



Exchange announcement

2 October 2019

BNZ announces software capitalisation change

Bank of New Zealand (**BNZ**) today announced that following a review by BNZ of its software capitalisation policies, the minimum threshold at which software is to be capitalised has increased, reflecting BNZ's focus on simplification and the increasingly shorter useful life of smaller software items. The change will be applied to both current and future software balances and is expected to reduce BNZ's capitalised software balance at 30 September 2019 by NZ\$119 million and BNZ's statutory profit for the 2019 financial year by NZ\$86 million (post tax). There is no impact on BNZ's capital given capitalised software balances are already deducted from Common Equity Tier One capital.

Ends

For further information, please contact:

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