

The Kiwi bank logo is located in the top right corner. It consists of the words "Kiwi" and "bank." stacked vertically in a white, sans-serif font, enclosed within a dark green square with a thin white border. The background of the slide is a close-up photograph of green leaves, with a dark green gradient overlay.

Kiwi
bank.

Kiwibank Half Year Results

As at 31 December 2022

This is Kiwi.



PURPOSE

Kiwi Making Kiwi Better Off

What this means.

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

GOAL

To be Customers' 1st Choice

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

OUR OFFER

Simple
Easy
Accessible
Expertise

- It's simple for our customers to bank with us | We communicate clearly and offer simple solutions
- It's easy for our customers to get things done with us | We deal with our customers' needs quickly, first time
- Our customers can bank with us where and when they need us | We enable customers to choose us more often
- Our customers trust our expertise | We have the expertise to help make Kiwi better off

BETTER BANK

Sustainable growth
Impact
Trusted
Empowered

- We are financially sustainable as we grow
- We are a leading purpose-led employer that has impact in our communities
- We are a trusted bank – we deliver good customer outcome every time
- We take ownership and act quickly for our customers

This is us.
NGĀ KAUIWAKA

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

Me Māia
Rise to the **Challenge**

Tapatahi
Better Together

Ngā Kiritaki
Customer at the **Heart**

The impact we made: Sustainability highlights (for 6 mths to Dec)



Supported 57,140 students to be financially savvy through Banqer



12 Kāinga whenua champions appointed within the business



\$23.3m sustainable finance lent to businesses



Piloted a financial wellbeing programme for our staff



292 computers donated to schools and charities at the end of their life



141 micro-loans delivered through Ngā Tāngata Microfinance Trust



16% increase in carbon emissions from same period of baseline year (2021)



42.3% women in leadership roles

Strong revenue result underpins performance



HY23 Financial Highlights



NZ\$1.1B GROWTH IN CUSTOMER LENDING
(NZ\$2.5b FY22)
(NZ\$1.9b HY22)



NZ\$1.0B GROWTH IN CUSTOMER DEPOSITS
(NZ\$1.8b FY22)
(NZ\$1.4b HY22)



NZ\$98M PROFIT AFTER TAXATION
(NZ\$131m FY22)
(NZ\$64m HY22)



NZ\$415M TOTAL OPERATING INCOME
(NZ\$680m FY22)
(NZ\$328m HY22)



2.44% NET INTEREST MARGIN¹
(2.13% FY22)
(2.06% HY22)



63.4% COST TO INCOME (CTI)²
(70.6% FY22)
(70.7% HY22)

Highlights for 6 months to 31 December 2022 (HY23)

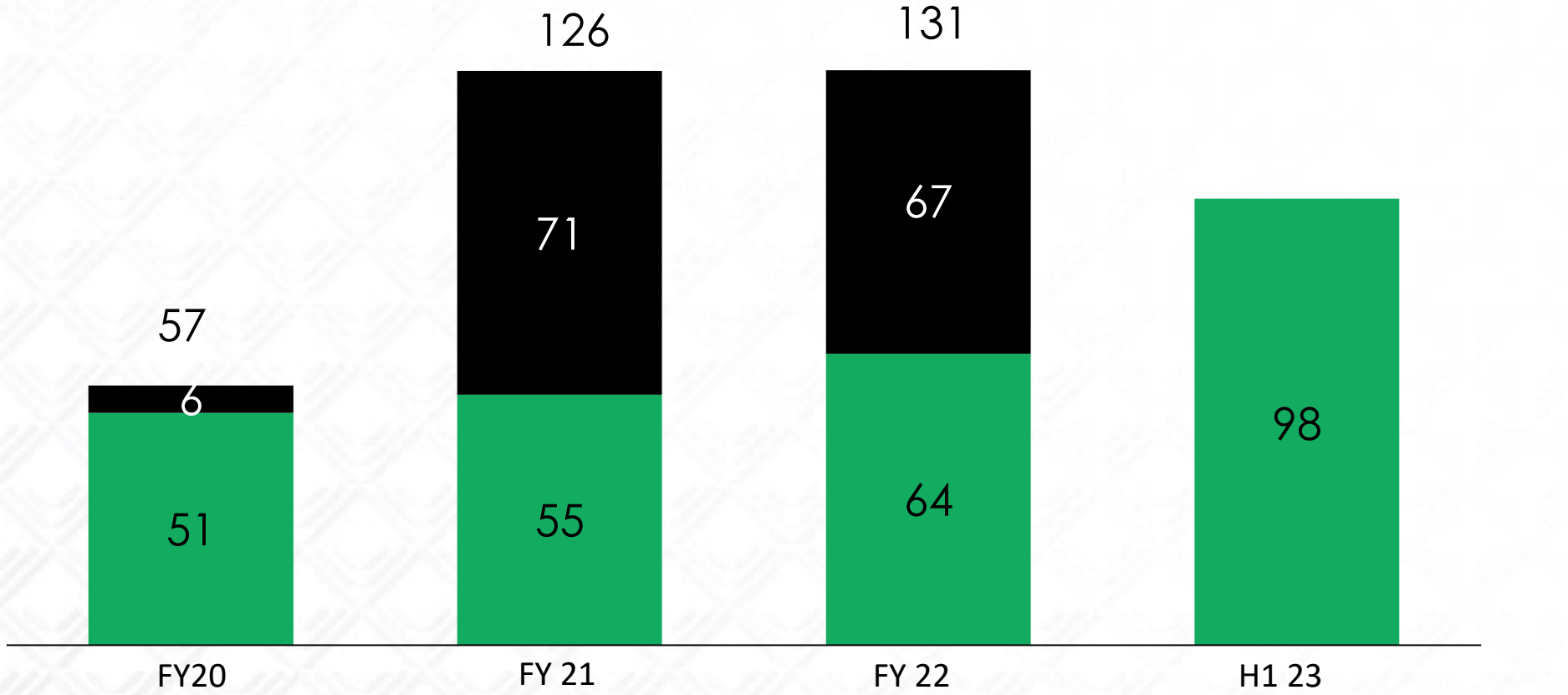
- Growth in operating income was driven by higher NIM
- Improvement in CTI was underpinned by the higher operating income noted above while exercising cost discipline
- Investment in technology remains a strategic priority to improve scalability for future growth

¹ Net Interest Margin (NIM) = Net interest income divided by average Total interest earning and discount bearing assets

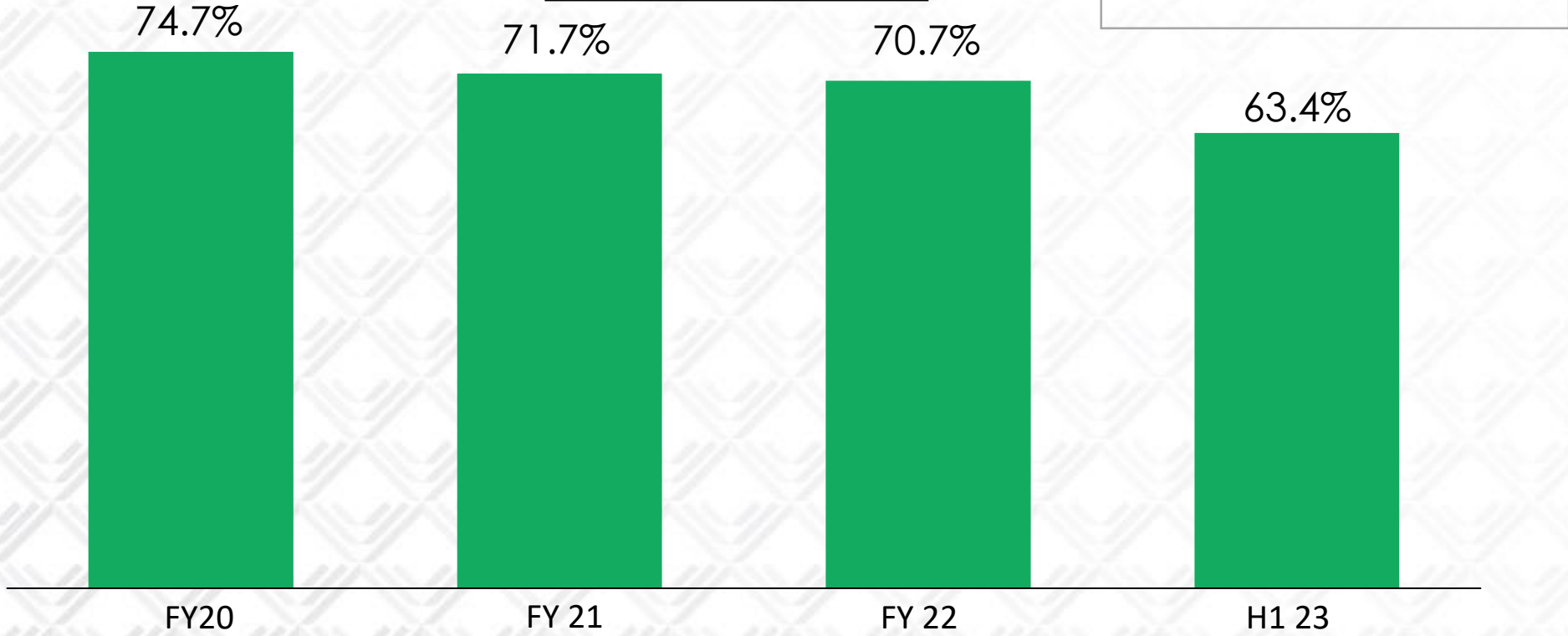
² Cost to Income ratio = Operating expenses divided by Total operating income

Profit underpinned by net interest income

Reported Profit after Tax (\$m)



Cost to Income Ratio



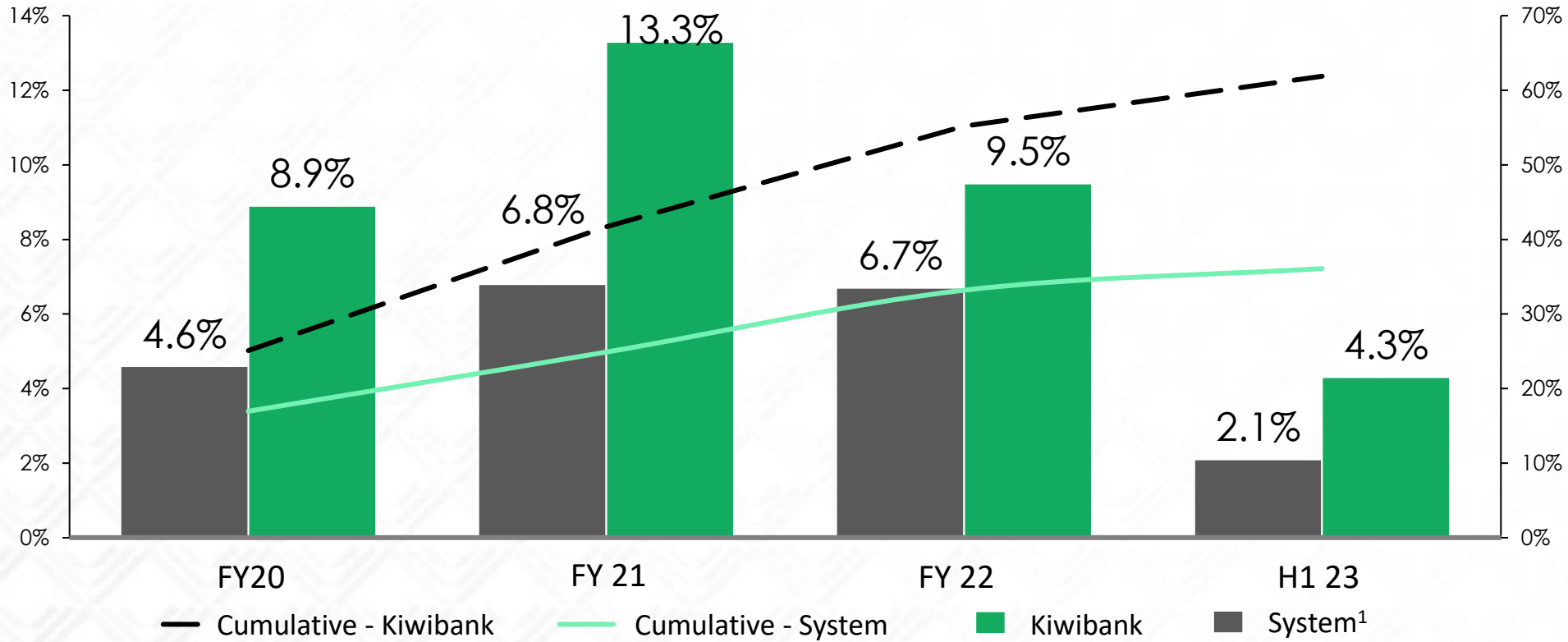
Highlights for HY23

- Profit after tax increased on prior period due to higher revenue.
- Higher revenue is driven by net interest income being 29.5% above prior period due to the rising interest rate environment.
- Despite continuing to invest heavily in building a better bank for the future CTI has improved compared to prior period supported by continued cost discipline.

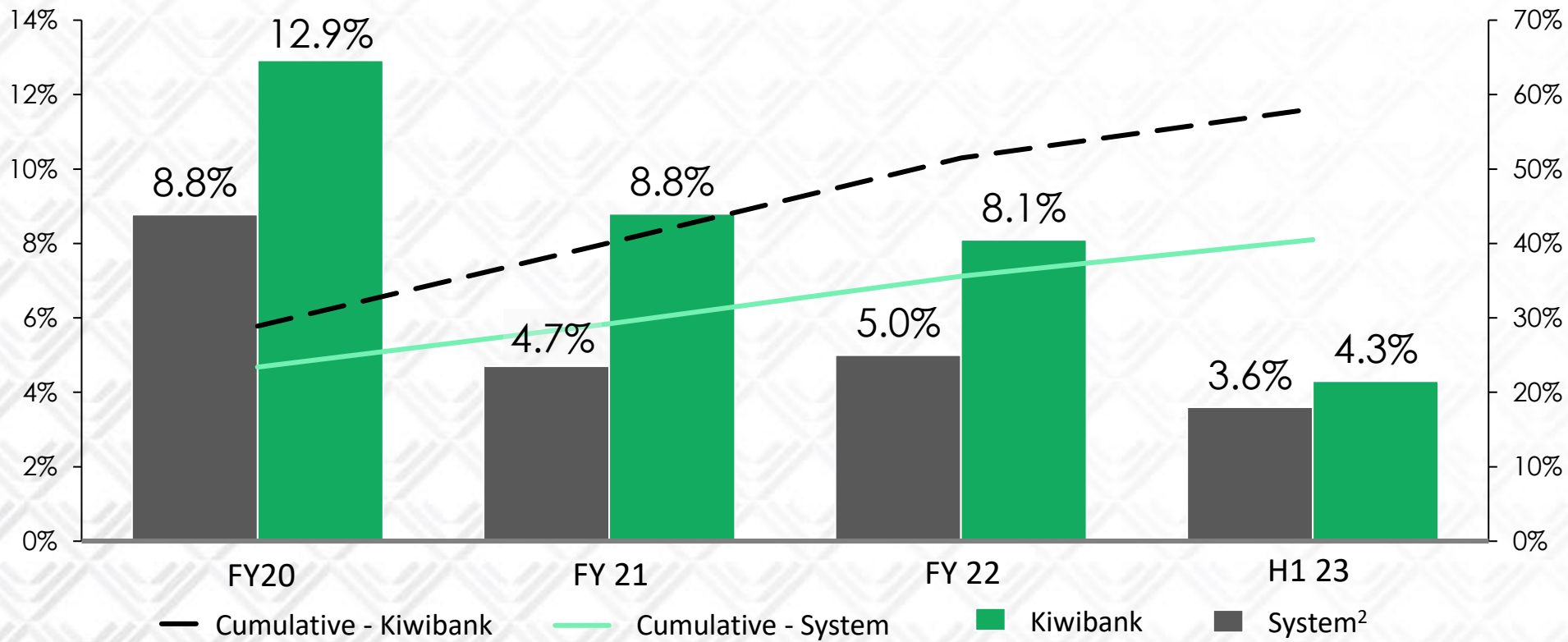
More Kiwi backing Kiwibank



Lending Growth (%)



Deposit Growth (%)

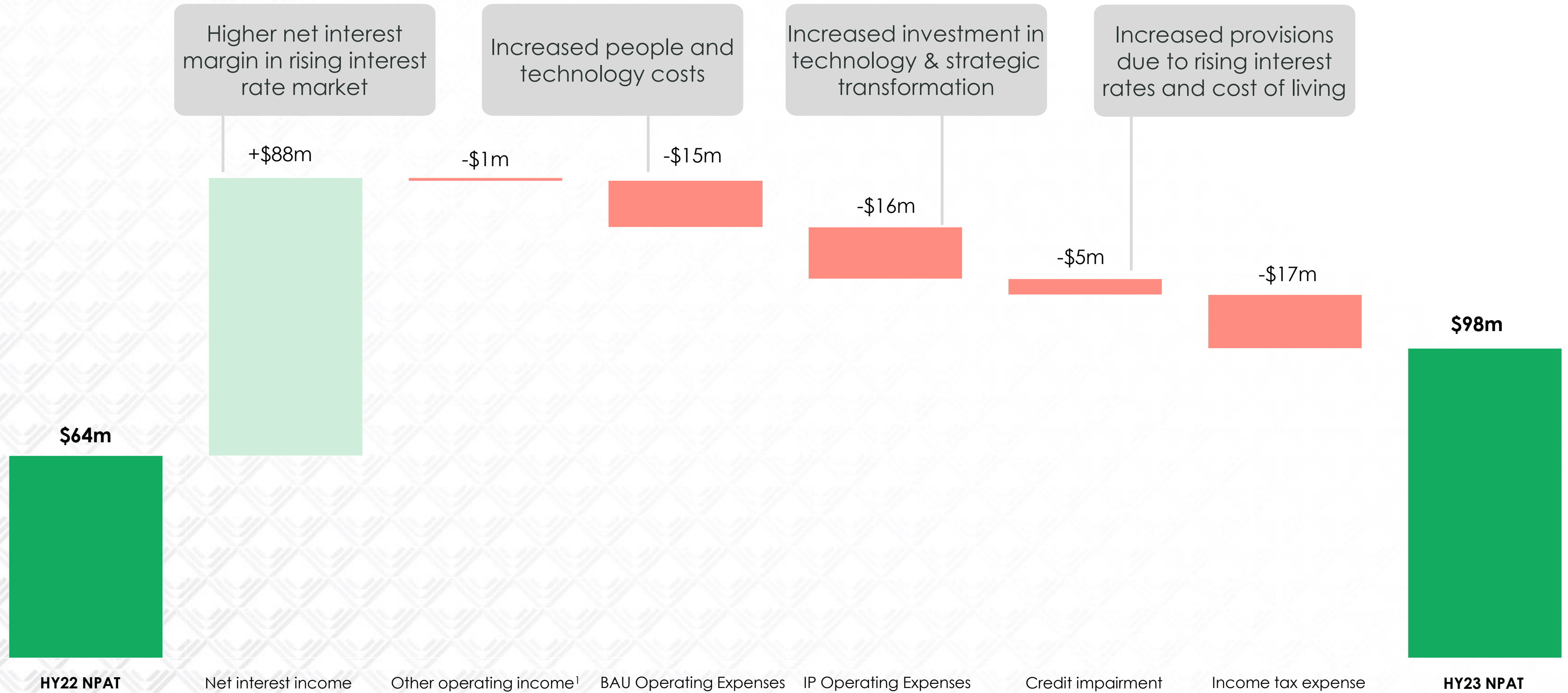


Key Focus Areas

- Kiwibank continues to outperform the system in lending and deposit growth
- Kiwibank business lending continues to be a standout with lending growth of \$0.5b over the first half of FY23
- Residential mortgage lending has grown by 3% during the first half, an increase of \$0.6b. Kiwibank continued to deepen its relationship with advisers and grow the expertise of its home loan specialist team

¹ Source: <https://www.rbnz.govt.nz/statistics/c5>
² Source: <https://www.rbnz.govt.nz/statistics/s40-banks-liabilities-deposits-by-sector>

Change in reported net profit between HY22 and HY23



¹ Other Operating Income includes net gains on financial instruments



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