

Quarterly funding update

December Quarter 2025



Borrowing Programme Update

During the quarter LGFA issued NZ\$350 million of NZD bonds across five bond maturities via three bond tenders. There was no foreign currency bond issuance during the quarter. Total bond issuance (both NZD and NZD equiv of foreign currency) for the six month period to 31 December 2025 was NZ\$1.94 billion.

The weighted average term of bond issuance during the December quarter was 5.64 years and 6.22 years for the six month period to 31 December 2025. This compares to a weighted average term of 5.99 years for the 2024-25 FY. We have lowered our 2025-26 FY funding target by NZ\$300 million to NZ\$4.85 billion as council borrowing is less than forecast. LGFA expects to hold monthly NZ\$100 million bond tenders over the next six month period to 30 June 2026 and undertake syndications in both NZD and foreign currency.

Other news

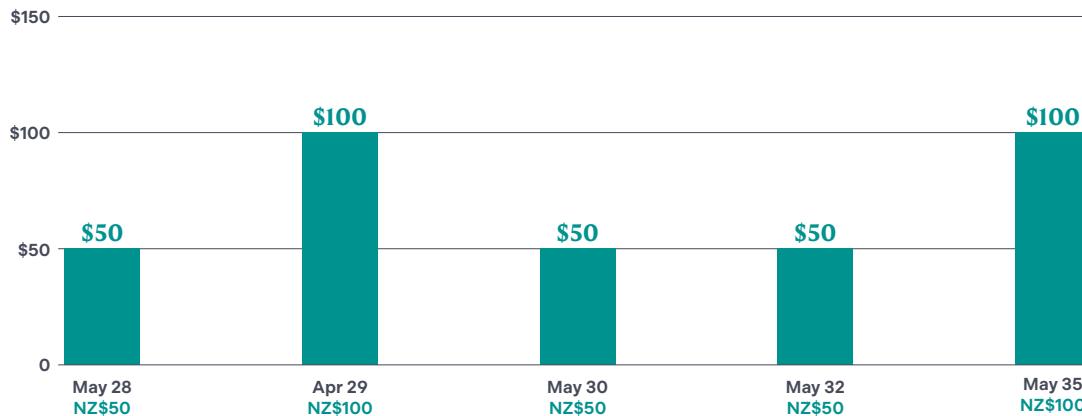
Council membership remained unchanged at seventy-seven members and CCO membership was unchanged at eight. The number of guarantors was also unchanged at seventy-four.

Total long term borrowing by councils during the quarter was NZ\$1.07 billion compared to NZ\$1.02 billion in the comparable period to 30 December 2024. Total term loans outstanding are NZ\$22.24 billion and short term loans of NZ\$1.47 billion as at 31 December 2025.

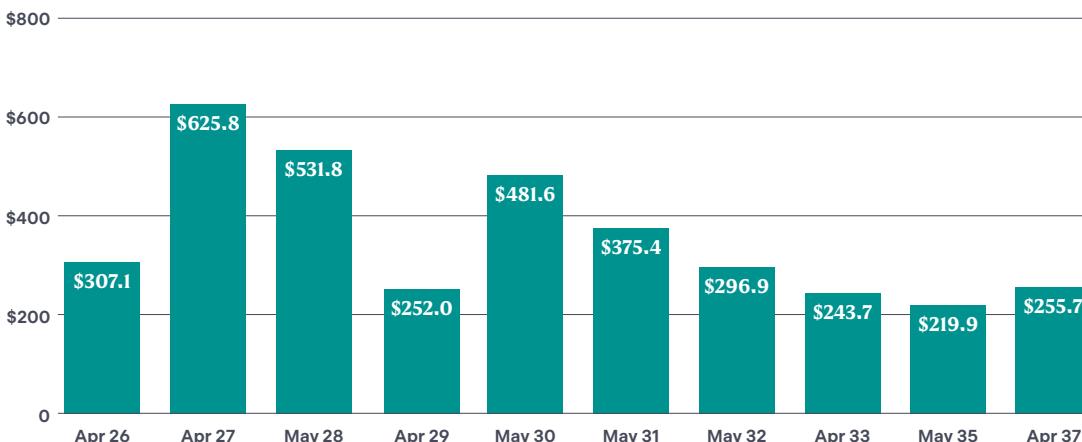
Climate Action Loans (CALSs) outstanding to council and CCO borrowers total \$4.106 billion to seven borrowers and there were GSS loans outstanding of NZ\$600.3 million to thirteen projects. The total value of the Sustainable Loan Asset Pool is \$4.706 billion compared to the total amount of LGFA Sustainable Financing Bonds on issue of \$3.510 billion.

LGFA has NZ\$540 million of NZD LGFA Bills and the equivalent of NZ\$1.072 billion of ECP (across USD and HKD) on issue. LGFA bonds lent on repo by LGFA to banks total NZ\$394 million. LGFA repurchased NZ\$75 million of the April 2026 LGFA bond during the quarter, bringing total repurchases to date of NZ\$379.9 million.

December Quarter Bond Issuance (NZ\$ equivalent million)



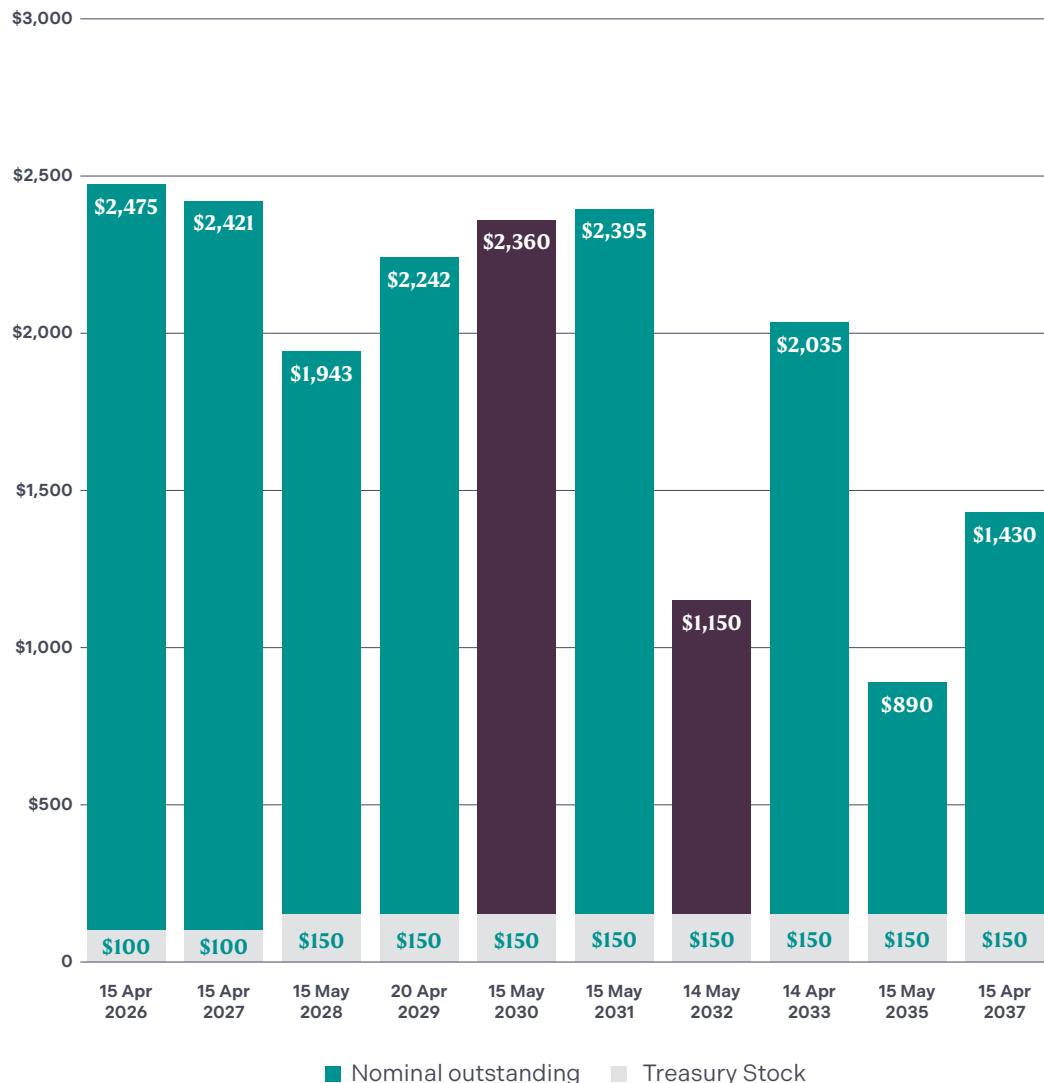
December Quarter Secondary Market Activity in NZD Bonds (NZ\$ million)



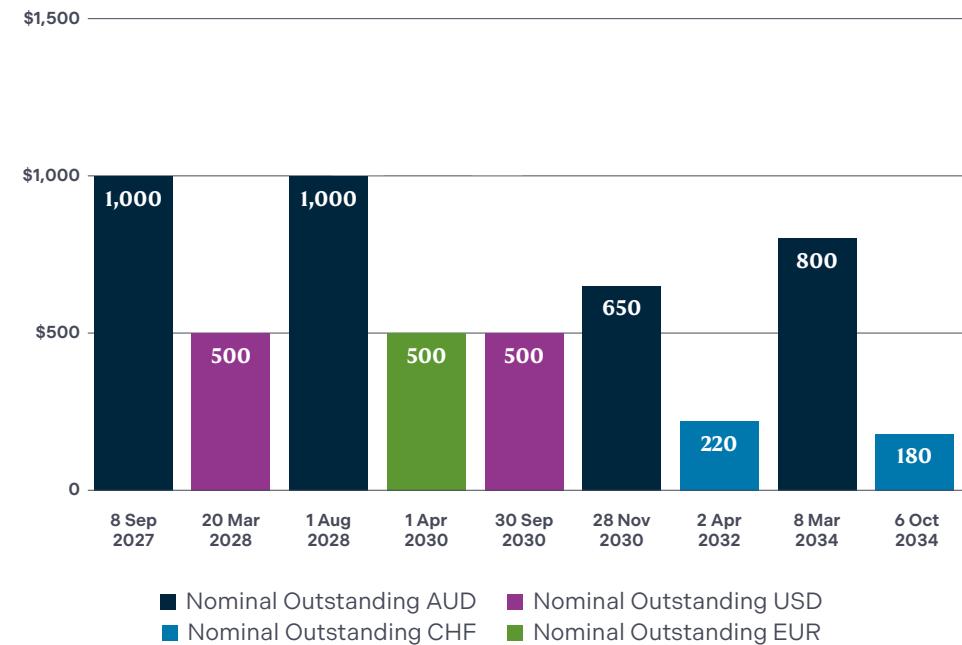
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LGFA NZD bonds on issue (NZ\$ million)

As at 31 December 2025: NZ\$19,341 million (Includes NZ\$1,400 million treasury stock)



LGFA Foreign Currency Bonds on issue (NZ\$ millions)



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December Quarter LGFA Bond Issuance (NZ\$ equivalent million)

	May 28	May 30	May 31	May 32	May 35	Apr 37	Total
Tender 125 (10 Dec)		\$50	\$50		\$50		\$150
Tender 124 (5 Nov)		\$50		\$50			\$100
Tender 123 (1 Oct)				\$50		\$50	\$100
	\$50	\$50	\$50	\$100	\$50	\$50	\$350

Secondary Market Turnover of LGFA NZD Bonds estimated by LGFA (NZ\$ million)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37	Total
December	\$180.3	\$340.5	\$227.0	\$149.7	\$92.6	\$121.3	\$170.9	\$99.4	\$35.7	\$49.2	\$1,466.7
November	\$49.0	\$218.5	\$230.6	\$42.8	\$182.6	\$159.4	\$75.7	\$65.2	\$106.3	\$131.8	\$1,262.0
October	\$77.8	\$66.7	\$74.2	\$59.6	\$206.4	\$94.7	\$50.2	\$79.1	\$77.8	\$74.7	\$861.3
	\$307.1	\$625.8	\$531.8	\$252.0	\$481.6	\$375.4	\$296.9	\$243.7	\$219.9	\$255.7	\$3,590.0

Holdings of LGFA NZD Bonds by Investor Group (NZ\$ million)

As at month end	Banks	Offshore	Domestic Investors	RBNZ
December	\$5,996.2	\$4,946.3	\$6,690.5	\$732.0
November	\$6,087.8	\$4,938.2	\$6,420.2	\$732.0
October	\$6,262.2	\$4,824.8	\$6,255.0	\$732.0
December 2024	\$6,440.0	\$6,796.0	\$5,870.8	\$934.0

Holdings of LGFA NZD Bonds by Investor Group (% of outstandings)

Banks	Offshore	Domestic Investors	RBNZ
32.5%	27.0%	36.5%	4.0%
33.5%	27.2%	35.3%	4.0%
34.6%	26.7%	34.6%	4.1%
32.1%	33.9%	29.3%	4.7%

Secondary Market Yields on LGFA NZD Bonds (month end)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37
December	2.60%	2.82%	3.28%	3.54%	3.77%	4.06%	4.26%	4.42%	4.72%	4.89%
November	2.55%	2.86%	3.33%	3.55%	3.76%	4.03%	4.23%	4.39%	4.68%	4.88%
October	2.56%	2.70%	3.01%	3.24%	3.46%	3.74%	3.94%	4.14%	4.46%	4.70%
September	2.75%	2.83%	3.11%	3.34%	3.54%	3.82%	4.01%	4.23%	4.53%	4.80%

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Secondary Market Spreads to NZGB for LGFA NZD Bonds (month end)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37
December	17 bps	11 bps	14 bps	11 bps	10 bps	16 bps	20 bps	25 bps	32 bps	27 bps
November	11 bps	9 bps	17 bps	18 bps	19 bps	26 bps	30 bps	35 bps	43 bps	41 bps
October	13 bps	11 bps	16 bps	20 bps	21 bps	26 bps	30 bps	35 bps	43 bps	41 bps
September	10 bps	12 bps	19 bps	21 bps	18 bps	23 bps	22 bps	30 bps	34 bps	37 bps

Secondary Market Spreads to Swap for LGFA NZD Bonds (month end)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37
December	7 bps	12 bps	26 bps	28 bps	31 bps	44 bps	51 bps	57 bps	67 bps	71 bps
November	7 bps	19 bps	36 bps	38 bps	42 bps	55 bps	63 bps	70 bps	80 bps	87 bps
October	5 bps	20 bps	36 bps	41 bps	46 bps	59 bps	65 bps	74 bps	84 bps	93 bps
September	2 bps	24 bps	38 bps	46 bps	49 bps	62 bps	68 bps	78 bps	87 bps	99 bps

2025-26 Tender and Settlement Dates

Tender #	Announcement Date	Tender Date	Settlement Date
126	Monday, 19 January 2026	Wednesday, 21 January 2026	Monday, 26 January 2026
127	Friday, 13 February 2026	Tuesday, 17 February 2026	Friday, 20 February 2026
128	Monday, 16 March 2026	Wednesday, 18 March 2026	Monday, 23 March 2026
129	Wednesday, 8 April 2026	Friday, 10 April 2026	Wednesday, 15 April 2026
130	Monday, 11 May 2026	Wednesday, 13 May 2026	Monday, 18 May 2026
131	Monday, 8 June 2026	Wednesday, 10 June 2026	Monday, 15 June 2026

LGFA Issuer Credit Ratings

	Short Term	Long Term (local currency)	Long Term (foreign currency)
S&P Global Ratings Australia Pty Limited	A-1+	AAA	AA+
Fitch Australia Pty Limited	F1+	AA+	AA+

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New Zealand Local
Government Funding Agency
Te Pūtea Kāwanatanga ā-rohe

For further information

Matt Appleby, Senior Manager Funding and Projects

+64 (04) 974 6744 / matthew.appleby@lgfa.co.nz

Level 11, City Chambers, 142 Featherston Street, Wellington 6011, New Zealand. www.lgfa.co.nz