



Rabobank



Key Information Summary

For the three months ended 31 March 2010

Rabobank New Zealand Limited

1 Introductory statement for customers of the registered bank

The purpose of this Key Information Summary is to provide customers and potential customers with information about the financial condition of their bank.

The information contained in the Key Information Summary is explained in the Reserve Bank publication "Your Bank's Disclosure Statement - What's In It For You?" This publication can be obtained from the Reserve Bank of New Zealand.

The information contained in this Key Information Summary is as required by section 81 of the Reserve Bank of New Zealand Act 1989 and the Registered Bank Disclosure Statement (Off-Quarter – New Zealand Incorporated Registered Banks) Order 2008 ("Order").

In this Key Information Summary, reference is made to:

- Rabobank New Zealand Limited (referred to as the "Registered Bank").
- Rabobank New Zealand Limited and its wholly owned subsidiary Rabo Securities and Investments (NZ) Limited (referred together as the "Banking Group").

The financial information is disclosed for the periods ended 31 March 2010 and 31 March 2009, and has been reviewed by the external auditors.

All amounts referred to in this Key Information Summary are in New Zealand dollars unless otherwise stated.

2 Corporate information

(i) Name of registered bank

Rabobank New Zealand Limited

(ii) Ultimate parent bank

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., trading as Rabobank Nederland and domiciled in the Netherlands.

3 Credit rating

- (i) The Registered Bank has the following credit rating with respect to its long term senior unsecured obligations, including obligations payable in New Zealand, in New Zealand dollars.

There have been no changes to the credit rating in the two years preceding 31 March 2010.

- (ii) The ratings are:

Rating agency	Current credit rating
Standard & Poor's	AAA

Descriptions of the credit ratings are provided in the General Short Form Disclosure Statement.

3A Government guarantees

The Registered Bank has a guarantee under the New Zealand deposit guarantee scheme.

Further information about the New Zealand deposit guarantee scheme can be obtained from the internet site maintained by the Treasury at www.treasury.govt.nz, or from the General Short Form Disclosure Statement and Supplemental Disclosure Statement which will be provided immediately at no charge to any person requesting them at the Registered Bank's head office, or within five working days if the request is made at any branch or agency of the Registered Bank.

4 Profitability

For the three months ended 31 March	2010 NZ\$m	2009 NZ\$m
Net profit after tax	20.9	19.3
Percentage (on a twelve month rolling basis) of average total assets	0.1%	0.7%

5 Size

As at 31 March	2010 NZ\$m	2009 NZ\$m
Total assets	7,106.6	6,303.0
% change over the previous 12 months	12.8%	27.8%

6 Capital adequacy

Basel II

As at 31 March	2010 %	2009 %
Tier one capital (as a percentage of risk weighted exposures)	12.9%	14.8%
Total capital (as a percentage of risk weighted exposures)	12.9%	14.8%

For the purposes of this disclosure in accordance with its conditions of registration, capital, tier one capital and risk weighted exposures have been calculated in accordance with the Reserve Bank of New Zealand document entitled "Capital Adequacy Framework" (Standardised Approach) (BS2A) dated November 2007 (see condition 1 of the conditions of registration within the General Short Form Disclosure Statement).

Basel I

As at 31 March	2010 %	2009 %
Tier one capital (as a percentage of risk weighted exposures)	17.2%	20.1%
Total capital (as a percentage of risk weighted exposures)	17.2%	20.1%

Under the Registered Bank's conditions of registration, the Banking Group is required to comply with the following requirements:

- (i) the total capital ratio of the Banking Group is not less than 8 per cent;
- (ii) the tier one capital ratio of the Banking Group is not less than 4 per cent; and
- (iii) the capital of the Banking Group is not less than NZ\$30 million.

7 Asset quality

As at 31 March	2010 NZ\$m	2009 NZ\$m
Total individually impaired assets (before allowances for credit impairment loss and net of interest held in suspense)	296.5	160.1
Total individually impaired assets as a percentage of total assets (%)	4.2%	2.5%
Total individual credit impairment allowance	91.2	21.9
Total individual credit impairment allowance as a percentage of total individually impaired assets (%)	30.8%	13.7%
Total collective credit impairment allowance	17.0	4.7

8 Peak credit exposure concentrations

Number of counterparties with large credit exposures for the period ended 31 March:

Peak credit exposure as a % of shareholders' equity	2010		2009	
	Banks	Non-banks	Banks	Non-banks
10 – 20%	-	10	-	4
20 – 30%	-	1	-	2
30 – 40%	-	3	-	1
40 – 50%	-	-	-	-
50 – 60%	-	-	-	1
60 – 70%	-	1	-	-

The peak ratio is derived based on actual credit exposures net of individual credit impairment allowance and the Banking Group equity as at the end of the period.

The information excludes exposures to connected persons and to the central government of any country with a long-term credit rating of A- or A3 or above, or its equivalent.

9 Peak credit exposure to connected persons

(i) Aggregate of peak end-of-day credit exposure for the periods ended 31 March:

Credit exposure to connected persons	2010		2009	
	NZ\$m	% of tier one capital	NZ\$m	% of tier one capital
All connected persons	379.4	149.8%	205.0	75.7%
Non-bank connected persons	-	0.0%	0.1	0.0%

- (ii) The Registered Bank is not subject to the conditions of registration limiting exposures to connected persons because its obligations are fully, irrevocably and unconditionally guaranteed by the parent entity with a AAA credit rating from a Reserve Bank approved rating agency.
- (iii) Exposures to connected persons are not on more favourable terms (e.g. as relates to such matters as credit assessment, tenor, interest rates, amortisation schedules and requirement for collateral) than corresponding exposures to non-connected persons of similar risk.
- (iv) This information is net of individual credit impairment allowance, and excludes advances to connected persons of a capital nature.
- (v) Credit exposure to connected persons has been calculated on a gross basis.
- (vi) The aggregate amount of contingent exposures of the Banking Group to connected persons, arising from risk lay-off arrangements in respect of credit exposures to counterparties (other than counterparties which are connected persons) as at 31 March 2010 is Nil (31 March 2009: Nil).
- (vii) The aggregate amount of the Banking Group's individual credit impairment allowance against credit exposures to connected persons as at 31 March 2010 is Nil (31 March 2009: Nil).
- (viii) The peak end-of-day credit exposure is measured over the Banking Group's tier one capital as at the end of the period.

10 Availability of the general short form disclosure statement and supplemental disclosure statement

Copies of the Registered Bank's most recent General Short Form Disclosure Statement and Supplemental Disclosure Statement will be provided immediately at no charge to any person requesting them at the Registered Bank's head office, or within five working days if the request is made at any branch or agency of the Registered Bank.

This Key Information Summary, the most recent General Short Form Disclosure Statement and the Supplemental Disclosure Statement can also be accessed at the internet address www.rabobank.co.nz.

13 Auditor's review report

This Key Information Summary has been reviewed by external auditors Ernst & Young. The statement of the nature and scope of the review is included in the attached auditor's report.

Review Report

To the Directors of Rabobank New Zealand Limited

We have examined the attached Key Information Summary. The Key Information Summary has been taken from the General Short Form Disclosure Statement of Rabobank New Zealand Limited (the "Registered Bank") and its subsidiaries (the "Banking Group") for the three months ended 31 March 2010.

This report is made solely to the Registered Bank's directors, in accordance with Schedule 2 clause 15 of the Registered Bank Disclosure Statement (Off-Quarter - New Zealand Incorporated Registered Banks) Order 2008, as amended (the "Order"). Our review has been undertaken so that we might state to the Registered Bank's directors those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Registered Bank and the Registered Bank's directors, for our review, for this report, or for our findings.

Directors' Responsibilities

The directors are responsible for the preparation and presentation of the Key Information Summary in accordance with clause 18 of the Order.

Reviewer's Responsibilities

In accordance with Schedule 1 clause 11 of the Order, it is our responsibility to express a statement of findings on the Key Information Summary presented by the directors and report our findings to you.

Basis of Statement

Our review is limited primarily to enquiries of the Registered Bank and Banking Group personnel and analytical review procedures applied to financial data, and thus provides less assurance than an audit. We have not performed an audit and, accordingly, do not express an audit opinion.

We have reviewed the General Short Form Disclosure Statement of the Registered Bank and Banking Group for the three months ended 31 March 2010 from which the Key Information Summary has been taken. We have examined the Key Information Summary for the three months ended 31 March 2010 in accordance with the Review Engagement Standards issued by the Institute of Chartered Accountants of New Zealand. Those standards require that we plan and perform our review to obtain a moderate level of assurance as to whether the financial data is free of material misstatements, whether caused by fraud or error.

In our review report dated 18 June 2010 we expressed an unqualified statement of findings on the General Short Form Disclosure Statement for the three months ended 31 March 2010.

Ernst & Young provides taxation compliance services to the Registered Bank and the Banking Group.

Statement of findings

Based on our examination, nothing has come to our attention that causes us to believe that:

- The Key Information Summary has not been prepared and completed in accordance with the Order; and
- The information contained in the Key Information Summary has not been properly taken, where applicable, from the information contained in the General Short Form Disclosure Statement for the three month period ended 31 March 2010.

For a better understanding of the financial position of the Registered Bank and Banking Group as at 31 March 2010 and their financial performance and cash flows for the three months ended on that date, the Key Information Summary should be read in conjunction with the General Short Form Disclosure Statement from which the information in the Key Information Summary was taken and our statement of findings thereon.

Our examination was completed on 14 May 2010 and our findings are expressed as at that date.

A handwritten signature in blue ink, appearing to read 'Ernst & Young', positioned above the printed name.

Ernst & Young

A handwritten signature in blue ink, appearing to read 'Andrew Gilder', positioned above the printed name.

Andrew Gilder
Sydney
18 June 2010

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