

SUPPLEMENT DATED 5 NOVEMBER 2018

ASB Finance Limited

(incorporated with limited liability in New Zealand under company number 652448)

as Issuer

ASB Bank Limited

(incorporated with limited liability in New Zealand under company number 398445)

as Issuer and Guarantor of Covered Bonds issued by ASB Finance Limited

€7,000,000,000 ASB Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments of interest and principal by

ASB Covered Bond Trustee Limited

(incorporated with limited liability in New Zealand under company number 3389285)

as trustee of the ASB Covered Bond Trust

This supplement (the **Supplement**) comprises a supplement for ASB Bank Limited (**ASBBL**) and ASB Finance Limited (**ASBFL** and together with ASBBL, the **Issuers**) to the Prospectus dated 30 August 2018 (the **Prospectus**). The Prospectus is a base prospectus prepared in connection with the €7,000,000,000 ASB Covered Bond Programme (the **Programme**) established by the Issuers. This Supplement constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000.

Terms defined in the Prospectus have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by the Issuers. A copy of this Supplement will be made available for inspection at the offices of the Issuers and at the office of the Principal Paying Agent for so long as the Programme remains in existence. This Supplement and the 2018 Annual Report (as defined below) will be published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

The Issuers, the Guarantor and the ASB Covered Bond Trustee Limited (the **Covered Bond Guarantor** and, together with the Issuers and the Guarantor, the **Responsible Persons**) each accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of each of the Responsible Persons (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to (i) incorporate by reference the ASBFL Financial Statements (as defined below) into the Prospectus; and (ii) confirm that, since 30 June 2018, there has been no significant change in the financial or trading position of ASBFL and that, since 30 June 2018, there has been no material adverse change in the prospects of ASBFL.

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Directive (Directive 2003/71/EC) except where such information or other documents are specifically incorporated by reference. Copies of all documents incorporated by reference in the Prospectus are available on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> and can also be obtained from the registered offices of ASBBL and ASBFL. Requests for such documents should be directed to the Relevant Issuer or the Guarantor at their respective offices set out at the end of the Prospectus. In addition, such documents will be available from the specified

offices of the Principal Paying Agent for the time being at Winchester House, 1 Great Winchester Street, London EC2N 2DB.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement and any supplement to the Prospectus previously issued, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since the publication of the Prospectus.

Update to the Prospectus

On 26 October 2018, ASBFL published its annual report for the year ended 30 June 2018 (the **2018 Annual Report**) containing its audited financial statements for the year ended 30 June 2018 (including the notes thereto) on pages 2 to 12 and the independent auditor's report on pages 13 to 14 (together, the **ASBFL Financial Statements**). A copy of the 2018 Annual Report has been filed with the United Kingdom Financial Conduct Authority.

Accordingly, the ASBFL Financial Statements set out in the 2018 Annual Report shall be incorporated in, and form part of, the Prospectus. The non-incorporated parts of the 2018 Annual Report are either not relevant for the investor or covered elsewhere in the Prospectus.

Since 30 June 2018, there has been no significant change in the financial or trading position of ASBFL. Since 30 June 2018, there has been no material adverse change in the prospects of ASBFL.