



## **Exchange announcement**

20 April 2026

### **BNZ announces software capitalisation change**

Bank of New Zealand (**BNZ**) today announced that the following changes will be made to BNZ's application of its software capitalisation policy:

- A reduction in the useful life of capitalised software assets;
- A change in the nature of assets capitalised; and
- An increase in the threshold at which software is to be capitalised from \$5 million to \$20 million.

These changes are expected to better align BNZ (and parent - NAB Group's) accounting policies with a rapidly evolving technology environment with more frequent enhancements and faster obsolescence, including from increased AI adoption. This means the time that software is expected to generate economic benefits is shortening.

The change will be applied to both current and future software balances and is expected to reduce BNZ's capitalised software balance at 31 March 2026 by NZ\$352 million and BNZ's statutory profit for the six months ended 31 March 2026 by NZ\$253 million (post tax). There is no impact on BNZ's capital given capitalised software balances are already deducted from Common Equity Tier One capital.

## **Ends**

For further information, please contact:

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