



Monday 4 May 2026

BNZ 2026 Half Year Result

BNZ today announced its half year result to 31 March 2026, reporting a statutory net profit of \$494 million, down \$301 million or 37.9% on the prior year.

This was primarily driven by a one-off reduction in BNZ's capitalised software assets due to changes to its software capitalisation policy. Excluding this one-off adjustment, BNZ's net profit was down \$48 million to \$747 million.

Revenue was broadly flat, up 0.7% to \$1,760 million, while operating expenses excluding the one-off adjustment were up 4.3% to \$701 million.

BNZ increased its credit impairment provisioning by \$20 million year on year to a total of \$995 million. This includes a forward-looking adjustment for the potential impacts of the Middle East conflict.

A reflection of the NZ economy pre-conflict

BNZ CEO Dan Huggins says this result is largely a reflection of the New Zealand economy prior to the Middle East conflict.

“The first half of the year saw many New Zealand businesses anticipating a steady return to economic growth. We saw both housing and business lending increase, as household and business confidence improved.”

BNZ's home lending was up 6.6% and business lending up 2.2% on the prior period. Total lending was up \$5.1 billion or 4.7% to \$113.6 billion.

Total customer deposits increased by \$4.5 billion or 5.3% to \$89.9 billion. BNZ's net interest margin was down 4 basis points as strong competition for customers continued.

“While it was pleasing to see a return to confidence in the New Zealand economy, the Middle East conflict has eroded that positive sentiment and our customers have once again had to adjust quickly,” says Huggins.

“New Zealanders have shown resilience in recent years, but the impact of higher fuel prices on households and businesses has seen a change in sentiment from growing confidence to one of caution.

“We continue to monitor the situation closely, but right now it is difficult to predict how the conflict in the Middle East and its impacts here will evolve, which means uncertainty is prevailing.

“BNZ is in a solid position and is committed to supporting our customers. Whether they are looking to invest, grow or manage through periods of uncertainty, we have an experienced team and encourage customers to talk to us,” says Huggins.

Supporting customers

“Since the start of the conflict, BNZ has proactively contacted thousands of customers to understand any impacts and discuss how the bank can best support them,” says Huggins.

“What most customers tell us is that while it is challenging, they are currently managing as they work hard to adapt to the uncertainty.

“Our business banking specialists are offering their expertise as business owners look to manage cashflow and working capital, optimise debt structuring and model business impacts including freight and fuel volatility.

“As always, our message to customers is get in touch. The sooner they do, the more options we may have available to help,” says Huggins.

Delivering innovative solutions

Despite the uncertainty, BNZ has continued to innovate for our customers, to grow our suite of market leading products and services.

“From solutions like BNZ’s Home Loan Switch, which is expected to save customers millions of dollars in estimated legal fees over the next two years and make switching banks easier; to our 24hr home lending promise, and Total Money offset accounts. Or our great deposit rates, competitive lending rates and surcharge free Payap payment options.

“This focus on simple and market leading banking solutions has helped BNZ retain its number one Consumer Net Promoter score (NPS) amongst the five largest banks and win Canstar’s 2026 Bank of the Year Home Loans award,” says Huggins.

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An unaudited summary of financial information for the 6 months ended 31 March 2026 follows:

BNZ Banking Group

Income Statement Summary (NZ\$m)	Mar 26	Mar 25	Mar 26 v
			Mar 25 %
Net interest income	1,525	1,495	2.0
Gains less losses on financial instruments	79	87	(9.2)
Other operating income	156	165	(5.5)
Total operating income	1,760	1,747	0.7
Operating expenses	(1,053)	(672)	56.7
Underlying profit	707	1,075	(34.2)
Credit impairment write back / (charge)	(19)	28	(167.9)
Total operating profit before income tax expense	688	1,103	(37.6)
Income tax expense on operating profit	(194)	(308)	(37.0)
Net profit for the period¹	494	795	(37.9)

Reconciling items to statutory net profit (BNZ Banking Group)	Mar 26	Mar 25	Mar 26 v
			Mar 25 %
Cash earnings ² (NAB NZ Banking Reporting Segment)	728	781	(6.8)
Structural differences between NAB NZ Banking Reporting Segment and BNZ Banking Group ³	(238)	18	Large
Cash earnings (BNZ Banking Group)	490	799	(38.7)
Fair value movements, hedging gains/(losses), and other reconciling items ⁴	4	(4)	Large
Net profit for the period¹	494	795	(37.9)

BNZ Banking Group Balance Sheet Summary (NZ\$bn) ⁵			
Loans and advances to customers	113.6	108.5	4.7
Total assets	143.7	133.1	8.0
Deposits and other borrowings	97.5	87.6	11.3
Total liabilities	130.0	119.5	8.8
Total shareholders' equity	13.7	13.6	0.7

Performance Measures			
Net interest margin	2.35%	2.39%	(4 bps)
Cost to income ratio	59.8%	38.5%	2130 bps
Return on Equity	7.2%	11.9%	(470 bps)

1. Statutory net profit has been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP") It complies with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards.

2. Cash earnings is a non-IFRS key financial performance measure used by BNZ for its internal management reporting as it better reflects what BNZ considers to be underlying performance. Cash earnings is not a statutory financial measure, is not presented in accordance with NZ GAAP and is not audited or reviewed in accordance with International Standards on Auditing (New Zealand).

3. NAB NZ Banking Reporting Segment consists of Partnership Banking, servicing retail, business and private customers; Corporate and Institutional Banking, servicing corporate and institutional customers, and the Markets operations in New Zealand. It also includes National Australia Bank's investment in FirstCape, and the impact of distributions to non-controlling interests.

4. Unrealised fair value gains or losses on economic hedges that do not qualify for hedge accounting and hedge ineffectiveness causes volatility in statutory profit, which is excluded from cash earnings as it is income neutral over the full term of transactions. This arises from fair value movements relating to trading derivatives for risk management purposes; fair value movements relating to assets; liabilities and derivatives designated in hedge relationships; and fair value movements relating to asset and liabilities designated at fair value.