



# Kiwibank Results

For the year ended 30 June 2025

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# Kiwibank – who we are

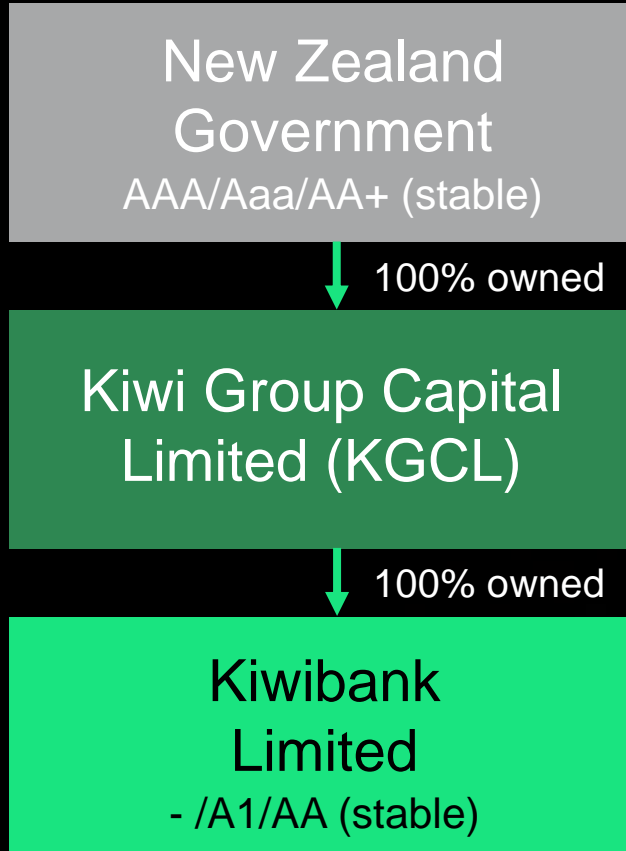
- We are a purpose-led bank
- We are proud to be a B Corp certified company<sup>1</sup>
- We are the largest New Zealand-owned bank, with over \$40b in total assets, more than one million customers and 2,500 staff
- Full-service nationwide bank targeting personal and business banking customers, with the largest physical banking network in New Zealand<sup>2</sup>
- Ranked the top rated bank in Kantar's 2025 Corporate Reputation Index<sup>3</sup>

<sup>1</sup> Certified B Corporations are committed to considering the impact of their decisions on workers, customers, suppliers, community, and the environment. Further information available at: <https://www.bcorporation.net/en-us/certification/>

<sup>2</sup> Consisting of 55 Kiwibank branches and 80 Local for Kiwibank Agents

<sup>3</sup> Kantar Corporate Reputation Index 2025: <https://www.kantarnewzealand.com/corporate-reputation-index-2025>

# Kiwibank ownership



*Following a market testing process, the Government has approved KGCL to raise up to \$500m of additional capital for Kiwibank from professional investors. KGCL has until 30 June 2026 to complete the potential capital raise, subject to final approval from the Government<sup>1</sup>*

<sup>1</sup> See the full Government announcement released 30 July 2025 at: <https://www.beehive.govt.nz/release/kiwibank-gets-green-light-grow>  
Any debt securities issued by Kiwibank are not guaranteed by KGCL or the New Zealand Government.

# This is Kiwi.



## PURPOSE

Kiwi Making  
Kiwi Better Off

### What this means.

1. **Making Tamariki better off** | Access to financial education
2. **Making Kiwi better off** | Taking action to secure their financial future
3. **Making Aotearoa better off** | Delivering sustainable finance to improve Kiwi businesses



## GOAL

To be Customers'  
1st Choice

1. **More Kiwi and Kiwi businesses prefer us for their banking needs**
2. **More Kiwi choose us for their Home Lending and Business needs**



## OUR OFFER

Easy  
Accessible  
Expert  
Care

**Our customers can easily and quickly get things done** | We provide simple solutions to meet customers' needs

**Our customers can reach us when and how they need us** | We help customers to choose us more often

**Our customers trust our expertise** | We have the experience to guide customers to the right solutions for them

**Our customers feel understood and cared for** | We care for our customers and are committed to making Kiwi better off



## BETTER BANK

Sustainable growth  
Impact  
Trusted  
Empowered

**We are financially sustainable as we grow**

**We are a leading purpose-led employer that has impact in our communities**

**We are a trusted bank – we deliver good customer outcomes**

**We take ownership and act quickly for our customers**

This is us.  
**NGĀ KAUWAKA**

Ka Timata i a Tātou  
A **Place** to **Belong**

Me Māia  
**Rise** to the **Challenge**

Tapatahi  
**Better Together**

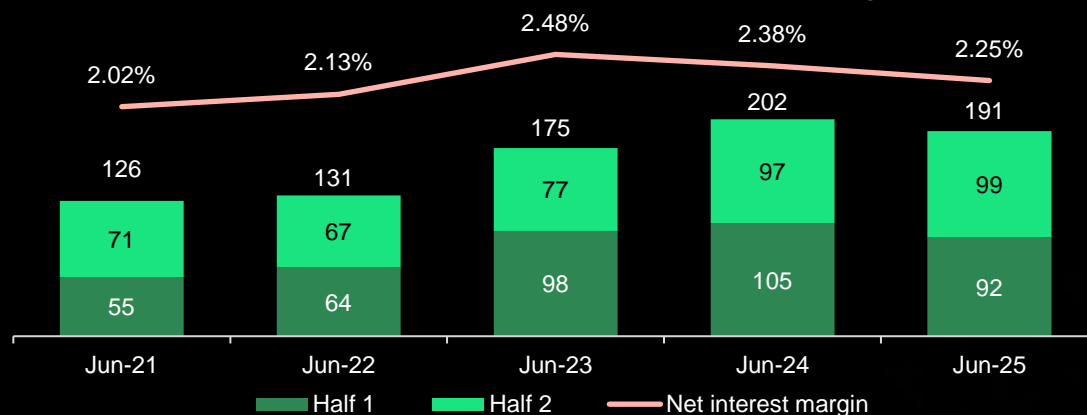
Ngā Kiritaki  
**Customer** at the **Heart**

# Financial Results

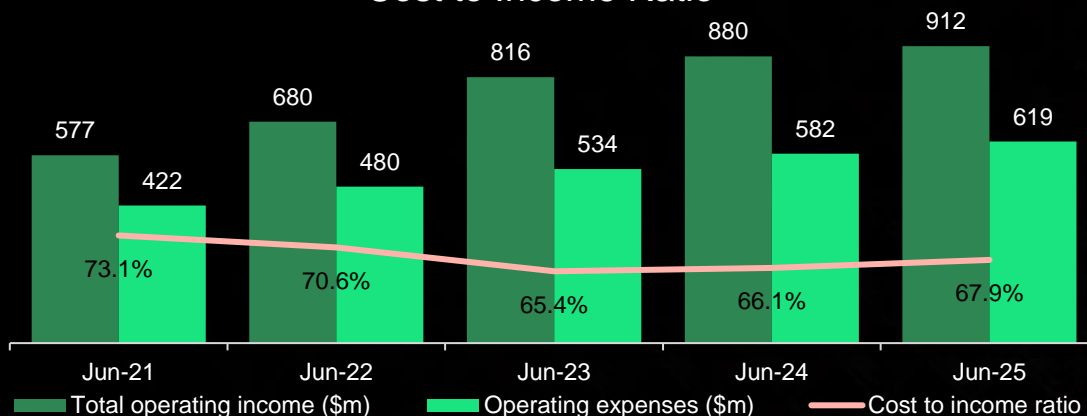
# Financial performance snapshot



Profit After Tax (\$m) and Net Interest Margin<sup>1</sup>



Cost to Income Ratio<sup>2</sup>



## Financial Performance vs Prior Year

Net interest income **\$858m** ▲ 4%

Net interest margin<sup>1</sup> **2.25%** ▼ 13 bps

Total operating income **\$912m** ▲ 4%

Cost to income ratio<sup>2</sup> **67.9%** ▲ 174 bps

Credit impairment charge **\$29m** ▲ 21%

Profit after tax **\$191m** ▼ 5%

Sourced from Kiwibank's Disclosure Statements and management information

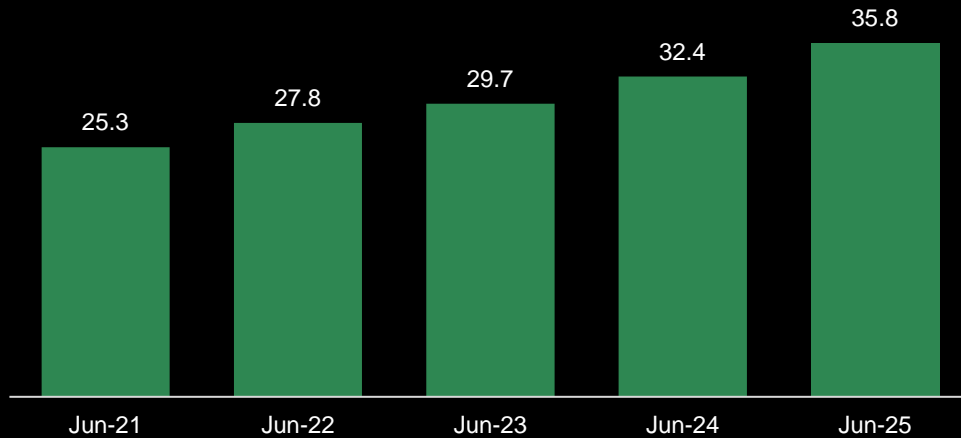
<sup>1</sup> Net interest margin = net interest income divided by average total interest and discount-bearing assets

<sup>2</sup> Cost to income ratio = operating expenses divided by total operating income (includes significant transformation programme spend which is expected to reduce from 2027)

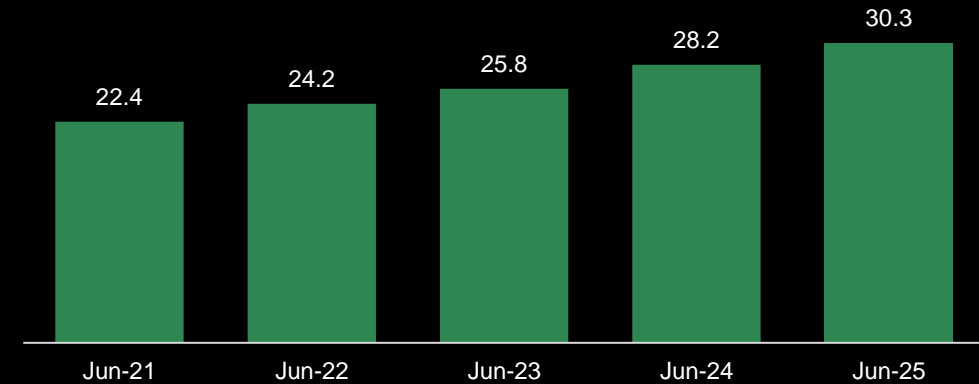
# More Kiwi backing Kiwibank



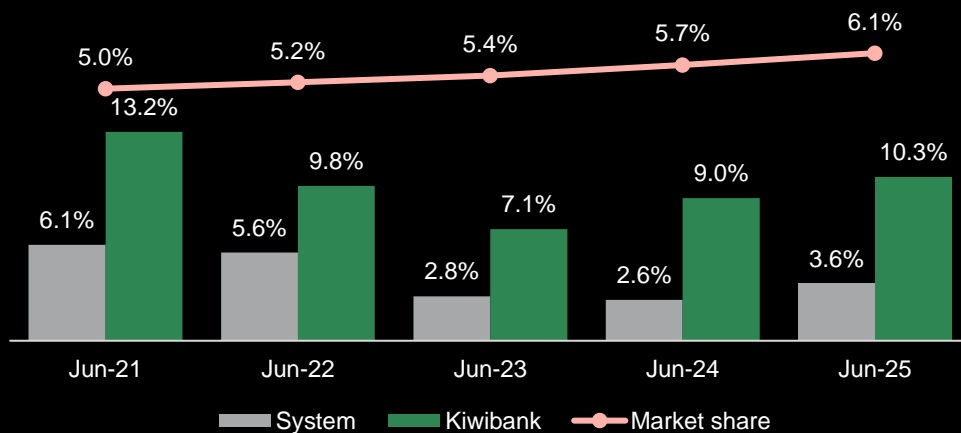
Loans and Advances (\$b)<sup>1</sup>



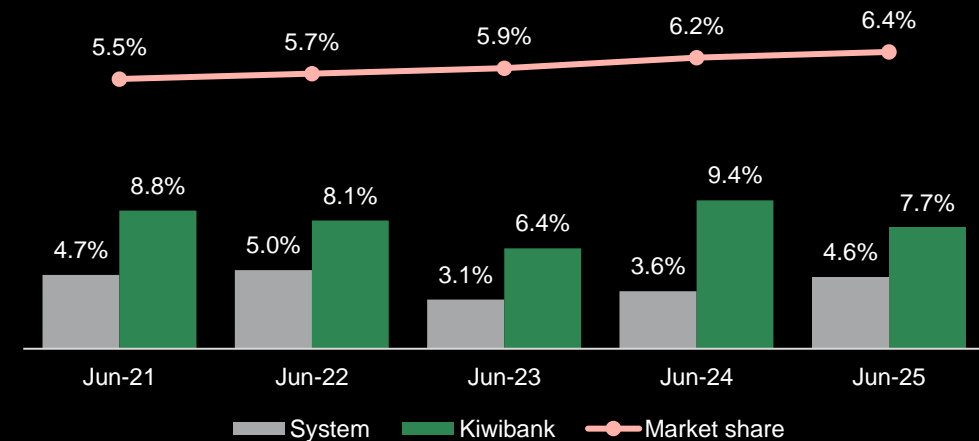
Deposits (\$b)<sup>1</sup>



Lending Growth vs System<sup>2,3</sup>



Deposit Growth vs System<sup>3</sup>



<sup>1</sup> Sourced from Kiwibank's Disclosure Statements

<sup>2</sup> Lending growth figures are calculated based on gross loans and advances excluding direct transaction costs, and so will differ from loans and advances per the Disclosure Statement

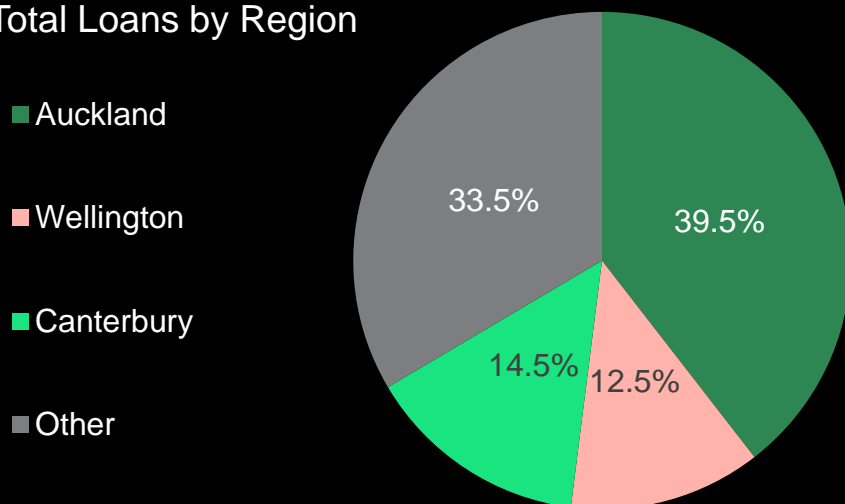
<sup>3</sup> System figures are based on Reserve Bank statistical series for registered banks (loans – S31 series; deposits – S40 series). Market share is Kiwibank's total divided by System total at period end



# Loan Portfolio and Asset Quality

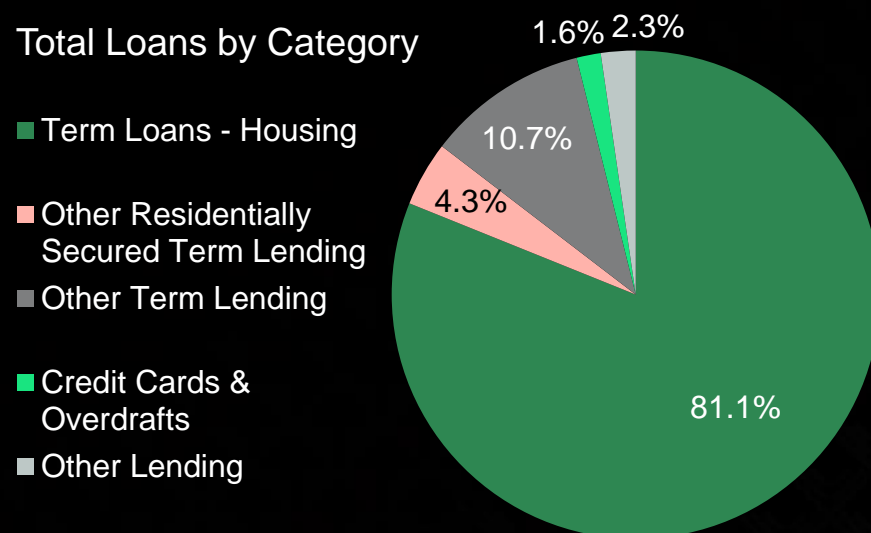
# Lending portfolio

Total Loans by Region



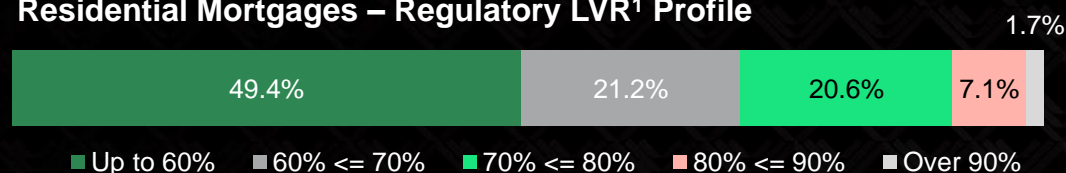
- Key focus areas are the retail mortgage and business lending markets
- Business lending to SMEs, commercial and corporate clients
- Institutional and agricultural lending are not part of our core business proposition

Total Loans by Category



Residential Mortgage Portfolio	Jun-24	Jun-25
Total residential mortgage portfolio	\$28.0b	<b>\$30.7b</b>
Fixed / floating	91% / 9%	<b>86% / 14%</b>
Average customer balance (drawn)	\$373k	<b>\$395k</b>
Interest only / revolving	17.26%	<b>16.42%</b>
LVR > 80%	7.57%	<b>8.80%</b>

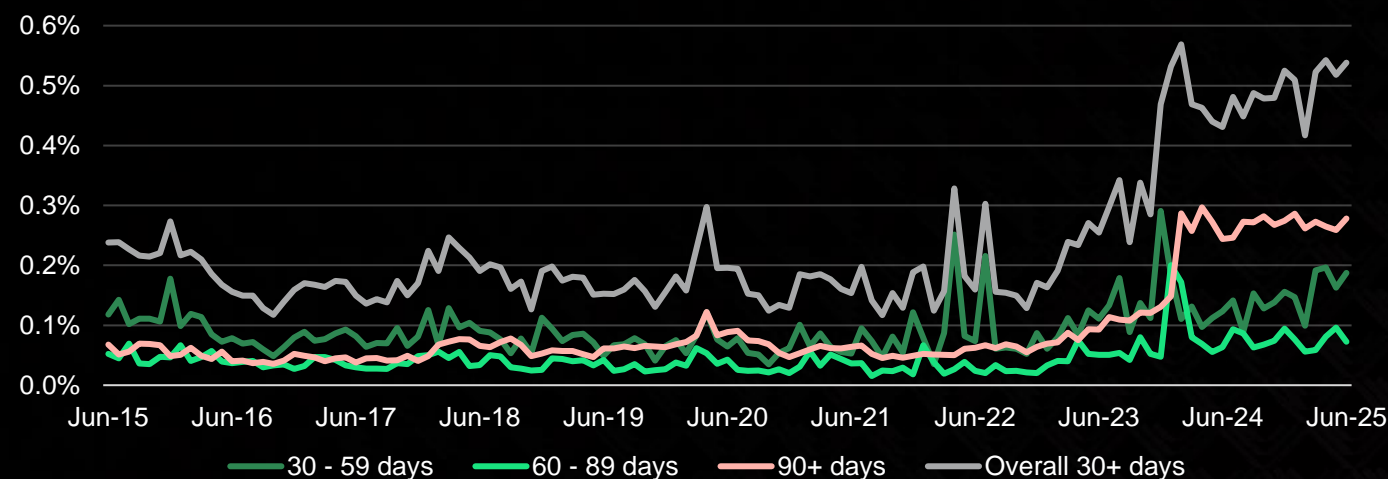
Residential Mortgages – Regulatory LVR<sup>1</sup> Profile



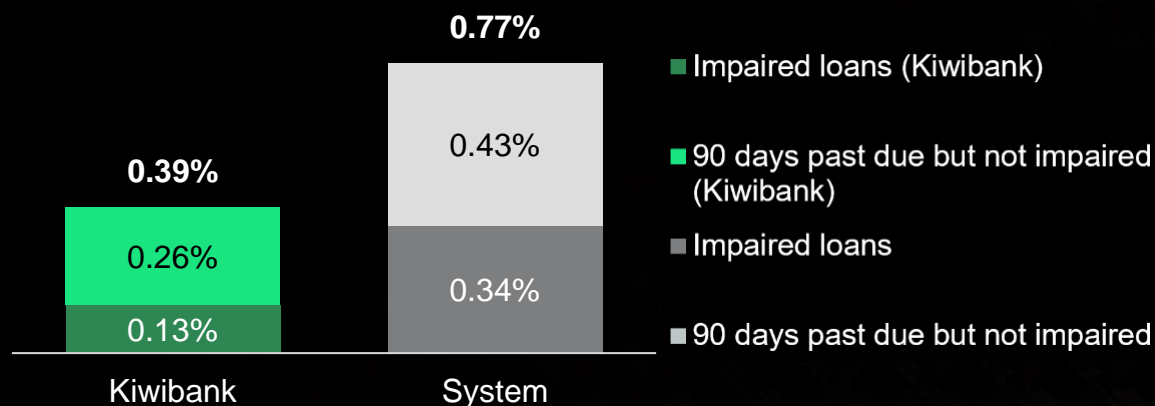
# Asset quality

- Kiwibank arrears and impairments remain well below System average<sup>1</sup>
- Payment support options are available for home loan customers who need assistance

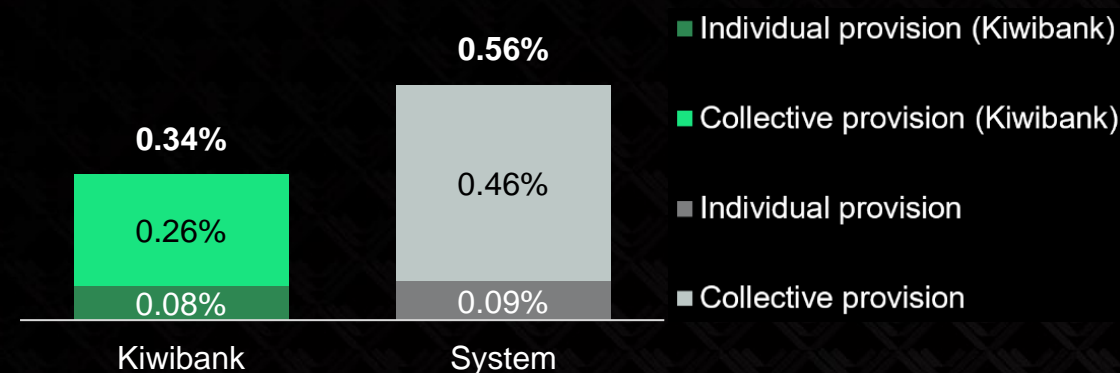
Loans Past Due but not Impaired (% GLA)



Non-performing Loans vs System<sup>1</sup> (% GLA)



Credit Impairment Provision vs System<sup>1</sup> (% GLA)



Sourced from Kiwibank's Disclosure Statements and management information

**GLA:** Gross Loans and Advances

<sup>1</sup> System figures are based on Reserve Bank statistical series S50: registered banks total loans as at 30 June 2025. Figures exclude credit impairment provision on undrawn commitments

# Credit Impairment Provisions

- Expected Credit Losses (ECL) are an estimate of forward-looking losses based on a probability weighted view of four different economic scenarios
- The scenario weightings applied have been reassessed and adjusted to reflect the potential downside risk due to rising geopolitical tensions.
- The severe stress scenario is based on the Reserve Bank's 2022 *Bank Solvency Stress Test*. It assumes a prolonged contraction of the economy with house prices falling by 22% in an environment where interest rates remain elevated and unemployment peaks at 11%.

Economic Scenario Weightings Applied	Jun-24	Jun-25
Central/base case	50%	50%
Upside	15%	10%
Downside	25%	30%
Severe stress	10%	10%

Sourced from Kiwibank's Disclosure Statements

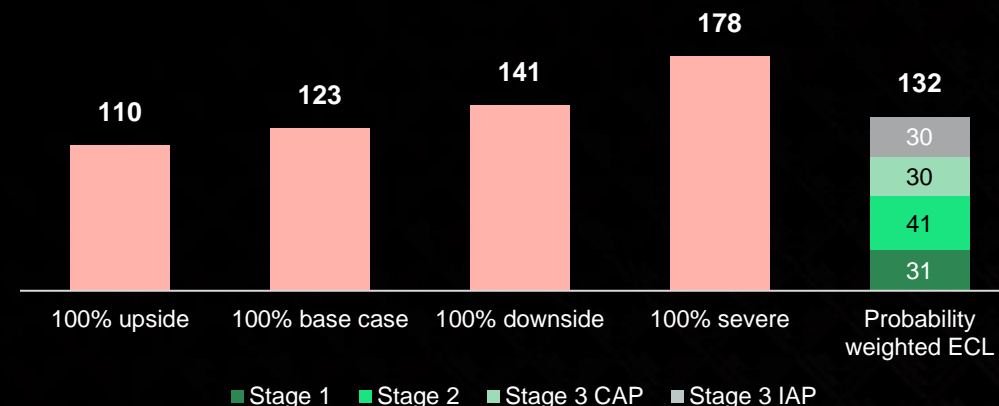
**ECL:** Expected Credit Losses. Includes credit impairment provision on undrawn commitments.

**GLA:** Gross Loans and Advances

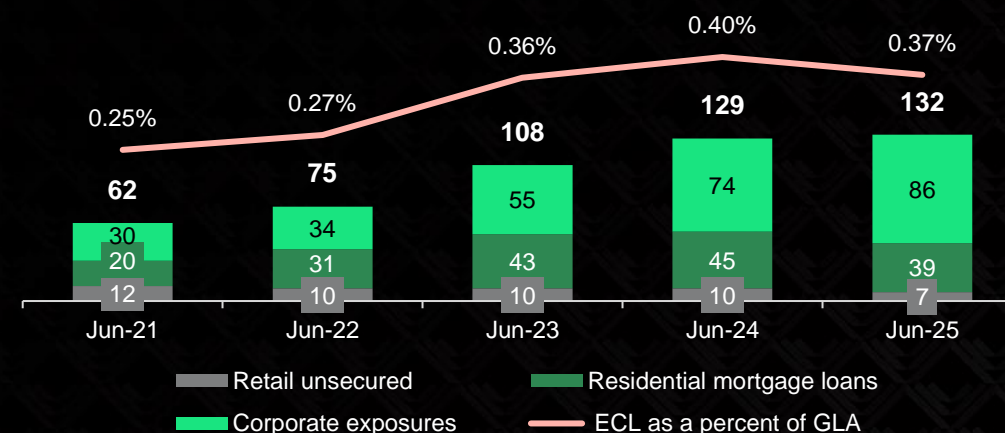
**Stage 1** exposures: performing; **Stage 2** exposures: credit quality deteriorated; **Stage 3** exposures: credit impaired

**CAP:** Collectively Assessed Provisions; **IAP:** Individually Assessed Provisions

ECL by Stage & Economic Scenario (\$m)



ECL by Exposure Type (\$m)



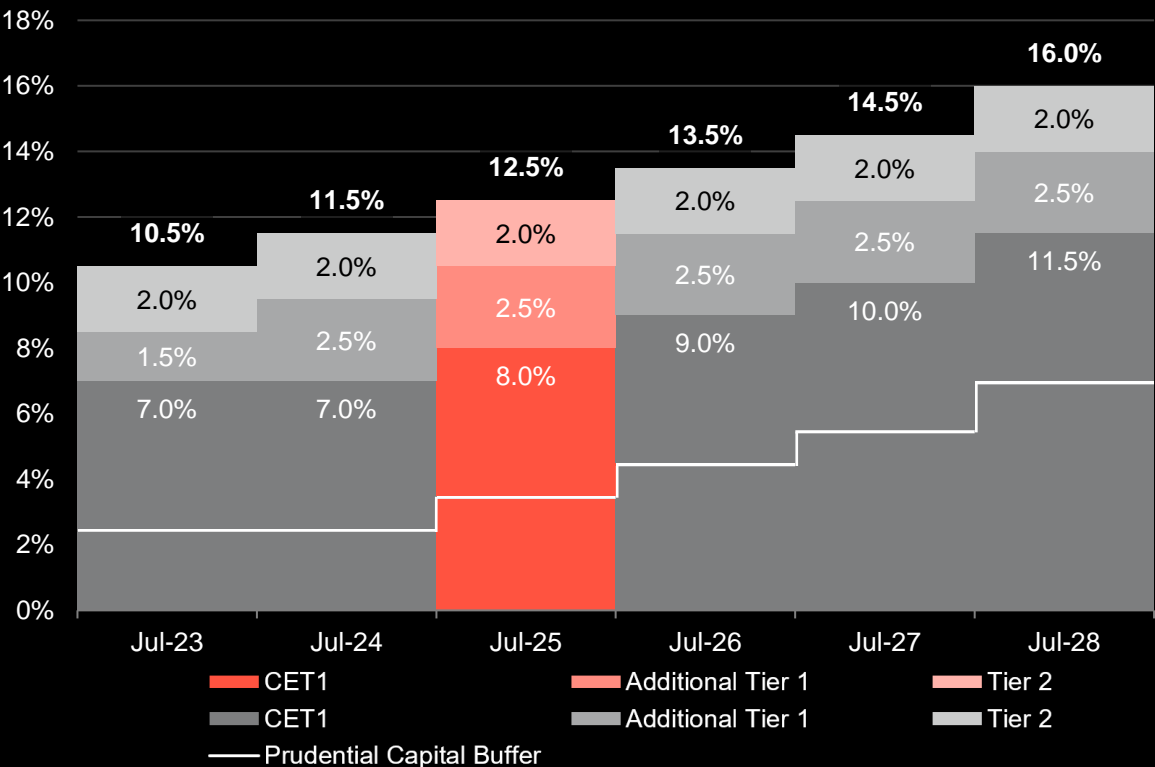


# Capital, Funding and Liquidity

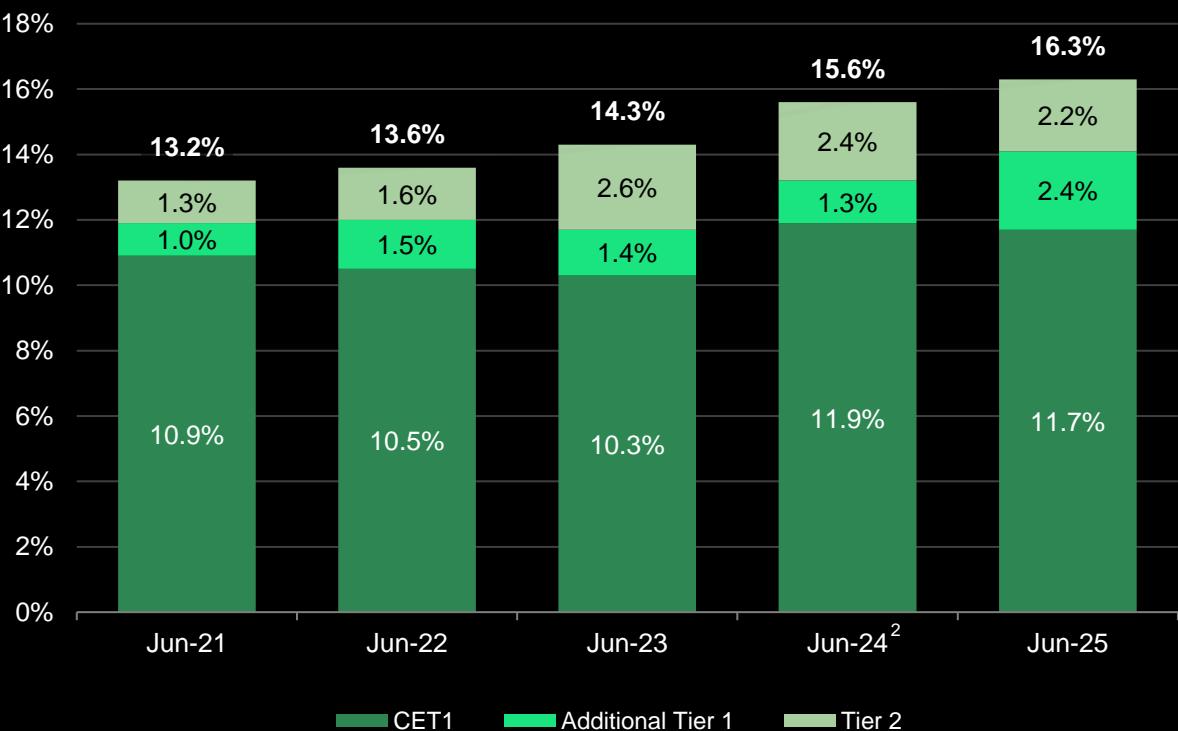
# Capital profile



Reserve Bank Minimum Capital Requirements<sup>1</sup>



Kiwibank Capital Ratios



Sourced from the Reserve Bank's Banking Prudential Requirements and Kiwibank's Disclosure Statements

<sup>1</sup> Minimum capital requirements are presented inclusive of the prudential capital buffer ratio. Capital requirements are currently under review by the Reserve Bank

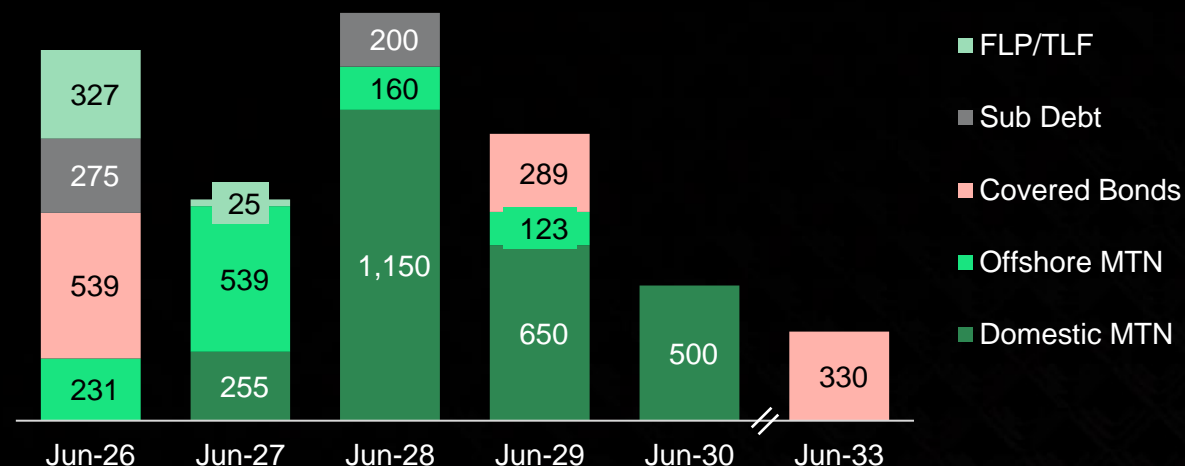
<sup>2</sup> Kiwibank received a \$225m capital injection from KGCL on 31 July 2023 which increased CET1 by 1.3% at that time

Capital ratios are expressed as a percentage of Risk-Weighted-Assets (RWA). CET1: Common Equity Tier 1 Capital

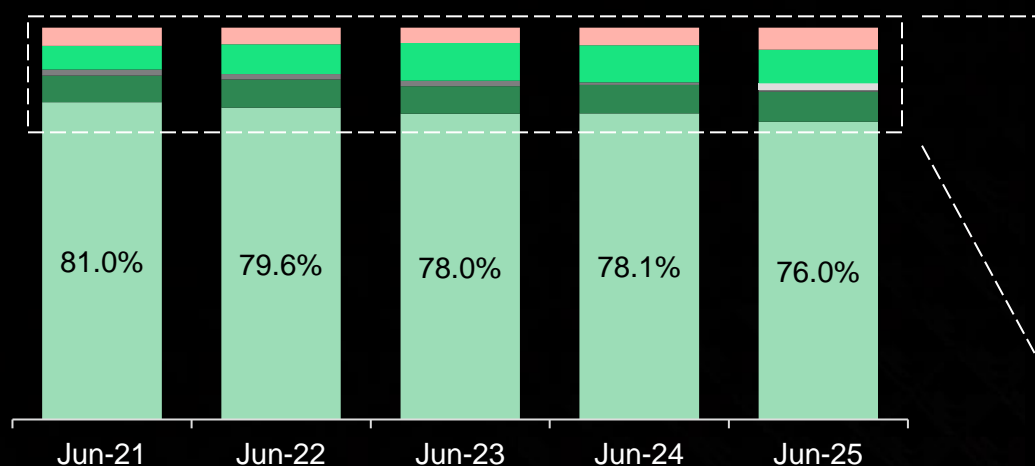
# Funding profile

- Kiwibank maintains a diversified range of funding sources, both domestic and offshore covering short and long-term
- Weighted average remaining term to maturity of long-term debt funding is 2.5 years<sup>1</sup>
- Kiwibank's strategic long-term funding markets are New Zealand, Australia and Switzerland
- FY25 issuances include Domestic AT1 (\$275m), Domestic MTN (\$500m 5y & \$500m 3y), and Swiss Covered Bonds (CHF140m 4y & CHF160m 8y)

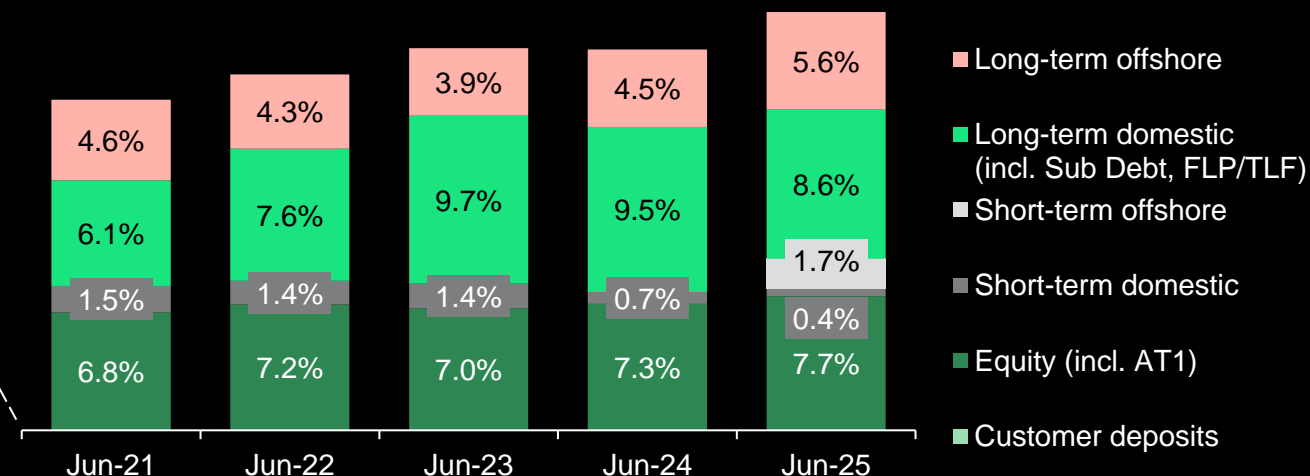
Term Funding Maturity Profile by Type<sup>1</sup> (\$m)



Funding Composition



Funding Composition: Non-Customer Deposits



Sourced from management information

<sup>1</sup> Not presented in accordance with NZ GAAP. Excludes Additional Tier 1 Capital (AT1); maturity of subordinated debt is based on the first call date for these purposes, but there is no certainty that the debt will be redeemed at that time

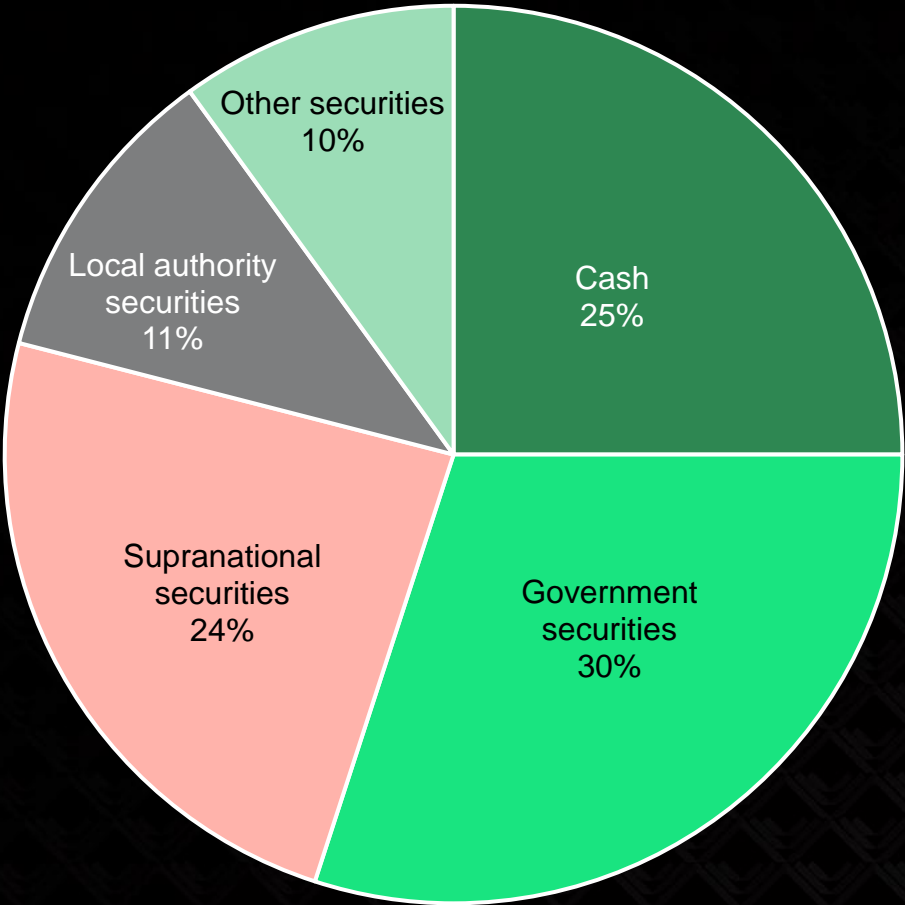
FLP/TLF: The Reserve Bank's Funding for Lending Programme and Term Lending Facility

# Liquidity

- Liquid assets portfolio of \$4.1b<sup>1</sup>
- A diversified, high-quality portfolio
- In addition, Kiwibank holds \$3.6b of unencumbered internal RMBS available for liquidity purposes

Regulatory Liquidity Ratios	RBNZ Minima	Mar-25	Jun-25
Quarterly average 1-week mismatch ratio	0%	11.2%	11.4%
Quarterly average 1-month mismatch ratio	0%	10.7%	10.5%
Quarterly average core funding ratio	75%	89.6%	89.9%

Liquid Assets Portfolio<sup>1</sup>



Sourced from Kiwibank's Disclosure Statements  
RMBS: Residential Mortgage-Backed Securities  
<sup>1</sup> Excludes RMBS

# Appendix

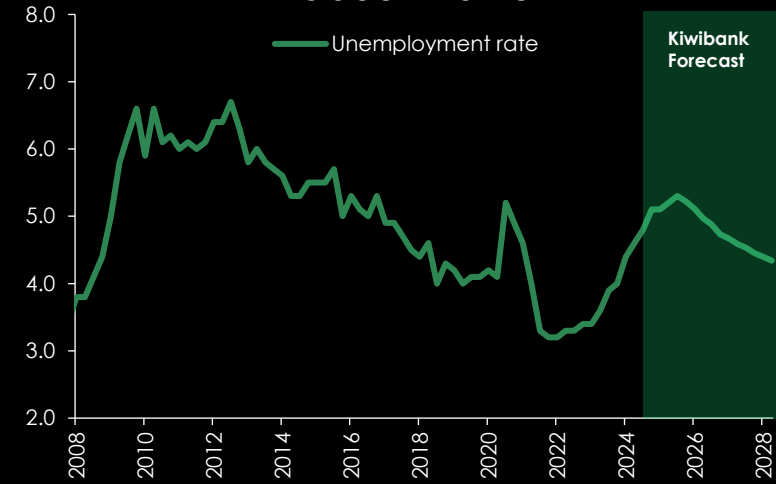
# New Zealand Economic Indicators



Labour Market

Unemployment rate

Kiwibank  
Forecast

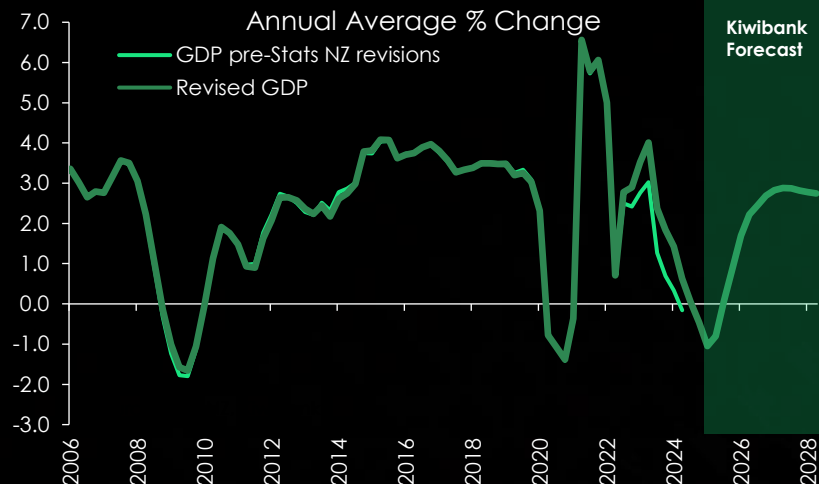


GDP Growth

Annual Average % Change

GDP pre-Stats NZ revisions  
Revised GDP

Kiwibank  
Forecast

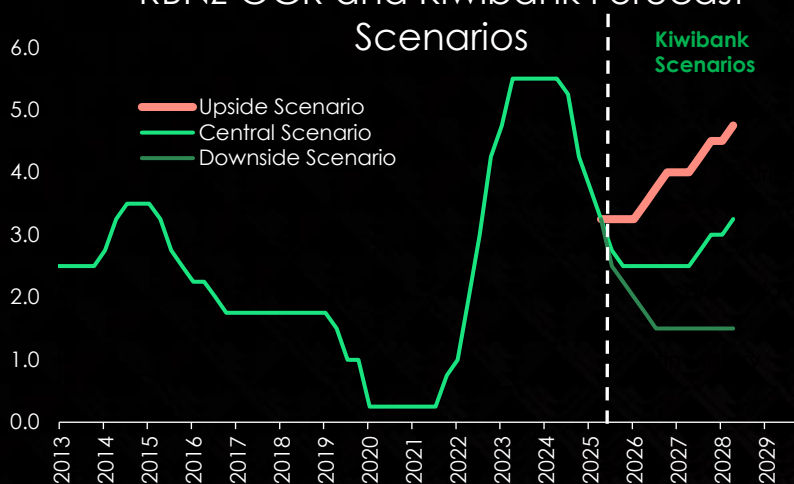


RBNZ OCR and Kiwibank Forecast

Scenarios

Upside Scenario  
Central Scenario  
Downside Scenario

Kiwibank  
Scenarios

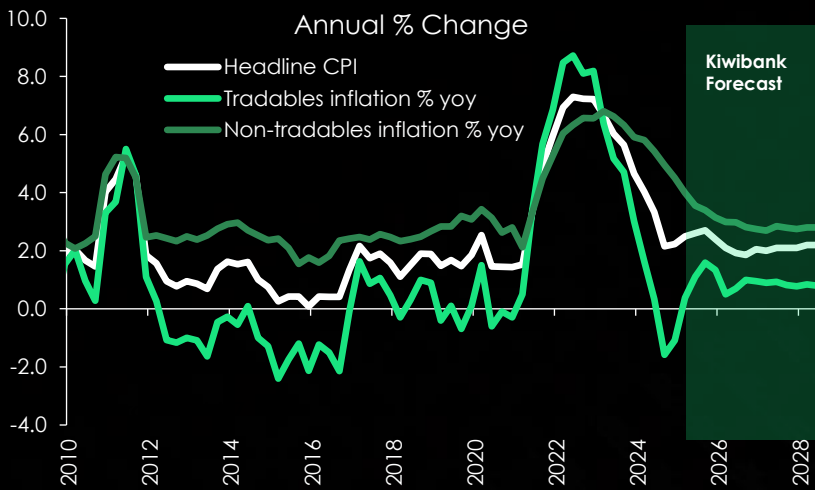


CPI Inflation

Annual % Change

Headline CPI  
Tradables inflation % yoy  
Non-tradables inflation % yoy

Kiwibank  
Forecast

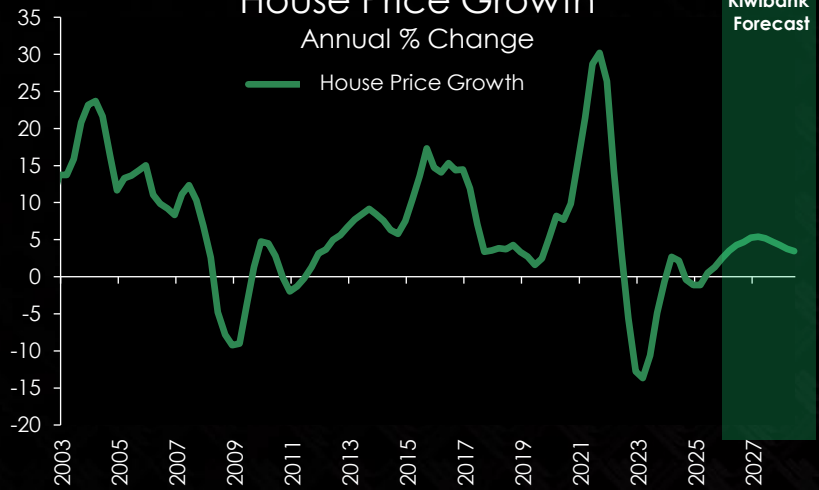


House Price Growth

Annual % Change

House Price Growth

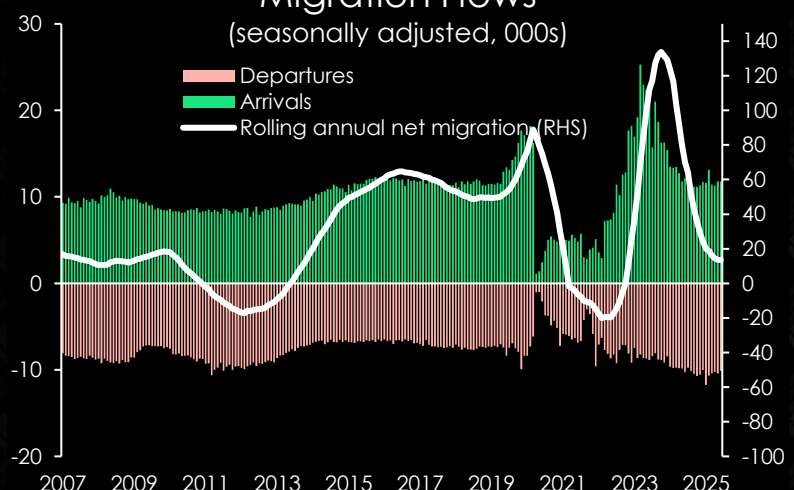
Kiwibank  
Forecast



Migration Flows

(seasonally adjusted, 000s)

Departures  
Arrivals  
Rolling annual net migration (RHS)



GDP, Unemployment rate, Migration flows and CPI sourced from Stats NZ  
House price index sourced from REINZ

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