STATEMENT BY BOARD MEMBERS AND CHIEF FINANCIAL & OPERATING OFFICER

In the opinion of the members of the Board and the Chief Financial & Operating Officer of Export Finance Australia:

(a) The accompanying financial statements for the year ended 30 June 2026 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

(b) The financial statements have been prepared in accordance with Australian Accounting Standards.

(c) At the date of this statement, there are reasonable grounds to believe that the corporate Commonwealth entity will be able to pay its debts as and when they fall due.

Under section 62 of the Export Finance and Insurance Corporation Act 1991 (EFIC Act), the Commonwealth guarantees the due payment by Export Finance Australia of any money payable by Export Finance Australia to third parties.

This statement is made in accordance with a resolution of the Board.



Debra Hazelton
Chair

27 August 2026



Sonia Kammel
Chief Financial & Operating Officer

27 August 2026



John Hopkins
Managing Director & CEO

27 August 2026

INDEPENDENT AUDITOR'S REPORT

Australian National Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Minister for Trade and Tourism

Opinion

In my opinion, the financial statements of Export Finance Australia (the Entity) for the year ended 30 June 2026:

(a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and

(b) present fairly the financial position of the Entity as at 30 June 2026 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2026 and for the year then ended:

- Statement by Board Members and Chief Financial & Operating Officer;
- Statement of Profit and Loss and Other Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Auditor-General Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Board is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under the Act. The Board is also responsible for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

INDEPENDENT AUDITOR'S REPORT

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Auditor-General Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Auditor-General Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Mark Vial
Executive Director

Delegate of the Auditor-General

Canberra

27 August 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Interest income	3(i)	**306.9**	220.8	**166.3**	184.3
Other interest income	3(ii)	**100.0**	91.9	**53.0**	40.2
Interest expense	3(iii)	**(370.5)**	(277.8)	**(281.2)**	(276.5)
Net interest income		**36.4**	34.9	**(61.9)**	(52.0)
Fair value movement of loans, bonds, and guarantees	3(iv)	**90.2**	69.2	**(60.9)**	(56.4)
Fair value movement of other financial instruments	3(v)	**(1.9)**	(0.7)	**(520.0)**	12.7
Unrealised foreign exchange gain/(loss)		**2.9**	(0.3)	**(10.3)**	(7.3)
Realised gain/(loss) on commodities contracts for difference		**-**	-	**(27.0)**	-
Realised gain/(loss) on derivatives issued to borrowers		**-**	-	**(28.7)**	(16.4)
Fair value movement of equity investments	3(vi)	**-**	-	**(11.8)**	(75.5)
Other revenue	3(vii)	**7.2**	6.7	**39.1**	35.9
Operating income		**134.8**	109.8	**(681.5)**	(159.0)
Operating expenses	3(viii)	**(61.5)**	(54.2)	**(29.5)**	(9.4)
Expected credit loss	3(ix)	**-**	-	**(54.0)**	(37.5)
State tax equivalent charges	3(x)	**(3.2)**	(2.8)	**-**	-
Net operating income		**70.1**	52.8	**(765.0)**	(205.9)
Specific provision	3(xi)	**-**	-	**(10.7)**	(3.3)
Profit/(loss) before tax equivalent		**70.1**	52.8	**(775.7)**	(209.2)
Income tax equivalent charge		**(21.0)**	(15.8)	**-**	-
Profit/(loss) from ordinary activities		**49.1**	37.0	**(775.7)**	(209.2)
National Interest Account attributable directly to the Commonwealth		**-**	-	**775.7**	209.2
Net profit available to the Commonwealth		**49.1**	37.0	**-**	-
Other comprehensive income					
Items not subject to subsequent reclassification to profit or loss:					
Loss on revaluation of land and buildings	12	**-**	(19.8)	**-**	-
Total other comprehensive (loss)/income for the period		**-**	(19.8)	**-**	-
Total comprehensive income for the period available to the Commonwealth		**49.1**	17.2	**-**	-

The accompanying notes form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Assets					
Cash and cash at bank	24, 1(g)	**13.7**	16.2	**161.3**	179.3
Receivables from other financial institutions	4, 24, 1(g, h)	**5,112.1**	1,262.0	**-**	-
Amounts receivable from the Commonwealth	5	**-**	-	**978.2**	218.8
Investment securities at amortised cost	6, 1(i)	**950.3**	799.5	**-**	-
Loans and receivables at amortised cost	7, 1(j)	**0.1**	0.1	**1,283.0**	861.3
Loans and receivables designated at fair value through profit or loss	8, 1(k)	**1,552.7**	1,260.3	**1,220.0**	1,373.3
Loans to National Interest Account designated at fair value through profit or loss	23a, 1(l)	**1,482.1**	906.3	**-**	-
Derivative financial assets	9, 1(m)	**64.7**	61.0	**-**	1.3
Equity securities at fair value through profit or loss	10, 1(n)	**-**	-	**835.5**	888.2
Other financial assets	11	**43.0**	15.3	**7.1**	17.9
Investment in Associate	1(o)	**-**	-	**68.9**	-
Property, plant and equipment	12, 1(p,q)	**121.3**	117.5	**-**	-
Total assets		**9,340.0**	4,438.2	**4,554.0**	3,540.1
Liabilities					
Borrowings from Commercial Account at amortised cost	23b, 1(r)	**-**	-	**1,486.0**	909.3
Borrowings designated at fair value through profit or loss	13, 1(s)	**8,325.5**	3,370.9	**2,215.5**	2,339.5
Guarantees and bonds designated at fair value through profit or loss	14, 1(t)	**11.2**	8.8	**14.3**	15.9
Derivative financial liabilities	9, 1(m)	**235.1**	287.6	**548.1**	13.8
Other financial liabilities	15	**78.3**	120.0	**27.8**	4.9
Sundry provisions and allowances	16	**39.4**	31.0	**76.9**	71.3
Total liabilities		**8,689.5**	3,818.3	**4,368.6**	3,354.7
Net assets		**650.5**	619.9	**185.4**	185.4
Equity					
Contributed equity		**206.0**	206.0	**185.4**	185.4
Reserves		**207.7**	207.7	**-**	-
Retained profits		**236.8**	206.2	**-**	-
Total equity		**650.5**	619.9	**185.4**	185.4

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Commercial Account					National Interest Account	
	Retained profits	Asset re-valuation reserves	Other reserves	Contributed equity	Total equity	Contributed equity	Total equity
	$ m	$ m	$ m	$ m	$ m	$ m	$ m
Opening balance as at 30 June 2025	**206.2**	**141.5**	**66.2**	**206.0**	**619.9**	**185.4**	**185.4**
Comprehensive income							
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Profit for the period	**49.1**	**-**	**-**	**-**	**49.1**	**-**	**-**
Total comprehensive income	**49.1**	**-**	**-**	**-**	**49.1**	**-**	**-**
Transactions with the Commonwealth							
Equity contribution from the Commonwealth	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Foreign exchange movement	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Dividends paid	**(18.5)**	**-**	**-**	**-**	**(18.5)**	**-**	**-**
Closing balance available to the Commonwealth as at 30 June 2026	**236.8**	**141.5**	**66.2**	**206.0**	**650.5**	**185.4**	**185.4**
Opening balance as at 30 June 2024	182.9	161.3	66.2	206.0	616.4	-	-
Comprehensive income							
Other comprehensive income	-	(19.8)	-	-	(19.8)	-	-
Profit for the period	37.0	-	-	-	37.0	-	-
Total comprehensive income	37.0	(19.8)	-	-	17.2	-	-
Transactions with the Commonwealth							
Equity contribution from the Commonwealth	**-**	**-**	**-**	**-**	**-**	185.4	185.4
Foreign exchange movement	**-**	**-**	**-**	**-**	**-**	-	-
Dividends paid	(13.7)	-	-	-	(13.7)	-	-
Closing balance available to the Commonwealth as at 30 June 2025	206.2	141.5	66.2	206.0	619.9	185.4	185.4

The accompanying notes form an integral part of the financial statements.

Contributed equity on the Commercial Account (CA) comprises $6 million of capital advanced by the Commonwealth in November 1991 and an equity injection of $200 million paid in July 2014 that restored the capital base following a $200 million special dividend paid in June 2013.

In addition to the contributed equity, section 54 of the EFIC Act provides for $1.2 billion of callable capital from the Commonwealth, which to date has never been called.

The asset revaluation reserves of $141.5 million represent the cumulative fair value revaluation increments/decrements recognised in other comprehensive income in relation to freehold land and building (refer to Note 12).

Other reserves of $66.2 million represent other net assets transferred from the Australian Trade Commission on 1 November 1991.

As agreed with our Minister, we paid a dividend for the year ended 30 June 2026 based on the recommendation from the Board that 50% of the 2024–25 profit be paid as a dividend, and accordingly a dividend of $18.5 million was paid in December 2025.

The National Interest Account (NIA) contributed equity is cash received from the Department of Foreign Affairs and Trade (DFAT) in 2024 as equity funding for a transaction on the NIA.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	Commercial Account		National Interest Account	
		30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Cash flows from operating activities					
Inflows:					
Premium and fees received*		**78.2**	71.5	**53.8**	51.4
Interest received		**358.0**	298.6	**207.9**	217.7
Insurance claim recoveries		**0.1**	0.1	**21.5**	23.9
Sundry income*		**7.5**	7.0	**-**	-
Proceeds from derivatives issued to borrowers		**-**	-	**-**	29.2
Net Increase/(decrease) in receivables from the Commonwealth		**-**	-	**22.5**	(8.7)
Outflows:					
Premiums paid to reinsurers (net of commissions)		**(1.8)**	(1.9)	**(1.5)**	(1.6)
Interest and other costs of finance paid		**(307.8)**	(254.3)	**(265.2)**	(279.5)
Payments to creditors and employees*		**(77.3)**	(62.0)	**(5.3)**	(3.4)
Guarantees paid		**-**	(5.5)	**-**	-
Repayments for derivatives issued to borrowers		**-**	-	**(28.7)**	(45.5)
Settlement derivative commodity contracts		**-**	-	**(27.0)**	-
Net (disbursements)/repayments of loans		**(924.5)**	(335.0)	**(511.5)**	(258.4)
Net increase/(decrease) of security bond deposits		**(28.7)**	2.6	**-**	-
Net decrease/(increase) in other debtors		**(22.2)**	15.9	**-**	-
Net cash from/(used by) operating activities	24	**(918.5)**	(263.0)	**(533.5)**	(274.9)

* Grossed up for Goods and Services Tax (GST)

Cash flows from investing activities					
Inflows:					
Proceeds from investment securities		**553.2**	571.8	**-**	-
Proceeds from sale of property, plant and equipment		**-**	-	**-**	-
Outflows:					
Payments for investment securities		**(706.6)**	(587.0)	**-**	-
Investment in Associate		**-**	-	**(68.9)**	-
Payments for property, plant and equipment		**(6.2)**	(2.2)	**-**	-
Net cash from/(used by) investing activities		**(159.6)**	(17.4)	**(68.9)**	-

	Note	Commercial Account		National Interest Account	
		30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Cash flows from financing activities					
Inflows:					
Proceeds from other borrowings	25	**9,079.6**	6,268.1	**818.4**	439.9
Proceeds from derivatives	25	**4,564.6**	3,121.2	**-**	-
Receipts from the Commonwealth		**-**	-	**23.0**	252.9
Receipts from National Interest Account		**14.9**	10.9	**-**	-
Receipts from other Commonwealth entities		**2.5**	4.7	**-**	-
Outflows:					
Repayments of other borrowings	25	**(4,000.4)**	(5,309.6)	**(224.6)**	(360.9)
Repayments of derivatives	25	**(4,715.3)**	(3,122.0)	**-**	-
Dividend payments to the Commonwealth		**(18.5)**	(13.7)	**-**	-
Other payments to the Commonwealth		**(21.1)**	(15.6)	**-**	-
Payments to Commercial Account		**-**	-	**(14.9)**	(10.9)
Net cash from/(used by) financing activities		**4,906.3**	944.0	**601.9**	321.0
Net increase/(decrease) in cash and cash equivalents held		**3,828.2**	663.6	**(0.5)**	46.1
Cash and cash equivalents at beginning of financial year		**1,278.2**	562.8	**179.3**	144.8
Net effects of exchange rate changes on cash and cash equivalent balances held in foreign currencies		**19.4**	51.8	**(17.5)**	(11.6)
Cash and cash equivalents at end of financial year	24	**5,125.8**	1,278.2	**161.3**	179.3

The accompanying notes form an integral part of the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

EFA (formerly known as the Export Finance and Insurance Corporation or EFIC) is the Australian Government's Export Credit Agency (ECA). We were established under the EFIC Act and are defined as a corporate Commonwealth entity under the PGPA Act. EFA is part of the DFAT portfolio of agencies, and reports to the Minister for Trade and Tourism. The ultimate parent of EFA is the Commonwealth of Australia.

In recent years, the Government has enhanced EFA's mandate to enable us to support a wider range of exporters, assist other government entities, and finance overseas infrastructure development. Additionally, in April 2026 Government asked EFA to use its Strategic Reserve powers to secure critical additional fuel and fertiliser due to conflict in the Middle East.

These changes have complemented and enhanced EFA's core export-focused mandate and enable us to use our specialist financing capabilities to support broader Government policy initiatives.

Our independent Board is responsible for overseeing EFA's affairs as a corporate Commonwealth entity. This includes determining strategy, defining risk appetite and monitoring performance.

EFA's continued existence in its present form depends on Government policy.

EFA is domiciled in Australia, with our head office and principal place of business at 22 Pitt Street, Sydney, NSW 2000.

(a) Basis of preparation of the financial statements

The financial statements are general purpose financial statements and are required by section 42 of the PGPA Act.

The financial statements have been prepared in accordance with:

- the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and
- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR).

The financial statements are presented in Australian dollars (EFA's functional currency) and amounts are rounded to the nearest $0.1 million unless otherwise stated.

EFA operates two separate accounts: (i) the Commercial Account (CA) and (ii) the National Interest Account (NIA). The results of these accounts are reported separately in the financial statements.

(i) Business undertaken on the Commercial Account

The majority of financial assets and liabilities on the CA are measured at fair value through profit or loss due to the way derivatives are used to hedge risk. Some assets and liabilities, however, are measured at amortised cost. Typically, these transactions either are receivables from other financial institutions, are investments in securities, or the transactions are short term and derivatives are not used to hedge the risk.

The CA operates on a for-profit basis and bears all the risks for those business activities undertaken under Part 4 of the EFIC Act. The CA raises funds ("borrowing pool") on the wholesale market in order to provide loans to counterparties (including the NIA). EFA enters into derivatives where applicable to mitigate the impact of mismatches in the interest rate, currency and/or payment terms between these borrowings and the related loans issued by EFA. These derivatives are economic hedges, and hedge accounting is not applied.

(ii) Business undertaken on the National Interest Account

Financial assets and liabilities on the NIA are measured at amortised cost or fair value through profit or loss depending on the nature of the instrument.

The NIA operates on an approval or direction from our Minister, enabling EFA to undertake business activities under Part 5 of the EFIC Act, which the Minister considers to be in the 'national interest'. Such activities may relate to a class of business that EFA is not authorised to undertake, or involve terms and conditions EFA would not accept, in the normal course of business. Where our Minister directs EFA to undertake a business activity under Part 5 of the EFIC Act, the credit risk is borne by the Commonwealth. The funding risk, however, is borne by the CA.

The CA is compensated for this funding risk by retaining the difference between the actual borrowing rate and an agreed benchmark rate for funding loans on the NIA.

Net income derived from the business activity on the NIA is paid to the Commonwealth.

The CA recovers from the Commonwealth the costs of administering business undertaken under Part 5 and any losses incurred in respect of such business.

The EFIC Act also allows the CA to share part of an NIA business activity. In such cases, income and expenses are apportioned between the two accounts in accordance with the risk participation.

(b) New Australian Accounting Standards

Consistent with Government policy, no accounting standard has been adopted earlier than the application date as stated in the standard.

There have been no new standards with an application date for this financial year that affect the financial statements, apart from limited disclosures arising from amendments to AASB 121 *The Effects of Changes in Foreign Exchange Rates* in relation to lack of exchangeability.

New standards not yet effective are not anticipated to have a material impact.

(c) Recognition of income and expenses

For assets and liabilities held at fair value through profit or loss under the CA and the NIA, revenue and expenses are recognised and measured at the fair value of the consideration received/paid or receivable/payable, to the extent it is probable that the economic benefits will flow and the revenue or expense can be reliably measured.

For assets and liabilities held at amortised cost under the NIA, income and expense is recognised in the financial statements as earned or incurred from the date of attachment of risk and taken through the profit or loss using the effective interest method.

(d) Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables at reporting date are translated at exchange rates prevailing at reporting date.

All exchange gains and losses are brought to account in determining profit or loss for the year.

The principal exchange rates affecting the statement of financial position are the US dollar, the Euro and the Papua New Guinea Kina (PGK). The relevant exchange rates used are:

	2026	2025
Average rates during year		
US$ / A$	**0.6781**	0.6480
Euro / A$	**0.5812**	0.5961
PGK / A$	**2.8915**	2.6066
Rates at 30 June		
US$ / A$	**0.6869**	0.6550
Euro / A$	**0.6034**	0.5586
PGK / A$	**3.0127**	2.7097

Due to foreign exchange restrictions, the PGK is considered not to be readily exchangeable into other currencies. This affects repatriation of our PGK cash balance, as described in Note 24. The observable (published) PGK:AUD spot exchange rate is used to translate this amount without adjustment. This is the rate that is expected to apply to the extent that repatriation of PGK is permitted.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT.)

(e) Taxation

Under section 63 of the EFIC Act, EFA is not subject to income tax and a number of other taxes. Under section 63A, EFA is subject to tax-equivalent payments under competitive neutrality arrangements, as outlined below.

EFA is also subject to GST and Fringe Benefits Tax (FBT). Revenues, expenses and assets are recognised net of the amount of GST, except:

- where the amount of GST incurred is not recoverable as an input tax credit from the Australian Taxation Office, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and
- the net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of the receivables, payables or commitments.

(f) Competitive neutrality

The competitive neutrality arrangements impose a mandatory obligation on EFA to pay amounts as determined by the Minister each financial year.

Under section 61A of the EFIC Act, a direction dated 18 June 2015 by the Minister requires EFA to pay a debt neutrality charge to the Commonwealth that consists of a payment of 10 basis points per annum on EFA's cost of borrowing, which applies to all new borrowings after this date and to existing debt that is rolled over or refinanced.

On 31 January 2020, the Minister advised EFA that the debt neutrality charge would no longer apply to new borrowings on the NIA. The charge now applies to new borrowings on the CA and all existing CA debt that is rolled over or refinanced.

Under section 63A of the EFIC Act, a direction dated 18 June 2015 by the Minister requires EFA to pay a tax-equivalent payment to the Commonwealth that consists of:

- a payment in lieu of Commonwealth income tax at 30% of accounting profits, and realised capital gains,
- a payment in lieu of New South Wales payroll tax calculated at 4.85% above the relevant threshold, and
- a payment in lieu of New South Wales land tax calculated at 2% above the relevant threshold.

(g) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balance sheet items: cash and cash at bank (being cash on hand and at bank), and receivables from other financial institutions (refer to note 1(h)). Cash is recognised at its nominal amount as this is considered fair value.

(h) Receivables from other financial institutions

Receivables from other financial institutions include overnight deposits and short-term fixed deposits with banks and other financial institutions. These are measured at amortised cost. They can be on both the CA and also the NIA. If the funding borrowed directly to fund National Interest loans is greater than the loans issued, the balance is invested.

(i) Investment securities at amortised cost

The reason for holding these investments is to collect the contractual cash flows that are "solely payments of principal and interest on the principal amount outstanding". EFA's business model is to hold these financial assets until maturity. Investments may be sold due to credit quality issues and in limited cases for cash requirements. They are short-term, medium-term and long-term government, bank and other debt securities and include bonds, bills of exchange, commercial paper and certificates of deposit. They are carried at amortised cost.

(j) Loans and receivables at amortised cost

On the CA, transactions that are recorded at amortised cost are floating rate loans and short-term loans. These transactions do not use derivatives to hedge. As such, the amortised value approximates their fair value. An expected credit loss is recognised for loans measured at amortised cost.

On the NIA, export finance loans that meet the definition of amortised cost and rescheduled credit insurance debts are carried at amortised cost. The recoverable amount is represented by the gross value of the outstanding balances, adjusted by expected credit loss, specific provisions for impairment, deferred income and unearned premium. Unearned premiums and deferred income received in cash at the start of the loan are brought to income on an effective yield basis over the life of the loan by reducing the carrying amount. Interest income is recognised using the effective interest method. An expected credit loss is recognised for corporate NIA exposures. A loan or receivable is recognised as credit impaired when it is likely that the debt will not be recovered in full. In this instance, the expected credit loss will be individually assessed, and a corresponding specific provision will be created.

(k) Loans and receivables designated at fair value through profit or loss

Export finance loans and rescheduled credit insurance debts held on the CA are designated at fair value through profit or loss. They are designated at fair value as this designation significantly reduces the accounting mismatch that would otherwise arise from measuring the asset on a different basis from derivatives that have been entered into to hedge the transactions.

Some export finance loans held on the NIA are classified as fair value through profit or loss as they fail the "solely payments of principal and interest" test under AASB 9 due to embedded foreign exchange derivatives features.

A convertible loan asset is held at fair value through profit or loss. EFA has the right to elect to receive outstanding principal and interest or convert the asset to shares.

For export finance loans and rescheduled credit insurance debts, interest income through profit or loss forms part of the fair value calculation. Movement in fair value for premium, reinsurance, residual margin, interest income and credit risk is recorded separately through profit or loss.

For more detail on the fair value calculation for loans held in the CA and NIA, refer to Note 19.

(l) Loans to National Interest Account designated at fair value through profit or loss

The CA funds most of the loans on the NIA from the CA borrowing pool, and this funding is recorded in the CA at fair value through profit or loss. For more detail on the fair value calculation, refer to Note 19.

(m) Derivative financial instruments

EFA uses derivative financial instruments on the CA to manage exposures to interest rate and foreign exchange risk. These include foreign exchange contracts, interest rate and cross-currency swaps, and forward rate agreements. Derivatives are initially recognised at fair value on the date a derivative is entered into, and are subsequently remeasured to their fair value at each reporting date.

The NIA may use derivative financial instruments to manage exposure to interest rate risks, and certain loans have embedded derivative financial instruments. Additionally, the fuel and fertiliser supply contracts procured under EFA's Strategic Reserve powers are treated as derivative financial instruments (commodity contracts for difference or CFDs).

Derivatives are carried as assets when their fair value is positive (in the money) and as liabilities when their fair value is negative (out of the money). Any gains and losses arising from changes in the fair value of derivatives are taken through profit or loss. For more details on the fair value calculation, refer to Note 19.

(n) Equity securities at fair value through profit or loss

The amounts held in equity investments on the NIA are classified as fair value through profit or loss, and are classified as equity as they fail the accounting requirements to meet the definition of a loan. For more detail on the fair value calculation refer to Note 19.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT.)

(o) Investments in associates

Investments in associates are accounted for using the equity method under AASB 128 Investments in Associates and Joint Ventures, as outlined below. An entity is considered an associate where EFA is deemed to have significant influence but not control or joint control. Significant influence is presumed to exist where EFA has over 20 per cent but less than 50 per cent of the voting rights of an entity, unless it can be clearly demonstrated that this is not the case.

Under the equity method, an investment in an associate is recognised initially at cost and adjusted thereafter to recognise EFA's share of the profit or loss and other comprehensive income of the associate. When EFA's share of losses of an associate exceeds its interest in that associate, EFA discontinues recognising its share of further losses, except to the extent that EFA has incurred legal or constructive obligations or made payments on behalf of the associate.

Financial information is obtained as at 30 June in order to report on an annual basis consistent with EFA's reporting date.

(p) Property, plant and equipment

Property, plant and equipment are revalued periodically to fair value to ensure that the carrying amounts of assets do not differ materially from the assets' fair value at the reporting date.

The valuation of property, comprising land and buildings, is made by an independent registered valuer every three years based on an income approach and discounted cash flow analysis with reference to its highest and best use.

The valuation of plant and equipment is based on internal assessment by management to ensure that the carrying amounts do not differ materially from their fair value.

Revaluation increments are credited directly to the asset revaluation reserve and any subsequent decreases are written back against the asset revaluation reserve. On revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Property, plant and equipment, other than freehold land, are depreciated over their estimated useful economic lives using the straight-line method.

Depreciation rates used are as follows:

building	3.0% pa
computer equipment	33.3% pa
other plant and equipment	10.0-22.5% pa
leased right-of-use (ROU) assets	Lease term

The profit or loss on disposal of property, plant and equipment is taken into account in determining the result for the year.

(q) Leases

AASB 16: Leases requires a lessee to report a lease with a duration of longer than 12 months that is not considered low value, on the balance sheet as an ROU asset and lease liability. For lessors, the distinction between financial and operating leases remains.

EFA leases out office space to tenants as a lessor. These leases are classified as operating leases as the agreements do not substantially transfer all the risks and rewards incidental to ownership of the office space within the building owned by EFA.

Leased ROU assets are recognised at the lease commencement date at cost, being the initial amount of the lease liability after any lease incentives, increased by any initial direct costs, prepaid lease payments and estimated costs to restore. ROU assets are accounted for as separate asset classes from corresponding assets owned outright, but included in the same item as where the corresponding underlying assets would be presented if they were owned.

Lease liabilities are measured at the present value of scheduled future lease payments after any lease incentives, with interest expense recognised in profit or loss.

The depreciation rates for ROU assets are based on the period from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

EFA leases office space in Perth and Canberra. The ROU asset and lease liability of $0.6m (2025: $0.3m) are not considered significant enough to require detailed disclosure.

A make good provision has been provided to allow for the return of the leased space to the agreed condition at the end of the lease.

(r) Borrowings from Commercial Account at amortised cost

The NIA loans that are funded from the CA borrowing pool are borrowed from the CA at an agreed benchmark rate. These borrowings are recorded in the NIA at an amount equal to the net proceeds received. Interest expense is recognised using the effective interest method.

(s) Borrowings designated at fair value through profit or loss

Commercial paper, medium-term notes, bonds and structured bonds (which may have embedded derivatives) are designated at fair value through profit or loss. They are designated at fair value as this designation significantly reduces the accounting mismatch that would arise from measuring the liability on a different basis from derivatives that have been entered into to hedge the transactions. Interest expense forms part of the fair value calculation in the balance sheet, but is recorded separately from the rest of the fair value movement through profit or loss. These borrowings can be on both the CA and also the NIA if the funding is borrowed on a direct basis for a National Interest loan rather than from the CA borrowing pool. For more details on the fair value calculation, refer to Note 19.

(t) Guarantees and bonds designated at fair value through profit or loss

Guarantees, bonds and foreign exchange rate guarantee transactions are regarded as financial instruments under accounting standards. These are designated at fair value through profit or loss at inception as they are a group of financial liabilities that are managed, and performance is evaluated, on a fair value basis. Subsequently, they are carried at their fair value with any movements recognised in profit or loss. For more details on the fair value calculation, refer to Note 19.

(u) Employee entitlements

Provisions for annual leave and long service leave have been established to provide for amounts expected to be paid to employees based on their entitlements. Where applicable, the entitlements take into account prior government service.

The provision for annual leave is based on the value of actual entitlements at reporting date. Long service leave is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date, and discounted using appropriate market yields at that date.

EFA makes contributions to the Public Sector Superannuation Scheme (PSS). EFA's obligation is limited to a required annual contribution as determined by the actuaries of the superannuation plans administered by the Commonwealth. Accordingly, the plans are accounted for as defined contribution plans. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course.

EFA staff can also be members of superannuation funds held outside the Australian Government. EFA makes employer contributions to these funds as per the superannuation guarantee contribution rate. The liability for superannuation recognised as at 30 June represents outstanding contributions.

(v) Sundry creditors

Creditors and other financial liabilities are recognised when EFA becomes obliged to make future payments resulting from the purchase of goods or services.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT.)

(w) Contingencies and commitments - assets and liabilities

Where, as a result of past events, there is a possible asset or liability whose existence will be confirmed only by uncertain future events not wholly within the control of EFA, this will be disclosed as a contingent asset or contingent liability. When the inflow of economic benefits is probable, but not virtually certain, a contingent asset is recognised. When the outflow of economic benefits is probable, a contingent liability is recognised.

Commitments to provide financial facilities are contractually based. For loans and funded guarantees, EFA has committed to lend a fixed amount, and any undrawn amounts under these facilities are shown as commitments. For guarantees and bonds, EFA has committed to cover a fixed exposure, and any undrawn amounts under these facilities are shown as commitments.

(x) Provision for loan commitments

On the NIA, there may be an occasion where a contract for a loan has been signed at below market terms and the loan is undrawn at year end. The expected fair value loss on the loan has been booked as an expense in profit or loss and a provision for loan commitments.

(y) Events after the reporting period

There have been no material events occurring after the reporting period that impact these financial statements for the year ended 30 June 2026.

NOTE 2: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the financial statements.

All judgements, estimates and assumptions made are believed to be reasonable, based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of the financial statements are outlined below.

Expected credit loss

We calculate the expected credit loss in respect of an individual facility (or group of facilities) at amortised cost as follows:

PD x LGD x EAD where:

- **PD** = the (cumulative) probability of the facility defaulting before its maturity - generally sourced from S&P and Moody's and mapped to our internal credit risk ratings (ERS).
- **LGD** = loss-given-default, the percentage of exposure which, on average, will be lost (net of recoveries) if a default occurs, according to the exposure type.
- **EAD** = exposure-at-default, the outstanding exposure on the facility (taking into account credit risk mitigation such as collateral and reinsurance).

Additionally, we apply an overlay to the outcome of our expected credit loss model to address limitations of credit risk modelling, and to factor in the effect of forward-looking information (including macroeconomic conditions) where relevant. These limitations include the fact that our transactions often fall within market gaps and can carry concentration risks which are not adequately accounted for by standard models or corporate PDs.

The inputs to the model such as PDs and LGDs are reviewed each year and sensitivity scenarios are run that stress test the model to consider deterioration in our portfolio, including with respect to industry downturns and foreign exchange movements.

An ERS downgrade would be an indicator of a change in credit risk and prompt an analysis of whether the change is considered significant and the lifetime ECL should be used instead of the one-year ECL (ie Stage 2). When it is likely that a loan or debt will not be recovered in full due to a specific event, the model is not used and instead we determine an appropriate amount to set aside for expected loss (ie Stage 3).

Impairment of investment securities at amortised cost

EFA holds a number of investment securities. A review of these investments has been undertaken for the year ended 30 June 2026, and it has been determined that no investment is considered to be impaired. These investments have a maturity of less than five years and are held with Australian Authorised Deposit-taking Institutions (ADIs) rated BBB or above, or foreign financial institutions rates A+ or above.

Fair value of financial instruments

Where financial instruments have a price quoted in an active market, this is their fair value.

Where the fair value of financial instruments cannot be determined from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgement is required to establish fair values. The valuation of financial instruments is described in more detail in Note 19.

Due to the complex nature of certain transactions entered on the NIA, an independent valuation at fair value through profit or loss was obtained. Net present value of cash flows and credit adjusted spreads were taken into account in the valuation.

Property, plant and equipment

The valuation of land and buildings is based on an independent assessment by a registered valuer every three years, based on an income approach and discounted cash flow analysis with reference to its highest and best use. A valuation was last undertaken in June 2025 and the details are in Note 12.

The valuation of plant and equipment is based on an internal assessment by management to ensure that the carrying amounts do not differ materially from their fair value.

The depreciation rate on the building has been evaluated, and 33 years (3.0%) is considered the appropriate rate.

NOTE: 3 REVENUE AND EXPENSES

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
(i) Interest income				
Interest from loans and receivables	**74.4**	72.4	**51.5**	60.4
Interest from Loans to National Interest Account	**47.4**	34.8	**-**	-
Interest from convertible loan asset	**-**	-	**9.0**	10.0
Derivative interest income	**185.1**	113.6	**105.8**	113.9
Total interest income	**306.9**	220.8	**166.3**	184.3
(ii) Other interest income				
Interest from other financial institutions	**59.5**	54.8	**0.1**	0.9
Interest from Investment securities	**40.5**	37.1	**-**	-
Interest from loans at amortised cost	**-**	-	**52.7**	39.3
Unwinding of below market loan discount	**-**	-	**0.2**	-
Total other interest income	**100.0**	91.9	**53.0**	40.2

NOTE: 3 REVENUE AND EXPENSES (CONT.)

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
(iii) Interest expense				
Interest to other financial institutions	**(2.5)**	(3.8)	**-**	-
Interest on borrowings from Commercial Account	**-**	-	**(55.7)**	(39.6)
Interest on borrowings	**(182.9)**	(128.5)	**(105.3)**	(112.1)
Derivative interest expense	**(182.5)**	(143.0)	**(103.3)**	(124.8)
Below market loans expense	**-**	-	**(16.9)**	-
Debt neutrality charge	**(2.6)**	(2.5)	**-**	-
Total interest expense	**(370.5)**	(277.8)	**(281.2)**	(276.5)
(iv) Fair value movement of loans, bonds, and guarantees				
Net premium and fees	**100.9**	84.5	**35.3**	37.7
Reinsurance	**(2.9)**	(0.6)	**(1.5)**	(1.6)
Convertible asset	**-**	-	**(32.7)**	88.9
Loan below market	**-**	-	**(14.3)**	-
Credit risk	**(7.8)**	(13.8)	**(47.7)**	(181.4)
Recoveries	**-**	-	**-**	-
Claims paid/Loan write-offs	**-**	(1.9)	**-**	-
Specific credit risk	**-**	1.0	**-**	-
Total fair value movement of loans, bonds, and guarantees	**90.2**	69.2	**(60.9)**	(56.4)
(v) Fair value movement of other financial instruments				
Loans to National Interest Account designated at fair value through profit or loss	**(2.0)**	(0.5)	**-**	-
Loans and receivables designated at fair value through profit or loss	**(1.5)**	2.5	**-**	-
Borrowings designated at fair value through profit or loss	**126.9**	(29.1)	**19.3**	(39.1)
Derivative financial instruments	**(125.3)**	26.4	**(2.8)**	51.8
Commodities contracts for difference	**-**	-	**(536.5)**	-
Total fair value movement of other financial instruments	**(1.9)**	(0.7)	**(520.0)**	12.7
(vi) Fair value movement of equity investments				
Fair value movement	**-**	-	**(11.8)**	(75.5)
Total fair value movement equity investments	**-**	-	**(11.8)**	(75.5)

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
(vii) Other revenue				
Premium and fees from loans	**-**	-	**18.7**	13.3
Rental income	**4.3**	4.3	**-**	-
Sundry income	**2.8**	2.3	**-**	-
Recoveries from discontinued credit insurance	**0.1**	0.1	**20.4**	22.6
Total other revenue	**7.2**	6.7	**39.1**	35.9
(viii) Operating expenses				
Employee costs	**(47.8)**	(38.4)	**-**	-
Professional fees	**(5.8)**	(3.6)	**(11.2)**	(0.3)
Depreciation and amortisation	**(2.9)**	(3.5)	**-**	-
Superannuation costs	**(5.4)**	(4.4)	**-**	-
Computer and communication costs	**(7.2)**	(6.1)	**-**	-
Provision for employee entitlements	**(2.0)**	(1.7)	**-**	-
Property costs	**(3.2)**	(1.9)	**-**	-
Advertising and promotional costs	**(1.3)**	(1.5)	**-**	-
Credit information	**(1.2)**	(1.1)	**-**	-
Travel costs	**(1.5)**	(1.1)	**(0.1)**	-
Insurance	**(0.8)**	(0.9)	**-**	-
Other expenses	**(2.9)**	(2.2)	**-**	-
National Interest Account recovery/(expense)	**18.2**	9.1	**(18.2)**	(9.1)
Recovery from other Commonwealth entities	**2.3**	3.1	**-**	-
Total operating expenses	**(61.5)**	(54.2)	**(29.5)**	(9.4)
(ix) Expected credit loss				
Expected credit loss	**-**	-	**(54.0)**	(37.5)
Total expected credit loss	**-**	-	**(54.0)**	(37.5)
(x) State tax-equivalent charges				
Payroll tax-equivalent charge	**(2.7)**	(2.3)	**-**	-
Land tax-equivalent charge	**(0.5)**	(0.5)	**-**	-
Total state tax-equivalent charges	**(3.2)**	(2.8)	**-**	-
(xi) Specific provision				
Specific provision	**-**	-	**(10.7)**	(2.5)
Write offs	**-**	-	**-**	(0.8)
Total specific provision	**-**	-	**(10.7)**	(3.3)

NOTE 4: RECEIVABLES FROM OTHER FINANCIAL INSTITUTIONS

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
	1(h)				
Overnight deposits		**3,486.5**	374.0	**-**	-
Short-term cash deposits		**1,625.6**	888.0	**-**	-
Total receivables from other financial institutions		**5,112.1**	1,262.0	**-**	-
Maturity analysis of receivables from other financial institutions					
At call		**3,486.5**	374.0	**-**	-
Due in less than 3 months		**1,502.4**	630.0	**-**	-
Due after 3 months to 1 year		**123.2**	258.0	**-**	-
Total receivables from other financial institutions		**5,112.1**	1,262.0	**-**	-

These receivables are from various banking institutions all rated AA- or above.

NOTE 5: AMOUNTS RECEIVABLE FROM/(PAYABLE TO) THE COMMONWEALTH

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Commonwealth opening balance receivable/(payable)	**-**	-	**218.8**	77.4
Net payments (from)/to the Commonwealth	**-**	-	**(23.0)**	(67.5)
Foreign exchange movements	**-**	-	**6.7**	(0.3)
(Profit)/loss for the year on National Interest Account	**-**	-	**775.7**	209.2
Total amounts receivable from/(payable to) the Commonwealth	**-**	-	**978.2**	218.8

NOTE 6: INVESTMENT SECURITIES AT AMORTISED COST

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Investment securities at amortised cost	1(i)				
Discount securities		**148.5**	15.9	**-**	-
Floating rate notes		**329.6**	349.6	**-**	-
Fixed rate bonds		**472.2**	434.0	**-**	-
Total investment securities at amortised cost		**950.3**	799.5	**-**	-
Maturity analysis of investment securities at amortised cost					
Due in 3 months or less		**245.1**	22.9	**-**	-
Due after 3 months to 1 year		**192.3**	224.8	**-**	-
Due after 1 year to 5 years		**512.9**	551.8	**-**	-
Total investment securities at amortised cost		**950.3**	799.5	**-**	-

Refer to Note 18 for further information regarding credit risk and market risk.

NOTE 7: LOANS AND RECEIVABLES AT AMORTISED COST

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
	1(j)				
Gross loans		**-**	-	**1,416.3**	918.0
Gross rescheduled credit insurance debts		**0.2**	0.2	**36.2**	57.0
Loans and receivables gross		**0.2**	0.2	**1,452.5**	975.0
Unearned premiums		**-**	-	**(3.4)**	(3.9)
Concession loan discount expense		**-**	-	**(11.1)**	-
Expected credit loss		**-**	-	**(121.9)**	(68.3)
Specific provision for impairment		**(0.1)**	(0.1)	**(33.1)**	(41.5)
Total loans and receivables at amortised cost		**0.1**	0.1	**1,283.0**	861.3
Maturity analysis loans and receivables gross					
Overdue		**-**	-	**0.3**	1.1
Due in 3 months or less		**-**	-	**11.3**	11.7
Due after 3 months to 1 year		**0.1**	0.1	**95.6**	84.1
Due after 1 year to 5 years		**0.1**	0.1	**398.1**	224.7
Due after 5 years		**-**	-	**947.2**	653.4
Total loans and receivables gross		**0.2**	0.2	**1,452.5**	975.0
Restructured exposures included above		**0.1**	0.2	**45.6**	65.8
Overdue by:					
0 to 30 days		**-**	-	**0.3**	-
30 to 60 days		**-**	-	**-**	-
61 to 90 days		**-**	-	**-**	-
Over 90 days		**-**	-	**-**	1.1
Total overdue loans and receivables gross		**-**	-	**0.3**	1.1

Loans and receivables are considered restructured when the original contractual terms are modified. Restructured loans and receivables continue to accrue interest.

A loan or receivable is recognised as impaired when it is likely that the debt will not be recovered in full. In this instance, a specific provision will be created for the impairment. EFA has fully provided for overdue loans with a specific provision.

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Specific provision for impairment				
Specific provision for impairment opening balance	**0.1**	0.2	**41.5**	57.0
Specific impairment created	**-**	-	**7.6**	-
Foreign exchange movement	**-**	-	**(1.3)**	0.9
Loans written off	**-**	-	**-**	(0.8)
Specific impairment written back	**-**	(0.1)	**(14.7)**	(15.6)
Specific provision closing balance	**0.1**	0.1	**33.1**	41.5
Impaired loans				
Impaired loans	**0.2**	0.2	**52.6**	65.8
Specific provision for impairment	**(0.1)**	(0.1)	**(33.1)**	(41.5)
Carrying value of impaired loans	**0.1**	0.1	**19.5**	24.3

The carrying value of impaired loans represent amounts expected to be recovered.

Amounts shown under the NIA represent loans made by EFA under Part 5 of the EFIC Act.

NOTE 8: LOANS AND RECEIVABLES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Gross loans		**1,665.2**	1,393.4	**1,149.7**	1,208.2
Convertible loan asset		**-**	-	**182.0**	190.8
Loans and receivables gross	1(k)	**1,665.2**	1,393.4	**1,331.7**	1,399.0
Fair value net premium and fees		**(6.7)**	(10.6)	**-**	-
Fair value interest income		**(2.5)**	(1.5)	**19.3**	10.4
Allowance for credit risk		**(73.7)**	(89.3)	**-**	-
Fair value of time, credit and currency risk		**-**	-	**(191.6)**	(135.5)
Fair value of specific credit risk		**(29.6)**	(31.7)	**-**	-
Fair value of convertible note asset		**-**	-	**52.0**	88.9
Initial valuation adjustment for loans held at fair value through profit or loss		**-**	-	**8.6**	10.5
Total loans and receivables at fair value		**1,552.7**	1,260.3	**1,220.0**	1,373.3
Maturity analysis loans and receivables gross					
Overdue		**9.4**	72.3	**-**	-
Due in 3 months or less		**24.3**	28.0	**-**	-
Due after 3 months to 1 year		**174.4**	221.6	**201.3**	204.3
Due after 1 year to 5 years		**904.1**	788.3	**279.9**	223.8
Due after 5 years		**553.0**	283.2	**850.5**	970.9
Total loans and receivables gross		**1,665.2**	1,393.4	**1,331.7**	1,399.0
Restructured exposures included above*		**78.2**	26.0	**-**	-
Overdue by:					
Less than 30 days		**1.3**	6.7	**-**	-
30 to 60 days		**0.2**	0.5	**-**	-
61 to 90 days		**0.2**	1.6	**-**	-
Over 90 days		**7.7**	63.5	**-**	-
Total overdue loans and receivables gross		**9.4**	72.3	**-**	-

* Loans and receivables are considered restructured when the original contractual terms are modified. Restructured loans and receivables continue to accrue interest.

A loan or receivable is recognised as impaired when it is likely that the debt will not be recovered in full. In this instance, a specific credit risk allowance will be created for the impairment.

For these overdue loans, EFA has either received the payments in July 2025, is working with the customer to receive payment in full or the amount has a specific credit risk allowance. A bilateral agreement was signed on 27 October 2025 that lead to the restructure of the debts with the Government of Sri Lanka, and the debts have been taken out of overdue this year.

The fair value of loans and receivables is based on unobservable inputs (i.e. Level 3 as defined in Note 19), with the principal components being expectations of cash flows, time value of money and credit risk. As a result, the difference between the transaction price and fair value on initial recognition is not recognised in the statement of comprehensive income and is instead recognised in the statement of financial position.

On the NIA, there is a deferred initial valuation adjustment that is subsequently amortised on a straight-line basis over 10 years. In the current year, EFA has amortised an expense of $1.4 million (2025: $1.5 million) into the statement of comprehensive income.

On the NIA, the valuation for the loans at fair value has decreased due to currency rate and credit curve movements.

On the NIA, a convertible note asset is held at fair value through profit and loss, with a contractual right to receive cash at maturity or in line with the repayment schedule ahead of final maturity. EFA has the right to elect to receive outstanding principal and interest and if no election is made, the outstanding balance will be converted to shares. The valuation methodology was based on the future conversion of the note into shares.

Refer to Note 18 for further information regarding credit risk, including maximum exposures and market risk.

NOTE 9: DERIVATIVE FINANCIAL INSTRUMENTS

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
	1(m)				
Derivative financial assets					
Interest rate swaps		**43.1**	58.2	**-**	1.3
Cross-currency swaps		**13.7**	2.8	**-**	-
Forward foreign exchange contracts		**7.9**	-	**-**	-
Total derivative financial assets	25	**64.7**	61.0	**-**	1.3
Maturity analysis of derivative financial assets					
Due in 3 months or less		**10.6**	3.5	**-**	-
Due after 3 months to 1 year		**15.0**	10.8	**-**	1.3
Due after 1 year to 5 years		**36.2**	31.0	**-**	-
Due after 5 years		**2.9**	15.7	**-**	-
Total derivative financial assets		**64.7**	61.0	**-**	1.3

NOTE 9: DERIVATIVE FINANCIAL INSTRUMENTS (CONT.)

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Derivative financial liabilities					
Interest rate swaps		**160.6**	65.5	**11.5**	13.8
Cross-currency swaps		**74.5**	218.0	**-**	-
Forward foreign exchange contracts		**-**	4.1	**-**	-
Commodities contracts for difference		**-**	-	**731.5**	-
Commodities contracts for difference initial recognition		**-**	-	**(194.9)**	-
Total derivative financial liabilities	25	**235.1**	287.6	**548.1**	13.8
Maturity analysis of derivative financial liabilities					
Due in 3 months or less		**27.0**	17.4	**347.9**	-
Due after 3 months to 1 year		**(19.6)**	142.9	**188.5**	4.5
Due after 1 year to 5 years		**191.5**	96.1	**11.7**	9.3
Due after 5 years		**36.2**	31.2	**-**	-
Total derivative financial liabilities		**235.1**	287.6	**548.1**	13.8

A derivative financial asset arises when the underlying value of the contract results in an overall receipt of funds by EFA, and a derivative liability arises when the underlying value of the contract results in an overall payment of funds by EFA.

Derivatives are undertaken to hedge borrowings, loans or investments. Additionally, the fuel and fertiliser supply contracts procured under EFA's Strategic Reserve powers are treated as derivative financial instruments (commodity contracts for difference or CFDs). Derivatives may create anomalies when looking at maturities in certain periods. While a contract may be an asset or a liability over the life of the deal, cash received in certain periods may change the nature of the underlying cash to be received or paid within that time period.

EFA is exposed to commodity price risk in relation to the fuel and fertiliser contracts for difference (CFDs) procured under our Strategic Reserve powers. These contracts are treated as derivative financial instruments at fair value through P&L. The CFDs are exposed to movements in multiple commodity-related inputs, in particular fuel and/or fertiliser price indices.

Refer to Note 18 for further information regarding credit risk, liquidity risk and market risk.

NOTE 10: EQUITY SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
	1(n)				
Initial proceeds for issuance of equity securities		**-**	-	**935.0**	980.5
Initial valuation adjustment for equity securities		**-**	-	**(451.5)**	(473.5)
Initial fair value of equity securities		**-**	-	**483.5**	507.0
Subsequent fair value movement for equity securities		**-**	-	**(3.5)**	(16.8)
Fair value of equity securities		**-**	-	**480.0**	490.2
Reconciliation to equity securities recognised on balance sheet					
Fair value of equity securities		**-**	-	**480.0**	490.2
Initial valuation adjustment after amortisation		**-**	-	**355.5**	398.0
Equity Securities		**-**	-	**835.5**	888.2
Maturity analysis equity securities initial proceeds					
Due after 5 years		**-**	-	**935.0**	980.5

Due to the complex nature of these transactions, EFA obtained an independent valuation of these equity investments. The fair value provided was based on calculation methods and assumptions that utilise significant unobservable inputs. Net present value of cash flows and credit adjusted spreads were taken into account in the valuation. The discount rate used comprised two components: the time value of money and the other representing the premium needed as compensation for the risk of lending to the counterparty.

The fair value of equity securities is based on unobservable inputs (i.e. Level 3 as defined in Note 19), with the principal components being expectations of cash flows, time value of money and credit risk. As a result, the difference between the transaction price and fair value on initial recognition is not recognised in the statement of comprehensive income, and is instead recognised in the statement of financial position. The initial valuation is different from the transaction prices due to deferred event based repayment terms.

The deferred initial valuation adjustment is subsequently recognised as a loss only to the extent that it arises from a change in factors (including time) that market participants would take into account when pricing the related equity instruments. In the current year, EFA has amortised an expense of $24.3 million (2025: $25.8 million) into the statement of comprehensive income.

NOTE 11: OTHER FINANCIAL ASSETS

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Accrued interest receivable	**23.2**	13.6	**6.6**	6.4
Loan fees receivable	**-**	-	**0.5**	0.6
Sundry debtors and prepayments	**19.8**	1.7	**-**	10.9
Total other financial assets	**43.0**	15.3	**7.1**	17.9
Maturity analysis other financial assets				
No more than 12 months	**43.0**	15.3	**7.1**	17.9
Total other financial assets	**43.0**	15.3	**7.1**	17.9

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
	1(p, q)				
Freehold land and building, at valuation		**112.0**	112.0	**-**	-
Accumulated depreciation		**(1.6)**	-	**-**	-
Net book value – land and building		**110.4**	112.0	**-**	-
Right-of-use asset		**0.8**	0.4	**-**	-
Accumulated depreciation		**(0.2)**	(0.1)	**-**	-
Net book value – right-of-use asset		**0.6**	0.3	**-**	-
Plant and equipment, at valuation		**23.4**	17.2	**-**	-
Accumulated depreciation		**(13.1)**	(12.0)	**-**	-
Net book value – plant and equipment		**10.3**	5.2	**-**	-
Total property, plant and equipment		**121.3**	117.5	**-**	-

An independent valuation of land and buildings was carried out in June 2025 by Mr Benjamin Masters AAPI, Registered Valuer No. 16930. On an income approach and discounted cash flow analysis with reference to its highest and best use, the land and buildings were valued at $112,000,000.

	Land and buildings $ m	Plant and equipment $ m	Right-of-use assets $ m	Total $ m
Gross value				
Balance as at 30 June 2025	**112.0**	**17.2**	**0.4**	**129.6**
Additions	**-**	**6.3**	**0.4**	**6.7**
Gross value as at 30 June 2026	**112.0**	**23.5**	**0.8**	**136.3**
Accumulated depreciation				
Balance as at 30 June 2025	**-**	**(12.0)**	**(0.1)**	**(12.1)**
Depreciation charged for assets held at 1 July 2025	**(1.6)**	**(0.8)**	**(0.1)**	**(2.5)**
Depreciation charged for additions	**-**	**(0.3)**	**-**	**(0.3)**
Depreciation as at 30 June 2026	**(1.6)**	**(13.1)**	**(0.2)**	**(14.9)**
Net book value as at 1 July 2025	**112.0**	**5.2**	**0.3**	**117.5**
Net book value as at 30 June 2026	**110.4**	**10.4**	**0.6**	**121.3**

	Land and buildings $ m	Plant and equipment $ m	Right-of-use assets $ m	Total $ m
Gross value				
Balance as at 30 June 2024	140.0	15.4	-	155.4
Additions	-	1.8	0.4	2.2
Write back of accumulated depreciation on revaluation	(8.2)	-		(8.2)
Revaluation increment/(decrement)	(19.8)	-		(19.8)
Gross value as at 30 June 2025	112.0	17.2	0.4	129.6
Accumulated depreciation				
Balance as at 30 June 2024	(5.5)	(11.2)	-	(16.7)
Depreciation charged for assets held at 1 July 2024	(2.7)	(0.7)	-	(3.4)
Depreciation charged for additions	-	(0.1)	(0.1)	(0.2)
Write back on revaluation	8.2	-		8.2
Depreciation as at 30 June 2025	-	(12.0)	(0.1)	(12.1)
Net book value as at 1 July 2024	134.5	4.2	-	138.7
Net book value as at 30 June 2025	112.0	5.2	0.3	117.5

NOTE 12: PROPERTY, PLANT AND EQUIPMENT (CONT.)

Leased accommodation

Freehold land and buildings are primarily held for EFA occupancy, but include accommodation which has been leased to third parties. The valuation, accumulated depreciation, written-down value and depreciation charge attributed to the leased space have been derived based on the floor area of the leased space as follows:

	30 June 2026 $ m	30 June 2025 $ m
Leased accommodation		
Freehold land and building, at valuation	**78.0**	67.7
Accumulated depreciation	**(1.1)**	-
Written-down value	**76.9**	67.7
Depreciation expense	**1.1**	1.7

NOTE 13: BORROWINGS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

		Commercial Account		National Interest Account	
	Note	30 June 2026 $ m	30 June 2025 $ m	30 June 2026 $ m	30 June 2025 $ m
Borrowings	1(s)	**8,325.5**	3,370.9	**2,215.5**	2,339.5
Total borrowings at fair value	25	**8,325.5**	3,370.9	**2,215.5**	2,339.5
Borrowings designated at fair value through profit or loss					
Australian dollar		**3,547.2**	1,262.0	**-**	-
US dollar		**3,552.1**	1,126.8	**2,215.5**	2,339.5
Total borrowings		**7,099.3**	2,388.8	**2,215.5**	2,339.5
Euro commercial paper					
US dollar		**1,226.2**	888.1	**-**	-
Euro		**-**	94.0	**-**	-
Total euro commercial paper		**1,226.2**	982.1	**-**	-
Total borrowings at fair value		**8,325.5**	3,370.9	**2,215.5**	2,339.5
Maturity analysis of borrowings					
Due in 3 months or less		**1,095.4**	894.9	**-**	-
Due after 3 months to 1 year		**430.8**	405.2	**98.8**	103.4
Due after 1 year to 5 years		**5,058.0**	1,321.8	**2,116.7**	2,236.1
Due after 5 years		**1,741.3**	749.0	**-**	-
Total borrowings at fair value		**8,325.5**	3,370.9	**2,215.5**	2,339.5

Where borrowings are in a different currency from the assets being financed, cross-currency swaps or foreign exchange contracts are entered into for economic hedging purposes.

A debt neutrality charge of 10 basis points on new borrowings and on existing debt that is rolled over or refinanced is payable to the Commonwealth. This neutrality charge is not charged if the borrowing is for a National Interest loan.

Refer to Note 18 for further information regarding credit risk, liquidity risk, market risk and contractual amounts.

NOTE 14: GUARANTEES AND BONDS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
	1(t)				
Fair value of credit risk		**53.8**	39.5	**14.3**	15.9
Fair value of specific events		**7.0**	6.1	**-**	-
Fair value of net premium receivable		**(49.6)**	(36.8)	**-**	-
Total guarantees and bonds designated at fair value through profit or loss		**11.2**	8.8	**14.3**	15.9

When it is likely that a guarantee will be called or a claim has been submitted but not yet paid, then a specific allowance will be recognised for the exposure that may be called or the claim that may be paid.

Refer to Note 18 for further information regarding credit risk, market risk and maximum exposures.

NOTE 15: OTHER FINANCIAL LIABILITIES

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Sundry creditors	1(v)	**3.1**	14.1	**22.3**	0.1
Security bond deposits		**74.6**	105.6	**-**	-
Lease liability		**0.6**	0.3	**-**	-
Interest payable		**-**	-	**5.5**	4.8
Total other financial liabilities		**78.3**	120.0	**27.8**	4.9
Maturity analysis other financial liabilities					
No more than 12 months		**77.9**	119.8	**27.8**	4.9
More than 12 months		**0.4**	0.2	**-**	-
Total other financial liabilities		**78.3**	120.0	**27.8**	4.9

NOTE 16: SUNDRY PROVISIONS AND ALLOWANCES

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Employee entitlements	1(u)	**12.3**	9.9	**-**	-
Provision for loan commitments	1(x)	**-**	-	**76.9**	71.3
Provision for tax equivalent charges	1(e, f)	**27.1**	21.1	**-**	-
Total sundry provisions and allowances		**39.4**	31.0	**76.9**	71.3
Maturity sundry provisions and allowances					
No more than 12 months		**33.0**	25.7	**46.5**	28.5
More than 12 months		**6.4**	5.3	**30.4**	42.8
Total sundry provisions and allowances		**39.4**	31.0	**76.9**	71.3

On the NIA the provision for loan commitments is the fair value expense of below market loans that will be drawn in future financial years.

NOTE 17: CONTINGENCIES AND COMMITMENTS

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Contingent liabilities				
Guarantees*	**923.4**	471.6	**-**	-
Bonds	**284.6**	378.8	**-**	-
Exchange guarantee policies	**-**	-	**402.1**	432.8
Total contingent liabilities	**1,208.0**	850.4	**402.1**	432.8

* Guarantees include facilities signed under risk participation agreements.

These contingent liabilities commit EFA to make payments should a default occur by a customer.

Commitments to provide financial facilities				
Loans	**1,212.0**	589.3	**2,202.2**	2,485.3
Bonds	**-**	6.0	**-**	-
Equity	**-**	-	**145.6**	-
Guarantees*	**36.2**	183.3	**-**	-
Total commitments to provide financial facilities	**1,248.2**	778.6	**2,347.8**	2,485.3

* Guarantees include facilities signed under risk participation agreements.

Commitments to provide financial facilities are contractually based.

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Commitments payable				
Capital commitments				
Due in 1 year or less	**0.2**	0.1	**-**	-
Total commitments payable	**0.2**	0.1	**-**	-
Commitments receivable				
Operating lease receivable				
Due in 1 year or less	**4.2**	2.7	**-**	-
Due after 1 year to 2 years	**3.9**	2.4	**-**	-
Due after 2 years to 3 years	**2.9**	1.8	**-**	-
Due after 3 years to 4 years	**2.9**	0.5	**-**	-
Due after 4 years to 5 years	**0.6**	0.1	**-**	-
Due after 5 years	**0.2**	0.3	**-**	-
Total commitments receivable	**14.7**	7.8	**-**	-

Operating lease receivable represents rental income to be received in respect of the property owned and partially occupied by EFA.

NOTE 18: FINANCIAL RISK MANAGEMENT

(i) General

As part of normal operations, EFA enters into a variety of transactions, including loans, guarantees, insurance, and bonds, which can be denominated in various currencies.

EFA enters into a number of financial derivative transactions to protect against interest rate, foreign exchange and funding risks associated with normal operations, including funding the NIA. The derivative instruments are not entered into for speculative or trading purposes. Derivative transactions include:

- interest rate swaps and forward rate agreements, which protect against interest rate movements where the interest rate basis of the borrowing is different from that of the required liability to fund assets,
- cross-currency swaps, which protect against interest rate and foreign exchange movements where the currency and interest rate of the borrowing is different from that of the required liability to fund assets. These contracts are used primarily to convert the borrowing and interest payment into the same currency and type as the loan or investment, and
- forward foreign exchange contracts, which are used to protect against foreign exchange movements in investments, loans and borrowings.

Additionally, the fuel and fertiliser supply contracts procured under EFA's Strategic Reserve powers are treated as derivative financial instruments (commodity contracts for difference or CFDs).

EFA also conducts detailed stress testing, including examining the impact on the credit portfolio of slower economic growth in emerging markets and adverse movements in foreign exchange rates and commodity prices.

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

(ii) Credit risk

Credit risk arises from the possibility of defaults by counterparties on contractual obligations, resulting in financial loss.

Exposures to credit risk are as follows:

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Credit risk exposures					
Receivables from other financial institutions	4, 24, 1(g, h)	**5,112.1**	1,262.0	**-**	**-**
Investment securities at amortised cost	6, 1(i)	**950.3**	799.5	**-**	**-**
Loans and receivables at amortised cost	7, 1(j)	**0.1**	0.1	**1,283.0**	**861.3**
Loans and receivables designated at fair value through profit or loss	8, 1(k)	**1,552.7**	1,260.3	**1,220.0**	**1,373.3**
Derivative financial assets	9, 1(m)	**64.7**	61.0	**-**	**1.3**
Equity securities at fair value through profit or loss	10, 1(n)	**-**	-	**835.5**	**888.2**
Investment in Associate	1(o)	**-**	-	**68.9**	**-**
Total*		**7,679.9**	3,382.9	**3,407.4**	**3,124.1**
Contingent liabilities	17	**1,208.0**	850.4	**402.1**	**432.8**
Commitments	17	**1,248.2**	778.6	**2,347.8**	**2,485.3**
Total		**2,456.2**	1,629.0	**2,749.9**	**2,918.1**
Total credit risk exposure		**10,136.1**	5,011.9	**6,157.3**	**6,042.2**

* Cash and cash at bank; loans to NIA designated at fair value through profit or loss; other financial assets; amount receivable from the Commonwealth; and property, plant and equipment have not been included in the above table as there is no significant associated credit risk.

Exposures to treasury counterparties

Credit risk arising from EFA's investment portfolios and from interest rate and foreign exchange management is limited to Commonwealth and state or territory governments, ADIs rated BBB- or above by S&P Global Ratings (S&P) and other entities with credit ratings the equivalent of AA-, or Aa3 or above from Moody's. However, if after purchase or a contracting counterparty subsequently falls below the minimum credit rating, management evaluates the risk and will decide on the applicable action, which may include selling the asset, novating the contract, holding the asset to maturity, or obtaining security through credit support annexures (CSAs).

The PGPA Act sets out limits of what entities can be transacted with and the necessary rating levels of those entities for EFA to be able to invest surplus money.

In addition to the PGPA Act requirements, the Board does not permit proprietary trading and has set further controls for EFA treasury operations on their open positions, interest rate exposures, funding levels, counterparty limits and derivative limits.

All individual counterparty limits and sub-limits required by treasury are approved in line with internal policies, and the usage against limits is monitored independently of treasury.

All limits set by the Board are monitored by management. The Board also sets triggers that require information to be notified to the Board. A treasury report addressing prudential controls, risk, limits and triggers is submitted to the Board Audit and Risk Committee meeting quarterly, which then reports to the Board. A treasury update is provided at each Board meeting.

Credit risk on treasury derivative transactions is mitigated by the fact that most of the contracts have a mutual five-year right to break clause. In addition, some contracts include a clause that allows the contract to be terminated if the counterparty rating falls below an agreed credit rating. Some contracts also have credit support annexes (CSAs) in place, whereby EFA receives collateral to mitigate the exposure.

The tables below show treasury credit risk exposures by the current S&P (Moody's) equivalent counterparty rating:

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Investment securities at amortised cost					
Australian authorised deposit-taking institutions					
AA-		**308.1**	347.3	**-**	-
A+		**39.0**	42.0	**-**	-
A		**54.0**	47.3	**-**	-
A-		**41.0**	127.7	**-**	-
BBB+		**116.0**	63.3	**-**	-
Other financial institutions or foreign entities					
AA		**68.0**	79.9	**-**	-
AA-		**272.7**	92.0	**-**	-
A+ (Aa3)		**49.5**	-	**-**	-
A+ (Aa2)		**2.0**	-	**-**	-
Exposure to credit risk of investment securities	6, 1(i)	**950.3**	799.5	**-**	-

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Derivative financial assets					
Australian authorised deposit-taking institutions					
AA-		**52.8**	51.4	**-**	1.3
Other financial institutions or foreign entities					
AA-		**4.6**	8.1	**-**	-
A+		**7.3**	1.5	**-**	-
Exposure to credit risk for derivative financial assets	9, 1(m)	**64.7**	61.0	**-**	1.3

For treasury exposures there are no overdue or restructured amounts.

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

Exposures to customers

Gross exposures (before fair value adjustments, unearned premiums, expected credit loss, and specific provision for impairment) on each of the products are as follows:

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Gross exposures					
Gross loans at amortised cost	7, 1(j)	**-**	-	**1,416.3**	918.0
Rescheduled credit insurance debts at amortised cost	7, 1(j)	**0.2**	0.2	**36.2**	57.0
Gross loans at fair value through profit or loss	8, 1(k)	**1,665.2**	1,393.4	**1,149.7**	1,208.2
Convertible note at fair value through profit or loss	8, 1(k)	**-**	-	**182.0**	190.8
Equity securities	10, 1(n)	**-**	-	**935.0**	980.5
Investment in Associate	1(o)	**-**	-	**68.9**	-
Guarantees	17	**923.4**	471.6	**-**	-
Bonds	17	**284.6**	378.8	**-**	-
Exchange guarantee policies	17	**-**	-	**402.1**	432.8
Total gross exposures		**2,873.4**	2,244.0	**4,190.2**	3,787.3
Reinsured exposures included above		**196.8**	84.1	**64.4**	71.9

Gross exposures are also monitored by country of risk (not country of export). On the CA the country exposures are as follows:

	Commercial Account			
	30 June 2026 $ m	**30 June 2026 % of total**	30 June 2025 $ m	30 June 2025 % of total
Country exposures*				
Australia**	**1,331.7**	**46.3**	1,274.3	56.8
Taiwan	**363.5**	**12.7**	256.0	11.4
India	**170.8**	**5.9**	6.0	0.3
Thailand	**159.1**	**5.5**	77.6	3.5
China	**158.7**	**5.5**	62.6	2.8
Vietnam	**150.5**	**5.2**	78.9	3.5
Mongolia	**112.7**	**3.9**	139.6	6.2
Trinidad & Tobago	**96.5**	**3.4**	117.2	5.2
United Kingdom	**59.6**	**2.1**	5.1	0.2
Singapore	**56.5**	**2.0**	-	-
Mauritius	**56.4**	**2.0**	-	-
Germany	**35.0**	**1.2**	-	-
Italy	**28.4**	**1.0**	28.6	1.3
Ireland	**28.2**	**1.0**	-	-
United States of America	**21.8**	**0.8**	-	-
Sri Lanka	**20.8**	**0.7**	18.6	0.8
Papua New Guinea	**19.9**	**0.7**	39.8	1.7
Indonesia	**2.7**	**0.1**	4.3	0.2
Malaysia	**0.4**	**-**	-	-
South Korea	**0.1**	**-**	0.2	-
Iraq	**0.1**	**-**	0.2	-
Norway	**-**	**-**	91.9	4.1
Bermuda	**-**	**-**	34.9	1.6
United Arab Emirates	**-**	**-**	6.5	0.3
Bangladesh	**-**	**-**	1.7	0.1
Total country exposures	**2,873.4**	**100.0**	2,244.0	100.0
Reinsured exposures included above	**196.8**		84.1	

* Underlying country exposures are shown after applying reinsurance, which does not change gross exposures but reallocates risk to the reinsurers' country of risk.

** Includes performance bonds and guarantees issued on behalf of Australian companies.

EFA's principal exposure to credit risk arises from the financing and credit facilities extended to customers. On the CA, loans written off during the year or called credit facilities that were not subsequently recovered within the year were $0.03 million (2025: $1.9 million).

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

Gross exposures are also monitored by country of risk (not country of export) and on the NIA the country exposures are as follows:

	National Interest Account			
	30 June 2026 $ m	**30 June 2026 % of total**	30 June 2025 $ m	30 June 2025 % of total
Country exposures				
Papua New Guinea	**2,595.5**	**61.9**	2,734.7	72.2
Australia*	**1,108.0**	**26.5**	554.6	14.6
United States of America	**182.0**	**4.3**	190.8	5.0
Trinidad & Tobago	**67.9**	**1.6**	81.4	2.2
Japan	**64.4**	**1.5**	71.9	1.9
Fiji	**51.3**	**1.2**	56.1	1.5
Iraq	**36.3**	**0.9**	57.0	1.5
Solomon Islands	**28.9**	**0.7**	6.6	0.2
Singapore	**23.8**	**0.6**	-	-
Palau	**22.7**	**0.6**	25.4	0.7
Cuba	**9.4**	**0.2**	8.8	0.2
Total country exposures	**4,190.2**	**100.0**	3,787.3	100.0
Reinsured exposures included above	**64.4**		71.9	

* Includes performance bonds and guarantees issued on behalf of Australian companies.

Under the NIA, the Minister can direct EFA to support transactions that are in the national interest. The Commonwealth receives all income on NIA transactions and bears all risks and losses.

Decisions under the NIA are the responsibility of the Government.

The NIA principal exposure to credit risk arises from the financing and credit facilities extended to customers. Loans written off during the year were nil (2025: $0.8 million).

Credit risk to customers

Allowance for credit risk on the above gross exposures for those held at fair value is as follows:

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Allowance for credit risk by product				
Loans	**(73.7)**	(89.3)	**-**	-
Guarantees	**(48.3)**	(32.9)	**(14.3)**	(15.9)
Bonds	**(5.5)**	(6.6)	**-**	-
Allowance for credit risk closing balance	**(127.5)**	(128.8)	**(14.3)**	(15.9)

The movement in the allowance for credit risk comprises:

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Allowance for credit risk for gross exposures				
Allowance for credit risk opening balance	**(128.8)**	(109.8)	**(15.9)**	(9.4)
New exposures	**(64.2)**	(56.5)	**-**	-
Repayments	**32.8**	24.6	**0.4**	1.2
Change in risk grade	**(0.5)**	(0.6)	**0.5**	(7.4)
Change in term to maturity	**22.5**	17.6	**-**	-
Change in probability of default rates	**1.5**	1.1	**-**	-
Exchange rate movements	**9.2**	(5.2)	**0.7**	(0.3)
Allowance for credit risk closing balance	**(127.5)**	(128.8)	**(14.3)**	(15.9)

Expected credit loss on the above gross exposures for those held at amortised cost is as follows:

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Expected credit loss by product				
Loans	**-**	-	**(121.9)**	(68.3)
Expected credit loss closing balance	**-**	-	**(121.9)**	(68.3)

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

The movement in the expected credit loss comprises:

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Expected credit loss for gross exposures				
Expected credit loss opening balance	**-**	-	**(68.3)**	(30.8)
New exposures	**-**	-	**(57.0)**	(38.3)
Repayments	**-**	-	**1.5**	1.9
Transfer to specific provision	**-**	-	**1.7**	-
Change in probability of default rates	**-**	-	**(0.1)**	(1.0)
Exchange rate movements	**-**	-	**0.3**	(0.1)
Expected credit loss closing balance	**-**	-	**(121.9)**	(68.3)

EFA employs a risk grading system to rank risks according to both the counterparty risk and the level of country risk inherent in the exposure. EFA also measures and monitors country, industry and counterparty concentration risk on the CA. Any significant concentration risk on the CA is taken into account in assessing the amount of capital required to conduct the CA activities.

EFA uses nine broad categories of risk grade, with category 1 representing the lowest risk. Within categories 1 to 8, an outlook modifier of plus or minus is used if the counterparty is particularly strong or weak for that risk grade. The equivalent risk, based on S&P's risk rating, is stated in brackets. The gross exposures (before fair value adjustments, unearned premiums, expected credit loss, and specific provision for impairment) after reinsurance under each category are as follows:

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Gross exposures loans, receivables and equity					
Risk category 1 (AA- to AAA)		**71.9**	60.3	**-**	-
Risk category 2 (A- to A+)		**199.6**	69.8	**64.4**	71.9
Risk category 3 (BBB- to BBB+)		**96.5**	151.2	**68.0**	81.4
Risk category 4 (BB- to BB+)		**739.3**	513.1	**-**	-
Risk category 5 (B- to B+)		**275.7**	172.5	**64.6**	115.9
Risk category 6 (CCC+)		**249.4**	304.8	**2,234.9**	1,816.1
Risk category 7 (C to CCC)		**5.4**	103.7	**797.6**	821.7
Risk category 8 doubtful		**27.5**	18.0	**512.9**	381.7
Risk category 9 impaired		**0.1**	0.2	**45.7**	65.8
Gross exposures loans, receivables and equity	7, 8, 10, 1(j, k, n)	**1,665.4**	1,393.6	**3,788.1**	3,354.5

As part of its normal operations, EFA enters into a variety of transactions that give rise to contingent liabilities, including guarantees, insurance, and bonds. The maximum exposure to credit risk for these types of transactions is the maximum amount that EFA would pay if called upon to do so. The exposures after reinsurance under each risk category are as follows:

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Contingent liabilities*					
Risk category 1 (AA- to AAA)		**111.2**	108.8	**-**	-
Risk category 2 (A- to A+)		**108.5**	20.8	**-**	-
Risk category 3 (BBB- to BBB+)		**275.2**	55.7	**-**	-
Risk category 4 (BB- to BB+)		**239.6**	211.8	**-**	-
Risk category 5 (B- to B+)		**335.0**	260.9	**-**	-
Risk category 6 (CCC+)		**134.9**	187.0	**-**	-
Risk category 7 (C to CCC)		**1.7**	3.2	**-**	-
Risk category 8 doubtful		**1.9**	2.2	**402.1**	432.8
Total contingent liabilities	17	**1,208.0**	850.4	**402.1**	432.8

* There are no exposures in category 9.

As part of its normal operations, EFA enters into a variety of transactions that give rise to commitments, including loans, equity, guarantees, and bonds. The maximum exposure to credit risk is the full amount of the commitment.

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Commitments*					
Risk category 2 (A- to A+)		**429.9**	-	**-**	-
Risk category 4 (BB- to BB+)		**283.6**	285.9	**75.0**	75.0
Risk category 5 (B- to B+)		**444.5**	434.5	**35.1**	5.0
Risk category 6 (CCC+)		**90.2**	58.2	**1,791.1**	2,113.8
Risk category 7 (C to CCC)		**-**	-	**446.6**	291.5
Total commitments	17	**1,248.2**	778.6	**2,347.8**	2,485.3

* There are no exposures in categories 1, 3, 8 and 9.

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

Reinsured exposure

To reduce EFA's exposure to counterparties in the higher risk categories or to reduce concentration risk, contracts are entered into with reinsurers, including other export credit agencies. This will change the exposure from the counterparty in the higher risk categories to an exposure to the reinsurers that will be in lower risk categories, or reduce concentration risk to a counterparty with the same or lower risk. As shown in the table below, EFA has reinsured exposures with counterparties in risk category 3 to 8 to reinsurers in risk categories 1 or 2.

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Reinsurance				
Reinsured to				
Risk category 1 (AA- to AAA)	**62.2**	14.3	**-**	-
Risk category 2 (A- to A+)	**134.6**	69.8	**64.4**	71.9
Reinsured from				
Risk category 3 (BBB- to BBB+)	**(85.9)**	-	**-**	-
Risk category 4 (BB- to BB+)	**(54.6)**	-	**-**	-
Risk category 6 (CCC+)	**(56.3)**	(69.8)	**(64.4)**	(71.9)
Risk category 7 (C to CCC)	**-**	(9.2)	**-**	-
Risk category 8 doubtful	**-**	(5.1)	**-**	-
Total reinsurance	**-**	-	**-**	-

The above exposure tables do not take into account the value of any collateral or security held, which may include first-ranking mortgage over assets financed by EFA, standby documentary credits, third-party guarantees and recourse to companies and company directors. No collateral has been called and held at year end. For the bond product in the normal course of business, we do hold cash security deposits, which at 30 June 2026 were $74.6 million (2025: $105.6 million).

Retained sector exposure Commercial Account

The sectors representing more than 15% of EFA's CA retained exposure are the Electricity, Gas, Water and Waste Services sectors. At 30 June 2026, the exposure to these sectors was $791.4 million, representing 29.6% of total retained exposure (2025: $554.5 million, representing 25.7%).

(c) Rescheduled debt exposures

Iraq: The rescheduled debt balance at 30 June 2026 is US$24.9 million (2025: US$37.4 million) on the NIA and US$0.1 million (2025: US$0.2 million) on the CA. The debts arose from credit insurance claims between 1987 and 1992 in respect of non-payment by the Iraqi Government on exports from Australia. In November 2004, the Paris Club of creditors agreed to provide Iraq with 80% debt forgiveness in three stages, with the remaining debt stock to be repaid over 17 years. The final maturity date is 1 January 2028. At 30 June 2026, all amounts have been paid on time in accordance with the rescheduling agreement.

Cuba: At 30 June 2026, the debt balance on the National Interest Account was $9.4 million (2025: $8.8 million). In January 2025, the "Group of Creditors of Cuba" at the Paris Club (of which Australia is a member) agreed to restructure outstanding debt and extend the maturity date to September 2044. EFA executed a bilateral agreement with Cuba in mid-September 2025 to document those arrangements. The debt has a 100% provision and this is maintained at 30 June 2026.

Sri Lanka: At 30 June 2026, the rescheduled debt balance is US$41.7 million. On 12 April 2022, the Government of Sri Lanka announced a unilateral suspension of foreign debt repayments. As a member of the Official Creditor Committee of the Paris Club, Australia co-signed a Memorandum of Understanding for a debt treatment in June 2024, based on the IMF's Sovereign Risk and Debt Sustainability Framework for Market Access Countries and consistent with the Extended Fund Facility Arrangement. EFA signed bilateral agreements with the Government of Sri Lanka on 27 October 2025 to restructure debt in accordance with the Official Creditor Committee's terms and conditions. The maturity date of the debt is July 2042.

(iii) Liquidity risk

Prudent liquidity risk management on the CA is achieved by maintaining sufficient cash and marketable securities to meet any sudden shortfalls in the ability to fund EFA. EFA also has the explicit guarantee of the Commonwealth of Australia, which is rated AAA, and therefore in normal markets there is no significant liquidity risk. Section 61 of the EFIC Act states that "EFIC must not borrow or raise money except under section 58 or 59". Section 58 allows the Finance Minister, on behalf of the Commonwealth, to lend money to EFIC and section 59 allows EFIC to borrow or raise money, subject to written approval of the Finance Minister. To date, EFA has funded its activities under section 59 and does not borrow directly from the Commonwealth of Australia. Notwithstanding the above, a liquid investment portfolio is maintained.

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

The liquidity table below is based on estimated future cash flows for principal and interest and is not their fair value as is shown on the statement of financial position. For the CA, the contractual undiscounted amounts comprise principal and interest repayment obligations as follows:

	Commercial Account			
	Contractual undiscounted principal and interest			
30 June 2026	**3 months or less $ m**	**3 months to 1 year $ m**	**1 year to 5 years $ m**	**Greater than 5 years $ m**
Undiscounted financial assets				
Cash and cash at bank	**13.7**	**-**	**-**	**-**
Receivables from other financial institutions	**5,023.8**	**125.8**	**-**	**-**
Investment securities at amortised cost	**248.5**	**225.6**	**558.4**	**-**
Loans and receivables at amortised cost	**-**	**0.1**	**0.1**	**-**
Loans and receivables designated at fair value through profit or loss	**68.1**	**223.1**	**1,302.9**	**422.0**
Loans to National Interest Account designated at fair value through profit or loss	**89.3**	**137.1**	**613.0**	**978.4**
Derivative financial instruments receivable				
› Contractual amounts receivable	**728.3**	**515.1**	**1,666.8**	**162.2**
Total undiscounted financial assets	**6,171.7**	**1,226.8**	**4,141.2**	**1,562.6**
Undiscounted financial liabilities				
Borrowings designated at fair value through profit or loss				
› Euro commercial paper	**1,087.3**	**145.6**	**-**	**-**
› Borrowings	**13.2**	**295.1**	**6,015.0**	**2,662.4**
Derivative financial instruments payable				
› Contractual amounts payable	**745.3**	**479.8**	**1,836.5**	**782.1**
Total undiscounted financial liabilities	**1,845.8**	**920.5**	**7,851.5**	**3,444.5**
Net undiscounted financial assets/(liabilities)	**4,325.9**	**306.3**	**(3,710.3)**	**(1,881.9)**

EFA has longer term borrowings that have been invested shorter term temporarily, as the funds need to be available for transactions that have not yet drawn down.

EFA has legally enforceable master netting arrangements that apply on default and as such have not been taken into account. If these master netting arrangements were considered, the derivative assets would be $11.0 million (2025: $9.1 million) compared to the carrying value of $64.7 million (2025: $61.0 million), and the derivative liabilities would be $179.0 million (2025: $235.7 million) compared to the carrying value of $232.6 million (2025: $287.6 million).

30 June 2025	Commercial Account Contractual undiscounted principal and interest 3 months or less $ m	3 months to 1 year $ m	1 year to 5 years $ m	Greater than 5 years $ m
Undiscounted financial assets				
Cash and cash at bank	16.2	-	-	-
Receivables from other financial institutions	1,014.4	263.6	-	-
Investment securities at amortised cost	31.6	249.1	589.9	-
Loans and receivables at amortised cost	-	0.1	0.1	-
Loans and receivables designated at fair value through profit or loss	37.5	267.9	1,008.6	409.9
Loans to National Interest Account designated at fair value through profit or loss	9.5	142.8	452.3	1,144.7
Derivative financial instruments receivable				
› Contractual amounts receivable	208.6	792.7	609.9	319.2
Total undiscounted financial assets	1,317.8	1,716.2	2,660.8	1,873.8
Undiscounted financial liabilities				
Borrowings designated at fair value through profit or loss				
› Euro commercial paper	893.1	94.9	-	-
› Borrowings	6.9	318.3	1,567.4	999.2
Derivative financial instruments payable				
› Contractual amounts payable	222.4	927.3	679.1	460.5
Total undiscounted financial liabilities	1,122.4	1,340.5	2,246.5	1,459.7
Net undiscounted financial assets/(liabilities)	195.4	375.7	414.3	414.1

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

The liquidity table below is based on estimated future cash flows for principal and interest and is not their fair value as is shown on the statement of financial position. For the NIA, the contractual undiscounted amounts comprise principal and interest repayment obligations and are as follows:

	National Interest Account			
	Contractual undiscounted principal and interest			
30 June 2026	**3 months or less $ m**	**3 months to 1 year $ m**	**1 year to 5 years $ m**	**Greater than 5 years $ m**
Undiscounted financial assets				
Cash and cash at bank	**161.3**	**-**	**-**	**-**
Loans and receivables at amortised cost	**29.5**	**142.6**	**624.6**	**970.6**
Loans and receivables designated at fair value through profit or loss	**9.0**	**263.7**	**474.1**	**890.3**
Derivative financial instruments receivable				
› Contractual amounts receivable	**-**	**101.0**	**151.5**	**-**
Total undiscounted financial assets	**199.8**	**507.3**	**1,250.2**	**1,860.9**
Undiscounted financial liabilities				
Borrowings designated at fair value through profit or loss	**-**	**101.0**	**2,234.2**	**-**
Borrowings from Commercial Account at amortised cost	**89.3**	**137.1**	**613.0**	**978.4**
Derivative financial instruments payable				
› Contractual amounts payable - commodities contracts for difference	**554.9**	**185.5**	**-**	**-**
› Contractual amounts payable - other	**-**	**106.7**	**163.1**	**-**
Total undiscounted financial liabilities	**644.2**	**530.3**	**3,010.3**	**978.4**
Net undiscounted financial assets/(liabilities)	**(444.4)**	**(23.0)**	**(1,760.1)**	**882.5**

There are funding maturity mismatches where the borrowing will be rolled over to continue to fund a longer term asset.

On the NIA, if interest income does not cover interest expense over the life of the portfolio, then funds will be paid to the NIA by the DFAT.

	National Interest Account			
	Contractual undiscounted principal and interest			
30 June 2025	3 months or less $ m	3 months to 1 year $ m	1 year to 5 years $ m	Greater than 5 years $ m
Undiscounted financial assets				
Cash and cash at bank	-	-	179.3	-
Loans and receivables at amortised cost	22.1	154.8	498.7	1,150.8
Loans and receivables designated at fair value through profit or loss	-	312.3	551.1	1,123.5
Derivative financial instruments receivable				
› Contractual amounts receivable	-	107.2	158.9	-
Total undiscounted financial assets	22.1	574.3	1,388.0	2,274.3
Undiscounted financial liabilities				
Borrowings designated at fair value through profit or loss	-	105.9	2,449.0	-
Borrowings from Commercial Account at amortised cost	9.5	142.8	452.3	1,144.7
Derivative financial instruments payable				
› Contractual amounts payable	-	110.2	164.1	-
Total undiscounted financial liabilities	9.5	358.9	3,065.4	1,144.7
Net undiscounted financial assets/(liabilities)	12.6	215.4	(1,677.4)	1,129.6

(iv) Market risk

(a) Interest rate risk

As EFA is involved in lending and borrowing activities, interest rate risks arise. Interest rate swaps, forward rate agreements, and cross-currency swaps are used on the CA as the primary methods of reducing exposure to interest rate movements.

EFA's policy is to minimise interest rate risk. If loans are not at floating rates, a fixed to floating rate swap is generally entered into from the time terms and conditions are agreed.

Fixed interest loans and borrowing portfolios have an opportunity cost exposure to changes in market value. The change in market value can be caused by either a general shift in the level of interest rates or by a change in the credit margin of individual assets. Exposure to the general level of interest rates is a function of "duration", whereas exposure to credit margin is a function of "term to maturity". Management sets a benchmark for the "duration" of the capital and reserves portfolio. Other fixed interest portfolios, loan and investments and borrowing portfolios are not impacted by changes in the general level of interest rates due to duration hedging.

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

The table below is based on actual or notional principal balances for the CA and is not their fair value as shown on the statement of financial position. The amounts shown are the undiscounted principal exposure and notional principal amounts outstanding.

	Commercial Account				
	Contractual undiscounted principal exposure				
30 June 2026	**Floating interest rate $ m**	**Fixed Less than 1 year $ m**	**Fixed 1 to 5 years $ m**	**Fixed More than 5 years $ m**	**Fixed Total $ m**
Undiscounted principal exposures					
Financial assets					
Cash and cash at bank	**13.7**	**-**	**-**	**-**	**-**
Receivables from other financial institutions	**5,112.1**	**-**	**-**	**-**	**-**
Investment securities at amortised cost	**478.1**	**33.5**	**155.4**	**283.3**	**472.2**
Loans and receivables designated at amortised cost	**0.2**	**-**	**-**	**-**	**-**
Loans and receivables designated at fair value through profit or loss	**1,624.4**	**2.9**	**14.5**	**23.4**	**40.8**
Loans to National Interest Account designated at fair value through profit or loss	**1,441.4**	**1.6**	**6.6**	**36.4**	**44.6**
Total financial assets	**8,669.9**	**38.0**	**176.5**	**343.1**	**557.6**
Financial liabilities					
Derivative financial instruments					
› Cross-currency swaps	**312.4**	**-**	**(280.0)**	**-**	**(280.0)**
› Foreign exchange swaps	**(7.6)**	**-**	**-**	**-**	**-**
› Interest rate swaps*	**5,824.5**	**6.0**	**(3,686.5)**	**(2,144.0)**	**(5,824.5)**
Borrowings designated at fair value through profit or loss	**2,233.0**	**-**	**3,991.6**	**2,227.9**	**6,219.5**
Other monetary liabilities	**74.6**	**-**	**-**	**-**	**-**
Total financial liabilities	**8,436.9**	**6.0**	**25.1**	**83.9**	**115.0**
Net interest exposures	**233.0**	**32.0**	**151.4**	**259.2**	**442.6**
Capital and reserves portfolio	**152.7**	**33.5**	**155.4**	**283.3**	**472.2**
Net interest exposures	**80.3**	**(1.5)**	**(4.0)**	**(24.1)**	**(29.6)**

* Notional principal amounts.

The capital and reserves portfolio is the investment of the cash equity. The investment of these funds is exposed to interest rate movements and the tables below in the interest margin (duration) section show the analysis of the sensitivity of these investments to interest rate movements. The net interest exposure after these investments show that there is insignificant interest rate exposure in the rest of the assets and liabilities. Other areas are indirectly affected by the change in future anticipated interest rates due to the discounting factor when calculating the net present value of future cash flows.

Fixed Interest rate swaps have been entered to hedge fixed interest rate loans to the NIA. There are 3 loans that have not been drawn as expected and remain undrawn, which has created a temporary fixed exposure.

30 June 2025	Commercial Account Contractual undiscounted principal exposure Floating interest rate $ m	Fixed Less than 1 year $ m	Fixed 1 to 5 years $ m	Fixed More than 5 years $ m	Fixed Total $ m
Undiscounted principal exposures					
Financial assets					
Cash and cash at bank	16.2	-	-	-	-
Receivables from other financial institutions	1,262.0	-	-	-	-
Investment securities at amortised cost	365.5	76.9	357.1	-	434.0
Loans and receivables designated at amortised cost	0.2	-	-	-	-
Loans and receivables designated at fair value through profit or loss	1,357.9	3.0	13.2	19.3	35.5
Loans to National Interest Account designated at fair value through profit or loss	883.9	1.6	6.6	17.2	25.4
Total financial assets	3,885.7	81.5	376.9	36.5	494.9
Financial liabilities					
Derivative financial instruments					
› Cross-currency swaps	710.8	(235.0)	(130.0)	(150.0)	(515.0)
› Foreign exchange swaps	2.9	-	-	-	-
› Interest rate swaps*	1,805.5	3.5	(1,119.8)	(689.2)	(1,805.5)
Borrowings designated at fair value through profit or loss	988.0	235.0	1,275.0	900.0	2,410.0
Other monetary liabilities	105.6	-	-	-	-
Total financial liabilities	3,612.8	3.5	25.2	60.8	89.5
Net interest exposures	272.9	78.0	351.7	(24.3)	405.4
Capital and reserves portfolio	150.2	76.9	357.1	-	434.0
Net interest exposures after capital and reserves portfolio	122.7	1.1	(5.4)	(24.3)	(28.6)

* Notional principal amounts.

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

The table below is based on actual or notional principal balances for the NIA and is not their fair value as shown on the statement of financial position. The amounts shown are the undiscounted principal exposure and notional principal amounts outstanding.

	National Interest Account				
	Contractual undiscounted principal exposure				
30 June 2026	**Floating interest rate $ m**	**Fixed Less than 1 year $ m**	**Fixed 1 to 5 years $ m**	**Fixed More than 5 years $ m**	**Fixed Total $ m**
Undiscounted principal exposures					
Financial assets					
Cash and liquid assets	**161.3**	**-**	**-**	**-**	**-**
Loans and receivables designated at amortised cost	**1,321.5**	**74.6**	**6.6**	**49.8**	**131.0**
Loans and receivables designated at fair value through profit or loss	**1,139.2**	**182.0**	**-**	**10.5**	**192.5**
Total financial assets	**2,622.0**	**256.6**	**6.6**	**60.3**	**323.5**
Financial liabilities					
Derivative financial instruments					
› Interest rate swaps*	**2,183.7**	**-**	**(2,183.7)**	**-**	**(2,183.7)**
Borrowings designated at fair value through profit or loss	**-**	**-**	**2,183.7**	**-**	**2,183.7**
Borrowings from Commercial Account at amortised cost	**1,441.4**	**1.6**	**6.6**	**36.4**	**44.6**
Total financial liabilities	**3,625.1**	**1.6**	**6.6**	**36.4**	**44.6**
Net interest exposures	**(1,003.1)**	**255.0**	**-**	**23.9**	**278.9**

* Notional principal amounts.

The floating exposure is primarily due to the borrowings being used to fund an equity investment held at fair value through profit and loss, which has no contractual cash flows.

30 June 2025	National Interest Account				
	Contractual undiscounted principal exposure				
	Floating interest rate $ m	Fixed Less than 1 year $ m	Fixed 1 to 5 years $ m	Fixed More than 5 years $ m	Fixed Total $ m
Undiscounted principal exposures					
Financial assets					
Cash and liquid assets	179.3	-	-	-	-
Loans and receivables designated at amortised cost	949.6	1.6	6.6	17.2	25.4
Loans and receivables designated at fair value through profit or loss	1,208.2	-	190.8	-	190.8
Total financial assets	2,337.1	1.6	197.4	17.2	216.2
Financial liabilities					
Derivative financial instruments					
› Interest rate swaps*	2,290.1	-	(2,290.1)	-	(2,290.1)
Borrowings designated at fair value through profit or loss	-	-	2,290.1	-	2,290.1
Borrowings from Commercial Account at amortised cost	883.9	1.6	6.6	17.2	25.4
Total financial liabilities	3,174.0	1.6	6.6	17.2	25.4
Net interest exposures	(836.9)	-	190.8	-	190.8

Interest margin (duration)

To ensure consistency and a common approach to interest rate sensitivity analysis, the Commonwealth publishes recommended sensitivity rates to use in the analysis. The recommended rates have been adopted below.

Sensitivity analysis of interest rate risk (which is the risk that the fair value will fluctuate because of changes in market interest rates and not credit factors) for the CA is only performed for capital and reserve investments. The net interest exposure after these investments shows that there is insignificant interest rate exposure in the rest of the assets and liabilities. Other areas are indirectly affected by the change in future anticipated interest rates due to the discounting factor used to calculate the net present value of future cash flows.

30 June 2026	**Commercial Account**				
	Exposure at risk $ m	**Increase in basis points Change in market value $ m**	**Decrease in basis points Change in market value $ m**	**Increase in basis points Effect on profit $ m**	**Decrease in basis points Effect on profit $ m**
Capital and reserve portfolio					
Fixed rate investments	**472.2**				
Change of 99 basis points interest margin		**8.6**	**(8.6)**	**-**	**-**
Floating rate investments	**152.7**				
Change of 99 basis points interest margin		**-**	**-**	**1.4**	**(1.4)**

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

	Commercial Account				
30 June 2025	Exposure at risk $ m	Increase in basis points Change in market value $ m	Decrease in basis points Change in market value $ m	Increase in basis points Effect on profit $ m	Decrease in basis points Effect on profit $ m
Capital and reserve portfolio					
Fixed rate investments	434.0				
Change of 132 basis points interest margin		11.4	(11.5)	-	-
Floating rate investments	150.2				
Change of 132 basis points interest margin		-	-	1.8	(1.8)

For the NIA the only interest exposure is the net floating rate on the variance between the floating assets and floating liabilities:

	National Interest Account					
	Exposure at risk 30 June 2026 $ m	**Increase in basis points Effect on profit 30 June 2026 $ m**	**Decrease in basis points Effect on profit 30 June 2026 $ m**	Exposure at risk 30 June 2025 $ m	Increase in basis points Effect on profit 30 June 2025 $ m	Decrease in basis points Effect on profit 30 June 2025 $ m
Net exposure						
Change of 99 basis points interest margin	**(1,003.1)**	**(4.6)**	**4.6**			
Change of 132 basis points interest margin				(836.9)	(8.6)	8.6

Credit margin (term to maturity)

For EFA's investment portfolio, there is a credit revaluation risk as the fair value of the investments will fluctuate because of changes in the credit quality of the investment counterparty.

EFA's investment approval is derived from the PGPA Act. This authority requires EFA to invest its surplus money in only Australian Commonwealth and state or territory government securities, on deposit with or in securities issued by ADIs rated at least BBB- or above, and on deposit with or in securities of other entities with credit ratings the equivalent of AA- or above. However, if after purchase a counterparty subsequently falls below the minimum credit rating, management evaluates the risk and will decide on the applicable action, which may include selling the asset, holding the asset to maturity, or obtaining security through CSAs.

Notwithstanding such a high level of credit quality in investments, the portfolio is exposed to movements in credit spreads.

Unrealised mark to market movements are minimised by having an average life to maturity of approximately two years. As investments are classified at amortised cost, mark to market movements are not reflected in the financial statements, and assuming no credit defaults, losses or gains would not be realised in the profit or loss.

Sensitivity analysis of credit risk for the CA is as follows:

	Commercial Account					
	Exposure at risk 30 June 2026 $ m	Exposure at risk 30 June 2025 $ m	**Increase in basis points change in market value 30 June 2026 $ m**	**Decrease in basis points change in market value 30 June 2026 $ m**	Increase in basis points Effect on market value 30 June 2025 $ m	Decrease in basis points Effect on market value 30 June 2025 $ m
Investment portfolio						
Fixed rate investments	**472.2**	434.0				
Change of 50 basis points credit margin			**(4.8)**	**4.8**	(4.3)	4.3
Change of 120 basis points credit margin			**(11.5)**	**11.5**	(10.4)	10.4
Change of 200 basis points credit margin			**(19.1)**	**19.2**	(17.3)	17.4
Floating rate investments	**5,590.2**	1,627.5				
Change of 50 basis points credit margin			**(4.6)**	**4.6**	(3.6)	3.6
Change of 120 basis points credit margin			**(11.2)**	**11.2**	(8.8)	8.8
Change of 200 basis points credit margin			**(18.6)**	**18.6**	(14.6)	14.6

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

(b) Foreign exchange risk

EFA extends facilities in various currencies, principally in US dollars and euros. If we have not match funded and the borrowing currency is different from the currency of the assets being funded, cross-currency swaps or foreign exchange contracts are used to mitigate the exposure (before allowances and provisions).

The table below does not include any balances that are in Australian dollars as they are not exposed to foreign currency movements. Foreign currency exposures for the CA in Australian dollar equivalents are shown below:

	Commercial Account					
	Foreign currency fair value exposures			Foreign currency fair value exposures		
	USD 30 June 2026 A$ m	**EUR 30 June 2026 A$ m**	**Other 30 June 2026 A$ m**	USD 30 June 2025 A$ m	EUR 30 June 2025 A$ m	Other 30 June 2025 A$ m
Financial assets exposure in foreign currencies						
Cash and liquid assets	**3.7**	**0.7**	**2.2**	0.4	3.1	2.4
Receivables from other financial institutions	**2,774.0**	**2.2**	**-**	953.0	-	-
Loans and receivables at amortised cost	**0.1**	**-**	**-**	0.1	-	-
Loans and receivables designated at fair value through profit or loss	**1,090.2**	**3.3**	**-**	876.5	80.3	-
Loans to National Interest Account designated at fair value through profit or loss	**439.0**	**-**		343.9	-	
Derivative financial instruments receivable	**1,041.8**	**-**	**-**	754.3	-	-
Other financial assets	**5.7**	**-**	**-**	5.2	-	-
Total financial assets exposure in foreign currencies	**5,354.5**	**6.2**	**2.2**	2,933.4	83.4	2.4
Financial liabilities exposure in foreign currencies						
Borrowings designated at fair value through profit or loss	**4,778.3**	**-**	**-**	2,014.9	94.0	-
Guarantees designated at fair value through profit or loss	**3.6**	**0.4**	**4.1**	3.1	1.2	0.9
Derivative financial instruments payable	**589.7**	**-**	**-**	914.8	0.9	-
Other financial liabilities	**36.1**	**1.5**	**0.1**	62.1	0.3	-
Total financial liabilities exposure in foreign currencies	**5,407.7**	**1.9**	**4.2**	2,994.9	96.4	0.9
Net foreign exchange exposures in foreign currencies	**(53.2)**	**4.3**	**(2.0)**	(61.5)	(13.0)	1.5

As shown in the above table, the net foreign exchange exposure as at 30 June 2026 is minimal in value for all currencies other than US dollars with an exposure of $53.2 million (2025: $61.5 million). The exposure in this currency is largely due to movements in credit risk provisioning.

EFA's business creates foreign exchange exposures in relation to future income and expense. The current policy is only to hedge "realised" income and expense, not to hedge "unrealised" or future foreign currency income and expense. There is also unrealised exposure to the discounting factor applied to the future cash flows. The discount factor can be affected by the anticipated future interest rates, which can then give rise to a profit or loss movement based on the discounted rate used to net present value the future anticipated cash flows.

The exposure to foreign exchange rate movement is kept to a minimum as borrowings are converted through cross-currency swaps into the currency that is needed to lend to customers. The three main components that are exposed to foreign exchange movements relate to:

(i) future fixed interest profit that has been taken to income in foreign currency,

(ii) future risk premiums and other residual components taken to income in foreign currency, and

(iii) the allowance for credit risk which is held in Australian-dollar equivalents against loans predominantly in foreign currency.

To ensure consistency and a common approach to interest rate sensitivity analysis, the Commonwealth publishes recommended sensitivity rates to use in the analysis. The recommended rates have been adopted below.

	Commercial Account			
30 June 2026	**Change in foreign exchange (FX) rate %**	**Exposure at risk A$ m**	**Increase in FX rate Effect on profit A$ m**	**Decrease in FX rate Effect on profit A$ m**
Exposure to USD	**9.06**	**(53.2)**	**4.4**	**(5.3)**
Exposure to EUR	**9.06**	**4.3**	**(0.4)**	**0.4**

	Commercial Account			
30 June 2025	Change in foreign exchange (FX) rate %	Exposure at risk A$ m	Increase in FX rate Effect on profit A$ m	Decrease in FX rate Effect on profit A$ m
Exposure to USD	8.06	(61.5)	4.6	(5.4)
Exposure to EUR	8.06	(13.0)	1.0	(1.1)

NOTE 18: FINANCIAL RISK MANAGEMENT (CONT.)

Foreign currency exposures for the NIA in Australian dollar equivalents are:

	National Interest Account			
	USD 30 June 2026 A$ m	**PGK 30 June 2026 A$ m**	USD 30 June 2025 A$ m	PGK 30 June 2025 A$ m
Financial assets exposure				
Cash and liquid assets	**-**	**161.3**	-	179.3
Receivables from other financial institutions	**-**	**-**	-	-
Loans and receivables at amortised cost	**425.4**	**-**	362.6	-
Loans and receivable designated at fair value through profit and loss	**1,220.0**	**-**	1,373.3	-
Equity securities at fair value through profit and loss	**835.5**	**-**	888.2	-
Derivative financial instruments receivable	**-**	**-**	1.3	-
Other financial assets	**5.5**	**-**	8.1	-
Total financial assets exposure	**2,486.4**	**161.3**	2,633.5	179.3
Financial liabilities exposure				
Amounts payable to the Commonwealth	**-**			
Borrowings designated at fair value through profit or loss	**2,215.5**	**-**	2,339.5	-
Borrowings from Commercial Account	**444.1**	**-**	348.1	-
Derivative financial instruments payable	**11.5**	**-**	13.8	-
Guarantees, bonds and insurances designated at fair value through profit or loss	**14.3**	**-**	15.9	-
Sundry provisions and allowances	**5.3**	**-**	-	-
Other financial liabilities	**5.1**	**-**	3.8	-
Total financial liabilities exposure	**2,695.8**	**-**	2,721.1	-
Net foreign exchange exposures	**(209.4)**	**161.3**	(87.6)	179.3

Sensitivity analysis for foreign exchange on the NIA:

	National Interest Account			
30 June 2026	**Change in foreign exchange (FX) rate %**	**Exposure at risk A$ m**	**Increase in FX rate Effect on profit A$ m**	**Decrease in FX rate Effect on profit A$ m**
Exposure to USD	**9.1**	**(209.4)**	**17.4**	**(20.9)**
Exposure to PGK	**9.1**	**161.3**	**(13.4)**	**16.1**

	National Interest Account			
30 June 2025	Change in foreign exchange (FX) rate %	Exposure at risk A$ m	Increase in FX rate Effect on profit A$ m	Decrease in FX rate Effect on profit A$ m
Exposure to USD	8.06	(87.6)	6.5	(7.7)
Exposure to PGK	8.06	179.3	(13.4)	15.7

(c) Commodity price risk

EFA is exposed to commodity price risk in relation to the fuel and fertiliser contracts for difference (CFDs) procured under our Strategic Reserve powers. These contracts are treated as derivative financial instruments at fair value through P&L. The CFDs are exposed to movements in multiple commodity-related inputs, in particular fuel and/or fertiliser price indices.

These contracts are short-dated (typically between three to six months) and within approved counterparty limits. We monitor our exposure on a regular basis.

Sensitivity analysis for commodity price risk on the NIA:

	National Interest Account			
30 June 2026	**Change in key indices %**	**Exposure at risk A$ m**	**Increase in key indices Effect on profit A$ m**	**Decrease in key indices Effect on profit A$ m**
Fuel contracts for difference	**10.00**	**665.9**	**98.6**	**(98.6)**
Fertiliser contracts for difference	**10.00**	**65.6**	**0.4**	**(0.4)**
Total		**731.5**	**99.0**	**(99.0)**

NOTE 19: FAIR VALUE OF FINANCIAL INSTRUMENTS

(i) Determination of fair value hierarchy

EFA uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities,
- Level 2: techniques for which all inputs significantly affecting the recorded fair value are observable, either directly or indirectly, and
- Level 3: other techniques for which inputs significantly affecting the recorded fair value are not based on observable market data.

If there are any transfers between hierarchy levels this will be disclosed in the tables below.

The following table shows an analysis of financial assets and liabilities in the CA with the fair value shown by hierarchy level:

	Commercial Account			
	Carrying amount	Fair value exposures by hierarchy		
30 June 2026	Total $ m	Level 2 $ m	Level 3 $ m	Total $ m
Financial assets measured at fair value				
Loans and receivables designated at fair value through profit or loss	**1,552.7**	**-**	**1,552.7**	**1,552.7**
Loans to National Interest Account designated at fair value through profit or loss	**1,482.1**	**1,482.1**	**-**	**1,482.1**
Interest rate swaps	**43.1**	**43.1**	**-**	**43.1**
Cross-currency swaps	**13.7**	**13.7**	**-**	**13.7**
Investment securities measured at amortised cost				
Discount securities	**148.5**	**148.5**	**-**	**148.5**
Floating rate notes	**329.6**	**335.3**	**-**	**335.3**
Fixed rate bonds	**472.2**	**479.5**	**-**	**479.5**
Total	**4,041.9**	**2,502.2**	**1,552.7**	**4,054.9**
Financial liabilities				
Borrowings designated at fair value through profit or loss	**(8,325.5)**	**(8,325.5)**	**-**	**(8,325.5)**
Guarantees designated at fair value through profit or loss	**(11.2)**	**-**	**(11.2)**	**(11.2)**
Interest rate swaps	**(160.6)**	**(160.6)**	**-**	**(160.6)**
Cross-currency swaps	**(74.5)**	**(74.5)**	**-**	**(74.5)**
Forward foreign exchange contracts	**-**	**-**	**-**	**-**
Total	**(8,571.8)**	**(8,560.6)**	**(11.2)**	**(8,571.8)**

There are no assets or liabilities with a fair value of Level 1.

	Commercial Account			
	Carrying amount	Fair value exposures by hierarchy		
30 June 2025	Total $ m	Level 2 $ m	Level 3 $ m	Total $ m
Financial assets measured at fair value				
Loans and receivables designated at fair value through profit or loss	1,260.3	-	1,260.3	1,260.3
Loans to National Interest Account designated at fair value through profit or loss	906.3	906.3	-	906.3
Interest rate swaps	58.2	58.2	-	58.2
Cross-currency swaps	2.8	2.8	-	2.8
Investment securities measured at amortised cost				
Discount securities	15.9	15.9	-	15.9
Floating rate notes	349.6	355.9	-	355.9
Fixed rate bonds	434.0	450.0	-	450.0
Total	3,027.1	1,789.1	1,260.3	3,049.4
Financial liabilities				
Borrowings designated at fair value through profit or loss	(3,370.9)	(3,370.9)	-	(3,370.9)
Guarantees designated at fair value through profit or loss	(8.8)	-	(8.8)	(8.8)
Interest rate swaps	(65.5)	(65.5)	-	(65.5)
Cross-currency swaps	(218.0)	(218.0)	-	(218.0)
Forward foreign exchange contracts	(4.1)	(4.1)	-	(4.1)
Total	(3,667.3)	(3,658.5)	(8.8)	(3,667.3)

There are no assets or liabilities with a fair value of Level 1.

NOTE 19: FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT.)

The following table shows an analysis of financial assets and liabilities in the NIA with the fair value shown by hierarchy level:

	National Interest Account			
	Carrying amount	Fair value exposures by hierarchy		
30 June 2026	**Total $ m**	**Level 2 $ m**	**Level 3 $ m**	**Total $ m**
Financial assets measured at fair value				
Loans and receivables designated at fair value through profit or loss	**1,220.0**	**-**	**1,211.4**	**1,211.4**
Equity Securities at fair value through profit and loss	**835.5**	**-**	**480.0**	**480.0**
Total	**2,055.5**	**-**	**1,691.4**	**1,691.4**
Financial liabilities				
Borrowings designated at fair value through profit or loss	**(2,215.5)**	**(2,215.5)**	**-**	**(2,215.5)**
Interest rate swaps	**(11.5)**	**(11.5)**	**-**	**(11.5)**
Guarantees designated at fair value through profit or loss	**(14.3)**	**-**	**(14.3)**	**(14.3)**
Commodities contracts for difference	**(536.6)**	**-**	**(731.5)**	**(731.5)**
Total	**(2,777.9)**	**(2,227.0)**	**(745.8)**	**(2,972.8)**

There are no assets or liabilities with a fair value of Level 1.

	National Interest Account			
	Carrying amount	Fair value exposures by hierarchy		
30 June 2025	Total $ m	Level 2 $ m	Level 3 $ m	Total $ m
Financial assets measured at fair value				
Loans and receivables designated at fair value through profit or loss	1,373.3	-	1,362.8	1,362.8
Equity Securities at fair value through profit and loss	888.2	-	490.2	490.2
Interest rate swaps	1.3	1.3	-	1.3
Total	2,262.8	1.3	1,853.0	1,854.3
Financial liabilities				
Borrowings designated at fair value through profit or loss	(2,339.5)	(2,339.5)	-	(2,339.5)
Interest rate swaps	(13.8)	(13.8)	-	(13.8)
Guarantees designated at fair value through profit or loss	(15.9)	-	(15.9)	(15.9)
Total	(2,369.2)	(2,353.3)	(15.9)	(2,369.2)

There are no assets or liabilities with a fair value of Level 1.

The following table shows an analysis of the movement in fair value for level 3 assets and liabilities on the CA:

	Commercial Account					
	Movement in level 3 fair value exposures					
	At 1 July 2025 $ m	**New Deals $ m**	**Repay-ments $ m**	**Foreign exchange $ m**	**Profit/(loss) deals existing $ m**	**At 30 June 2026 $ m**
Level 3 financial assets						
Loans and receivables designated at fair value through profit or loss	**1,260.3**	**721.5**	**(390.8)**	**(59.8)**	**21.5**	**1,552.7**
	1,260.3	**721.5**	**(390.8)**	**(59.8)**	**21.5**	**1,552.7**
Level 3 financial liabilities						
Guarantees designated at fair value through profit or loss*	**(8.8)**	**-**	**-**	**(3.1)**	**0.7**	**(11.2)**
	(8.8)	**-**	**-**	**(3.1)**	**0.7**	**(11.2)**
Total net level 3	**1,251.5**	**721.5**	**(390.8)**	**(62.9)**	**22.2**	**1,541.5**

*Guarantees are contingent liabilities and therefore the face value is not held in the statement of financial position.

The profit or loss on the above level 3 financial assets and liabilities are recorded in the statement of profit or loss and other comprehensive income, in the category of fair value movement of loans, bonds, insurances and guarantees.

	Commercial Account					
	Movement in level 3 fair value exposures					
	At 1 July 2024 $ m	New Deals $ m	Repay-ments $ m	Foreign exchange $ m	Profit/(loss) deals existing $ m	At 30 June 2025 $ m
Level 3 financial assets						
Loans and receivables designated at fair value through profit or loss	1,168.0	555.2	(487.6)	19.8	4.9	1,260.3
	1,168.0	555.2	(487.6)	19.8	4.9	1,260.3
Level 3 financial liabilities						
'Guarantees designated at fair value through profit or loss*	(12.4)	-	-	2.1	1.5	(8.8)
	(12.4)	-	-	2.1	1.5	(8.8)
Total net level 3	1,155.6	555.2	(487.6)	21.9	6.4	1,251.5

*Guarantees are contingent liabilities and therefore the face value is not held in the statement of financial position.

NOTE 19: FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT.)

The following table shows an analysis of the movement in fair value for level 3 assets and liabilities on the NIA:

	National Interest Account						
	Movement in level 3 fair value exposures						
	At 1 July 2025 $ m	New Deals or Cash Settlement $ m	Repay-ments $ m	Foreign exchange $ m	Valuation Adjust-ment $ m	Profit/(loss) deals existing $ m	At 30 June 2026 $ m
Level 3 financial assets							
Loans and receivables designated at fair value through profit or loss	**1,362.8**	**11.4**	**(13.4)**	**(63.0)**	**(93.9)**	**7.5**	**1,211.4**
Equity Securities at fair value through profit and loss	**490.2**	**-**	**-**	**(22.7)**	**12.5**	**-**	**480.0**
	1,853.0	**11.4**	**(13.4)**	**(85.7)**	**(81.4)**	**7.5**	**1,691.4**
Level 3 financial liabilities							
Guarantees designated at fair value through profit or loss*	**(15.9)**	**-**	**0.4**	**0.7**	**-**	**0.5**	**(14.3)**
Derivative financial liabilities - Commodities contracts for difference	**-**	**27.0**	**-**	**-**	**(378.5)**	**(380.0)**	**(731.5)**
	(15.9)	**27.0**	**0.4**	**0.7**	**(378.5)**	**(379.5)**	**(745.8)**
Total net level 3	**1,837.1**	**38.4**	**(13.0)**	**(85.0)**	**(459.9)**	**(372.0)**	**945.6**

*Guarantees are contingent liabilities and therefore the face value is not held in the statement of financial position.

The profit or loss on the above level 3 financial assets and liabilities are recorded in the statement of profit or loss and other comprehensive income, in the category of fair value movement of loans, bonds, insurances and guarantees or fair value movement of equity investments.

	National Interest Account						
	Movement in level 3 fair value exposures						
	At 1 July 2024 $ m	New Deals $ m	Repay-ments $ m	Foreign exchange $ m	Valuation Adjustment $ m	Profit/(loss) deals existing $ m	At 30 June 2025 $ m
Level 3 financial assets							
Loans and receivables designated at fair value through profit or loss	1,431.7	-	(6.8)	17.2	(84.6)	5.3	1,362.8
Equity Securities at fair value through profit and loss	533.9	-	-	6.0	(49.7)	-	490.2
	1,965.6	-	(6.8)	23.2	(134.3)	5.3	1,853.0
Level 3 financial liabilities							
Guarantees designated at fair value through profit or loss*	(9.4)	-	1.1	(0.1)	(7.5)	-	(15.9)
	(9.4)	-	1.1	(0.1)	(7.5)	-	(15.9)
Total net level 3	1,956.2	-	(5.7)	23.1	(141.8)	5.3	1,837.1

*Guarantees are contingent liabilities and therefore the face value is not held in the statement of financial position.

The following table shows the quantitative information of significant unobservable inputs for level 3 fair value exposures on the CA:

	Commercial Account			
	Sensitivity of level 3 fair value exposures			
	At 30 June 2026 $ m	**Effect of reasonable alternative assumptions $ m**	At 1 July 2025 $ m	Effect of reasonable alternative assumptions $ m
Level 3 financial assets				
Loans and receivables designated at fair value through profit or loss	**1,552.7**	**(30.8)**	1,352.6	(28.2)
Level 3 financial liabilities				
Guarantees designated at fair value through profit or loss	**(11.2)**	**(15.5)**	(5.2)	(12.8)

In order to determine reasonable alternative assumptions, the following model inputs were adjusted:

For both loans and receivables designated at fair value through profit or loss, and guarantees designated at fair value through profit or loss, the credit risk assumptions were adjusted. This involved adjusting the ratings modifier down by one notch (e.g. risk category 5 flat to 5 negative) across the entire portfolio, which is considered a reasonable alternative assumption.

NOTE 19: FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT.)

The following table shows the quantitative information of significant unobservable inputs for level 3 fair value exposures on the NIA:

	National Interest Account			
	Sensitivity of level 3 fair value exposures			
	At 30 June 2026	**Effect of reasonable alternative assumptions**	At 1 July 2025	Effect of reasonable alternative assumptions
	$ m	**$ m**	$ m	$ m
Level 3 financial assets				
Loans and receivables designated at fair value through profit or loss	**1,211.4**	**(9.0)**	1,362.8	(32.6)
Equity securities at fair value through profit and loss	**480.0**	**(13.0)**	490.2	(25.5)
Level 3 financial liabilities				
Guarantees designated at fair value through profit or loss	**(14.3)**	**(2.9)**	(15.9)	(3.2)
Derivative financial liabilities - Commodities contracts for difference	**(731.5)**	**(99.0)**	-	-

In order to determine reasonable alternative assumptions, the following model inputs were adjusted:

For both loans and receivables designated at fair value through profit or loss, and equity securities designated at fair value through profit or loss, the model assumptions were adjusted. To obtain the sensitivity, inputs such as the discounting rate and the credit risk were adjusted to what is considered the lower end of reasonable assumptions in the same model used to value the transactions, which is considered a reasonable alternative assumption.

For derivative financial liabilities - Commodities contracts for difference, the relevant indices were decreased by 10%, increasing the downside risk to EFA.

(ii) Determination of fair value

The calculation methodology for determining fair value is regularly reviewed, and any recommended changes to the inputs used in the valuations are documented and submitted to the BARC and then to the Board for approval if necessary. A summary paper is submitted to the BARC and the Board every year prior to the approval of the financial statements, which documents the accounting estimates used in fair value calculations including level 3 unobservable inputs.

The following is a description of the determination of fair value for financial instruments that are recorded at fair value using valuation techniques.

Commercial Account loans and receivables designated at fair value through profit or loss

The fair value on day one is the transaction price, and subsequently the fair value is determined by applying market interest rates and using a discounted cash flow valuation through an external valuation system. These are classified as level 3 as the credit risk component is included in the valuation through an internal model to reflect the impact of expected loss on the fair value of each loan or receivable. A residual margin covering prepayment risks, other risks and servicing costs is also included in the fair value of each loan or receivable. When it is likely that a loan or debt will not be recovered in full, a specific event is recognised and recorded using the discounted cash flow method. All individual facilities are reviewed regularly.

Loans to National Interest Account designated at fair value through profit or loss

Fair value is determined by applying market rates and using a discounted cash flow valuation through an external valuation system. These loans are classified as level 2.

Derivative financial instruments

The fair value of derivative financial instruments is determined by applying market rates and using a discounted cash flow valuation. For derivatives that are associated with borrowings, a risk-free curve is adjusted to calculate a margin based on EFA's current ability to issue debt at a margin. These valuations before the allowance for derivative risk are obtained from an external valuation system. In the calculation of the allowance for derivative risk, a credit risk component is included through the use of published credit default spreads and a valuation risk component is included through an internal model. Derivatives are classified as level 2, apart from commodities contracts for difference which are classified as Level 3. These utilise significant unobservable inputs (in particular, certain fuel and fertiliser price indices).

Borrowings designated at fair value through profit or loss

The fair value of borrowings is determined by applying market interest rates and using a discounted cash flow valuation. An adjusted curve is derived from a risk-free curve and adjusted to calculate a margin based on EFA's current ability to issue debt at a margin. These valuations are obtained from an external valuation system. The borrowings are classified as level 2.

Guarantees designated at fair value through profit or loss

The fair value on day one is the transaction price, and subsequent fair value is determined by applying market rates and using a discounted cash flow valuation through an external valuation system. These are classified as level 3 as the credit risk component is included in the valuation through an internal model to reflect the impact of expected loss on the fair value of each guarantee. A residual margin covering prepayment risks, other risks and servicing costs is also included in the fair value of the guarantee. When it is likely that a guarantee will be called, a specific allowance is recognised and recorded using the discounted cash flow method. All individual facilities are reviewed regularly.

Investment securities measured at amortised cost

The indicative fair values quoted in the above table are for information purposes only and are determined by applying market interest rates and using a discounted cash flow valuation. These valuations are obtained from an external valuation system and are classified as level 2. The assets are held at amortised cost in the financial statements.

National Interest Account loans and receivables designated at fair value through profit or loss

Due to the complex nature of certain transactions, EFA obtained an independent valuation of these loans. The fair value provided was based on calculation methods and assumptions that utilise significant unobservable inputs. Net present value of cash flows and credit adjusted spreads were taken into account in the valuation. Due to the complexity of the valuation and the model inputs, these have been classified as level 3.

A convertible note asset is held at fair value through profit and loss and has a two-year maturity with a contractual right to receive outstanding principal and interest, or an election can be made to convert the outstanding balance to shares. The convertible note has been classified as level 3.

Equity investments at fair value through profit and loss

Due to the complex nature of these transactions, EFA obtained an independent valuation of these equity investments. The fair value provided was based on calculation methods and assumptions that utilise significant unobservable inputs. Net present value of cash flows and credit adjusted spreads were taken into account in the valuation. The discount rate used comprised two components: the time value of money and the the premium needed as compensation for the risk of lending to the counterparty. Due to the complexity of the valuation and the model inputs, these have been classified as level 3.

NOTE 20: CAPITAL EQUIVALENT

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Capital available				
Equity at start of period	**619.9**	616.4	**-**	-
Profit	**49.1**	37.0	**-**	-
Asset revaluation reserve	**-**	(19.8)	**-**	-
Dividend payable/paid	**(18.5)**	(13.7)	**-**	-
Equity at end of period	**650.5**	619.9	**-**	-
Eligible allowance for credit risk in capital	**33.1**	24.1	**-**	-
EFA capital	**683.6**	644.0	**-**	-
Callable capital	**1,200.0**	1,200.0	**-**	-
Capital available (including callable capital)	**1,883.6**	1,844.0	**-**	-

Commercial Account

Capital management

Under section 56 of the EFIC Act, the Board is required 'to ensure, according to sound commercial principles, that the capital and reserves of EFA at any time are sufficient'. This requirement relates only to our CA activities, and this provides guidance in fulfilling the obligation by setting regulatory standards that draw upon both the standards of APRA and those set by the Bank for International Settlements through the Basel Committee on Banking Supervision.

Actual capital available (cash and callable) is used by the Board as the base for setting risk tolerances for counterparty and country exposure limits.

EFA has modelled its large exposure policy on Basel and APRA guidelines. Our large exposures limits are 25% of eligible capital for internal risk grades 1 and 2 (A- and above), and 15% for internal risk grades 3 and worse (below A-). Any exceptions above these limits are subject to Board approval. In addition, the Board allows a small tolerance above these limits for foreign exchange movements given the majority of the large exposures are in foreign currency against an Australian dollar capital base.

EFA's approach to capital management is based on assessing the level of risk and appetite for risk, and ensuring that the level and quality of capital is appropriate to that risk profile. Prudent practice also requires that capital management be forward-looking, having regard to changes in strategy, business plans and the operating environment as well as changes in the type, amount and concentration of risk that might impact the capital resources available.

Capital also supports the operations by providing a buffer to absorb unanticipated losses from EFA's normal business activities. In the event cash capital is insufficient, the Board, in consultation with the Government, may call additional cash capital up to a prescribed amount. EFA is also supported by a Commonwealth guarantee that protects third parties from any financial loss in the event EFA cannot meet its obligations. This guarantee has never been called.

The Board treats the capital as equivalent to the regulatory capital under Basel and APRA guidelines, and uses this as the basis for setting risk tolerances with regard to large exposures. Changes to the EFIC Act in 2013, which gave the Minister power under section 55A(2) to "direct EFIC to pay specified dividends within a specific period", means the capital base may not meet the regulatory definition of "capital".

When making this assessment, the Board is required to include as equity the $1.2 billion of callable capital that is available from the Commonwealth in accordance with the provisions of section 54(8)(a) of the EFIC Act.

National Interest Account

NIA has received an equity contribution from the Commonwealth but this is not considered capital and no capital is held against the NIA business on the basis that the risks are borne by the Commonwealth.

NOTE 21: REMUNERATION OF EXTERNAL AUDITORS

	Commercial Account		National Interest Account	
	30 June 2026 $	30 June 2025 $	**30 June 2026 $**	30 June 2025 $
Auditor's remuneration				
Amounts received or due and receivable by EFA's auditors for:				
Other services	**159,200**	235,648	**-**	-
An audit or review of the annual report	**190,000**	252,000	**-**	-
Total audit remuneration	**349,200**	487,648	**-**	-

EFA's auditor is the Australian National Audit Office.

NOTE 22: RELATED PARTY DISCLOSURES

Key management remuneration expenses for the reporting period

Total remuneration received and receivable by key management personnel (KMP) for the year (including Directors). Remuneration includes all cash remuneration, superannuation and any non-cash benefits (including applicable fringe benefits tax).

	Commercial Account		National Interest Account	
	30 June 2026 $	30 June 2025 $	**30 June 2026 $**	30 June 2025 $
Short-term employee benefits	**5,330,385**	4,591,536	**-**	-
Post-employment benefits	**499,564**	420,928	**-**	-
Long-term employee benefits	**109,670**	92,439	**-**	-
Termination benefits	**-**	509,106	**-**	-
Total remuneration	**5,939,619**	5,614,009	**-**	-
Total number of KMP	**15**	19	**-**	-

The number of KMP positions at 30 June 2026 was 15, comprising seven Board Members, the Managing Director & Chief Executive Officer, and seven Executives.

The number of KMP included in the above table will vary depending on departures and new starters within the year.

The table has been based on the requirements stipulated in the Resource Management Guide No. 138 *Commonwealth Entities Executive Remuneration Reporting Guide for Annual Reports.*

Transactions with key management personnel

EFA has not entered into any direct transactions with KMP.

Other related party transactions

Under the EFIC Act, EFA has a number of transactions with the Commonwealth. The principal transactions are those related to the NIA activities. Refer to Note 1(a)(ii): Business undertaken on the National Interest Account and Note 5: Amounts receivable from/(payable to) the Commonwealth.

The Commonwealth guarantees the due payment by EFA of any money that becomes payable to a third party.

NOTE 23A: LOANS TO NATIONAL INTEREST ACCOUNT DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Gross loans to National Interest Account		**1,486.0**	909.3	**-**	-
Loans to National Interest Account gross	1(l)	**1,486.0**	909.3	**-**	-
Fair value interest income		**(3.9)**	(3.0)	**-**	-
Total loans to National Interest Account		**1,482.1**	906.3	**-**	-
Maturity analysis loans to National Interest Account gross					
Overdue		**-**	-	**-**	-
Due in 3 months or less		**2.3**	2.3	**-**	-
Due after 3 months to 1 year		**86.6**	73.9	**-**	-
Due after 1 year to 5 years		**379.9**	183.3	**-**	-
Due after 5 years		**1,017.2**	649.8	**-**	-
Total loans and receivables gross		**1,486.0**	909.3	**-**	-

NOTE 23B: BORROWINGS FROM COMMERCIAL ACCOUNT AT AMORTISED COST

	Commercial Account		National Interest Account	
	30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Borrowings from Commercial Account	**-**	-	**1,486.0**	909.3
Total borrowings from Commercial Account	**-**	-	**1,486.0**	909.3
Maturity analysis borrowings from Commercial Account				
Overdue	**-**	-	**-**	-
Due in 3 months or less	**-**	-	**2.3**	2.3
Due after 3 months to 1 year	**-**	-	**86.6**	73.9
Due after 1 year to 5 years	**-**	-	**379.9**	183.3
Due after 5 years	**-**	-	**1,017.2**	649.8
Total borrowings	**-**	-	**1,486.0**	909.3

NOTE 24: RECONCILIATION OF PROFIT TO NET CASH FLOWS FROM OPERATING ACTIVITIES

		Commercial Account		National Interest Account	
	Note	**30 June 2026 $ m**	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m
Profit from ordinary activities		**49.1**	37.0	**(775.7)**	(209.2)
Adjustments for non-cash items					
Depreciation	3(viii)	**2.9**	3.5	**-**	-
Employee entitlements	3(viii)	**2.0**	1.7	**-**	-
Amortisation of deferred income		**0.4**	(1.1)	**-**	-
Movement in accruals		**10.5**	5.8	**19.8**	(21.2)
Credit risk movement	3(iv), (viii)	**7.8**	13.8	**101.7**	218.9
Unrealised foreign exchange losses		**(2.9)**	0.3	**10.3**	7.3
Unearned premium		**-**	-	**(0.4)**	0.3
Operating expenses		**-**	-	**14.9**	10.9
Below market loans expense		**-**	-	**31.0**	-
Fair value movement of third-party loans and guarantees		**(40.1)**	(30.1)	**32.7**	(88.9)
Fair value movement of other financial instruments	3(v)	**1.9**	0.7	**520.0**	(12.7)
Fair value movement of equity investments		**-**	-	**11.8**	75.5
Specific provision for credit risk	3(iv)	**-**	(1.0)	**10.7**	3.3
Provision for tax equivalent charges	16	**27.1**	21.1	**-**	-
Other		**(1.8)**	1.8	**1.2**	(0.7)
Adjustment for balance sheet movements					
Net movement in receivables/payables		**(50.9)**	18.5	**-**	-
Net repayments of loan balances		**(924.5)**	(335.0)	**(511.5)**	(258.4)
Net cash inflows/(outflows) from operating activities		**(918.5)**	(263.0)	**(533.5)**	(274.9)

	Note	Commercial Account		National Interest Account	
		30 June 2026 $ m	30 June 2025 $ m	**30 June 2026 $ m**	30 June 2025 $ m

Reconciliation of cash

Cash and cash equivalents at the end of financial year is reconciled to the related items in the statement of financial position as follows:

Cash and cash at bank		**13.7**	16.2	**161.3**	179.3
Receivables from other financial institutions	4	**5,112.1**	1,262.0	**-**	-
Cash and cash equivalents at end the of financial year		**5,125.8**	1,278.2	**161.3**	179.3

Cash and cash equivalents of $161.3m (2024: $179.3m) in relation to the NIA is not readily available for use, as it is held in Papua New Guinea Kina which is subject to foreign exchange restrictions. The observable (published) PGK / A$ spot exchange rate is used to translate this amount without adjustment. This is the rate that is expected to apply to the extent that repatriation of PGK is permitted.

Financing facilities

Borrowing facilities available at end of financial year				
Overdraft facilities	**0.3**	0.3	**-**	-
Amount of facilities used	**-**	-	**-**	-
Amount of facilities unused	**0.3**	0.3	**-**	-

NOTE 25: LIABILITY MOVEMENTS

		Commercial Account					
	Note	At 1 July 2025 $ m	Cash proceeds $ m	Cash repayments $ m	Net proceeds/ (repayments) $ m	Fair value/ foreign exchange $ m	At 30 June 2026 $ m
Derivative assets and liabilities							
Derivative financial assets	9	**61.0**	**1,191.8**	**(1,166.8)**	**25.0**	**(21.3)**	**64.7**
Derivative financial liabilities	9	**(287.6)**	**3,372.8**	**(3,548.5)**	**(175.7)**	**228.2**	**(235.1)**
		(226.6)	**4,564.6**	**(4,715.3)**	**(150.7)**	**206.9**	**(170.4)**
Borrowings designated at fair value through profit and loss							
Borrowings	13	**2,388.8**	**5,038.3**	**(235.0)**	**4,803.3**	**(92.8)**	**7,099.3**
Euro commercial paper	13	**982.1**	**4,041.3**	**(3,765.4)**	**275.9**	**(31.8)**	**1,226.2**
		3,370.9	**9,079.6**	**(4,000.4)**	**5,079.2**	**(124.6)**	**8,325.5**

		Commercial Account					
	Note	At 1 July 2024 $ m	Cash proceeds $ m	Cash repayments $ m	Net proceeds/ (repayments) $ m	Fair value/ foreign exchange $ m	At 30 June 2025 $ m
Derivative assets and liabilities							
Derivative financial assets	9	48.7	1,237.3	(1,205.3)	32.0	(19.7)	61.0
Derivative financial liabilities	9	(274.0)	1,883.9	(1,916.7)	(32.8)	19.2	(287.6)
		(225.3)	3,121.2	(3,122.0)	(0.8)	(0.5)	(226.6)
Borrowings designated at fair value through profit and loss							
Borrowings	13	1,211.4	1,122.0	-	1,122.0	55.4	2,388.8
Euro commercial paper	13	1,113.6	5,146.1	(5,309.6)	(163.5)	32.0	982.1
		2,325.0	6,268.1	(5,309.6)	958.5	87.4	3,370.9

	Note	National Interest Account At 1 July 2025 $ m	Cash proceeds/ settlements $ m	Cash repay-ments $ m	Net proceeds/ (repayments) $ m	Fair value/ foreign exchange $ m	At 30 June 2026 $ m
Derivative assets and liabilities							
Derivative financial assets	9	**1.3**	**-**	**-**	**-**	**(1.3)**	**-**
Derivative financial liabilities	9	**(13.8)**	**27.0**	**-**	**27.0**	**(561.3)**	**(548.1)**
		(12.5)	**27.0**	**-**	**27.0**	**(562.6)**	**(548.1)**
Borrowings							
Borrowings designated at fair value through profit and loss	13	**2,339.5**	**-**	**-**	**-**	**(124.0)**	**2,215.5**
Euro commercial paper	13	**-**	**144.6**	**(144.3)**	**0.3**	**(0.3)**	**-**
Borrowings from Commercial Account	23b	**909.3**	**673.8**	**(80.3)**	**593.5**	**(16.8)**	**1,486.0**
		3,248.8	**818.4**	**(224.6)**	**593.8**	**(141.1)**	**3,701.5**

	Note	National Interest Account At 1 July 2024 $ m	Cash proceeds $ m	Cash repayments $ m	Net proceeds/ (repayments) $ m	Fair value/ foreign exchange $ m	At 30 June 2025 $ m
Derivative assets and liabilities							
Derivative financial assets	9	1.7	-	-	-	(0.4)	1.3
Derivative financial liabilities	9	(72.9)	-	-	-	59.1	(13.8)
		(71.2)	-	-	-	58.7	(12.5)
Borrowings							
Borrowings designated at fair value through profit and loss	13	2,272.0	-	-	-	67.5	2,339.5
Euro commercial paper	13	189.2	103.5	(289.0)	(185.5)	(3.7)	-
Borrowings from Commercial Account	23b	639.2	336.4	(71.9)	264.5	5.6	909.3
		3,100.4	439.9	(360.9)	79.0	69.4	3,248.8

NOTE 26: ASSETS AND LIABILITIES CURRENT AND NON-CURRENT

	Commercial Account			National Interest Account		
	30 June 2026 $ m			30 June 2026 $ m		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets expected to be recovered in:						
Cash and liquid assets	13.7	-	13.7	161.3	-	161.3
Receivables from other financial institutions	5,112.1	-	5,112.1	-	-	-
Amounts receivable from the Commonwealth	-	-	-	435.6	542.6	978.2
Investment securities at amortised cost	437.4	512.9	950.3	-	-	-
Loans and receivables at amortised cost	-	0.1	0.1	107.2	1,175.8	1,283.0
Loans and receivables designated at fair value through profit or loss	208.1	1,344.6	1,552.7	272.6	947.4	1,220.0
Loans to National Interest Account designated at fair value through profit or loss	88.9	1,393.2	1,482.1	-	-	-
Derivative financial assets	25.6	39.1	64.7	-	-	-
Equity securities	-	-	-	-	835.5	835.5
Investment in Associate	-	-	-	-	68.9	68.9
Property, plant and equipment	3.5	117.8	121.3	-	-	-
Other financial assets	43.0	-	43.0	7.1	-	7.1
Total assets	5,932.3	3,407.7	9,340.0	983.8	3,570.2	4,554.0
Liabilities expected to be settled in:						
Borrowings from Commercial Account at amortised cost	-	-	-	88.9	1,397.1	1,486.0
Borrowings designated at fair value through profit or loss	1,526.2	6,799.3	8,325.5	98.8	2,116.7	2,215.5
Guarantees bonds and insurances designated at fair value through profit or loss	-	11.2	11.2	-	14.3	14.3
Derivative financial liabilities	7.4	227.7	235.1	536.4	11.7	548.1
Sundry provisions and allowances	33.0	6.4	39.4	46.5	30.4	76.9
Other financial liabilities	77.9	0.4	78.3	27.8	-	27.8
Total liabilities	1,644.5	7,045.0	8,689.5	798.4	3,570.2	4,368.6
Net Assets	4,287.8	(3,637.3)	650.5	185.4	-	185.4

	Commercial Account			National Interest Account		
	30 June 2025 $ m			30 June 2025 $ m		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets expected to be recovered in:						
Cash and liquid assets	16.2	-	16.2	-	179.3	179.3
Receivables from other financial institutions	1,262.0	-	1,262.0	-	-	-
Amounts receivable from the Commonwealth	-	-	-	(16.8)	235.6	218.8
Investment securities at amortised cost	247.7	551.8	799.5	-	-	-
Loans and receivables at amortised cost	-	0.1	0.1	96.9	764.4	861.3
Loans and receivables designated at fair value through profit or loss	321.9	938.4	1,260.3	303.6	1,069.7	1,373.3
Loans to National Interest Account designated at fair value through profit or loss	76.2	830.1	906.3	-	-	-
Derivative financial assets	14.3	46.7	61.0	1.3	-	1.3
Equity securities	-	-	-	-	888.2	888.2
Property, plant and equipment	0.1	117.4	117.5	-	-	-
Other financial assets	15.3	-	15.3	17.9	-	17.9
Total assets	1,953.7	2,484.5	4,438.2	402.9	3,137.2	3,540.1
Liabilities expected to be settled in:						
Borrowings from Commercial Account at amortised cost	-	-	-	76.2	833.1	909.3
Borrowings designated at fair value through profit or loss	1,300.1	2,070.8	3,370.9	103.4	2,236.1	2,339.5
Guarantees bonds and insurances designated at fair value through profit or loss	-	8.8	8.8	-	15.9	15.9
Derivative financial liabilities	160.3	127.3	287.6	4.5	9.3	13.8
Sundry provisions and allowances	25.7	5.3	31.0	28.5	42.8	71.3
Other financial liabilities	119.8	0.2	120.0	4.9	-	4.9
Total liabilities	1,605.9	2,212.4	3,818.3	217.5	3,137.2	3,354.7
Net Assets	347.8	272.1	619.9	185.4	-	185.4