



MEDIA RELEASE

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SBS Group delivers solid full-year result, supporting more Kiwis into homes

The SBS Group has delivered a solid result for the year ending 31 March 2025, reaffirming its commitment to supporting its Members on their financial journeys - even in one of the toughest economic climates of the past two decades.

Despite inflation, rising unemployment, and subdued GDP growth, SBS Bank remained focused on delivering value to its Members across New Zealand.

“This year has once again shown just how strong and resilient the SBS Group is,” said SBS Group Chief Executive Mark McLean, “Even with the pressures of a challenging economic environment and wider market challenges, we stayed true to our purpose - helping Kiwis find a place to call home.”

The SBS Group, which includes SBS Bank, SBS Insurance, SBS Wealth and Finance Now, reported a pre-tax Operating Surplus of \$43.1 million, up 2.1% on the prior year. Both lending and deposit growth indicated strong underlying performance.

“Over the past year, we have maintained a strong focus on sustainable and responsible growth.”

Mr McLean said, “Strengthening our balance sheet has been a key priority, supported by continued growth in funding through both retail and wholesale channels. A highlight was our third successful NZDX-listed medium-term note issuance – an important milestone for a bank of our size.”

SBS Bank’s capital ratio remains strong at 16.4%, up 0.1% on the prior year and well above regulatory requirements (9%) reinforcing the bank’s capacity to support ongoing growth and investment.

Delivering for first home buyers and investors

In a market where affordability remains a challenge, the SBS Group supported 1,479 first home buyers this year.

“Our market-leading FirstHome Combo helps first home buyers to be \$156 better off each fortnight— a meaningful saving in today’s climate and an increase year on year,” Mr McLean said.

Total home lending rose 3.7% to \$4.5 billion, a strong result for a bank of SBS Bank’s size. For the third year-in-a-row, Canstar also named SBS Bank as the ‘Bank of the Year for First Home Buyers’.

As the OCR reduced, SBS Bank maintained market-leading term investment rates, resulting in a 3.5% increase in Member funding balances to \$4.6 billion.

During the year, SBS Bank welcomed more than 5,800 new Members, reinforcing the strength of its mutual model.

Investing in the future

SBS Bank is making progress on its digital transformation, with significant investment to future-proof systems, enhance service, and support innovation with a new home loan tool to simplify the home loan application process.

SBS Bank confirms it has made the decision to close its Cromwell, Timaru and Hamilton Branches throughout June, and that the satellite Windsor branch will merge with the main Invercargill branch today (30th May).

Utilisation of these branches in particular has reduced as consumer preferences and expectations continue to shift towards digital banking solutions, along with the use of intermediaries for home lending. The remaining 10 branches in the network will continue to play an important role in providing specialist advisory services to Members in those locations.

Cybersecurity remains a top priority, with significant investment in secure systems, supported by a seven-day-a-week, New Zealand-based contact centre - helping Members stay safe from scams and fraud.

SBS Bank Chairperson Joe O'Connell said the results reflect the commitment of the SBS Bank team to the bank's purpose, strategy and mutual values.

I'm proud of our SBS Bank team across the country who have stayed focused on delivering great outcomes for Members despite a tough operating environment," Mr O'Connell said.

"As a mutual bank, our priority is always our Members and ensuring the Group is in a strong position to help them through the challenges, and opportunities, in the year ahead." Mr O'Connell said.

"As we look to 2026 and beyond, our strategy remains centred on sustainable growth, investing in innovation and continuing to deliver real value for our Members."

Financial overview

Year to 31 March 2025

Pre-tax operating surplus:	\$43.1 million (<i>\$42.2 million</i>)
Total lending:	\$5.7 billion (<i>\$5.5 billion</i>)
Member deposits:	\$4.6 billion (<i>\$4.5 billion</i>)
Total assets:	\$6.7 billion (<i>\$6.5 billion</i>)
Member equity:	\$528 million (<i>\$525 million</i>)
Total capital ratio:	16.4% (<i>16.3%</i>)

- 5,824 new Members welcomed
- 1,479 New Zealanders bought their first home with SBS Bank

About SBS Bank

Established in 1869, SBS Bank is a building society that has achieved bank registration while retaining its mutual structure. Mutual ownership means SBS Bank is 100% owned by its Members (customers) and is uniquely positioned to provide benefits to its Members.

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