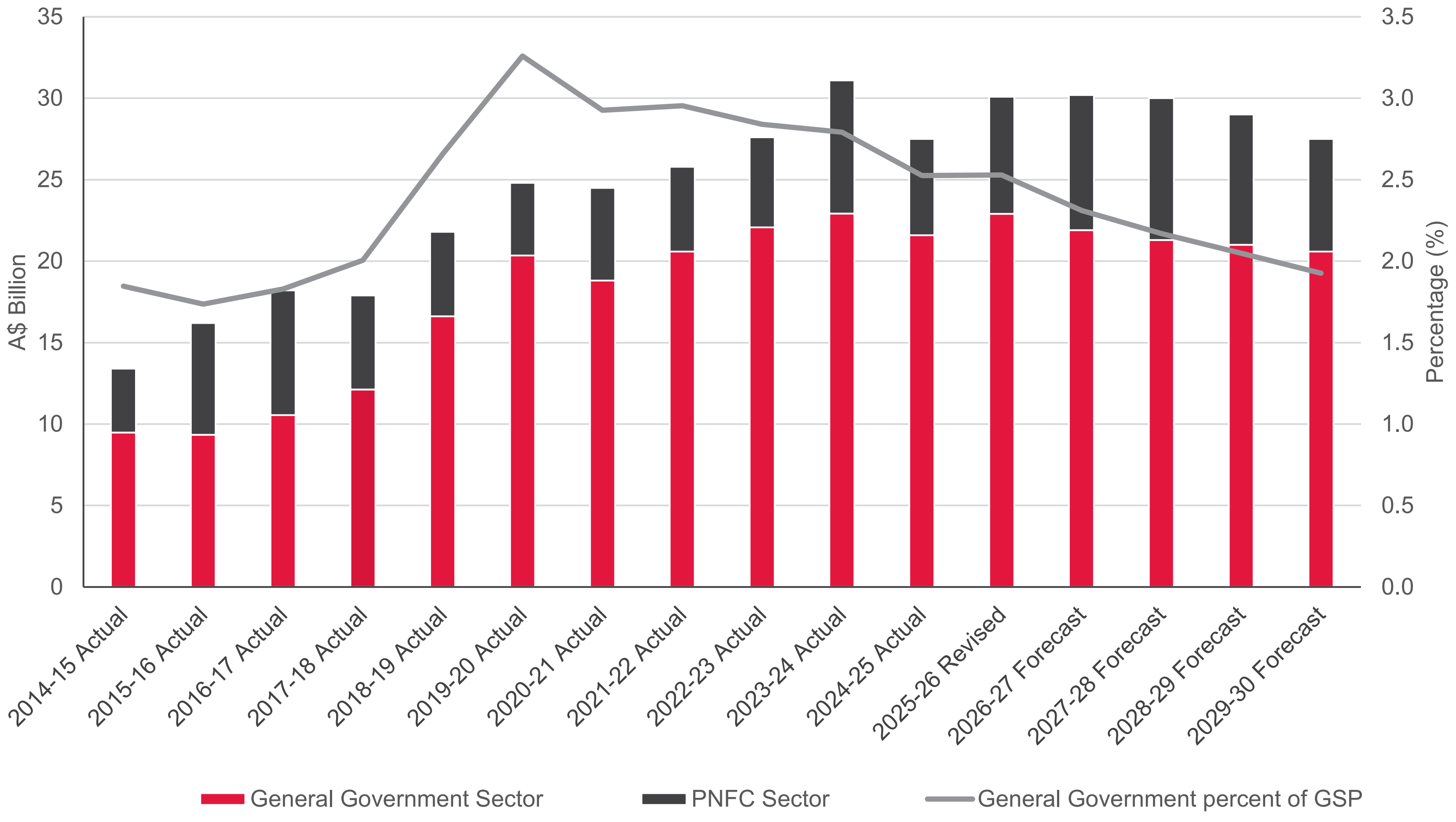
Moderating population growth following post pandemic spike



Source: Australian Bureau of Statistics

General Government Sector infrastructure program targeting around 2% of GSP

The $116.7bn infrastructure program over 4 years comprises $84.8bn for GGS and $31.9bn for PNFC



83%

funded by debt in 2022-23

53%

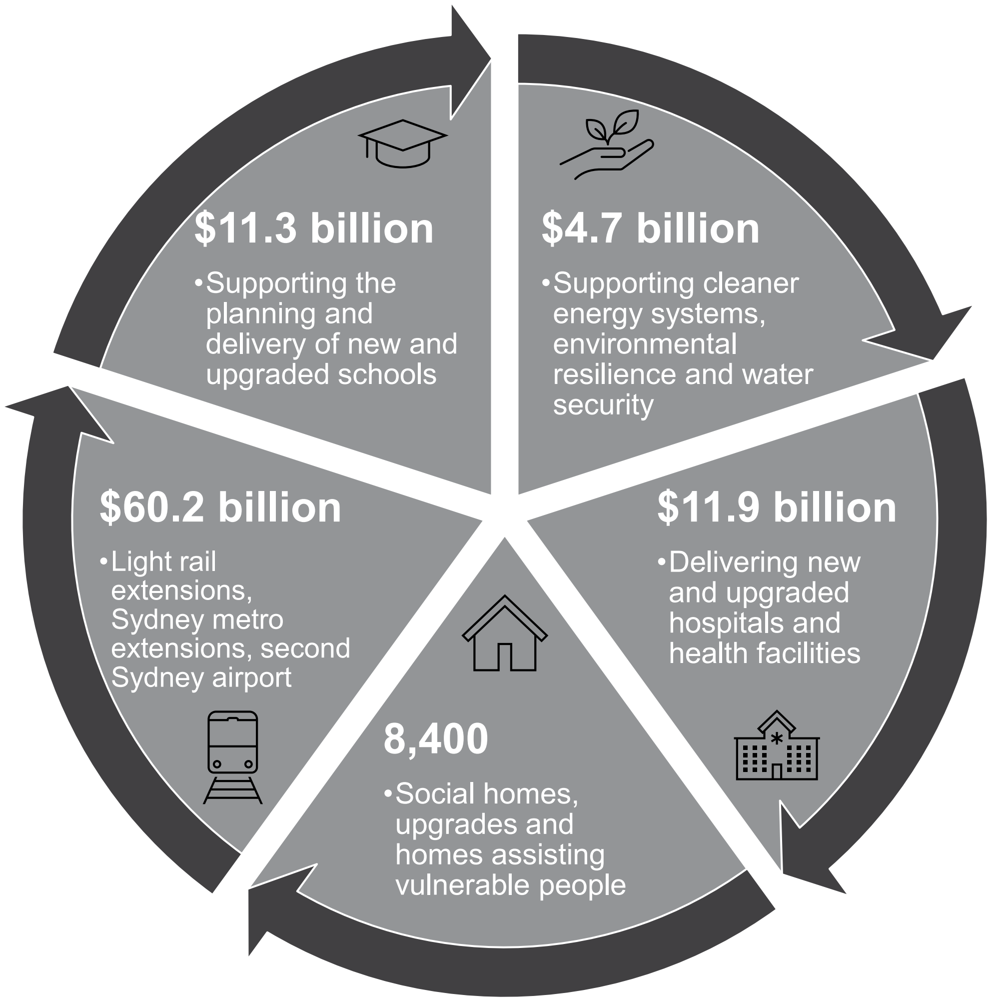
funded by debt in 2026-27

GGS denotes General Government Sector
PNFC denotes Public Non-Financial Corporations

Source: NSW Budget 2026-27 budget paper no.1 and budget paper no.3

$116.7bn Essential Infrastructure Plan

Forecast expenditure to 2029-30 supports population growth and improves access to essential services

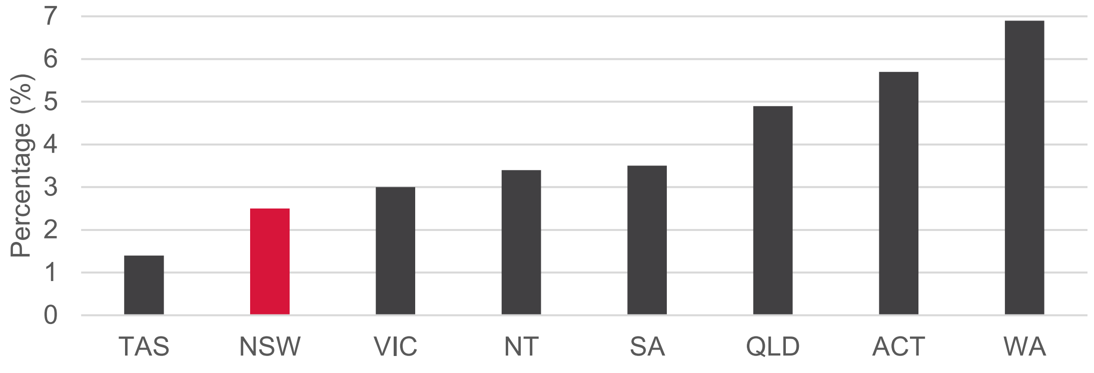


Source: NSW Budget 2026-27 budget paper no.1 and budget paper no.3

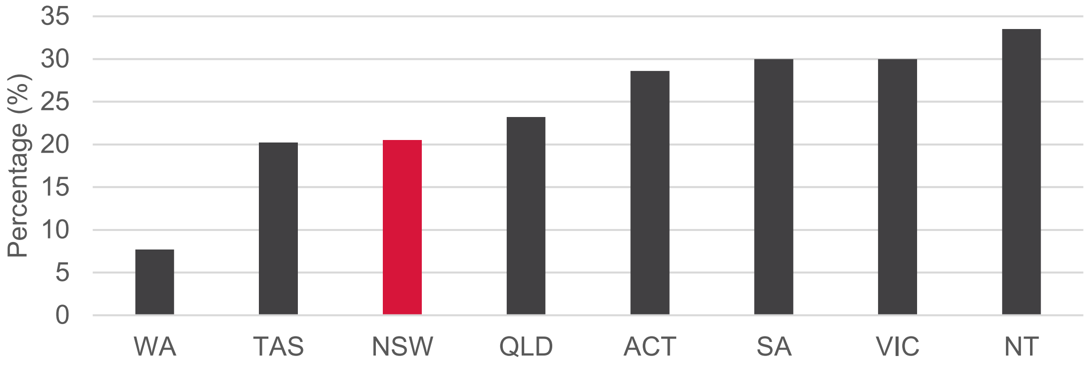
NSW peer analysis – General Government

Expense growth control, improving net cash operating position, working to stabilise debt

2026-27 Expense Growth

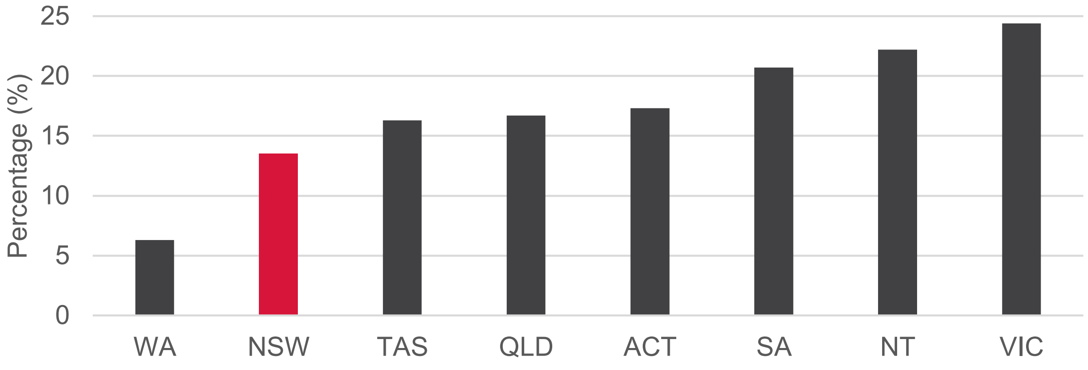


2029-30 Gross Debt to GSP



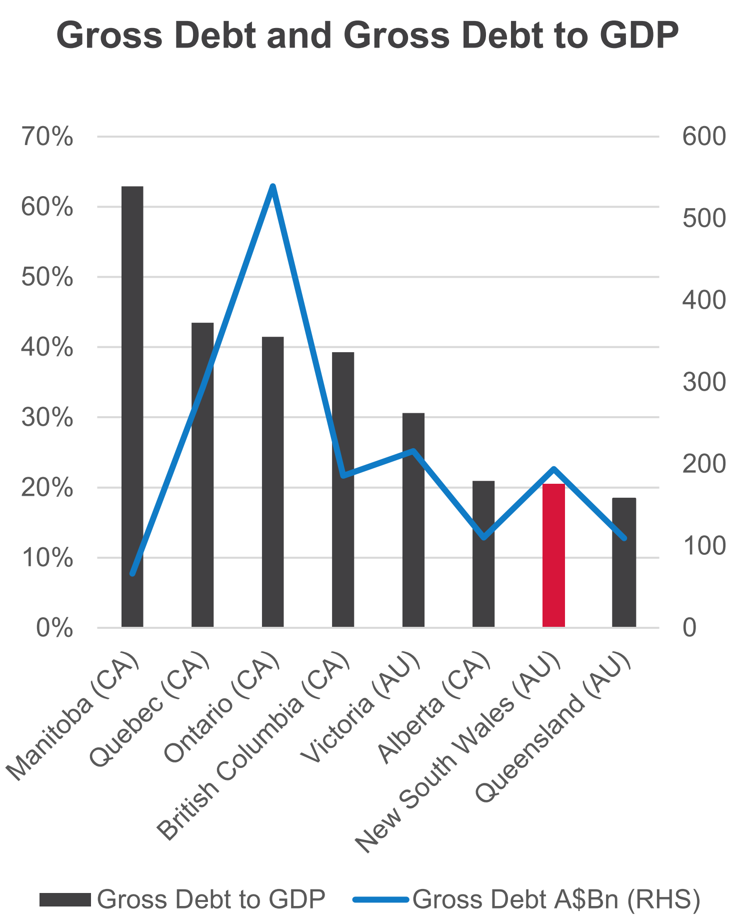
2026-27 Net Cash Operating Position

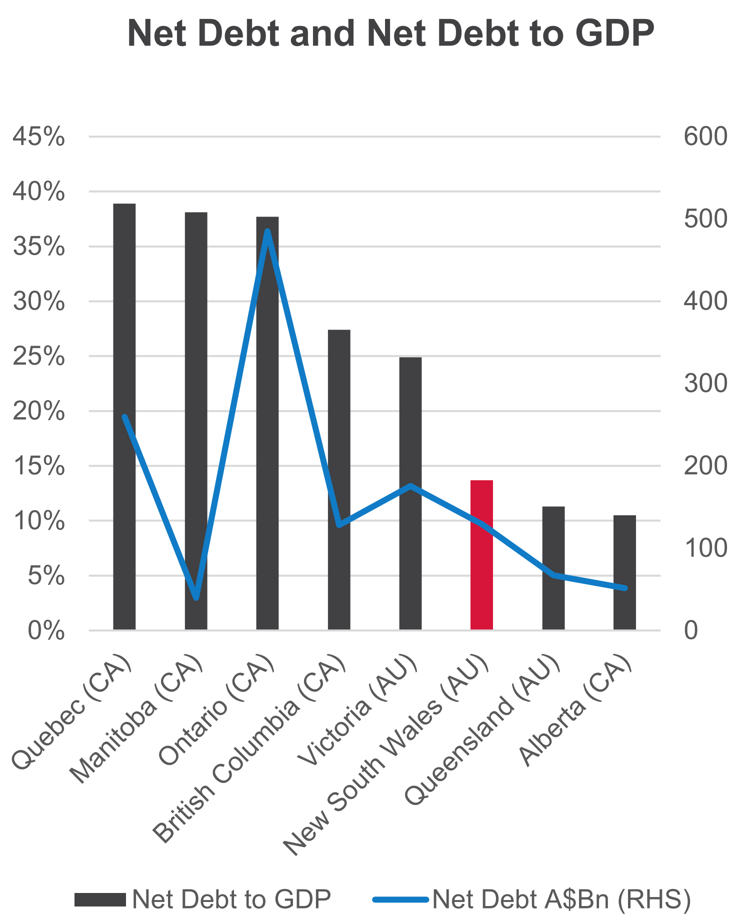
2029-30 Net Debt to GSP

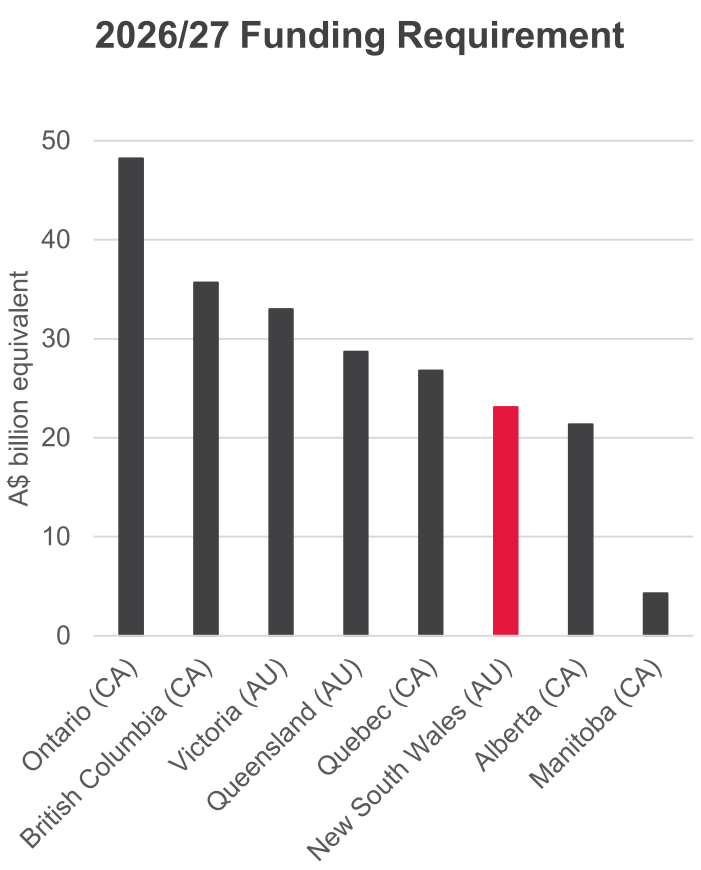


Source: NSW Treasury and other state and territory Budgets
Net cash operating position is revenue minus operating expenditures on a cash basis

Australian Semi Governments versus Canadian Provinces







Source: NSW Treasury, other state Budgets and Canadian provincial Budgets; General Government
Public accounts basis. Numbers are based on reports from individual governments and, due to accounting and/or reporting differences, are not strictly comparable between provinces
Canadian financial year to 31 March 2027, Australian financial year to 30 June 2027

4. 2026-27 Budget Highlights

Pokolbin
Credit: Destination NSW

Taxation revenue down by $7.1 billion over four years since HYR 2025-26

Offset by upward revisions in GST revenue, investment returns and Australian Government payments

Downward revision of property taxes

$5.3 billion
Transfer duty

Driven by a weaker property market outlook

$3.1 billion
Land tax

Driven by a weaker outlook for property price growth

Improvements in other revenues

$5.3 billion
Other dividends and distributions

Supported by the implementation of the OneFund strategy

$1.3 billion
Payroll and other taxes

Driven by the strong labour market

Australian Government payments

$4.7 billion
Australian Government payments (excl. GST)

Primarily reflecting additional health funding

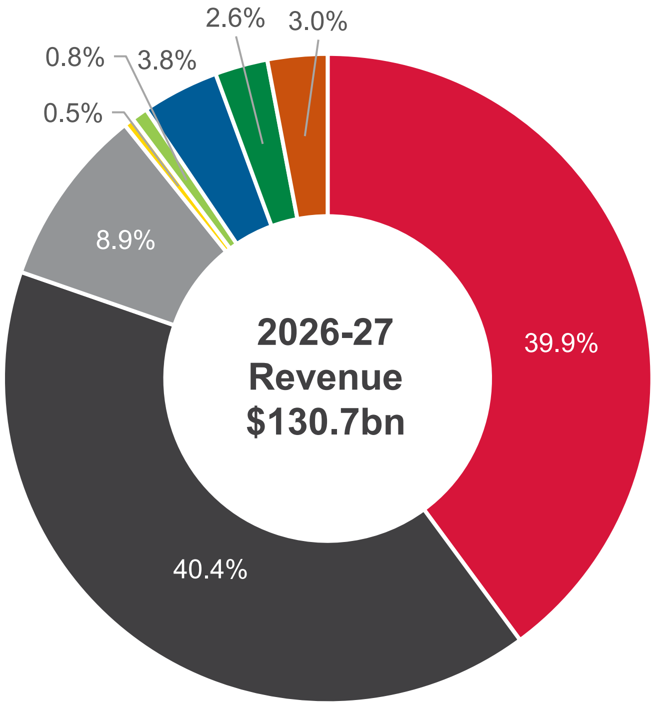
$5.6 billion
GST revenue

Smaller share of a larger pie

Source: NSW Budget 2026-27, NSW Treasury

Revenue forecast to be $130.7bn, 3.1% higher than previous year

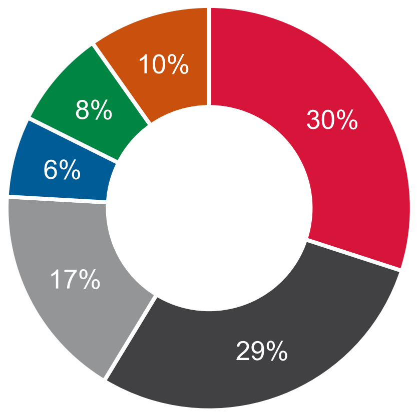
Taxation revenue being pressured by a weaker outlook for the property market, placing downward pressure on house prices and transaction volumes



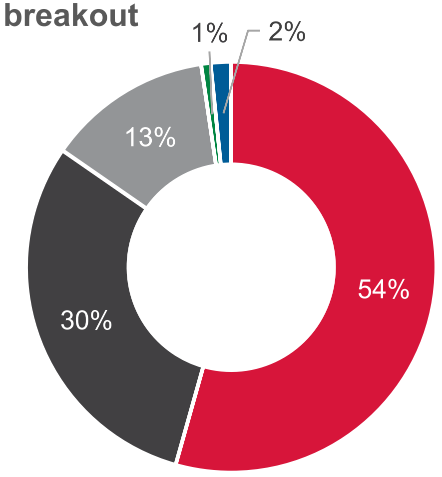
- Taxation
- Grant revenue (inc. GST)
- Sale of goods and services
- Interest income
- Dividends and income tax equivalents from other sectors
- Other dividends and distributions
- Royalties
- Fines, regulatory fees and other revenue

Taxation revenue $52.1bn - breakout

- Stamp duties
- Payroll tax
- Land tax
- Motor vehicle taxes
- Gambling and betting taxes
- Other taxes and levies



Grant revenue $52.8bn - breakout



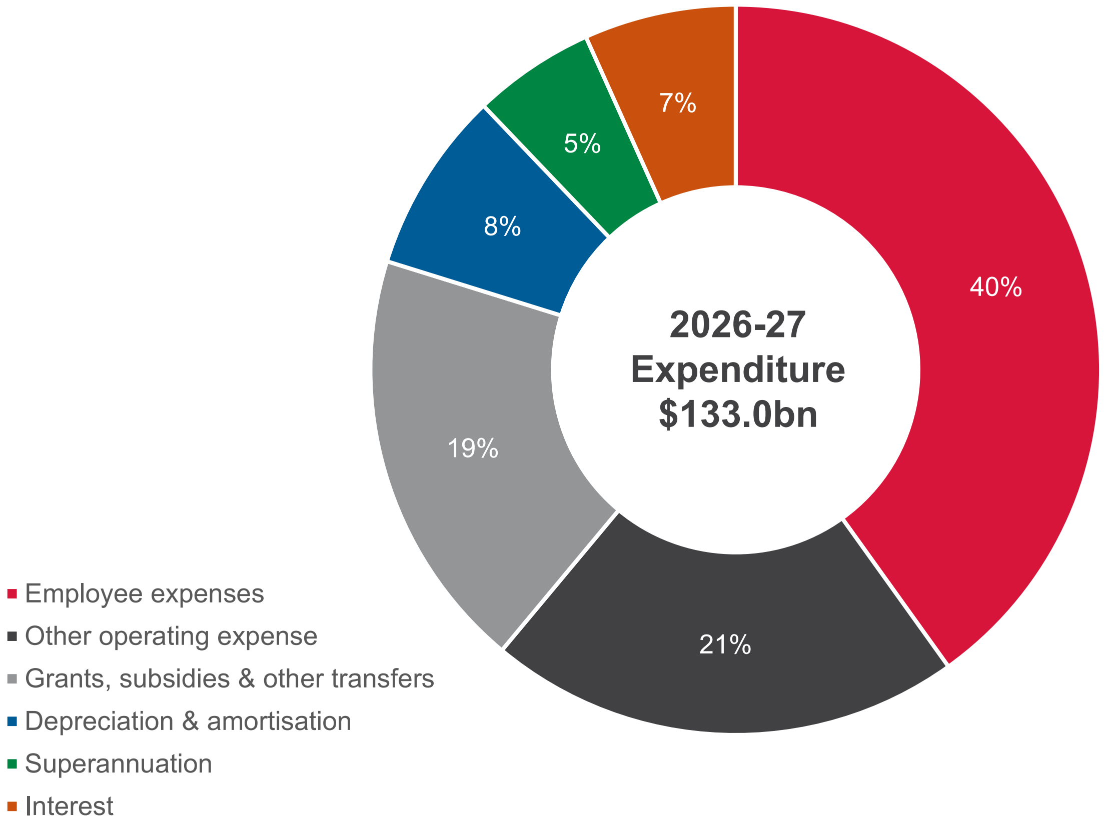
- GST revenue (incl. no worse off payment)
- National Agreement
- Federation funding agreements
- Other payments
- Other grants

Source: NSW Budget 2026-27 budget paper no.1, general government sector

Expenditure forecast to grow at an average of 2.7% over the forward estimates

Growth in spending being driven by increasing interest expenses and operating costs

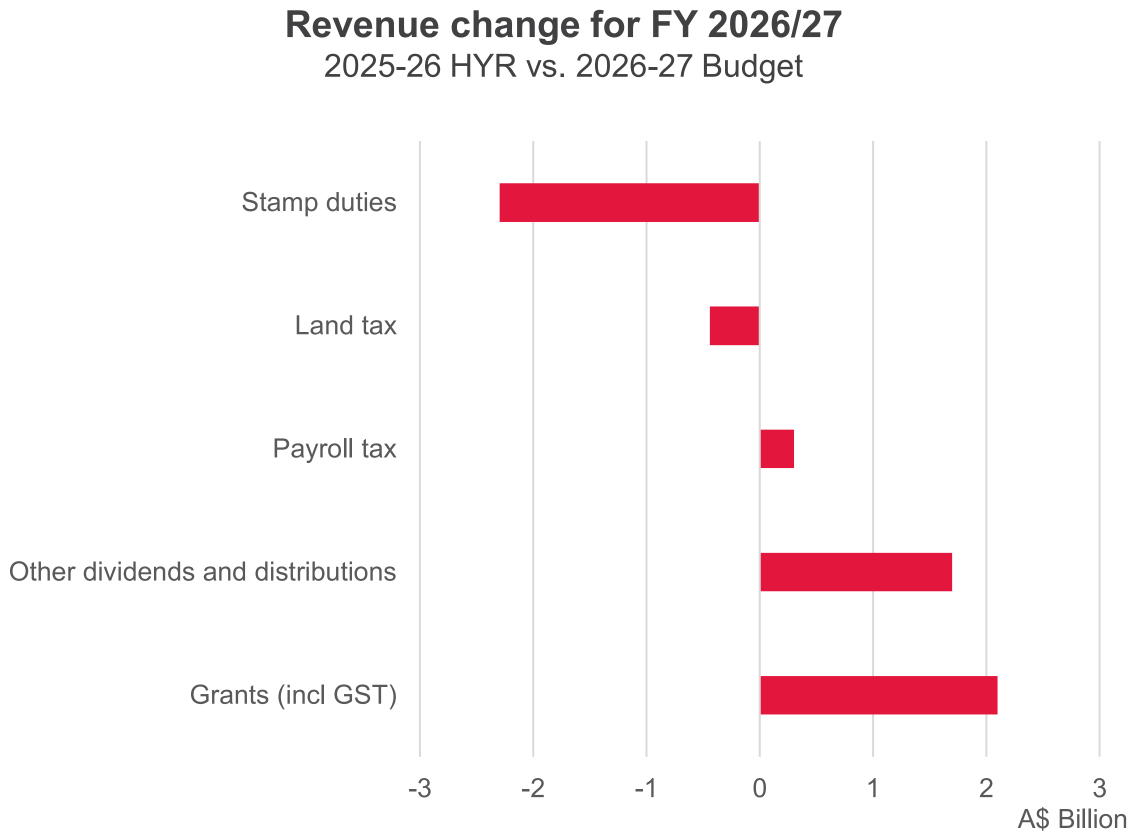
The Comprehensive Expenditure Review continues to provide some offsets

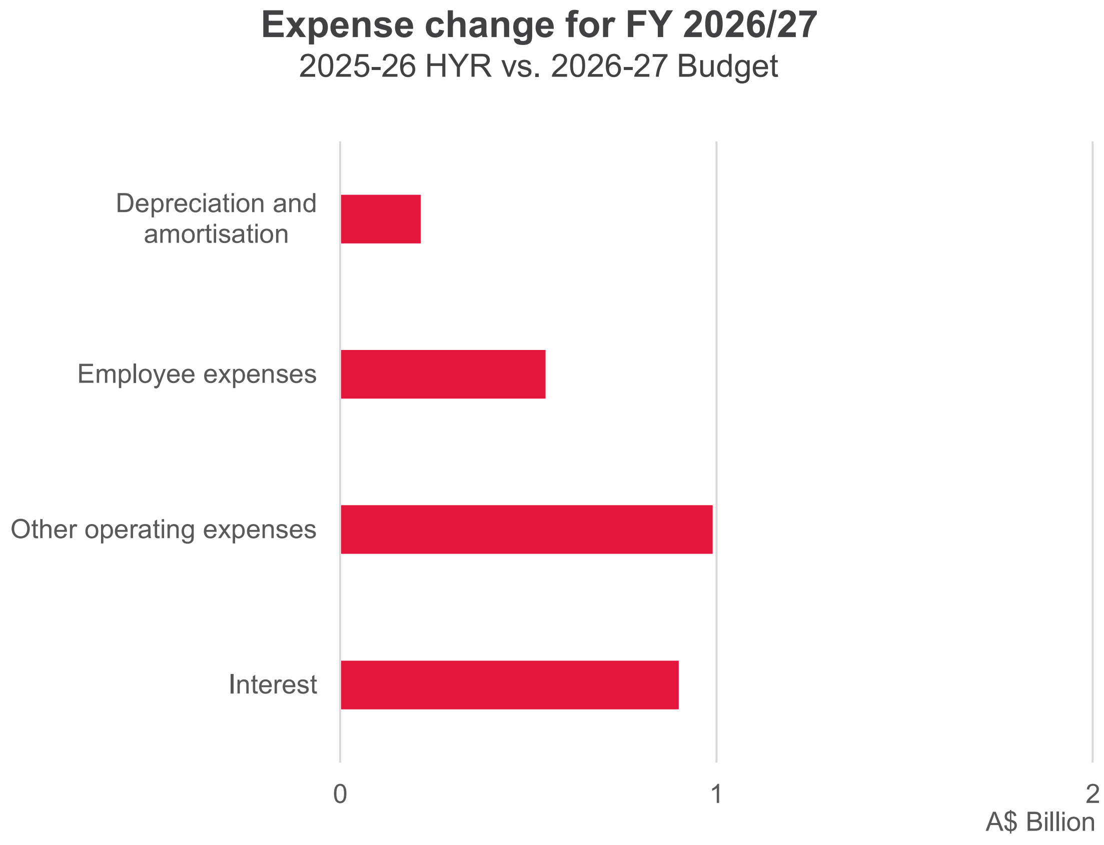


Source: NSW Budget 2026-27 budget paper no.1, general government sector

Key revenue and expense movements since 2025-26 HYR

Weaker property market dampening revenue, partly offset by investment gains, with rising rates and inflation pressuring expenses





Source: NSW Budget 2026-27 budget paper no.1, general government sector and 2025-26 Half-Yearly Review

5. Funding Programme

Sea Cliff Bridge, Clifton
Credit: Destination NSW

TCorp's FY27 forecast borrowing programme and forward estimates

- Prioritise term debt funding through public transactions targeting:
  - 50% syndication
  - 30% tender
  - 20% reverse enquiry
- TCorp intends to bring forward a portion of FY28 funding into FY27
- Target an average monthly funding volume of around A$2.5 billion
- Scheduled bond tenders on the 2nd and 4th Thursday of each month
- Continue to monitor non-AUD placement and benchmark issuance opportunities
- Opportunities to buy back and extend upcoming benchmark bond maturities
- New fixed rate sustainability benchmark bond

A$bn	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
New client loans	17.6	11.4	9.0	10.4
Term maturities	9.8	17.2	17.3	19.4
Less prefunding	**-4.3**			
Funding requirement	**23.1 (+1.5)**	**28.6 (+3.5)**	**26.3 (+3.0)**	**29.8**

Numbers in brackets represent changes from the FY26 Half-Yearly Review Funding Requirement published on 19 December 2025

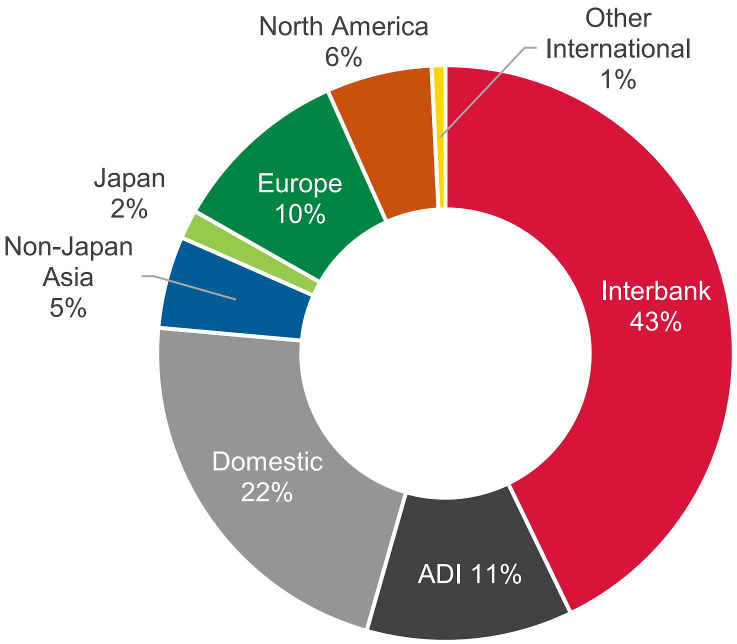
Forecasts are expressed in capital value as at 23 June 2026, rounded to the nearest A$100mn

Source: TCorp, NSW Treasury

TCorp has a growing and increasingly diversified investor base

During FY26, TCorp, QTC and TCV reported over A$1t in panel bank secondary market turnover

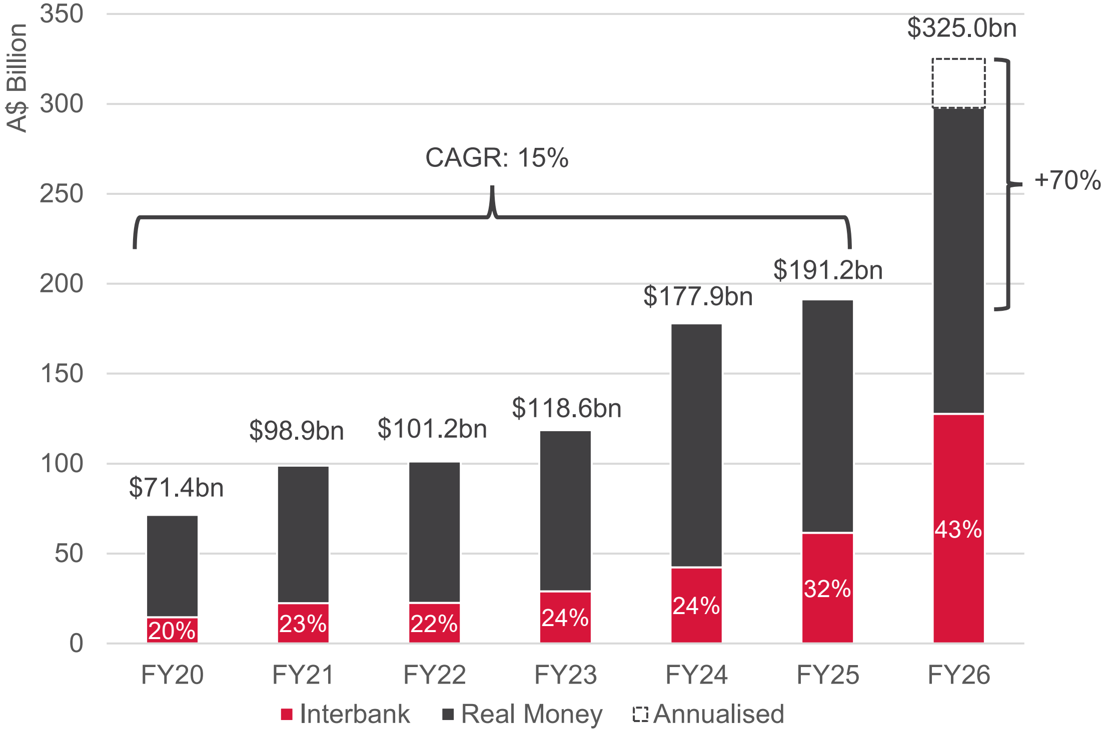
(interbank weighted to 50%, syndication, tender and reverse enquiry excluded)



22% (~$165) of Semis are held by foreign investors, versus 46% (~$440bn) of Australian Commonwealth Government Bonds

TCorp secondary market turnover

(interbank weighted to 50%, tender and reverse enquiry excluded)

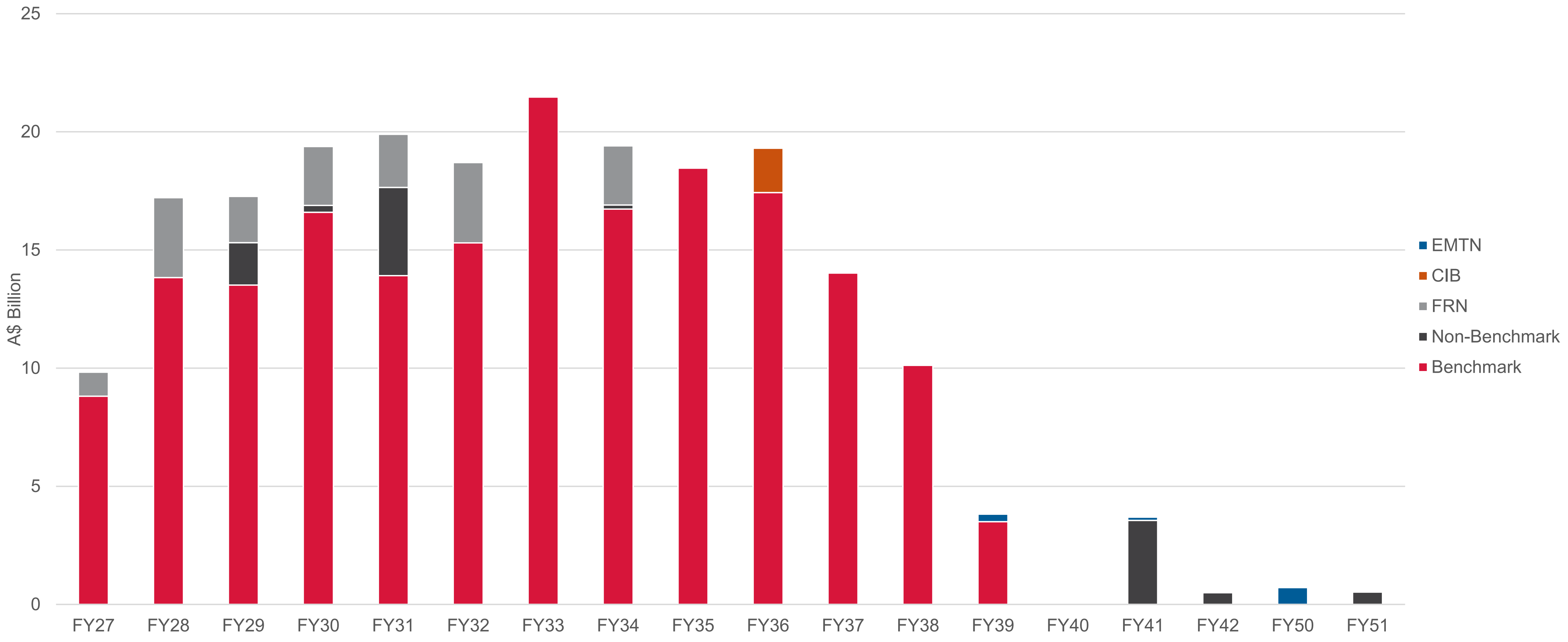


Growing liquidity and attractive relative value continues to attract new TCorp investors

Source: Australian Bureau of Statistics; TCorp, secondary turnover as at 31 May 2026

TCorp maturity profile

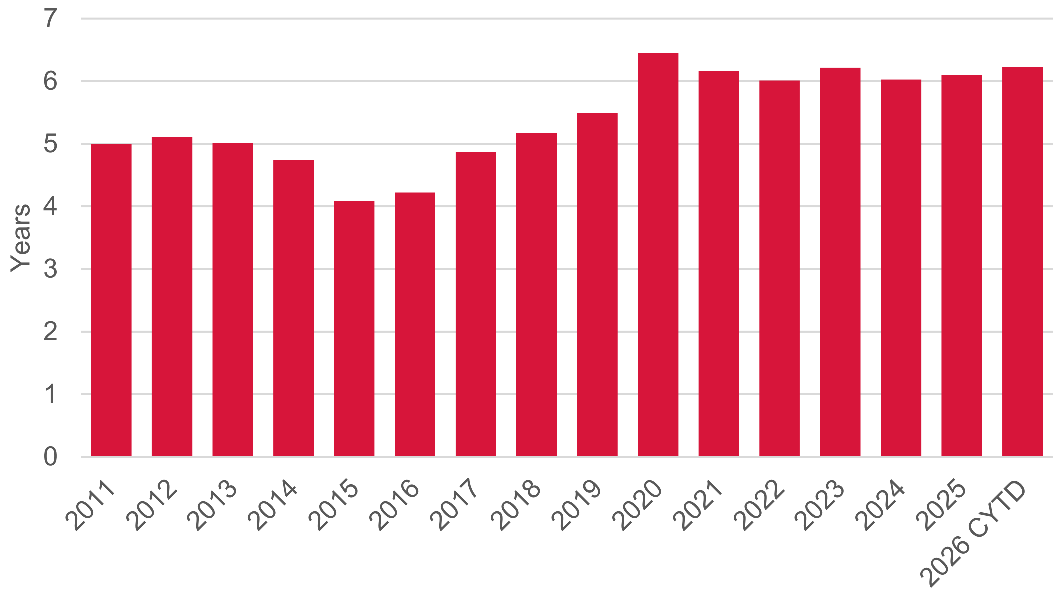
Investors benefit from a liquid and diversified product offering



Source: TCorp as at 30 June 2026

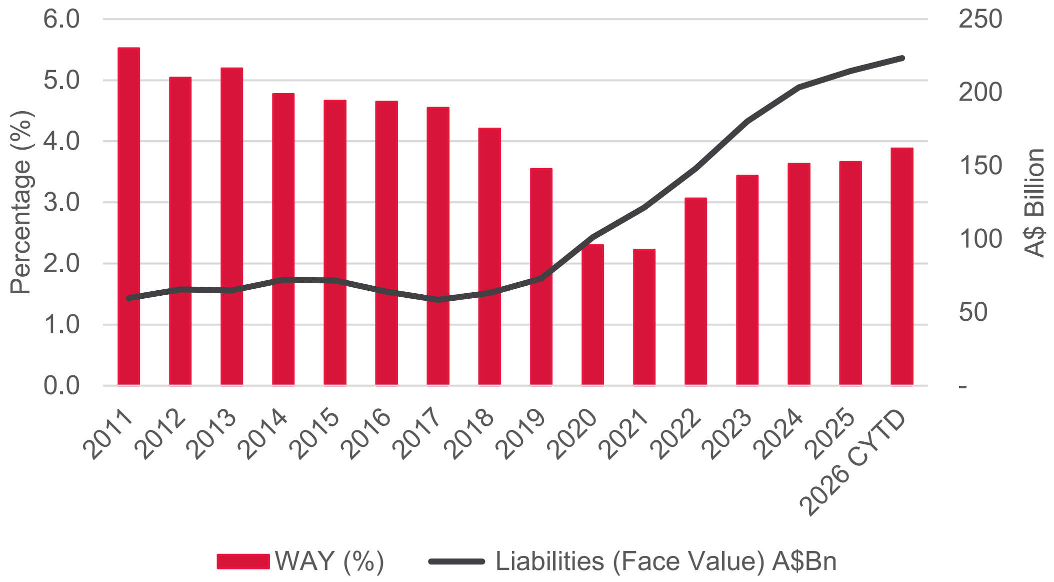
TCorp's borrowing costs remain below historical levels

Weighted average life (WAL)



Duration increased at a time of lower interest rates and has stabilised in recent years

Weighted average yield (WAY)



NSW's average borrowing costs, while increasing with interest rates, remain well below historical levels

Source: TCorp as at 31 May 2026

6. Sustainability in NSW

Caves Beach, Lake Macquarie
Credit: Destination NSW

NSW sustainability commitments

Climate change mitigation

The **Climate Change (Net Zero Future) Act 2023** sets targets to reduce net greenhouse gas emissions for NSW:

- By at least 50% on 2005 levels by 30 June 2030
- By at least 70% on 2005 levels by 30 June 2035
- To net zero by 2050

Climate adaptation and resilience

The **NSW Climate Change Adaptation Strategy** has 4 priorities:

- Develop robust, trusted metrics and information on climate change risk
- Complete climate change risk and opportunity assessments
- Develop and deliver adaptation action plans
- Embed adaptation in NSW Government decision-making

Nature and biodiversity

The NSW Plan for Nature set out a whole-of-government reform agenda to strengthen biodiversity outcomes, environmental stewardship and conservation

Homes for NSW Strategy

A 10-year plan to transform the social housing and homelessness system – delivering new homes and building a system for generations to come.

Supporting communities

Our Plan for NSW Public Education and **Future Health** outline plans to create an equitable education system and a sustainable health system that delivers patient and community centred outcomes.

Supporting diversity

The **Gender Equality Budget Statement** to enhance economic opportunities for everyone and the **Disability Inclusion Action Plan** provides a roadmap towards accessibility and inclusion

Source: NSW Treasury and Department of Climate Change, Energy, Environment and Water (DCCEEW)

NSW Sustainability Bond Programme overview

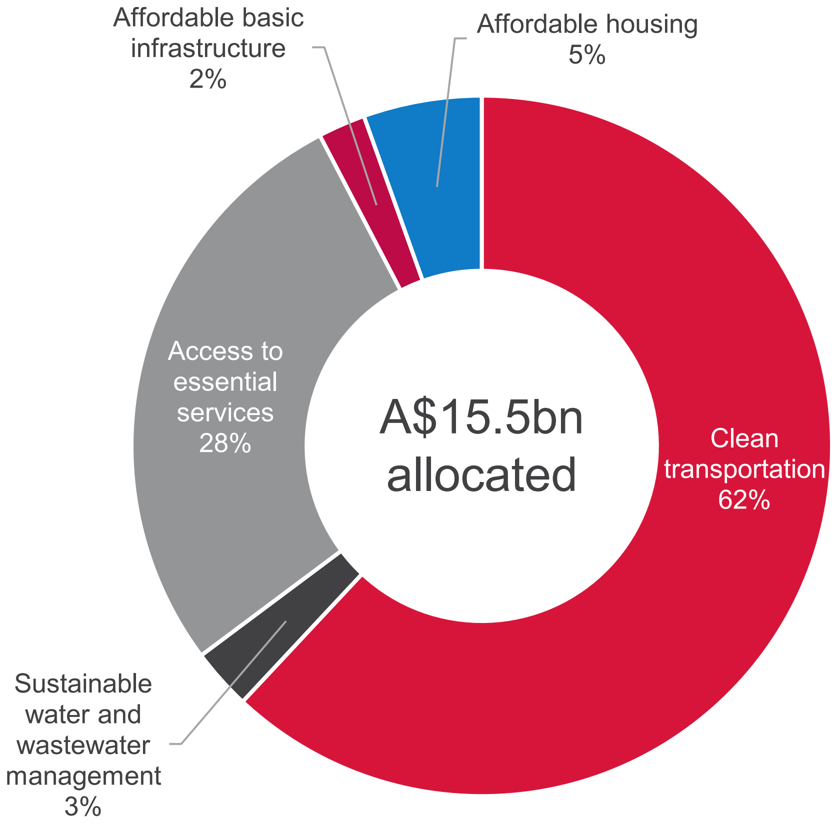
Mechanism for investors to contribute capital to support environmental and social goals

Framework	NSW Sustainability Bond Framework – September 2024
External review	• Second Party Opinion on current Framework provided by Sustainalytics • Independent limited assurance report by Sustainalytics on outstanding GSS bonds
Green bonds	Issued in alignment with **2021 ICMA Green Bond Principles (GBP)** Certification in compliance with **Climate Bonds Standard V4.2** at TCorp's discretion
Social bonds	Issued in alignment with **2023 ICMA Social Bond Principles (SBP)**
Sustainability bonds	Issued in alignment with **2021 ICMA Sustainability Bond Guidelines (SBG)**
Components	GSS bonds issued in alignment with the four core components of the ICMA Principles: • Use of proceeds • Process for project evaluation and selection • Management of proceeds • Reporting
Asset pool	• Limited to expenditure on eligible projects and assets detailed in the Framework • Only expenditure that has already occurred • Refinancing of assets via the SBP occurs only once
UN SDGs	Framework incorporates ICMA alignment mapping of GBP and SBP to UN SDGs
Annual report	Annual report covering the use of proceeds of all outstanding GSS bonds
Website	Sustainability Bonds - TCorp - NSW Government

Morningstar Sustainalytics, a globally-recognized provider of ESG research, ratings and data, evaluated the Framework and the alignment thereof with relevant industry standards and provided views on the robustness and credibility of the Framework. The SPO whether in whole or in part shall not be construed as part of any securities offering and shall not be considered as an offer or advertisement to buy a security, solicitation of votes or proxies, investment advice, expert opinion or negative assurance letter as defined by any applicable laws.

NSW Sustainability Bond Programme asset pool

Over A$29 billion eligible asset pool consisting of environmental and social projects



Clean transportation	• M1 Metro Northwest and Bankstown Line • Newcastle Light Rail • CBD and South East Light Rail • Parramatta Light Rail Stage 1 • Zero Emissions Buses – Greater Sydney Stage 1
Sustainable water and wastewater management	• Water treatment, naturalisation and stormwater improvement programs
Access to essential services	• Public School Infrastructure • Critical Communications Enhancement Program • Infrastructure and services supporting the delivery of public healthcare
Affordable basic infrastructure	• National Parks Visitor Infrastructure • Transport Access Program – Tranche 3 • Safe Accessible Transport Program
Affordable housing	• Construction, maintenance, upgrades and refurbishments of social and affordable housing • Development and management of Aboriginal housing

Source: TCorp as at 30 June 2026

Sustainable Finance website

A centralised platform detailing how the NSW Government incorporated social and environmental factors into financial decisions

What it does

- Streamlines access to policies, programs and data related to the NSW Government's sustainable finance activities and outcomes

What it aims to achieve

- Improve transparency around how NSW is responding to the risks and opportunities posed by sustainability issues

What NSW information is available

- Key policies and legislation, e.g. Climate Change (Net Zero Future) Act 2023
- Sustainable debt and investment initiatives, e.g. NSW Sustainability Bond Programme
- Sustainability data and metrics hub, e.g. Net Zero Emissions Dashboard, carbonZero Accelerator

Sustainable Finance | NSW Government
https://www.nsw.gov.au/departments-and-agencies/sustainable-finance

7. TCorp Contacts

Look At Me Now Headland Walk, Emerald Beach
Credit: Destination NSW

Funding and Balance Sheet contacts

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Gavin Sinnott	General Manager, Financial Markets	+61 2 9325 9279	gavin.sinnott@tcorp.nsw.gov.au
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8. Appendix

Cape Byron Lighthouse, Byron Bay
Credit: Destination NSW

i. The Federal System

Queenscliff
Credit: Destination NSW

The Federal System

The establishment of three levels of government in Australia was an outcome of Federation in 1901

Commonwealth Government
Aaa/AAA/AAA all stable (Moody's/Fitch/S&P)

The Council on Federal Financial Relations (CFFR), comprising the Commonwealth Treasurer as Chair and all state and territory treasurers, is responsible for overseeing the financial relationship between the Commonwealth and state and territory governments

- New South Wales (Aaa/AAA/AA+)
- Victoria (Aa2/AA+/AA)
- Queensland (Aa1/AA+/AA+)
- Western Australia (Aaa/AAA)
- South Australia (Aa1/AA+)
- Tasmania (Aa3/AA)
- Australian Capital Territory (AA)
- Northern Territory (Aa3)

There are over 530 local councils nationwide

Source: Moody's Investors Service, Fitch Ratings, S&P Global Ratings

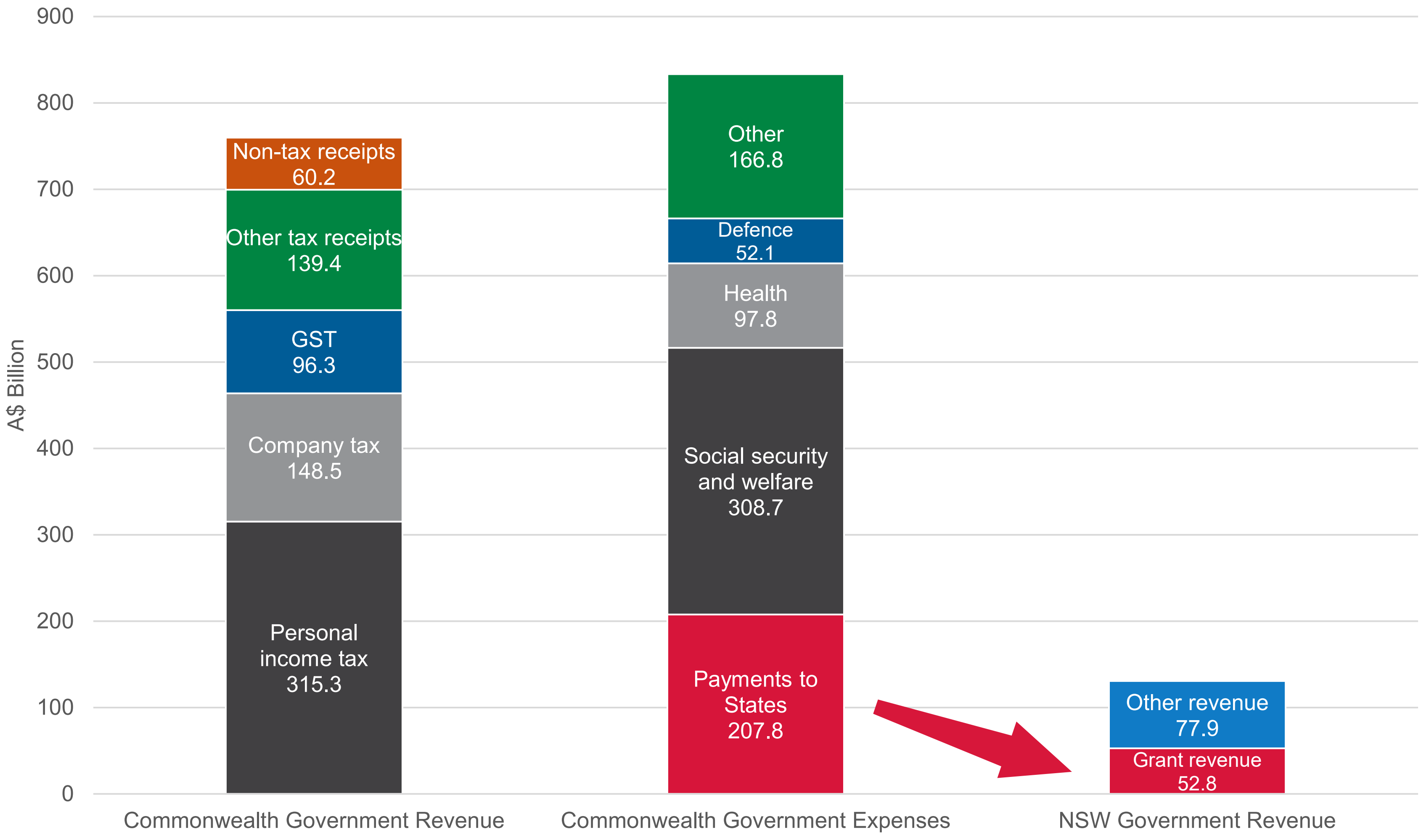
Federal-state responsibilities

Under a federal system, powers are divided between the commonwealth and individual states

Level of government	Expenses	Revenue
The **Commonwealth Government** is allocated exclusive powers under s51, s52, s86, s90, s114, s115 and s122 of the constitution for areas that affected the whole nation	Commonwealth Government responsibilities include, but are not limited to: • Trade and commerce • Postal and telecommunications • Foreign policy • Taxation • Currency • Immigration • Defence • Medicare	• Personal income tax • Corporate tax • Royalties • Goods & services tax • Excise & custom duties
State governments retain responsibility over all matters not exclusively delegated to the Commonwealth government under the constitution	State government responsibilities include, but are not limited to: • Education • Public health • Environment • Roads and railways • Public transport • Public works • Industrial relations • Electricity, gas and water supply • Police and justice • Mining and agriculture	• Payroll tax • Stamp duties • Land tax • Gambling tax • Royalties, onshore natural resources
Local councils, mandated by states to administer the needs of their local communities	Smaller legislative bodies make by-laws about local matters and provide services	• Council rates

Source: Parliamentary Education Office https://peo.gov.au/understand-our-parliament/how-parliament-works/three-levels-of-government

The Commonwealth Government distributes tax revenue to the states



6.7%

Commonwealth Government expenses distributed to NSW

40.4%

Grant revenue as a proportion of NSW Government revenue

Other Commonwealth Government Expenses include general public services, public order and safety, fuel, agriculture, and mining

Source: Budget 2026-27 Budget Paper No. 1 and Budget Paper No. 3; NSW Budget 2026-27 budget paper no.1, general government sector

States face a high degree of Vertical Fiscal Imbalance

Vertical fiscal imbalance drives the need for fiscal transfers from the Commonwealth to the States

Vertical Fiscal Imbalance

Commonwealth Government takeover of income taxation in 1942, formalised by passing the *Income Tax Act 1942* and the *States Grants (Income Tax Reimbursement) Act 1942*

Commonwealth raises approximately 80% of total revenue, far in excess of its expenditure requirements

Horizontal Fiscal Equalisation (HFE) plays a crucial role offsetting vertical fiscal imbalances of the states

Revenue raised from goods and service tax (GST) receipts is distributed to the states annually, partially offsetting effects of vertical fiscal imbalances

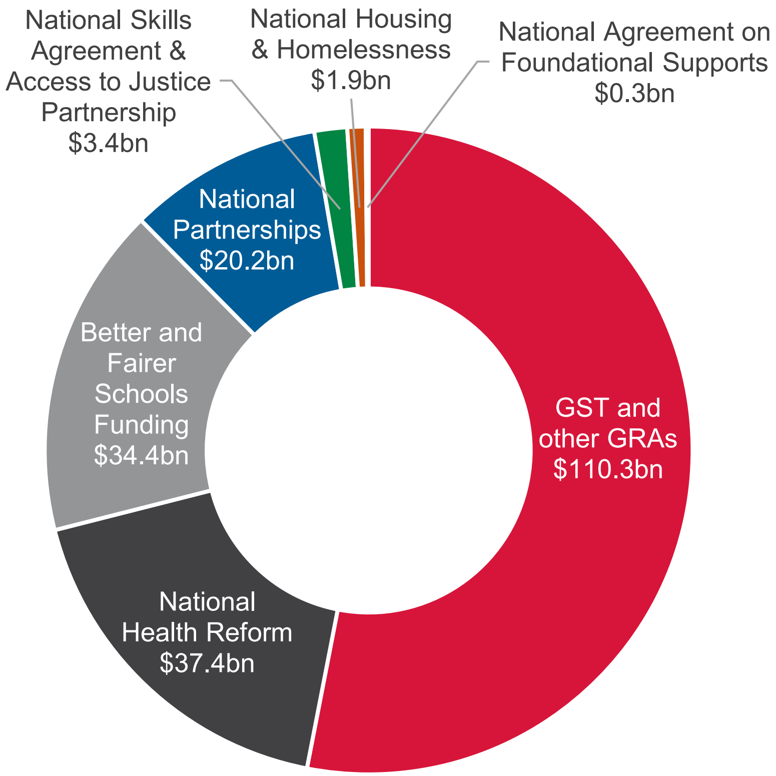
Horizontal Fiscal Equalisation

Source: TCorp

Federal financial relations – where the states source revenue

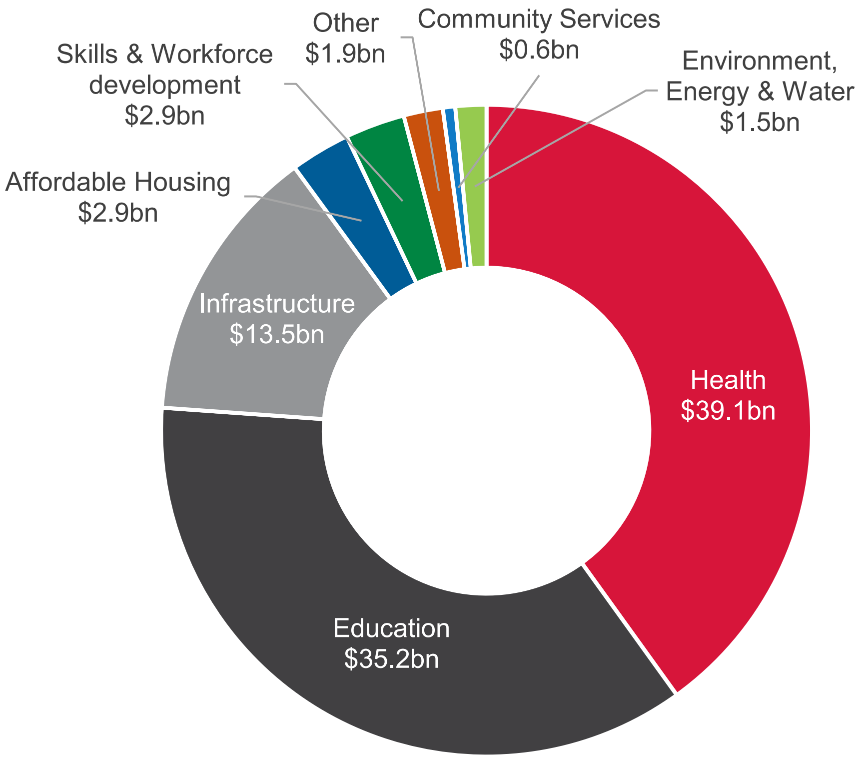
The Commonwealth Government distributes revenue to the states through general payments and SPPs

Australian Government payments to states (A$207.9bn, 2026-27)



GRA – General Revenue Assistance

Payments for specific purposes by sector (A$97.6bn, 2026-27)



SPP’s are tied grants for projects decided by the Commonwealth Government

Source: Budget 2026-27 Federal Financial Relations Budget Paper No. 3

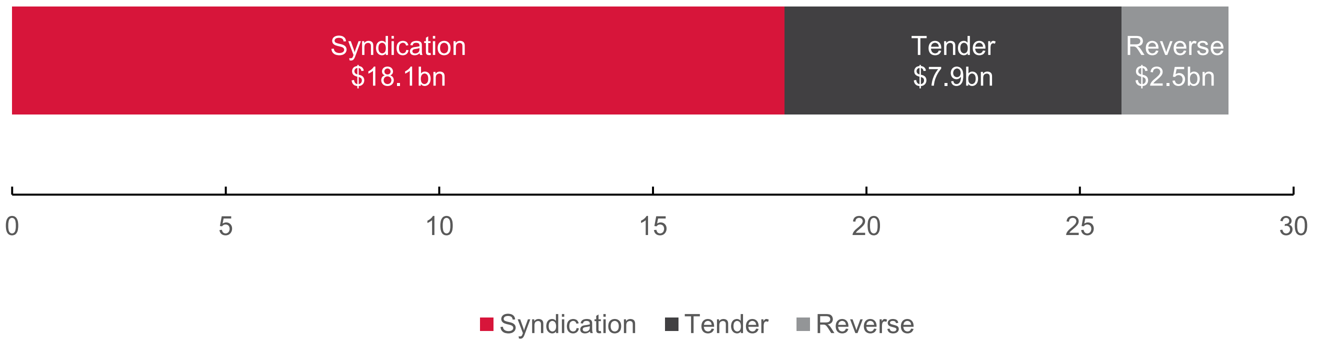
iii. FY26 Funding year in review

Empress Falls
Credit: Destination NSW

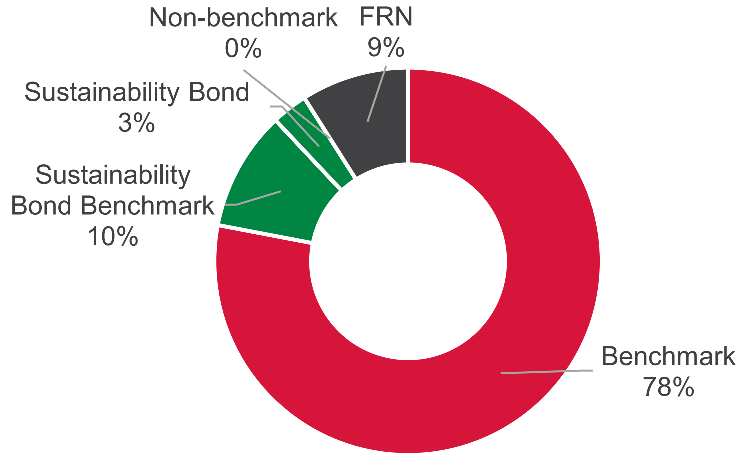
FY26* funding programme summary

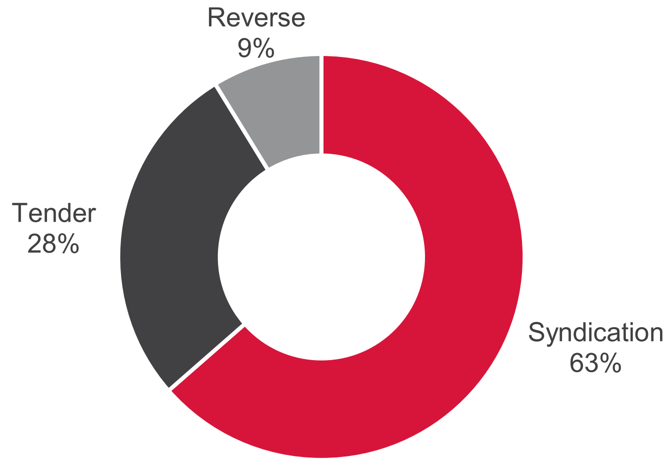
Issuance distribution (capital value)

A$bn	2025-26 HYR Forecast 19-Dec-2025	2025-26 Budget Forecast 24-Jun-2025
New client loans	14.7	17.2
Term maturities	11.1	11.0
Less prefunding	-4.0	-4.0
Funding requirement	21.8	24.2
Term funding completed at 30 June 2026	**28.5**	



Issuance distribution (capital value)



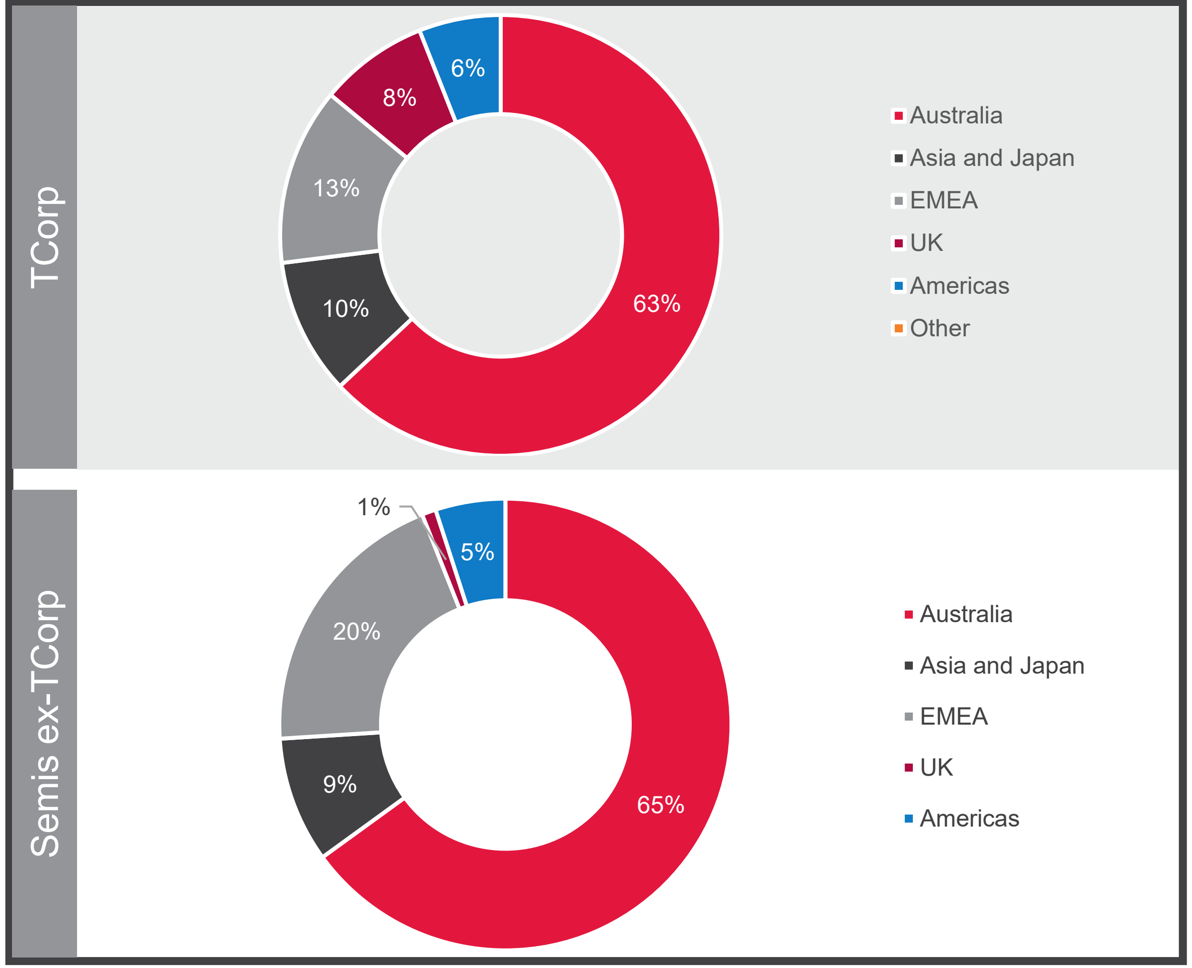


* Financial year 2025-26 (FY26) represents the period 1 July 2025 to 30 June 2026

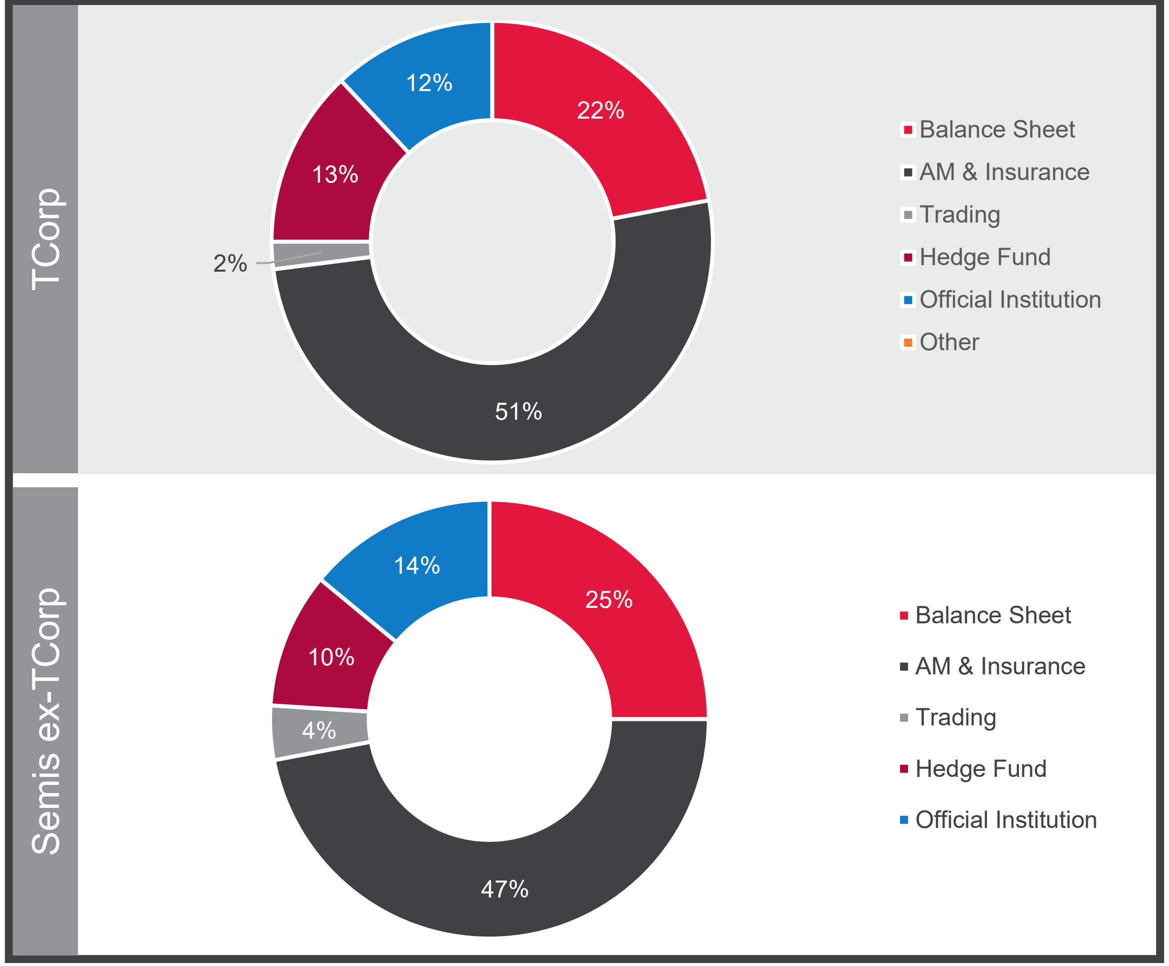
Source: TCorp, as at 30 June 2026 unless specified otherwise

FY26* TCorp syndicated distribution versus peers

Allocation by Investor Location (face value)



Allocation by Investor Type (face value)

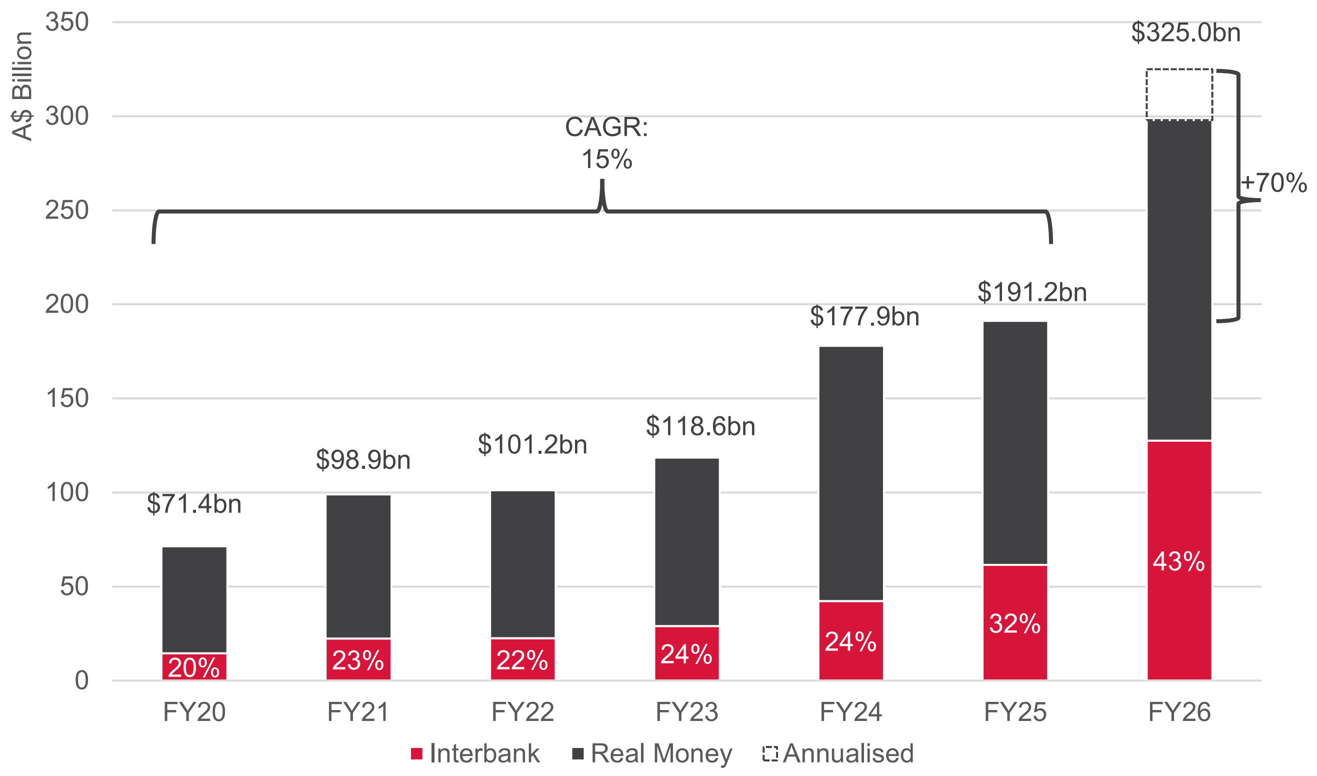


* Financial year 2025-26 (FY26) represents the period 1 July 2025 to 30 June 2026; Excludes Floating Rate Notes (FRN)

Source: TCorp, as at 30 June 2026

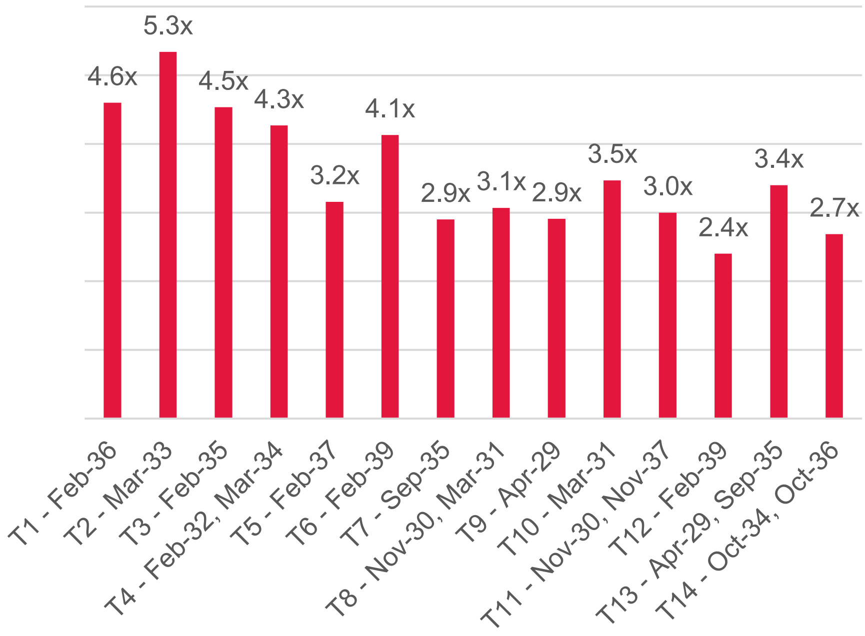
FY26* Secondary turnover and tender results

TCorp secondary market bond turnover (face value)
(interbank weighted to 50%, syndication, tender and reverse enquiry excluded)



Tenders (face value)

Tender Cover Ratio

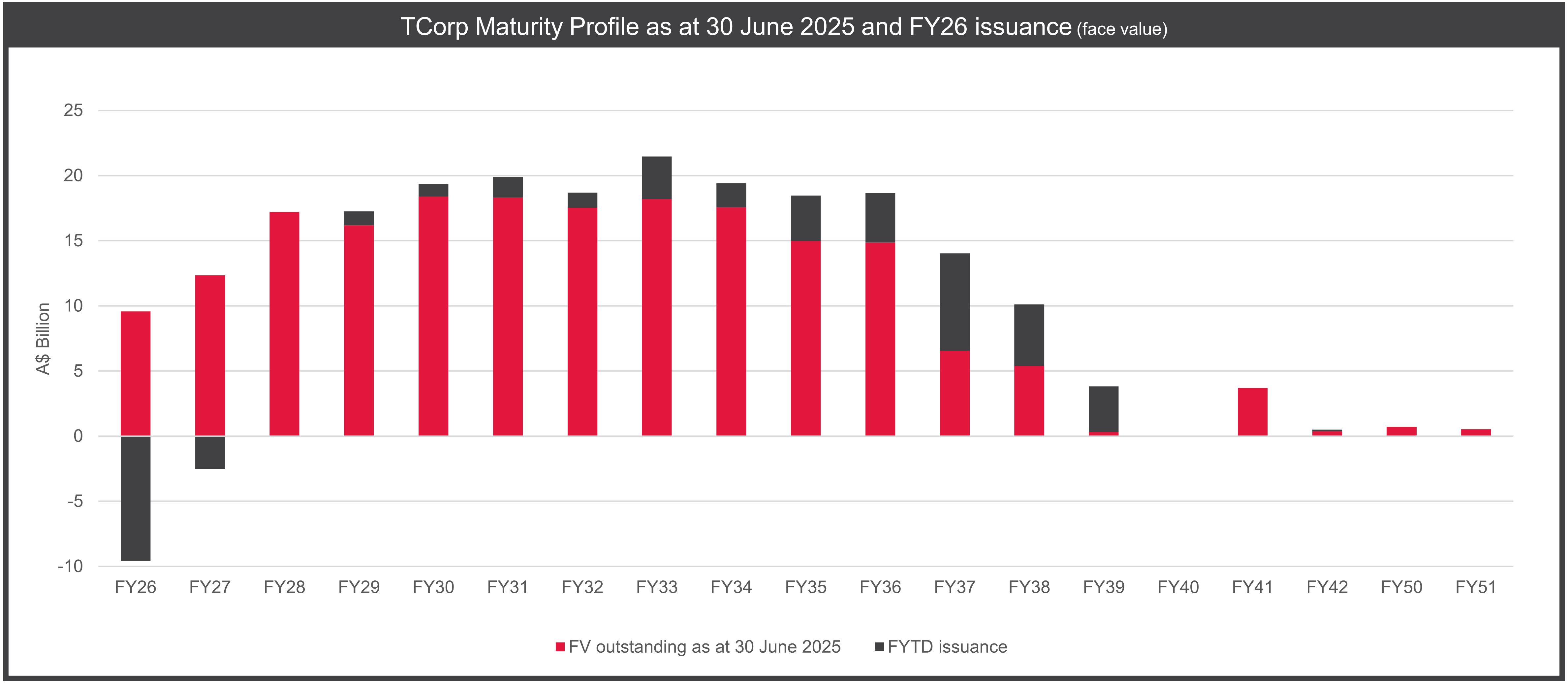


$8.55 billion
(Face Value)

17%
Allocation to investors

* Financial year 2025-26 (FY26) represents the period 1 July 2025 to 30 June 2026
Source: TCorp, Panel Banks as at 31 May 2026

TCorp maturity profile and FY26* issuance



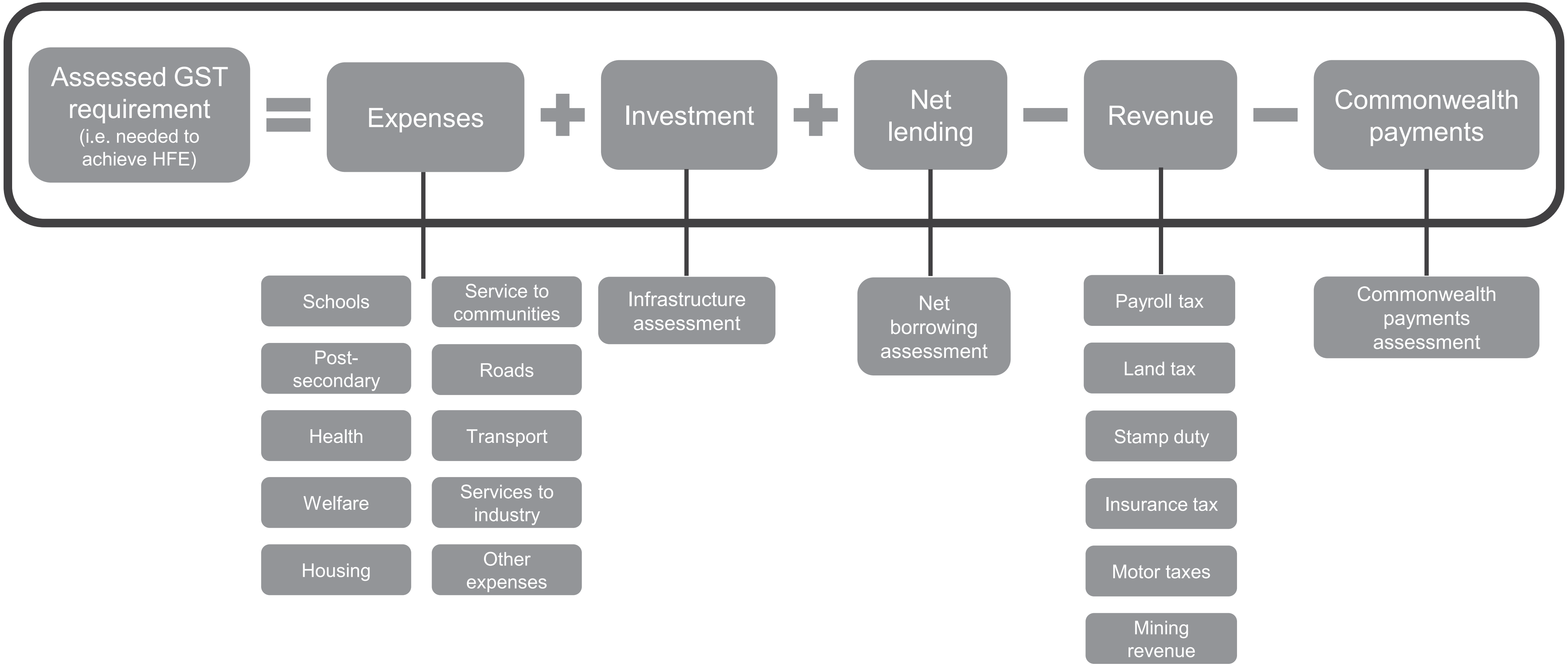
* Financial year 2025-26 (FY26) represents the period 1 July 2025 to 30 June 2026
Source: TCorp

ii. GST formula

Mungo National Park
Credit: Destination NSW

Quantifying horizontal fiscal equalisation

Apportions total actual expenses/revenues to states as if they were following national average policies



Source: TCorp

NSW is a donor state due to superior revenue raising ability

Adverse impact on NSW's relativity driven by royalties, land values and property sale adjustments

$$\text{State GST payment} = \text{Total GST pool} \times \frac{\text{State population}}{\text{National population}} \times \textbf{State relativity}$$

NSW GST relativity

FY 2023-24 **0.92350** → FY 2025-26 **0.86034** → FY 2026-27 **0.81964**

NSW GST share

FY 2023-24 **29.0%** → FY 2025-26 **26.7%** → FY 2026-27 **25.5%**

NSW GST distribution

FY 2023-24 **24.535bn** → FY 2025-26 **25.807bn** → FY 2026-27 **26.123bn**

In FY 2026-27 the GST relativity floor will be set at the lower of NSW and Victoria who are the "standard states"

Source: Commonwealth Grants Commission

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About New South Wales Treasury Corporation (TCorp)

TCorp provides best-in-class investment management, financial management, solutions and advice to the New South Wales (NSW) public sector. TCorp is NSW's sovereign investment manager, responsible for A$118 billion of assets under management and acts as the central borrowing authority of the state, with a balance sheet of A$198 billion as at 30 June 2025. It is rated Aaa (Stable) by Moody's, AAA (Stable) by Fitch, and AA+ (Negative) by S&P.

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