

News Release

For release: 28 September 2017

ANZ issues ANZ Capital Notes 5 and completes the CPS3 Buy-Back Facility

ANZ today announced it has raised approximately \$931 million of Additional Tier 1 Capital by issuing approximately 9.31 million ANZ Capital Notes 5 (ANZPH) (**Notes**) at \$100 each.

The CPS3 Buy-Back has settled with all Participating CPS3 sold on-market through the Buy-Back Facility for \$100 each. Approximately \$767 million of the Participating CPS3 have been purchased on-market on behalf of ANZ and cancelled, and as a result approximately \$573 million of CPS3 remain on issue (until redeemed or converted at a future date in accordance with the CPS3 terms).

Allocation Policy

All valid applications under the ANZ Securityholder Offer and the Broker Firm Reinvestment Offer have been accepted in full.

Applications which were invalid or accompanied by cheques that were subsequently dishonoured, and online Applications for which BPAY[®] payments were not received, have not received an allocation of Notes.

ANZ Securityholder Applicants can obtain information about their allocation of Notes by calling the ANZ Information Line on the numbers provided at the end of this announcement and quoting their SRN or HIN.

Broker Firm Applicants should confirm their allocation of Notes with their Syndicate Broker.

ASX Trading

The Notes are expected to commence trading on ASX on a deferred settlement basis tomorrow at approximately 10:00am (AET) under the ASX code of "ANZPH".

All Applicants are responsible for confirming the number of Notes allocated to them prior to selling any Notes. Applicants who sell Notes before receiving their Confirmation Statement do so at their own risk.

Trading is expected to commence on a normal settlement basis on 6 October 2017.

Confirmation Statements and refund cheques

Confirmation Statements which set out the number of Notes issued to each Applicant, and refund cheques for Application Payments from unsuccessful Applicants, are expected to be despatched by 5 October 2017.

Distribution Rate

The Distribution Rate for the first Distribution Period from (and including) the Issue Date of 28 September 2017 to (but excluding) the first Distribution Payment Date (which is expected to be 20 December 2017) is 3.8570%. The Distribution Rate is calculated as follows:

90 day BBSW Rate on 28 September 2017 (first Business Day of the Distribution Period)	1.7100%
Plus Margin	3.8000%
	5.5100%
Multiplied by (1 – the 30% Tax Rate)	0.7
Distribution Rate	3.8570%

This Distribution Rate equates to a fully franked Distribution amount of \$0.8771 in respect of each Note which, subject to ANZ's absolute discretion and no Payment Condition existing in respect of the Distribution Payment Date, is expected to be paid on 20 December 2017. This amount and other relevant details are set out below:

Distribution in respect of each Note	\$0.8771
Distribution Payment Date	20 December 2017
Record date	12 December 2017
Number of days in the Distribution Period	83

Following the first Distribution Period, the Distribution Rate for the Notes will be reset quarterly and announced on ASX.

Maximum Conversion Number

The Issue Date VWAP has been calculated as \$29.70. Accordingly, the Maximum Conversion Number has been set initially at:

- in the case of a Conversion occurring on a Mandatory Conversion Date, 6.7340 ANZ Ordinary Shares per Note; and
- in the case of a Conversion occurring at any other time, 16.8350 ANZ Ordinary Shares per Note.

For details about the calculation of these numbers and how they affect the Notes, see the ANZ Capital Notes 5 Prospectus dated 24 August 2017 (**Prospectus**) which is available online from the ANZ Shareholder Centre section of www.anz.com.

Holder of ANZ Capital Notes 5

The twenty largest holders of Notes are detailed in Attachment A to this announcement.

The distribution schedule of the Notes is set out in Attachment B to this announcement.

Participation by ANZ directors and associates in the Offer

There were no Notes issued to ANZ directors or their associates pursuant to the Offer.

Newspaper advertisements

Tomorrow ANZ will advertise in the Australian Financial Review and The Australian the basis of allocation of Notes. A copy of this advertisement is set out in Attachment C to this announcement.

ANZ Capital Notes 5 Class Ruling

The Australian Taxation Office (**ATO**) has advised that it expects to release a Class Ruling in respect of the Notes in October 2017. The Class Ruling is expected to be consistent with the Taxation Summary contained in Section 7 of the Prospectus.

Once it is published, a copy of the Class Ruling will be available from the ANZ Shareholder Centre section of www.anz.com or the ATO website (www.ato.gov.au) by searching in the ATO's Legal Database.

Unless otherwise defined, capitalised terms in this announcement have the meaning given to them in the Prospectus.

For investor enquiries, please contact the ANZ Information Line on 1800 113 399 (Australia) or +61 3 9415 4010 (international) between 8.30am and 5.30pm (AET) Monday to Friday.

For media enquiries only contact:

Stephen Ries, +61-409-655-551

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TOP 20 HOLDERS**AUSTRALIA and NEW ZEALAND BANKING GROUP**

CLASS: PH /CAPITAL NOTES 5 2017

HOLDER NO	NAME AND ADDRESS	UNITS	% I/C	RANK
	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	626,165	6.73	1
	NULIS NOMINEES (AUSTRALIA) LIMITED <NAVIGATOR MAST PLAN SETT A/C>	86,411	0.93	2
	NAVIGATOR AUSTRALIA LTD <MLC INVESTMENT SETT A/C>	86,065	0.92	3
	DIMBULU PTY LTD	85,000	0.91	4
	LONGHURST MANAGEMENT SERVICES PTY LTD	83,246	0.89	5
	CITICORP NOMINEES PTY LIMITED	81,655	0.88	6
	BNP PARIBAS NOMS PTY LTD <DRP>	80,696	0.87	7
	JMB PTY LIMITED	70,000	0.75	8
	J P MORGAN NOMINEES AUSTRALIA LIMITED	66,852	0.72	9
	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	57,825	0.62	10
	EASTCOTE PTY LTD <VAN LIESHOUT FAMILY A/C>	50,000	0.54	11

FEDERATION UNIVERSITY AUSTRALIA	50,000	0.54	12
RANDAZZO C & G DEVELOPMENTS PTY LTD	50,000	0.54	13
KAPTOCK PTY LTD	48,745	0.52	14
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	44,299	0.48	15
MR RONALD MAURICE BUNKER	40,000	0.43	16
G C F INVESTMENTS PTY LTD	39,861	0.43	17
IOOF INVESTMENT MANAGEMENT LIMITED <IPS SUPER A/C>	37,979	0.41	18
SIR MOSES MONTEFIORE JEWISH HOME <INCOME A/C>	33,000	0.35	19
AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	31,677	0.34	20
*** REPORT TOTAL ***	1,749,476	18.79	
*** REMAINDER ***	7,561,306	81.21	
*** GRAND TOTAL ***	9,310,782	100.00	

Range Of Units Summary

AUSTRALIA and NEW ZEALAND BANKING GROUP/ANZ

	1 to 1000	1001 to 5000	5001 to 10000	10001 to 100000	100001 to (MAX)	* TOTAL *
PH	/CAPITAL NOTES 5 2017					
Holdings						
Issuer	681	79	5	6		771
NZL-N	1					1
Chess	10469	1033	60	50	1	11613
Total	11151	1112	65	56	1	12385
Units						
Issuer	194654	199511	39415	132910		566490
NZL-N	200					200
Chess	3721327	2299341	455884	1641375	626165	8744092
Total	3916181	2498852	495299	1774285	626165	9310782

TOTAL HOLDERS FOR CLASSES SELECTED

12385

TOTAL UNITS FOR CLASSES SELECTED

9,310,782

IMPORTANT NOTICE TO ALL APPLICANTS UNDER THE ANZ CAPITAL NOTES 5 OFFER

Australia and New Zealand Banking Group Limited (**ANZ**) has closed the offer of ANZ Capital Notes 5 (ASX code "ANZPH") (**Offer**), raising approximately \$931 million of Additional Tier 1 Capital. Approximately 9.31 million ANZ Capital Notes 5 (**Notes**) have been issued at \$100 each.

ANZ CAPITAL NOTES 5 ALLOCATION POLICY

ANZ Securityholder Offer: all valid reinvestment applications from Eligible CPS3 Holders under the ANZ Securityholder Offer to participate in the Buy-Back Facility have been accepted in full. All other valid applications for Notes under the ANZ Securityholder Offer have been accepted in full.

Broker Firm Reinvestment Offer: all valid reinvestment applications from Eligible CPS3 Holders under the Broker Firm Reinvestment Offer to participate in the Buy-Back Facility have been accepted in full.

ANZ Securityholder Applicants can obtain information about their allocation of Notes by calling the ANZ Information Line on the numbers provided below and quoting their SRN or HIN. Broker Firm Applicants should confirm their allocation of Notes with their Syndicate Broker.

Applications which were invalid or accompanied by cheques that were subsequently dishonoured and online Applications for which BPAY® payments were not received have not received an allocation of Notes.

CONFIRMATION STATEMENTS AND REFUND CHEQUES

Confirmation Statements which set out the number of Notes issued to each Applicant, and refund cheques for Application Payments from unsuccessful Applicants, are expected to be despatched by 5 October 2017.

anz.com

Australia and New Zealand Banking Group Limited ABN 11 005 357 522

ASX TRADING

The Notes are expected to commence trading on the ASX on a deferred settlement basis today at approximately 10:00am (AET) under the ASX code "ANZPH".

Trading of Notes is expected to commence on a normal settlement basis on 6 October 2017.

All Applicants are responsible for confirming the number of Notes allocated to them prior to selling any Notes. Applicants who sell Notes before receiving their Confirmation Statement do so at their own risk.

FURTHER INFORMATION

For further information on the Offer visit capitalnotes5.anz.com or call the ANZ Information Line on 1800 113 399 (within Australia) or +61 3 9415 4010 (international) between 8:30am and 5:30pm (AET) Monday to Friday.

The Offer was made under a Prospectus dated 24 August 2017.

