

26 February 2026

Kiwibank delivers positive half-year result and continues faster than market growth

Kiwibank delivered a positive half-year result for the six months to 31 December 2025 (1H26), with net profit after tax of \$103 million, up 12% on the prior comparative period. The increase reflected strong balance sheet growth and a more favourable credit environment for customers. It's also clear some customers continued to face financial pressure. In 1H26:

- Lending of \$1.8b increased total lending to \$37.6b:
 - Retail home lending grew 1.6 times faster than the market, increasing \$1.3b, reflecting strong demand for Kiwibank's competitive rates. In the six months to December 2025, Kiwibank accounted for 13% of all net new bank mortgage lending growth, helping 6,213 Kiwi get on the ladder and more than 3,000 to refinance.
 - Kiwibank backed businesses and owners with lending of \$0.4b, taking total business lending to \$8.7b.
- Deposits increased \$1.4b, with total deposits rising to \$31.8b.

Chief Executive Steve Jurkovich said the growth showed more customers were choosing a New Zealand-owned bank.

"In a tough period for many, more Kiwi chose to bank with us. We supported businesses to expand, helped more customers get on the ladder as our lending continued to grow faster than the market, and had strong deposit activity as Kiwi backed a purpose-led, New Zealand-owned alternative," Jurkovich said.

Net interest margin decreased to 2.18 percent (from 2.29 percent) reflecting the competitive environment and increased cost of funding.

Market-leading value for customers

Kiwibank remained focused on making banking simpler, fairer and more competitive:

- Kiwibank continued to offer market-leading or joint-leading rates across key home loan and deposit terms, ensuring customers benefited from sharper pricing when borrowing or saving.¹
- Kiwibank home loan customers repaid their home loans faster than the market. This helped them build equity sooner and reduced their long-term interest costs.²
- Kiwibank's Retail Online Call account has no conditions, no penalties and no hidden hurdles, so every customer receives the full rate on offer.³

¹ In 2025, Kiwibank offered the lowest or joint-lowest 12-month fixed home loan rate for 92 percent of the time, and the lowest or joint-lowest 24-month rate for 52 percent of the time; and held the highest or joint-highest 180-day rate for 84 percent of weeks and the highest or joint-highest 270-day rate for 80 percent of weeks.

² Over the past two years, Kiwibank customers have been repaying equity in their home loans around a third faster than the market average. Based on RBNZ C35 data and internal benchmarking (June 24-December 25). Kiwibank customers' net amortisation has been consistently around 0.6% above the market average, narrowing to ~0.3% when interest rates rose. Customers also make 0.3-0.5% more excess repayments on average, and scheduled repayments have typically been 0.1-0.2% higher than the market when interest rates are stable or falling.

³ Kiwibank's Retail Online Call account offers customers the advertised rate of 1.50% without conditions that can limit access and returns.

- Kiwibank removed 12 everyday banking fees, including the Visa Debit Card annual account fee, overseas ATM withdrawal fees, and card replacement fees.

"We focused on delivering the most value for the greatest number of customers and we did that by helping Kiwi to build equity in their homes faster while growing their savings and benefiting from lower fees," Jurkovich said.

Building the bank of the future

Kiwibank made further progress on its multi-year transformation, including key upgrades to its digital banking and payments platforms⁴, improvements to fraud and scam protections⁵, and continued development of its new core banking platform.

"Our transformation is about building a modern, resilient bank that can deliver new and competitive products faster and give customers a better experience," Jurkovich said.

Kiwibank also maintained New Zealand's largest physical banking network, providing face-to-face access for customers and communities across the country.

Outlook

With lending and deposit growth continuing to outperform the market and business confidence expected to lift, Kiwibank is well positioned heading into the second half of the financial year. This momentum comes as economic activity is forecast to broaden through 2026, with more sectors strengthening despite global uncertainty and cautious household spending.

"We continue to back our customers through the good times and the tougher times as we build a stronger Kiwibank that drives more competition in New Zealand for the long term," Jurkovich said.

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About Kiwibank

Kiwibank is a Purpose-led organisation that has modern, Kiwi values at heart and keeps Kiwi money where it belongs – right here in New Zealand. As a Kiwi bank, with more than a million customers, our trusted experts are focused on supporting Kiwi with their home ownership aspirations and backing local business ambitions, so together we can thrive here in Aotearoa and on the world stage. Kiwibank is the #1 bank in Kantar's 2024 Corporate Reputation Index and the only bank in the top 15. To find out more about Kiwibank visit www.kiwibank.co.nz.

⁴ Kiwibank rolled out Modern Digital Banking and Modern Payments technology to around 860,000 customers in November and December, making everyday banking faster, safer and more reliable, which supports switching and helps protect customers from fraud.

⁵ Kiwibank delivered changes required under the industry wide Scam Protection Commitments that took effect on 30 November 2025. This included the implementation of Confirmation of Payee, improved real time fraud blocking, high-risk transaction monitoring, and in the moment scam education that gives customers more control over potentially risky transactions.