Quarterly funding update

September Quarter 2025

Borrowing Programme Update

During the quarter LGFA issued NZ$350 million of NZD bonds across six bond maturities via three bond tenders and issued NZ$1.24 billion equivalent of foreign currency bonds (CHF180 million and USD500 million) under our EMTN programme.

The weighted average term of bond issuance during the September quarter across domestic and foreign currency issuance was 6.35 years compared to a weighted average term of 5.99 years for the 2024-25 financial year. Our 2026 FY funding target of NZ$5.15 billion remains unchanged. LGFA expects to hold three NZ$100 million bond tenders over the December 2025 quarter.

Other news

Fitch Ratings affimred the LGFA credit ratings at AA+ (domestic and foreign currency) on 30 September 2025. The outlook for both ratings is stable.

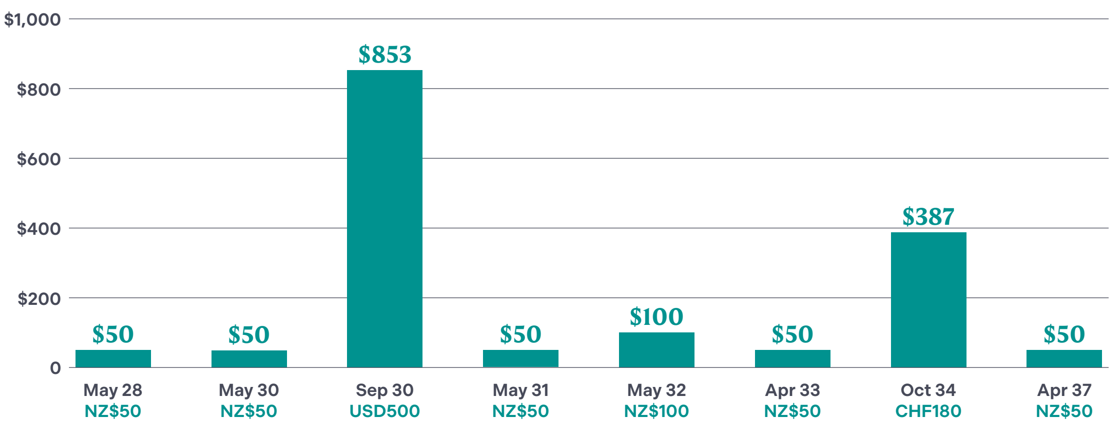
Council memebrship remained unchanged at seventy-seven but Christchurch City Holdings Limited joined as a CCO during the quarter, taking CCO membership to eight. The number of guarantors increased by two with Buller District and Kaikoura District Councils becoming gaurantors, taking the number of council guarantors to seventy-four.

Total long term borrowing by councils during the quarter was NZ$568 million compared to NZ$1.1 billion in the comparable period to 30 September 2024. Total term loans outstanding are NZ$21.76 billion and short term loans of NZ$1.36 million.

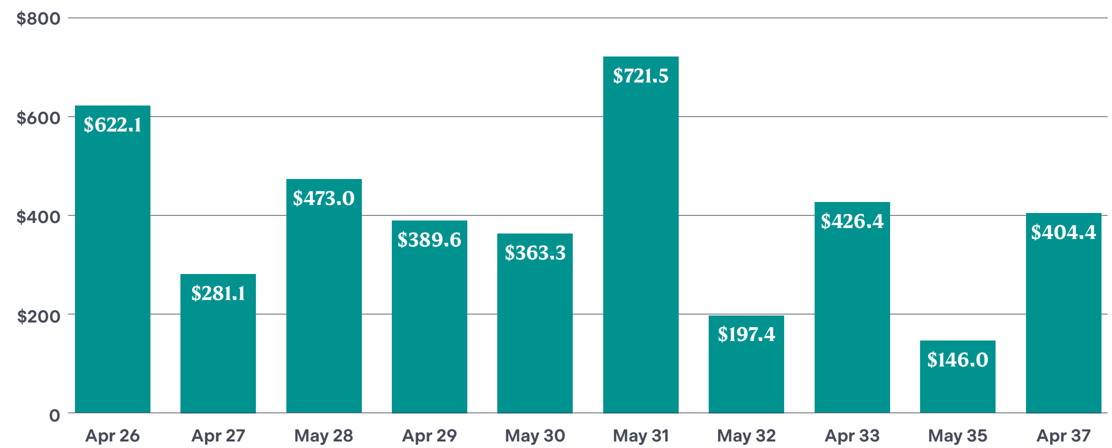
Climate Action Loans (CALSs) outstanding to council and CCO borrowers total NZ$3.82 billion to seven borrowers and there were GSS loans outstanding of NZ$489.4 million to eight borrowers.

LGFA has NZ$545 million of NZD LGFA Bills and the equivalent of NZ$1.253 billion of ECP (across USD, EUR and HKD) on issue. LGFA bonds lent on repo by LGFA to banks total NZ$326 million.

September Quarter Bond Issuance (NZ$ equivalent million)



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



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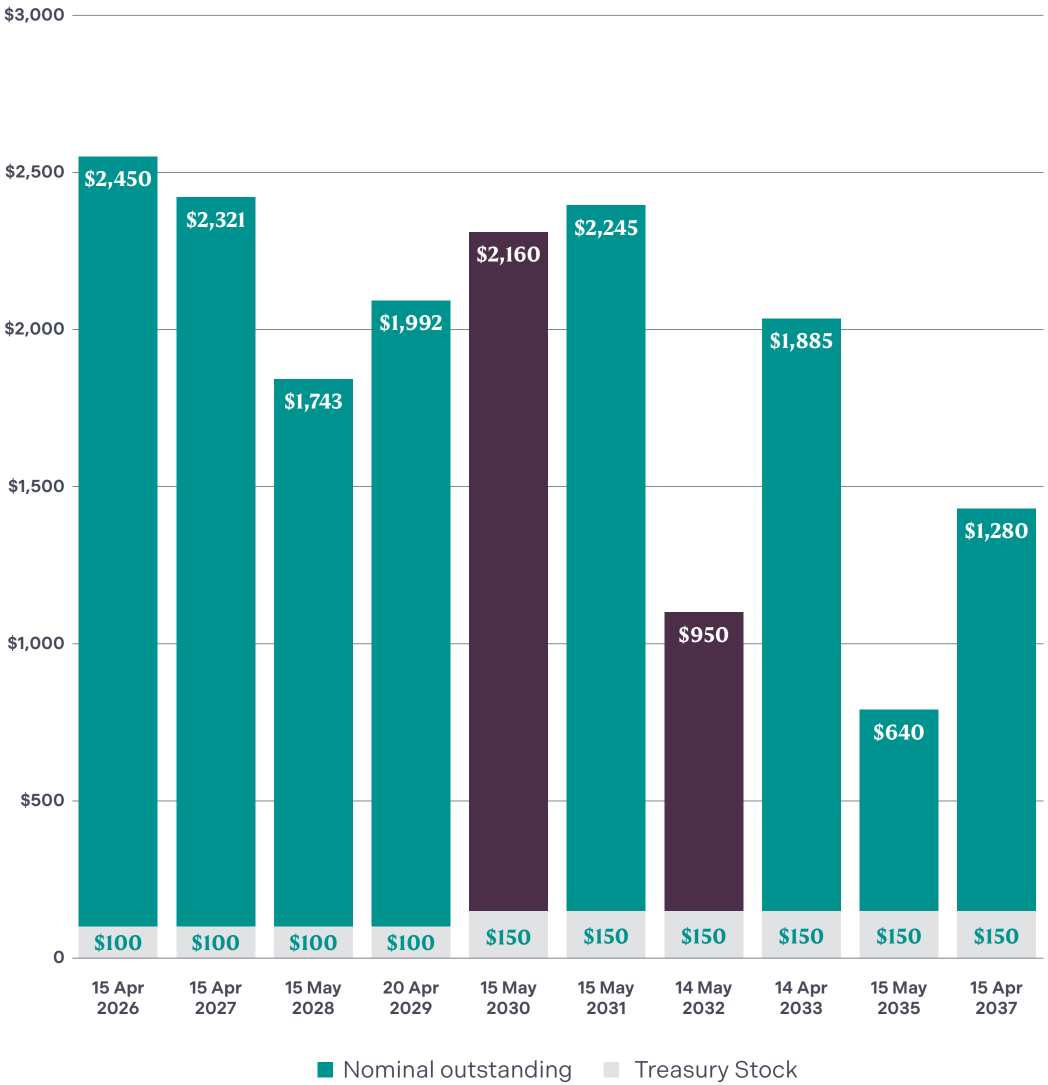
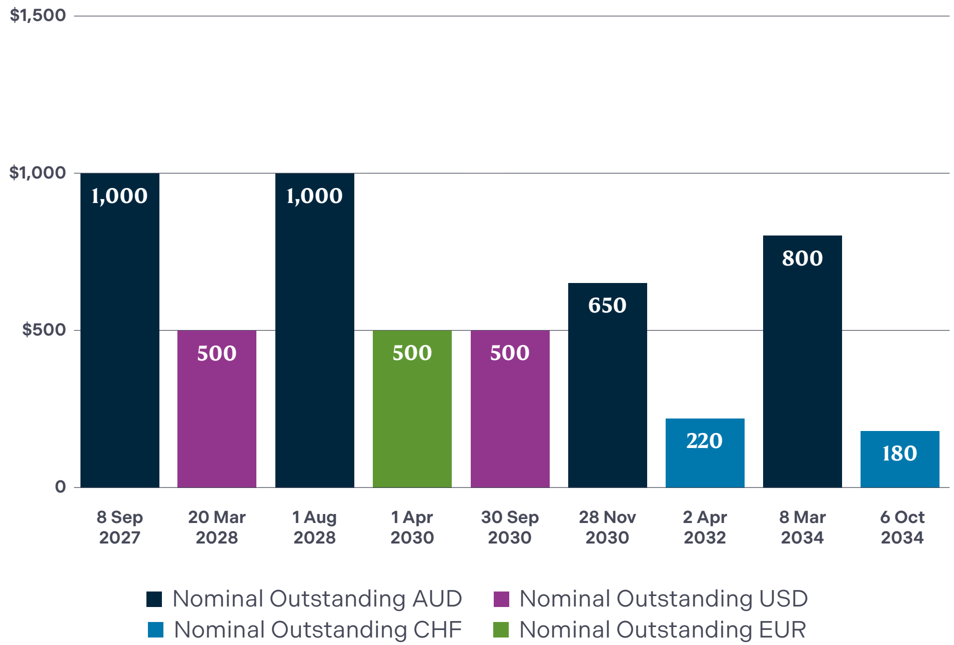
LGFA NZD bonds on issue (NZ$ million)

As at 30 September 2025: NZ$18,996 million (Includes NZ$1,300 million treasury stock)



LGFA Foreign Currency Bonds on issue (NZ$ millions)



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September Quarter LGFA Bond Issuance (NZ$ equivalent million)

	Apr 26	Apr 27	Sep 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	Mar 34	May 35	Apr 37	Offshore	Total
USD Syndication (23 Sept)													USD500m 5yr	**$853**
CHF Syndication (18 Sept)													CHF180m 9yr	**$387**
Tender 122 (3 Sept)						$50	$50		$50					**$150**
Tender 121 (6 Aug)				$50				$50						**$100**
Tender 120 (2 July)								$50				$50		**$100**
	$0.0	**$0.0**	**$0.0**	**$50.0**	**$0.0**	**$50.0**	**$50.0**	**$100.0**	**$50.0**	**$0.0**	**$0.0**	**$50.0**		**$1,590.0**

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
September	$421.7	$91.5	$52.2	$204.2	$179.2	$238.0	$45.5	$235.9	$21.0	$36.4	$1,525.6
August	$129.7	$165.0	$333.4	$103.9	$156.0	$366.5	$93.1	$134.9	$41.3	$124.1	$1,647.9
July	$70.7	$24.7	$87.4	$81.5	$28.1	$117.0	$58.8	$55.6	$83.6	$244.0	$851.4
	$622.1	**$281.1**	**$473.0**	**$389.6**	**$363.3**	**$721.5**	**$197.4**	**$426.4**	**$146.0**	**$404.4**	**$4,024.8**

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

As at month end	Banks	Offshore	Domestic Investors	RBNZ
September	$6,310.0	$4,852.0	$6,098.0	$732.0
August	$6,142.0	$4,932.0	$6,091.0	$732.0
July	$6,447.0	$4,901.0	$5,728.0	$732.0
December	$6,482.0	$5,129.0	$5,453.0	$732.0

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

Banks	Offshore	Domestic Investors	RBNZ
35.0%	27.0%	33.9%	4.1%
34.2%	27.6%	34.1%	4.1%
36.3%	27.5%	32.1%	4.1%
36.4%	28.8%	30.7%	4.1%

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
September	2.75%	2.83%	3.11%	3.34%	3.54%	3.82%	4.01%	4.23%	4.53%	4.80%
August	2.96%	3.09%	3.37%	3.61%	3.84%	4.08%	4.26%	4.46%	4.73%	4.99%
July	3.25%	3.38%	3.66%	3.87%	4.08%	4.31%	4.47%	4.66%	4.90%	5.16%
June	3.30%	3.45%	3.72%	3.94%	4.15%	4.39%	4.54%	4.73%	4.96%	5.24%

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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
September	10 bps	12 bps	19 bps	21 bps	18 bps	23 bps	22 bps	30 bps	34 bps	37 bps
August	9 bps	13 bps	19 bps	23 bps	25 bps	28 bps	27 bps	33 bps	38 bps	40 bps
July	6 bps	13 bps	21 bps	24 bps	27 bps	29 bps	29 bps	36 bps	39 bps	43 bps
June	5 bps	14 bps	21 bps	26 bps	29 bps	33 bps	32 bps	40 bps	42 bps	52 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
September	2 bps	24 bps	38 bps	46 bps	49 bps	62 bps	68 bps	78 bps	87 bps	99 bps
August	6 bps	25 bps	40 bps	50 bps	57 bps	67 bps	72 bps	81 bps	88 bps	100 bps
July	12 bps	24 bps	40 bps	49 bps	57 bps	67 bps	71 bps	80 bps	87 bps	100 bps
June	10 bps	27 bps	42 bps	52 bps	60 bps	71 bps	75 bps	84 bps	90 bps	105 bps

2025-26 Tender and Settlement Dates

Tender #	Announcement Date	Tender Date	Settlement Date
124	Monday, 3 November 2025	Wednesday, 5 November 2025	Monday, 10 November 2025
125	Monday, 8 December 2025	Wednesday, 10 December 2025	Monday, 15 December 2025
126	Monday, 19 January 2026	Wednesday, 21 January 2026	Monday, 26 January 2026
127	Friday, 13 February 2026	Tuesday, 17 February 2026	Thursday, 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

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+

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

For further information

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