



NZX Release

2 April 2020

RBNZ announces restriction on NZ bank dividends

ASB Bank Limited (ASB) notes today's announcement from the Reserve Bank of New Zealand (RBNZ) of its decision to restrict the payment of dividends on ordinary shares and the redemption of non-CET1 capital instruments as a measure to further support the stability of the financial system during this period of economic uncertainty.

The restrictions take effect from today under revised Conditions of Registration for all locally-incorporated banks and the RBNZ has advised that the restrictions will remain in place until further notice, with the aim of relaxing them when the economic outlook has sufficiently recovered.

The ASB Subordinated Notes which are listed on the NZX are not subject to the RBNZ's restriction on the distribution of dividends. ASB is well capitalised and as at December 2019 had a Common Equity Tier 1 (CET1) capital ratio of 11.7% and Tier 1 capital ratio of 13.5%.

Please see attached a copy of the Commonwealth Bank of Australia's ASX announcement. Further information on the RBNZ's announcement is available at www.rbnz.govt.nz.

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