



Australia and New Zealand Banking Group Limited - ANZBGL New Zealand

Registered Bank Disclosure Statement
For the six months ended 31 March 2025

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Glossary

In this Registered Bank Disclosure Statement (Disclosure Statement) unless the context otherwise requires:

Bank means ANZ Bank New Zealand Limited.

Banking Group means the Bank and all its controlled entities.

Immediate Parent Company means ANZ Funds Pty. Ltd., which is the immediate parent company of ANZ Holdings (New Zealand) Limited.

Ultimate Non-Bank Holding Company, ANZGHL means ANZ Group Holdings Limited.

ANZ Group means the worldwide operations of ANZGHL including its controlled entities.

Ultimate Parent Bank means Australia and New Zealand Banking Group Limited.

Overseas Banking Group means the worldwide operations of the Ultimate Parent Bank including its controlled entities.

New Zealand business means all business, operations, or undertakings conducted in or from New Zealand identified and treated as if it were conducted by a company formed and registered in New Zealand.

NZ Branch means the New Zealand business of the Ultimate Parent Bank.

ANZBGL New Zealand, We or Our means the New Zealand business of the Overseas Banking Group.

ANZ New Zealand means the New Zealand business of the ANZ Group.

Registered Office is Level 10, 171 Featherston Street, Wellington, New Zealand, which is also ANZBGL New Zealand's address for service.

RBNZ means the Reserve Bank of New Zealand.

APRA means the Australian Prudential Regulation Authority.

the Order means the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014.

Any term or expression which is defined in, or in the manner prescribed by, the Order shall have the meaning given in or prescribed by the Order.

Interim Financial Statements

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Income Statement

For the six months ended 31 March	Note	2025 NZ\$m	2024 NZ\$m
Interest income		5,542	5,918
Interest expense		(3,346)	(3,776)
Net interest income		2,196	2,142
Other operating income	2	509	223
Operating income		2,705	2,365
Operating expenses		(894)	(858)
Profit before credit impairment and income tax		1,811	1,507
Credit impairment release/(charge)	5	5	(33)
Profit before income tax		1,816	1,474
Income tax expense		(514)	(419)
Profit for the period		1,302	1,055
Comprising:			
Profit attributable to shareholders of the Ultimate Parent Bank		1,281	1,041
Profit attributable to non-controlling interests		21	14

Statement of Comprehensive Income

For the six months ended 31 March	2025 NZ\$m	2024 NZ\$m
Profit for the period	1,302	1,055
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss	11	4
Items that may be reclassified subsequently to profit or loss		
Reserve movements:		
Unrealised gains recognised directly in equity	8	48
Realised gains transferred to the income statement	(2)	(3)
Income tax attributable to the above items	(5)	(14)
Total comprehensive income for the period	1,314	1,090
Comprising total comprehensive income attributable to:		
Shareholders of the Ultimate Parent Bank	1,293	1,076
Non-controlling interests	21	14

The notes appearing on pages 8 to 22 form an integral part of these interim financial statements.

Balance Sheet

As at	Note	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Assets			
Cash and cash equivalents		11,145	11,634
Settlement balances receivable		687	574
Collateral paid		742	1,041
Trading securities		5,774	5,576
Derivative financial instruments		8,871	10,173
Investment securities		14,882	13,295
Net loans and advances	4	153,912	151,963
Deferred tax assets		401	419
Goodwill and other intangible assets		3,097	3,094
Premises and equipment		319	363
Other assets		1,326	1,334
Total assets		201,156	199,466
Liabilities			
Settlement balances payable		3,391	5,346
Collateral received		951	525
Deposits and other borrowings	6	151,367	145,323
Derivative financial instruments		8,149	11,150
Current tax liabilities		100	256
Payables and other liabilities		1,947	2,457
Employee entitlements		116	121
Other provisions		210	212
Debt issuances	7	17,735	17,549
Total liabilities		183,966	182,939
Net assets		17,190	16,527
Shareholders' equity			
Share capital	10	14,555	14,555
Reserves	10	28	24
Retained earnings	10	1,782	1,123
Equity attributable to shareholders of the Ultimate Parent Bank		16,365	15,702
Non-controlling interests		825	825
Total shareholders' equity		17,190	16,527

The notes appearing on pages 8 to 22 form an integral part of these interim financial statements.

Cash Flow Statement

	2025 NZ\$m	2024 NZ\$m
For the six months ended 31 March		
Profit after income tax	1,302	1,055
Adjustments to reconcile to net cash provided by/(used in) operating activities:		
Depreciation and amortisation	51	55
Loss on sale and impairment of premises and equipment and lease remeasurements	-	1
Net derivatives/foreign exchange adjustment	(455)	(256)
Other non-cash movements	(61)	(12)
<i>Net (increase)/decrease in operating assets:</i>		
Collateral paid	299	92
Trading securities	(198)	138
Net loans and advances	(1,949)	(1,540)
Other assets	(87)	(352)
<i>Net increase/(decrease) in operating liabilities:</i>		
Deposits and other borrowings (excluding items included in financing activities)	6,497	3,522
Settlement balances payable	(1,955)	657
Collateral received	426	(497)
Other liabilities	(639)	430
Total adjustments	1,929	2,238
Net cash provided by operating activities¹	3,231	3,293
Cash flows from investing activities		
Investment securities:		
Purchases	(2,594)	(1,495)
Proceeds from sale or maturity	1,090	1,320
Other assets	(20)	(19)
Net cash used in investing activities	(1,524)	(194)
Cash flows from financing activities		
Deposits and other borrowings (excluding borrowings from Immediate Parent and Ultimate Parent Bank) ²	(534)	(29)
Debt issuances: ³		
Issue proceeds	1,689	887
Redemptions	(2,636)	(3,250)
Borrowings from Immediate Parent and Ultimate Parent Bank: ⁴		
Change in short term borrowings	(39)	(30)
Proceeds from issue of perpetual preference shares	-	271
Repayment of lease liabilities	(25)	(25)
Dividends paid	(651)	(1,099)
Net cash used in financing activities	(2,196)	(3,275)
Net change in cash and cash equivalents	(489)	(176)
Cash and cash equivalents at beginning of period	11,634	13,094
Cash and cash equivalents at end of period	11,145	12,918

¹ Net cash provided by operating activities includes income taxes paid of NZ\$657 million (March 2024: NZ\$536 million).

² Movement in deposits and other borrowings include repayments of repurchase transactions entered into with the RBNZ under the Term Lending Facility of NZ\$34 million (March 2024: NZ\$29 million) and NZ\$500 million under the Funding for Lending Programme (March 2024: nil).

³ Movement in debt issuances (Note 7 Debt issuances) also includes a NZ\$1,168 million increase (March 2024: NZ\$16 million decrease) from the effect of foreign exchange rates and a NZ\$35 million decrease (March 2024: NZ\$350 million increase) from changes in fair value hedging instruments.

⁴ Movement in borrowings from Immediate Parent and Ultimate Parent Bank (Note 6 Deposit and other borrowings) also includes a NZ\$118 million increase (March 2024: NZ\$9 million increase) from the effect of foreign exchange rates and a NZ\$2 million increase (March 2024: NZ\$21 million increase) from changes in fair value hedging instruments.

The notes appearing on pages 8 to 22 form an integral part of these interim financial statements.

Statement of Changes in Equity

	Share capital and initial head office account NZ\$m	Reserves NZ\$m	Retained earnings NZ\$m	Equity attributable to shareholders of the Ultimate Parent Bank NZ\$m	Non- controlling interests NZ\$m	Total shareholders' equity NZ\$m
As at 1 October 2023	11,055	(93)	5,173	16,135	550	16,685
Profit or loss for the period	-	-	1,041	1,041	14	1,055
Other comprehensive income for the period	-	32	3	35	-	35
Total comprehensive income for the period	-	32	1,044	1,076	14	1,090
Transactions with equity holders in their capacity as equity owners:						
Ordinary shares dividend paid	-	-	(1,085)	(1,085)	-	(1,085)
Perpetual preference shares issued (net of issue costs)	-	-	(4)	(4)	275	271
Perpetual preference shares dividends paid	-	-	-	-	(14)	(14)
As at 31 March 2024	11,055	(61)	5,128	16,122	825	16,947
As at 1 October 2024	14,555	24	1,123	15,702	825	16,527
Profit or loss for the period	-	-	1,281	1,281	21	1,302
Other comprehensive income for the period	-	4	8	12	-	12
Total comprehensive income for the period	-	4	1,289	1,293	21	1,314
Transactions with equity holders in their capacity as equity owners:						
Ordinary shares dividend paid	-	-	(630)	(630)	-	(630)
Perpetual preference shares dividends paid	-	-	-	-	(21)	(21)
As at 31 March 2025	14,555	28	1,782	16,365	825	17,190

The notes appearing on pages 8 to 22 form an integral part of these interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

1. About our interim financial statements

These condensed consolidated interim financial statements for ANZBGL New Zealand have been prepared in accordance with the requirements of the Order and should be read in conjunction with ANZBGL New Zealand's financial statements for the year ended 30 September 2024.

On 7 May 2025, the Directors resolved to authorise the issue of these interim financial statements.

Basis of preparation

These condensed consolidated interim financial statements comply with:

- New Zealand Generally Accepted Accounting Practice (NZ GAAP), as defined in the Financial Reporting Act 2013;
- NZ IAS 34 *Interim Financial Reporting* and other applicable Financial Reporting Standards, as appropriate for publicly accountable for-profit entities; and
- IAS 34 *Interim Financial Reporting*.

The condensed consolidated interim financial statements of ANZBGL New Zealand comprise the financial statements of the NZ Branch and all of the New Zealand businesses of all the subsidiaries of the Ultimate Parent Bank.

We present the condensed consolidated interim financial statements of ANZBGL New Zealand in New Zealand dollars and have rounded values to the nearest million dollars (NZ\$m), unless otherwise stated.

The accounting policies adopted by ANZBGL New Zealand are consistent with those adopted and disclosed in the previous full year financial statements.

Basis of measurement and presentation

The financial information has been prepared in accordance with the historical cost basis – except for the following assets and liabilities which we have stated at their fair value:

- derivative financial instruments and in the case of fair value hedging, a fair value adjustment made to the underlying hedged item;
- financial instruments held for trading;
- financial assets and financial liabilities designated at fair value through profit or loss (FVTPL); and
- financial assets at fair value through other comprehensive income (FVOCI).

Key judgements and estimates



In the process of applying ANZBGL New Zealand's accounting policies, management has made a number of judgements and applied estimates and assumptions about past and future events. Discussion of the critical accounting estimates and judgements, which include complex or subjective decisions or assessments, are provided in the previous full year financial statements. Such estimates and judgements are reviewed on an ongoing basis.

The global economy continues to face challenges associated with inflation and interest rate uncertainties, continuing trade and geopolitical tensions, and impacts from climate change, which contribute to an elevated level of estimation uncertainty involved in the preparation of these interim financial statements.

ANZBGL New Zealand made various accounting estimates in these interim financial statements based on forecasts of economic conditions which reflect expectations and assumptions at 31 March 2025 about future events considered reasonable in the circumstances. Thus, there is a considerable degree of judgement involved in preparing these estimates. Actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of these differences may significantly impact accounting estimates included in these interim financial statements. The significant accounting estimates impacted by these forecasts and associated uncertainties are predominantly related to expected credit losses and recoverable amounts of non-financial assets.

In light of the uncertainties above the assumptions and judgements made in relation to significant accounting estimates are discussed further in the relevant notes in these interim financial statements and/or in the relevant notes in the previous full year financial statements. Readers should consider these disclosures in light of the uncertainties described above.

2. Other operating income

	2025 NZ\$m	2024 NZ\$m
For the six months ended 31 March		
Fee and commission income		
Lending fees	10	10
Non-lending fees	361	370
Commissions	14	14
Funds management income	122	122
Fee and commission income	507	516
Fee and commission expense	(264)	(261)
Net fee and commission income	243	255
Other income		
Net trading gains	99	122
Gain on sale of investment securities designated at FVOCI	2	1
Fair value gain/(loss) on hedging activities and financial liabilities designated at fair value	161	(162)
Net foreign exchange earnings and other financial instruments income	262	(39)
Adjustment to gain on sale of UDC Finance Ltd	-	2
Other	4	5
Other income	266	(32)
Other operating income	509	223

3. Segment reporting

Description of segments

ANZBGL New Zealand is organised into three major business segments for segment reporting purposes - Personal, Business & Agri and Institutional. Centralised back office and corporate functions support these segments. These segments are consistent with internal reporting provided to the chief operating decision maker, being the Bank's Chief Executive Officer.

Personal

Personal provides a full range of banking and wealth management services to consumer and private banking customers. We deliver our services via our internet and app-based digital solutions and a network of branches, mortgage specialists, private bankers and contact centres.

Business & Agri

Business & Agri provides a full range of banking services through our digital, branch and contact centre channels, and traditional relationship banking and sophisticated financial solutions through dedicated managers. These cover privately owned small, medium and large enterprises, the agricultural business segment, government and government related entities.

Institutional

The Institutional division services governments, global institutional and corporate customers via the following business units:

- **Transaction Banking** provides customers with working capital and liquidity solutions including documentary trade, supply chain financing, commodity financing as well as cash management solutions, deposits, payments and clearing.
- **Corporate Finance** provides customers with loan products, loan syndication, specialised loan structuring and execution, project and export finance, debt structuring and acquisition finance, and sustainable finance solutions.
- **Markets** provides customers with risk management services in foreign exchange, interest rates, credit, commodities, and debt capital markets in addition to managing ANZBGL New Zealand's interest rate exposure and high quality liquid asset portfolio.

Other

Other includes treasury and back office support functions, none of which constitutes a separately reportable segment.

Operating segments

	Personal		Business & Agri		Institutional		Other		Total	
	2025 NZ\$m	2024 NZ\$m	2025 NZ\$m	2024 NZ\$m	2025 NZ\$m	2024 NZ\$m	2025 NZ\$m	2024 NZ\$m	2025 NZ\$m	2024 NZ\$m
For the six months ended 31 March										
Net interest income	1,273	1,170	478	515	373	379	72	78	2,196	2,142
Net fee and commission income										
- Lending fees	4	4	-	-	6	6	-	-	10	10
- Non-lending fees	227	228	114	118	24	26	(4)	(2)	361	370
- Commissions	13	13	-	-	-	-	1	1	14	14
- Funds management income	122	122	-	-	-	-	-	-	122	122
- Fee and commission expense	(173)	(168)	(91)	(93)	-	-	-	-	(264)	(261)
Net fee and commission income	193	199	23	25	30	32	(3)	(1)	243	255
Other income	-	1	(1)	-	107	129	160	(162)	266	(32)
Other operating income	193	200	22	25	137	161	157	(163)	509	223
Operating income	1,466	1,370	500	540	510	540	229	(85)	2,705	2,365
Operating expenses	(608)	(591)	(146)	(134)	(127)	(122)	(13)	(11)	(894)	(858)
Profit before credit impairment and income tax	858	779	354	406	383	418	216	(96)	1,811	1,507
Credit impairment release/(charge)	(20)	(22)	25	18	-	(29)	-	-	5	(33)
Profit/(loss) before income tax	838	757	379	424	383	389	216	(96)	1,816	1,474
Income tax benefit/(expense)	(235)	(212)	(106)	(119)	(107)	(109)	(66)	21	(514)	(419)
Non-controlling interests	-	-	-	-	-	-	(21)	(14)	(21)	(14)
Profit/(loss) after income tax ¹	603	545	273	305	276	280	129	(89)	1,281	1,041

¹ Attributable to shareholders of the Ultimate Parent Bank.

3. Segment reporting (continued)

Operating segments (continued)

As at	Personal		Business & Agri		Institutional		Other		Total	
	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Financial position										
Goodwill	1,042	1,042	695	695	1,269	1,269	-	-	3,006	3,006
Net loans and advances	112,818	110,447	23,636	23,952	17,458	17,564	-	-	153,912	151,963
Customer deposits	94,401	91,814	19,183	17,996	27,312	26,353	-	-	140,896	136,163

Other segment

The Other segment profit/(loss) after income tax comprises:

For the six months ended 31 March	2025 NZ\$m	2024 NZ\$m
Personal and Business & Agri central functions	(2)	2
Group Centre	15	26
Economic hedges	116	(117)
Total	129	(89)

4. Net loans and advances

	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Overdrafts	1,113	1,091
Credit cards	1,238	1,243
Term loans - housing	113,396	111,104
Term loans - non-housing ¹	38,336	38,755
Gross subtotal	154,083	152,193
Unearned income	(25)	(21)
Capitalised brokerage and other origination costs	566	516
Gross loans and advances	154,624	152,688
Allowance for expected credit losses (refer to Note 5)	(712)	(725)
Net loans and advances	153,912	151,963

¹ Includes reverse repurchase agreements (with 90 days or more to maturity) designated at FVTPL of NZ\$316 million (September 2024: nil).

5. Allowance for expected credit losses

This note should be read in conjunction with the estimates, assumptions and judgements included in Note 1 About our interim financial statements.

	31 Mar 25			30 Sep 24		
	Collectively assessed NZ\$m	Individually assessed NZ\$m	Total NZ\$m	Collectively assessed NZ\$m	Individually assessed NZ\$m	Total NZ\$m
Net loans and advances at amortised cost	651	61	712	661	64	725
Off-balance sheet commitments	124	2	126	133	3	136
Total	775	63	838	794	67	861

The following tables present the movement in the allowance for expected credit losses (ECL) for the period.

Net loans and advances – at amortised cost

Allowance for ECL is included in Net loans and advances.

	Stage 1 NZ\$m	Stage 2 NZ\$m	Stage 3		Total NZ\$m
			Collectively assessed NZ\$m	Individually assessed NZ\$m	
As at 1 October 2024	187	370	104	64	725
Transfer between stages	56	(57)	-	1	-
New and increased provisions (net of releases)	(78)	69	-	38	29
Write-backs	-	-	-	(20)	(20)
Bad debts written-off (excluding recoveries)	-	-	-	(23)	(23)
Discount unwind reversal	-	-	-	1	1
As at 31 March 2025	165	382	104	61	712

Off-balance sheet commitments – undrawn and contingent facilities

Allowance for ECL is included in Other provisions.

	Stage 1 NZ\$m	Stage 2 NZ\$m	Stage 3		Total NZ\$m
			Collectively assessed NZ\$m	Individually assessed NZ\$m	
As at 1 October 2024	74	56	3	3	136
Transfer between stages	5	(5)	-	-	-
New and increased provisions (net of releases)	(10)	1	-	(1)	(10)
As at 31 March 2025	69	52	3	2	126

Credit impairment charge – income statement

Credit impairment charge analysis

	2025 NZ\$m	2024 NZ\$m
For the six months ended 31 March		
New and increased provisions (net of releases) ¹		
– Collectively assessed	(19)	30
– Individually assessed	38	40
Write-backs	(20)	(31)
Recoveries of amounts previously written-off	(4)	(6)
Total credit impairment charge/(release)	(5)	33

¹ Includes the impact of transfers between collectively assessed and individually assessed.

5. Allowance for expected credit losses (continued)

Key judgements and estimates



Collectively assessed allowance for ECL

The collectively assessed allowance for ECL decreased by NZ\$19 million, attributable to NZ\$49 million from an improvement in base case economic assumptions, partially offset by a NZ\$24 million net increase in management temporary adjustments for increased uncertainty and economic volatility and NZ\$6 million from a deterioration in credit risk profile and other portfolio changes.

In estimating collectively assessed ECL, ANZBGL New Zealand makes judgements and assumptions in relation to:

- the selection of an estimation technique or modelling methodology; and
- the selection of inputs for those models, and the interdependencies between those inputs.

The judgements and associated assumptions have been made within the context of the uncertainty of how various factors might impact the global economy, and reflect historical experience and other factors that are considered relevant, including expectations of future events that are believed to be reasonable under the circumstances. ANZBGL New Zealand's ECL estimates are inherently uncertain and, as a result, actual results may differ from these estimates.

The key judgements and assumptions in estimating collectively assessed ECL are presented below.

Base case economic forecast assumptions

Continuing uncertainties described above increase the risk of the economic forecast resulting in an understatement or overstatement of the ECL balance.

The economic drivers of the base case economic forecasts, reflective of our view of future macroeconomic conditions used at 31 March 2025 are set out below. For the years following the near term forecasts below, the ECL models apply simplified assumptions for the economic conditions to calculate lifetime loss.

	Actual calendar year 2024	Forecast calendar year 2025	Forecast calendar year 2026
New Zealand			
GDP (annual % change)	-0.5	1.0	3.1
Unemployment rate (annual average)	4.7	5.2	4.7
Residential property prices (annual % change)	-1.1	6.0	5.0
Consumer price index (annual average % change)	2.9	2.6	1.9

The base case economic forecasts have been updated to reflect economic recovery and a return to growth, and house prices are expected to increase following a period of stabilisation.

Probability weightings

Probability weightings for each scenario are determined by management considering the risks and uncertainties surrounding the base case economic scenario including the uncertainties described above.

Scenario weightings remain the same as those applied in September 2024.

The assigned probability weightings are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. ANZBGL New Zealand considers these weightings to provide estimates of the possible loss outcomes and taking into account short and long term inter-relationships within ANZBGL New Zealand's credit portfolios. The weightings applied are set out below:

	31 Mar 25	30 Sep 24
Base	50.0%	50.0%
Upside	3.75%	3.75%
Downside	33.75%	33.75%
Severe downside	12.5%	12.5%

5. Allowance for expected credit losses (continued)

Key judgements and estimates (continued)



ECL - Sensitivity analysis

Given current economic uncertainties and the judgement applied to factors used in determining the expected default of borrowers in future periods, expected credit losses reported by ANZBGL New Zealand should be considered as a best estimate within a range of possible estimates.

The table below illustrates the sensitivity of collectively assessed ECL to key factors used in determining it as at 31 March 2025:

	ECL NZ\$m	Impact on ECL NZ\$m
If 1% of Stage 1 facilities were included in Stage 2	783	8
If 1% of Stage 2 facilities were included in Stage 1	774	(1)
100% upside scenario	282	(493)
100% base scenario	369	(406)
100% downside scenario	722	(53)
100% severe downside scenario	1,917	1,142

Individually assessed allowance for ECL

In estimating individually assessed ECL, ANZBGL New Zealand makes judgements and assumptions in relation to expected repayments, the realisable value of collateral, business prospects for the customer, competing claims and the likely cost and duration of the work-out process. Judgements and assumptions in respect of these matters have been updated to reflect amongst other things, the uncertainties described above and in Note 1 About our interim financial statements.

6. Deposits and other borrowings

	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Term deposits	59,881	59,308
On demand and short term deposits	64,070	60,983
Deposits not bearing interest	16,945	15,872
Total customer deposits	140,896	136,163
Certificates of deposit	1,334	1,174
Commercial paper	2,124	1,419
Securities sold under repurchase agreements	4,115	3,750
Borrowings from Ultimate Parent Bank and Immediate Parent Company ¹	2,898	2,817
Deposits and other borrowings	151,367	145,323

¹ Includes borrowings from the Immediate Parent Company of NZ\$1,766 million which is subordinated to the A\$800 million perpetual subordinated debt issued by ANZ Holdings (New Zealand) Limited.

7. Debt issuances

ANZBGL New Zealand uses a variety of funding programmes to issue unsubordinated debt (including senior debt and covered bonds) and subordinated debt. The difference between unsubordinated debt and subordinated debt is that, in a winding up of the issuer, holders of unsubordinated debt rank in priority to holders of subordinated debt. Subordinated debt will be repaid only after the repayment of claims of depositors and other creditors (including holders of unsubordinated debt) of that issuer.

	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Senior debt	12,172	12,349
Covered bonds	2,347	2,156
Total unsubordinated debt	14,519	14,505
Subordinated debt	3,216	3,044
Total debt issued	17,735	17,549

The Bank has guaranteed the payment of interest and principal of covered bonds issued by its subsidiary ANZ New Zealand (Int'l) Limited. This obligation is guaranteed by ANZNZ Covered Bond Trust Limited (the Covered Bond Guarantor), solely in its capacity as trustee of ANZNZ Covered Bond Trust. The ANZNZ Covered Bond Trust is a member of the Banking Group. The Covered Bond Guarantor is not a member of the Banking Group and has no credit ratings applicable to its long term senior unsecured obligations. The covered bonds have been assigned a long term rating of Aaa and AAA by Moody's Investors Service and Fitch Ratings respectively. Refer to page 26 for the amount of assets of the ANZNZ Covered Bond Trust pledged as security for covered bonds.

8. Credit risk

This note should be read in conjunction with the estimates, assumptions and judgements included in Note 1 About our interim financial statements and Note 5 Allowance for expected credit losses.

Maximum exposure to credit risk

For financial assets recognised on the balance sheet, the maximum exposure to credit risk is the carrying amount. In certain circumstances there may be differences between the carrying amounts reported on the balance sheet and the amounts reported in the tables below. Principally, these differences arise in respect of financial assets that are subject to risks other than credit risk, such as equity instruments which are primarily subject to market risk, or bank notes and coins.

For undrawn facilities, this maximum exposure to credit risk is the full amount of the committed facilities. For contingent exposures, the maximum exposure to credit risk is the maximum amount ANZBGL New Zealand would have to pay if the instrument is called upon.

The table below shows our maximum exposure to credit risk of on-balance sheet and off-balance sheet positions before taking account of any collateral held or other credit enhancements.

	Reported		Excluded ¹		Maximum exposure to credit risk	
	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
On-balance sheet positions						
Net loans and advances	153,912	151,963	-	-	153,912	151,963
Other financial assets:						
Cash and cash equivalents	11,145	11,634	122	130	11,023	11,504
Settlement balances receivable	687	574	-	-	687	574
Collateral paid	742	1,041	-	-	742	1,041
Trading securities	5,774	5,576	-	-	5,774	5,576
Derivative financial instruments	8,871	10,173	-	-	8,871	10,173
Investment securities	14,882	13,295	-	-	14,882	13,295
Other financial assets ²	1,076	1,113	-	-	1,076	1,113
Total other financial assets	43,177	43,406	122	130	43,055	43,276
Subtotal	197,089	195,369	122	130	196,967	195,239
Off-balance sheet positions						
Undrawn and contingent facilities ³	31,234	28,453	-	-	31,234	28,453
Total	228,323	223,822	122	130	228,201	223,692

¹ Coins, notes and cash at bank within cash and cash equivalents were excluded as they do not have credit risk exposure.

² Other financial assets mainly comprise accrued interest and acceptances.

³ Undrawn and contingent facilities include guarantees, letters of credit and performance related contingencies, net of collectively assessed and individually assessed allowance for expected credit losses.

Credit quality

We use ANZBGL New Zealand's internal customer credit rating (CCR) to manage the credit quality of financial assets. To enable wider comparisons, ANZBGL New Zealand's CCRs are mapped to external rating agency scales as follows:

Credit quality description	Internal CCR	ANZBGL New Zealand customer requirements	Moody's Rating	S&P Global Ratings
Strong	CCR 0+ to 4-	Demonstrated superior stability in their operating and financial performance over the long-term, and whose earnings capacity is not significantly vulnerable to foreseeable events.	Aaa – Baa3	AAA – BBB-
Satisfactory	CCR 5+ to 6-	Demonstrated sound operational and financial stability over the medium to long-term even though some may be susceptible to cyclical trends or variability in earnings.	Ba1 – B1	BB+ – B+
Weak	CCR 7+ to 8=	Demonstrated some operational and financial instability, with variability and uncertainty in profitability and liquidity projected to continue over the short and possibly medium term.	B2 – Caa	B – CCC
Defaulted	CCR 8- to 10	When doubt arises as to the collectability of a credit facility, the financial instrument (or 'the facility') is classified as defaulted.	N/A	N/A

8. Credit risk (continued)

Net loans and advances

	Stage 1 NZ\$m	Stage 2 NZ\$m	Stage 3		Total NZ\$m
			Collectively assessed NZ\$m	Individually assessed NZ\$m	
As at 31 March 2025					
Strong	76,147	1,343	-	-	77,490
Satisfactory	60,084	5,951	-	-	66,035
Weak	5,330	3,121	-	-	8,451
Defaulted	-	-	1,449	342	1,791
Gross loans and advances at amortised cost	141,561	10,415	1,449	342	153,767
Allowance for ECL	(165)	(382)	(104)	(61)	(712)
Net loans and advances at amortised cost	141,396	10,033	1,345	281	153,055
Coverage ratio	0.12%	3.67%	7.18%	17.84%	0.46%
Loans and advances at FVTPL					316
Unearned income					(25)
Capitalised brokerage and other origination costs					566
Net carrying amount					153,912

As at 30 September 2024

Strong	73,720	1,550	-	-	75,270
Satisfactory	59,983	6,912	-	-	66,895
Weak	4,924	3,477	-	-	8,401
Defaulted	-	-	1,257	370	1,627
Gross loans and advances at amortised cost	138,627	11,939	1,257	370	152,193
Allowance for ECL	(187)	(370)	(104)	(64)	(725)
Net loans and advances at amortised cost	138,440	11,569	1,153	306	151,468
Coverage ratio	0.13%	3.10%	8.27%	17.30%	0.48%
Unearned income					(21)
Capitalised brokerage and other origination costs					516
Net carrying amount					151,963

Off-balance sheet commitments - undrawn and contingent facilities

	Stage 1 NZ\$m	Stage 2 NZ\$m	Stage 3		Total NZ\$m
			Collectively assessed NZ\$m	Individually assessed NZ\$m	
As at 31 March 2025					
Strong	25,271	196	-	-	25,467
Satisfactory	4,139	1,214	-	-	5,353
Weak	216	291	-	-	507
Defaulted	-	-	18	15	33
Gross undrawn and contingent facilities	29,626	1,701	18	15	31,360
Allowance for ECL included in Other provisions	(69)	(52)	(3)	(2)	(126)
Net undrawn and contingent facilities	29,557	1,649	15	13	31,234
Coverage ratio	0.23%	3.06%	16.67%	13.33%	0.40%

As at 30 September 2024

Strong	23,450	196	-	-	23,646
Satisfactory	3,530	1,087	-	-	4,617
Weak	30	260	-	-	290
Defaulted	-	-	26	10	36
Gross undrawn and contingent facilities	27,010	1,543	26	10	28,589
Allowance for ECL included in Other provisions	(74)	(56)	(3)	(3)	(136)
Net undrawn and contingent facilities	26,936	1,487	23	7	28,453
Coverage ratio	0.27%	3.63%	11.54%	30.00%	0.48%

9. Fair value of financial assets and financial liabilities

Classification of financial assets and financial liabilities

ANZBGL New Zealand recognises and measures financial instruments at either fair value or amortised cost, with a significant number of financial instruments on the balance sheet at fair value.

Fair value is the best estimate of the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The following tables set out the classification of financial assets and liabilities according to their measurement bases together with their carrying amounts as recognised on the balance sheet.

		31 Mar 25			30 Sep 24		
		At amortised cost NZ\$m	At fair value NZ\$m	Total NZ\$m	At amortised cost NZ\$m	At fair value NZ\$m	Total NZ\$m
Note							
Financial assets							
		9,771	1,374	11,145	10,590	1,044	11,634
		687	-	687	574	-	574
		742	-	742	1,041	-	1,041
		-	5,774	5,774	-	5,576	5,576
		-	8,871	8,871	-	10,173	10,173
		-	14,882	14,882	-	13,295	13,295
	4	153,596	316	153,912	151,963	-	151,963
		1,076	-	1,076	1,113	-	1,113
Total		165,872	31,217	197,089	165,281	30,088	195,369
Financial liabilities							
		3,391	-	3,391	5,346	-	5,346
		951	-	951	525	-	525
	6	147,322	4,045	151,367	142,882	2,441	145,323
		-	8,149	8,149	-	11,150	11,150
	7	17,735	-	17,735	17,549	-	17,549
		1,278	353	1,631	1,733	372	2,105
Total		170,677	12,547	183,224	168,035	13,963	181,998

¹ Comparative amounts have been adjusted to reflect the classification of certain securities purchased under agreements to resell in less than 90 days included in cash and cash equivalents.

Financial assets and financial liabilities measured at fair value

The fair valuation of financial assets and financial liabilities is generally determined at the individual instrument level.

If ANZBGL New Zealand holds offsetting risk positions, then the portfolio exception in NZ IFRS 13 *Fair Value Measurement* (NZ IFRS 13) is used to measure the fair value of such groups of financial assets and financial liabilities. ANZBGL New Zealand measures the portfolio based on the price that would be received to sell a net long position (an asset) for a particular risk exposure, or to transfer a net short position (a liability) for a particular risk exposure.

Fair value designation

ANZBGL New Zealand designates certain loans and advances and deposits and other borrowings as FVTPL where they are managed on a fair value basis to align the measurement with how the financial instruments are managed.

Fair value approach and valuation techniques

We use valuation techniques to estimate the fair value of assets and liabilities for recognition, measurement and disclosure purposes where no quoted price in an active market exists for that asset or liability. This includes the following:

Asset or liability	Fair value approach
Financial instruments classified as:	Discounted cash flow (DCF) techniques are used whereby contractual future cash flows of the instrument are discounted using wholesale market interest rates, or market borrowing rates for debt or loans with similar maturities or yield curves appropriate for the remaining term to maturity.
- Derivative financial assets and financial liabilities (including trading and non-trading)	
- Repurchase agreements <90 days	
- Net loans and advances	
- Deposits and other borrowings	
- Debt issuances	
Other financial instruments held for trading:	Valuation techniques are used that incorporate observable market inputs for financial instruments with similar credit risk, maturity and yield characteristics.
- Securities sold short	
Financial instruments classified as:	Valuation techniques use comparable multiples (such as price-to-book ratios) or DCF techniques incorporating, to the extent possible, observable inputs from instruments with similar characteristics.
- Trading securities	
- Investment securities	

There were no significant changes to valuation approaches during the current or prior periods.

9. Fair value of financial assets and financial liabilities (continued)

Fair value hierarchy

ANZBGL New Zealand categorises financial assets and financial liabilities carried at fair value into a fair value hierarchy as required by NZ IFRS 13 based on the observability of inputs used to measure the fair value:

- Level 1 – valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – valuations using inputs other than quoted prices included within Level 1 that are observable for a similar asset or liability, either directly or indirectly; and
- Level 3 – valuations where significant unobservable inputs are used to measure the fair value of the asset or liability.

The following table presents assets and liabilities carried at fair value in accordance with the fair value hierarchy:

	Fair value measurements							
	Quoted price in active markets (Level 1)		Using observable inputs (Level 2)		Using unobservable inputs (Level 3)		Total	
	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Financial assets								
Cash and cash equivalents ¹	-	-	1,374	1,044	-	-	1,374	1,044
Trading securities ²	4,506	4,653	1,268	923	-	-	5,774	5,576
Derivative financial instruments	4	3	8,866	10,169	1	1	8,871	10,173
Investment securities ²	12,330	12,184	2,547	1,106	5	5	14,882	13,295
Net loans and advances	-	-	316	-	-	-	316	-
Total	16,840	16,840	14,371	13,242	6	6	31,217	30,088
Financial liabilities								
Deposits and other borrowings	-	-	4,045	2,441	-	-	4,045	2,441
Derivative financial instruments	10	70	8,139	11,079	-	1	8,149	11,150
Other financial liabilities	321	358	32	14	-	-	353	372
Total	331	428	12,216	13,534	-	1	12,547	13,963

¹ Comparative amounts have been adjusted to reflect the classification of certain securities purchased under agreements to resell in less than 90 days included in cash and cash equivalents.

² During the six months ended 31 March 2025, NZ\$1,013 million of assets were transferred from Level 1 to Level 2 (September 2024: no assets were transferred from Level 1 to Level 2) and \$128 million of assets were transferred from Level 2 to Level 1 for ANZBGL New Zealand (September 2024: NZ\$2,390 million transferred from Level 2 to Level 1) due to a change in the observability of market price and/or valuation inputs. There were no other material transfers between Level 1, Level 2 and Level 3 during the period. Transfers into and out of levels are measured at the beginning of the reporting period in which the transfer occurred.

Financial assets and financial liabilities not measured at fair value

The financial assets and financial liabilities listed below are measured at amortised cost on ANZBGL New Zealand's balance sheet. While this is the value at which we expect the assets will be realised and the liabilities settled, ANZBGL New Zealand provides an estimate of the fair value of the financial assets and financial liabilities at balance date in the table below.

Fair values of financial asset and financial liabilities carried at amortised cost not included in the table below approximate their carrying values. These financial assets and financial liabilities are either short term in nature or are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

	Carrying amount in the balance sheet						Fair value	
	31 Mar 25			30 Sep 24			31 Mar 25	30 Sep 24
	At amortised cost NZ\$m	At fair value NZ\$m	Total NZ\$m	At amortised cost NZ\$m	At fair value NZ\$m	Total NZ\$m	Total NZ\$m	Total NZ\$m
Financial assets								
Net loans and advances	153,596	316	153,912	151,963	-	151,963	154,409	152,340
Total	153,596	316	153,912	151,963	-	151,963	154,409	152,340
Financial liabilities								
Deposits and other borrowings	147,322	4,045	151,367	142,882	2,441	145,323	151,587	145,593
Debt issuances	17,735	-	17,735	17,549	-	17,549	17,935	17,692
Total	165,057	4,045	169,102	160,431	2,441	162,872	169,522	163,285

10. Shareholders' equity

Shareholders' equity

	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Share capital and initial head office account	14,555	14,555
Reserves		
FVOCI reserve	(33)	(28)
Cash flow hedge reserve	61	52
Total reserves	28	24
Retained earnings ¹	1,782	1,123
Equity attributable to shareholders of the Ultimate Parent Bank	16,365	15,702
Non-controlling interests	825	825
Total shareholders' equity	17,190	16,527

¹ On 31 March 2025, NZ Branch approved a NZ\$150 million repatriation of retained earnings to the Ultimate Parent Bank. As at 7 May 2025, no payment has yet been made.

Share capital

The table below details the movement in shares and share capital for the period.

	31 Mar 25		30 Sep 24	
	Number of shares	NZ\$m	Number of shares	NZ\$m
Ordinary shares	378,155,112	1,450	378,155,112	1,450
Redeemable preference shares				
Balance at start of period	11,527,618,950	13,094	8,354,563,940	9,594
Redeemable preference shares issued	-	-	3,173,100,000	3,500
Uncalled redeemable preference shares redeemed	-	-	(44,990)	-
Total redeemable preference shares at end of period	11,527,618,950	13,094	11,527,618,950	13,094
Total share capital	11,905,774,062	14,544	11,905,774,062	14,544
NZ Branch initial head office account	-	11	-	11
Total share capital and initial head office account	11,905,774,062	14,555	11,905,774,062	14,555

Redeemable preference shares

All redeemable preference shares (RPS) were issued by ANZ Holdings (New Zealand) Limited to the Immediate Parent Company. RPS are redeemable by ANZ Holdings (New Zealand) Limited providing notice in writing to holders of the redeemable preference shares. Dividends are payable at the discretion of the Directors of ANZ Holdings (New Zealand) Limited and are non-cumulative.

There are nine classes of RPS, relating to issues in 1988, 2005, 2007, 2008, 2009, 2014, 2015, 2018 and 2024. ANZ Holdings (New Zealand) Limited did not pay any dividends on RPS during the periods ended 31 March 2025 and 31 March 2024.

10. Shareholders' equity (continued)

Non-controlling interests

The Bank has issued perpetual preference shares (PPS). The PPS are considered non-controlling interests to ANZBGL New Zealand.

	Profit attributable to non-controlling interest		Equity attributable to non-controlling interest		Dividends paid to non-controlling interests	
	31 Mar 25 NZ\$m	31 Mar 24 NZ\$m	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m	31 Mar 25 NZ\$m	31 Mar 24 NZ\$m
Perpetual preference shares	21	14	825	825	21	14
Total	21	14	825	825	21	14

PPS do not carry any voting rights. They are classified as equity instruments as there is no contractual obligation for the Bank to either deliver cash or another financial instrument or to exchange financial instruments on a potentially unfavourable basis.

In the event of liquidation, holders of PPS are entitled to an amount equal to the issue price of the PPS. Holders of PPS rank behind the claims of all depositors and other creditors of the Bank (other than creditors that rank equally with the PPS), equally with the rights of other holders of PPS and other equal ranking securities and obligations, and in priority to the rights of holders of ordinary shares.

Holders of PPS are entitled to receive dividends that are discretionary, non-cumulative and subject to conditions. If a PPS dividend is not paid, there are certain restrictions on the ability of the Bank to pay a dividend on its ordinary shares. Holders of the PPS have no other rights to participate in the profits or property of the Bank.

Holders of PPS have no right to require that the PPS be redeemed.

The Bank has two classes of PPS that are quoted on the NZX Debt Market: PPS issued in 2022 and PPS issued in 2024.

The key terms of the PPS are as follows:

	2022 PPS	2024 PPS
Issue date	18 July 2022	19 March 2024
Issue amount	NZ\$550 million	NZ\$275 million
First optional redemption date	18 July 2028	19 March 2030
Final maturity date	Perpetual	Perpetual
Dividend amount	6.95% per annum until 18 July 2028 (after which it changes to a floating rate equal to the New Zealand 3-month bank bill rate plus 3.25%), multiplied by one minus the New Zealand company tax rate (where the PPS dividend is fully imputed).	7.60% per annum until 19 March 2030 (after which it changes to a floating rate equal to the New Zealand 3-month bank bill rate plus 3.25%), multiplied by one minus the New Zealand company tax rate (where the PPS dividend is fully imputed).

11. Commitments and contingent liabilities

Credit related commitments and contingencies

	31 Mar 25 NZ\$m	30 Sep 24 NZ\$m
Contract amount of:		
Undrawn facilities	28,447	25,759
Guarantees and letters of credit	1,319	1,232
Performance related contingencies	1,594	1,598
Total	31,360	28,589

ANZBGL New Zealand guarantees the performance of customers by issuing standby letters of credit and guarantees to third parties, including its Ultimate Parent Bank. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers, therefore these transactions are subjected to the same credit origination, portfolio management and collateral requirements for customers applying for loans. As the facilities may expire without being drawn upon, the notional amounts do not necessarily reflect future cash requirements.

Other contingent liabilities

There are outstanding court proceedings, claims and possible claims for and against ANZBGL New Zealand. Where relevant, expert legal advice has been obtained and, in the light of such advice, provisions and/or disclosures as deemed appropriate have been made. In some instances we have not disclosed the estimated financial impact of the individual items either because it is not practicable to do so or because such disclosure may prejudice seriously the interests of ANZBGL New Zealand.

Regulatory and customer exposures

ANZBGL New Zealand regularly engages with its regulators. The nature of these regulatory interactions can be wide ranging and include regulatory investigations, surveillance and reviews, reportable situations, formal and informal inquiries and regulatory supervisory activities in New Zealand and globally. ANZBGL New Zealand also receives notices and requests for information from its regulators from time to time as part of both industry-wide and ANZBGL New Zealand-specific reviews and makes disclosures to its regulators at its own instigation.

The nature of these interactions can be wide ranging and, for example, may relate to matters including responsible lending practices, regulated lending requirements, product suitability and distribution, interest and fees and the entitlement to charge them, customer remediation, wealth advice, insurance distribution, pricing, competition, conduct in financial markets and financial transactions, capital market transactions, anti-money laundering and counter-terrorism financing obligations, privacy obligations and information security, business continuity management, reporting and disclosure obligations and product disclosure documentation.

The possible exposures associated with the Bank's regulatory interactions may include civil enforcement actions, criminal proceedings, fines and penalties, imposition of capital or liquidity requirements, customer remediation, the requirement to conduct independent reviews, sanctions or the exercise of other regulatory powers.

There may also be exposures to customers, investors or third parties which are additional to any regulatory exposures. These could include class actions or claims for compensation or other remedies.

The outcomes and total costs associated with these possible regulatory, customer and other exposures remain uncertain.

Loan information litigation

The Bank is defending an opt-out representative proceeding where the plaintiffs are alleging breaches of disclosure requirements under consumer credit legislation in respect of variation letters sent to certain loan customers. The High Court ruled the relevant class was customers who entered into a home loan or personal loan with the Bank between 6 June 2015 and 28 May 2016 and requested a variation to that loan during that period. In July 2024, the Court of Appeal, among other things, confirmed the class and granted the plaintiff's application for a common fund order with immediate effect. The Bank applied to the Supreme Court for leave to appeal the Court of Appeal's decision as it relates to common fund orders, but the Supreme Court declined to hear arguments on the issue. The matter has been referred back to the High Court. The parties are in discussion regarding notification of the claim to class members and next steps.

Warranties and indemnities

The Bank has provided warranties, indemnities and other commitments in various contracts for the disposal of businesses and assets and other commercial transactions, covering a range of matters and risks. It is exposed to potential claims under those warranties, indemnities and commitments, some of which are currently active. The outcomes and total costs associated with these exposures remain uncertain.



Independent Auditor's Review Report

To the Directors of Australia and New Zealand Banking Group Limited

Report on the condensed consolidated interim financial statements

Conclusion

We have completed a review of the accompanying condensed consolidated interim financial statements (interim financial statements) which comprises:

- the consolidated balance sheet as at 31 March 2025;
- the consolidated income statement, statement of comprehensive income, changes in equity and cash flows for the six month period then ended; and
- notes, including a summary of material accounting policies and other explanatory information.

Based on our review of the interim financial statements of the New Zealand business of Australia and New Zealand Banking Group Limited and its subsidiaries (together, ANZBGL New Zealand) on pages 4 to 22, nothing has come to our attention that causes us to believe that the interim financial statements have not been prepared, in all material respects, in accordance with NZ IAS 34 *Interim Financial Reporting* (NZ IAS 34) and IAS 34 *Interim Financial Reporting* (IAS 34).

Basis for conclusion

We conducted our review of the interim financial statements in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's Responsibilities* section of our report.

We are independent of ANZBGL New Zealand in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual disclosure statement and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to ANZBGL New Zealand in relation to reviews of regulatory returns, internal controls reports, prospectus assurance or reviews, agreed upon procedures engagements and other assurance engagements. Subject to certain restrictions, partners and employees of our firm may also deal with ANZBGL New Zealand on normal terms within the ordinary course of trading activities of the business of ANZBGL New Zealand. These matters have not impaired our independence as auditor of ANZBGL New Zealand. The firm has no other relationship with, or interest in, ANZBGL New Zealand.

Use of this review report

This review report is made solely to the Directors of Australia and New Zealand Banking Group Limited. Our review work has been undertaken so that we might state to the Directors of Australia and New Zealand Banking Group Limited those matters we are required to state to them in this review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors of Australia and New Zealand Banking Group Limited for our review work, this review report, or any of the conclusions we have formed.

Responsibilities of Directors

The Directors, on behalf of ANZBGL New Zealand are responsible for:

- the preparation and fair presentation of ANZBGL New Zealand interim financial statements in accordance with NZ IAS 34 and IAS 34; and
- implementing necessary internal control to enable the preparation of interim financial statements that are fairly presented and free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the interim financial statements based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements do not present fairly and comply with NZ IAS 34 and IAS 34, in all material respects, ANZBGL New Zealand's financial position as at 31 March 2025 and its financial performance and cash flows for the six months ended on that date.

A review of the interim financial statements prepared in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on the interim financial statements.

The engagement partner on the review resulting in this independent auditor's review report is Jamie Munro.

For and on behalf of:

KPMG

KPMG
Auckland

7 May 2025

Registered Bank Disclosures

This section contains the disclosures required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014.

Section	Order reference	Page
B1. General disclosures	Schedule 3	25
B2. Additional financial disclosures	Schedule 5	26
B3. Asset quality	Schedule 7	31
B4. Credit and market risk exposures and capital adequacy	Schedule 9	33
B5. Insurance business	Schedule 12	33
Directors' and New Zealand Chief Executive Officer's statement		34
Limited assurance reports		35

B1. General disclosures

Guarantees

No material obligations of the NZ Branch are guaranteed as at 7 May 2025.

Changes in the Ultimate Parent Bank's Board of Directors

Jane Halton, AO PSM retired as an independent non-executive director on 31 March 2025. As at 7 May 2025, there have been no other changes to the Directors of the Ultimate Parent Bank since 30 September 2024, the balance date of the last full year disclosure statement.

Auditors

KPMG, 18 Viaduct Harbour Avenue, Auckland, New Zealand.

Pending proceedings or arbitration

A description of any pending legal proceedings or arbitration concerning any member of ANZBGL New Zealand that may have a material adverse effect on the NZ Branch or ANZBGL New Zealand is included in Note 11 Commitments and contingent liabilities.

Credit rating

The Ultimate Parent Bank has credit ratings that apply to its long-term senior unsecured obligations payable in New Zealand in New Zealand dollars.

As at 7 May 2025, the Ultimate Parent Bank's credit ratings are:

Rating agency	Credit rating	Qualification
S&P Global Ratings	AA-	Outlook Stable
Fitch Ratings	AA-	Outlook Stable
Moody's Investors Service	Aa2	Outlook Stable

Other material matters

RBNZ capital requirements

RBNZ has revised the capital adequacy requirements applying to New Zealand locally incorporated registered banks. As a result, the Banking Group is materially increasing the level of capital it holds over the transition period from October 2021 to July 2028. In March 2025, RBNZ announced that it intends to conduct a reassessment of key capital settings, with any changes expected to be advised ahead of next year's (1 July 2026) scheduled increase. Whilst the outcomes of the future assessment are unknown, at this stage the existing key requirements for the Banking Group still being implemented are:

- The Banking Group's total capital requirement will progressively increase to 18% of risk weighted assets (RWA), including tier 1 capital of at least 16% of RWA. Up to 2.5% of the tier 1 capital requirement can be made up of additional tier 1 (AT1) capital, with the remainder of the tier 1 requirement made up of common equity tier 1 (CET1) capital. AT1 capital must consist of perpetual preference shares, which may be redeemable. The total capital requirement can also include tier 2 capital of up to 2% of RWA. Tier 2 capital must consist of long-term subordinated debt.
- The capital requirement will include a CET1 prudential capital buffer of 9% of RWA. This will include: a 2% domestic systemically important bank capital buffer; a 1.5% 'early-set' counter-cyclical capital buffer, which can be temporarily reduced to 0% following a financial crisis, or temporarily increased; and a 5.5% capital conservation buffer.
- Contingent capital instruments will no longer be treated as eligible regulatory capital. As at 31 March 2025, the Bank had NZ\$938 million of AT1 instruments that will progressively lose eligible regulatory capital treatment over the transition period to July 2028.

Financial statements of the Ultimate Parent Bank and Overseas Banking Group

Copies of the most recent publicly available financial statements of the Ultimate Parent Bank and Overseas Banking Group will be provided immediately, free of charge, to any person requesting a copy where request is made at the Registered Office. The most recent publicly available financial statements for the Ultimate Parent Bank and Overseas Banking Group can also be accessed at the website anz.com/shareholder/centre/.

B2. Additional financial disclosures

Additional information on the balance sheet

As at 31 March 2025	NZ\$m
Total interest earning and discount bearing assets	186,340
Total interest and discount bearing liabilities	155,451
Total amounts due from related entities	6,225
Total amounts due to related entities	9,452
Total liabilities of the NZ Branch less amounts due to related entities	4

Assets charged as security for liabilities

The following disclosure excludes the amounts presented as collateral paid and received on the balance sheet that relate to derivative liabilities and derivative assets respectively. The terms and conditions of those collateral agreements are included in the standard Credit Support Annex that forms part of the International Swaps and Derivatives Association Master Agreement under which most of our derivatives are executed.

Assets charged as security for liabilities include the following types of instruments:

- securities provided as collateral for repurchase transactions. These transactions are governed by standard industry agreements;
- specified residential mortgages provided as security for notes and bonds issued to investors as part of ANZBGL New Zealand's covered bond programmes; and
- collateral provided to RBNZ under the Term Lending Facility and Funding for Lending Programme.

The carrying amounts of assets pledged as security are as follows:

As at 31 March 2025	NZ\$m
Securities sold under agreements to repurchase	1,311
Residential mortgages pledged as security for repurchase agreements with RBNZ	2,955
Total assets of the ANZNZ Covered Bond Trust pledged as security for covered bonds	9,229

Additional information on the income statement

The amounts of net trading gains or losses and other fair value adjustments are included in Note 2 Other operating income. ANZBGL New Zealand does not have any material credit risk adjustments on financial assets designated at FVTPL. Other operating income for the purposes of the Order comprises net fee and commission income, and all other items of other income (all in Note 2 Other operating income).

B2. Additional financial disclosures (continued)

Additional information on concentrations of credit risk

Analysis of financial assets by industry is based on Australian and New Zealand Standard Industrial Classification (ANZSIC) codes. The significant categories shown are the level one New Zealand Standard Industry Output Categories (NZSIOC), except that Agriculture is shown separately as required by the Order.

Composition of financial instruments that give rise to credit risk by industry group are presented below:

As at 31 March 2025	Loans and advances NZ\$m	Other financial assets NZ\$m	Off-balance sheet credit related commitments NZ\$m	Total NZ\$m
New Zealand residents				
Agriculture	14,981	78	1,185	16,244
Forestry and fishing, agriculture services	516	6	104	626
Mining	99	2	211	312
Manufacturing	2,429	253	1,773	4,455
Electricity, gas, water and waste services	670	197	3,681	4,548
Construction	1,020	5	961	1,986
Wholesale trade	1,581	72	1,382	3,035
Retail trade and accommodation	2,793	15	703	3,511
Transport, postal and warehousing	1,067	32	667	1,766
Finance and insurance services	1,223	13,640	1,327	16,190
Rental, hiring & real estate services	36,991	1,929	1,970	40,890
Professional, scientific, technical, administrative and support services	1,100	15	533	1,648
Public administration and safety	239	13,314	883	14,436
Health care and social assistance	927	7	235	1,169
Households	85,074	406	14,049	99,529
All other New Zealand residents ¹	1,185	81	1,422	2,688
Subtotal	151,895	30,052	31,086	213,033
Overseas				
Finance and insurance services	50	12,985	274	13,309
Households	1,542	7	-	1,549
All other non-New Zealand residents	596	11	-	607
Subtotal	2,188	13,003	274	15,465
Gross subtotal	154,083	43,055	31,360	228,498
Allowance for ECL	(712)	-	(126)	(838)
Subtotal	153,371	43,055	31,234	227,660
Unearned income	(25)	-	-	(25)
Capitalised brokerage and other origination costs	566	-	-	566
Maximum exposure to credit risk	153,912	43,055	31,234	228,201

¹ All other New Zealand residents includes exposures to information media and telecommunications, education and training; arts and recreation services; and other services.

B2. Additional financial disclosures (continued)

Additional information on concentrations of funding

Analysis of funding liabilities by industry is based on ANZSIC codes. The significant categories shown are the level one NZSIOC.

As at 31 March 2025

NZ\$m

Funding composition	
Customer deposits	140,896
Wholesale funding	
Debt issuances	17,735
Certificates of deposit and commercial paper	3,458
Other borrowings	7,013
Total wholesale funding	28,206
Total deposits and wholesale funding	169,102
 Customer deposits by industry - New Zealand residents	
Agriculture, forestry and fishing	4,694
Mining	309
Manufacturing	2,960
Construction	3,223
Wholesale trade	2,324
Retail trade and accommodation	2,406
Transport, postal and warehousing	1,540
Financial and insurance services	14,000
Rental, hiring and real estate services	3,771
Professional, scientific, technical, administrative and support services	7,018
Public administration and safety	1,805
Health care and social assistance	1,524
Arts, recreation and other services	2,330
Households	78,968
All other New Zealand residents ¹	3,034
Subtotal	129,906
Customer deposits by industry - overseas	
Households	9,979
All other non-New Zealand residents	1,011
Subtotal	10,990
Total customer deposits	140,896
Wholesale funding (financial and insurance services industry)	
New Zealand	6,032
Overseas	22,174
Total wholesale funding	28,206
Total deposits and wholesale funding	169,102
 Concentrations of funding by geography	
New Zealand	135,938
Australia	4,855
United States	10,940
Europe	9,537
Other countries	7,832
Total deposits and wholesale funding	169,102

¹ All other New Zealand residents includes electricity, gas, water and waste services; information media and telecommunications; and education and training.

B2. Additional financial disclosures (continued)

Additional information on interest rate sensitivity

The following table represents the interest rate sensitivity of ANZBGL New Zealand's assets, liabilities and off-balance sheet instruments by showing the periods in which these instruments may reprice, that is, when interest rates applicable to each asset or liability can be changed.

As at 31 March 2025	Total NZ\$m	Up to 3 months NZ\$m	Over 3 to 6 months NZ\$m	Over 6 to 12 months NZ\$m	Over 1 to 2 years NZ\$m	Over 2 years NZ\$m	Not bearing interest ¹ NZ\$m
Assets							
Cash and cash equivalents	11,145	10,925	-	-	-	-	220
Settlement balances receivable	687	-	-	-	-	-	687
Collateral paid	742	742	-	-	-	-	-
Trading securities	5,774	314	413	293	1,139	3,615	-
Derivative financial instruments	8,871	-	-	-	-	-	8,871
Investment securities	14,882	-	-	98	1,424	13,355	5
Net loans and advances	153,912	74,817	21,325	36,934	17,194	3,752	(110)
Other financial assets	1,076	-	-	-	-	-	1,076
Total financial assets	197,089	86,798	21,738	37,325	19,757	20,722	10,749
Liabilities							
Settlement balances payable	3,391	1,799	-	-	-	-	1,592
Collateral received	951	951	-	-	-	-	-
Deposits and other borrowings	151,367	95,440	18,923	13,447	3,771	2,841	16,945
Derivative financial instruments	8,149	-	-	-	-	-	8,149
Debt issuances	17,735	811	419	(3)	4,616	11,892	-
Lease liabilities	191	12	12	22	40	105	-
Other financial liabilities	1,440	353	-	-	-	-	1,087
Total financial liabilities	183,224	99,366	19,354	13,466	8,427	14,838	27,773
Hedging instruments	-	5,923	2,467	(12,678)	(1,682)	5,970	-
Interest sensitivity gap	13,865	(6,645)	4,851	11,181	9,648	11,854	(17,024)

¹ Excludes non-coupon bearing discounted financial assets and financial liabilities which are shown as repricing on their maturity date.

Additional information on liquidity risk

Maturity analysis of financial liabilities

The table below provides residual contractual maturity analysis of financial liabilities at 31 March 2025 within relevant maturity groupings. All outstanding debt issuances are profiled on the earliest date on which ANZBGL New Zealand may be required to pay. The amounts represent principal and interest cash flows – so they may differ from equivalent amounts reported on the balance sheet.

As at 31 March 2025	On demand NZ\$m	Less than 3 months NZ\$m	3 to 12 months NZ\$m	1 to 5 years NZ\$m	After 5 years NZ\$m	Total NZ\$m
Settlement balances payable	2,662	753	-	-	-	3,415
Collateral received	-	951	-	-	-	951
Deposits and other borrowings	81,018	31,141	34,039	6,451	9,944	162,593
Derivative financial liabilities (trading)	-	8,088	-	-	-	8,088
Debt issuances ¹	-	65	989	19,148	-	20,202
Lease liabilities	-	14	39	124	41	218
Other financial liabilities	-	125	6	157	288	576
Derivative financial instruments (balance sheet management)						
- gross inflows	-	1,475	3,658	7,922	922	13,977
- gross outflows	-	(1,577)	(3,765)	(8,178)	(923)	(14,443)

¹ Any callable wholesale debt instruments have been included at their next call date.

At 31 March 2025, NZ\$31,360 million of its credit related commitments and contingent liabilities mature in less than 1 year, based on the earliest date on which ANZBGL New Zealand may be required to pay.

B2. Additional financial disclosures (continued)

Liquidity portfolio management

ANZBGL New Zealand holds a diversified portfolio of cash and high quality liquid securities primarily to support liquidity risk management. The size of ANZBGL New Zealand's liquidity portfolio is determined with consideration of the amount required to meet the requirements of its internal and regulatory liquidity scenario metrics.

As at 31 March 2025

	NZ\$m
Central and local government bonds	11,804
Government treasury bills	621
Certificates of deposit	172
Other bonds	7,650
Securities eligible to be accepted as collateral in repurchase transactions	20,247
Cash and balances with central banks	9,601
Total liquidity portfolio	29,848

Assets held in ANZBGL New Zealand's liquidity portfolio are all denominated in New Zealand dollars and include balances held with RBNZ and securities issued by the New Zealand Government, supranational agencies, highly rated banks, state owned enterprises, local authorities (including through a funding authority) and highly rated corporates.

The Bank also held unencumbered internal residential mortgage backed securities (RMBS) which would be accepted as collateral by RBNZ in repurchase transactions. These holdings would entitle the Bank to enter into repurchase transactions with RBNZ with a value of NZ\$11,137 million at 31 March 2025 (September 2024: NZ\$10,480 million).

RBNZ Term Lending Facility (TLF) and Funding for Lending Programme (FLP)

- Between May 2020 and July 2021, RBNZ made funds available under the TLF to promote lending to businesses. The TLF is a five-year secured funding facility for New Zealand banks at a fixed rate of 0.25%.
- Between December 2020 and December 2022, RBNZ made funds available under the FLP to lower the cost of borrowing for New Zealand businesses and households. The FLP is a three-year secured funding facility for New Zealand banks at a floating rate of the New Zealand Official Cash Rate (OCR).

As at 31 March 2025, the Bank had drawn NZ\$194 million (September 2024: NZ\$228 million) under the TLF and NZ\$2,000 million under the FLP (September 2024: NZ\$2,500 million). These amounts are included in securities sold under repurchase agreements in Note 6 Deposits and other borrowings.

Overseas Banking Group profitability and size

	31 Mar 25
Net profit for the six months ended 31 March 2025 (AUDm)	3,684
Net profit after tax for the 12 months ended 31 March 2025 as a percentage of average total assets	0.55%
Total assets (AUDm)	1,302,971
Percentage change in total assets in the 12 months to 31 March 2025	19.52%

Reconciliation of mortgage related amounts

As at 31 March 2025	Note	NZ\$m
Term loans - housing ¹	4	113,396
Less: housing loans made to corporate customers		(1,408)
On-balance sheet residential mortgage exposures (per LVR analysis)	B4	111,988
Add: off-balance sheet residential mortgage exposures (per LVR analysis)	B4	9,964
Total residential mortgage exposures (per LVR analysis)	B4	121,952

¹ Term loans - housing includes loans secured over residential property for owner-occupier, residential property investment and business purposes.

B3. Asset quality

This section should be read in conjunction with the estimates, assumptions and judgements included in Note 1 About our interim financial statements, Note 5 Allowance for expected credit losses and Note 8 Credit risk.

Movements in components of loss allowance – total

			Stage 3		
	Stage 1 NZ\$m	Stage 2 NZ\$m	Collectively assessed NZ\$m	Individually assessed NZ\$m	Total NZ\$m
Net loans and advances at amortised cost					
As at 1 October 2024	187	370	104	64	725
Transfer between stages	56	(57)	-	1	-
New and increased provisions (net of releases)	(78)	69	-	38	29
Write-backs	-	-	-	(20)	(20)
Recoveries of amounts previously written off	-	-	-	(4)	(4)
Credit impairment charge/(release)	(22)	12	-	15	5
Bad debts written-off (excluding recoveries)	-	-	-	(23)	(23)
Add back recoveries of amounts previously written off	-	-	-	4	4
Discount unwind reversal	-	-	-	1	1
As at 31 March 2025	165	382	104	61	712
Off-balance sheet credit related commitments					
As at 1 October 2024	74	56	3	3	136
Transfer between stages	5	(5)	-	-	-
New and increased provisions (net of releases)	(10)	1	-	(1)	(10)
Credit impairment charge/(release)	(5)	(4)	-	(1)	(10)
As at 31 March 2025	69	52	3	2	126

Impacts of changes in gross financial assets on loss allowances

Gross loans and advances at amortised cost					
As at 1 October 2024	138,627	11,939	1,257	370	152,193
Net transfers into each stage	437	14	387	10	848
Amounts drawn from new or existing facilities	22,028	761	37	159	22,985
Additions	22,465	775	424	169	23,833
Net transfers out of each stage	(319)	(528)	-	(1)	(848)
Amounts repaid	(19,212)	(1,771)	(232)	(173)	(21,388)
Deletions	(19,531)	(2,299)	(232)	(174)	(22,236)
Amounts written off	-	-	-	(23)	(23)
As at 31 March 2025	141,561	10,415	1,449	342	153,767
Loss allowance as at 31 March 2025	165	382	104	61	712
Off-balance sheet credit related commitments					
As at 1 October 2024	27,010	1,543	26	10	28,589
Net transfers into each stage	-	208	3	2	213
New and increased facilities and drawn amounts repaid	6,771	164	2	5	6,942
Additions	6,771	372	5	7	7,155
Net transfers out of each stage	(206)	-	(7)	-	(213)
Reduced facilities and amounts drawn	(3,949)	(214)	(6)	(2)	(4,171)
Deletions	(4,155)	(214)	(13)	(2)	(4,384)
As at 31 March 2025	29,626	1,701	18	15	31,360
Loss allowance as at 31 March 2025	69	52	3	2	126

Explanation of how changes in the gross carrying amounts of gross loans and advances contributed to changes in loss allowance

Overall, loss allowances are 0.45% of gross balances as at 31 March 2025, down from 0.48% as at 30 September 2024. The NZ\$23 million (2.7%) decrease in loss allowances was driven by a decrease in the proportion of gross balances in Stage 2 and changes in the forward-looking economic scenarios as described in Note 5 Allowance for expected credit losses, partially offset by an increase in management temporary adjustments.

B3. Asset quality (continued)

Past due assets and other asset quality information

As at 31 March 2025	Total NZ\$m
Past due assets	
Less than 30 days past due	1,215
At least 30 days but less than 60 days past due	641
At least 60 days but less than 90 days past due	307
At least 90 days past due	1,113
Total past due but not individually impaired	3,276
Other asset quality information	
Undrawn facilities with individually impaired customers	15
Other assets under administration	3

Asset quality for financial assets designated at fair value

ANZBGL New Zealand has no financial assets designated at FVTPL where changes in fair value are attributable to the credit risk of the financial asset.

Overseas Banking Group asset quality

As at	31 Mar 25
Individually impaired assets (AUDm)	1,100
Individually impaired assets as a percentage of total assets	0.1%
Individual credit impairment allowance (AUDm)	364
Individual credit impairment allowance as a percentage of individually impaired assets	33.1%
Collective credit impairment allowance (AUDm)	4,280

B4. Credit and market risk exposures and capital adequacy

APRA Basel III capital ratios

As at	Overseas Banking Group		Ultimate Parent Bank (Extended Licensed Entity)	
	31 Mar 25	31 Mar 24	31 Mar 25	31 Mar 24
Common equity tier 1 capital	11.8%	13.5%	12.0%	13.3%
Tier 1 capital	13.4%	15.4%	13.9%	15.6%
Total capital	20.4%	21.9%	22.1%	23.2%

The Ultimate Parent Bank and the Overseas Banking Group are required to hold minimum capital as determined by APRA's capital framework, which is at least equal to that specified under the internationally agreed Basel III framework.

APRA has authorised the Ultimate Parent Bank and the Overseas Banking Group to use:

- the Internal Ratings Based (IRB) methodology for calculation of credit risk weighted assets. Where the Overseas Banking Group is not accredited to use the IRB methodology the Overseas Banking Group applies the standardised approach.
- the Standardised Measurement Approach (SMA) for the operational risk weighted asset equivalent.

The Overseas Banking Group exceeded the minimum capital requirements set by APRA as at 31 March 2025 and for the comparative prior periods.

The Overseas Banking Group is required to publicly disclose Pillar 3 financial information as at 31 March 2025. The Overseas Banking Group's Pillar 3 disclosure document for the quarter ended 31 March 2025, in accordance with APS 330: *Public Disclosure of Prudential Information*, discloses capital adequacy ratios and other prudential information. This document can be accessed at the website anz.com.

Market risk

ANZBGL New Zealand's aggregate market risk exposures below have been calculated in accordance with the RBNZ document BPR140: *Market Risk*. The peak end-of-day market risk exposures are for the six months ended 31 March 2025.

As at 31 March 2025	Implied risk weighted exposure		Notional capital charge	
	Period end NZ\$m	Peak NZ\$m	Period end NZ\$m	Peak NZ\$m
Interest rate risk	5,944	6,436	476	515
Foreign currency risk	46	95	4	8
Equity risk	5	5	-	-

Additional mortgage information

As required by RBNZ, LVRs are calculated as the current exposure secured by a residential mortgage divided by ANZBGL New Zealand's valuation of the security property at origination of the exposure. Off-balance sheet exposures include undrawn and partially drawn residential mortgage loans as well as commitments to lend. Commitments to lend are formal offers for housing lending which have been accepted by the customer.

As at 31 March 2025	On-balance sheet NZ\$m	Off-balance sheet NZ\$m	Total NZ\$m
LVR range			
Does not exceed 60%	56,812	7,426	64,238
Exceeds 60% and not 70%	20,708	1,138	21,846
Exceeds 70% and not 80%	25,609	1,108	26,717
Does not exceed 80%	103,129	9,672	112,801
Exceeds 80% and not 90%	7,432	182	7,614
Exceeds 90%	1,427	110	1,537
Total	111,988	9,964	121,952

B5. Insurance business

As at 31 March 2025, ANZBGL New Zealand does not conduct any insurance business.

Directors' and New Zealand Chief Executive Officer's Statement

As at the date on which this Disclosure Statement is signed, after due enquiry, each Director of the Ultimate Parent Bank and the Chief Executive Officer – NZ Branch believes that:

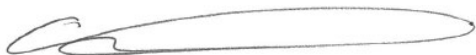
- The Disclosure Statement contains all the information that is required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014; and
- The Disclosure Statement is not false or misleading.

Over the six months ended 31 March 2025, after due enquiry, each Director of the Ultimate Parent Bank and the Chief Executive Officer – NZ Branch believes that:

- The Ultimate Parent Bank has complied in all material respects with each condition of registration that applied during that period¹; and
- The NZ Branch and the Bank had systems in place to monitor and control adequately the material risks of Relevant Members of ANZBGL New Zealand including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk and other business risks, and that those systems were being properly applied.

¹ In accordance with the Order, Australia and New Zealand Banking Group Limited – ANZBGL New Zealand has complied in all material respects with each of its conditions of registration that applied during the period if RBNZ has not published any information about a breach on its website, and has not notified Australia and New Zealand Banking Group Limited – ANZBGL New Zealand of any material breach.

Signed by the Chief Executive Officer – NZ Branch



Chris O'Neale
Chief Executive Officer – NZ Branch
7 May 2025

Signed on behalf of all the Directors of the Ultimate Parent Bank



Antonia Watson
Responsible Person
7 May 2025

on behalf of the Directors of the Ultimate Parent Bank:

John Cincotta
Shayne Elliott
Richard Gibb
Graham Hodges
Holly Kramer
Christine O'Reilly
Paul O'Sullivan
Jeff Smith
Scott St John



Independent Auditor's Review Report

To the Directors of Australia and New Zealand Banking Group Limited

Report on the Registered Bank Disclosures in sections B2, B3 and B5 of the Disclosure Statement

Conclusion

We have completed a review of the accompanying registered bank disclosures of the New Zealand business of Australia and New Zealand Banking Group Limited and its subsidiaries (together, ANZBGL New Zealand) in sections B2, B3 and B5 on pages 26 to 33 of the Disclosure Statement as at and for the six months ended 31 March 2025, which comprise the information that is required to be disclosed in accordance with Schedules 5, 7, 12 and 14 of Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the Order).

Based on our review, nothing has come to our attention that causes us to believe that the accompanying registered bank disclosures in sections B2, B3 and B5 of the Disclosure Statement:

- does not present fairly, in all material respects, the matters to which they relate; or
- is not disclosed, in all material respects, in accordance with those Schedules.

Basis for conclusion

We conducted our review of the registered bank disclosures in sections B2, B3 and B5 in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's Responsibilities* section of our report.

We are independent of ANZBGL New Zealand in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual disclosure statement and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided services to ANZBGL New Zealand in relation to reviews of regulatory returns, internal controls reports, prospectus assurance or reviews, agreed-upon procedures engagements and other assurance engagements. Subject to certain restrictions, partners and employees of our firm may also deal with ANZBGL New Zealand on normal terms within the ordinary course of trading activities of the business of ANZBGL New Zealand. These matters have not impaired our independence as auditor of ANZBGL New Zealand. The firm has no other relationship with, or interest in, ANZBGL New Zealand.

Use of this review report

This review report is made solely to the Directors of Australia and New Zealand Banking Group Limited. Our review work has been undertaken so that we might state to the Directors of Australia and New Zealand Banking Group Limited those matters we are required to state to them in this review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors of Australia and New Zealand Banking Group Limited for our review work, this review report, or any of the conclusions we have formed.

Responsibilities of Directors

The Directors, on behalf of ANZBGL New Zealand are responsible for:

- the preparation and fair presentation of ANZBGL New Zealand registered bank disclosures in sections B1, B2, B3 and B5 of the Disclosure Statement in accordance with Schedules 3, 5, 7, 12 and 14 of the Order; and
- implementing necessary internal control to enable the preparation of the registered bank disclosures in sections B1, B2, B3 and B5 of the Disclosure Statement that are fairly presented and free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the registered bank disclosures in sections B2, B3 and B5 of the Disclosure Statement, based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the registered bank disclosures in sections B2, B3 and B5 of the Disclosure Statement:

- does not present fairly, in all material respects, the matters to which they relate, in accordance with Schedules 5, 7, 12 and 14 of the Order; or
- if applicable, have not been prepared, in all material respects, in accordance with any conditions of registration relating to disclosure requirements, imposed under section 74(4)(c) of the Banking (Prudential Supervision) Act 1989 (the New Zealand business of Australia and New Zealand Banking Group Limited does not have any such conditions).

A review of the registered bank disclosures in sections B2, B3 and B5 of the Disclosure Statement prepared in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on the registered bank disclosures in sections B2, B3 and B5 of the Disclosure Statement.

KPMG

KPMG
Auckland
7 May 2025



Independent Limited Assurance Report

To the Directors of Australia and New Zealand Banking Group Limited

Report on the information relating to credit and market risk exposures and capital adequacy

Conclusion

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on our limited assurance engagement, which is not a reasonable assurance engagement or audit, nothing has come to our attention that would lead us to believe that the information relating to the credit and market risk exposures and capital adequacy of the New Zealand business of Australia and New Zealand Banking Group Limited and its subsidiaries (together, ANZBGL New Zealand), disclosed in section B4 on page 33 of the Disclosure Statement, is not, in all material respects, disclosed in accordance with Schedule 9 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the Order).

Information subject to assurance

We have reviewed the information relating to the credit and market risk exposures and capital adequacy, as disclosed in section B4 of the Disclosure Statement as at and for the six months ended 31 March 2025.

Criteria

The information relating to the credit and market risk exposures and capital adequacy comprises the information that is required to be disclosed in accordance with Schedule 9 of the Order.

Standards we followed

We conducted our limited assurance engagement in accordance with Standard on Assurance Engagements 3100 (Revised) *Compliance Engagements* (SAE 3100 (Revised)) issued by the New Zealand Auditing and Accounting Standards Board. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited conclusion. In accordance with the SAE 3100 (Revised), we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that the information relating to credit and market risk exposures and capital adequacy, is free from material misstatement and non-compliance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on the effectiveness of these controls;
- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies;
- obtained an understanding of the process, models, data and internal controls implemented over the preparation of the information relating to credit and market risk exposures and capital adequacy;
- performed inquiry and analytical review procedures over the credit and market risk exposures and capital adequacy;
- obtained an understanding of ANZBGL New Zealand's compliance framework and internal control environment over the information relating to credit and market risk exposures and capital adequacy, including ANZBGL New Zealand's assessment of any matters of non-compliance with the Reserve Bank of New Zealand's Prudential Requirements; and
- agreed the information relating to credit and market risk exposures and capital adequacy, extracted from ANZBGL New Zealand's models, accounting records or other supporting documentation to the Disclosure Statement.

How to interpret limited assurance and material misstatement and non-compliance

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the entity, as appropriate, and observation and walk-throughs, and evaluates the evidence obtained. The procedures selected depend on our judgment, including identifying areas where the risk of material misstatement and non-compliance with Schedule 9 of the Order.

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, within the information relating to credit and market risk exposures and capital adequacy and non-compliance are considered material if, individually or in aggregate, they it could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the information relating to credit and market risk exposures and capital adequacy.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected.

A limited assurance engagement as at and for the six months ended 31 March 2025 does not provide assurance on whether compliance with Schedule 9 of the Order will continue in the future.

Use of this assurance report

Our report is made solely for Australia and New Zealand Banking Group Limited's Directors. Our assurance work has been undertaken so that we might state to Australia and New Zealand Banking Group Limited's Directors those matters we are required to state to them in the assurance report and for no other purpose.

Our report should not be regarded as suitable to be used or relied on by anyone other than Australia and New Zealand Banking Group Limited and Australia and New Zealand Banking Group Limited's Directors for any purpose or in any context. Any other person who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to anyone other than Australia and New Zealand Banking Group Limited and Australia and New Zealand Banking Group Limited's Directors for our work, for this independent assurance report, and/or for the opinions or conclusions we have reached.

Our conclusion is not modified in respect of this matter.

Responsibilities of Directors

The Directors of Australia and New Zealand Banking Group Limited are responsible for the disclosure of the information relating to credit and market risk exposures and capital adequacy in accordance with Schedule 9 of the Order, which Directors have determined meets the disclosure requirements under the Order. This responsibility includes such internal control as the Directors determine is necessary to enable compliance and to monitor ongoing compliance and to enable the disclosure of the information relating to credit and market risk exposures and capital adequacy that is free from material misstatement and non-compliance whether due to fraud or error.

Our responsibility

Our responsibility is to express a conclusion to Australia and New Zealand Banking Group Limited on whether anything has come to our attention that would lead us to believe that, in all material respects the information relating to credit and market risk exposures and capital adequacy has not been disclosed in accordance with Schedule 9 of the Order as at and for the six months ended 31 March 2025.

Our independence and quality management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3), which requires the firm to design, implement and operate a system of quality control including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our firm has provided services to ANZBGL New Zealand in relation to reviews of regulatory returns, internal controls reports, prospectus assurance or reviews, agreed-upon procedures engagements and other assurance engagements. Subject to certain restrictions, partners and employees of our firm may also deal with ANZBGL New Zealand on normal terms within the ordinary course of trading activities of the business of ANZBGL New Zealand. These matters have not impaired our independence as auditor of ANZBGL New Zealand. The firm has no other relationship with, or interest in, ANZBGL New Zealand.

KPMG

KPMG
Auckland
7 May 2025

