

Quarterly funding update

March Quarter 2026

Borrowing Programme Update

During the quarter LGFA issued NZ\$200 million of NZD bonds across four bond maturities via two bond tenders. There was no foreign currency bond issuance and no NZD bond syndications during the quarter. Total bond issuance (NZD equiv) for the nine month period to 31 March 2026 was NZ\$2.14 billion.

The weighted average term of bond issuance during the March quarter was 7.76 years and 6.37 years for the nine month period to 31 March 2026. This compares to a weighted average term of 5.99 years for the 2024-25 FY.

We have lowered our 2025-26 FY funding target by NZ\$600 million to NZ\$4.25 billion as council long term borrowing remains less than forecast.

During the first two weeks of April 2026, we have issued NZ\$700 million of a new May 2034 bond via syndication, NZ\$100 million tender of 2028s and 2032s and EUR500 million of a new October 2032 bond.

Between now and the end of the June 2026 FY, we expect to hold two NZ\$150 million bond tenders.

Other news

Waikato Waters Limited was the first water CCO to join LGFA during the quarter. Council membership remained unchanged at seventy-seven and CCO membership was unchanged at eight. The number of guarantors was also unchanged at seventy-four.

Total long term borrowing by councils during the quarter was NZ\$581 million compared to NZ\$482 million in the comparable period to 31 March 2025. Total term loans outstanding were NZ\$23.093 billion and short term loans of NZ\$1.38 billion as at 31 March 2026.

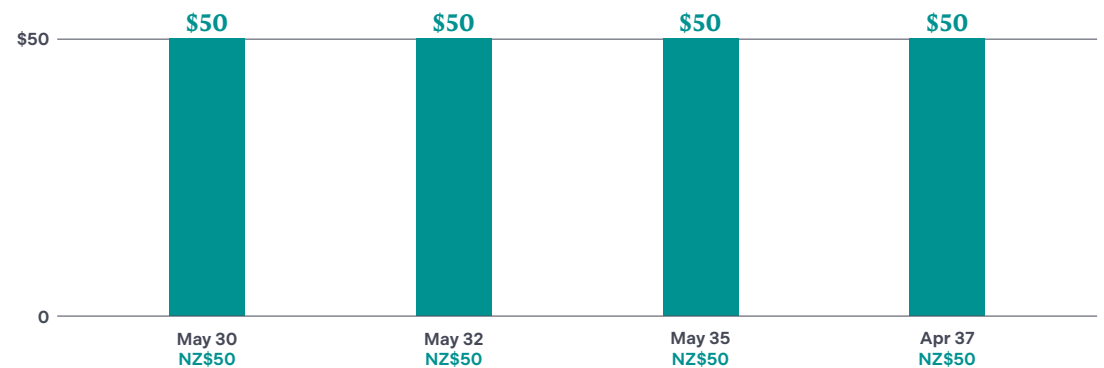
Climate Action Loans (CALs) outstanding to council and CCO borrowers total \$4.241 billion to eight borrowers and there were GS loans outstanding of NZ\$621.3 million to fourteen projects.

LGFA has NZ\$515 million of NZD LGFA Bills and the equivalent of NZ\$1.018 billion of ECP (across USD, EUR and HKD) on issue. LGFA bonds lent on repo by LGFA to banks total NZ\$497 million.

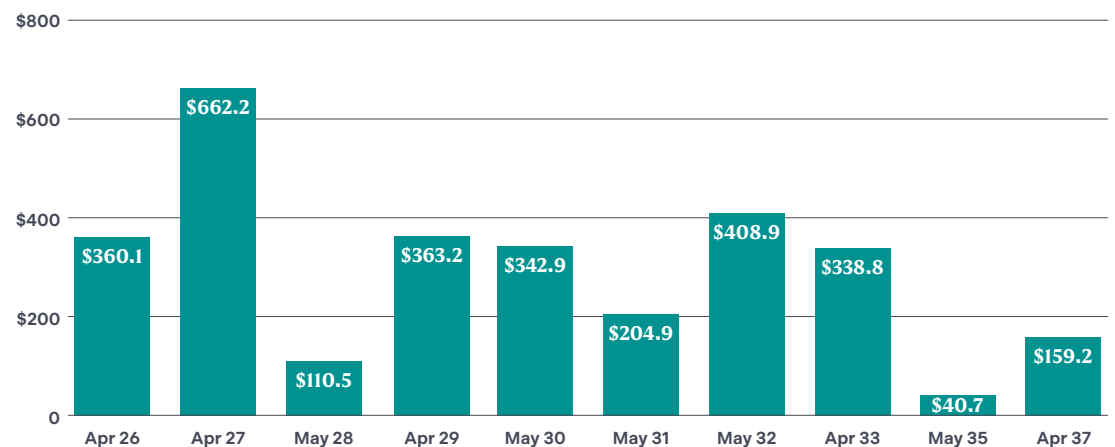
On 26 March, Fitch Ratings revised the rating outlook on the long term domestic and foreign currency ratings from stable to negative. This was because LGFA is credit linked to the New Zealand Sovereign and Fitch Ratings undertook the same rating outlook change on 20 March.

On 27 February we released our Draft Statement of Intent and Forecast Borrowing Programme for the next three years and on 26 February we released our Half Year Report for the period to 31 December 2025.

March Quarter Bond Issuance (NZ\$ equivalent million)



March Quarter Secondary Market Activity in NZD Bonds (NZ\$ million)



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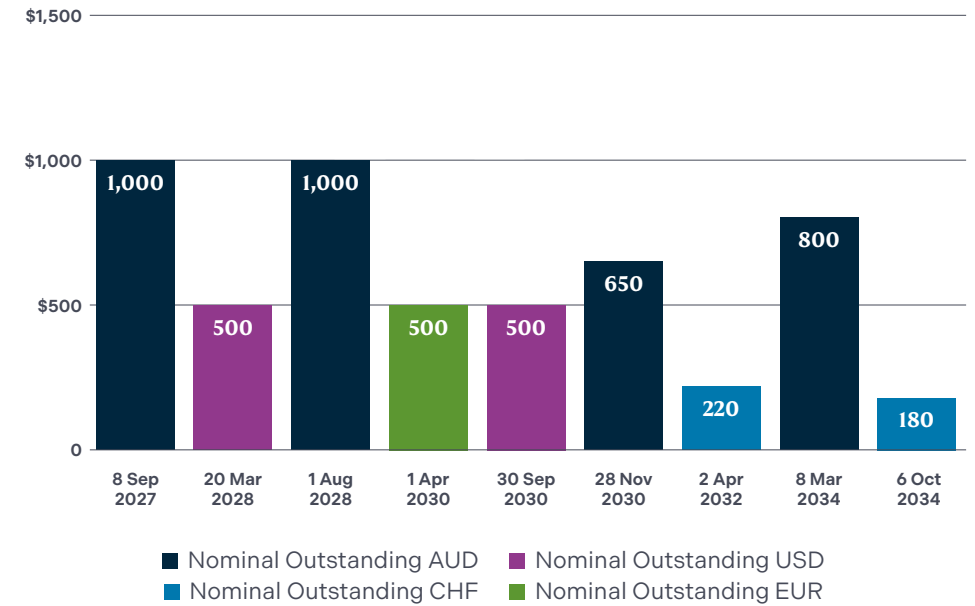
LGFA NZD bonds on issue (NZ\$ million)

As at 31 March 2026: NZ\$19,991 million (Includes NZ\$1,400 million treasury stock)



LGFA Foreign Currency Bonds on issue (NZ\$ millions)

As at 31 March 2026



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March Quarter LGFA Bond Issuance (NZ\$ equivalent million)

	May 28	May 30	May 31	May 32	May 35	Apr 37	Total
Tender 127 (17 Feb)		\$50			\$50		\$100
Tender 126 (21 Jan)				\$50		\$50	\$100
		\$50.0	\$0.0	\$50.0	\$50.0	\$50.0	\$200

Secondary Market Turnover of LGFA NZD Bonds estimated by LGFA (NZ\$ million)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37	Total
March	\$242.8	\$536.9	\$44.2	\$99.8	\$104.4	\$58.3	\$72.7	\$95.8	-\$20.4	\$66.6	\$1,301.1
February	\$57.2	\$69.4	\$17.7	\$70.8	\$102.1	\$86.1	\$119.5	\$113.5	\$47.8	\$77.8	\$761.8
January	\$60.2	\$56.0	\$48.7	\$192.6	\$136.4	\$60.6	\$216.8	\$129.5	\$13.3	\$14.7	\$928.6
	\$360.2	\$662.2	\$110.5	\$363.2	\$342.9	\$204.9	\$408.9	\$338.8	\$40.7	\$159.2	\$2,991.6

Holdings of LGFA NZD Bonds by Investor Group (NZ\$ million)

As at month end	Banks	Offshore	Domestic Investors	RBNZ
March	\$6,257.8	\$4,875.8	\$6,548.6	\$955.9
February	\$6,051.8	\$4,919.3	\$6,817.5	\$732.0
January	\$6,057.8	\$4,928.5	\$6,779.8	\$732.0
December	\$5,966.2	\$4,946.3	\$6,690.6	\$732.0

Holdings of LGFA NZD Bonds by Investor Group (% of outstandings)

	Banks	Offshore	Domestic Investors	RBNZ
March	33.6%	26.2%	35.1%	5.1%
February	32.7%	26.6%	36.8%	4.0%
January	32.7%	26.6%	36.7%	4.0%
December	32.5%	27.0%	36.5%	4.0%

Secondary Market Yields on LGFA NZD Bonds (month end)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37
March	2.44%	3.14%	3.85%	4.12%	4.36%	4.56%	4.73%	4.89%	5.14%	5.24%
February	2.53%	2.79%	3.24%	3.46%	3.71%	3.93%	4.12%	4.29%	4.56%	4.70%
January	2.59%	2.94%	3.49%	3.74%	3.99%	4.24%	4.43%	4.59%	4.86%	5.01%
December	2.60%	2.82%	3.28%	3.54%	3.77%	4.06%	4.26%	4.42%	4.72%	4.89%

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Secondary Market Spreads to NZGB for LGFA NZD Bonds (month end)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37
March	8 bps	13 bps	30 bps	28 bps	31 bps	31 bps	35 bps	43 bps	50 bps	41 bps
February	16 bps	13 bps	16 bps	11 bps	13 bps	15 bps	18 bps	26 bps	32 bps	26 bps
January	17 bps	14 bps	15 bps	13 bps	14 bps	17 bps	22 bps	27 bps	33 bps	30 bps
December	17 bps	11 bps	14 bps	11 bps	10 bps	16 bps	20 bps	25 bps	32 bps	27 bps

Secondary Market Spreads to Swap for LGFA NZD Bonds (month end)

	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	May 32	Apr 33	May 35	Apr 37
March	8 bps	19 bps	35 bps	38 bps	46 bps	55 bps	63 bps	72 bps	83 bps	83 bps
February	9 bps	12 bps	24 bps	25 bps	32 bps	42 bps	49 bps	58 bps	68 bps	69 bps
January	10 bps	13 bps	25 bps	27 bps	32 bps	43 bps	51 bps	57 bps	67 bps	70 bps
December	7 bps	12 bps	26 bps	28 bps	31 bps	44 bps	51 bps	57 bps	67 bps	71 bps

2025-26 Tender and Settlement Dates

Tender #	Announcement Date	Tender Date	Settlement Date
130	Monday, 11 May 2026	Wednesday, 13 May 2026	Monday, 18 May 2026
131	Monday, 8 June 2026	Wednesday, 10 June 2026	Monday, 15 June 2026

LGFA Issuer Credit Ratings

	Short Term	Long Term (local currency)	Long Term (foreign currency)
S&P Global Ratings Australia Pty Limited	A-1+	AAA	AA+
Fitch Australia Pty Limited	F1+	AA+ (neg)	AA+ (neg)

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