

ANZ'S COVID-19 ASSISTANCE OFFERING

HOW DOES INTEREST CAPITALISATION IMPACT REPAYMENTS AFTER THE ASSISTANCE PERIOD ENDS?

Let's look at an example of two home loan customers - Pam and Ivy. Pam and Ivy both take up ANZ's COVID-19 Assistance and they don't make any repayments on their loans for 6 months.

Pam and Ivy each have a current loan balance of \$500,000. They both make repayments of principal and interest at an interest rate of 3.79% p.a. They have 25 years left to repay their loans and their minimum repayments are currently \$2,582 each month.



PAM



NO REPAYMENTS NEEDED FOR 6 MONTHS



IVY

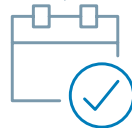
HOW DO THEY CATCH UP ON THE REPAYMENTS THEY PUT ON HOLD?

PAM EXTENDS HER LOAN TERM BY
6 MONTHS



IVY STICKS TO THE
ORIGINAL
LOAN TERM

SHE WILL HAVE
25 YEARS & 6 MONTHS
TO FINISH REPAYING HER LOAN



SHE WILL HAVE
25 YEARS
TO FINISH REPAYING HER LOAN

WHAT HAPPENS TO THEIR LOAN REPAYMENTS AFTER THE ASSISTANCE PERIOD ENDS?

PAM'S MINIMUM MONTHLY REPAYMENTS WILL INCREASE FROM \$2,582 TO
\$2,631
\$49 more each month



IVY'S MINIMUM MONTHLY REPAYMENTS WILL INCREASE FROM \$2,582 TO
\$2,663
\$82 more each month

HOW MUCH MORE INTEREST COULD THEY END UP PAYING OVER THE LIFE OF THEIR LOANS BECAUSE THEY PUT THEIR REPAYMENTS ON HOLD?

PAM COULD END UP PAYING OVER
\$14,000
MORE IN INTEREST



IVY COULD END UP PAYING ABOUT
\$8,500
MORE IN INTEREST

These are just examples and some amounts have been rounded. They assume that there is no change to interest rates, the only payments Pam and Ivy make are their minimum monthly repayments of principal and interest, and that they have no funds in offset or redraw. The outcome for you could be different, depending on your circumstances.

So think carefully before applying for COVID-19 Assistance, and consider if there are other options available to you to help make your loan repayments.

Actual interest rates may vary, and fees and charges may apply, which can impact the total amount you pay over the life of your loan.