

**BNZ Covered Bond Programme
Mortgage Loan Portfolio Characteristics and Asset Coverage**

Amounts in NZD

Total Portfolio Characteristics	
Total Amount	5,360,895,163.95
Number of Loans	38,826
Weighted Average Interest Rate (%)	5.74%
Weighted Average Interest Rate - Fixed (%)	5.73%
Weighted Average Interest Rate - Variable (%)	5.75%
Average Loan Balance	138,074.88
Max Loan Balance	1,800,000.00
Weighted Average Term to Maturity (Months)	272.37
Max Term Remaining (Months)	356
Weighted Average Seasoning (Months)	38.67
Weighted Average LVR (%)	49.31%

Loan Size Distribution				
	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
<= 100,000	960,301,498.87	17.91%	18,324	47.20%
> 100,000 and <= 150,000	823,835,933.37	15.37%	6,565	16.91%
> 150,000 and <= 200,000	957,285,450.53	17.86%	5,434	14.00%
> 200,000 and <= 250,000	729,262,643.65	13.60%	3,248	8.37%
> 250,000 and <= 300,000	592,390,385.01	11.05%	2,150	5.54%
> 300,000 and <= 350,000	379,641,503.41	7.08%	1,171	3.02%
> 350,000 and <= 400,000	300,936,213.02	5.61%	800	2.06%
> 400,000 and <= 500,000	283,718,541.29	5.29%	636	1.64%
> 500,000 and <= 750,000	230,903,871.80	4.31%	390	1.00%
> 750,000 and <= 1,000,000	73,380,135.43	1.37%	84	0.22%
> 1,000,000 and <= 1,500,000	25,780,751.31	0.48%	22	0.06%
> 1,500,000 and <= 2,000,000	3,458,236.26	0.06%	2	0.01%
> 2,000,000 and <= 2,500,000	0.00	0.00%	0	0.00%
> 2,500,000	0.00	0.00%	0	0.00%
Total	5,360,895,163.95	100.00%	38,826	100.00%

Loan Interest Rate Distribution				
	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
<= 4.00	1,602,540.74	0.03%	11	0.03%
> 4.00 and <= 5.00	402,461,109.39	7.51%	2,125	5.47%
> 5.00 and <= 6.00	4,243,924,855.74	79.16%	31,677	81.59%
> 6.00 and <= 7.00	556,526,206.04	10.38%	3,705	9.54%
> 7.00 and <= 8.00	124,605,429.54	2.32%	1,016	2.62%
> 8.00 and <= 9.00	29,641,049.67	0.55%	259	0.67%
> 9.00 and <= 10.00	2,115,031.17	0.04%	32	0.08%
> 10.00	18,941.66	0.00%	1	0.00%
Total	5,360,895,163.95	100.00%	38,826	100.00%

Term To Maturity				
	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
<= 5 years	41,098,196.80	0.77%	523	1.35%
> 5 years and <= 10 years	80,153,437.71	1.50%	1,455	3.75%
> 10 years and <= 15 years	142,579,837.72	2.66%	1,723	4.44%
> 15 years and <= 20 years	302,085,590.51	5.63%	2,598	6.69%
> 20 years and <= 25 years	2,519,496,518.24	47.00%	19,207	49.47%
> 25 years and <= 30 years	2,275,481,582.97	42.45%	13,320	34.31%
> 30 years	0.00	0.00%	0	0.00%
Total	5,360,895,163.95	100.00%	38,826	100.00%

LVR Distribution				
	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
less than equal to 25%	687,030,670.59	12.82%	10,106	26.03%
> 25% and <=30%	284,574,740.59	5.31%	2,429	6.26%
> 30% and <=35%	343,870,641.24	6.41%	2,670	6.88%
> 35% and <=40%	367,534,135.23	6.86%	2,650	6.83%
> 40% and <=45%	445,421,088.64	8.31%	2,967	7.64%
> 45% and <=50%	473,349,866.88	8.83%	2,978	7.67%
> 50% and <=55%	479,668,400.45	8.95%	2,959	7.62%
> 55% and <=60%	530,154,474.77	9.89%	3,003	7.73%
> 60% and <=65%	403,724,035.64	7.53%	2,217	5.71%
> 65% and <=70%	438,659,632.34	8.18%	2,330	6.00%
> 70% and <=75%	460,434,238.02	8.59%	2,307	5.94%
> 75% and <=80%	445,370,644.00	8.31%	2,202	5.67%
> 80% and <=85%*	650,784.23	0.01%	3	0.01%
> 85% and <=90%**	250,786.28	0.00%	2	0.01%
> 90% and <=95%	0.00	0.00%	0	0.00%
> 95% and <=100%	0.00	0.00%	0	0.00%
> 100%	0.00	0.00%	0	0.00%
Security not linked***	201,025.05	0.00%	3	0.01%
Total	5,360,895,163.95	100.00%	38,826	100.00%

* Loans in arrears (1 day). Interest has been added to loan balance until regularised.

** Loans have additional mortgage security not included in calculation, to be included in subsequent reporting periods.

*** 3 loans subject to substitution of security currently in progress. Security recorded as released in systems prior to actual discharge & replacement. (i.e. security is still held but has been de-linked in reporting systems)

Geographic Distribution

	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
Ashburton	42,120,097.12	0.79%	375	0.97%
Auckland	1,012,248,570.73	18.88%	5,949	15.32%
Blenheim	44,258,917.54	0.83%	347	0.89%
Christchurch	310,292,569.11	5.79%	2,679	6.90%
Coromandel	92,314,159.65	1.72%	712	1.83%
Dunedin	240,271,785.23	4.48%	1,944	5.01%
Gisborne	39,170,647.13	0.73%	396	1.02%
Hamilton	395,278,839.65	7.37%	3,194	8.23%
Hawkes Bay	158,300,843.28	2.95%	1,266	3.26%
Masterton	29,176,521.47	0.54%	267	0.69%
Nelson	106,907,888.63	1.99%	833	2.15%
North Shore	583,356,395.18	10.88%	3,400	8.76%
Northland	156,253,479.78	2.91%	1,254	3.23%
Oamaru	21,874,173.49	0.41%	231	0.59%
Palmerston North	148,852,858.16	2.78%	1,453	3.74%
Rotorua	83,377,373.41	1.56%	693	1.78%
South Auckland	609,111,530.59	11.36%	3,742	9.64%
Southland	80,760,201.48	1.51%	824	2.12%
Taranaki	53,471,751.24	1.00%	420	1.08%
Tauranga	255,203,559.86	4.76%	1,911	4.92%
Timaru	54,857,162.74	1.02%	568	1.46%
Wanganui	58,060,927.26	1.08%	587	1.51%
Wellington	714,264,485.81	13.32%	5,199	13.39%
West Coast	29,061,342.13	0.54%	274	0.71%
Whakatane	41,848,058.23	0.78%	302	0.78%
Security Not Linked*	201,025.05	0.00%	6	0.02%
Total	5,360,895,163.95	100.00%	38,826	100.00%

* Includes 3 loans subject to substitution of security currently in progress with existing security recorded as released in systems prior to actual discharge & replacement (i.e. security is still held but has been de-linked in reporting systems). Also includes 3 loans repaid on 18/03/2013.

Seasoning

	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
< 3 months	0.00	0.00%	0	0.00%
>= 3 and < 6 months	114,681,114.43	2.14%	770	1.98%
>= 6 and < 12 months	525,698,109.15	9.81%	3,465	8.92%
>= 12 and < 18 months	481,576,562.51	8.98%	2,996	7.72%
>= 18 and < 24 months	735,754,125.12	13.72%	4,610	11.87%
>= 24 and < 36 months	1,159,053,887.21	21.62%	7,885	20.31%
>= 36 and < 48 months	933,044,252.18	17.40%	6,751	17.39%
>= 48 and < 60 months	414,225,938.91	7.73%	3,135	8.07%
>= 60 months	996,861,174.44	18.60%	9,214	23.73%
Total	5,360,895,163.95	100.00%	38,826	100.00%

Mortgage Loans By Interest Rate Type

	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
Fixed	2,174,274,632.21	40.56%	13,424	34.57%
Variable	3,186,620,531.74	59.44%	25,402	65.43%
Total	5,360,895,163.95	100.00%	38,826	100.00%

Mortgage Loans By Fixed Rate Maturity

	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
>0 <= 1 year	1,364,065,621.19	25.44%	8,278	21.32%
>1 <= 2 years	576,207,666.32	10.75%	3,637	9.37%
>2 <= 3 years	184,198,005.32	3.44%	1,187	3.06%
>3 <= 4 years	37,938,656.71	0.71%	241	0.62%
>4 <= 5 years	10,624,136.85	0.20%	69	0.18%
>5 <= 6 years	90,056.80	0.00%	2	0.01%
>6 <= 7 years	1,150,489.02	0.02%	10	0.03%
>7 years	0.00	0.00%	0	0.00%
Total	2,174,274,632.21	40.56%	13,424	34.59%

Mortgage Loans By Principal Amortisation

	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
Principal and Interest	4,609,935,672.16	85.99%	35,363	91.08%
Interest only, reverting to P&I	750,959,491.79	14.01%	3,463	8.92%
Total	5,360,895,163.95	100.00%	38,826	100.00%

Interest Only Periods

	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
0 <= 1 Year	11,323,015.41	0.21%	63	0.16%
>1 <= 2 Years	49,365,425.57	0.92%	249	0.64%
>2 <= 3 Years	106,076,409.87	1.98%	496	1.28%
>3 <= 4 Years	84,435,745.08	1.58%	385	0.99%
>4 <= 5 Years	186,641,309.74	3.48%	877	2.26%
>5 <= 6 Years	260,361,811.30	4.86%	1,111	2.86%
>6 <= 7 Years	14,434,349.94	0.27%	76	0.20%
>7 Years	38,321,424.88	0.71%	206	0.53%
Total	750,959,491.79	14.01%	3,463	8.92%

Arrears

	Loan Size Amount	Loan Size Amount Percent	Loan Size Volume	Loan Size Volume Percent
Current	5,351,655,053.67	99.83%	38,788	99.90%
>=1 day & <= 30 days in arrears	9,240,110.28	0.17%	38	0.10%
>=31 days & <= 60 days in arrears	0.00	0.00%	0	0.00%
>=61 days & <= 90 days in arrears	0.00	0.00%	0	0.00%
>=91 days in arrears	0.00	0.00%	0	0.00%
Total	5,360,895,163.95	100.00%	38,826	100.00%

Asset Coverage

	Value
Total Current Balance	5,360,895,163.95
Defaulting Loans (>90 DPD))	0.00
Total Current Balance (> 80% LVR)	-1,102,595.56
Add back: 80% of Security Value	882,800.00
Adjusted Mortgage Loan Balance Amount	5,360,675,368.39
Asset Percentage (%)	83.30
Adjusted Aggregate Mortgage Loan Amount	4,465,442,581.87
Cash & Trustee Investments	106,104,836.05
Asset Coverage	4,571,547,417.92
Bonds Issued	4,556,392,151.74
Asset Coverage Ratio (%)	100.33%