2015 | FULL YEAR RESULTS

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

ANZ INVESTOR DISCUSSION PACK

NOVEMBER 2015

Index

All figures within this investor discussion pack are presented on Cash basis in Australian Dollars unless otherwise noted. In arriving at Cash Profit, Statutory Profit has been adjusted to exclude non-core items, further information is set out on page 84 of the 2015 Full Year Consolidated Financial Report.

2015 | FULL YEAR RESULTS

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

29 October 2015

Group overview

SUPER REGIONAL STRATEGY

STRONG CORE MARKETS

PROFITABLE ASIAN GROWTH

ENTERPRISE APPROACH

STRONG LIQUIDITY AND CAPITAL MANAGEMENT

DISCIPLINED AND EXPERIENCED MANAGEMENT

ANZ offers a distinctive geographic footprint and business mix that provides earnings diversification

Corporate Profile – Latest Full Year position: 2015

- Founded in 1835, ANZ is a super regional bank that serves 10 million retail, commercial and institutional customers in 34 markets and employs over 50,000 staff.
- Headquartered in Melbourne, Australia, ANZ is one of the four largest Australian banks and ranked in the top 25 banks globally by market capitalisation.
- Listed on the Australian Stock Exchange (ASX) with a secondary listing on the New Zealand Stock Exchange (NZX)

Top 4 Corporate Bank in Asia [1]

APEA	
Staff (FTE)	20,910
Customers	~2m
Cash NPAT	$1.2B
RoRWA	1.12%
Customer Deposits	$129B
Customer Lending	$85B

A Top 4 Bank in Australia [2]

Australia	
Staff (FTE)	21,138
Customers	~6m
Cash NPAT	$4.4B
RoRWA	2.00%
Customer Deposits	$238B
Customer Lending	$381B

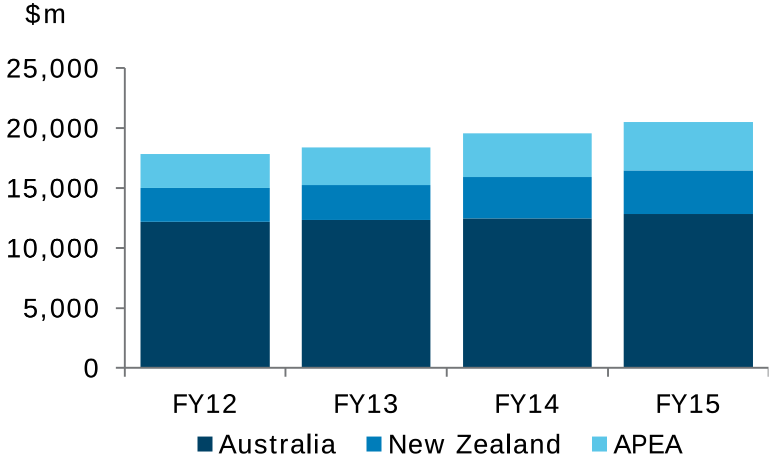
The Largest Bank in New Zealand

New Zealand	
Staff (FTE)	8,104
Customers	~2m
Cash NPAT	$1.6B
RoRWA	2.40%
Customer Deposits	$77B
Customer Lending	$104B

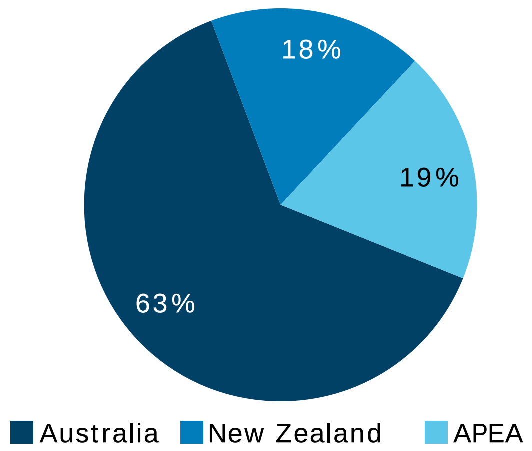
1. Greenwich Associates 2014 Asian Large Corporate Banking Study
2. Peter Lee Associates Large Corporate and Institutional Relationship Banking surveys, Australia and New Zealand 2014

Income composition – geography & division

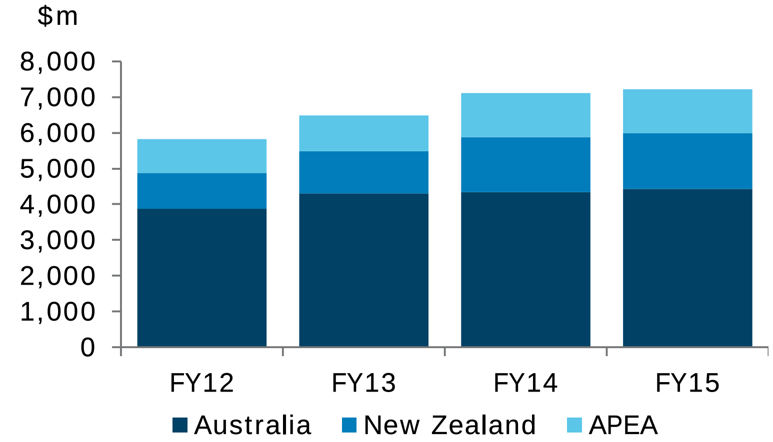
Operating Income by Geography



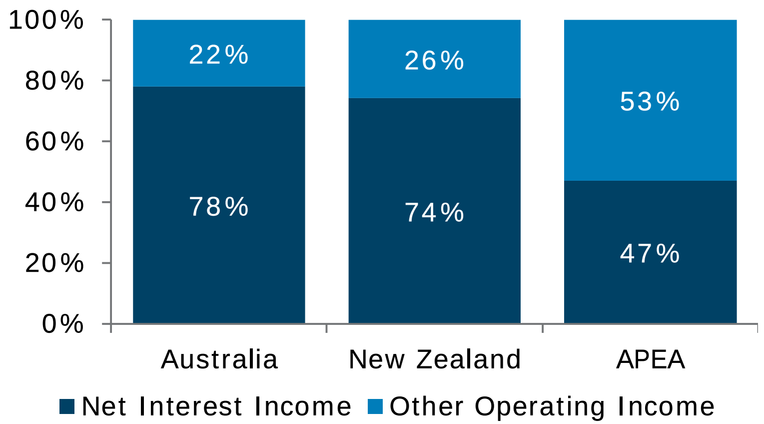
Operating Income by Geography



Net Profit after Tax by Geography



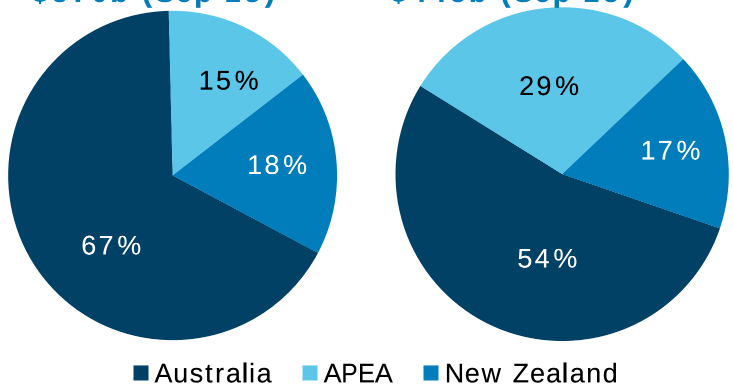
Operating Income by income type



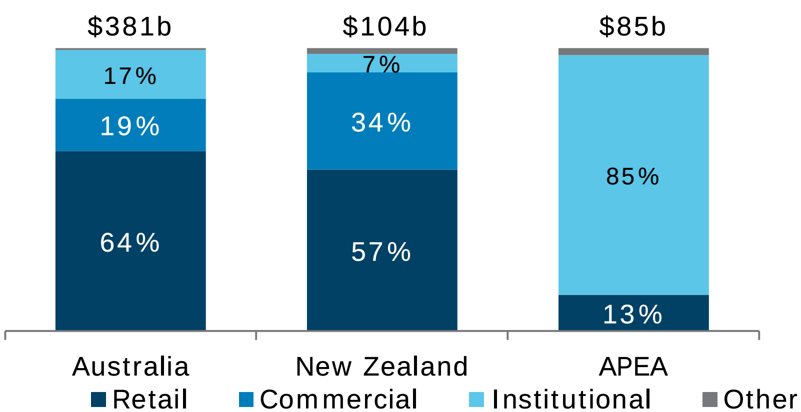
Balance sheet composition – geography & division

Group balance sheet composition

Customer Lending[1] $570b (Sep 15) **Customer Deposits $445b (Sep 15)**

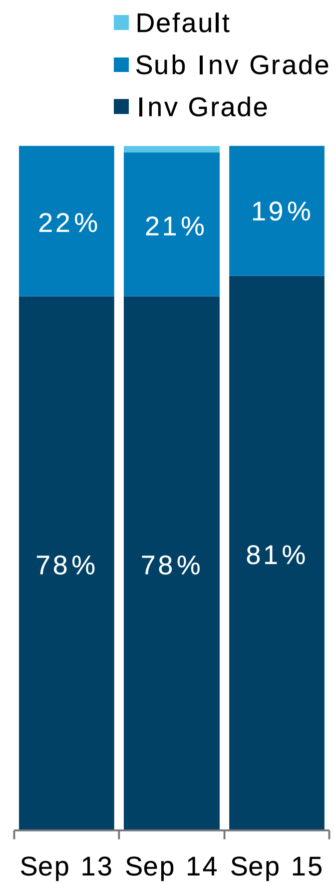


Customer Lending[1] (Sep 15)

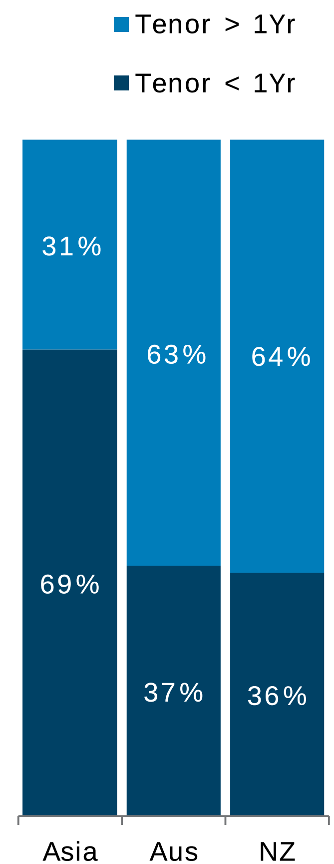


Institutional Balance sheet profile

By total exposure (%)



By tenor – FY15 (%)



1. Customer lending represents Net Loans and Advances including acceptances. 2. Excludes Wealth, GTSO & Group Centre

Enterprise Approach

Improving customer experience, productivity and control

Delivering a stronger and more efficient bank → via an enterprise approach to **operations** and **technology** → benefiting our **customers, employees** and **shareholders**

Improving customer experience

- Easier on-boarding and faster approvals
- Quality service
- Consistency across channels

Driving operational productivity

- Absorb significant volume growth
- Sustainable cost reduction
- Simplified processes

Reducing operating risk

- Consistent, standard processes
- Reduced error rates
- Upgraded infrastructure and security systems

Building Common Technology Platforms

across all main business lines to drive standardisation, simplification and automation.

Utilising our Regional Delivery Network

to improve customer experience and drive down cost to serve.

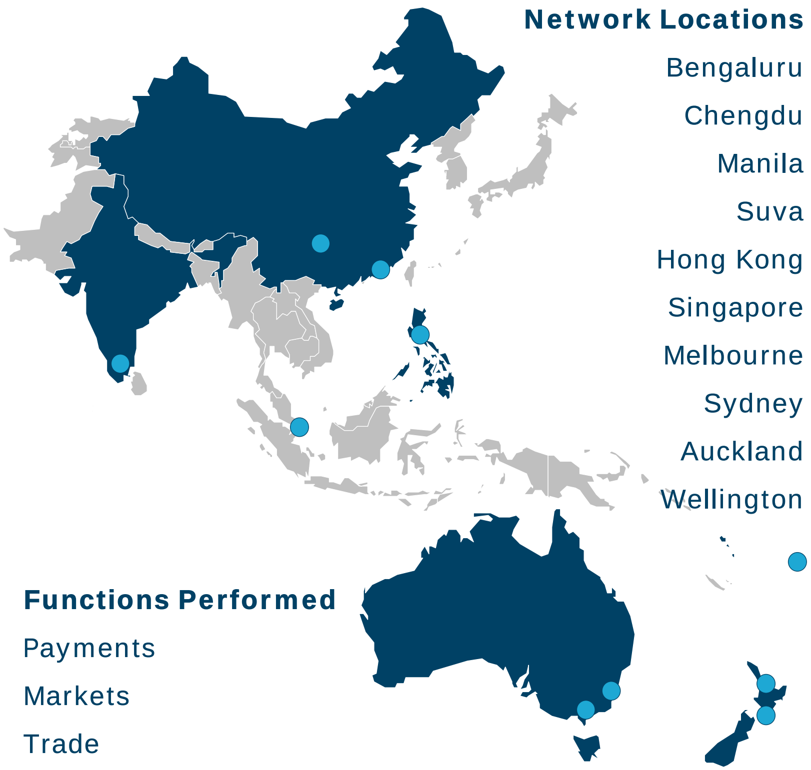
⇩19%	Customer complaints (Australian Ops)
⇩20bps	Operations cost to income
⇧10%	Operations productivity

Accelerating progress through **digitisation and industrialisation**

Regional Delivery Network

Improving resilience and productivity, while supporting business growth

Driving sustained productivity benefits



Network Locations

Bengaluru
Chengdu
Manila
Suva
Hong Kong
Singapore
Melbourne
Sydney
Auckland
Wellington

Functions Performed

Payments	
Markets	
Trade	
Retail Lending	Shared Services
Wholesale Lending	Risk Services
Credit	Analytics
Wealth	Technology
AML and Sanctions	Voice

Supporting regional growth

Leveraging time zone advantages

- ~20 hour servicing window for Retail and Wholesale Lending, supporting "same day" propositions
- Retail mortgages "time to yes" down from 4 days to 1; "same day" decisions for 5,000 customers every month

Centralising and scaling core functions to support business growth

- Wholesale lending operations merged into one global function, supported by a common platform
- Payments and Markets operations delivered by hubs for branch openings in Paris, Thailand, India and Myanmar

Building regional voice capability

- Manila awarded Best Global In-House Centre of the Year, International ICT Awards, with Wealth voice services exceeding industry average NPS by 26 percentage points

Leveraging skills and talent across the region

- Recruiting in-region expertise for specialised markets (e.g. Institutional – Finance, Analytics and Credit)

Location agnostic processing and resilience

- Payments Ops in 5 locations, and Mortgage Ops in 4, mitigating disruption risk and ensure business resilience

Common Technology Platforms
Increasing capability and delivering strategy

	Coverage	Value[1]	
Global Wholesale Digital	17 countries	$2.5 trillion	Value of transactions processed this year[2]
Global Retail Cards	20 countries	>8 million	Active cards in circulation
Global Process Management	24 countries	6,000 hours	Saved by automating steps for international payments investigations[3]
Global Payments	12 countries	Winner	Celent Model Bank for Payments Innovation 2015
Global FX	15 countries	⇧36%	Increase in volume of FX deals processed year-on-year
Global Customer Registry	27 countries	>17 million	Customer records so far

1. Represents examples of value delivered by platforms in FY15 unless otherwise stated.
2. Represents payables processed, annualised for FY15.
3. Based on a time saving of 5 minutes per case for case creation, across ~70,000 cases processed in FY15 in Australia and New Zealand.

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AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

29 October 2015

Financial Performance

Financial performance

		2015 ($m)	2014 ($m)	change (%)
Statutory profit		7,493	7,271	3%
Cash Profit		7,216	7,117	1%
Cash Earnings Per Share (cents)		260.3	260.3	-
Cash Dividend Per Share (cents)		181	178	2%
ROE		14.0%	15.4%	(140)bps
CET1	APRA Basis	9.6%	8.8%	80bps
	Internationally comparable	13.2%	12.5%	70bps

- Modest profit growth, record result
- Domestic businesses continue to perform; increased investment in FY15
- IIB soft finish to the year; responding to challenging environment

FY15 vs FY14	($m)	change
Income	20,518	4.8%
Net Interest income	14,616	5.9%
Other operating income	5,902	2.1%
Expenses	9,359	6.8%
PBP	11,159	3.2%
Provisions	1,205	21.8%
Cash Profit	7,216	1.4%

- FX contributed 2.5% to rev. & 3.8% to exp. growth
- Exp. Slowed 2H15 finishing “on guidance” at +3% FX adj.
- Provisions $1.2b in line with 3Q15 trading update “guidance”

2H15 vs 1H15	($m)	change
Income	10,333	1.5%
Net Interest income	7,478	4.8%
Other operating income	2,855	(6.3)%
Expenses	4,766	3.8%
PBP	5,567	(0.4)%
Provisions	695	36.3%
Cash Profit	3,540	(3.7)%

- Lower rev. growth in 2H15 with weaker markets revenue in Aug/Sep

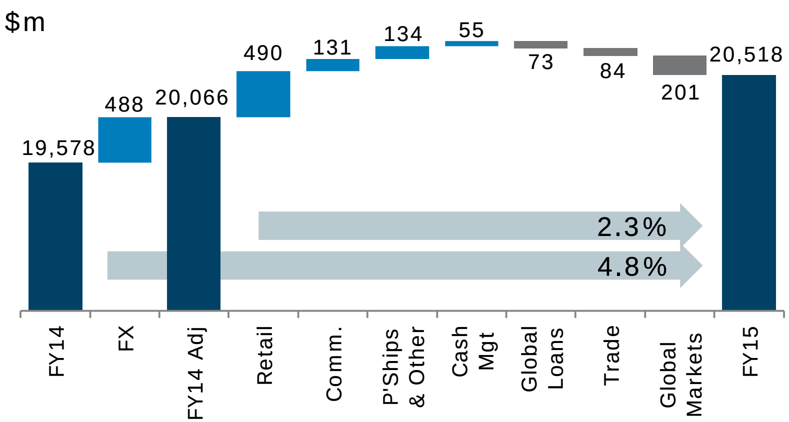
2007 - 2015 Scorecard

		2007	2015
A stronger more profitable Bank	Capital (CET1)[1]	4.1%	9.6%
	Liquidity[2]	$30bn	$135bn
	Total Assets	$393bn	$890bn
	Profit	$3.9bn	$7.2bn
Better Bank for Customers	• A stronger Brand • More customers; significant investment • Growing market share • Strong digital credentials		
Completed rollout of Super Regional Network	• Top 4 Corporate Bank in Asia[3] • APEA 20% of Group revenue; network revenue 25%[4] • Unique market footprint; in 34 markets supported by Regional Hubs		
Positioned for sustainable future	• Values led culture • High Staff engagement - 76% vs 64% in 2008 • Strong portfolio of businesses		

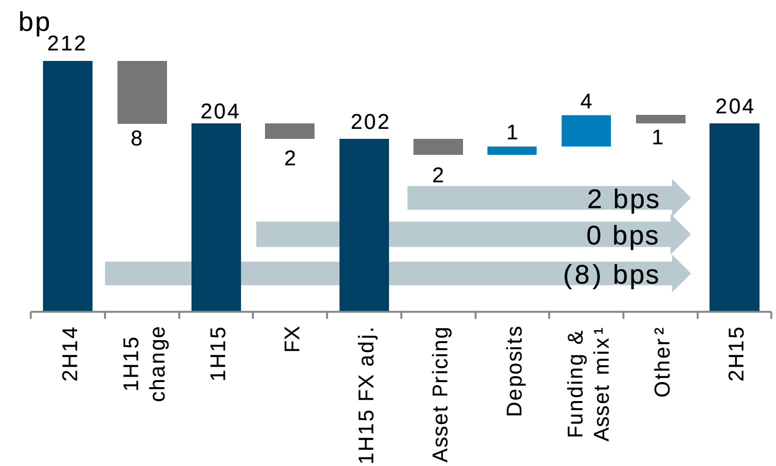
1. Internal estimate at FY07
2. Excludes internal RMBS
3. Greenwich Associates 2014 Asian Large Corporate Banking Study.
4. APEA Network Revenue represents income generated in Australia & New Zealand as a result of referral from ANZ's APEA network.

Financial performance drivers

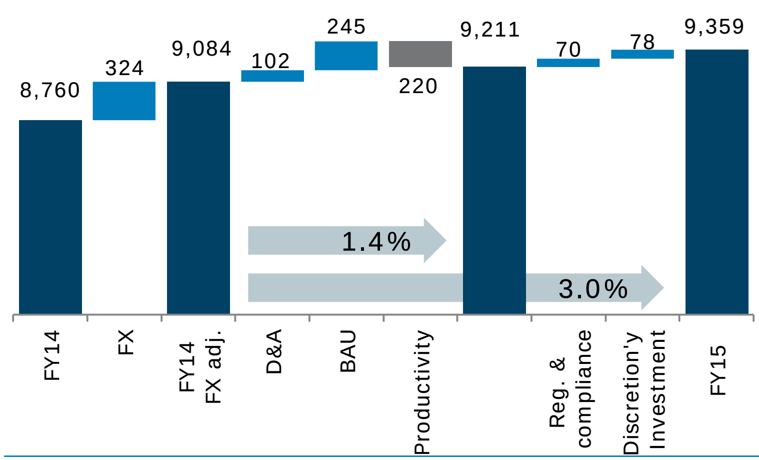
Income drivers



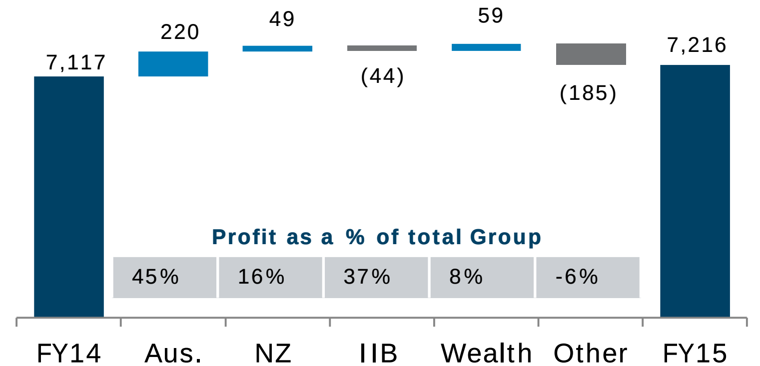
2H15 NIM



Expense drivers

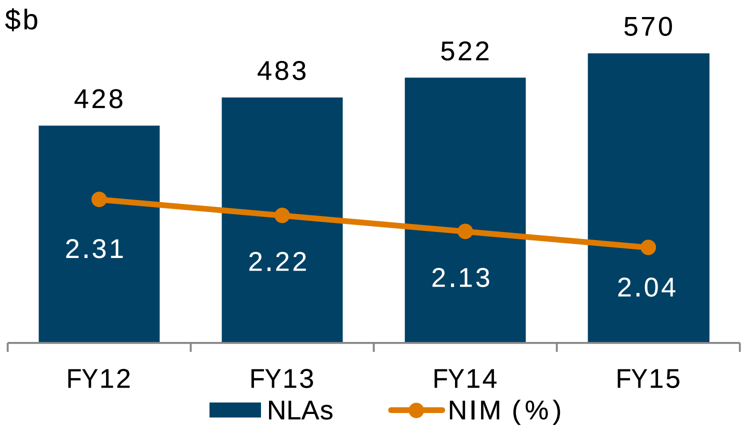


Divisional drivers

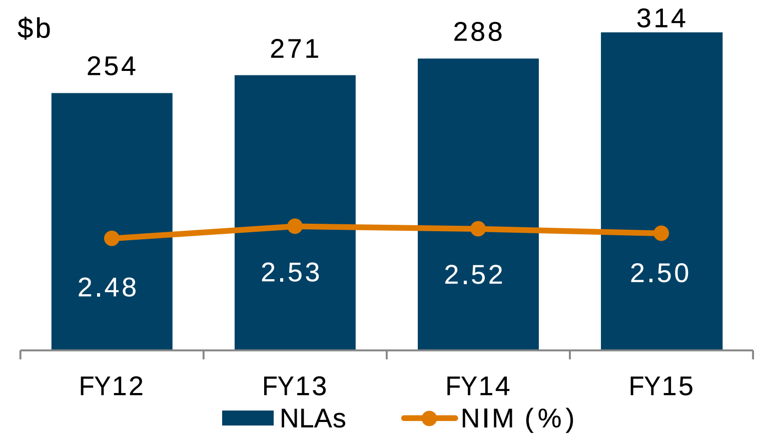


Volume & Margin by Division

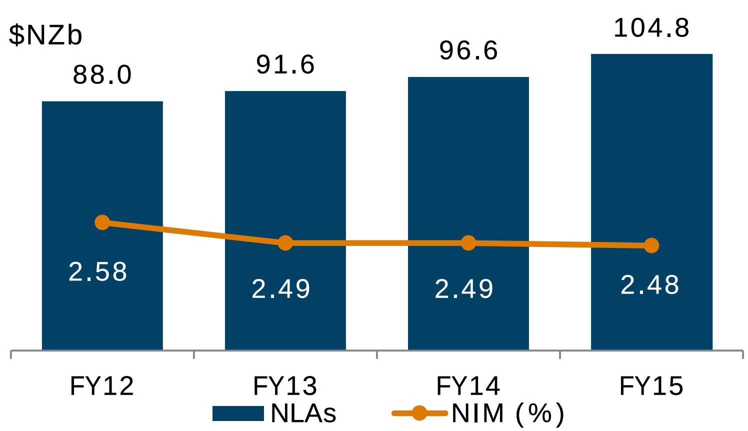
ANZ total



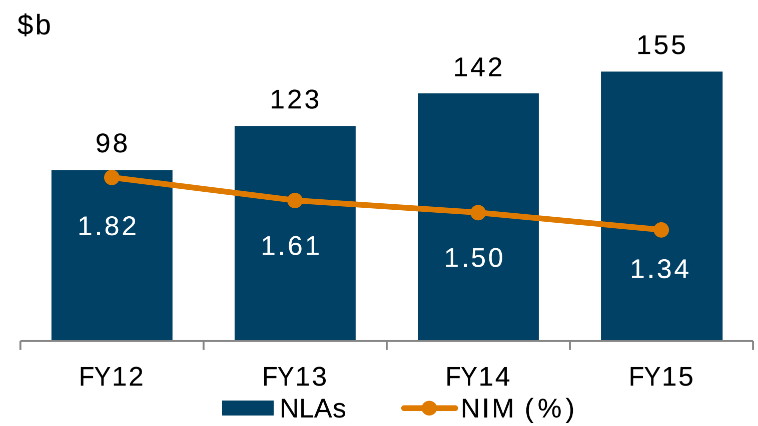
Australia Division



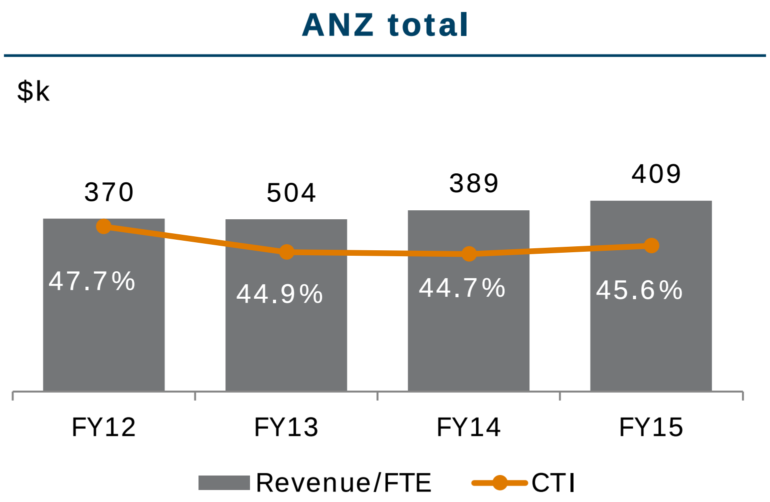
New Zealand

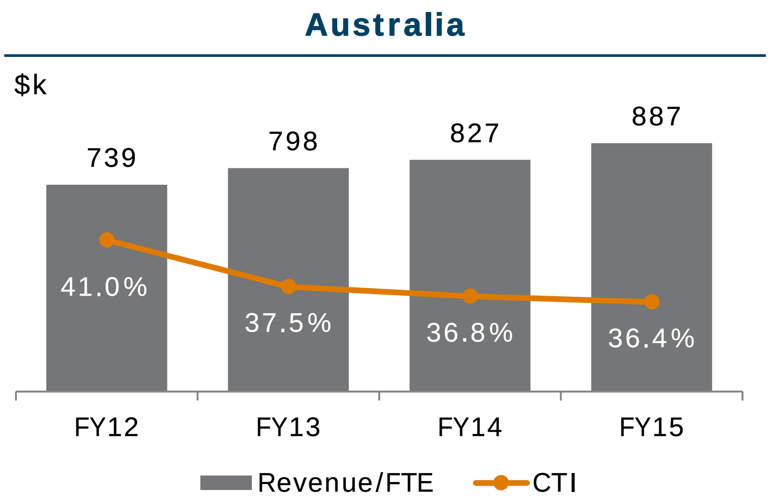


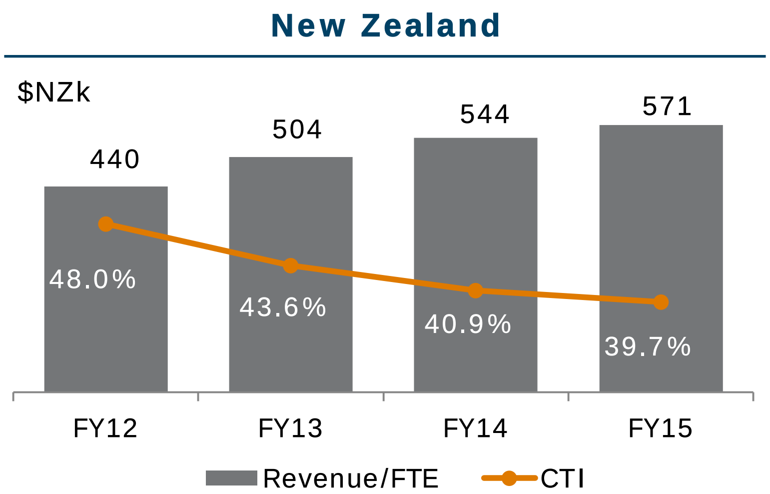
IIB

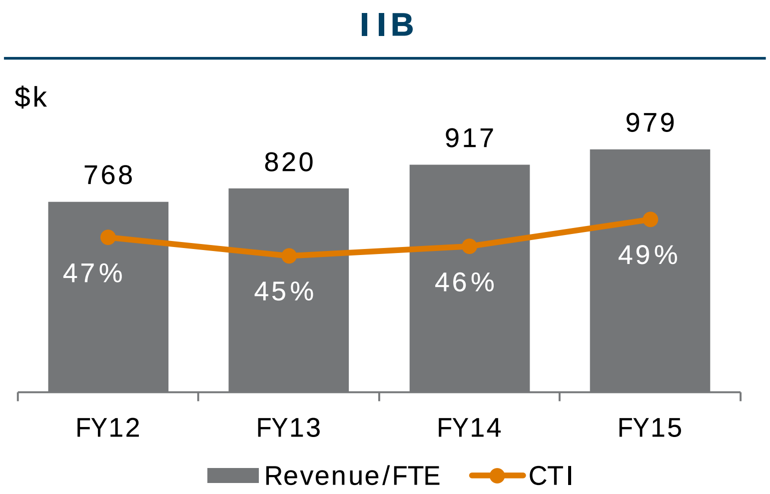


Productivity – Revenue / FTE & CTI



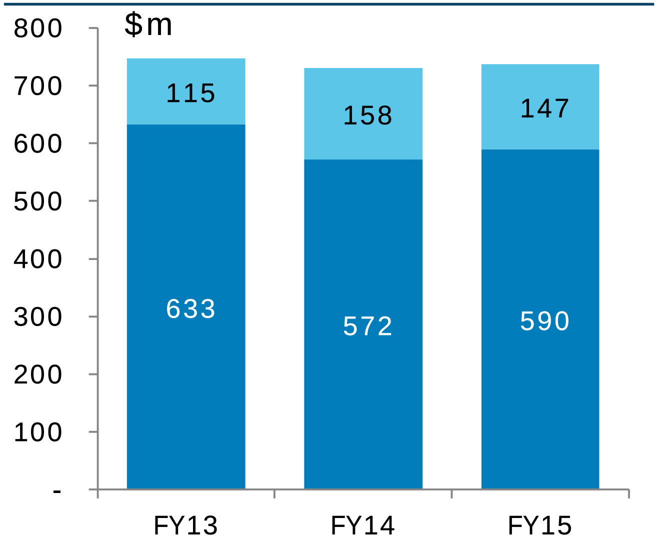




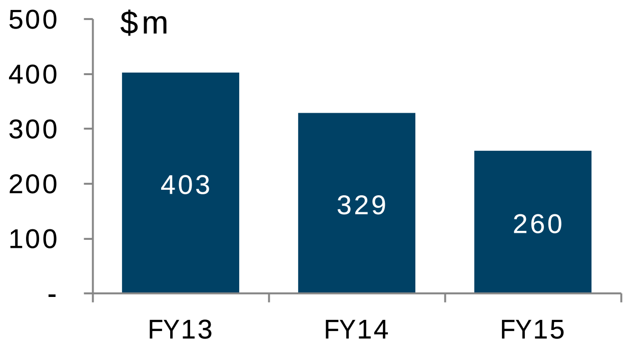


Consistent project investment

Strategic initiatives



Remediation & infrastructure



Efficiency

- Re-engineering/automating
- Integrating end-to-end workflow
- Standardising systems & processes

Product re-engineering & digitisation

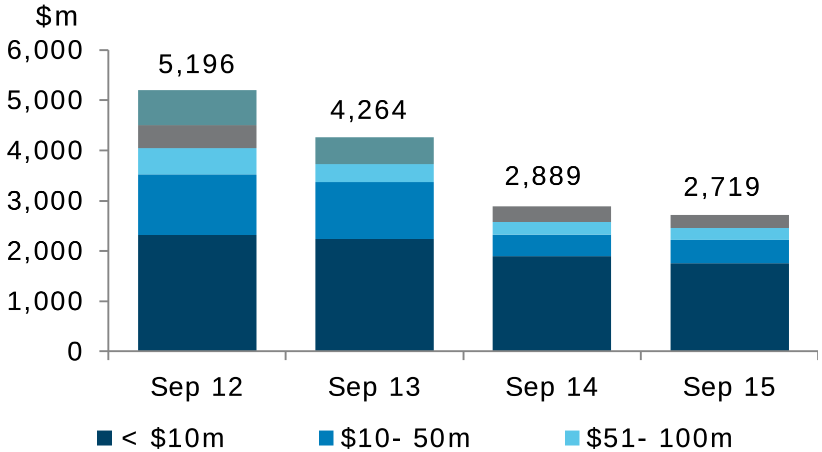
- Multi channel platform for retail
- End-to-end wholesale lending
- Modern, resilient payments network
- Scalable platforms for Markets growth
- Enterprise-wide data management

Remediation & infrastructure

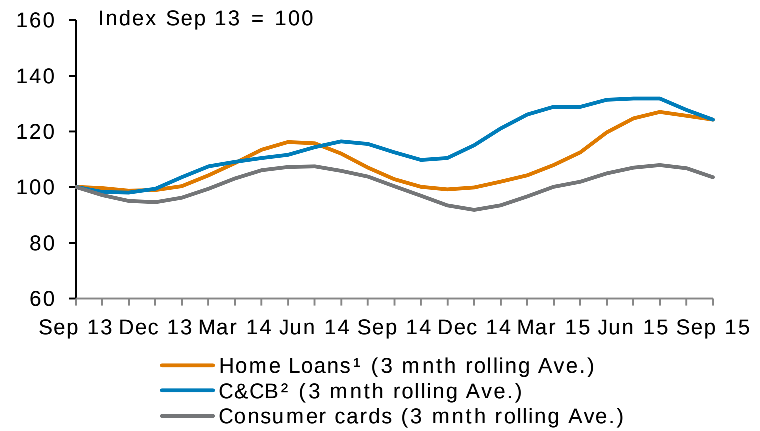
- Minimising operating risks
- Enhancing resilience
- Strengthening IT security

Impaired asset and 90+ day arrears trends

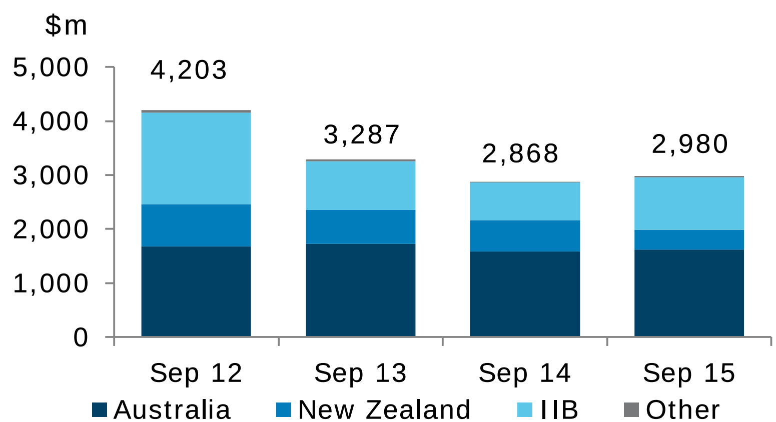
Gross impaired assets



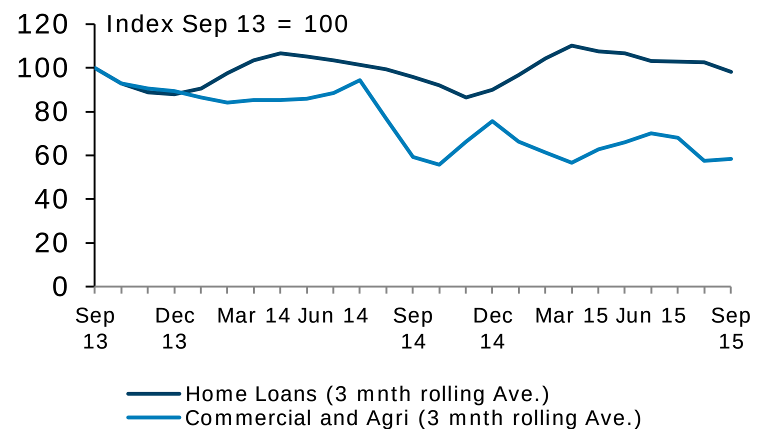
90+ day arrears Australia



New impaired assets



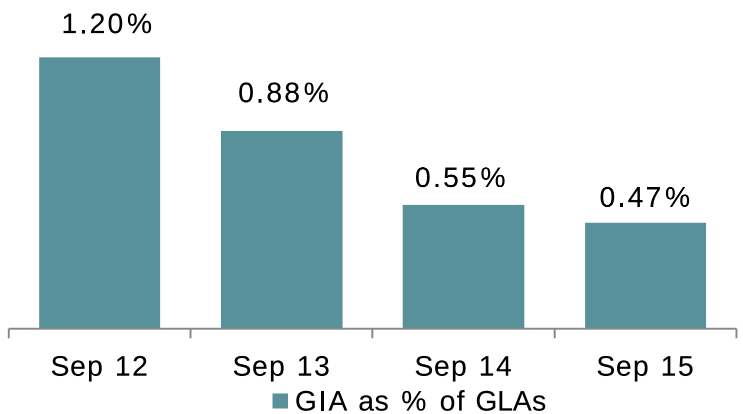
90+ day arrears New Zealand



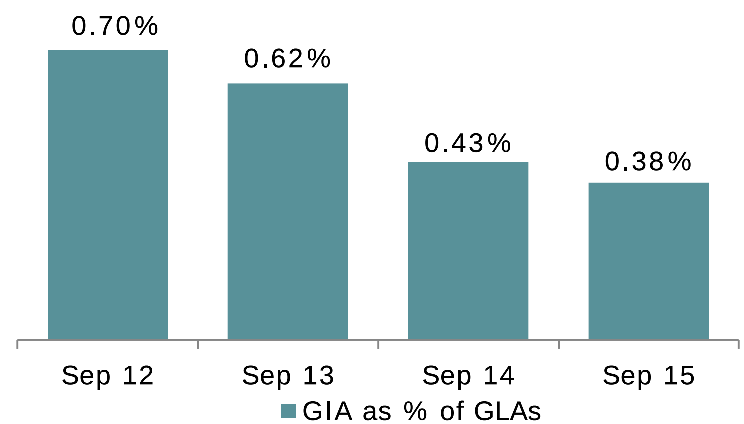
1. Adjusted to remove the impact of hardship methodology changes
2. Corporate & Commercial Banking

Impaired Asset trends by division

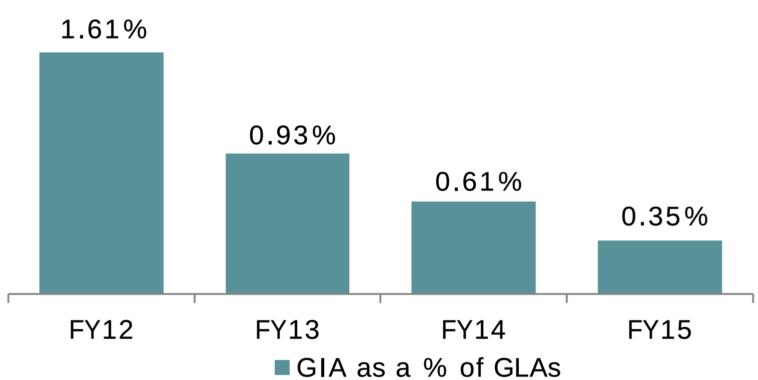
ANZ total



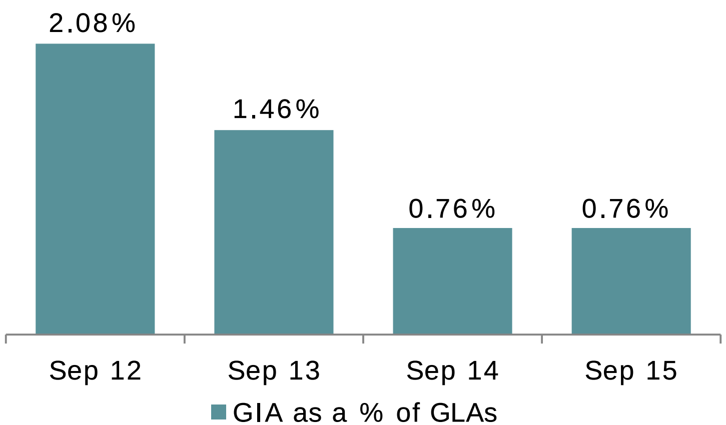
Australia Division



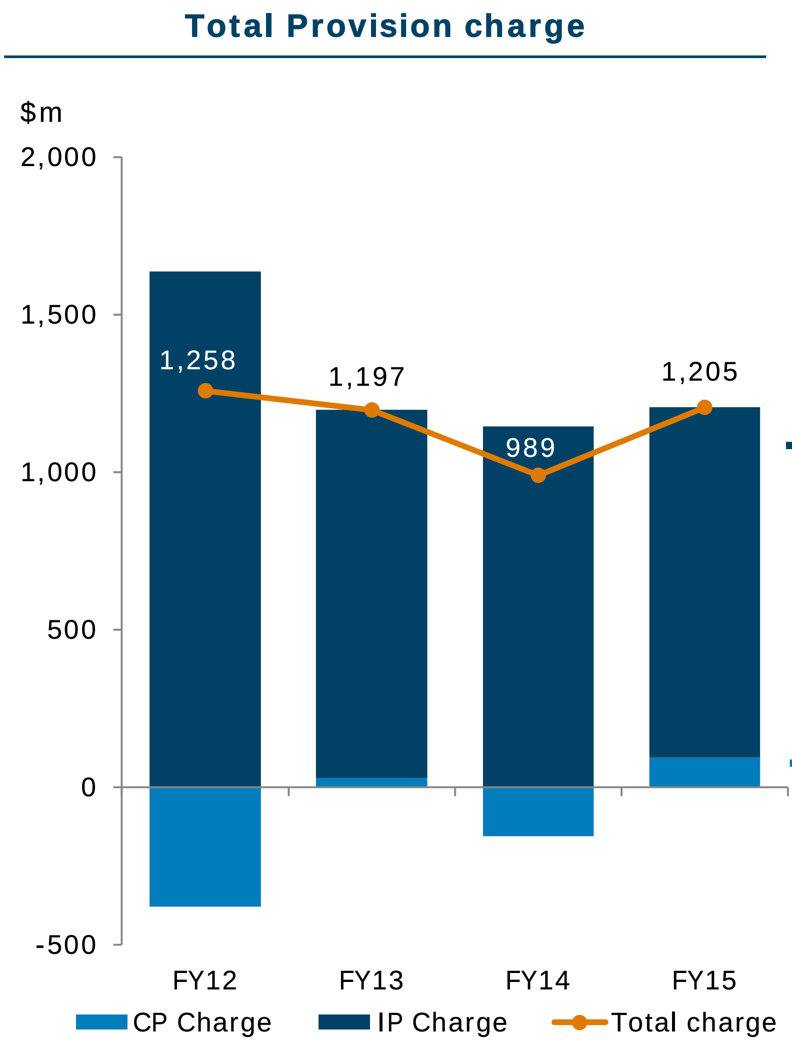
New Zealand Division



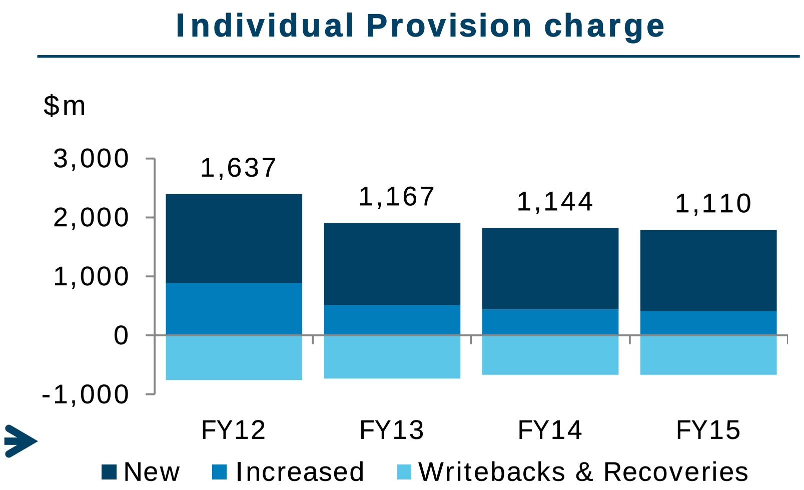
IIB



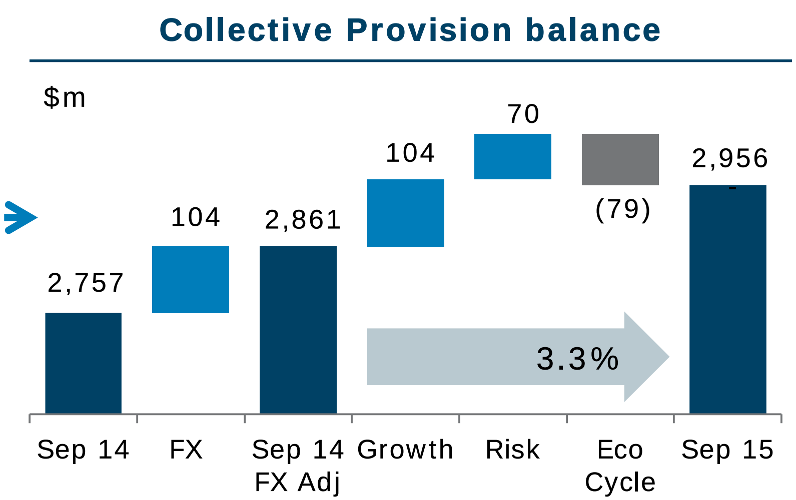
Provisions



Total Provision charge
$m
2,000
1,500
1,000
500
0
-500
1,258
1,197
989
1,205
FY12
FY13
FY14
FY15
CP Charge
IP Charge
Total charge

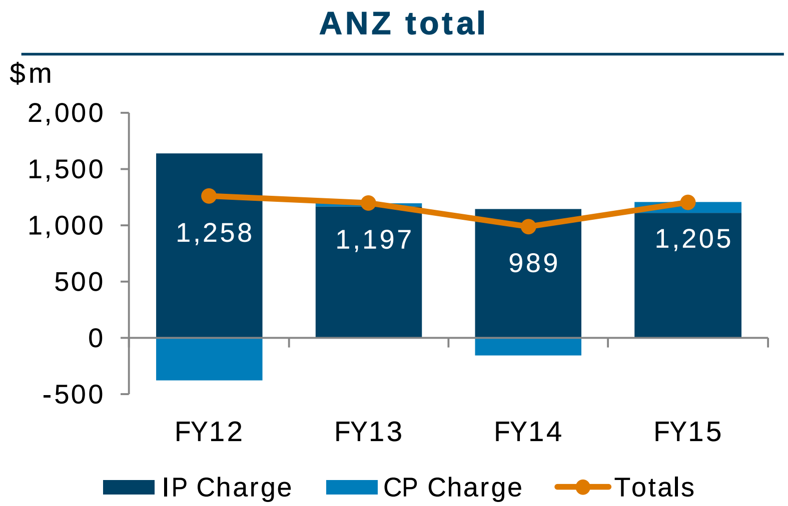


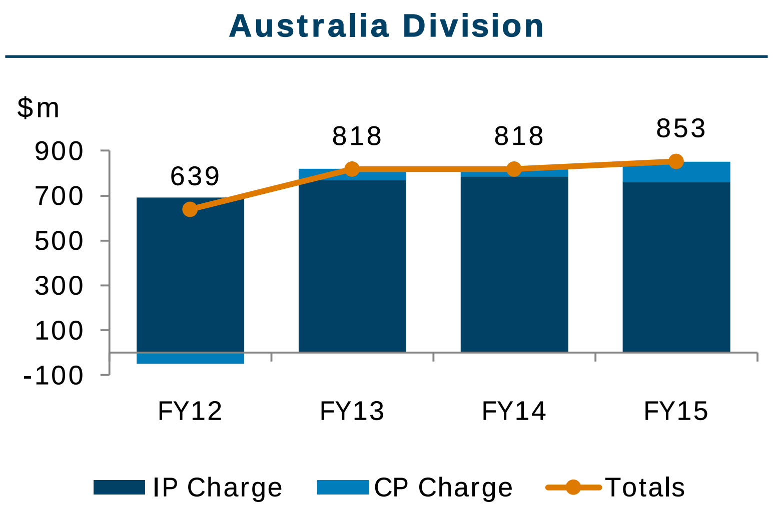
Individual Provision charge
$m
3,000
2,000
1,000
0
-1,000
1,637
1,167
1,144
1,110
FY12
FY13
FY14
FY15
New
Increased
Writebacks & Recoveries

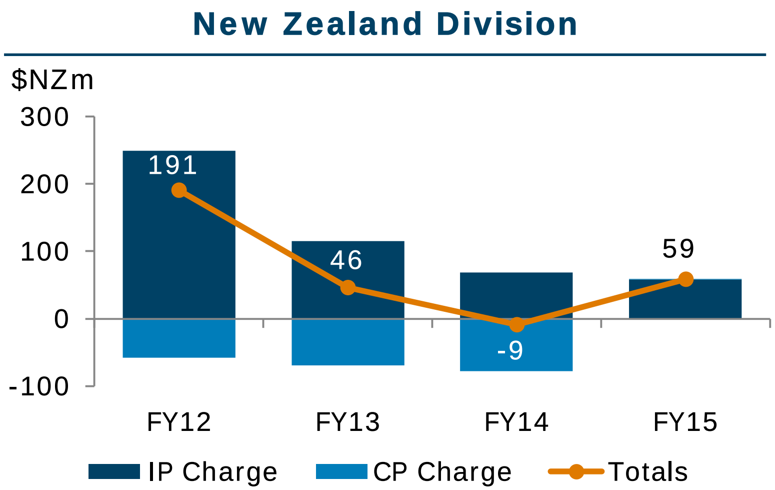


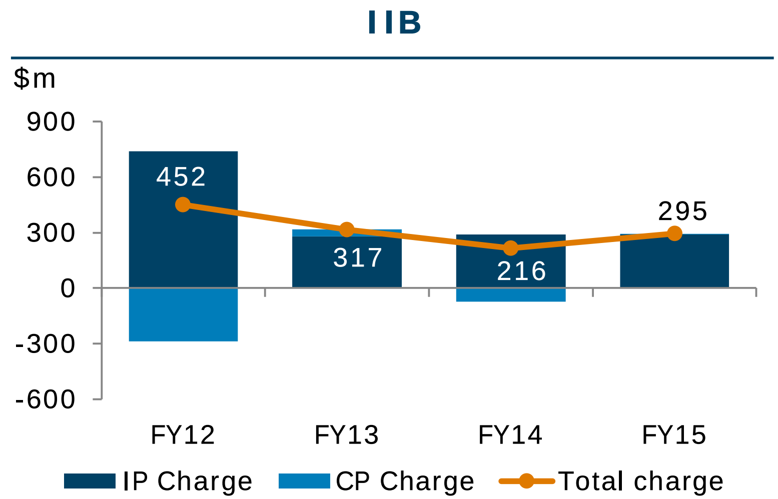
Collective Provision balance
$m
2,757
104
2,861
104
70
(79)
2,956
3.3%
Sep 14
FX
Sep 14 FX Adj
Growth
Risk
Eco Cycle
Sep 15

Provision charge by Division



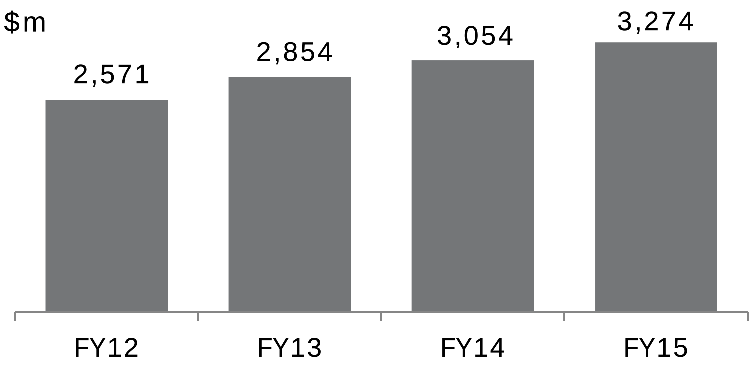






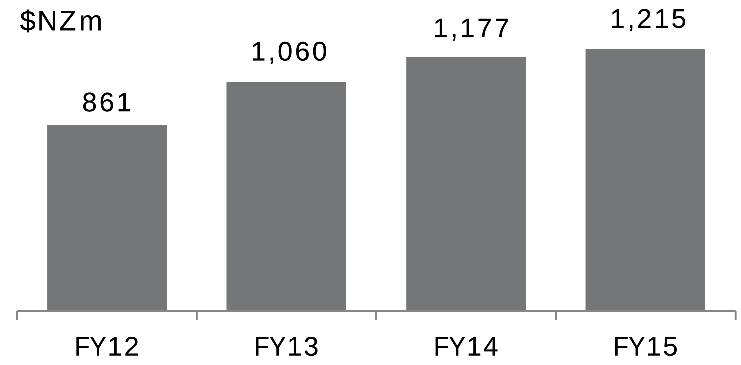
Cash Profit by Division

Australia Division



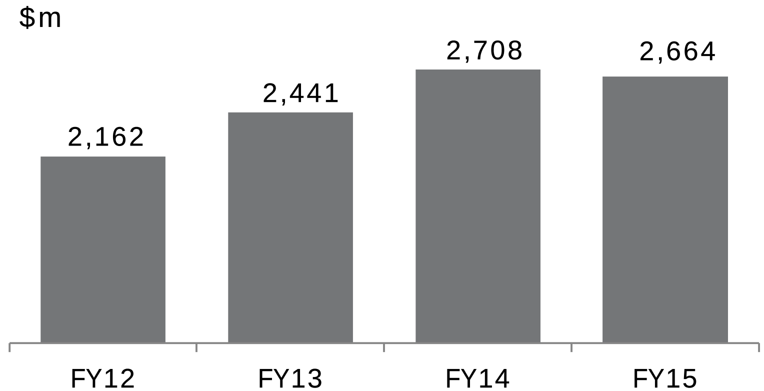
Growth	**11.0%**	**7.0%**	**7.2%**	

New Zealand Division



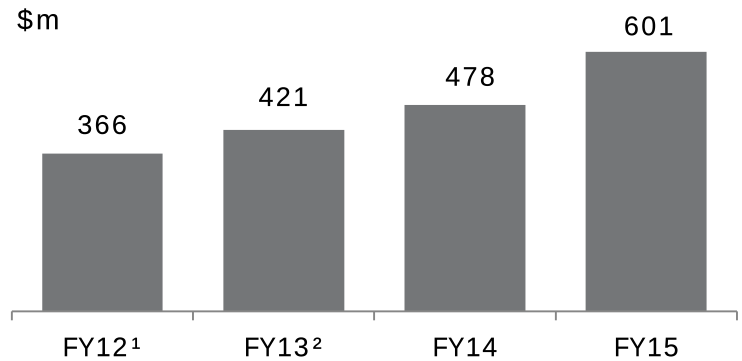
Growth	**23.1%**	**11.0%**	**3.2%**

IIB



Growth	**12.9%**	**10.9%**	**(1.6)%**

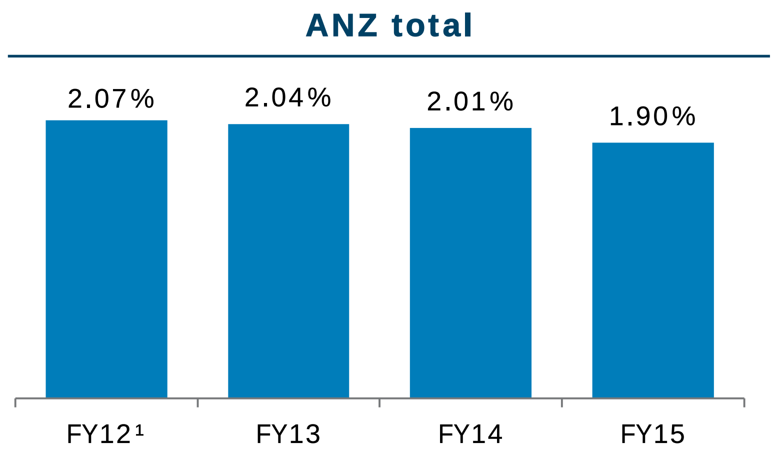
Wealth

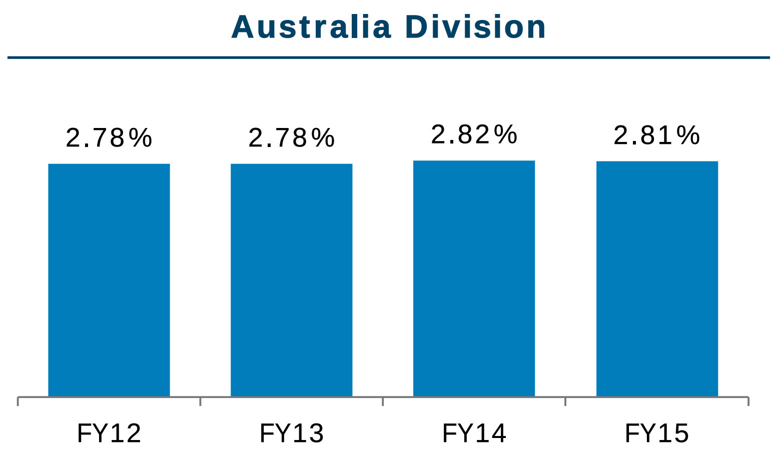


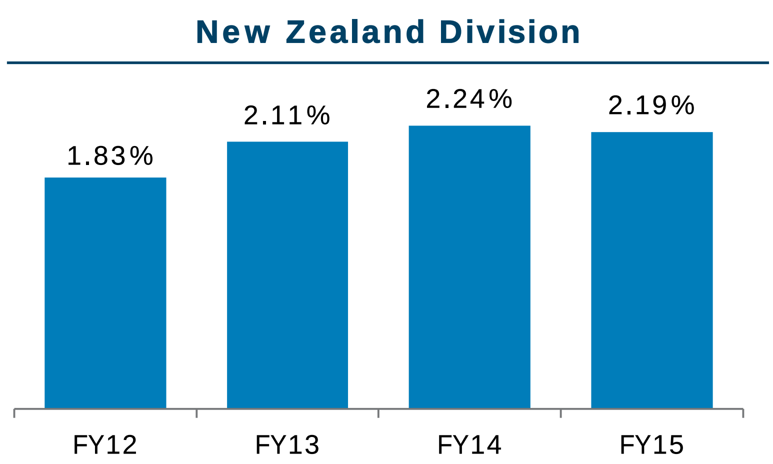
Growth	**15.0%**	**13.5%**	**25.7%**

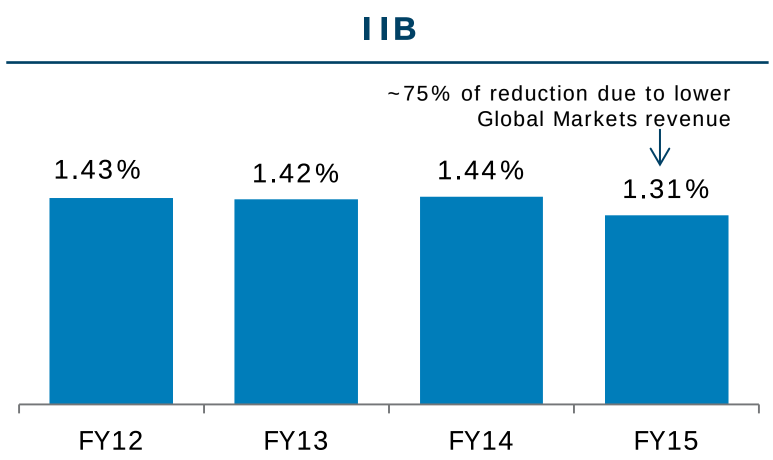
1. FY12 results normalised for a non-recurring software impairment ($29m).
2. FY13 results normalised for a one-off tax consolidation adjustment (-$50m)

RoRWA by Division









Managing for a challenging environment

	Challenges	Management
Revenue	• Softer Q4 in Markets • Balance sheet trade-offs (RWA growth and trade)	• Investment in high return businesses • Portfolio mix
Costs	• Cost headwinds (compliance and regulation) • IIB responding to challenging environment but more needed • Continued investment in Australia and Global Markets	• FTE reduction • 10% Ops & Service productivity • Automation & Digitisation
Returns	• Higher capital creates a stronger, better positioned bank, but comes at a cost	• Capital Management • Portfolio mix
Provisions	• Balance sheet remains robust • Modest swing in collective provision cycle with Individual Provisions stable	• Scorecards • Portfolio mix • Customer selection

Focus areas

1. Continue to invest in responsible Australian growth
2. Keep focused and disciplined in New Zealand
3. Much tighter management of returns in IIB
4. Tilt investment to digital and productivity
5. Further simplify and rebalance the portfolio, removing distractions

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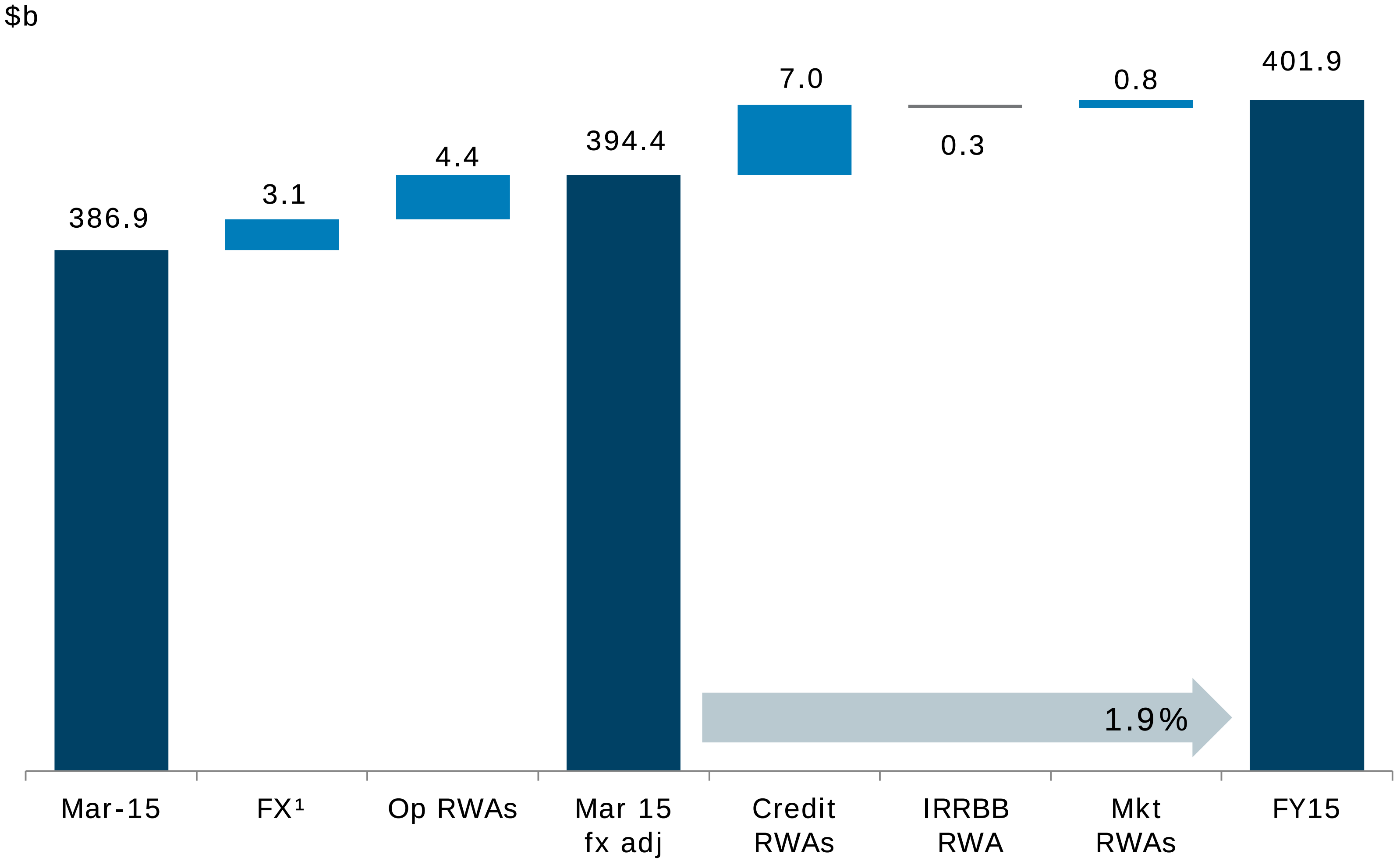
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

29 October 2015

Treasury

Risk Weighted Asset movement – second half



1. FX impact on Credit RWAs only

Capital & Liquidity

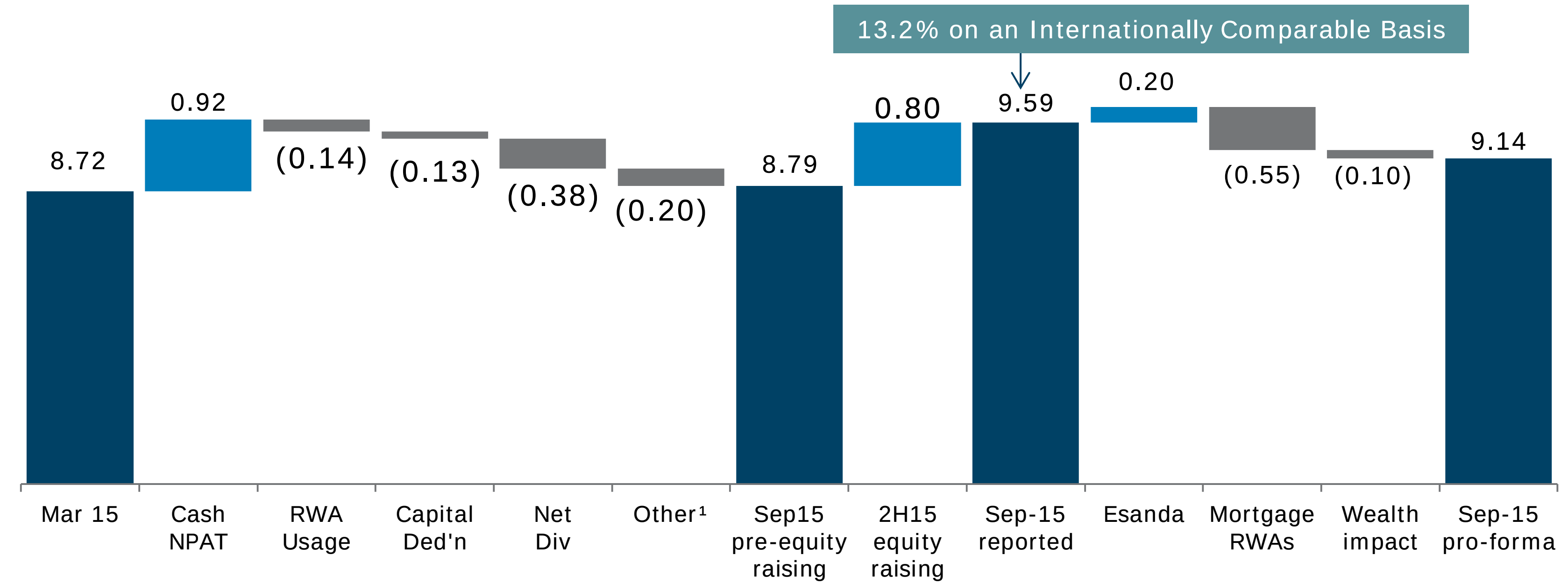
Basel III Liquidity Coverage Ratio (Sep 15)

	Sep 15	vs Mar 15
Liquid Assets	$185b	+$12b
Net cash outflows	$151b	+$6b
LCR	122%	+3%
LCR surplus	$34b	+$6b

APRA Basel III Leverage Ratio (Sep 15)[2]

APRA basis (%)	5.07
Equity Investments	0.49
DTA	0.07
Other	0.02
Internationally comparable basis	**5.65**

CET1 (%)



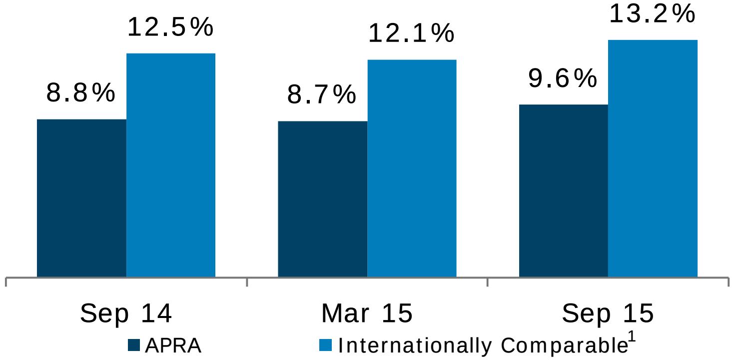
1. Includes impact of increased Operational Risk RWA as a result of APRA's accreditation of ANZ's new Operational Risk Measurement System and repayment of the first tranche of debt issued by ANZ Wealth Australia Limited
2. Leverage ratios includes Additional Tier 1 securities subject to Basel III transitional relief net of any transitional adjustments

Regulatory capital

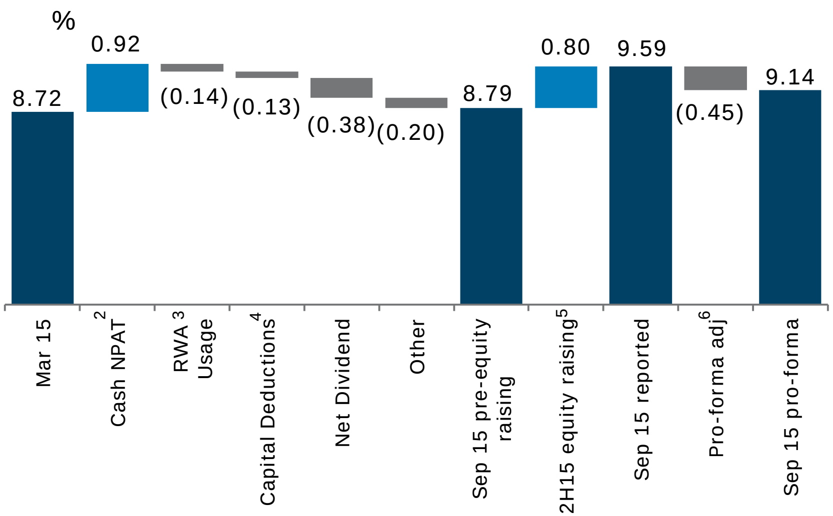
Capital Update

- Common Equity Tier 1 ratio 9.6% at FY15 on an APRA basis or 13.2% on an Internationally Comparable[1] basis. Target remains around 9% on an APRA basis.
- $3.2bn equity raising completed in second half. Addresses impact of APRA's Australian IRB mortgage risk weight floor effective July 2016. Expect APRA CET1 > 9% post introduction of mortgages floor.
- Final dividend 95 cents per share. Dividend Reinvestment Plan will operate with no discount applied to new shares issued.

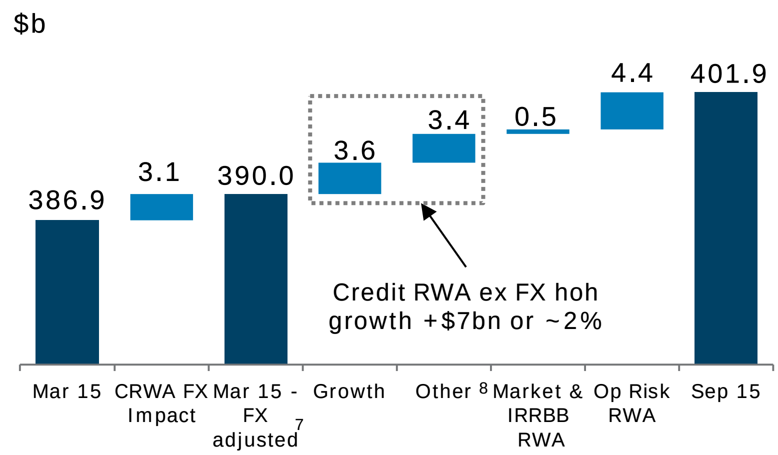
Basel III Common Equity Tier 1 (CET1)



APRA CET1 position



Total RWA movement – Sep 15 v Mar 15



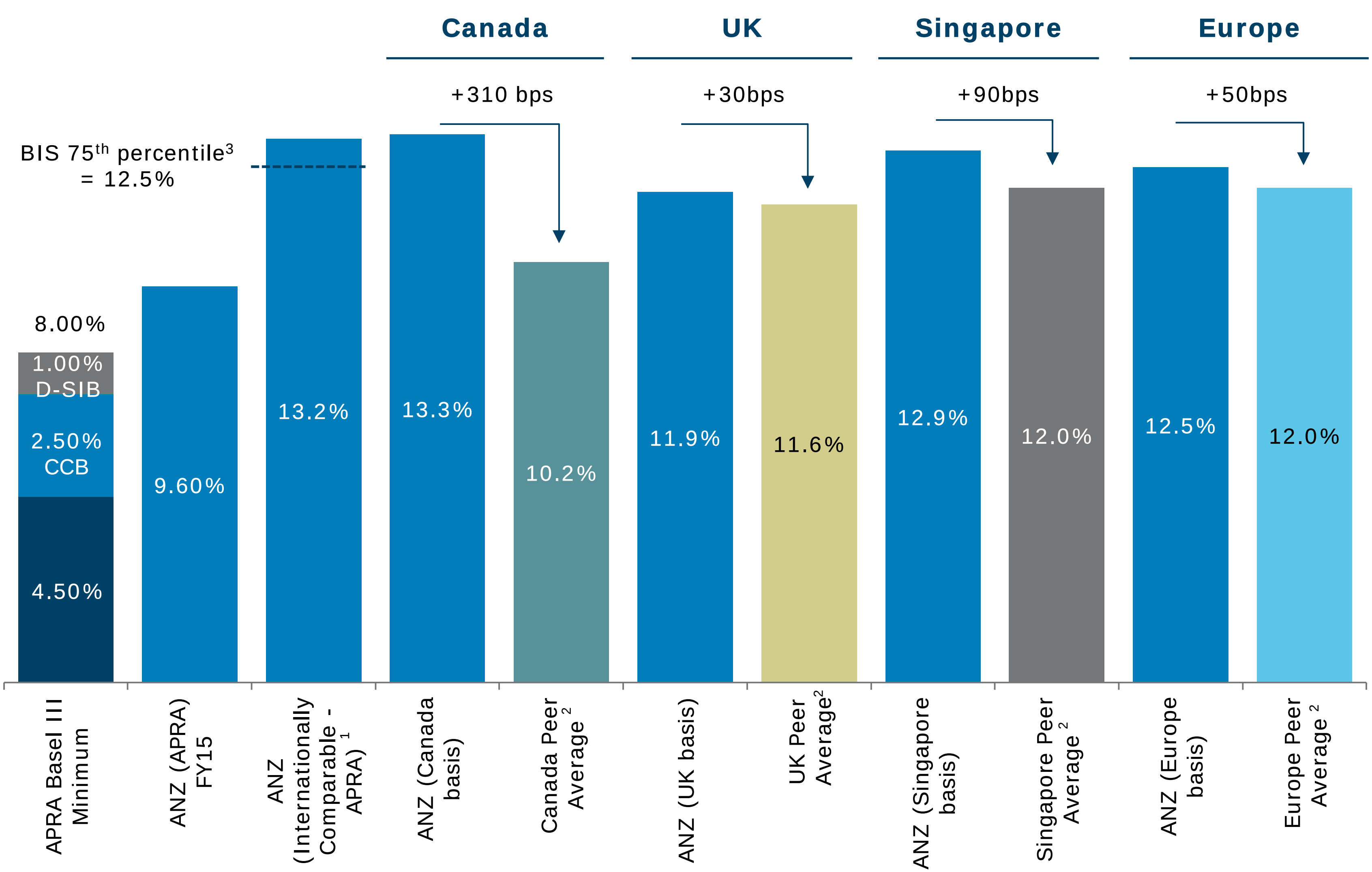
1. Internationally Comparable methodology aligns with APRA's information paper entitled *International Capital Comparison Study* (13 July 2015). Basel III Internationally Comparable ratios do not include an estimate of the Basel I capital floor. 2. Cash profit net of preference share dividends. 3. Includes EL vs. EP shortfall. 4. Represents the movement in retained earnings in deconsolidated entities, capitalised software and other intangibles. 5. $3.2bn equity raising completed in August/September 2015. 6. Approximate pro-forma numbers include the Australian IRB mortgage RWA floor impacts, ANZ Wealth refinancing and Esanda sale. 7. FX adjustment only on cRWA. 8. Other includes risk and portfolio data review impact.

Internationally Comparable regulatory capital position

		APRA Study[1]
APRA Common Equity Tier 1 (CET1)		**9.6%**
Corporate undrawn EAD and unsecured LGD adjustments	Australian ADI unsecured corporate lending LGDs and undrawn CCFs exceed those applied in many jurisdictions.	1.6%
Equity investments & DTA	APRA requires 100% deduction from CET1 vs. Basel framework which allows concessional threshold prior to deduction.	1.0%
Mortgage 20% LGD floor	APRA requires use of 20% mortgage LGD floor vs. 10% under Basel framework.	0.4%
Specialised Lending	APRA requires supervisory slotting approach which results in more conservative risk weights than under Basel framework.	0.4%
IRRBB RWA	APRA includes in Pillar 1 RWA. This is not required under the Basel framework.	0.2%
Basel III Internationally Comparable CET1		**13.2%**
Basel III Internationally Comparable Tier 1 Ratio		**15.3%**
Basel III Internationally Comparable Total Capital Ratio		**17.8%**

1. Internationally Comparable methodology aligns with APRA's information paper entitled *International Capital Comparison Study* (13 July 2015). Basel III Internationally Comparable ratios do not include an estimate of the Basel I capital floor.

ANZ's CET1 ratio vs international peers



1. Internationally Comparable methodology aligns with APRA's information paper entitled *International Capital Comparison Study* (13 July 2015). 2. Peer estimates are based on RWA weighted average of G-SIB/D-SIBs (ex Singapore which is based on DBS, OCBC and UOB) fully loaded Basel III capital ratios per most recent disclosures. 3. Top quartile CET1 on fully phased-in Basel 3 basis (Table A-3), Basel III Monitoring Report - September 2015 (Basel Committee on Banking Supervision).

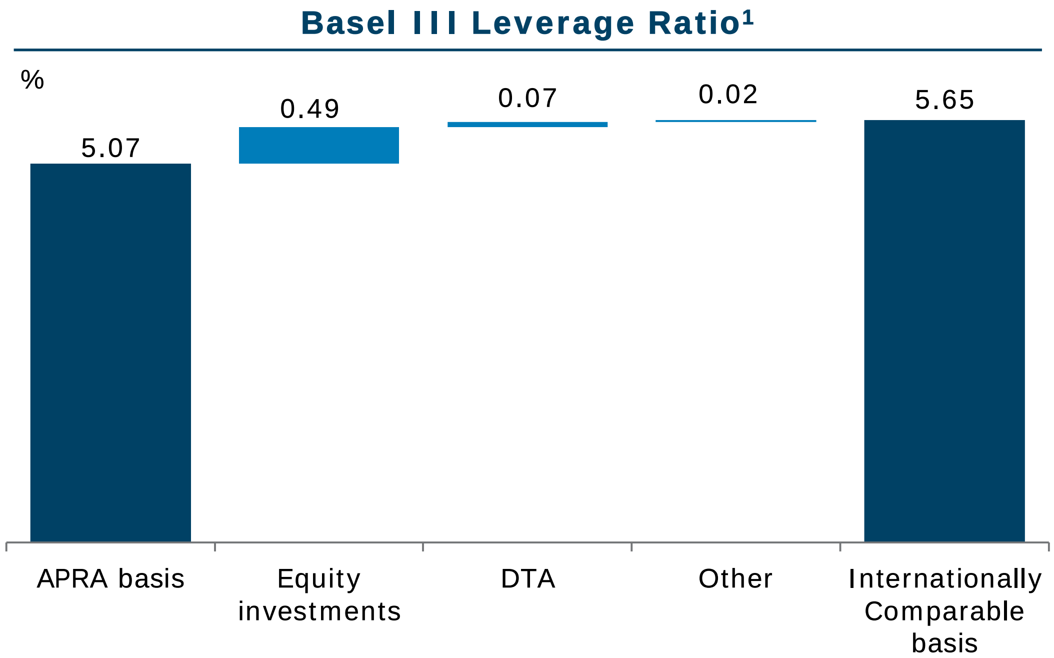
Regulatory capital generation

Common Equity Tier 1 generation (bps)

	FY avg FY12–FY14	FY15
Cash profit	206	200
RWA growth	(50)	(36)
Capital deductions	(26)	(34)
Net capital generation	**130**	**130**
Gross dividend	(134)	(138)
Dividend Reinvestment Plan	27	34
Core change in CET1 capital ratio	**23**	**26**
Other non-core and non-recurring items	21	(26)
Net change in CET1 capital ratio	**44**	**-**

- Net capital generation of 130 bps consistent with performance over recent years
- FY15 non-core and non-recurring items mainly due to increased Operational Risk RWA as a result of APRA's accreditation of ANZ's new Operational Risk Measurement System and repayment of the first tranche of debt issued by ANZ Wealth Australia Limited
- Excludes the 80bps CET1 benefit from $3.2bn equity raising completed in second half 2015

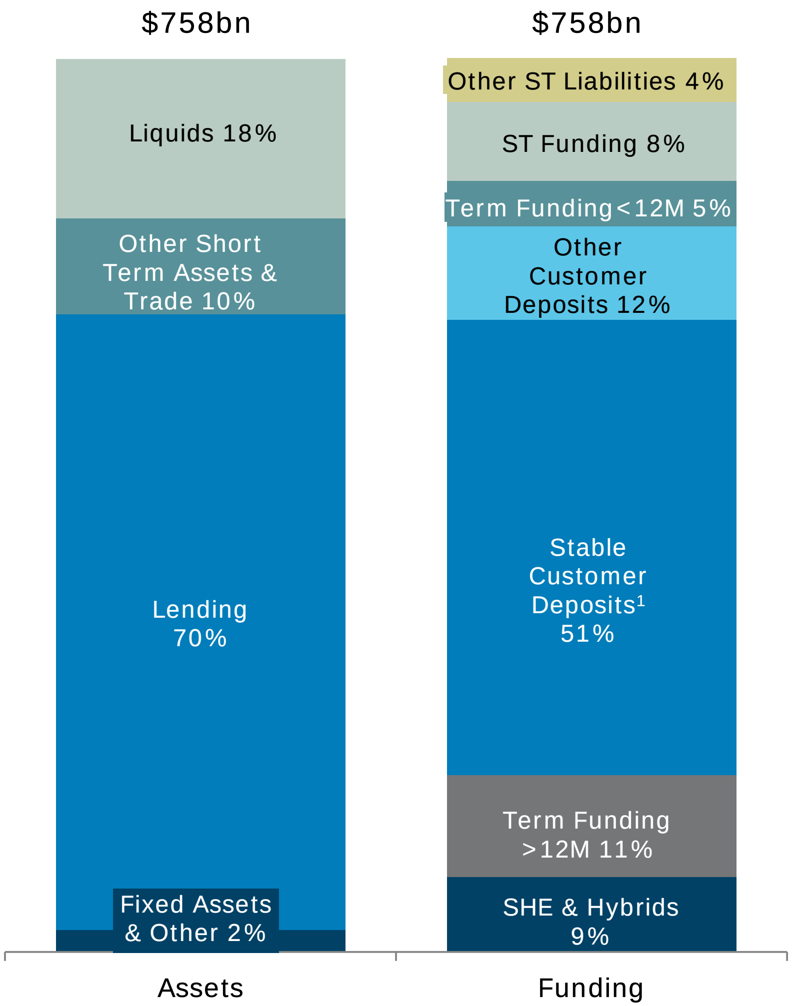
Basel III Leverage Ratio



- Leverage ratio well placed between median and top quartile of top 100 global banks.[2]
- Top 100 position not directly comparable to Australian banks due to accounting differences. For example U.S. banks leverage ratios are higher due to US GAAP's favourable treatment of derivatives.[3]
- ANZ compares well with banks with similar operating models, i.e. mortgages on balance sheet. For example:
  - The 5 Scandinavian banks represented in the top quartile for CET1 (with CET1 ratios ranging from 13.3% to 22.4%)[4] report leverage ratios in the range of 3.8% to 4.5%[5]
  - The 5 top Canadian banks currently report leverage ratios in the range of 3.7% to 4.2%[5]
- No minimum requirement has yet been set by APRA. The BCBS minimum is 3%. The leverage ratio is currently a 'disclosure only' requirement but will become a binding Pillar 1 requirement from 1 January 2018.

1. Leverage ratios includes Additional Tier 1 securities subject to Basel III transitional relief net of any transitional adjustments. 2. BCBS data as at December 2014. 3. FDIC December 2014. 4. Top quartile D-SIBs, last reported fully loaded Basel III basis. 5. Most recently disclosed company reports.

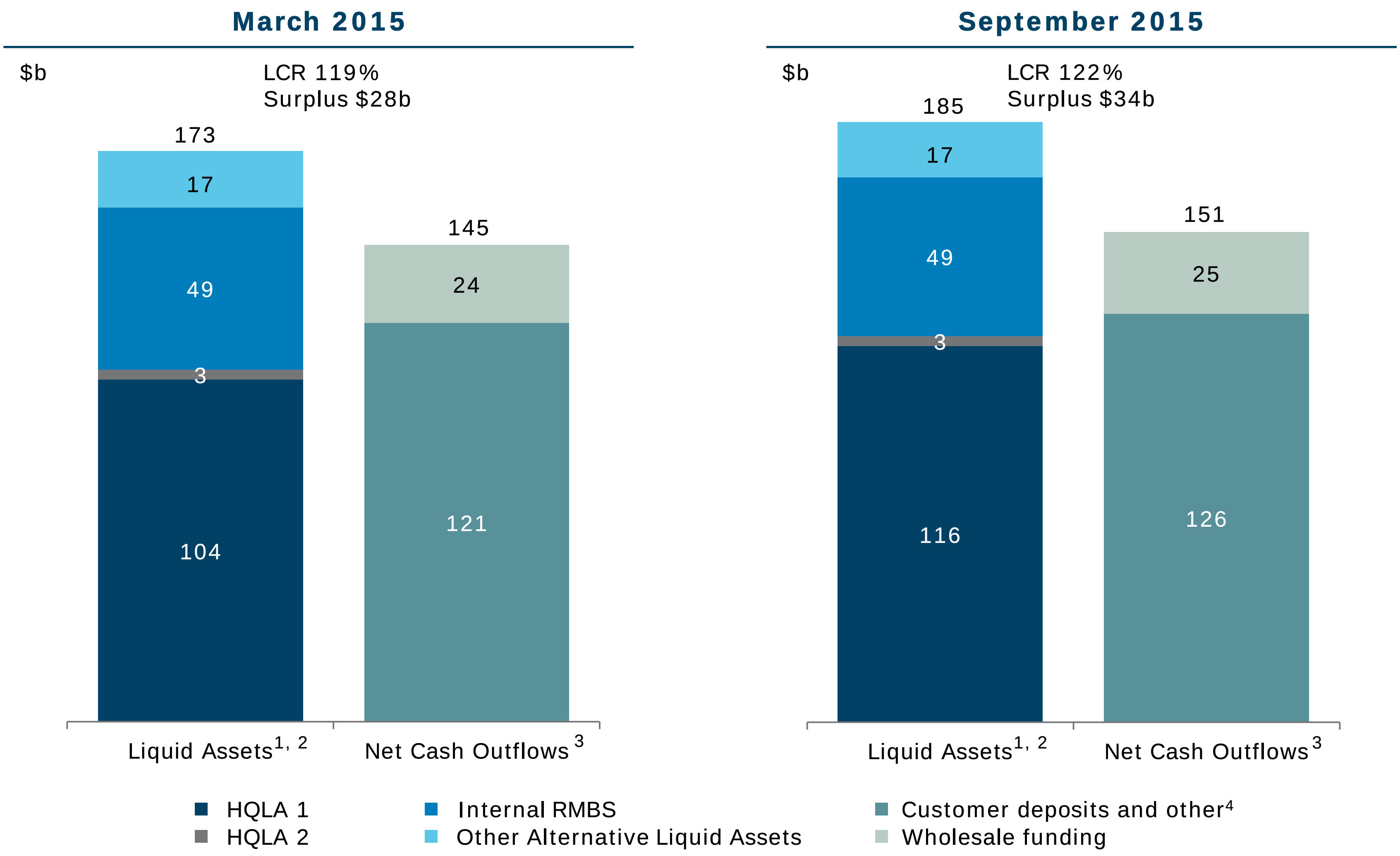
Balance sheet composition



- Stable balance sheet composition
- Completed $3.2bn equity raising in 2H15
- Term assets funded by equity, term funding and stable customer deposits
- Further improvement in composition of customer deposits with growth in stable deposits 12% over the year vs. 10% growth in total customer deposits
- ~3% of Australian assets funded by short-term offshore wholesale funding[2]

1. Stable customer deposits represent operational type deposits or those sources from retail / business / corporate customers and the stable component of Other funding liabilities. 2. Excludes intragroup and foreign resident deposits.

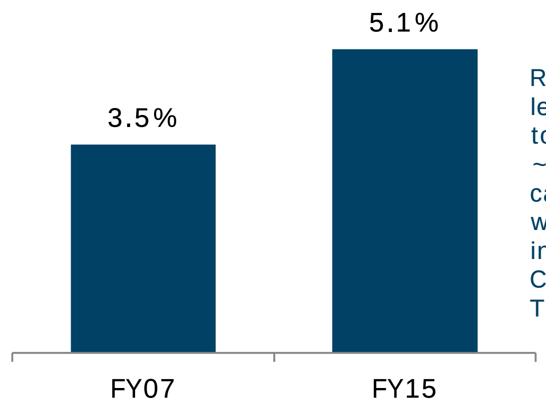
Basel III Liquidity Coverage Ratio



1. Post haircut market value as defined in APS210.
2. Includes $54bn Committed Liquidity Facility.
3. Basel III LCR 30 day stress scenario cash outflows.
4. Other include off-balance sheet and cash inflows.

Balance sheet strengthening

Leverage ratio[1]

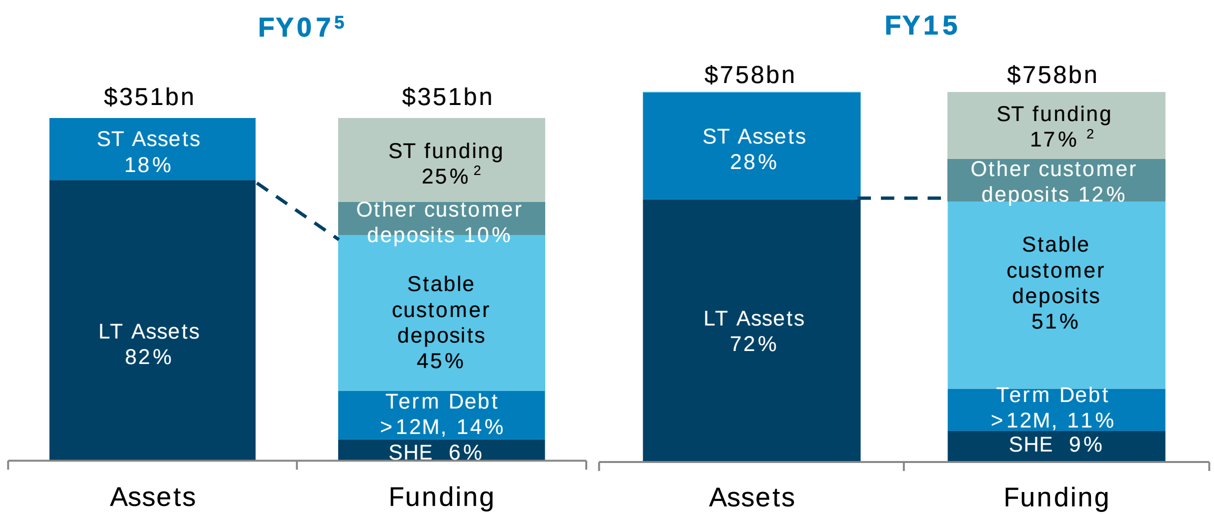


Reduction in leverage equivalent to an additional ~$14bn Tier 1 capital at FY15, with all of the increase funded by Common Equity Tier 1 capital

Liquidity

FY07	FY15
• 8 calendar day Short Term Crisis scenario • HQLA include cash, RBA repo eligible securities, bank bills/CDs, deposits with ADIs	• 30 calendar day Basel III Liquidity Coverage Ratio (LCR) requirement • Fully compliant at Sep 2015 with Basel III LCR 122%, equivalent to a $34bn surplus • HQLA include cash, central bank reserves, claims on sovereigns/supras and the CLF

Balance Sheet Structure

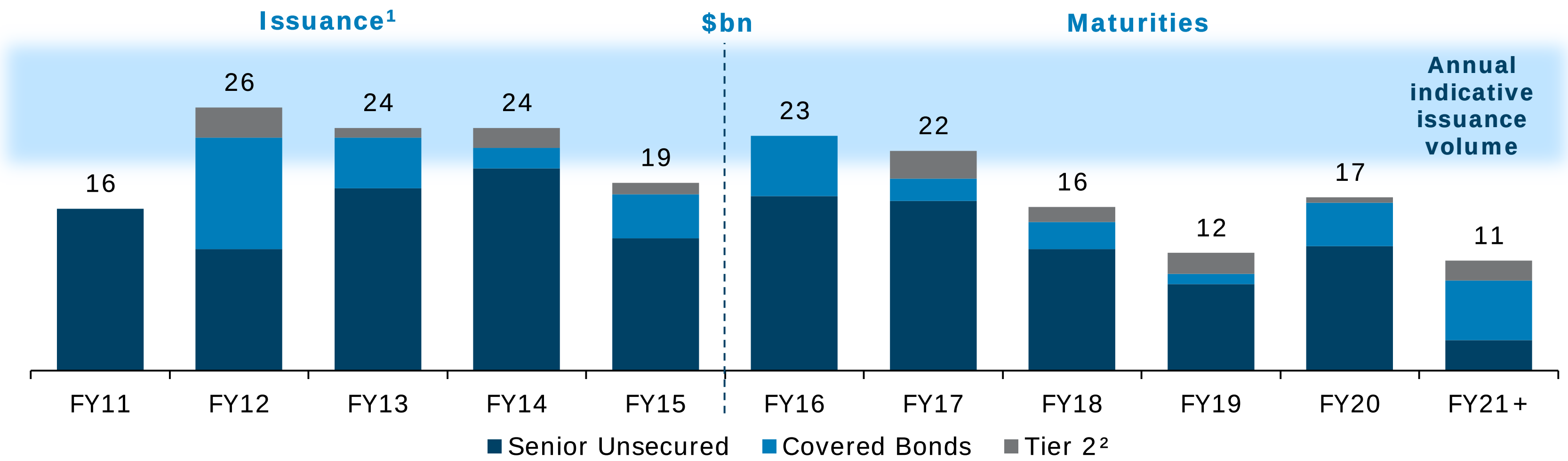


- Improved structural funding profile. Best estimate of at NSFR at FY15 is around 100%.
- Term wholesale debt residual weighted average maturity (WAM) 3.5 years[3] (2007 2.9yrs)
- Offshore CP residual WAM 100 days (2007 60 days)
- Below system reliance on offshore ST wholesale to fund domestic assets at 3%[4]

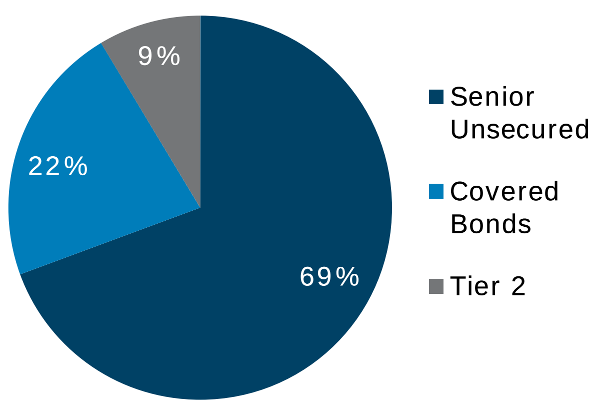
1. FY07 CET1 estimated Basel III leverage ratio. APRA basis. 2. ST funding includes short term wholesale funding, other short term liabilities and term debt maturing in less than 12 months. 3. Term debt with residual maturity greater than 12 months as at 30 September 2015. 4. Based on ANZ and APRA system data as at December 2014, ex intragroup and foreign resident deposits. 5. FY07 best estimate.

Term wholesale funding portfolio

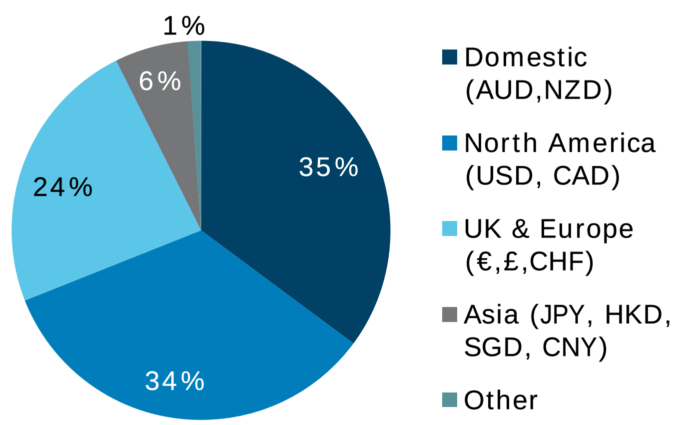
Term Funding Profile



Portfolio by Type



Portfolio by Currency

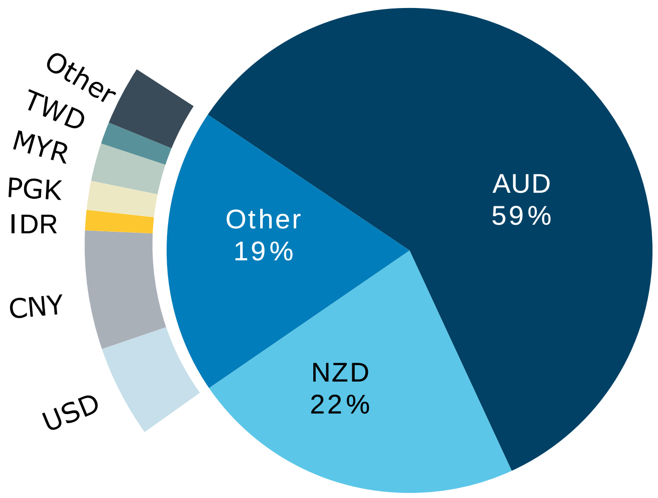


All figures based on historical FX and excludes hybrids.

1. Includes transactions with a call or maturity date greater than 12 months as at 30 September in the respective year of issuance.
2. Tier 2 profile is based on the next callable date.

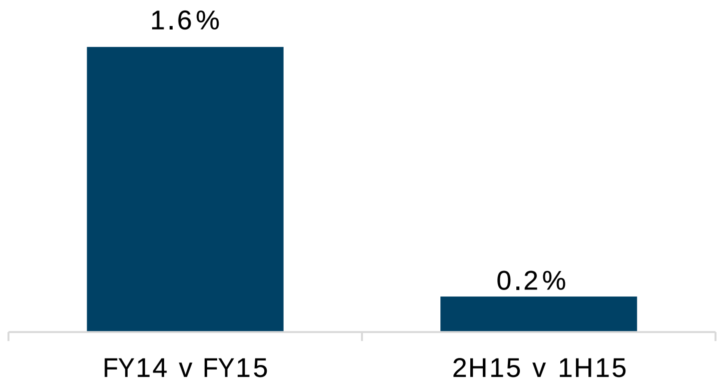
Foreign currency hedging – earnings benefit from lower AUD

FY15 Earnings Composition (by currency)

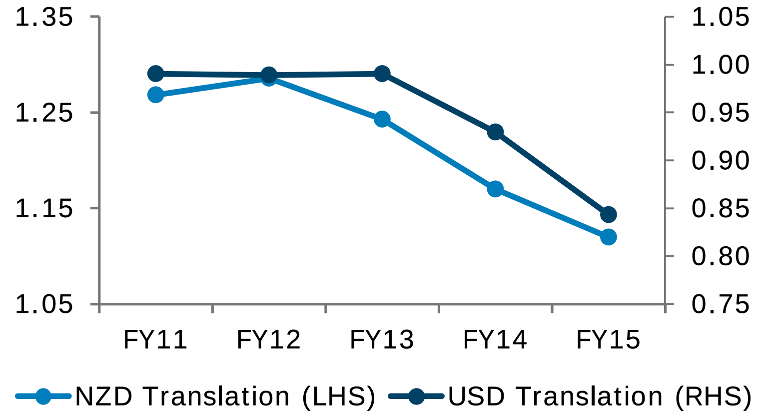


- The key objective of hedging is to manage short term EPS volatility arising from foreign currency earnings
- Hedges currently in place:
  - FY16: ~70% of NZD and ~25% of USD (inc. currencies that are highly correlated to AUD/USD) earnings.
  - FY17: ~50% of NZD
  - FY18: ~25% of NZD
- Hedging has reduced the impact of a 5% movement of the AUD on FY16 EPS to ~1%.

Earnings per Share FX Impact[1]



Translation Rates (inclusive of hedges)



1. Underlying basis, inclusive of hedges.

Regulatory landscape

		Status	ANZ's position
Capital	Leverage ratio	• APRA introduced amendments in May 2015 for calculating the leverage ratio as a disclosure only requirement • No minimum currently specified, BCBS minimum 3%	APRA basis leverage ratio 5.1%, Internationally Comparable basis 5.6% as at 30 September 2015
Capital	Level 3 capital adequacy "Conglomerates"	• APRA draft Level 3 standards Aug 2014 • Finalisation and implementation deferred until FSI recommendations considered by government/APRA	No material impact expected based on current draft standards
Capital	Basel Standardised and floors	• BCBS consultation papers released Dec 2014 propose changes to Standardised risk weights, introduction of Advanced approach capital floors	ANZ has participated in BCBS QIS. Impact of any changes subject to final BCBS calibration and APRA implementation.
Capital	Total Loss Absorbing Capacity (TLAC)	• Financial Stability Board (FSB) proposal released Nov 2014 details minimum TLAC requirements for G-SIBs • Expect final FSB TLAC rules by Nov 2015	Proposal currently does not apply to D-SIBs. If applied to ANZ, wide range of outcomes depending on calibration including basis for measuring capital base, D-SIB minimum etc.
Funding	Net Stable Funding Ratio	• BCBS standard Oct 2014 • APRA standard yet to be finalised, expected implementation 2018	Best estimate of NSFR around 100% at end FY15 depending on calibration. Do not expect that full compliance will require any material change to balance sheet composition.

Other	Financial System Inquiry (FSI)	• Key recommendations to government:
		  • Set standards such that Australian ADI capital ratios are unquestionably strong
		  • Raise Advanced IRB mortgage risk weights to narrow difference with Standardised approach
		  • Implement loss absorption and recapitalisation framework in-line with international practice
		  • Introduce Basel framework leverage ratio
			30 September 2015 Internationally Comparable CET1 ratio of 13.2% within the top quartile of international peers
			
			25% Australian residential mortgage risk weight floor becomes effective July 2016. ANZ's 2H15 $3.2bn equity raising fully addresses this requirement.

2015 | FULL YEAR RESULTS

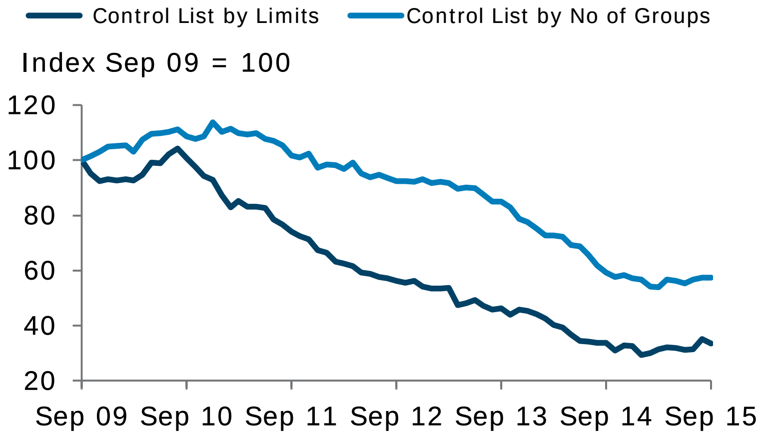
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

29 October 2015

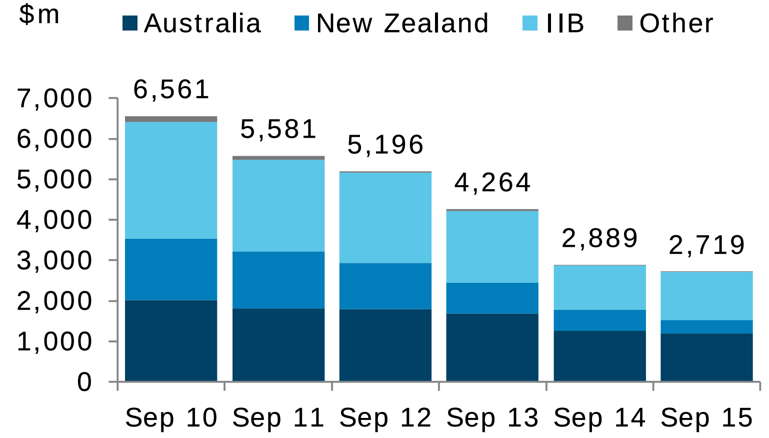
Risk Management

Impaired Assets - YoY

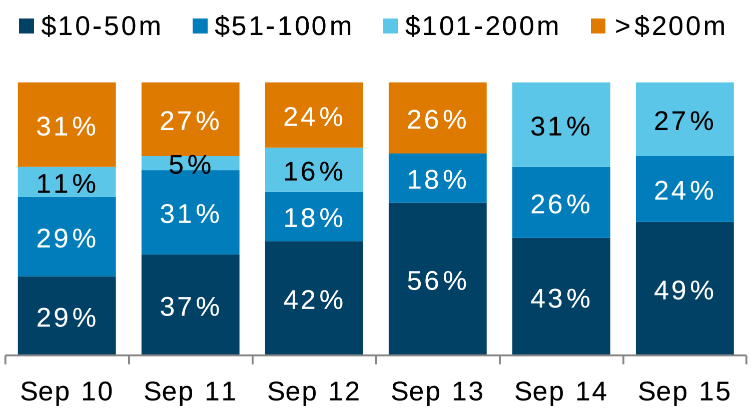
Control list



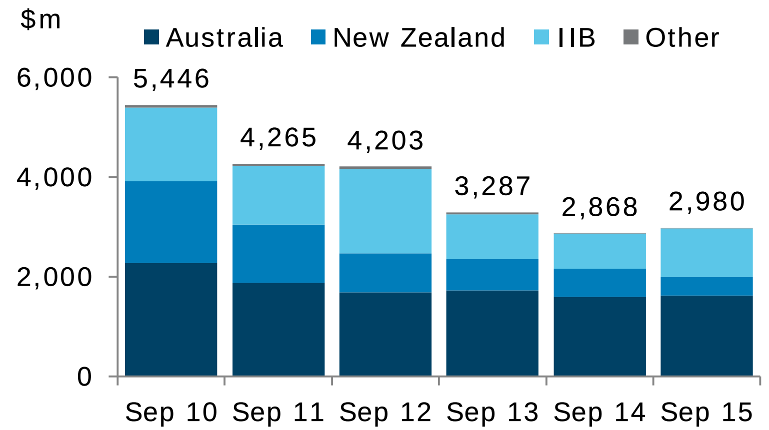
Gross Impaired assets by division



Gross impaired assets by size of exposure[1]



New impaired assets by division

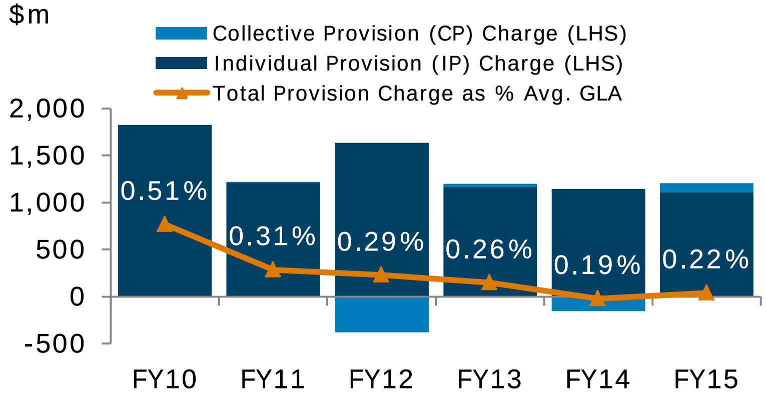


1. Only >$10m customers.

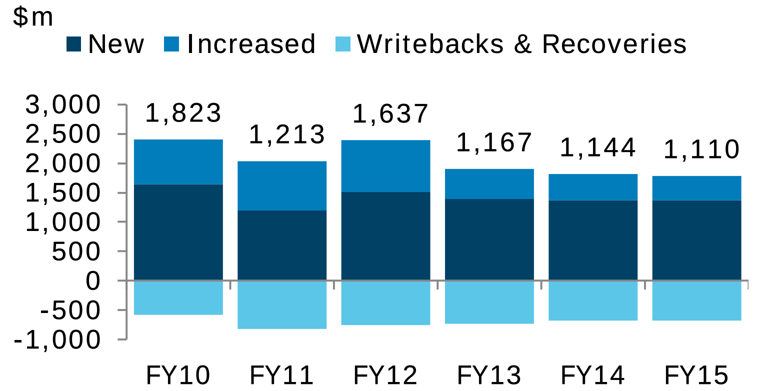
ANZ

Credit Impairment Charge - $1,205m

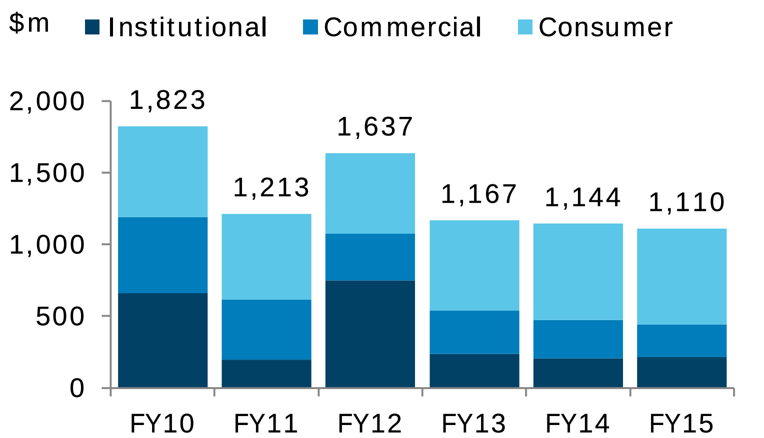
Provision charge



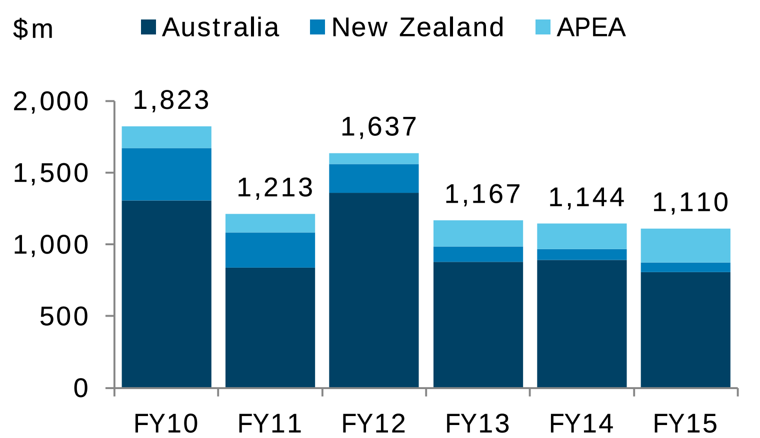
Individual provision charge composition



Individual provision charge by segment



Individual provision charge by region

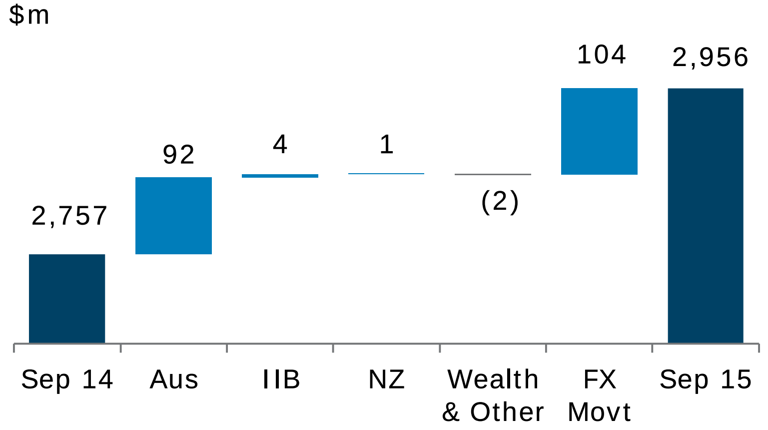


Collective Provision

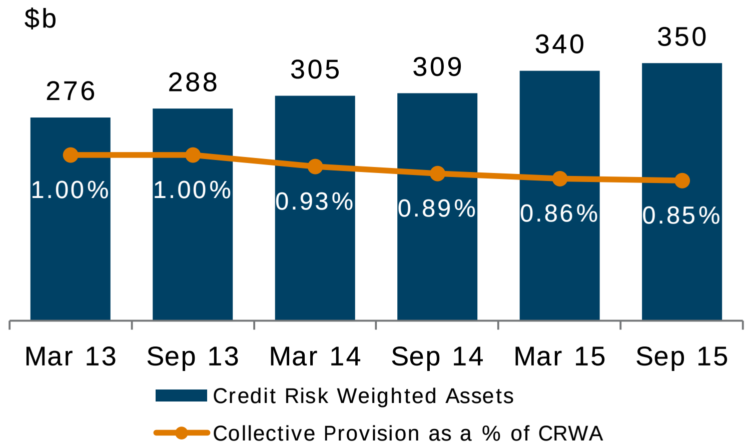
Collective Provision charge

	FY12	FY13	FY14	FY15
Lending growth	148	136	146	104
Portfolio Mix	-12	-29	-20	0
Risk Profile	-196	-43	-232	70
Eco cycle	-319	-34	-49	-79
Total CPC	-379	30	-155	95

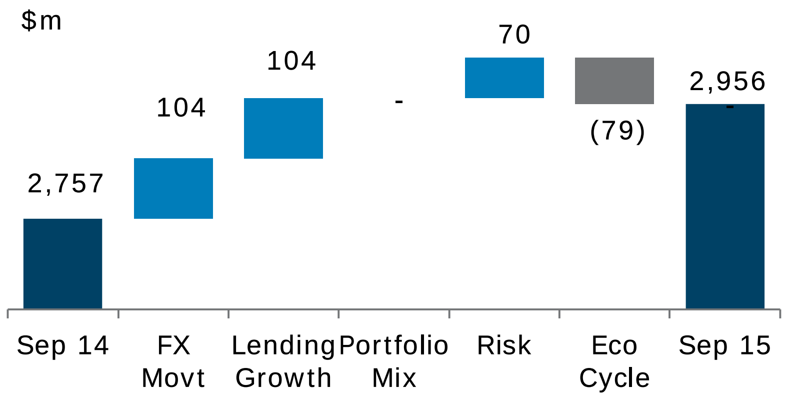
Collective provision balance by division



Collective Provision coverage



Collective provision balance by source

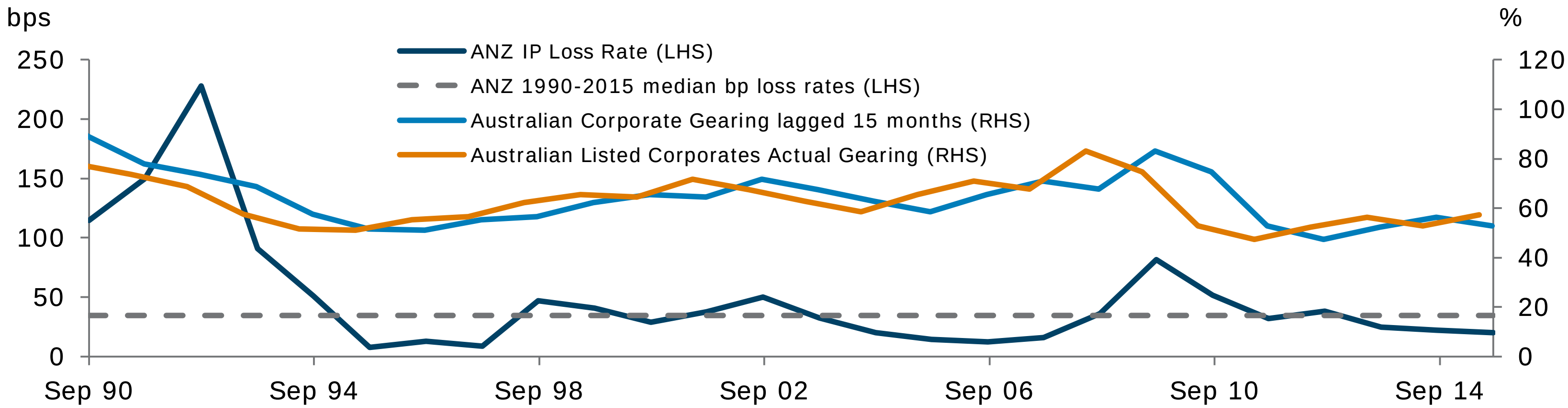


Historic loss rates

Australian Industry Corporate Gearing

- Industry corporate gearing ratios[1],when lagged by 15 months, display a strong relationship to credit impairment, indicating current corporate gearing is a useful leading indicator of loss.
- The uptick observed in the most recent Australian industry corporate gearing ratio is consistent with a modest increase observed in collective provision. Collective Provisioning represents the anticipated loss expected to emerge in the Australian Corporate portfolio, typically over the next 18-24 months.
- Although there is some pressure on loss rates, IP as % of Avg. NLA at Sep 15 was 20bps, which is similar to that observed between 2004 and 2007.
- IP as % of Avg. NLA (20 bps) is the 6th lowest rate since 1990.

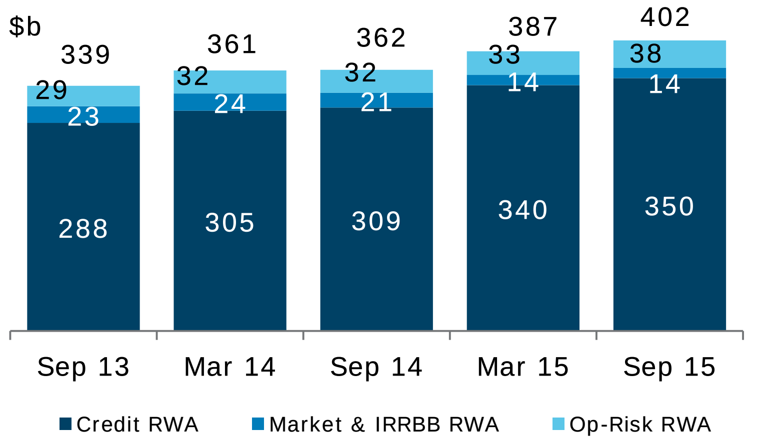
Australian industry corporate gearing vs. historical observed loss rates



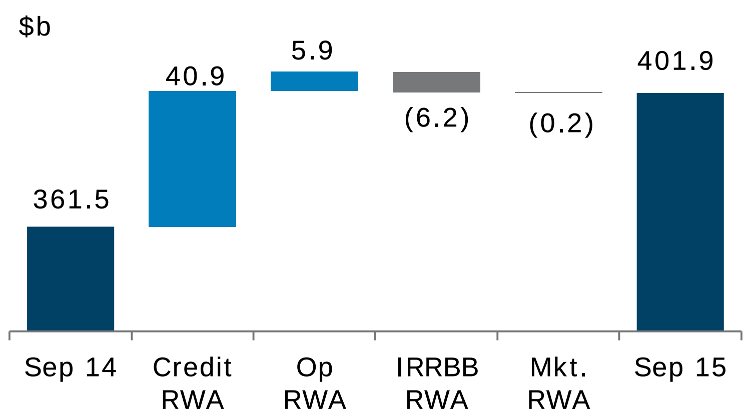
1. Corporate Gearing Ratio is the book value debt-to-equity ratio for Australian listed corporations. Source: RBA FSR

Risk Weighted Assets

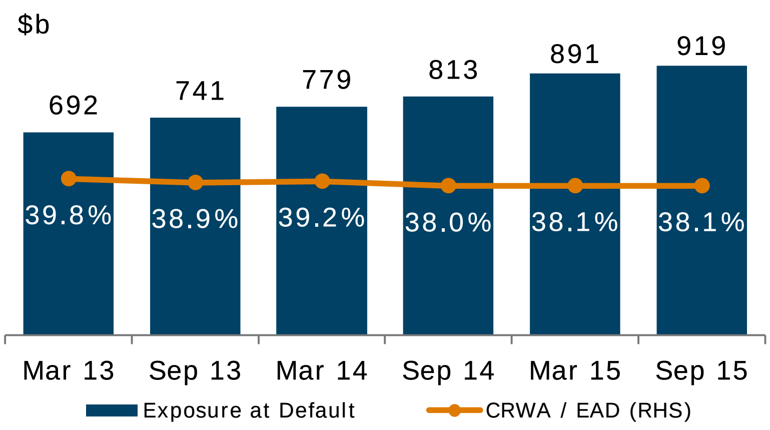
Total risk weighted assets (RWA)



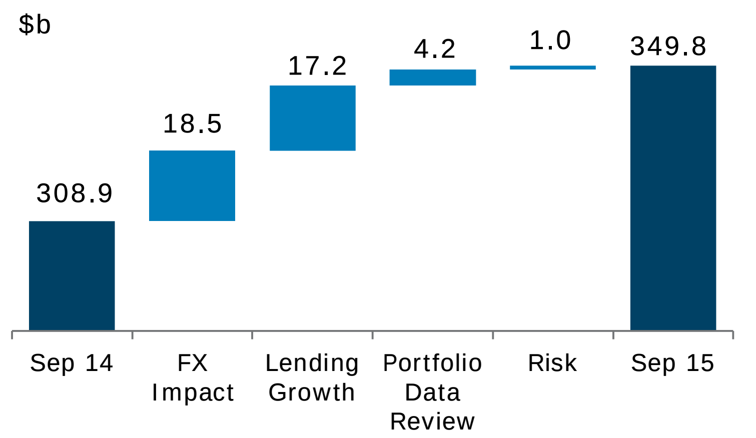
Total RWA movement



Group EAD[1] & CRWAs



CRWA movement - Sep 15 v Sep 14



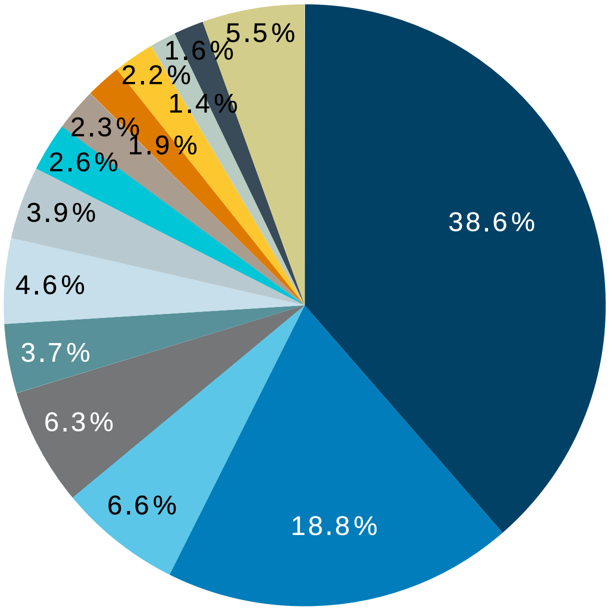
1. Post CRM EAD, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral. Includes amounts for 'Securitisation' and 'Other Assets' Basel asset classes.

Portfolio composition

Exposure at default (EAD) as a % of Group total

ANZ Group

Total Group EAD (Sep 15)
$898b[1]



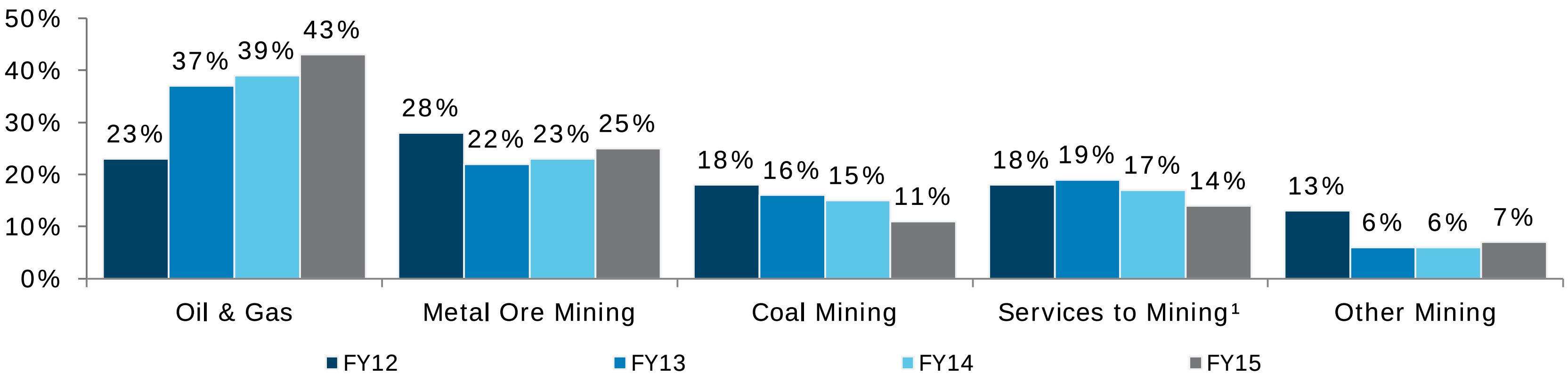
Category	EAD by industry category: % of Group EAD		EAD by industry category: EAD ($m)	Non performing by industry: % of industry category in Non Performing		Non performing by industry: Balance in Non Performing ($m)
	Sep-14	Sep-15	Sep-15	Sep-14	Sep-15	Sep-15
Consumer Lending	39.5%	38.6%	$353b	0.2%	0.2%	$555m
Finance, Investment & Insurance	17.6%	18.8%	$172b	0.0%	0.1%	$100m
Property Services	6.9%	6.6%	$60b	1.3%	0.7%	$401m
Manufacturing	6.3%	6.3%	$58b	0.5%	0.6%	$322m
Agriculture, Forestry, Fishing	3.9%	3.7%	$34b	2.5%	1.8%	$587m
Government & Official Institutions	4.0%	4.6%	$42b	0.0%	0.0%	$0m
Wholesale trade	4.0%	3.9%	$36b	0.5%	0.4%	$146m
Retail Trade	2.7%	2.6%	$24b	0.5%	0.7%	$157m
Transport & Storage	2.3%	2.3%	$21b	2.1%	1.1%	$221m
Business Services	1.9%	1.9%	$17b	1.2%	0.9%	$142m
Resources (Mining)[2]	2.2%	2.2%	$20b	0.8%	2.3%	$463m
Electricity, Gas & Water Supply	1.6%	1.4%	$13b	0.1%	0.1%	$9m
Construction	1.7%	1.6%	$15b	1.8%	1.7%	$239m
Other	5.5%	5.5%	$50b	0.4%	0.4%	$184m

1. EAD excludes amounts for ‘Securitisation’ and ‘Other Assets’ Basel asset classes. Data is provided is as at Sep 15 on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral. Note that APS330 disclosure is reported on a Pre CRM basis.
2. FY15 non-performing balance and % has been re-stated to accommodate post- balance date changes.

Resources Portfolio

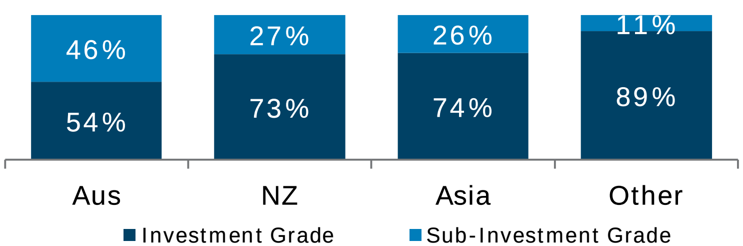
Resources exposure by sector (% EAD)

Total EAD (Sep 15) : $20.0b	As a % of Group EAD: 2.2%



Resources exposure credit quality (EAD)

AUS ($b)	NZ ($b)	ASIA ($b)	EA & Other ($b)
9.7	0.9	4.3	5.1



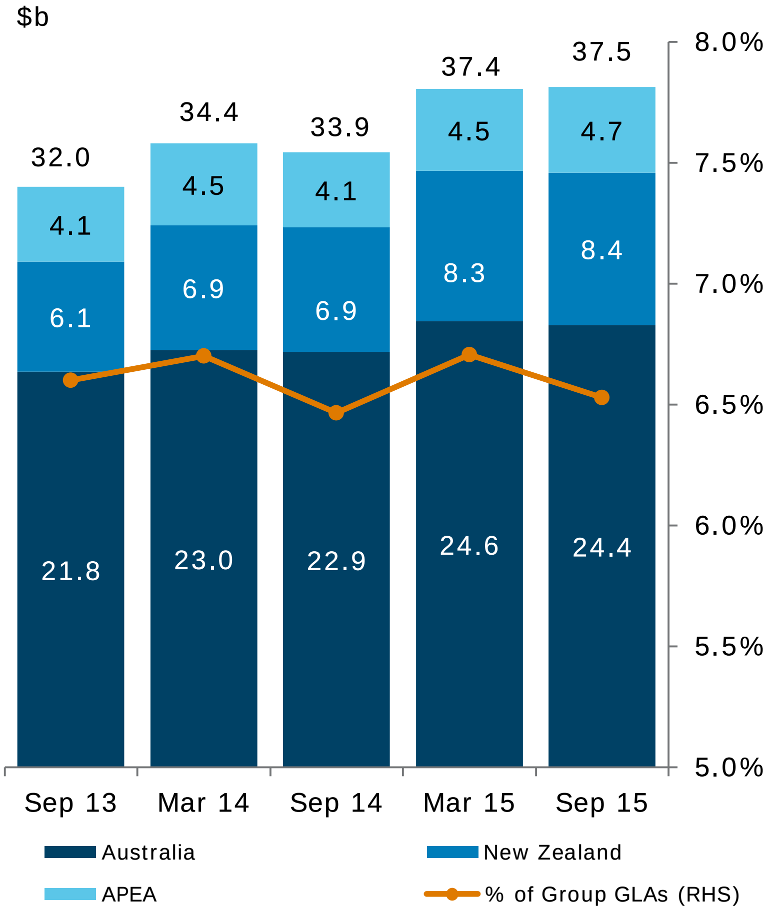
Resources portfolio management

- Portfolio is skewed towards well capitalised and lower cost resource producers. Over a third of the book is less than one year duration.
- Investment grade exposures represent 68% of portfolio vs. 64% at FY14.
- Trade business unit accounts for 19% of the Total Resources EAD.
- Services to mining[1] customers are subject to heightened oversight given the cautious outlook for services sector.

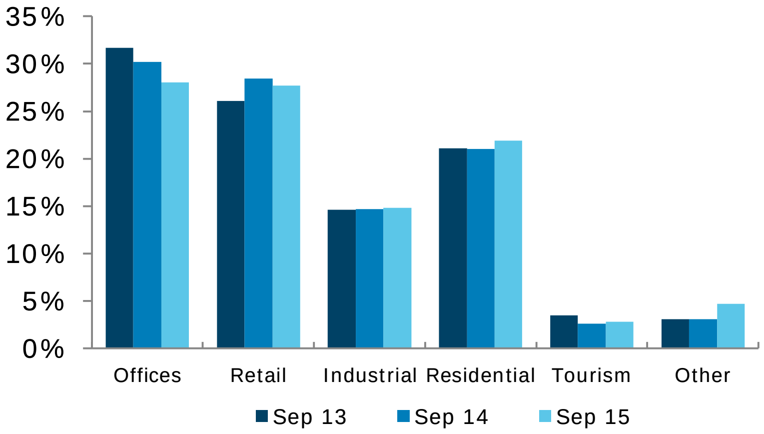
1. Services to Mining includes businesses that perform a range of Mining support activities on a contract or fee basis such as petroleum and mineral exploration.

Commercial property portfolio

Commercial Property outstandings by region[1]



Commercial Property outstandings by sector[1]



Property portfolio management

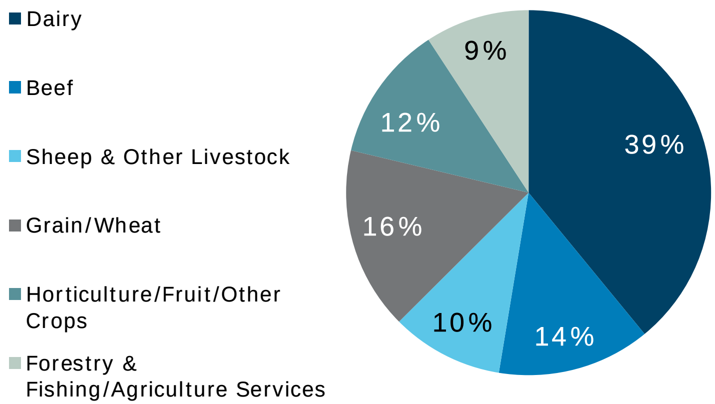
- Over the past few years, we have tightened our lending criteria within agreed strategy parameters.
- This includes tightened criteria around LVR and pre-sales qualifications, as well as tightened minimum acceptable ratings for originating & renewing business.
- EAD growth has primarily occurred in the metro capital city markets on the Eastern seaboard of Australia, driven by the strong residential development cycle underway.

1. As per ARF230 disclosure.

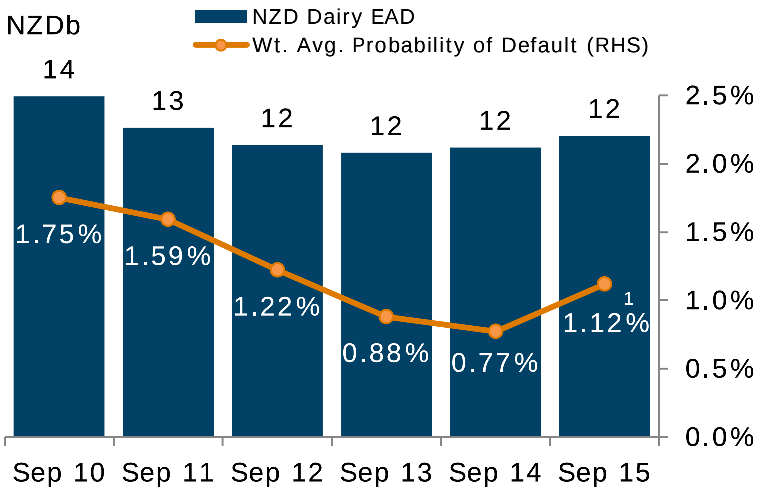
Agri portfolio

Agriculture exposure by sector (% EAD)

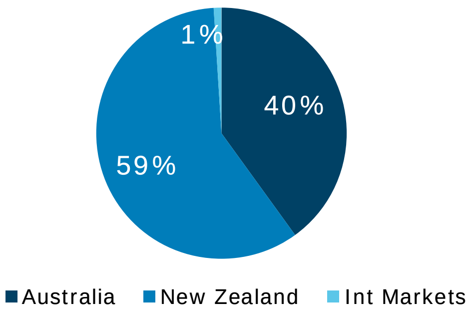
Total EAD (Sep 15)	As a % of Group EAD
AUD$33.2b	3.7%

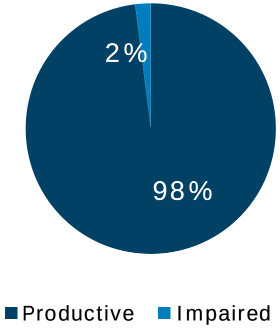


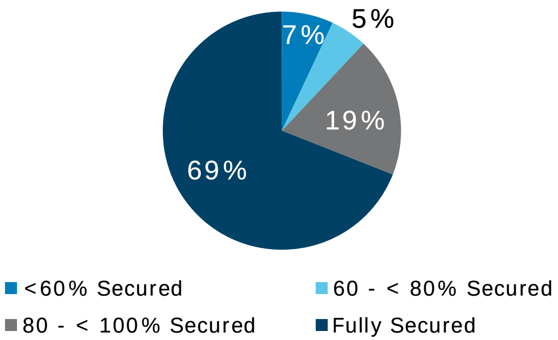
New Zealand Dairy credit quality



Group Agriculture EAD splits







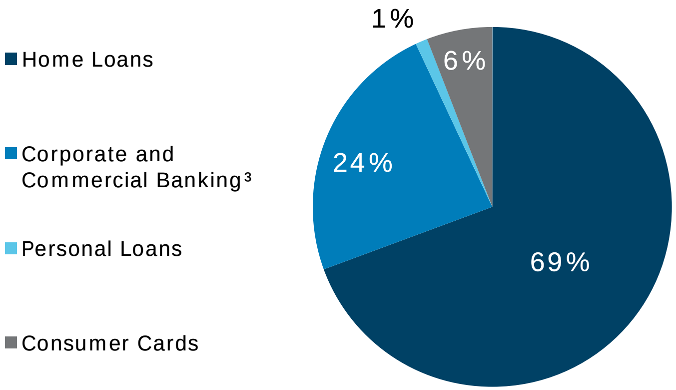
1. Wholesale PD model changes account for 16bps increase in FY15.

Industry Themes and Guidelines for Quality

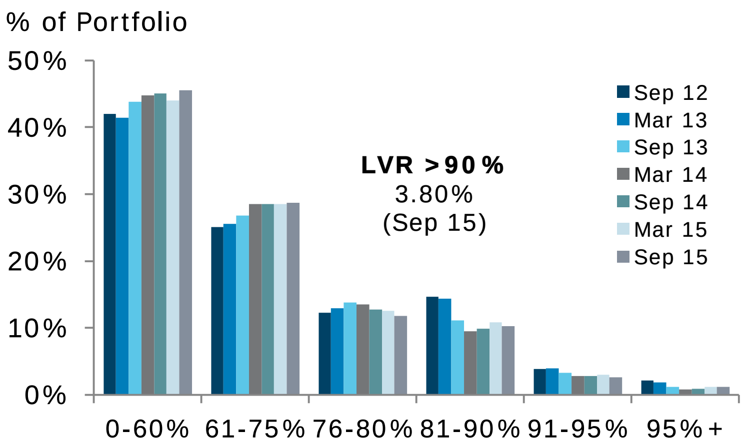
Areas on Watch	ANZ Lending Principles Examples
1. Commercial Property Land and buildings primarily leased to third parties or new buildings constructed to be leased or sold to third parties.	• Focus on key markets in Australia, New Zealand, Singapore and Hong Kong • No appetite for speculative development • Limited appetite to lend against third party leased specialised buildings
2. Residential Property Residential Land and/or buildings • Variable or fixed rate • Owner occupied, investor, equity loan • Interest only or Principal & Interest	• Triggers and controls guide growth in investment, interest only and high LVR-band lending • Very limited appetite for Self Managed Super Fund lending • No appetite for reverse home loans or sub-prime loans
3. Resources Sector Industry sectors include: • Metal Ore (Including Iron Ore) • Mining and Mining Services • Mining infrastructure • Oil and Gas • Coal	• Relationships focused on low cost producers • We are focused on intermediating trade and FX flows • Mining infrastructure cost sustainability monitored • Preference for equipment leasing over unsecured lending • Facilitation of at least $10bn by 2020 to support our customers to transition to a low carbon economy

Australia Division

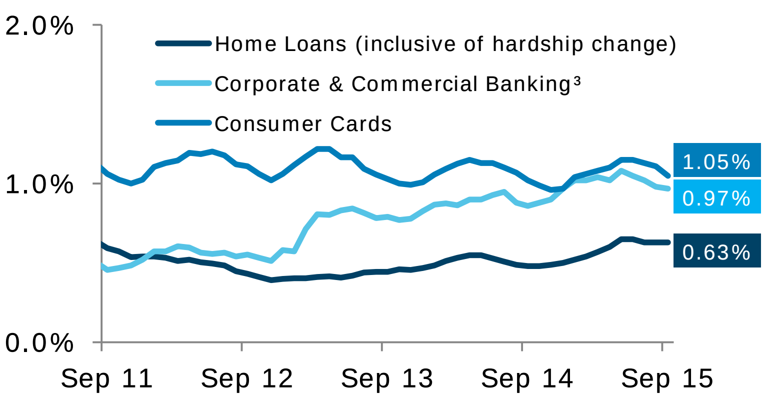
Australia division credit exposure (EAD)



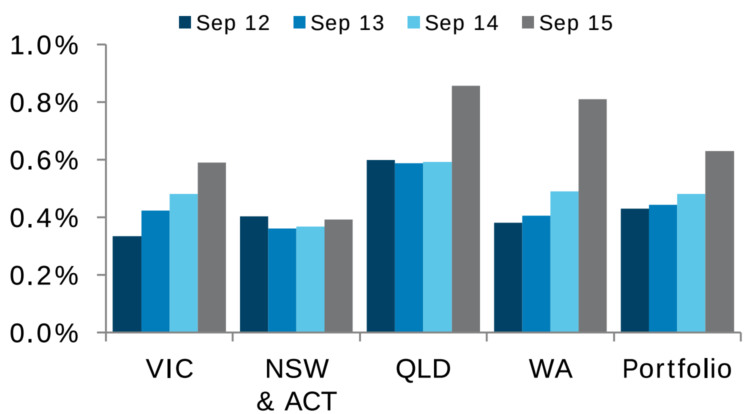
Dynamic Loan to Value Ratio (FY15)[2,4]



Australia Division 90+ day delinquencies[1]



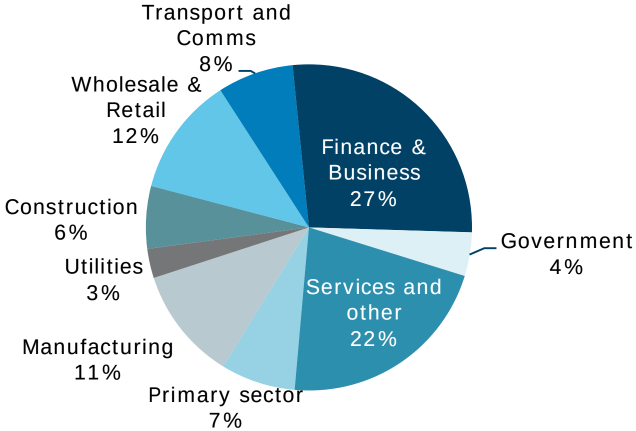
Australia Home Loans 90+ dpd by state[1]



1. Exclusive of Non Performing Loans.
2. Including capitalised premiums.
3. Includes Small Business, Commercial Cards and Esanda Retail.
4. Valuations updated Sep 15 where available.

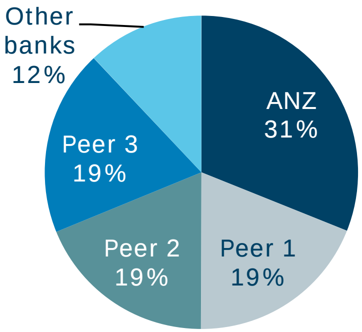
New Zealand - market characteristics

GDP contribution by industry[1]

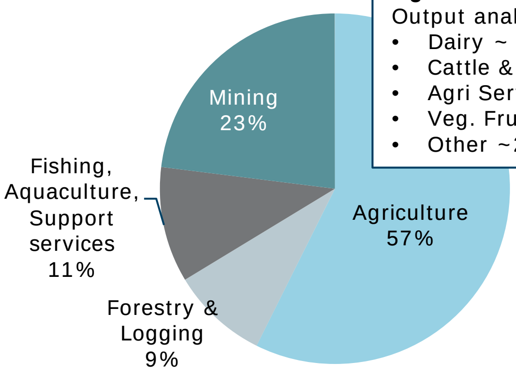


Banking market[2]

88% of NZ banking sector Net Loans & Advances ($341b) are with the big 4 banks



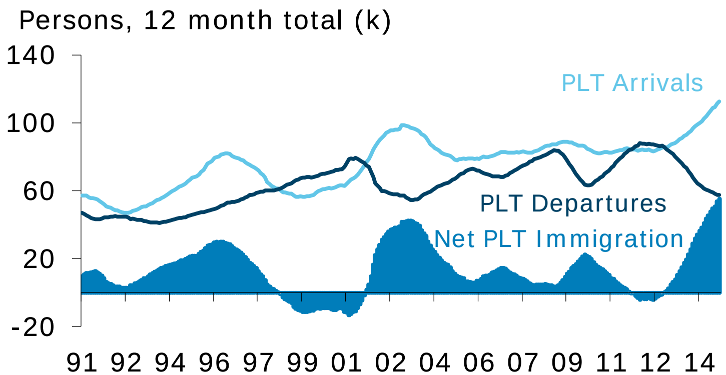
Primary sector GDP contribution[1]



Agriculture industry[3]
Output analysis:
- Dairy ~ 30%
- Cattle & Sheep ~20%
- Agri Services ~ 15%
- Veg. Fruit, Nut ~ 12%
- Other ~23%

Positive migration impact on population

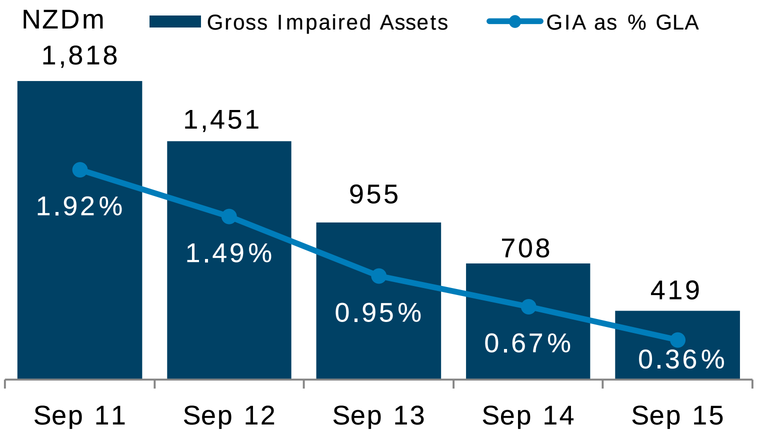
Population forecast: 5m by 2030, aided by migration



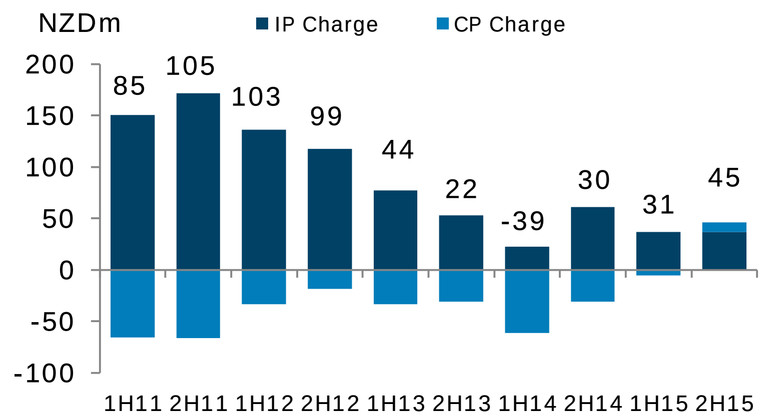
1. Statistics NZ
2. KPMG Financial Institutional Performance Survey Review 2014
3. Statistics NZ, ANZ analysis

New Zealand

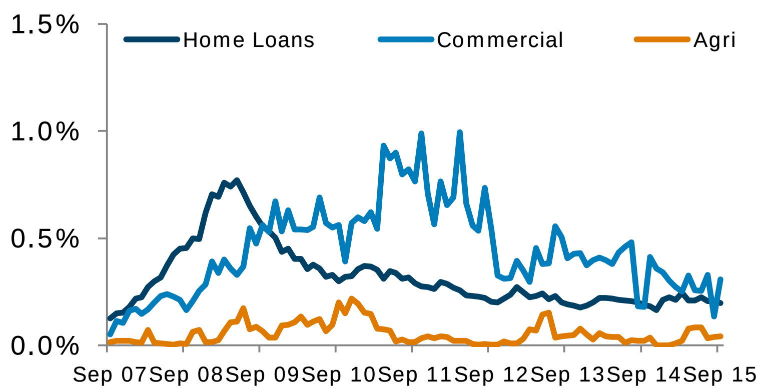
New Zealand Geography gross impaired assets



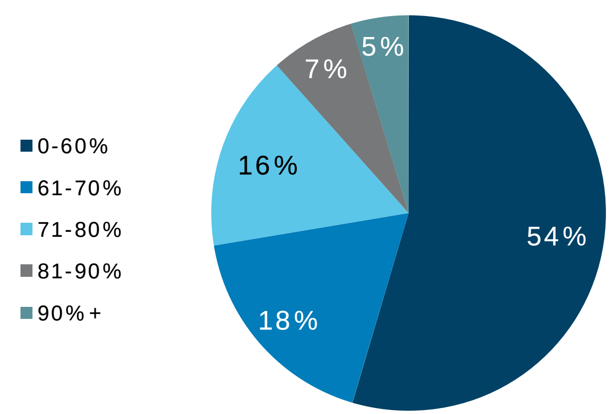
New Zealand Geography total provision charge



New Zealand Division 90+ days delinquencies



Mortgage Dynamic Loan to Value Ratio[1]



1. Average dynamic LVR as at Aug 2015 (not weighted by balance).

2015 | FULL YEAR RESULTS

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

29 October 2015

Portfolio composition by exposure at default

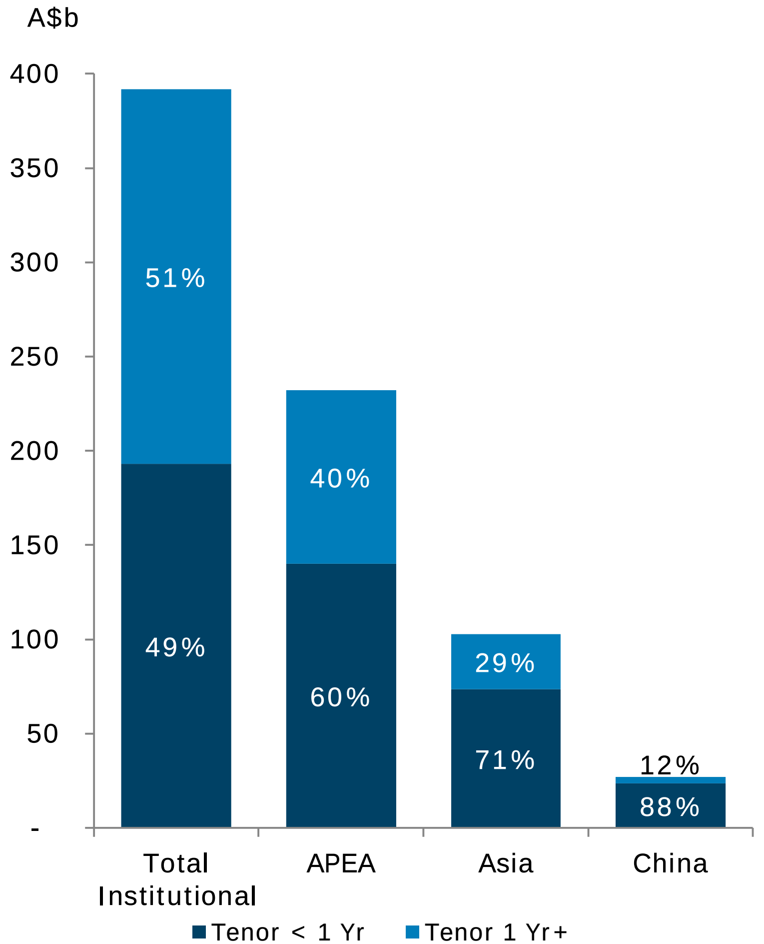
International & Institutional Banking (IIB)

Asia

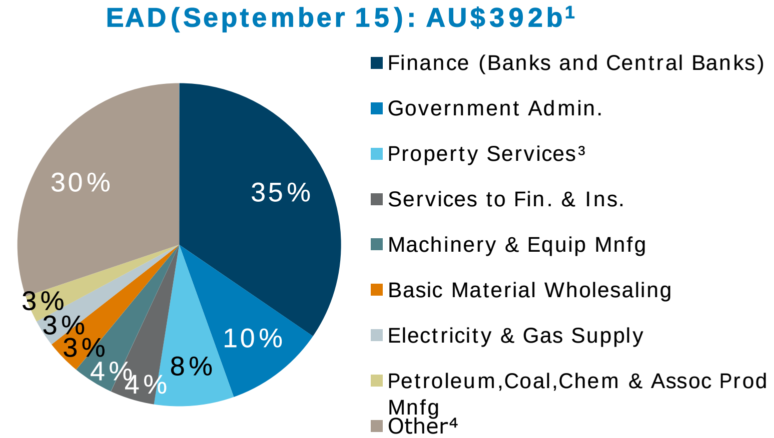
China

ANZ Institutional Portfolio
Country of Incorporation[2]

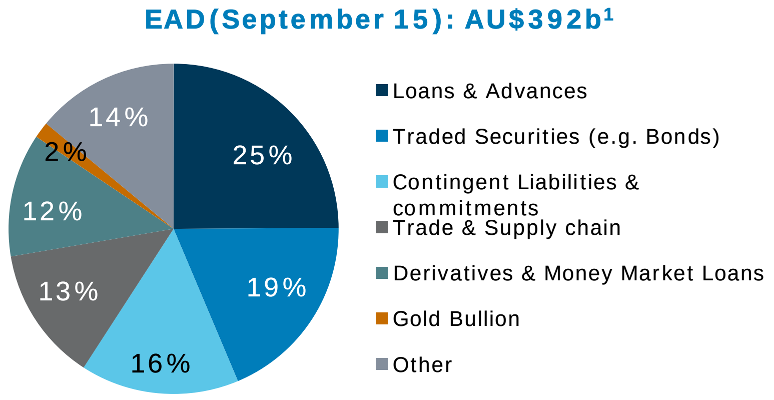
Institutional Portfolio size & tenor (EAD)[1]



ANZ Institutional industry composition



ANZ Institutional product composition

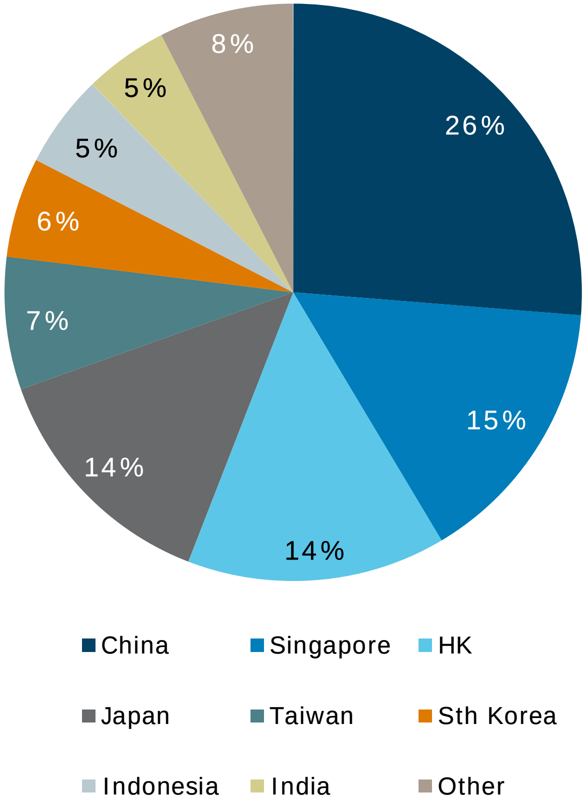


1. Data is provided is as at Sep 15 on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral. Position excludes Basel Asset Class "Retail". 2. Country is defined by the counterparty's Country of Incorporation 3. 81% of the ANZ Institutional "Property Services" portfolio is to entities incorporated in either Australia or New Zealand. 4. Other is comprised of 48 different industries with none comprising more than 2.5% of the Institutional portfolio.

ANZ Asian Institutional Portfolio
Country of Incorporation

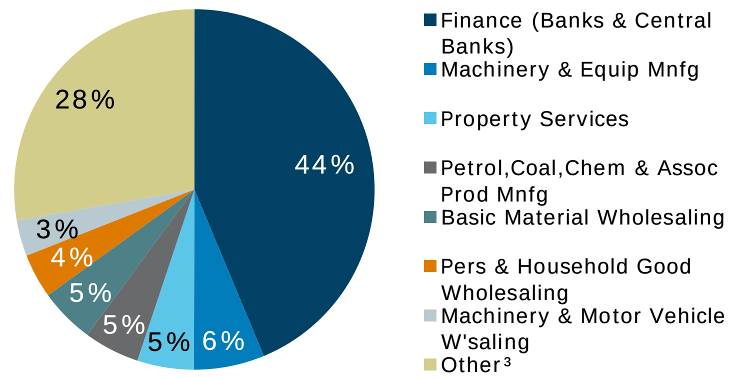
Country of Incorporation[2]

EAD(September 15): AU$103b[1]



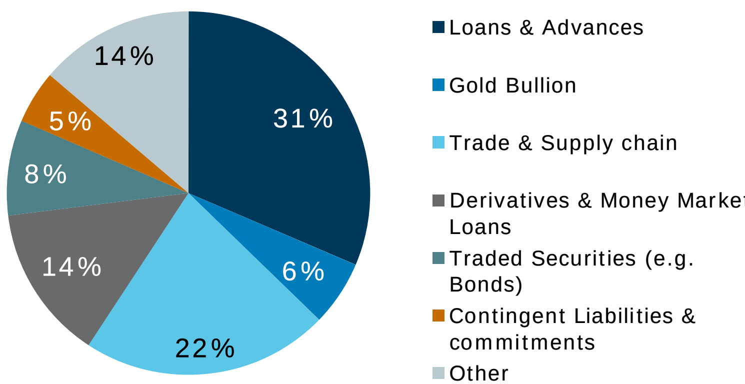
ANZ Asia industry composition

EAD(September 15): AU$103b[1]



ANZ Asia product composition

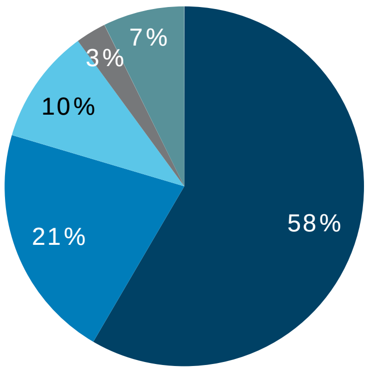
EAD(September 15): AU$103b[1]



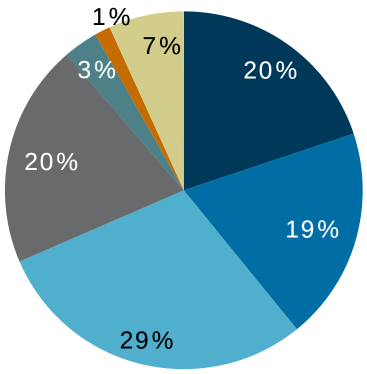
1. Data is provided is as at Sep15 on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral. Position excludes Basel Asset Class “Retail”.
2. Country is defined by the counterparty’s Country of Incorporation.
3. Other is comprised of 46 different industries with none comprising more than 2.5% of the Asian Institutional portfolio.

ANZ China portfolio
Country of Incorporation[2]

ANZ China industry composition (EAD)[1]



ANZ China product composition (EAD)[1]



China EAD

- Total China EAD of A$27b, with 38% or $10.3b booked onshore in China.

Tenor ~88% of EAD has a tenor less than 1 year

Risk rating

- China exposure has a stronger average credit rating than Asia, APEA, Australia and NZ, with lower historic credit provisions and loss rates.

Industry

- 58% of China exposures to Financial institutions, with ~55% of this to the Top 5 Chinese systemically important banks.

Products

- Mix focused on short term trade and markets facilities providing flexibility to change composition of the portfolio
- Within Global loans and advances circa 63% have a tenor of less than 1 year

1. Data is provided is as at Sep15 on a Post CRM basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral. Position excludes Basel Asset Class “Retail”.
2. Country is defined by the counterparty’s Country of Incorporation.

2015 | FULL YEAR RESULTS

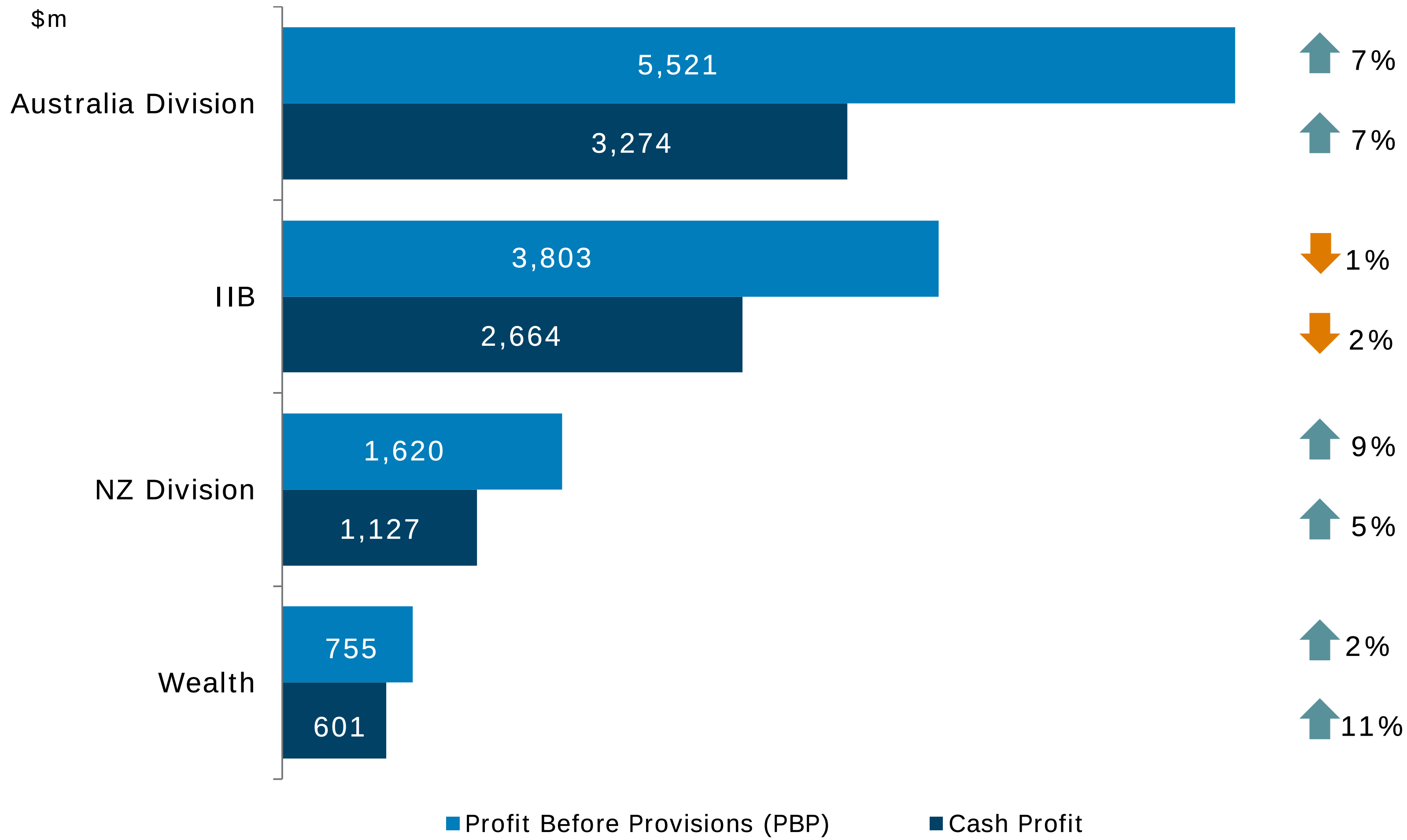
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

29 October 2015

Divisional performance

Divisional overview

Profit growth[1]



1. Excludes GTSO and Group centre

Digital investment is transforming the business

	Digitally connected	Highly engaged	Easy path to purchase
Aus	**+9%** increase in digitally active customers[1] (25% uplift from 2012)	**+10%** increase in transactions via Digital[2] (39% uplift from 2012)	**+30%** increase in Digital Sales (110% uplift from 2012)
NZ	**>50%** Of all card PINs now selected using Digital channels	**66%** Of transactions via Digital Channels (up from 61% in FY14)	**+32%** increase in Sales revenue from Digital Sales
IIB	**Winner** Celent Model Payments Innovation 2015 (Global Payments)	**+36%** Increase in volume of FX deals processed through Global FX	**$2.5 trillion** Of value processed through Global Wholesale Digital this year
Wealth	**10.5m** Customer logins to **GROW** since launch	**+14.5%** Growth in **self directed** solutions[3]	**65%** CAGR Growth in **digitally enabled FUM** (ANZ SmartChoice / KiwiSaver)[4]

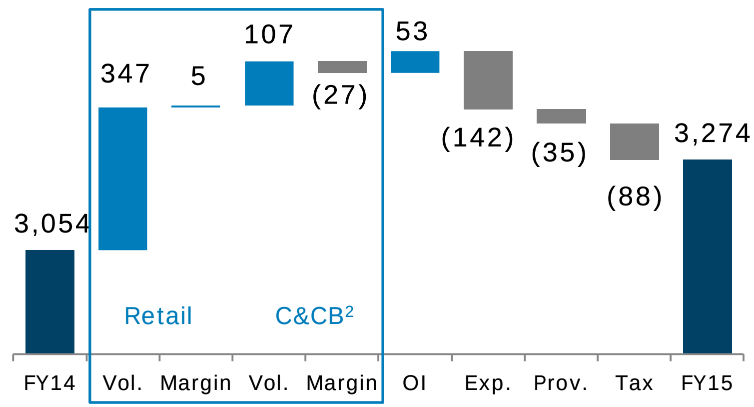
All numbers YoY except where indicated

1: 12 months to July 2015; 2: Total volume of Digital transactions (IB, goMoney, Grow); 3. As at 30 June 2015 – customers who ask to connect via / receive information via mobile; 4. ANZ SmartChoice includes Retail & Employer. CAGR FY13-15.

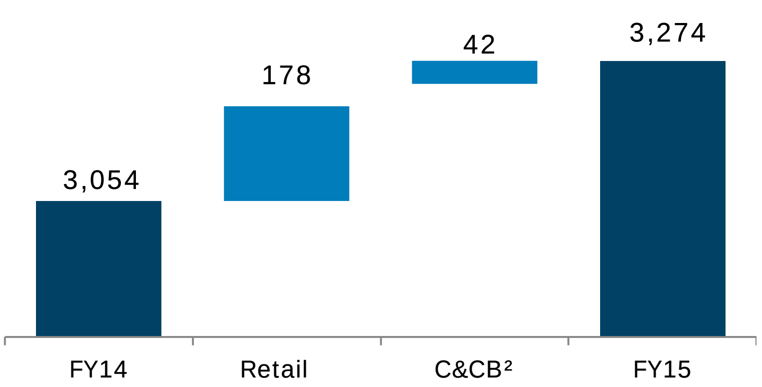
Australia Division
FY15 results

	FY15		2H15	
	$m	% gth YOY[1]	$m	% gth HOH[1]
Net Interest Income	7,509	6%	3,839	5%
Other Income	1,169	5%	598	5%
Total Income	**8,678**	**6%**	**4,437**	**5%**
Retail	5,334	8%	2,758	7%
C&CB[2]	3,344	3%	1,679	1%
Expenses	**3,157**	**5%**	**1,601**	**3%**
PBP	**5,521**	**7%**	**2,836**	**6%**
Provision charge	853	4%	458	16%
NPAT	**3,274**	**7%**	**1,672**	**4%**
Net Interest Margin	2.50%	(2bps)	2.50%	flat
Cost to Income	36.4%	(42bps)	36.1%	(61bps)
Net Loans and Adv.	313,672	9%	313,672	5%
Customer Deposits	169,280	5%	169,280	4%
Provision % of avg GLA	28bps	(1bp)	30bps	3bps

Net Profit contribution by P&L Line ($m)



Net Profit contribution by business ($m)

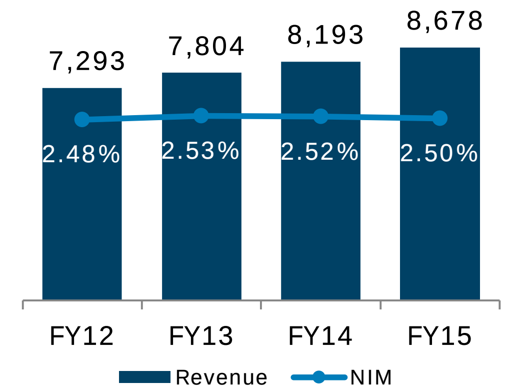


1. YoY: Comparisons are on a cash basis comparing 12 months to 30 September 2015 to 12 months to 30 September 2014. HoH: Comparisons are on a cash basis comparing 6 months to 30 September 2015 to 6 months to 31 March 2015.
2. C&CB refers to Corporate and Commercial Banking.

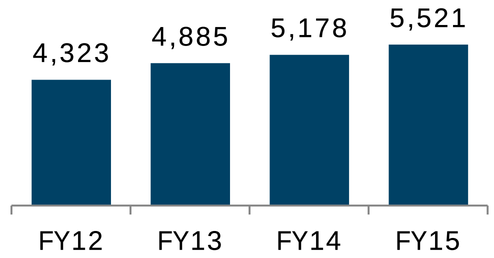
Australia Division – overview

Delivering strong returns

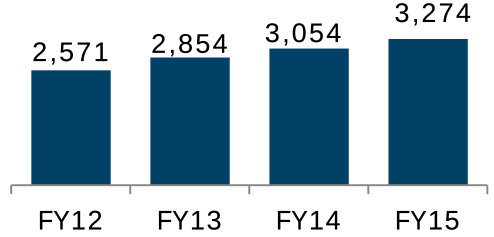
Revenue ($m) & NIM



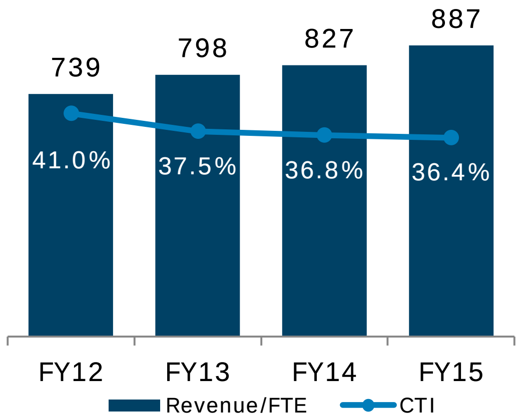
PBP ($m)



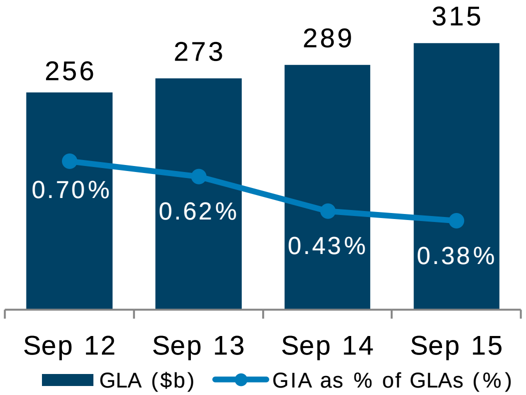
Cash profit ($m)



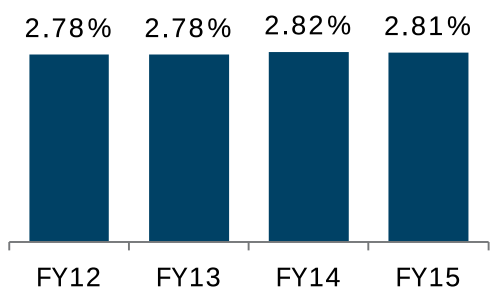
Rev. per FTE ($'000) & CTI



Credit quality

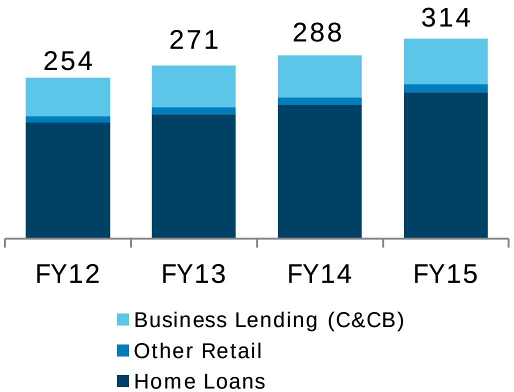


Return on RWAs

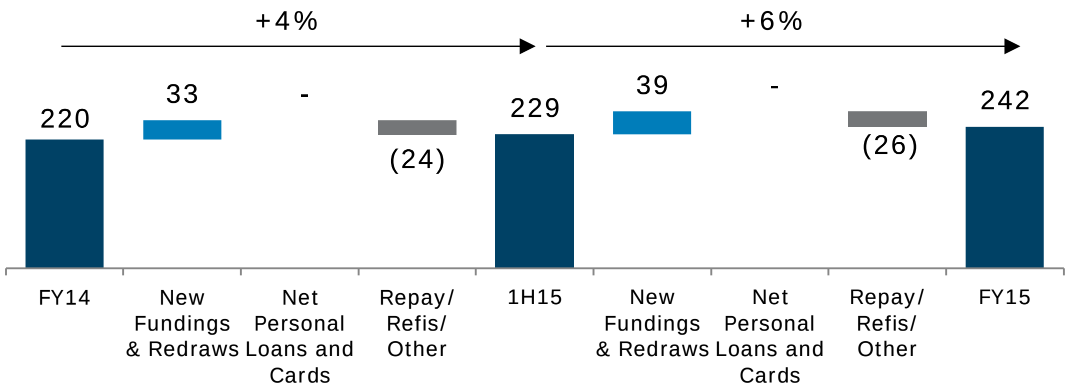


Australia Division – balance sheet overview
Strong second half momentum

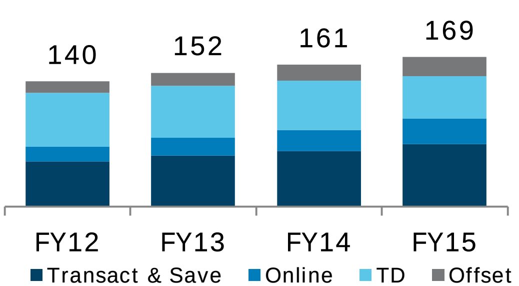
Lending[1] growth ($b)



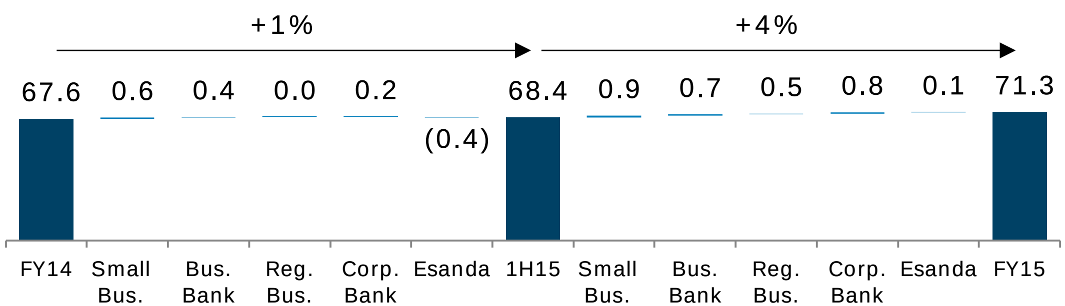
2015 lending[1] flows – Retail ($b)



Deposit growth ($b)



2015 lending[1] flows – C&CB ($b)

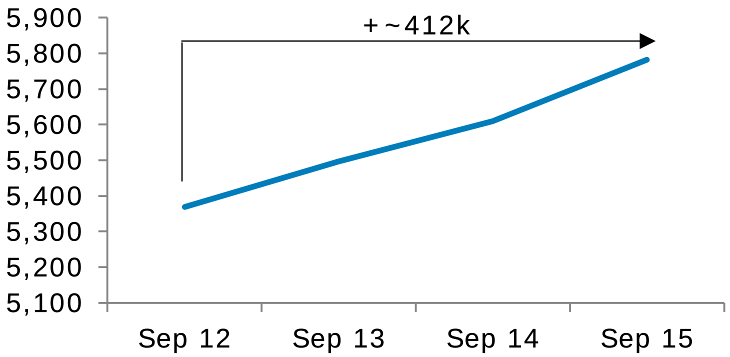


1. Lending refers to Net Loans and Advances.

Delivered strong outcomes in customer acquisition, product penetration and sales

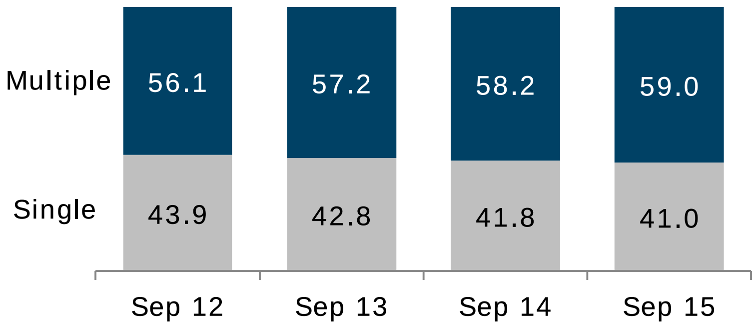
Grow customers (‘000)

Australia Division



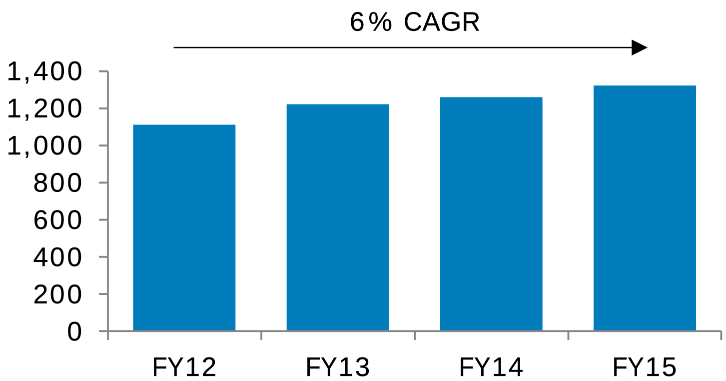
Grow products per customer (%)

Retail Products per Customer



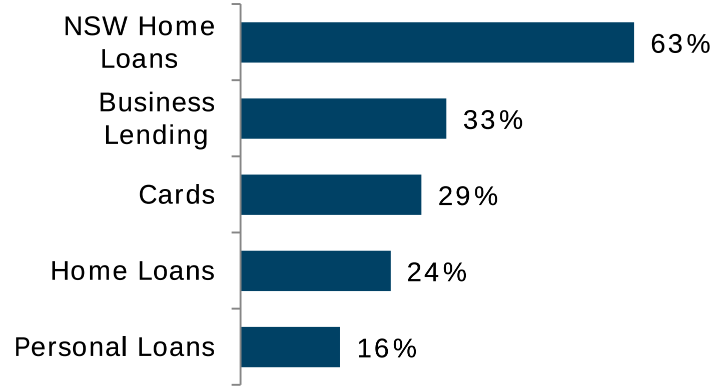
Deepening customer relationships ($m)

C&CB Cross Sell



Strong sales outcomes (PCP[1])

Sales growth

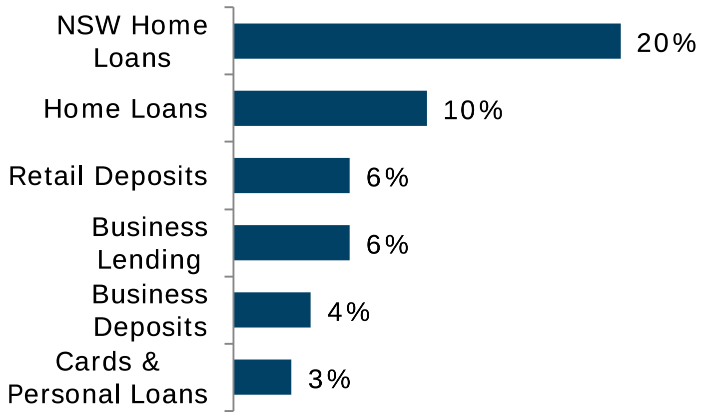


1. Cards refers to Card acquisition (number of accounts). All other metrics relate to gross lending FUM on acquisition. PCP: Comparing end of period 30 September 2015 to 30 September 2014.

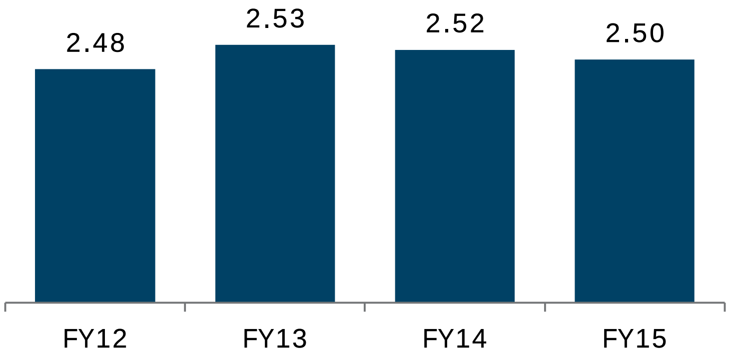
Delivered strong revenue and volume growth, while managing costs and credit quality

Strong FUM growth (PCP[1])

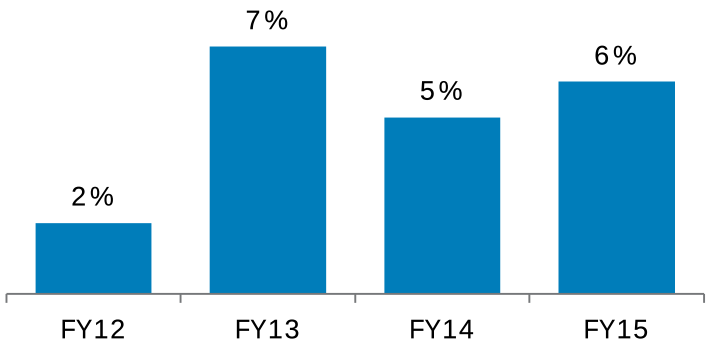
FUM growth



Effective margin management (NIM %)

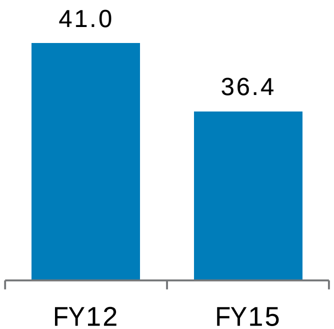


Strong revenue growth

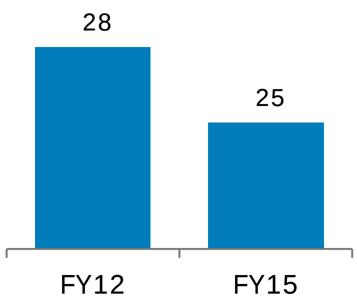


Costs and provisions well managed

CTI (%)



IP Loss Rate (bps)



1. PCP: Comparing end of period 30 September 2015 to 30 September 2014.

Transforming our channels, delivering an enhanced customer experience

Improving the Customer Experience


Aligning branches to customers' needs

- 6 new 'digital' branches with striking customer-led design
- Better support for customers with assisted service on digital devices
- Enhanced privacy for goal-based customer discussions via digital A-Z Reviews
- Streamlined capture, use and re-use of data to fulfil customers' financial needs

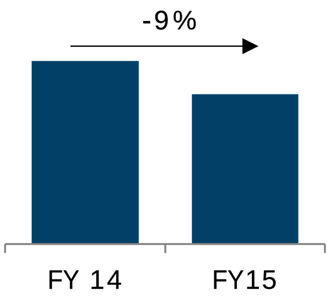
New Tools for Customers & Bankers

- New appointment booking tool for customer discussions
- A-Z Reviews for over 2,000 customers per day
- New borrowing scenario tool for mortgage specialists
- Real Time Customer Feedback across all channels
- 'Big data' driving more intelligent leads and offers

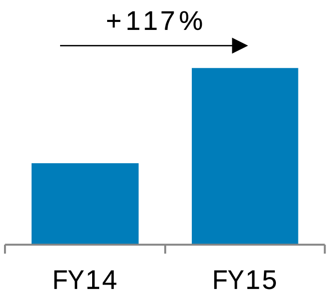
Increased ATM Functionality & Security

- World first 'tap & pin' technology for chip-based (EMV) security and speed

Branch Cash Transactions[1]



Smart ATM Deposits



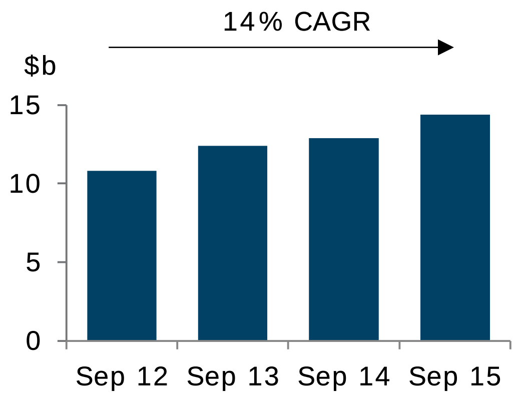
1. Branch Over the Counter Transactions

Small Business Banking

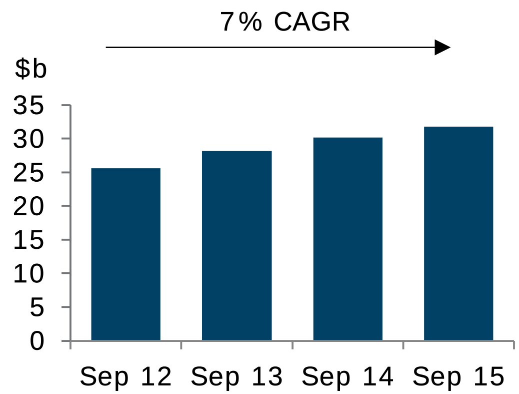
Strong performance by a leading proposition and sustained focus

Strong Performance, Well Diversified, Sound Quality

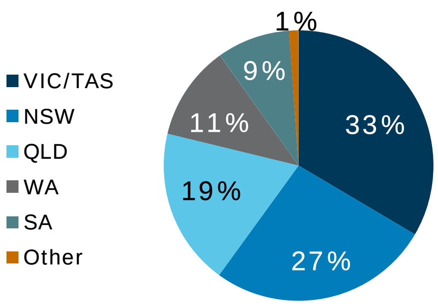
NLAs



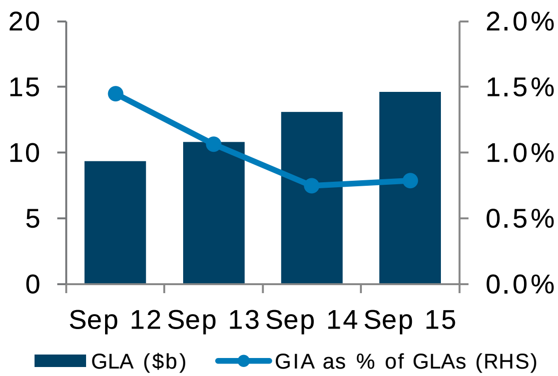
Deposits



Lending by Geography[1]



Lending and Credit Quality



Leading Proposition

#1	First in market, leading needs assessment solution (Digital A-Z Review)
✓	Tailored solutions (e.g. Start Ups Package), policies and processes
~80%	Funds disbursed within 24 hours of drawdown request

Continued Investment

⇧8%	More small business bankers added in FY15
~70%	Branch sales staff accredited to serve small business customers
$2b	Expanded lending pledge for new small businesses

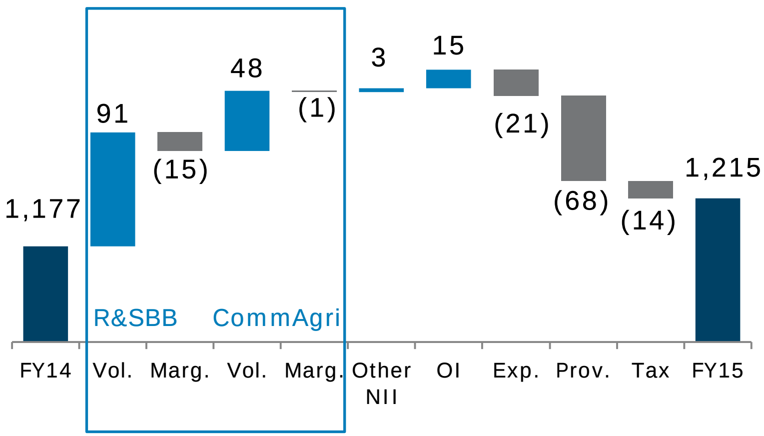
1. Gross lending assets (excluding cross-sell) by geography.

New Zealand Division

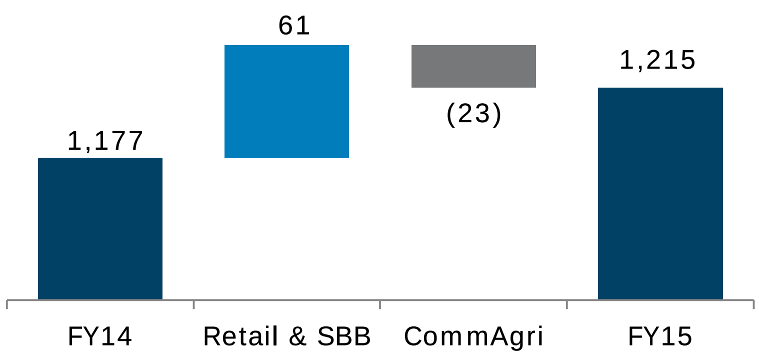
Balance sheet momentum coupled with productivity gains

	FY15		2H15	
	NZDm	% gth YOY[1]	NZDm	% gth HOH[1]
Net Int Income	2,498	5%	1,257	1%
Other Income	397	4%	201	3%
Total Income	**2,895**	**5%**	**1,458**	**1%**
Retail & SBB	1,957	5%	989	2%
CommAgri	921	5%	461	0%
Other[2]	17	70%	8	(11%)
Expenses	**1,148**	**2%**	**572**	**(1%)**
PBP	**1,747**	**7%**	**886**	**3%**
Provision charge	59	large	39	95%
NPAT	**1,215**	**3%**	**610**	**1%**
Net Interest Margin	2.48%	(1 bps)	2.44%	(8 bps)
Cost to Income	39.7%	(127 bps)	39.2%	(85 bps)
Net Loans and Adv.	104,756	8%	104,756	5%
Customer Deposits	65,689	14%	65,689	7%
Provision % of avg GLA	0.06%	7 bps	0.08%	3 bps

Net Profit contribution by P&L Line (NZDm)



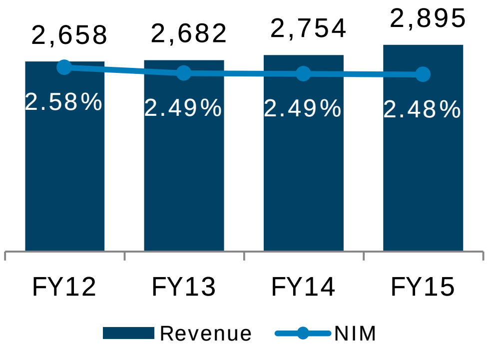
Net Profit contribution by business (NZDm)



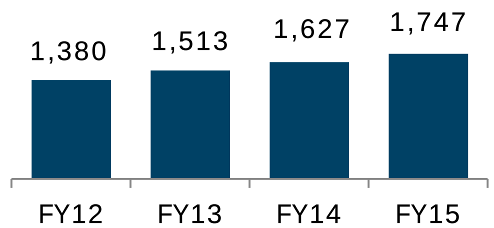
1. YOY: Comparisons are on a cash basis comparing 12 months to 30 September 2015 to 12 months to 30 September 2014. HOH: Comparisons are on a cash basis comparing 6 months to 30 September 2015 to 6 months to 31 March 2015.
2. Other = Central Functions.

New Zealand Division – overview
Strong returns, high quality portfolio

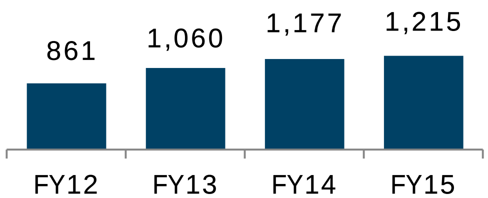
Revenue (NZDm) & NIM



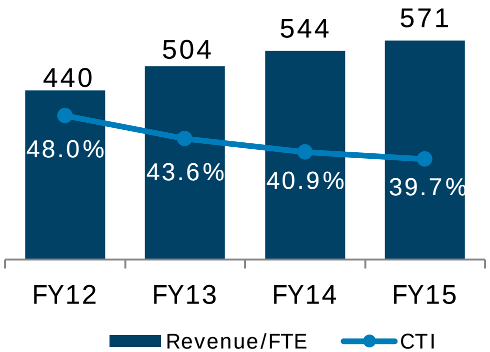
PBP[1] (NZDm)



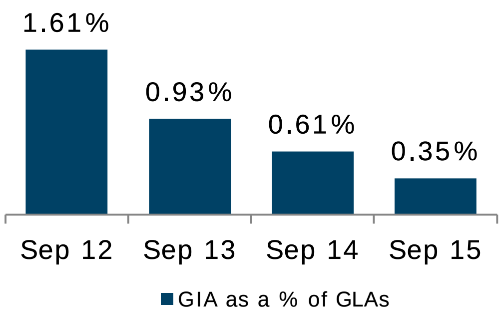
Cash profit (NZDm)



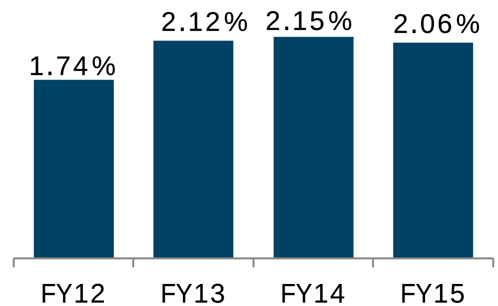
Rev. per FTE (NZDk) & CTI



Credit Quality



Return on RWAs

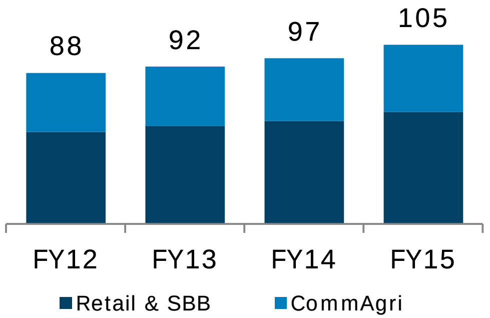


1. PBP: Profit before provisions.

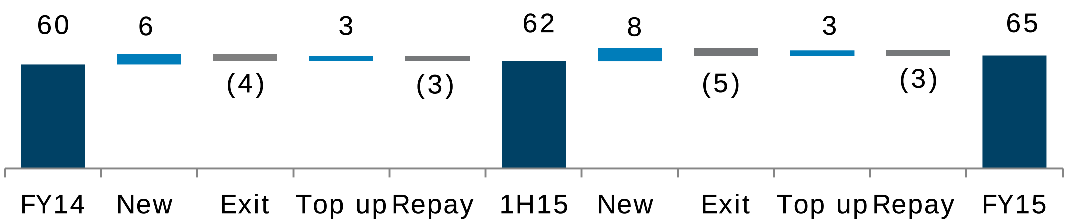
New Zealand Division – balance sheet overview

$8b lending growth, largely funded by deposits

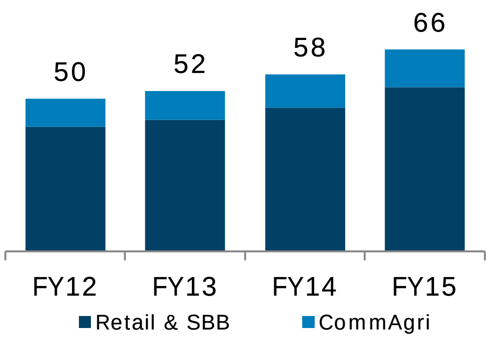
Lending[1] growth (NZDb)



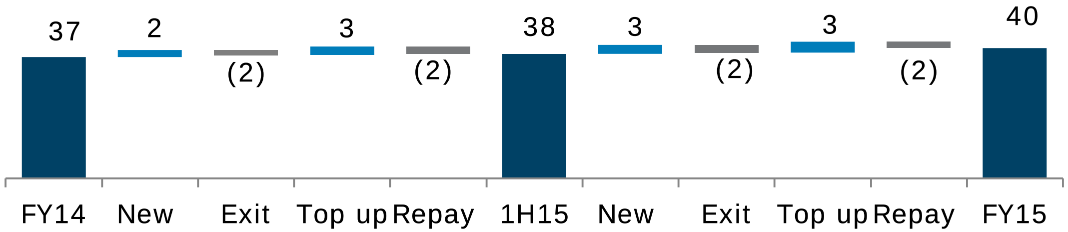
2015 lending[2] flows – Retail & Small Bus. Bank (NZDb)



Deposit[3] growth (NZDb)



2015 lending[2] flows – Commercial & Agri (NZDb)

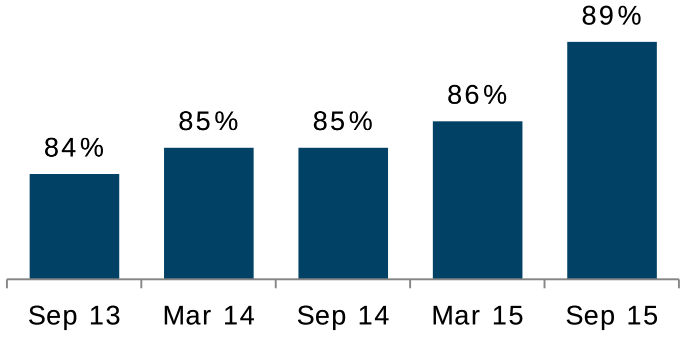


1. Net loans and advances.
2. Gross loans and advances excluding capitalised brokerage/mortgage origination fees, unearned income and customer liabilities for acceptances.
3. Customer deposits.

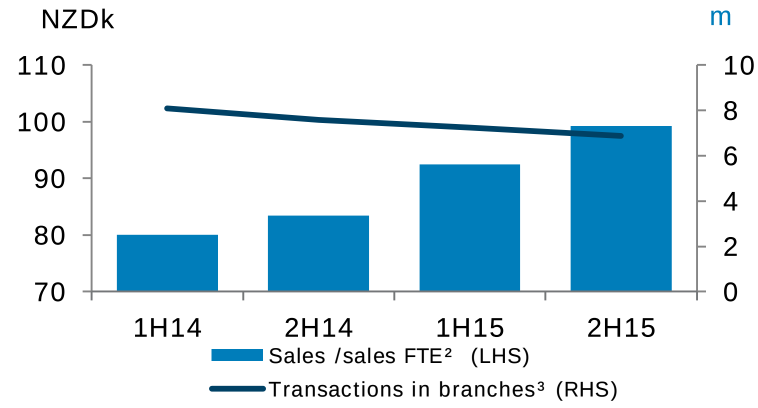
Delivering results through sales

Building a world class sales and service capability

Customer satisfaction[1]

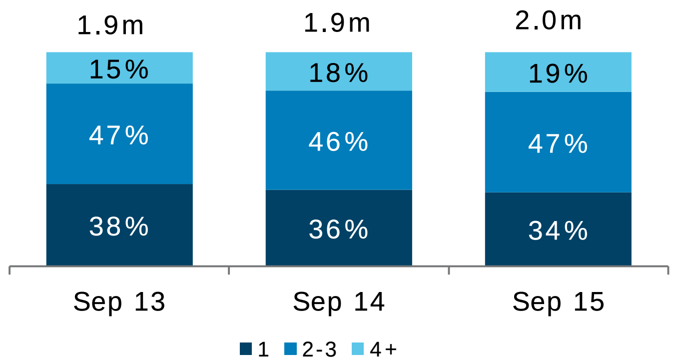


R&SBB sales productivity

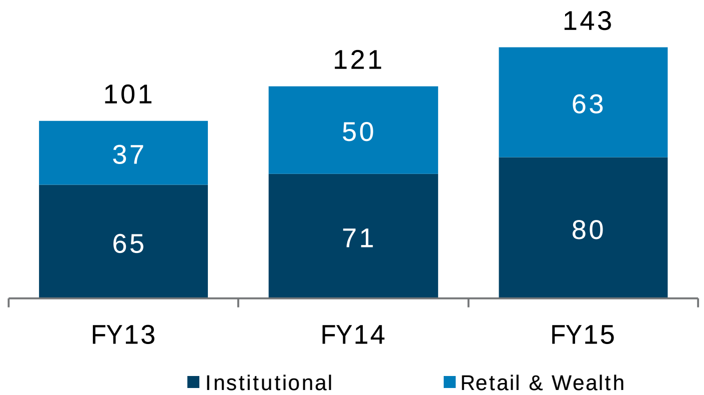


Products per customer

% of Retail customers



CommAgri customer revenue recognised in other segments[4] (NZDm)

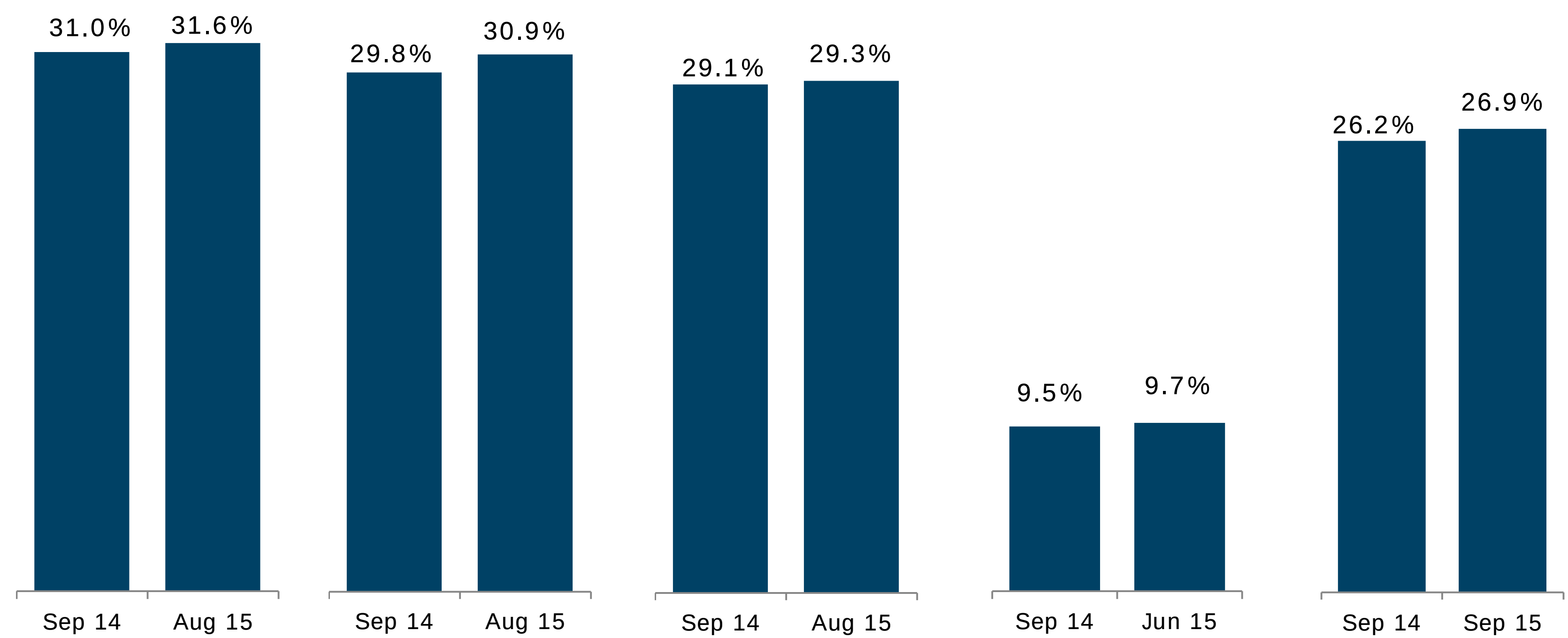


1. Source: Camorra Retail Market Monitor (RMM), 6 month rolling.
2. Mix of FTE across Branch, Specialist Distribution, Contact Centre, Small Business Banking and Migrant Banking.
3. Over the counter branch transactions.
4. Retail includes Small Business Banking.

Strong and stable returns for the ANZ Group
Delivering through focus on 5 priority products

Growth in key products in FY15

Mortgages[1]	Household Deposits[1]	Credit Cards[1]	Life Insurance[2]	KiwiSaver[3]
+53 bps	+101 bps	+23 bps	+19 bps	+66 bps

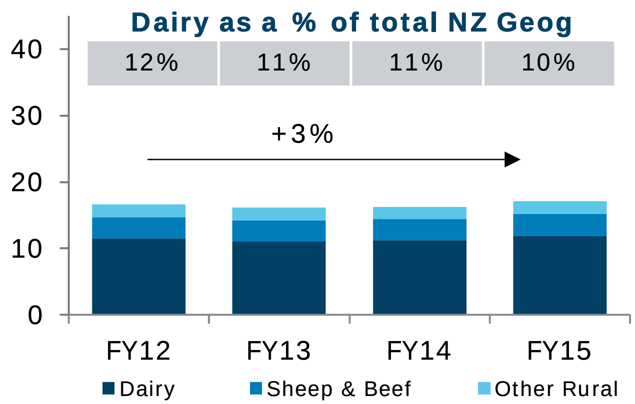


1. Source: RBNZ, share of all banks.
2. Source: FSC (Financial Services Council), share of all providers.
3. Source: IRD, member share of all providers.

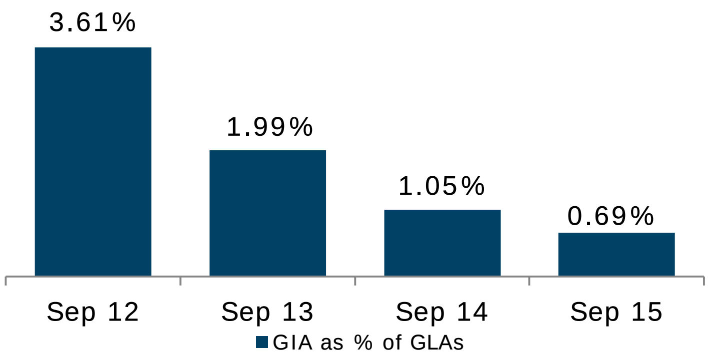
New Zealand – Agri[1]

Focusing on high quality incremental growth

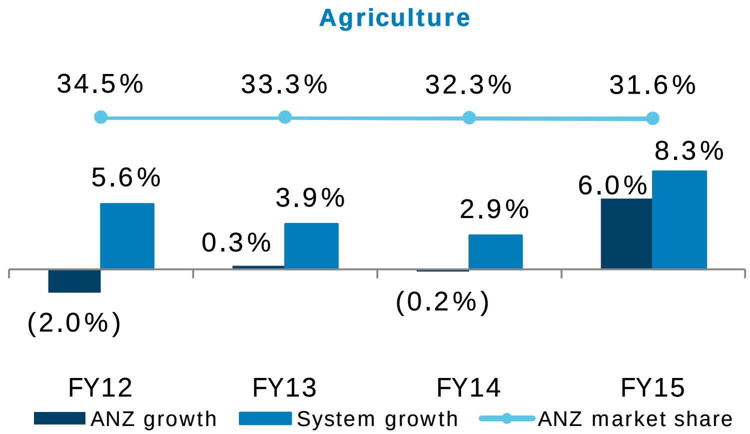
Agri Portfolio[2] (NZDb)



Credit Quality



Market Share[3]



Approach to the Agriculture Sector

- High quality, low LVR dairy portfolio
- Focus on supporting existing dairy customers
- Diversified agriculture portfolio
- Continuing to grow sheep & beef and horticulture segments
- Stringent credit assessment process

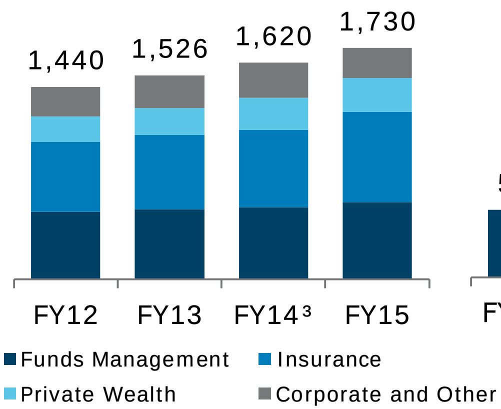
1. New Zealand Geography.
2. Gross loans and advances.
3. Source: RBNZ, share of all banks – FY15 as at August 2015.

Global Wealth Division Financial Performance

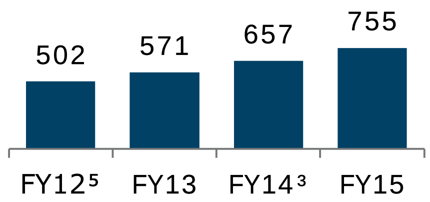
Delivering strong financial performance

	FY15			2H15	
	$m[1]	% gth YOY[2]	% gth (ex trustees)[3]	$m[1]	% gth HoH[2]
Income	**1,730**	**(1%)**	**7%**	**880**	**4%**
Net Int Inc	178	6%	6%	90	2%
OI	191	(42%)	(6%)	94	(3%)
FM & Insurance	1,361	9%	9%	696	5%
Funds Mgt	574	6%	6%	290	2%
Insurance	680	18%	18%	348	5%
Private Wealth	251	(31%)	4%	127	2%
Expenses	**975**	**(3%)**	**1%**	**486**	**(1%)**
PBP	**755**	**2%**	**15%**	**394**	**9%**
Provisions	**0**	**large**	**large**	**(1)**	**large**
NPAT[1]	**601**	**11%**	**26%**	**342**	**32%**
Average FUM	65,805	7%	11%	66,993	4%
Deposits (customer)	18,467	33%	33%	18,467	6%
Inforce Premiums	2,217	9%	9%	2,217	3%
EV[4]	4,598	18%	18%	4,422	5%
VNB	200	18%	18%	109	11%

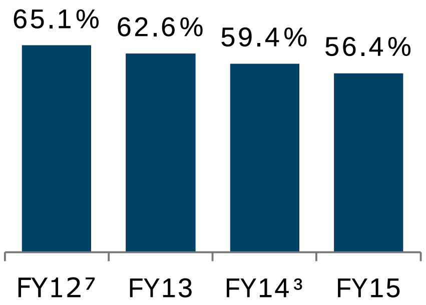
Revenue ($m)



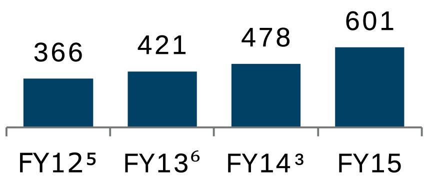
PBP($m)



CTI (%)



Cash profit ($m)

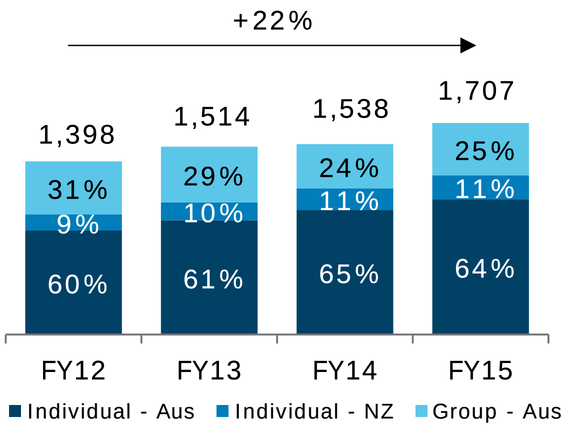


1.FY15 and 2H15 NPAT includes a $56m non-recurring tax consolidation benefit. 2. YoY: Comparisons are on a cash basis comparing 12 months to 30 September 2015 to 12 months to 30 September 2014. HoH: Comparisons are on a cash basis comparing 6 months to 30 September 2015 to 6 months to 31 March 2015. 3. FY14 results normalised for ANZ Trustees gain on sale income (-$125m), ANZ Trustees related expenses ($41m), NPAT net impact (-$64m), FY14 average FUM normalised to exclude ANZ Trustees FUM ($2,033m). 4. Embedded value is gross of transfers. 5. FY12 results normalised for a non-recurring software impairment ($29m). 6. FY13 results normalised for a one-off tax consolidation adjustment (-$50m)

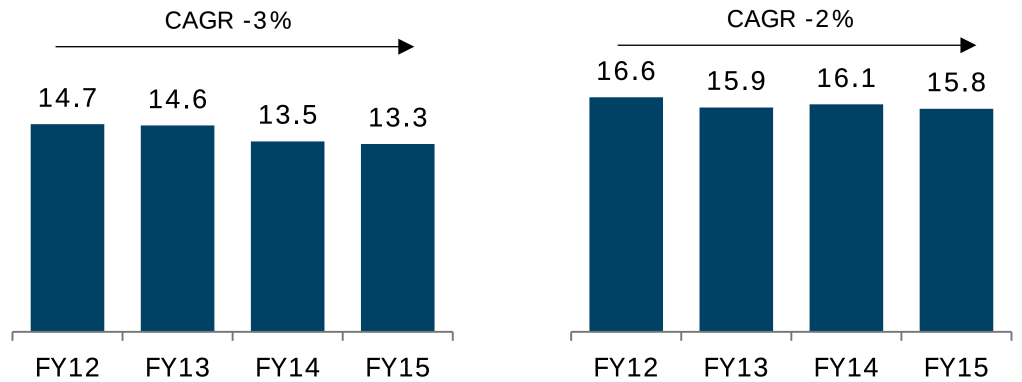
Global Wealth - Insurance

Continues to deliver growth in inforce premiums and embedded value

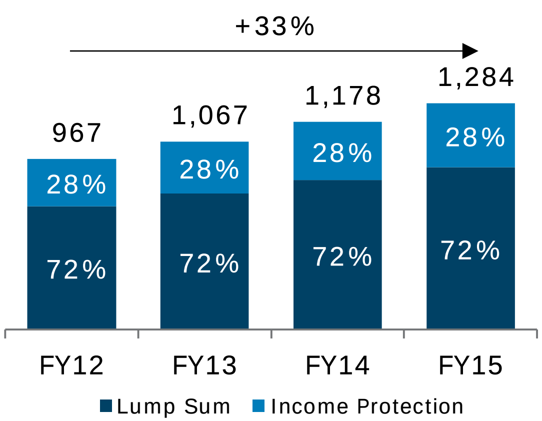
Stable mix of Life Insurance inforce ($m)



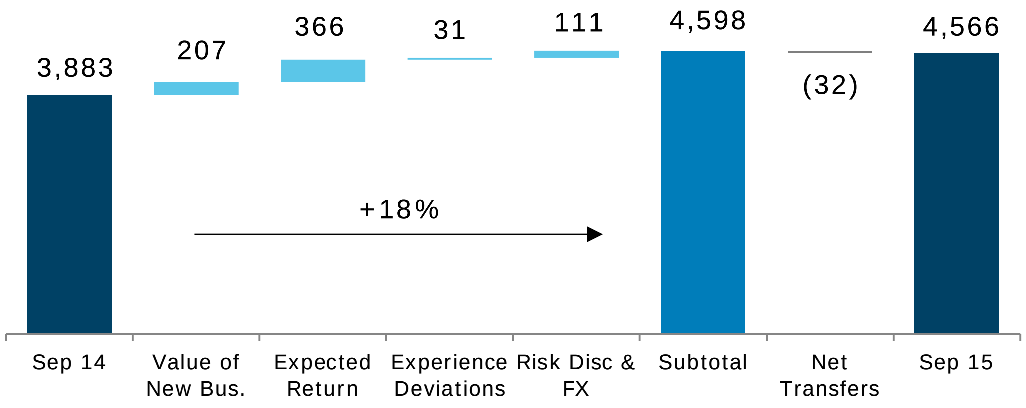
Lapse rates[1] (%)



Individual Life Insurance product mix ($m)



Embedded Value growth[2] ($m)

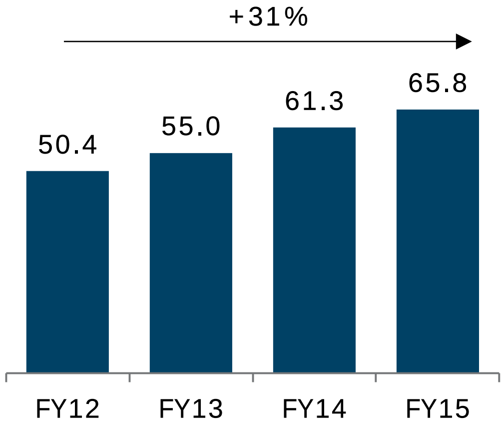


1. A definition change to the Australian Retail risk lapse rate was made to reflect the inclusion of partial premium reductions within the policy renewal period. Prior comparative periods have been restated to align with revised methodology.
2. Includes Insurance and Funds Management businesses in Australia and New Zealand.

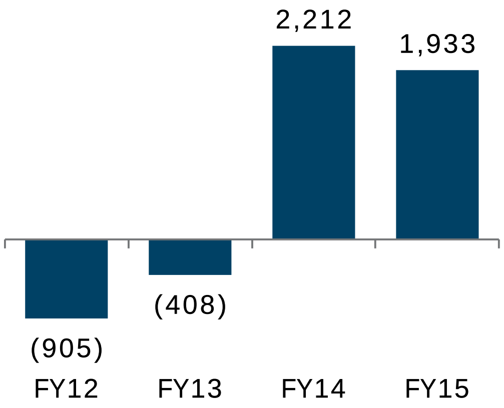
Global Wealth – Funds Management & Private Wealth

Positive volume growth in customer deposits and key digital solutions

Funds Mgt average FUM[1] ($b)

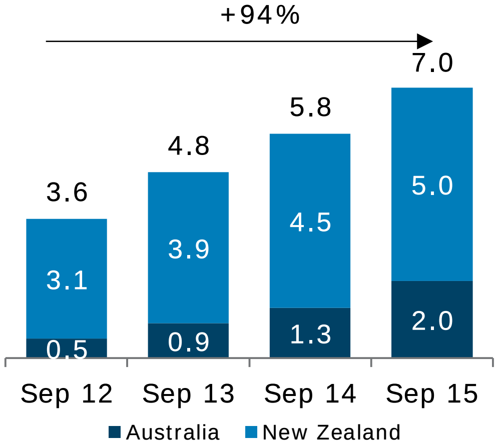


Funds Mgt netflows[1] ($m)

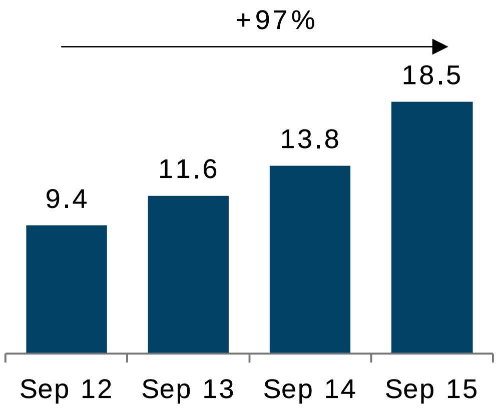


Private Wealth[2]

Investment FUM ($b)

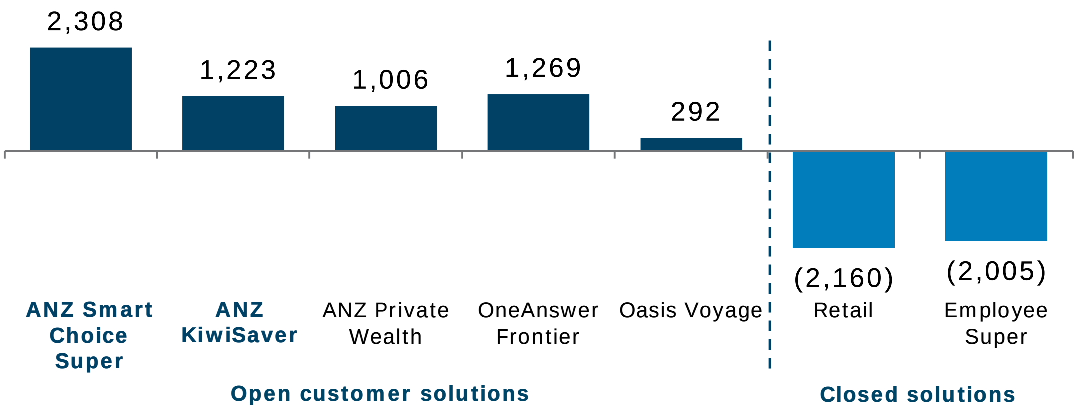


Customer Deposits ($b)



Funds Management FY15 netflows by solution ($m)

Reshaping our funds business to customer centric digital solutions



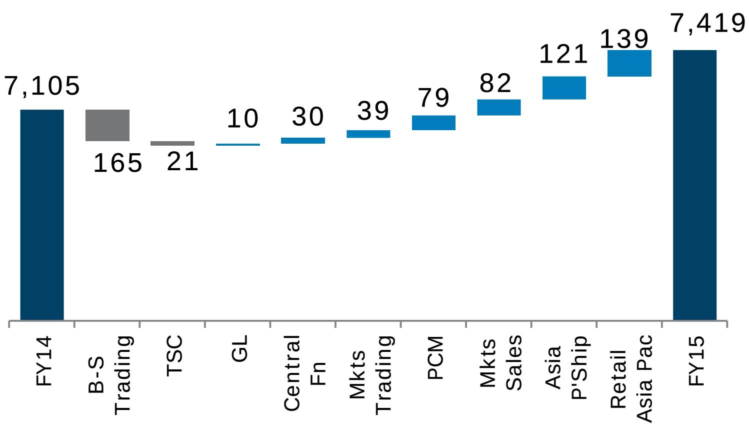
1. Funds Management average FUM and netflows include Private Wealth Investment FUM.
2. Private Wealth Investment FUM has been normalised to exclude ANZ Trustees FUM in the prior comparative periods.

International & Institutional Banking (IIB)

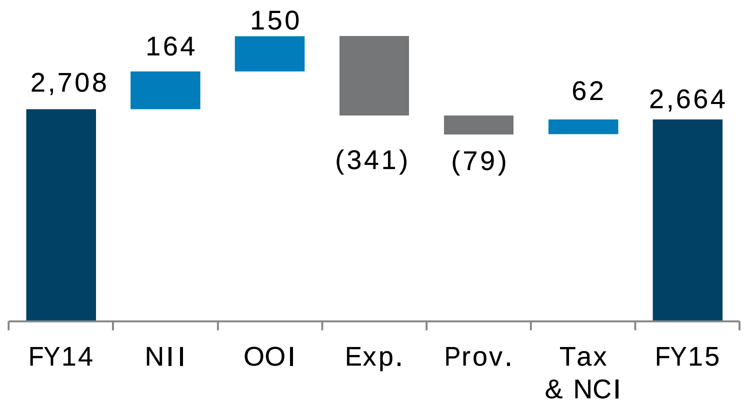
FY15 results

	FY15		2H15		
	$m	% gth YOY[1]	$m	% gth PCP[1]	% gth HOH[1]
Net Interest income	4,173	4%	2,146	7%	6%
Other operating income	3,246	5%	1,487	1%	(15%)
Total Income	**7,419**	**4%**	**3,633**	**4%**	**(4%)**
Global Products	5,818	0%	2,826	0%	(6%)
Retail Asia Pacific	956	17%	495	20%	7%
Asia Partnerships	608	25%	300	26%	(3%)
Operating expenses	**3,616**	**10%**	**1,845**	**12%**	**4%**
PBP	**3,803**	**(1%)**	**1,788**	**(3%)**	**(11%)**
Credit impairment charge	295	37%	197	Large	Large
NPAT	**2,664**	**(2%)**	**1,205**	**(10%)**	**(17%)**
OOI/Total Income	43.7%	17 bps	40.9%	(119 bps)	(554 bps)
NIM	1.34%	(16 bps)	1.34%	(11 bps)	0 bps
Cost to income	48.7%	265 bps	50.8%	344 bps	402 bps
Credit impair. chg/Avg GLA	0.19%	4 bps	0.25%	17 bps	12 bps
GIA as a % of GLA	0.76%	0 bps	0.76%	0 bps	11 bps

Revenue contribution by product



Net Profit contribution by P&L Line



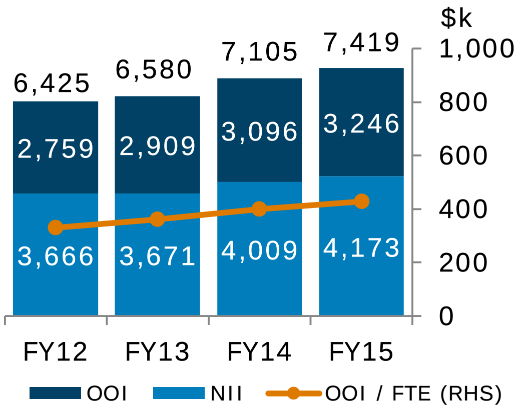
1. YoY: Comparisons are on a cash basis comparing 12 months to 30 September 2015 to 12 months to 30 September 2014. HoH: Comparisons are on a cash basis comparing 6 months to 30 September 2015 to 6 months to 31 March 2015.

Notes: GL: Global Loans and Advisory. PCM: Payments and Cash Management. TSC: Trade and Supply Chain. GIA: Gross Impaired Assets. GLA: Gross Loans and Advances. NCI: Non-controlling interest. B-S Trading: Balance Sheet Trading

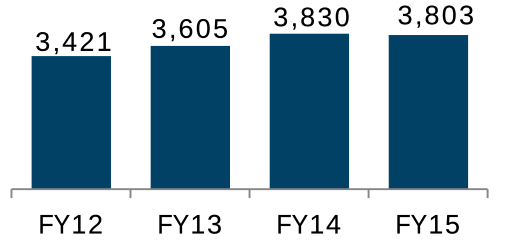
IIB revenue continued to grow

But profit was challenged

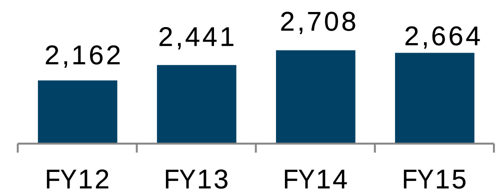
Revenue ($m)



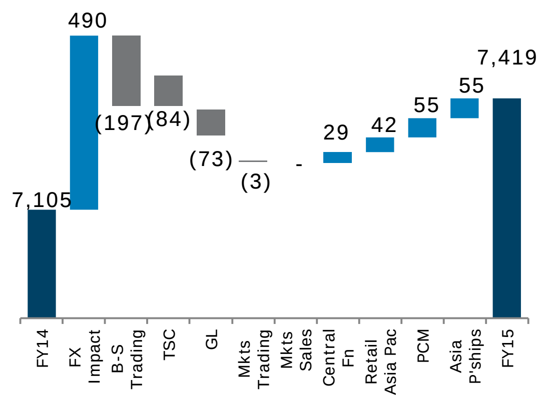
PBP ($m)



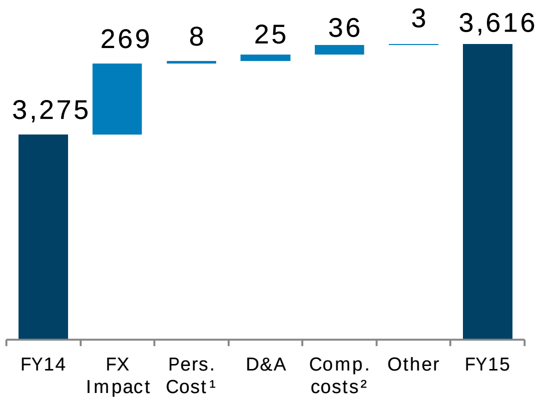
Cash profit ($m)



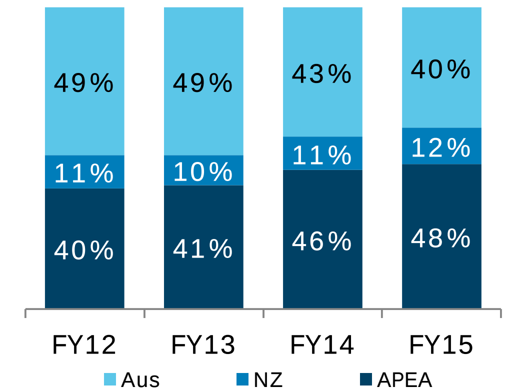
Revenue waterfall ($m)



Expense waterfall ($m)



Geographic cash profit

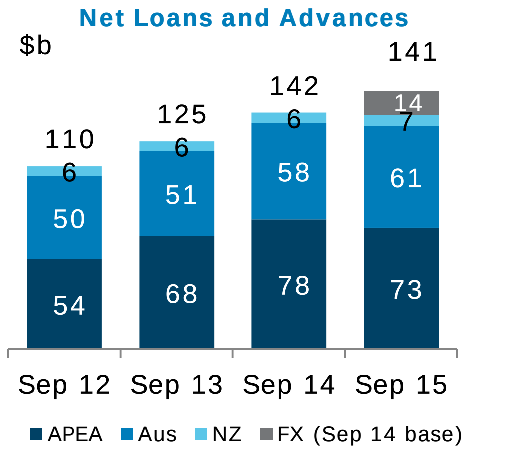


1. Personnel costs. 2. Compliance costs

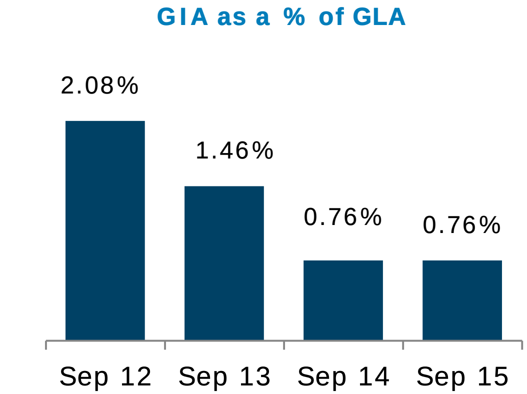
GL: Global Loans & Advisory. PCM: Payments and Cash Management. TSC: Trade and Supply Chain. B-S Trading: Balance Sheet Trading

Strong customer funding base and disciplined risk management support targeted balance sheet growth

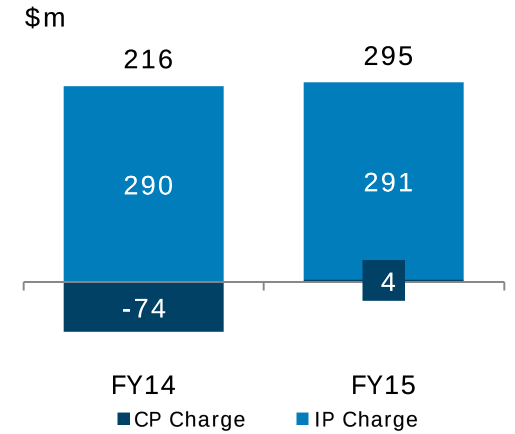
Increasing geographic diversification



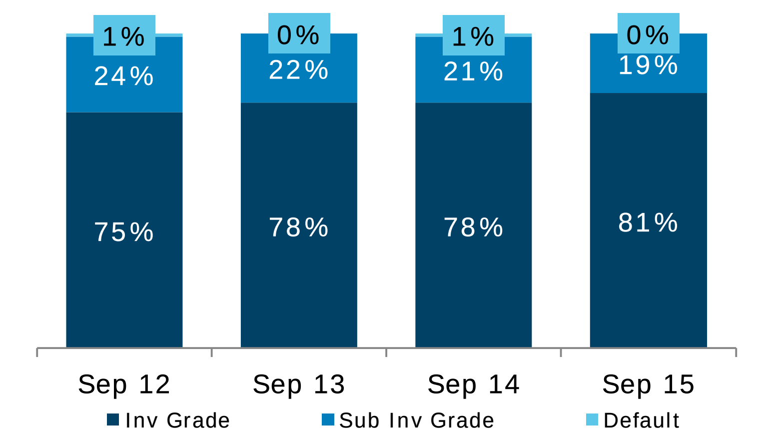
Credit quality



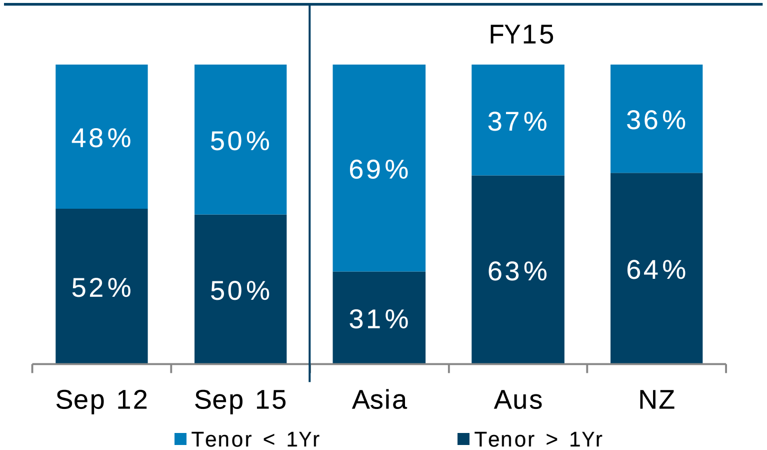
Provisions impacted by FY14 collective provision benefit



Asset risk grade profile



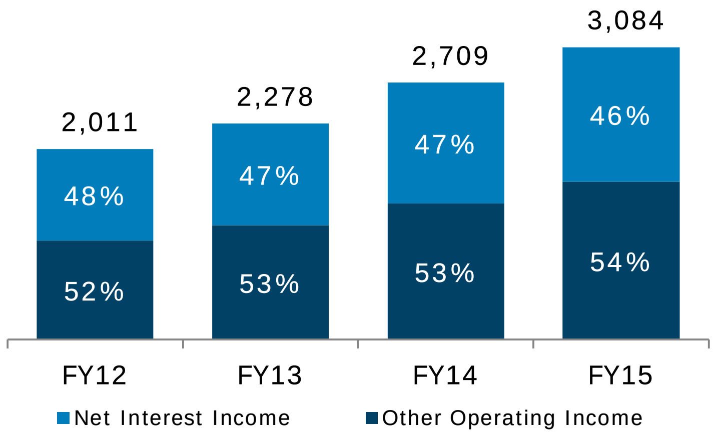
Asset tenor profile



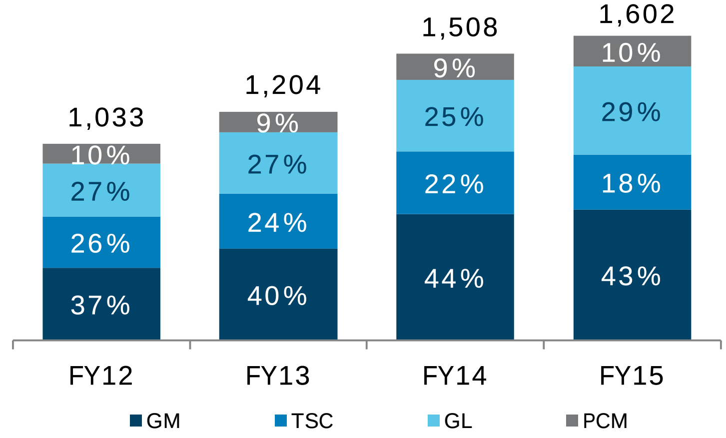
The Asia franchise performed well

Delivering growth and improving productivity

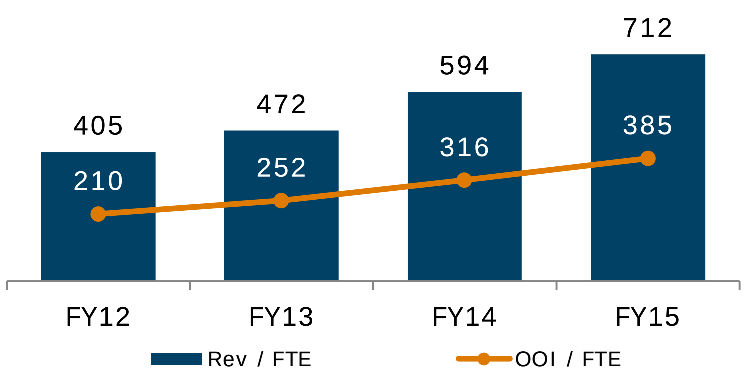
IIB Asia Revenue ($m)



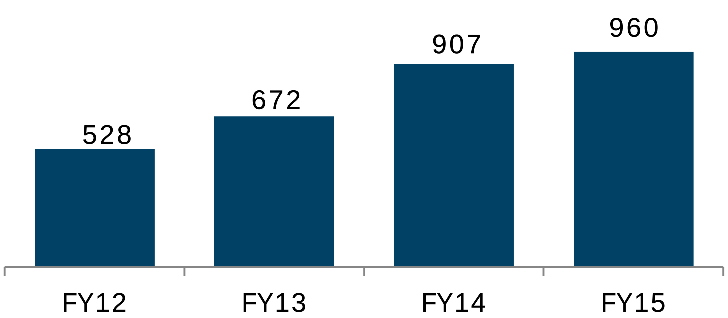
IIB Asia Institutional Revenue ($m)[1]



IIB Asia Revenue per FTE ($'000)



Cash profit ($m)



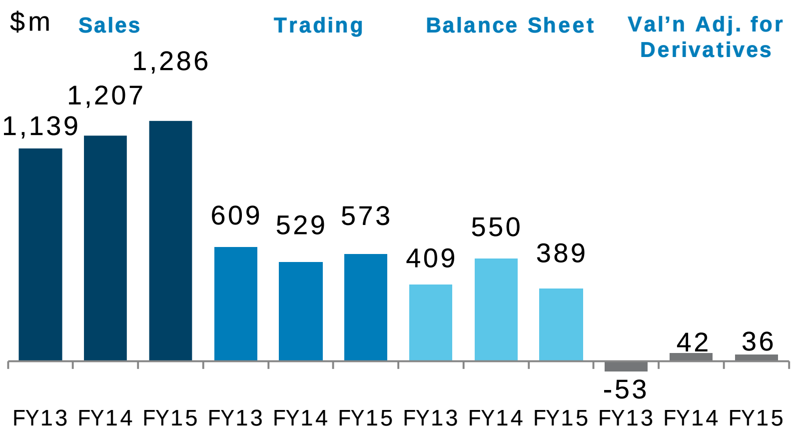
1. IIB Asia Institutional excluding partnerships

Notes: GM: Global Markets. 4GL: Global Loans and Advisory. PCM: Payments and Cash Management. TSC: Trade and Supply Chain.

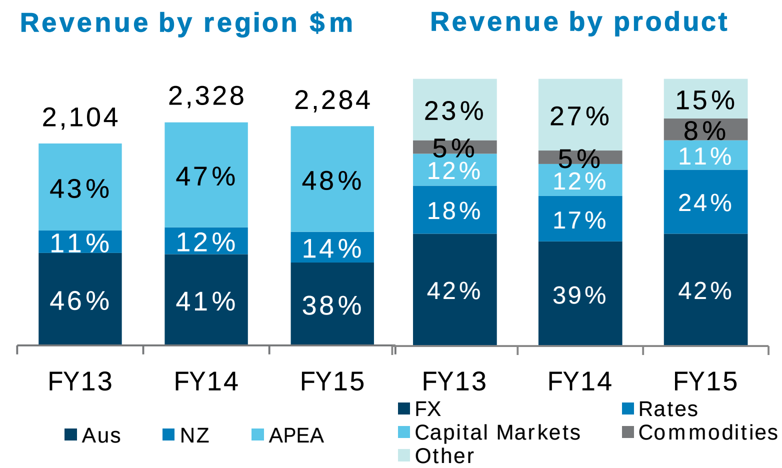
Record Global Markets customer sales revenue

Trading & Balance Sheet impacted by 4Q trading conditions

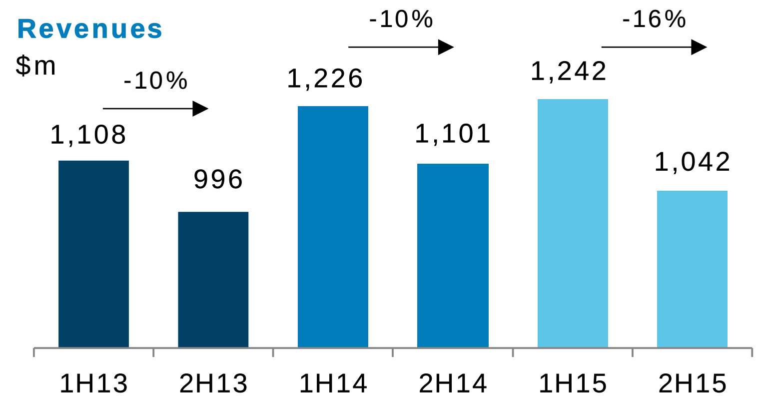
Customer facing markets revenue is growing



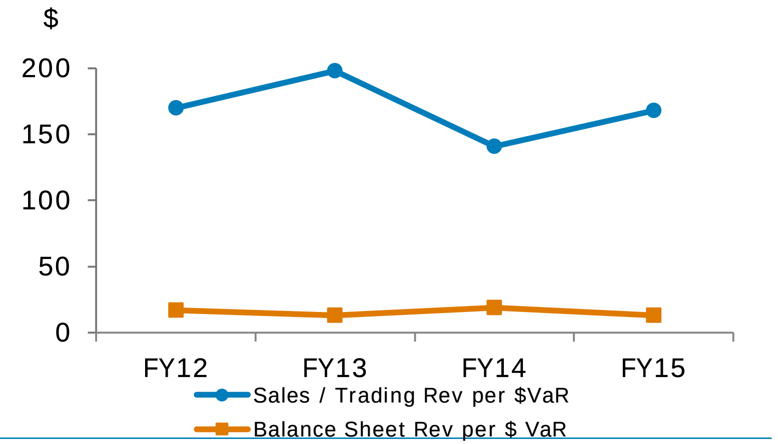
…in APEA across diverse product range



Notwithstanding Q4 market dislocation

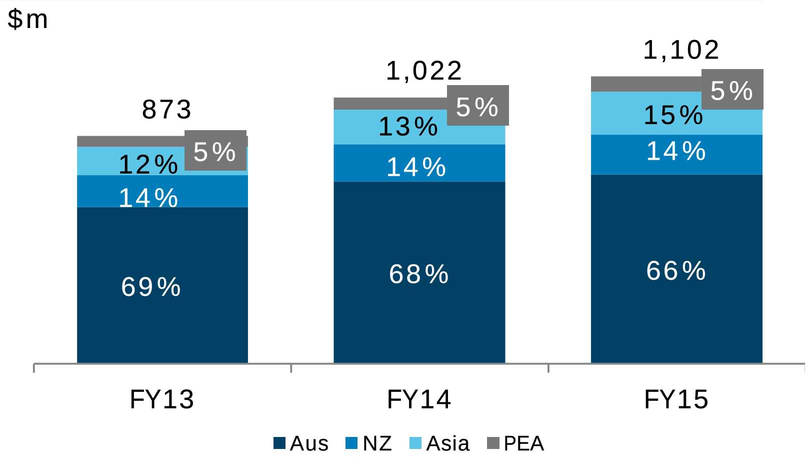


Risk position remains conservative

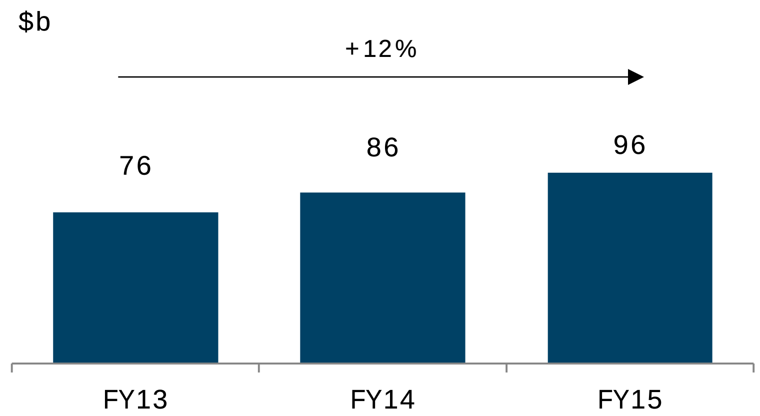


Trade and Cash Management are delivering in tougher conditions

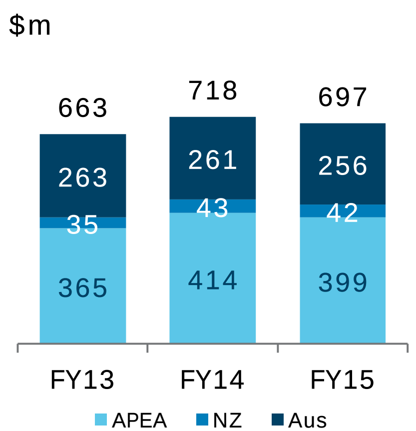
PCM revenue is at record levels



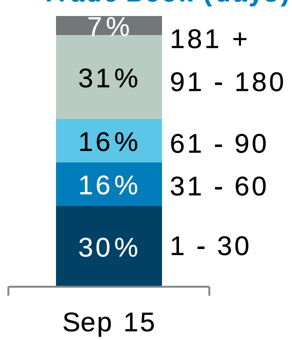
Deposit growth is strong



Trade revenues broadly flat …

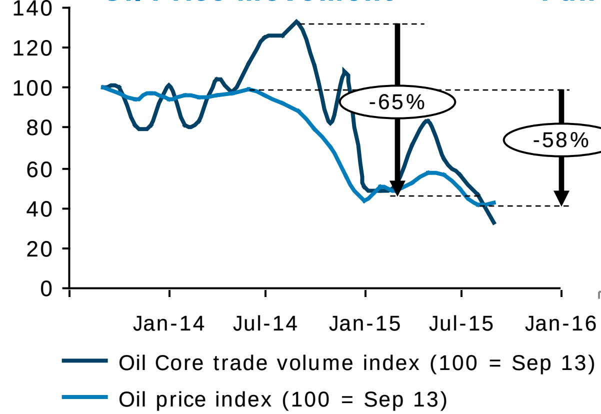


Maturity of Funded Trade Book (days)

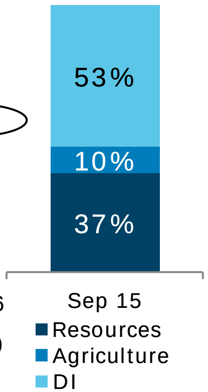


… despite a significant decline in commodity prices

Oil Price movement



Funded Trade Book



Notes: PCM: Payments and Cash Management. PEA: Pacific and EMEA

2015 | FULL YEAR RESULTS

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

29 October 2015

Home Loan / Mortgage Portfolio

Retail - Home Loans

Good Business		Growing Strongly		Managed Prudently	
$231b	Home Loan Portfolio (40% of the group)	↑24%	Sales of $66b up significantly on FY14	50%	Dynamic LVR of the portfolio
↑10%	Strong FUM growth driving $2.7b revenue	↑36%	Increase in Proprietary channel FUM growth	42%	% of population ahead on their repayments[4]
↓29%	Complaint volumes. 3rd consecutive year of double digit reduction	1.3[1]x	x System growth	1bp	Individual provision charge as % of Gross Loans & Advances
# 1	Award winning – Mortgage Lender or the Year[2] & Best First Home Buyer[3]	↑20%	NSW Home Loan FUM growth	63bps	90+ days past due delinquency rate

1. APRA excluding incorporations, as at August 2015.
2. Australian Lending Awards Feb 15.
3. CANSTAR Bank of the Year awards July 2015.
4. % of Customer > 30 days ahead of repayment.

Retail - Home Loans
Portfolio remains strong

Portfolio Statistics[1]	FY14	FY15
Total Number of Home Loan Accounts	919k	954k
Total Home Loans FUM	$209b	$231b
% of Total Australia Geography Lending	60%	60%
% of Total Group Lending	40%	40%
Owner Occupied Loans - % of Portfolio[2]	61%	61%
Investor Loans - % of Portfolio[2]	39%	39%
Offset balances	$18b	$22b
% of Portfolio Paying Interest Only[8,9]	34%	37%
% of Portfolio Ahead on Repayments[7,8]	45%	42%

Portfolio Statistics[1]	FY14	FY15
Average Loan Size at Origination[3,4]	$352k	$389k
Average Loan Size	$227k	$242k
Average LVR at Origination[3,4,5]	71%	71%
Average Dynamic LVR of Portfolio[4,5,6]	50%	50%
First home buyer	7%	7%
Broker originated	47%	48%
Low doc	9%	7%
Group Loss Rates	0.22%	0.20%
Home Loans Loss Rate	0.01%	0.01%

1. Exclusive of non performing loans, exclusive of offset balances. 2. Excludes Equity Manager. 3. Originated FY15. 4. Unweighted . 5. Including capitalised premiums. 6. Valuations updated Sep 2015 where available. 7. % of Customer >30 days ahead of repayments. 8. Excludes revolving credit. 9. At reporting period.

Retail – Home Loans
Underwriting practices

Multiple checks during origination process

Quality assurance, info verification & policy reviews

Pre-application	Income & Expenses
Application	Know Your Customer
Serviceability	Income Verification Income Models Expense Models Interest Rate Buffer
Collateral / Valuations	LVR Policy LMI policy Valuations Policy
Credit Assessment	Credit History Bureau Checks
Fulfilment	Documentation Security

End-to-end home lending responsibility managed within ANZ

- Pre-sales (digital & marketing)
- Proprietary sales and/or verification of 3rd parties[1]
- In-house loan origination, assessment, fulfilment
- Collections activity

Effective hardship & collections processes

- Dedicated hardship team
- Early warning based on system triggers

Full recourse lending

- Multiple actions to manage potential losses

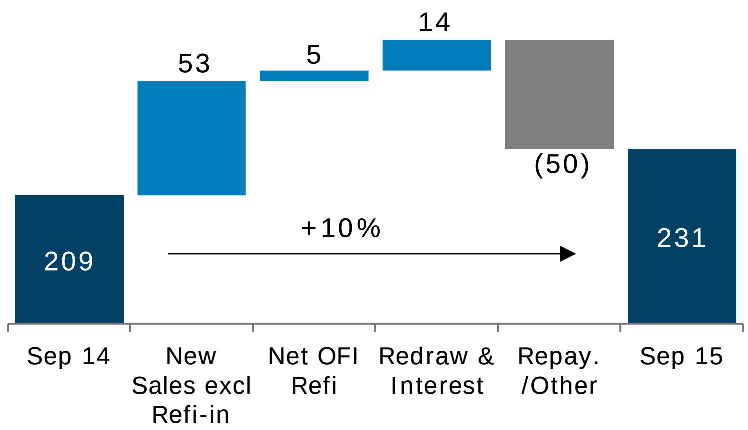
ANZ assessment process across all channels

- ANZ network
- Mobile
- Broker
- Digital
- Ongoing management of serviceability requirements

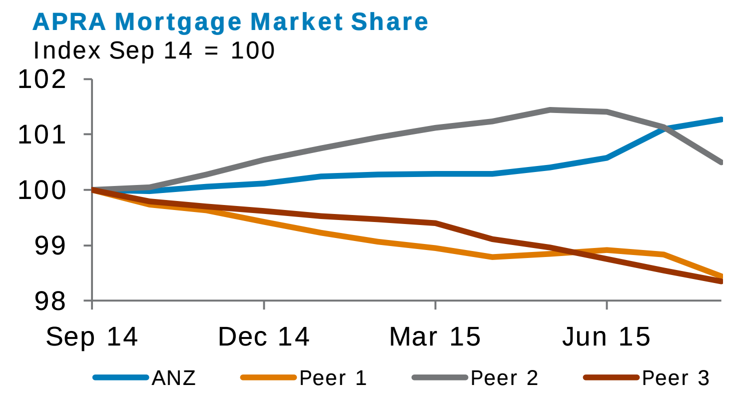
1. 3rd party sales channels (e.g. Broker) require ANZ accreditation & are subject to ongoing compliance monitoring to distribute ANZ home lending products.

Australian Home Loans
Composition and flows

Home Loan lending flows ($b)

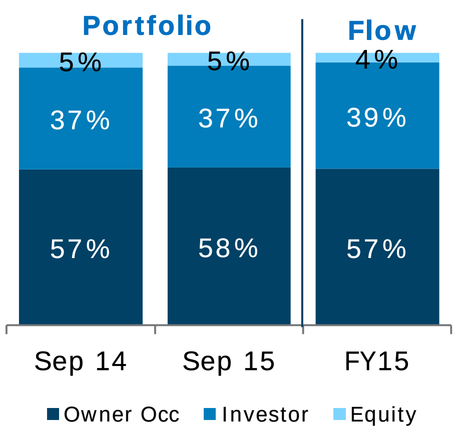


Home Loan market share movement

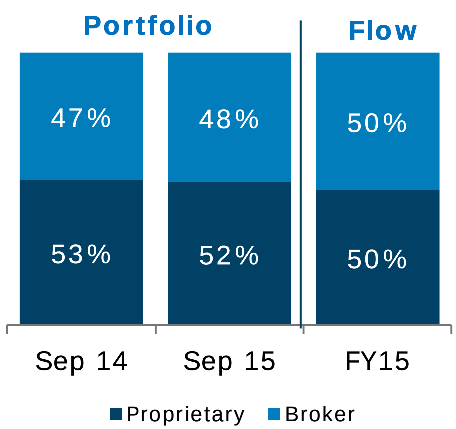


Home Loan portfolio & flow composition

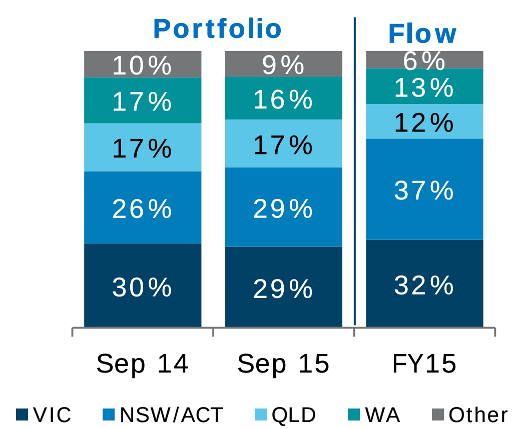
By purpose:



By channel:



By location[1]:



1. Exclusive of non performing loans.

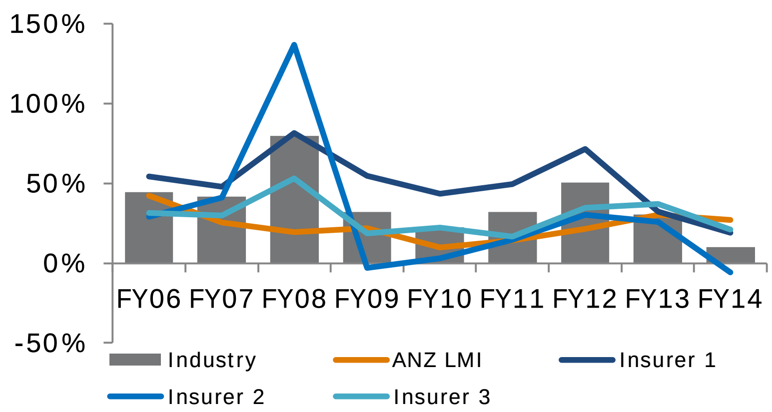
Stable LMI loss rates below industry average

Background

Financial Year 2015 Results

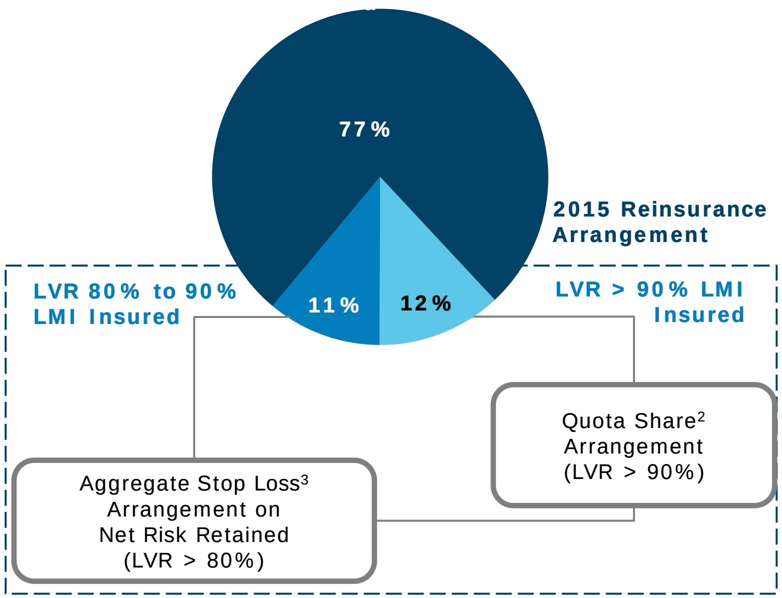
Gross Written Premium ($m)	$229m
Net Claims Paid ($m)	$9.4m
Loss Rate (of Exposure)	5.8 bps

ANZLMI maintains low loss ratios[1]



Australian Home Loan portfolio LMI and Reinsurance Structure at 30 Sep 2015

% 2015 FUM



ANZLMI uses a **diversified panel of reinsurers** (10+) comprising a mix of APRA authorised reinsurers and reinsurers with highly rated security.

Reinsurance is comprised of a **Quota Share arrangement[2]** with reinsurers for mortgages 90% LVR and above and in addition an **Aggregate Stop Loss arrangement[3]** for policies over 80% LVR.

1. Negative Loss ratios are the result of reductions in outstanding claims provisions. Source: APRA general insurance statistics (loss ratio net of reinsurance). 2. Quota Share arrangement - reinsurer assumes an agreed reinsured % whereby reinsurer shares all premiums and losses accordingly with ANZLMI. 3. Aggregate Stop Loss arrangement –reinsurer indemnifies ANZLMI for an aggregate (or cumulative) amount of losses in excess of a specified aggregate amount. When the sum of the losses exceeds the pre-agreed amount, the reinsurer will be liable to pay the excess up to a pre-agreed upper limit.

New Zealand - Home Loan Portfolio[1]

Portfolio Statistics	FY14	FY15
Total Number of Home Loan Accounts	488k	502k
Total Home Loans FUM	62b	68b
% of Total New Zealand Geography Lending	59%	59%
% of Total Group Lending	11%	11%
Owner Occupied Loans - % of Portfolio	76%	74%
Investor Loans - % of Portfolio	24%	26%
% of Portfolio Paying Interest Only[4]	22%	23%

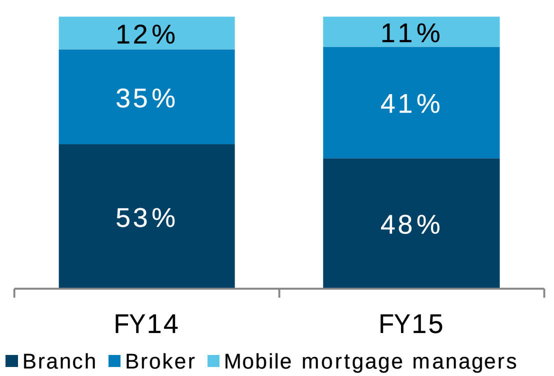
Portfolio Statistics	FY14	FY15
Average Loan Size at Origination	$260k	$306k
Average LVR at Origination[2]	64%	64%
Average Dynamic LVR of Portfolio[3]	50%	47%
Broker originated	28%	31%
Low doc (discontinued in 2009)	1%	1%
Group Loss Rates	0.22%	0.20%
Mortgage Loss Rates	0.06%	0.01%

1. New Zealand Geography.
2. Average LVR at Origination (not weighted by balance).
3. Average dynamic LVR as at Aug 2015 (not weighted by balance).
4. Excludes revolving credit facilities.

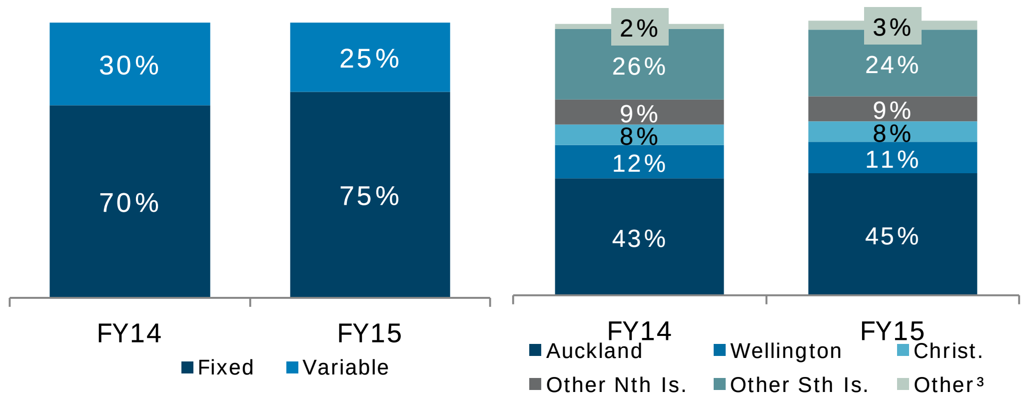
New Zealand - Home Loan Portfolio[1]

Composition and flows

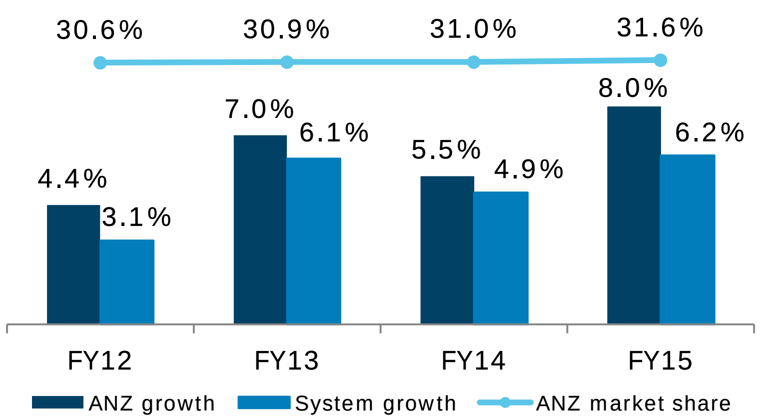
Flow[2]



Portfolio



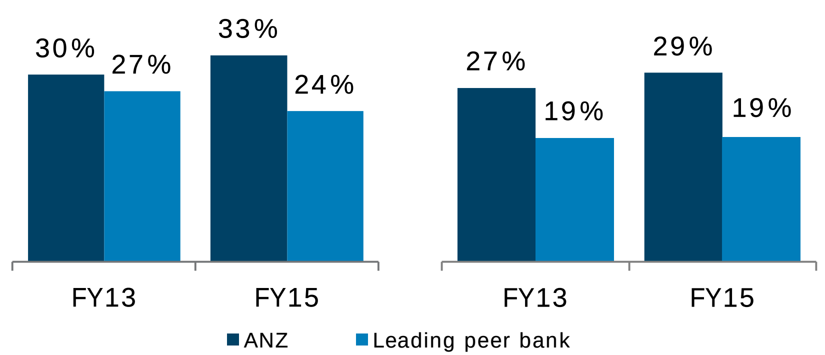
Market Share[4]



#1 in Auckland and Christchurch[5]

Share of new home loans registrations in Auckland

Share of new home loans registrations in Christchurch



1. New Zealand Geography. 2. Retail and Small Business Banking mortgage flow. Branch includes Small Business Banking Managers.
3. Other includes loans booked centrally (Business Direct, Contact Centre, Lending Services, Property Finance). 4. Source: RBNZ, share of all banks – FY15 as at August 2015. 5. Source: CoreLogic.

For further information visit

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