

Quarterly Investor Report

Reporting Dates

Collection Period End Date:	17-Sep-18
Calculation Date:	18-Sep-18
Trust Payment Date:	28-Sep-18

Transaction Parties

Issuers	Bank of New Zealand BNZ International Funding Limited, acting through its London Branch
Seller	Bank of New Zealand
Guarantor	Bank of New Zealand
Covered Bond Guarantor	CBG Trustee Company Limited
Security Trustee	New Zealand Permanent Trustees Limited
Bond Trustee	Deutsche Trustee Company Limited
Trust Manager	BNZ Facilities Management Limited
Servicer	Bank of New Zealand
NZ Paying Agent	Computershare Investor Services Limited
UK Paying Agent	Deutsche Bank AG, London Branch
Asset Monitor	Ernst & Young
Calculation Manager	Bank of New Zealand

Other Tests

Issuer Event of Default	No
Covered Bond Guarantor Event of Default	No
Yield Shortfall Test	N/A
Interest Rate Shortfall Test	N/A
Asset Coverage Test	Pass
Pre-Maturity Test (only applicable to Hard Bullet Covered Bonds)	Pass

BNZ's Unsecured Ratings

	Short Term	Long Term
Fitch	F1+	AA-
Moody's	P-1	A1
S&P	A-1+	AA-

BNZ's Covered Bond Ratings

	Long Term
Fitch	AAA
Moody's	Aaa

Bond Issuance				
ISIN	Bonds	Issue Date	Principal Balance	Principal Balance (NZD Equiv.) Exchange
NZBCBDT003C3	Series 4 Tranche 1	31 March 2011	NZD 300,000,000	\$300,000,000
NZBCBDT004C1	Series 8 Tranche 1	3 February 2016	NZD 300,000,000	\$300,000,000
XS1434582703	Series 9 Tranche 1	17 June 2016	EUR 750,000,000	\$1,205,117,271
XS1639238820	Series 10 Tranche 1	3 July 2017	EUR 750,000,000	\$1,154,689,655
XS1850289171	Series 11 Tranche 1	3 July 2018	EUR 750,000,000	\$1,279,714,912
Total				\$4,239,521,838
ISIN	Listing	Coupon Frequency	Coupon Rate	Interest Rate Type
NZBCBDT003C3	Unlisted	Quarterly	3 month NZD-BKBM plus 1.27% p.a.	Floating rate
NZBCBDT004C1	Unlisted	Semi-annual	4.261% p.a.	Fixed rate
XS1434582703	LUX	Annual	0.125% p.a.	Fixed rate
XS1639238820	LUX	Annual	0.500% p.a.	Fixed rate
XS1850289171	LUX	Annual	0.625% p.a.	Fixed rate
ISIN	Note Type	Final Maturity Date	Common Code	
NZBCBDT003C3	Hard Bullet	31 March 2019	n/a	
NZBCBDT004C1	Soft Bullet	3 February 2023	n/a	
XS1434582703	Soft Bullet	17 June 2021	143458270	
XS1639238820	Soft Bullet	3 July 2024	163923882	
XS1850289171	Soft Bullet	3 July 2025	185028917	

BNZ Covered Bond Programme
 Mortgage Loan Portfolio Characteristics and Asset Coverage

Total Portfolio Characteristics

Total Amount:	5,087,995,055.68
Number of Loans:	31,786
Weighted Average Interest Rate (%):	4.83%
Weighted Average Interest Rate - Fixed (%):	4.59%
Weighted Average Interest Rate - Variable (%):	5.66%
Average Loan Balance:	160,070.32
Max Loan Balance:	2,084,081.15
Weighted Average Term To Maturity (Months):	269.52
Max Term Remaining (Months):	357
Weighted Average Seasoning (Months):	51.56
Weighted Average LVR (%):	46.52%
Weighted Average LVR Indexed (%):	39.71%
Data as At:	17/09/2018

Loan Size Distribution

Table 1	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
<= \$100,000	744,052,515.46	14.62%	14,068	44.26%
> \$100,000 and <= \$150,000	608,802,433.47	11.97%	4,861	15.29%
> \$150,000 and <= \$200,000	709,394,309.11	13.94%	4,051	12.74%
> \$200,000 and <= \$250,000	587,386,464.67	11.54%	2,615	8.23%
> \$250,000 and <= \$300,000	580,269,995.80	11.40%	2,112	6.64%
> \$300,000 and <= \$350,000	402,744,230.59	7.92%	1,244	3.91%
> \$350,000 and <= \$400,000	333,442,301.63	6.55%	891	2.80%
> \$400,000 and <= \$500,000	425,127,804.62	8.36%	951	2.99%
> \$500,000 and <= \$750,000	424,806,943.79	8.35%	723	2.27%
> \$750,000 and <= \$1,000,000	157,958,286.87	3.10%	183	0.58%
> \$1,000,000 and <= \$1,500,000	78,522,236.38	1.54%	67	0.21%
> \$1,500,000 and <= \$2,000,000	31,388,452.14	0.62%	18	0.06%
> \$2,000,000 and <= \$2,500,000	4,099,081.15	0.08%	2	0.01%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Loan Interest Rate Distribution

Table 2	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
<= 4.00%	12,878,130.37	0.25%	75	0.24%
> 4.00% and <= 5.00%	3,645,256,177.34	71.64%	20,209	63.58%
> 5.00% and <= 6.00%	1,348,056,089.80	26.49%	10,891	34.26%
> 6.00% and <= 7.00%	78,182,823.62	1.54%	581	1.83%
> 7.00% and <= 8.00%	3,621,834.55	0.07%	30	0.09%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Term to Legal Documented Maturity

Table 3	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
<= 5 years	24,161,031.56	0.47%	660	2.08%
> 5 years and <= 10 years	119,057,274.08	2.34%	1,964	6.18%
> 10 years and <= 15 years	251,427,718.70	4.94%	2,435	7.66%
> 15 years and <= 20 years	991,811,012.07	19.49%	7,386	23.24%
> 20 years and <= 25 years	1,902,737,580.61	37.40%	11,156	35.10%
> 25 years and <= 30 years	1,798,800,438.66	35.35%	8,185	25.75%
Total	5,087,995,055.68	100.00%	31,786	100.00%

LVR Distribution

Table 4	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
<= 25%	830,214,371.38	16.32%	8,637	27.17%
> 25% and <= 30%	325,771,108.59	6.40%	2,129	6.70%
> 30% and <= 35%	389,295,836.47	7.65%	2,256	7.10%
> 35% and <= 40%	370,157,073.70	7.28%	2,232	7.02%
> 40% and <= 45%	390,978,437.44	7.68%	2,255	7.09%
> 45% and <= 50%	394,437,034.11	7.75%	2,177	6.85%
> 50% and <= 55%	443,583,360.10	8.72%	2,486	7.82%
> 55% and <= 60%	426,478,724.71	8.38%	2,304	7.25%
> 60% and <= 65%	459,635,846.67	9.03%	2,340	7.36%
> 65% and <= 70%	427,604,787.48	8.40%	2,117	6.66%
> 70% and <= 75%	378,098,799.10	7.43%	1,859	5.85%
> 75% and <= 80%	251,739,675.93	4.95%	994	3.13%
Total	5,087,995,055.68	100.00%	31,786	100.00%

LVR Indexed Distribution

Table 5	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
<= 25%	1,142,442,013.47	22.45%	10,942	34.42%
> 25% and <= 30%	460,186,779.32	9.04%	2,766	8.70%
> 30% and <= 35%	483,336,103.26	9.50%	2,729	8.59%
> 35% and <= 40%	494,102,160.43	9.71%	2,792	8.78%
> 40% and <= 45%	494,245,354.39	9.71%	2,726	8.58%
> 45% and <= 50%	518,659,827.01	10.19%	2,733	8.60%
> 50% and <= 55%	437,469,753.33	8.60%	2,227	7.01%
> 55% and <= 60%	357,006,418.67	7.02%	1,735	5.46%
> 60% and <= 65%	274,294,709.60	5.39%	1,267	3.99%
> 65% and <= 70%	189,573,179.30	3.73%	892	2.81%
> 70% and <= 75%	147,314,789.32	2.90%	645	2.03%
> 75% and <= 80%	89,363,967.58	1.76%	332	1.04%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Geographic Distribution

Table 6	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
Ashburton	44,895,120.62	0.88%	324	1.02%
Auckland	970,616,760.26	19.08%	4,607	14.49%
Blenheim	32,171,228.29	0.63%	246	0.77%
Christchurch	633,674,543.07	12.45%	4,174	13.13%
Coromandel	67,489,901.72	1.33%	492	1.55%
Dunedin	187,930,261.50	3.69%	1,520	4.78%
Gisborne	28,816,758.63	0.57%	252	0.79%
Hamilton	365,320,202.78	7.18%	2,591	8.15%
Hawkes Bay	122,084,547.77	2.40%	904	2.84%
Masterton	16,426,328.60	0.32%	144	0.45%
Nelson	73,843,143.69	1.45%	532	1.67%
North Shore	576,292,444.84	11.33%	2,910	9.15%
Northland	105,233,608.58	2.07%	804	2.53%
Oamaru	16,100,940.51	0.32%	150	0.47%
Palmerston North	110,347,349.98	2.17%	976	3.07%
Rotorua	68,212,427.31	1.34%	491	1.54%
South Auckland	656,625,007.68	12.91%	3,315	10.43%
Southland	60,716,503.14	1.19%	578	1.82%
Taranaki	47,870,489.29	0.94%	338	1.06%
Tauranga	219,663,100.19	4.32%	1,474	4.64%
Timaru	65,797,988.48	1.29%	544	1.71%
Wanganui	42,550,498.22	0.84%	420	1.32%
Wellington	526,444,650.27	10.35%	3,586	11.28%
West Coast	20,589,829.42	0.40%	191	0.60%
Whakatane	28,281,420.84	0.56%	223	0.70%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Mortgage Insurance

Table 7	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
Not PMI Mortgage Insured	5,083,721,402.63	99.92%	31,757	99.91%
PMI Mortgage Insurance	4,273,653.05	0.08%	29	0.09%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Seasoning

Table 8	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
>= 3 and < 6 months	54,712,046.99	1.08%	325	1.02%
>= 6 and < 12 months	300,581,568.50	5.91%	1,835	5.77%
>= 12 and < 18 months	354,702,507.36	6.97%	2,119	6.67%
>= 18 and < 24 months	334,299,877.70	6.57%	2,099	6.60%
>= 24 and < 36 months	566,307,081.44	11.13%	3,125	9.83%
>= 36 and < 48 months	797,835,280.89	15.68%	4,169	13.12%
>= 48 and < 60 months	833,268,724.65	16.38%	5,150	16.20%
>= 60 months	1,846,287,968.15	36.29%	12,964	40.79%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Interest Rate Type

Table 9	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
Fixed	3,936,103,106.83	77.36%	21,710	68.30%
Variable	1,151,891,948.85	22.64%	10,076	31.70%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Fixed Rate Maturity

Table 10	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
<= 1 year	2,207,185,005.92	43.38%	12,347	38.84%
> 1 and <= 2 years	1,437,219,497.72	28.25%	7,835	24.65%
> 2 and <= 3 years	237,578,447.15	4.67%	1,253	3.94%
> 3 and <= 4 years	41,149,025.46	0.81%	197	0.62%
> 4 and <= 5 years	7,553,008.98	0.15%	48	0.15%
> 5 and <= 6 years	4,634,146.68	0.09%	27	0.08%
> 6 and <= 7 years	783,974.92	0.02%	3	0.01%
Total	3,936,103,106.83	77.36%	21,710	68.30%

Principal Amortisation

Table 11	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
Principal and Interest	4,666,666,051.98	91.72%	30,201	95.01%
Interest only, reverting to P&I	421,329,003.70	8.28%	1,585	4.99%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Remaining Interest Only Period

Table 12	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
<= 1 year	191,294,576.95	3.76%	743	2.34%
> 1 and <= 2 years	144,546,091.23	2.84%	516	1.62%
> 2 and <= 3 years	41,745,673.27	0.82%	155	0.49%
> 3 and <= 4 years	23,066,485.47	0.45%	91	0.29%
> 4 and <= 5 years	17,970,144.28	0.35%	67	0.21%
> 5 and <= 6 years	1,336,617.95	0.03%	6	0.02%
> 6 and <= 7 years	832,232.82	0.02%	4	0.01%
> 7 years	537,181.73	0.01%	3	0.01%
Total	421,329,003.70	8.28%	1,585	4.99%

Arrears

Table 13	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
Current	5,085,852,494.59	99.96%	31,773	99.96%
1-30 days in arrears	2,142,561.09	0.04%	13	0.04%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Loan Documentation

Table 14	Loan Size Amount	Loan Size Amount %	Loan Size Volume	Loan Size Volume %
Full Documentation	5,087,995,055.68	100.00%	31,786	100.00%
Total	5,087,995,055.68	100.00%	31,786	100.00%

Asset Coverage Test

Aggregate Current Principal Balance of Mortgage Loans		\$5,087,995,055.68
less: Aggregate Defaulted Mortgage Loans	-	\$0.00
less: Aggregate amount of loan balances over the lesser of:		
(1) 80% of Indexed Valuation and		
(2) 80% of Latest Valuation	-	\$0.00
Adjusted Mortgage Loan Balance Amount		\$5,087,995,055.68
Asset Percentage (%)	x	92.00%
"A"	+	\$4,680,955,451.23
"B" : Term and/or Demand Loan Advances not applied	+	\$0.00
"C" : Substitution Assets & Authorised Investments	+	\$4,944.32
"D" : Mortgage Loan Principal Receipts in GIC Account	+	\$0.00
"E" : Sale Proceeds in Pre-Maturity Ledger	+	\$0.00
"Z" : 4.8 x \$4,240m x 0 (WAM x CB x NCF)	-	\$0.00
Adjusted Aggregate Mortgage Loan Amount		\$4,680,960,395.55
Principal Amount Outstanding		\$4,239,521,838.24
Asset Coverage Test Results		PASS