



*2003 Adelaide
Shareholder Meeting*



We have operated in SA for 167 years



- 79 branches
- 950 dedicated staff

Our staff contribute to several local community organisations



Staff members from Modbury branch remove litter along Kingfisher Creek

Our staff are volunteering for a number of community projects




Staff volunteers on Badge Day for the Royal Flying Doctor Service



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
ANZ StEPS



Prospectus

Simple steps to invest in a new security called ANZ StEPS


Co-Managers
ADA WRO Managers Limited
M&J Securities Limited
Bell Partner Securities Ltd (as)
Citigroup Global Markets Australia Pty Limited
Deutsche Securities Australia Limited
Morgan Stanley Securities Limited
Ord Minnett Limited
RBS Private Clients Australia Limited

Joint Arrangers & Underwriters
Deutsche Bank   UBS
Joint Lead Managers
ANZ Investment Bank
Deutsche Bank AG
UBS Advisory and Capital Markets Australia Limited

Prospectus for the issue of ANZ Stapled Exchangeable Preferred Securities (ANZ StEPS) of an Issue Price of \$100.00 each to raise up to \$750 million – with the ability to accept oversubscriptions for up to \$250 million

Applications must be for a minimum of 50 ANZ StEPS (\$5,000)

Australian and New Zealand Banking Group Limited
ANZ 0000 0000 0000
ANZ Investment Bank (New Zealand) Limited
ANZ 0000 0000 0000



ANZ: A Different Bank

- **Governance**
- **Financial Performance**
- **Prospects for the Australian Economy**

ANZ: A Different Bank

- **Governance**
- Performance
- Economic Prospects for Australia and New Zealand

Corporate Governance

- **Ethical, competent and experienced directors**
- **Active monitoring of the company's activities**
- **Integrity prevails within the company**

A leader in the level of transparency and disclosure

- **Timeliness of reporting information**
- **Profit and loss for our 17 specialist businesses**
- **Report on non-financial indicators eg.**
 - **Customer Satisfaction**
 - **Staff Satisfaction**

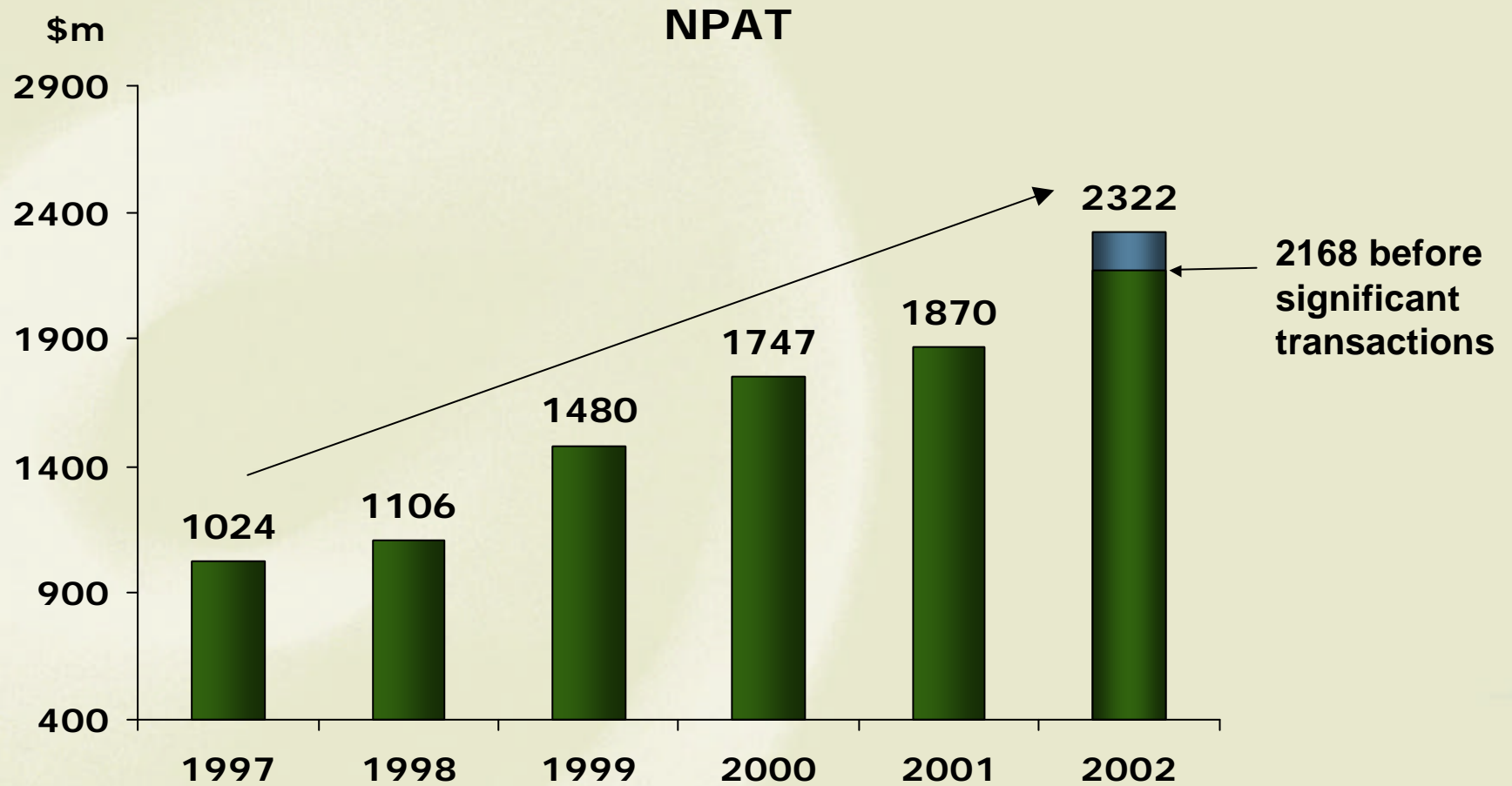
Enhanced governance procedures

- **Revised committee structure**
- **New policy for ANZ's auditor**
- **Head of Internal Audit reports directly to Chairman of Audit Committee**

ANZ: A different bank

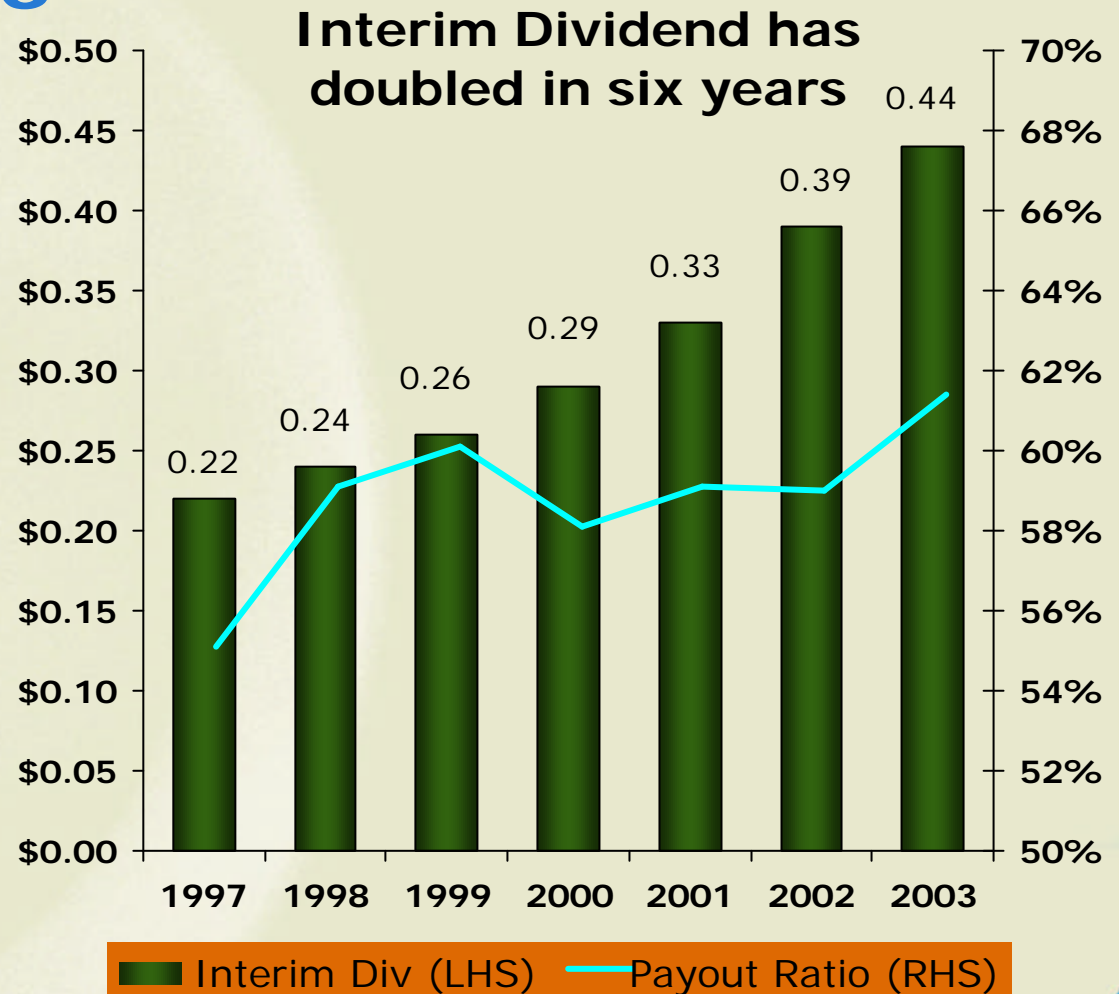
- Governance
- **Performance**
- Economic Prospects for Australia and New Zealand

Consistently growing profits



Dividend payout ratio likely to trend upwards

- A progressive lift in the payout ratio likely over next three years towards high 60's
- Expect to maintain 100% franking



ANZ and ING – Bringing together complementary strengths

ANZ

- Large distribution network
- High value customer base
- Untapped opportunity
- Specialist approach

ING 

- Global capabilities
- Brand & investment strength
- Strong adviser networks
- Bancassurance, JV expertise

- Outstanding customer proposition
- Top 4 position in retail FUM
- Top 5 position in life insurance
- Strong platform for growth

ANZ

We strengthened our position in the Pacific

East Timor



Kirabati



Other key initiatives

- **Developing a portfolio of modest growth options in East Asia**
- **Established a co-operation agreement with the Shanghai Rural Credit Cooperative Union in China**
- **Introduced simplified small business accounts**
- **Introduced a new banking package for home buyers**

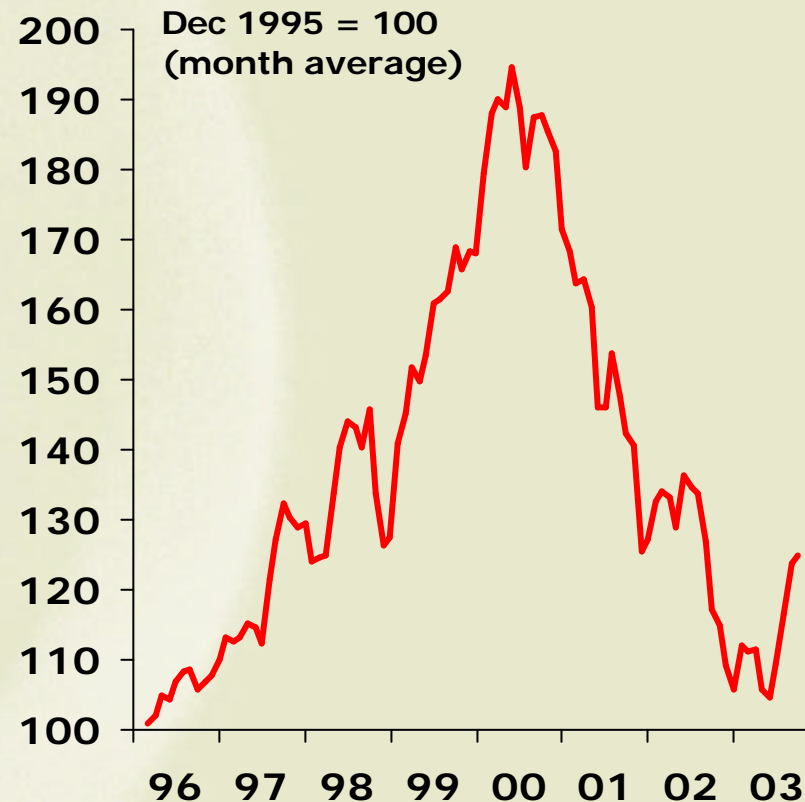
ANZ: A different bank

- Governance
- Performance
- **Economic Prospects for Australia**

The world economy has absorbed a number of significant shocks

- Collapse of the dot.com bubble
- Terrorist attacks of September 11
- Loss of confidence in Corporate Governance practices
- The war in Iraq

Global share markets



Sources: Datastream, Economics@ANZ

Some improvement likely in the second half of this year

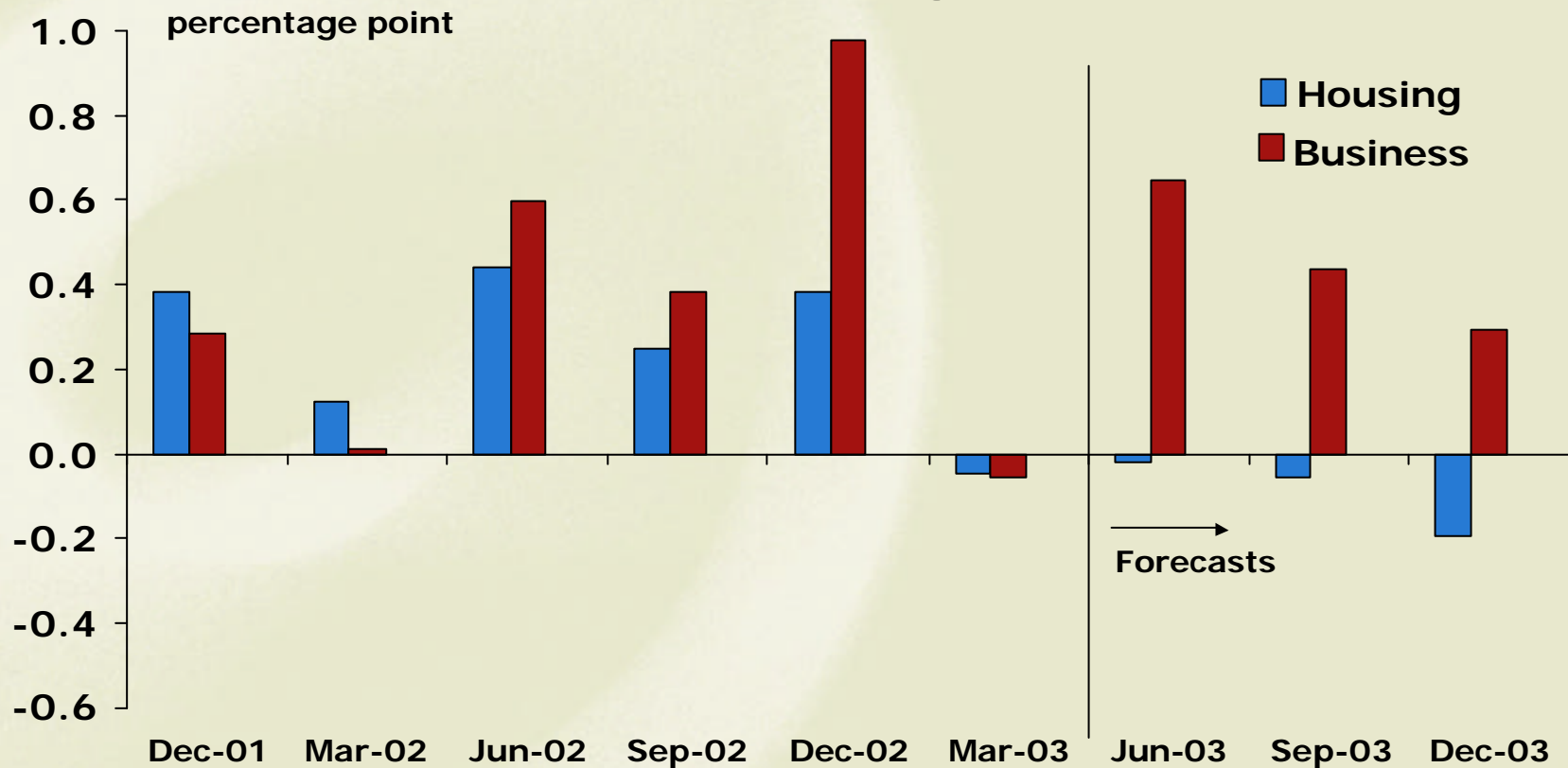


Sources: IMF; Economics@ANZ.



Strong housing cycle of past two years peaking, offset by upturn in business investment

Contributions to GDP growth



Sources: Australian Bureau of Statistics; Economics@ANZ



Australia's economy has done well during this difficult period

Economic and employment growth

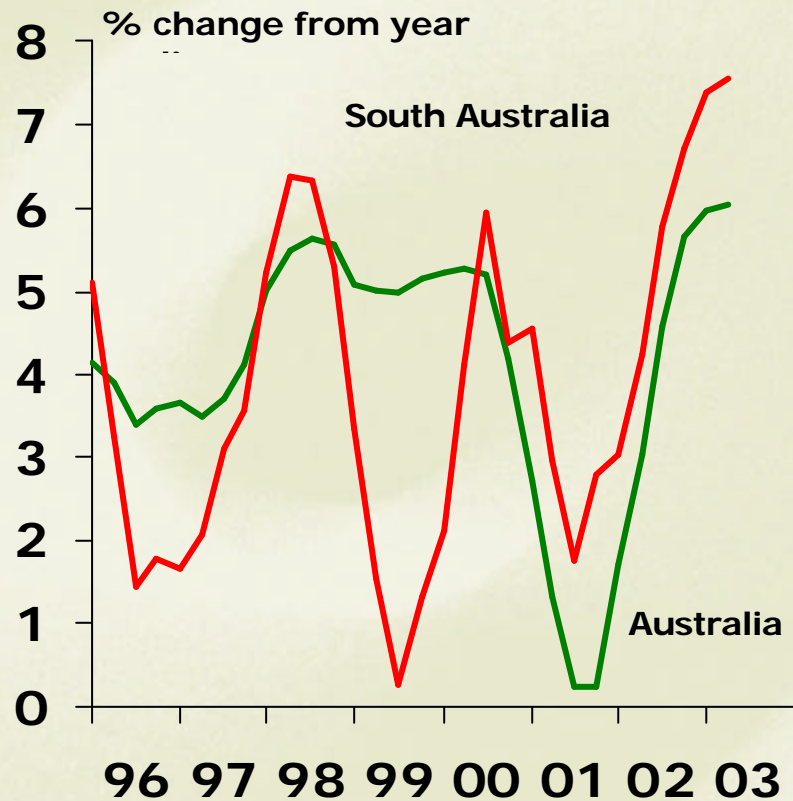


Sources: Australian Bureau of Statistics; Economics@ANZ

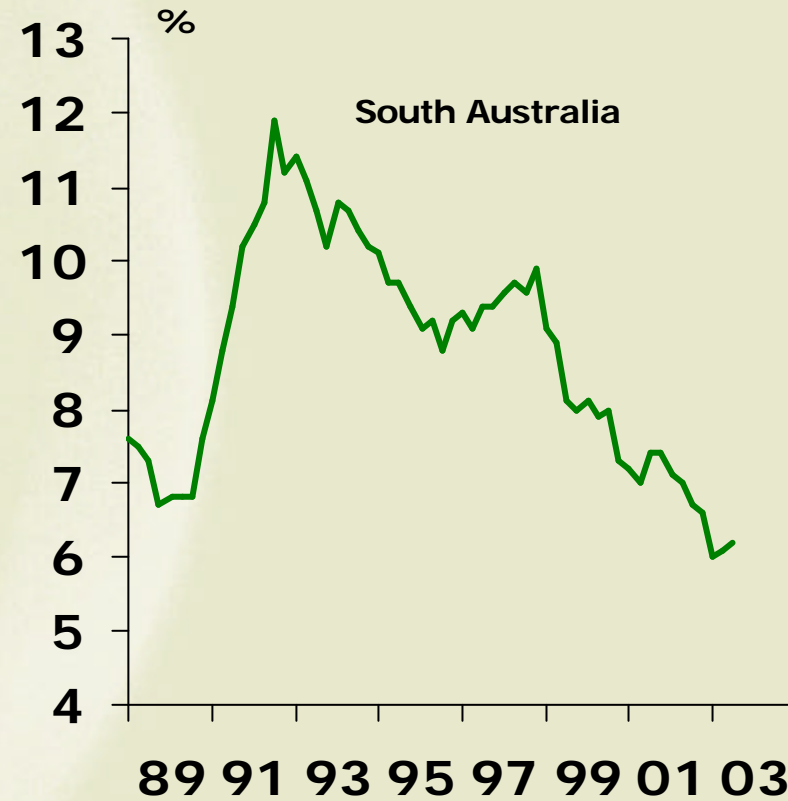


The South Australian economy has outperformed the Australian average

Final demand growth



Unemployment rate



Sources: Australian Bureau of Statistics; Economics@ANZ

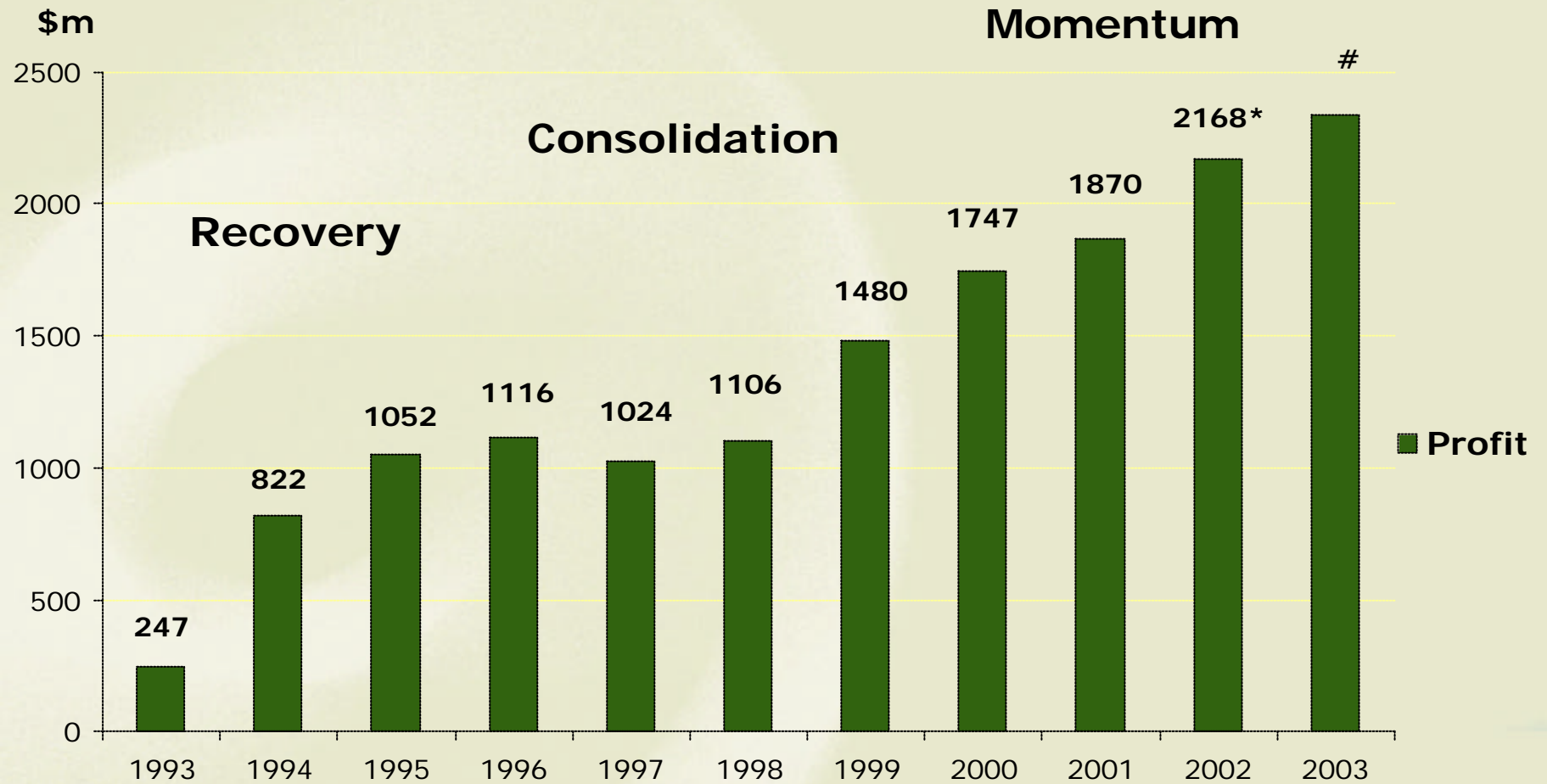




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ANZ's journey so far.....



**excludes significant transactions*

#market consensus earnings



Gaining momentum with the ANZ Agenda

• ANZ agenda

- Leveraging specialisation as a distinctive strategic approach

- Building a rich portfolio of leading businesses

- One of the most efficient and best-managed banks in the world

- Applying a unique business and leadership approach

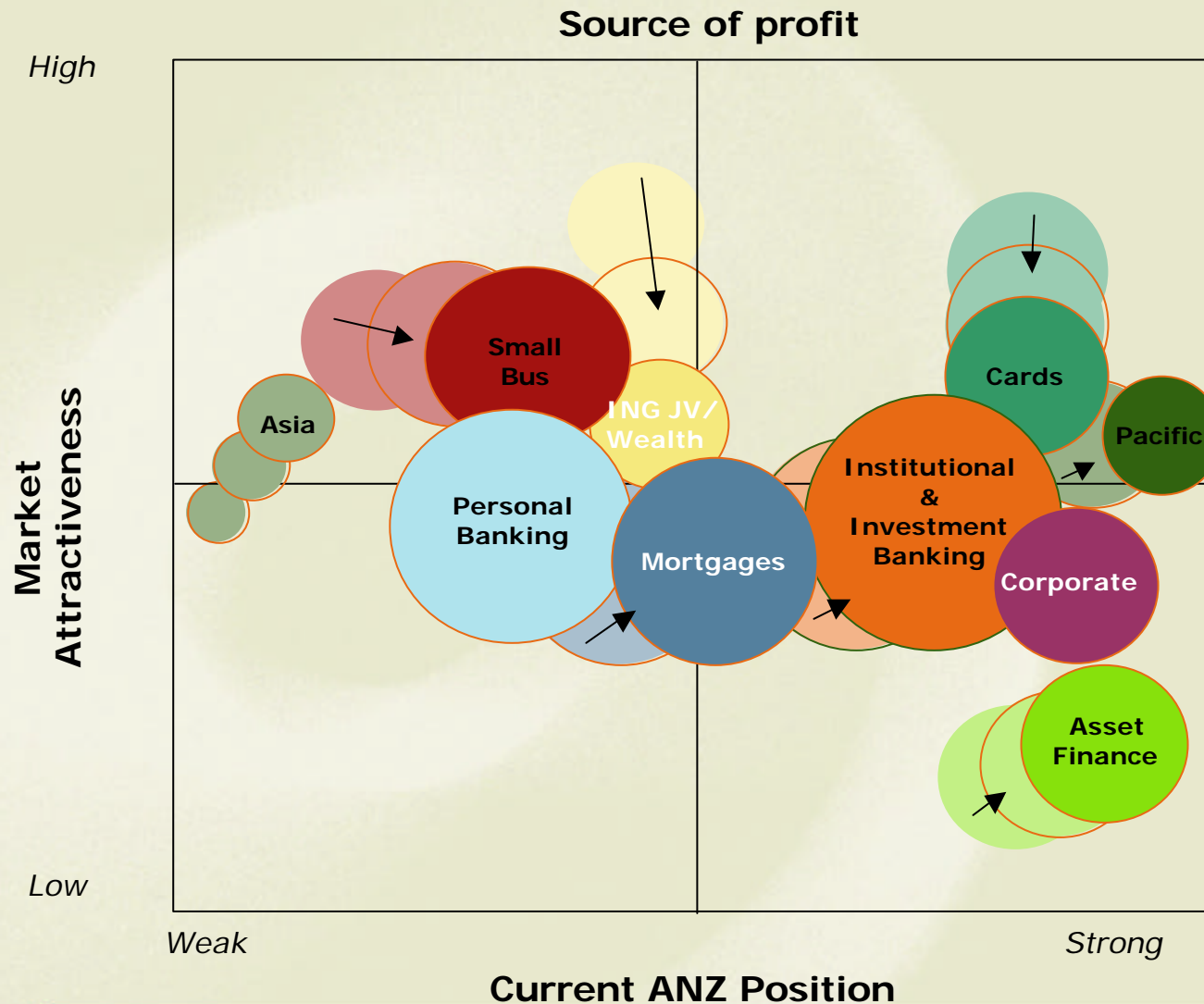
• This means.....

- *Bringing the human face alive to all stakeholders*
- *Being bold and having the courage to be different*
- *Delivering sustainable performance and value*

Specialists win over generalists

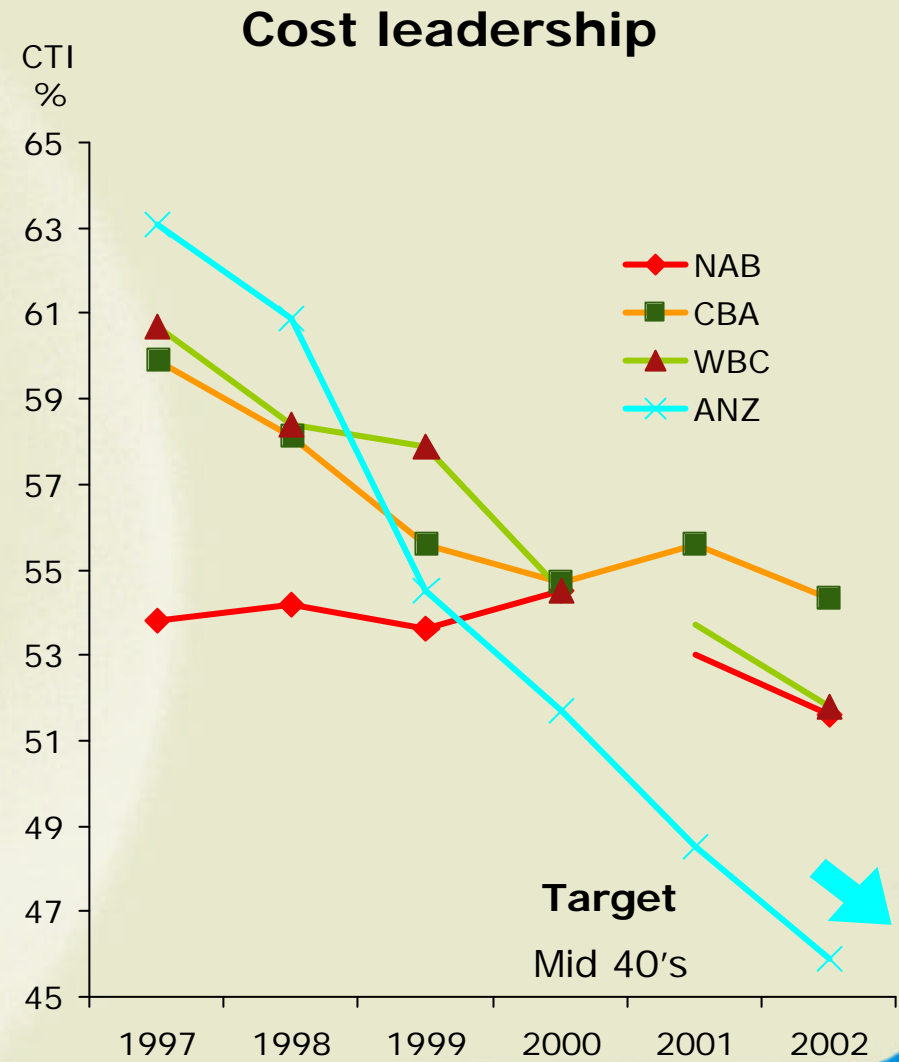
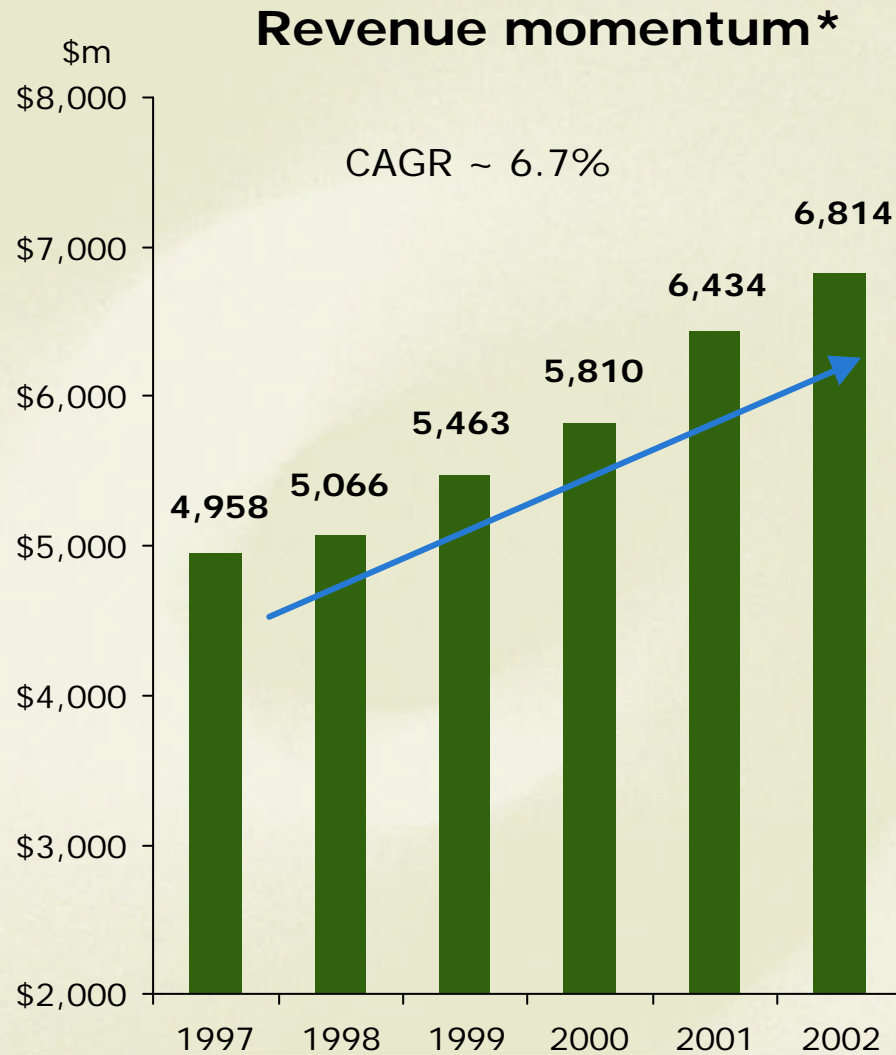
- A portfolio of specialist businesses outperforms bundled businesses (because of volatility reduction and funding costs)
- Specialist business units provide the most efficient environment for product and process innovation
- The specialist portfolio model is distinctively different from competitors who are focused on size and scale as the basis of competition
- A specialist's insight is that speed, focus and flexibility will out-compete scale and size advantages

A rich portfolio of specialised businesses



- More sustainable portfolio foundation
- Each business has clear differentiated approach
- Systematically building capabilities to establish future growth options

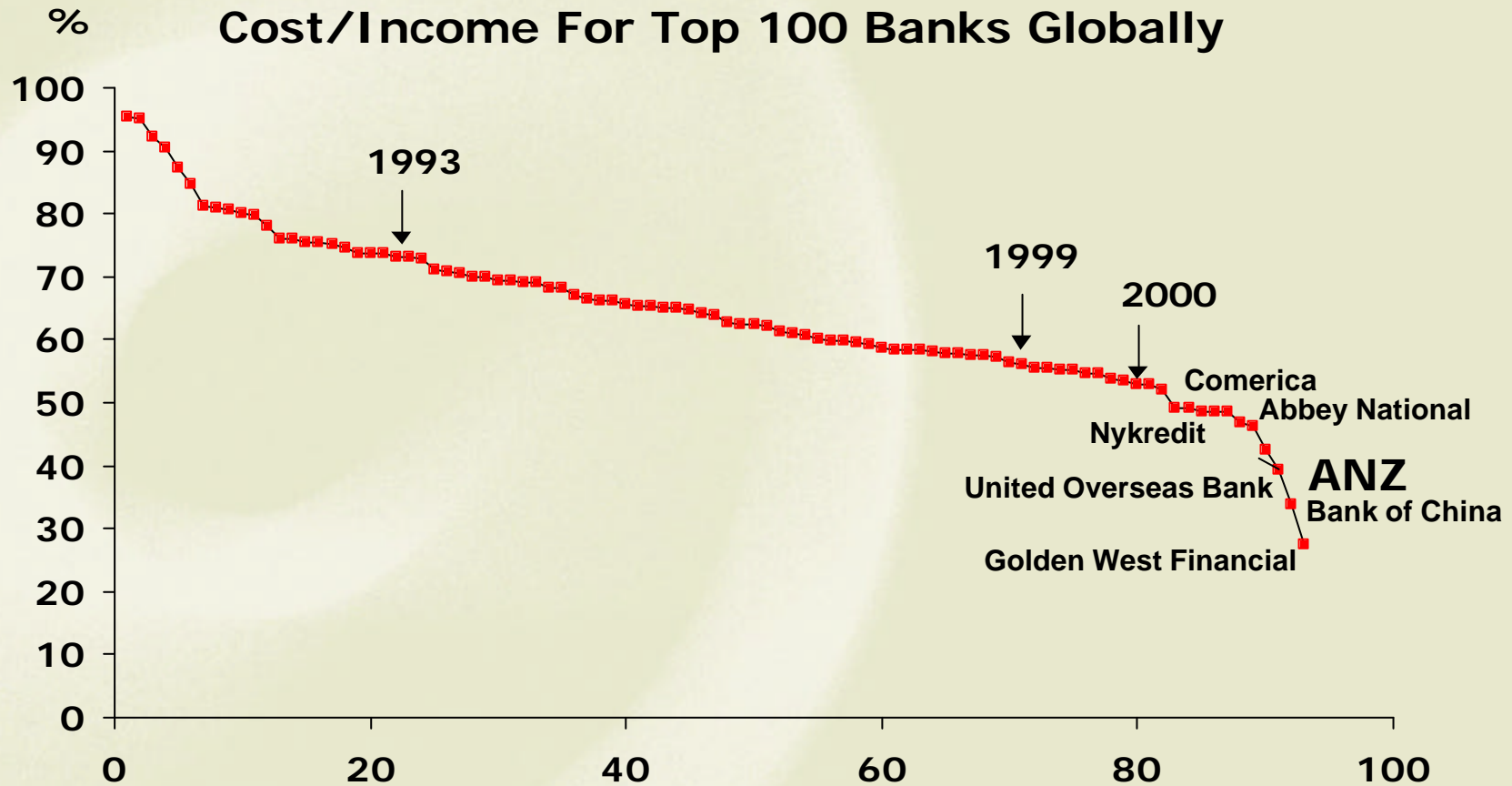
We have grown revenue and contained costs



* Continuing operations



One of the worlds most efficient banks

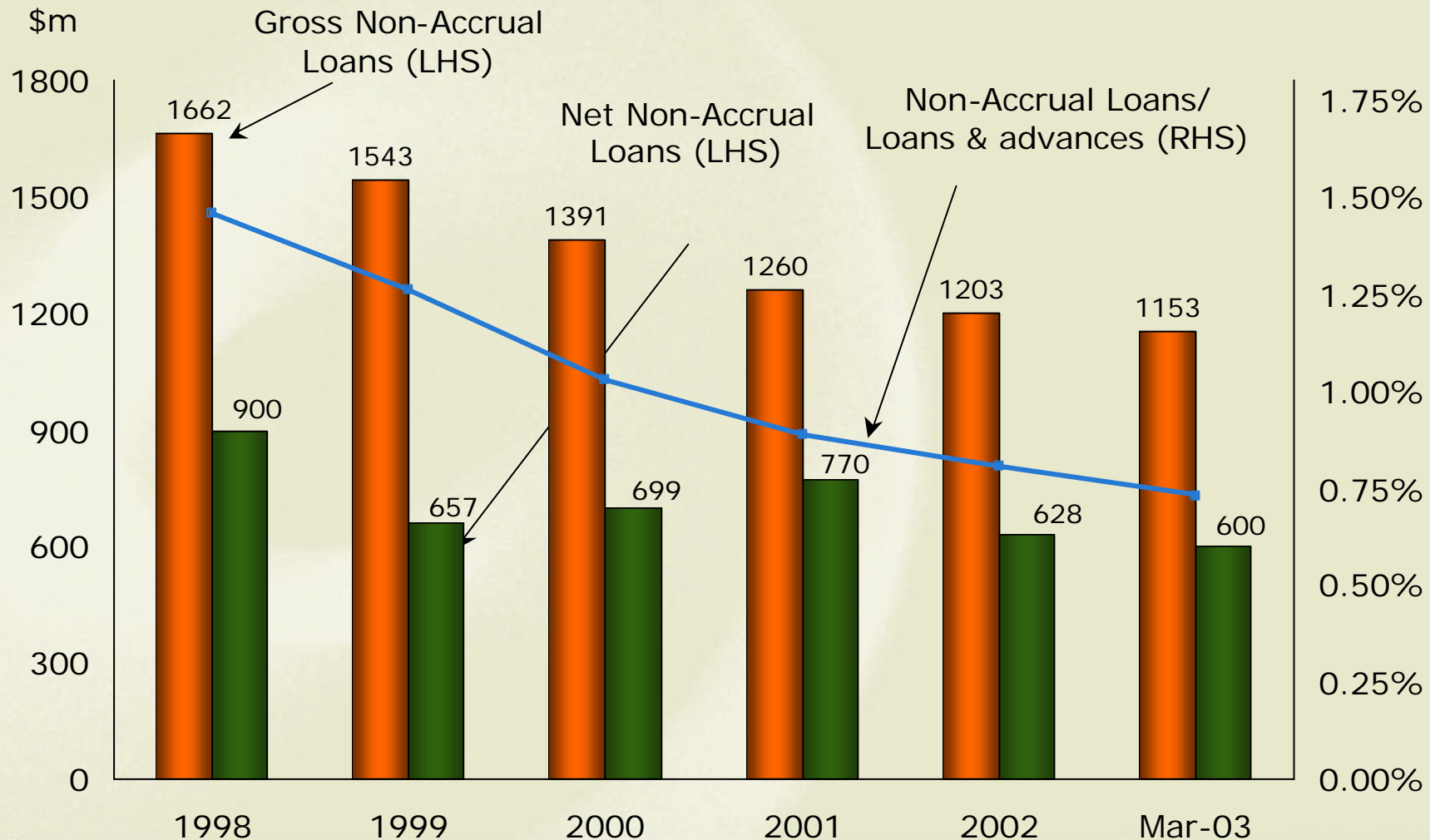


Source: Boston Consulting Group



At the same time we are lowering risk

- Non-accrual loans continue to fall, reflecting overall health of portfolio

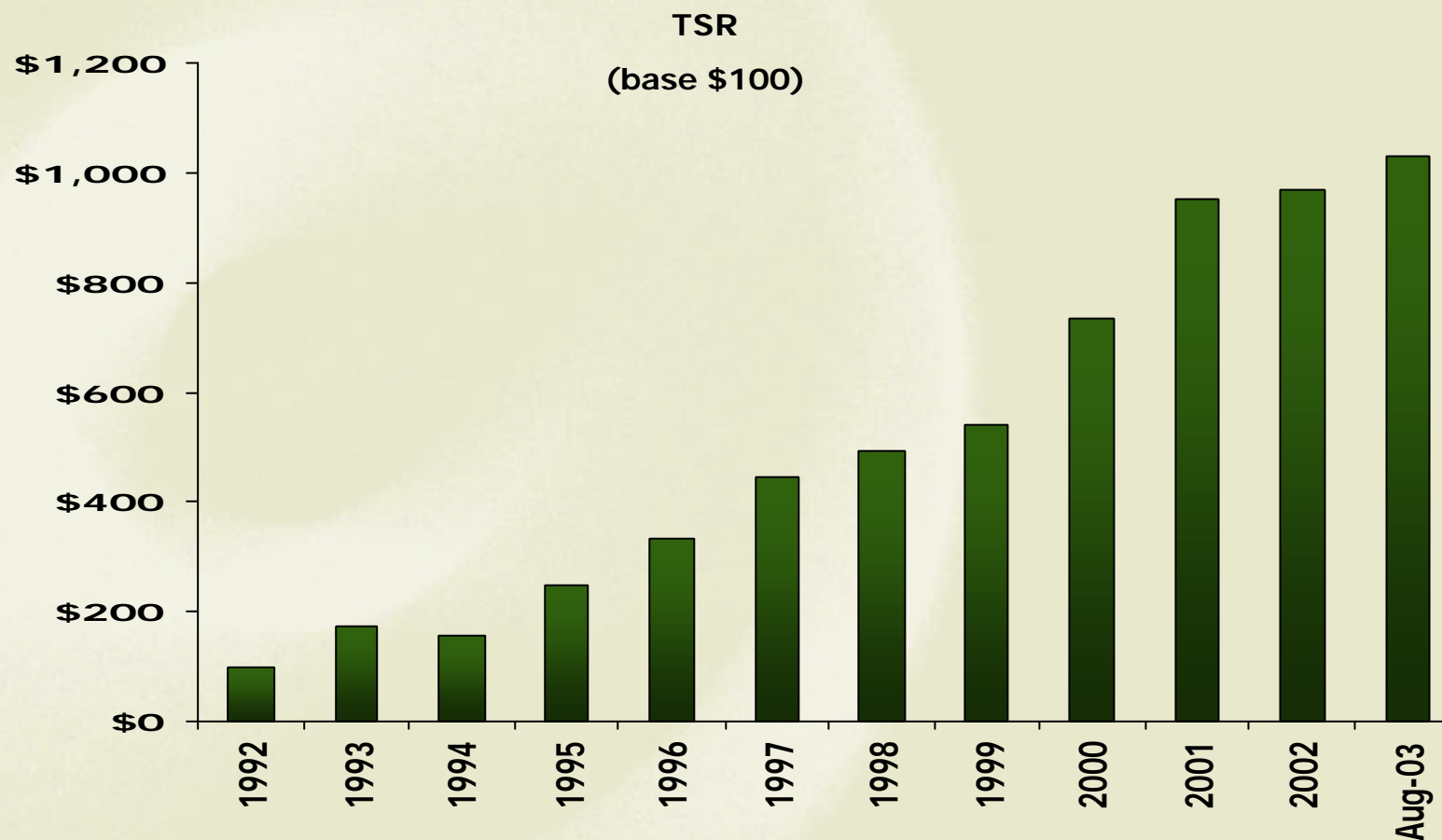


We are leading a unique cultural transformation

- Be the human face of banking for customers
- Lead and inspire each other
- Earn the trust of the community
- Breakout, be bold and have courage to be different
- Perform and grow to create value for shareholders

Delivering returns to shareholders

\$100 invested in ANZ in 1992 valued in excess of \$1000 in 2003
- a rewarding journey for shareholders



Outlook

- Earnings growth for 2003 unchanged - around 8% in line with market expectations.
- Mortgage demand has remained strong offset by a difficult interest rate environment and low institutional loan demand.
- Overall domestic credit quality remains sound. Specific provisions from international investment banking businesses expected to have peaked.
- Early indications are that 2004 will be more challenging for the industry as a whole than 2003.
- Credit card interchange reform, a difficult interest rate environment, the strong Australian Dollar and a softening outlook for housing all increase the challenge.
- Currently investigating National Bank of New Zealand.
- Earnings per share growth is however expected to remain reasonable.



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