



**Australia and New Zealand
Banking Group Limited**
Report and Accounts
1972





**AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED**
INCORPORATING ANZ BANK AND ESA BANK

Incorporated in Great Britain

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Notice of Meeting

Notice is hereby given that the fourth Annual General Meeting of Australia and New Zealand Banking Group Limited will be held at the Registered Office, 71 Cornhill, London, EC3V 3PR on Tuesday, 23rd January, 1973 at 12.30 p.m. for the following purposes:

To receive the report of the Directors and the accounts for the year ended 30th September, 1972.

To declare a dividend.

To re-elect Directors.

To fix the remuneration of the Auditors.

A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member. A form of proxy is enclosed.

By Order of the Board,
J.W. Agate, Secretary,
71 Cornhill,
London, EC3V 3PR,
28th December, 1972.

Information for Shareholders

The following are available for inspection at the Registered Office of the Company, 71 Cornhill, London, E.C.3 during normal business hours on any weekday (Saturdays excluded) from the date of the Notice of Meeting until the conclusion of the Annual General Meeting:

Register of Directors' share interests in the Company.

Copies of Directors' contracts of service with the Company.

Section of the banking chamber at one of the Bank's branches.



Board of Directors

Chairman

Sir Alexander Ross

Deputy Chairman

Angus Mackinnon, D.S.O., M.C.

Sir Donald F. Anderson

The Hon. E. L. Baillieu

The Right Hon. Viscount Bridgeman
K.B.E., C.B., D.S.O., M.C.

C. A. W. Dawes, M.C.

The Hon. Sir Geoffrey C. Gibbs, K.C.M.G.

M. W. Jacomb

R. E. B. Lloyd

A. D. Marris, C.M.G.

Colonel A. T. Maxwell, T.D.

P. E. Nesbitt, D.S.O.

The Right Hon. Lord Remnant

C. H. Rennie **Chief General Manager**

R. T. Renton

D. J. Robarts

H. McE. Scambler **Managing Director**

R. H. Senior, D.S.O., T.D.

R. C. Wheeler-Bennett **Executive Director**

Registered Office,
71 Cornhill, London, EC3V 3PR

Secretary

J. W. Agate

Senior Management

For location of Senior Management
refer to pages 32 and 33.

Managing Director

H. McE. Scambler

Chief General Manager

C. H. Rennie

General Managers

R. A. Orpwood

J. Jennings

E. Arundel

Assistant General Managers

M. Brunckhorst

T. F. Davies

A. G. Kilpatrick

G. W. Kimber

P. B. Sinnott

K. H. C. Swan

K. O. Wilks

G. B. Willcocks

Chief Manager for New Zealand

T. M. Williamson

Chief Manager (UK and Europe)

R. J. Sutton

Report of the Directors

The Directors present their report for the Company together with the balance sheet, consolidated balance sheet and the consolidated profit and loss account for the year ended 30th September, 1972. The accounts of the principal subsidiaries are appended for information.

Profits and Dividends

The consolidated profit of the Company and its subsidiaries, on the basis described in the consolidated profit and loss account on page 17, was £8,418,000. After deducting amounts totalling £3,376,000 retained by subsidiaries and adding the balance of £3,417,000 brought forward by the Company, a total of £8,459,000 became available for appropriation. Of this amount £1,000,000 has been transferred to the reserve fund of the Company.

An interim dividend of 5 per cent was paid on 10th July, 1972 and the Directors now recommend payment of a final dividend of 5 per cent, making a total distribution of 10 per cent for the year. A final dividend of 6 per cent would have been recommended had it not been for the temporary restriction on increases in wages, prices and dividends now being applied by the United Kingdom Government as part of their plans to counter inflation.

The final dividend of 5 per cent will, if approved, be paid on 24th January, 1973 to those members registered in the books of the Company at the close of business on 14th December, 1972. The dividend will be paid less United Kingdom Income Tax at the rate of 38.75 per cent, except that withholding tax at the reduced rate of 15 per cent will be deducted in the case of shareholders resident in Australia and New Zealand who participate in the special arrangements for the Australian and New Zealand branch registers.

Directorate

The names of Directors as at 30th September, 1972 appear on page 3. All were Directors of the Company for the whole year under review with the exception of Mr. M.W.Jacomb, who was appointed to the Board as from 21st February, 1972.

Additionally, The Right Hon. Viscount Hampden served as a Deputy Chairman and a Director of the Company until 14th June, 1972 at which date he decided to retire having attained the age of 70 years.

The following Directors retire by rotation at the Annual General Meeting, in accordance with the Articles of Association, and, being eligible, offer themselves for re-election:

Mr. Angus Mackinnon
Mr. P.E.Nesbitt
The Right Hon. Lord Remnant
Mr. D.J.Robarts

Viscount Bridgeman also retires by rotation at the Annual General Meeting but has decided not to seek re-election as he has attained the age of 76 years.

In accordance with the Articles of Association, Mr. M.W.Jacomb retires at the Annual General Meeting and, being eligible, offers himself for re-election.

Directors' Shareholdings

The Directors' holdings, beneficial and non-beneficial, in the share capital of the Company are detailed on page 36.

Substantial Holding of the Company's Share Capital

The Company has not received any notification, nor is it aware, of any single beneficial interest of 10 per cent or more in the share capital of the Company.

Personnel

The weekly average number of persons employed by the Company and its subsidiaries during the year and the aggregate remuneration paid was:

	Number of Employees	Aggregate Remuneration
Overseas	18,599	£36,971,268
United Kingdom	888	£1,830,030

Donations

During the year the Company made charitable donations in the United Kingdom totalling £1,212.

Activities

Australia and New Zealand Banking Group Limited was formed in 1969 by the merger of Australia and New Zealand Bank Limited and The English, Scottish and Australian Bank, Limited.

Through its constituent banks it has operated in Australia since 1828 and in New Zealand since 1840.

The Company is engaged in the business of banking and other related financial activities in Australia, New Zealand, the Pacific Area and the United Kingdom and in international banking business generally.

Details of subsidiary and associated companies and trade investments appear on pages 28 and 29 and a list of services provided is shown on pages 34 and 35.

The company has 1,465 branches, sub-branches and agencies which are geographically located as follows:

Location	Branches and Sub-Branches	Agencies
Australia	1,027	216
New Zealand	148	52
Pacific Islands:		
Fiji	2	4
Papua New Guinea	6	—
British Solomon Islands	1	—
New Hebrides	2	—
United Kingdom:		
London	5	—

New York:
Representative Office for North America

Tokyo:
Representative Office for Japan

Income and Corporation Taxes Act 1970

The close company provisions of this Act do not apply to the Company.

Auditors

The present Auditors, Messrs. Peat, Marwick, Mitchell & Co., have signified their willingness to continue in office and a resolution fixing their remuneration will be proposed at the Annual General Meeting.

By Order of the Board,
J.W.Agate, Secretary,
London,
28th November, 1972.

Statement by the Chairman

I am glad to report that our results for the past year showed a welcome improvement over those for 1971, and it is also gratifying to be able to add that recent developments in Australia and New Zealand should provide favourable conditions for our business during the current year.

The Bank's Results

Group profit after taxation for the year to 30th September, 1972 was £8,418,000, an increase of £2,056,000 or 32.3 per cent over the figure for the previous year which had been affected by substantial costs associated with the merger. When expressed in Australian dollars the increase was 25 per cent, the difference being due to currency realignments during the year. The trading bank parent company and all major operating subsidiaries contributed to the improved result.

Improvement in the consolidated results, compared with our estimates at the time of announcement of the interim dividend, reflects the development of more



favourable conditions for trading banks in Australia and New Zealand during the second half of the year. The magnitude of the changes which occurred much exceeded the expectations of the banks and the monetary authorities. Consequential increases in gross trading bank revenue were complemented by further containment of the increases we were facing in operating costs.

The profit of the parent trading bank was £5,042,000, compared with £3,844,000 a year ago.

Our Savings Banks in Australia and New Zealand have continued their growth and returned good results. In Australia the profit was \$A3,188,000, an increase of 25 per cent, and in New Zealand NZ\$349,000, an increase of 17.9 per cent. You will see from the accounts that the Australian Savings Bank paid a dividend of \$A750,000.

Esanda Limited, our wholly-owned finance company in Australia, also performed well. Profit was \$A5,779,000, an increase of 38.5 per cent, and the company paid a dividend of \$A2,000,000.

For the parent company it is proposed that a final dividend of 5 per cent be paid in January next and this, together with the interim of 5 per cent paid last July, maintains the total distribution for the year at 10 per cent. An increase of 1 per cent in the final dividend would have been recommended had it not been for the temporary restriction on increases in wages, prices and dividends now being applied by the United Kingdom Government as part of their plans to counter inflation.

Transfers from profit and loss accounts to published reserve funds of the Company and its subsidiaries totalled £4,096,000, leaving £5,699,000 to be carried forward in the consolidated accounts.

Trading Bank

Australia

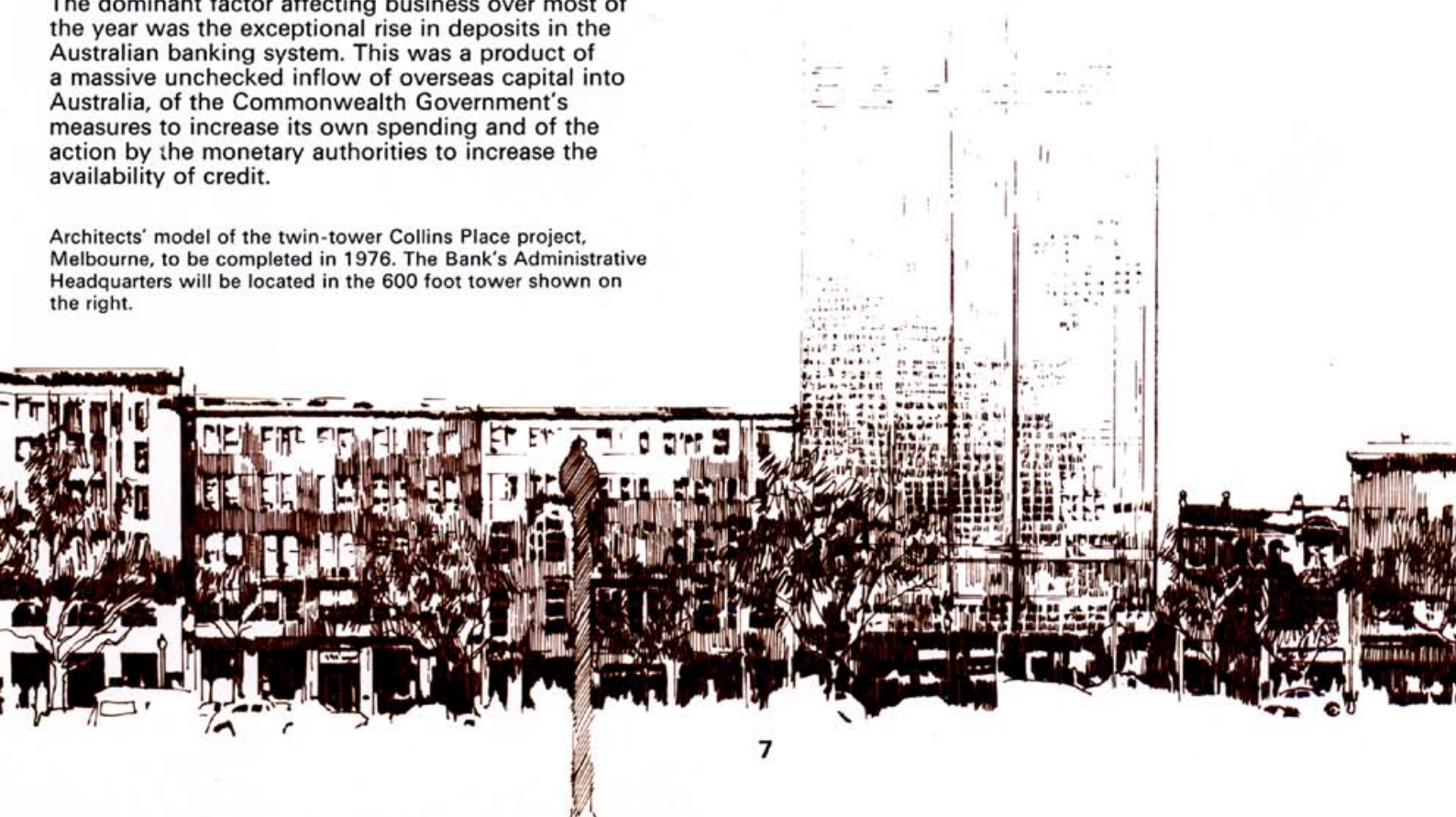
The dominant factor affecting business over most of the year was the exceptional rise in deposits in the Australian banking system. This was a product of a massive unchecked inflow of overseas capital into Australia, of the Commonwealth Government's measures to increase its own spending and of the action by the monetary authorities to increase the availability of credit.

Architects' model of the twin-tower Collins Place project, Melbourne, to be completed in 1976. The Bank's Administrative Headquarters will be located in the 600 foot tower shown on the right.

As a result, major trading banks' deposits increased by \$A1,307 million to \$A8,398 million in the 12 months to September, 1972, compared with a rise of \$A524 million in the previous year. During the year ANZ's deposits rose from \$A1,514 million to \$A1,665 million.

Towards the end of 1971, the Government adopted expansionary policies in an endeavour to stimulate economic activity. At that stage consumer spending was sluggish and capital expenditure was at a low level and the Government, in addition to substantially increasing its own expenditure, reduced bond rates in November, 1971. This move was followed in December, 1971 by a reduction in the Statutory Reserve Deposit accounts of the banks at the Reserve Bank when the ratio was lowered from 8.9 per cent to 7.1 per cent—the lowest level since Statutory Reserve Deposits were introduced. This release of funds to the trading banks was to help replenish the term and farm development loan funds and to assist the liquidity of the banking system. Also in December, 1971 banks were freed from all restrictions on lending, except that ceilings on certain interest rates were retained. Thus, for the first time in many years, the lending of the Australian banks was freed from official directives and uninhibited by lack of liquidity.

In February, 1972 interest rates on trading bank deposits and loans were reduced and an important measure of flexibility was granted to the banks in respect of both deposits and loans of \$A50,000 and over. Deposits in this category were subject only to a maximum interest rate of 6.5 per cent per annum, and the interest rate ceiling was lifted altogether in respect of loans falling into the \$A50,000 and over category. This interest rate flexibility represented a most important and welcome change in official policy. Banks now had the ability to react, through interest rates, to changes in the supply of and demand for funds, and this greater freedom gained by banks to compete among themselves and with non-bank financial institutions required a revision of techniques in funds management.



The trading banks responded to these moves by substantially increasing their rate of new lending approvals. New and increased lending commitments of the major trading banks in the six months to June, 1972 averaged \$A67 million a week, about 50 per cent higher than in the six months to December, 1971. Unfortunately, the sharp rise in new lending commitments was not readily converted into actual loans drawn. The reasons for this included hesitancy on the part of consumers and investors and the generally high level of liquidity in the community. Consequently, while total overdraft limits of the major trading banks grew by \$A1,182 million to \$A7,209 million in the year to September, 1972, compared with an increase of \$A348 million in the previous year, percentage utilisation of limits fell from 65.5 per cent to 60.8 per cent. During this period ANZ's total loans rose by \$A50 million to \$A1,067 million, compared with a rise of \$A26 million in the previous year.

New Zealand

The build-up in New Zealand's overseas reserves contributed to a substantial increase in the deposits and liquid assets held by the trading banks over the year. Our Bank, in the face of active competition for term deposits, achieved an above average share of this growth. In the year to September, 1972 total deposits held by the Bank rose 37 per cent to NZ\$307 million.

The Bank's Stationery Department manager in New Zealand examines proofs of colour scene cheques introduced in New Zealand earlier this year.



Caution on the part of spenders, together with the marked improvement in liquidity throughout the economy, resulted in a relatively low level of customer utilisation of overdraft limits and growth of total lending. Our total loans outstanding rose modestly. Term lending, which is a comparatively new addition to our range of customer services in New Zealand, showed more impressive growth, rising from NZ\$5 million to NZ\$19 million.

London

There has been a steady expansion in our sterling business during the year and operations in the United Kingdom continue to develop in a satisfactory manner.

The Bank of England's new liquidity rules, as exercised through "Competition and Credit Control", have now become well established, affording the banking system the ability to compete on more equal terms with other financial institutions. In the foreign exchange market this has been another turbulent year with the writing of the Smithsonian Agreement, the floating of the pound and the virtual disbandment of the sterling area.

Nevertheless, and despite increased competition from other banks in the City, we have continued to earn good profits through our operations in the sterling money markets, the foreign exchange market and in euro-currency deposits and loans.

Operating Costs

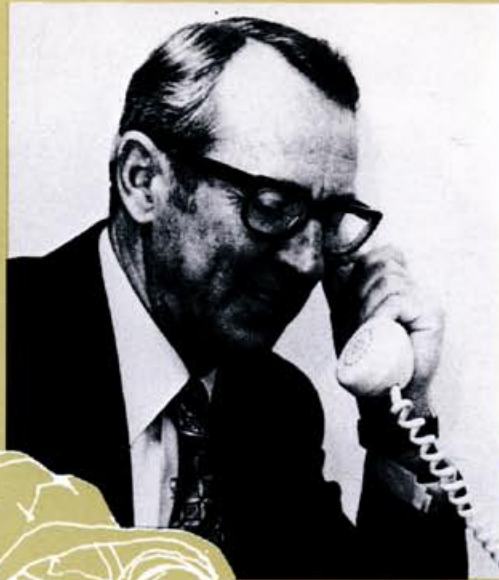
On the expenses side of the Profit and Loss Account, by far the most important effects came from substantial salary rises granted to our staffs in all the areas in which we operate. On the other hand, our branch rationalisation programme in Australia and a general streamlining of operations at branches and in all administrative offices made possible a welcome reduction of some 1,350 in the number of staff at the end of the year. We achieved this reduction by a realignment of recruiting policies and by normal processes of resignations and retirements.

Representation

The merger gave us the opportunity of amalgamating branches in Australia where there was duplication of our banking services. Last year I mentioned that we had been able to combine our branches in over 90 locations, and this year a further 60 amalgamations have been achieved.

I must remind shareholders that, initially, we incur additional expenditure in this operation because it usually involves alteration to one building or, in some instances, the acquisition of or erection of a new building to accommodate the combined business. Redundant properties are sold, but these are normally in less favourable locations. Nevertheless, in the longer term our rationalisation programme will strengthen and streamline our banking activity and help to reduce operational costs.





Through its day to day operations, the Bank maintains a close contact with all sectors of industry and commerce.

Naturally, we are alert to identify opportunities to extend our services where good potential exists, and during the past year we have opened 14 new branches—13 in Australia and 1 in New Zealand. In a network of over 1,130 branches there must inevitably be some which, for one reason or another, have ceased to be economic and where future potential warrants closure or reduction to agency status. We have closed 16 such branches in the past year.

Good progress has been made on the project for the erection of the new Administrative Headquarters for our Group in Melbourne. Demolition of buildings on the site has been completed and the first stage of development has begun.

Subsidiary and Associate Companies

Savings Banks

Stimulated by the economic influences mentioned earlier, the Savings Bank in Australia showed strong growth in deposits. Depositors' balances now exceed \$A852 million, which represents an increase of \$A104 million or 13.9 per cent for the year.

Demand for housing finance remained buoyant and our Savings Bank lifted its rate of new loan approvals to record levels. At 30th September, 1972 our housing loans outstanding totalled \$A275 million, an increase of 12.7 per cent over the year.



Beef cattle.



Timber industries.



Community development.



Municipal works.



Oil exploration.

In New Zealand, deposit growth of the Savings Bank has continued to be adversely affected by higher rates offered on alternative investments. Deposits held at September totalled NZ\$92 million, an increase of NZ\$6 million for the year. A change in official regulations during the year reduced the amount of ordinary deposits to be held in Government Stock from 70 per cent to 63 per cent, and this made it possible to increase our housing loans.

Esanda Limited

Our wholly-owned general finance subsidiary has had another successful year. With high liquidity in the economy and some hesitation in consumer spending, competition in the finance industry has been strong. However, Esanda achieved a moderate increase in outstandings, which stood at \$A315.4 million in September, 1972, the main areas of growth being in leasing and commercial loans. There is a high potential for further development in the provision of Esanda's facilities through all Australian branches of the Bank and the company is well placed to maintain its record of sound and profitable growth.

U.D.C. Group Holdings Limited

Through our interest in the holding company, Endeavour Investments (New Zealand) Limited, the Bank has a 14.5 per cent interest in U.D.C. Group Holdings Limited, one of the largest finance companies in New Zealand. The company reported a consolidated net profit after tax of NZ\$605,892 for the year to March, 1972 and the 10 per cent dividend paid in the year to March, 1971 was maintained on capital increased by a 1 : 5 bonus issue.

Australian International Finance Corporation Limited

Our Group has a fifth share in the paid up capital of \$A6.25 million of this merchant banking company. Consolidated net profit for the year to 30th June, 1972 was \$A307,014, after providing for income tax of \$A276,466.

Uncertainties in international money markets affected the volume of loans funded in United States dollars during the year. However, the business of the company expanded satisfactorily during its second full year of operations, despite strengthening competition. A wholly-owned subsidiary, Australian International Limited, was incorporated in the New Hebrides during the year to attract overseas funds for lending, mainly in the Pacific area. The corporation also has a 14 per cent interest in Melanesia International Trust Company Limited.

Australian Resources Development Bank Limited

The Resources Bank is owned by the major Australian trading banks, our share being one seventh. By providing large amounts on a term basis for companies developing mineral or other natural resources in Australia, it gives our Bank valuable support in meeting the special needs of the high proportion of such companies which bank with us. For the year ended 30th September, 1972 the net profit of the Resources Bank was \$A2,251,167, from which a final dividend of 10 per cent is to be paid, making 20 per cent for the year.



Melanesia International Trust Company Limited (Melitco)

The Bank is the largest shareholder in this trust company, holding 32.5 per cent of the issued share capital. Following early establishment in Vila in the New Hebrides, Melitco is now the leading trust company in an area rapidly gaining prominence for the provision of a wide range of trust, corporate and financial facilities.

The Economic Climate

Australia

Australia has not been immune from the economic disorder labelled "stagflation". In the fiscal year to June, 1972 Gross National Product in real terms rose by only 3 per cent, compared with over 4 per cent in 1970/71 and 6 per cent in 1969/70. This slower growth was entirely due to the poorer performance of the non-farm sector. At the same time, rising prices, wages and unemployment have been in evidence and have caused the Government to react by reducing income tax, by increasing welfare payments and by easing credit.



The level of unemployment, though still low by world standards, is a sensitive political issue and has led to some restriction on the inward flow of migrants. This could impose some check on expansion of those sections of industry which have relied on migrants to replenish their labour force.

Recently there have been signs of improvement in consumer demand and judging by the record levels of savings bank deposits, the public has a considerable reserve of buying power but is cautious in using it. In addition, while factories and service industries are running at a level only slightly ahead of the previous year, productivity and business activity are on the increase and Australia appears to be emerging from its period of slight depression.

Primary Industry

Dramatic changes have occurred and taking into account the various Governmental schemes, now operating or under consideration, to provide both immediate and long term financial aid to rural producers, the Australian rural industry seems set to regain some of its former strength and prosperity. In November, 1972 a further release of funds was made by the Reserve Bank by which \$A65 million was added to farm development loan funds of the banks for use in the rural industry. Both the term and uses to which the loans can be put have also been relaxed.

Wool production in 1972/73 is forecast to decline slightly when compared with last year. However, the season's opening prices were up to twice the levels of a year earlier, and the total clip is expected to realise considerably more than last year.

Wheat has been in such demand that stockpiles are low and some doubts now exist as to Australia's ability to fill all export demands because of large orders recently obtained from Russia and China. The demand for Australian beef at profitable prices is strong and, with few exceptions, the products of the other rural industries are selling well.

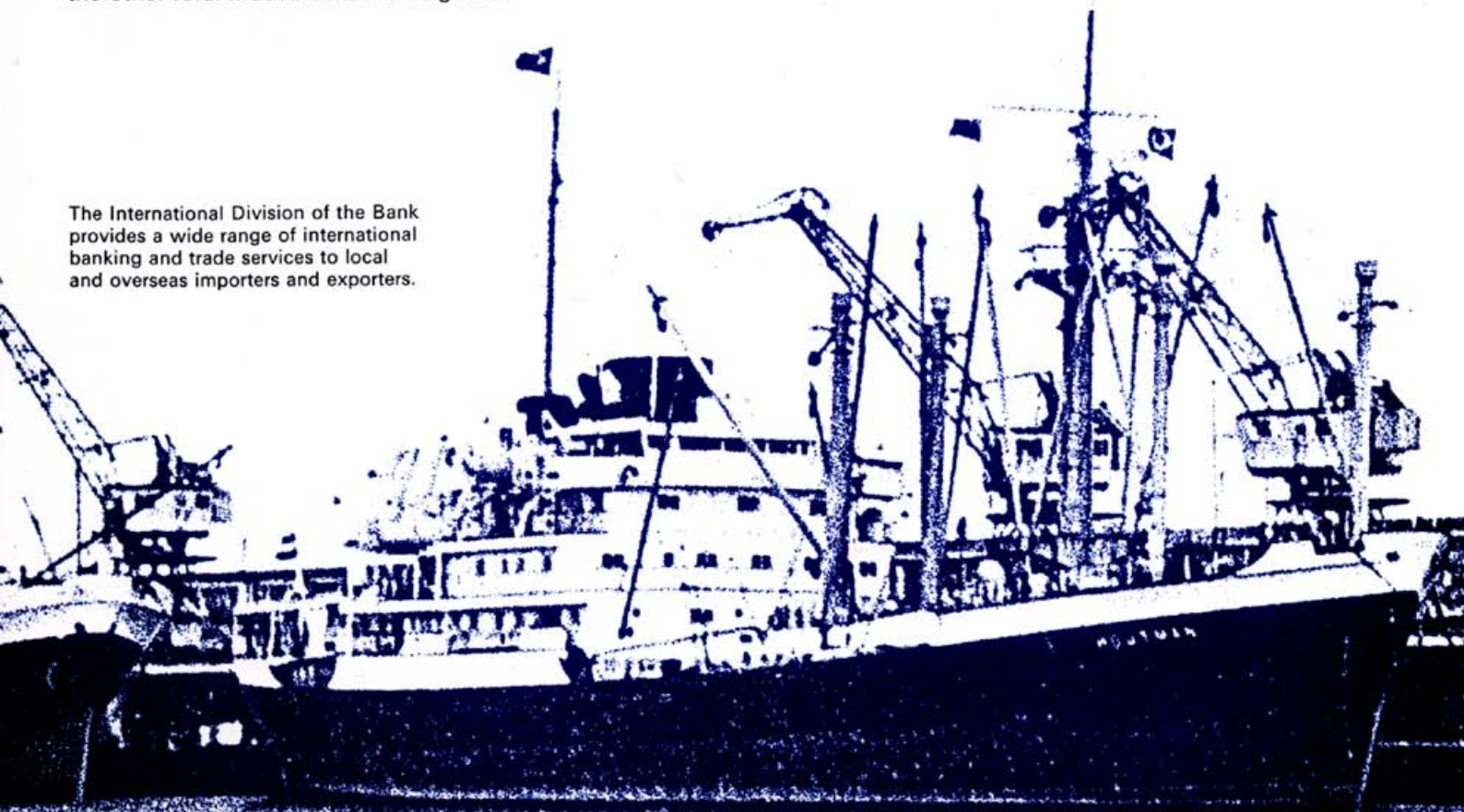


Developments in Australian mining and extractive industries are so constantly in the news that it is sufficient for me to say that the volume of exports continues to rise and reach new records. This growing sector of the Australian economy has had setbacks, such as the decline in metal prices and some Japanese restrictions on the import of iron ore and coal, but the picture is one of continuing discovery and development.

Balance of Payments

Australia is beginning to suffer the embarrassments of a creditor nation. International reserves have risen sharply as a result of buoyant exports and a record inflow of capital, and this raises the question of a currency revaluation. As in most countries, this issue has strong political implications.

The International Division of the Bank provides a wide range of international banking and trade services to local and overseas importers and exporters.





The Bank's Data Processing Centres in Melbourne and Sydney handle the cheque accounts conducted by nearly 400 of the Bank's branches, as well as providing many computer services for administrative departments.

Recently the Government decided on several courses of action in an endeavour to reduce the growth in international reserves. Australian citizens and institutions were granted more freedom to invest overseas, other than in loans and fixed interest securities, although the investments are still subject to exchange control. Guidelines affecting foreign companies in Australia, which resulted in many companies having to raise funds overseas, were abolished and a veto has been placed on overseas borrowing repayable, or with an option to repay, in two years or less. Action has also been taken to screen foreign take-over offers with a view to preventing those judged to be not in the national interest.

These measures, together with a probable rise in imports as economic activity quickens, should slow the growth of reserves. However, the position will be watched with considerable interest over the next few months.

New Zealand

The situation in New Zealand is not unlike that in Australia. Overseas assets are at a high level and the balance on current account of overseas transactions remains satisfactory. This should facilitate the much faster rate of economic growth expected in 1972/73. The prices index is still moving up faster than is desirable and personal expenditure has been depressed. However, the level of consumer spending, as measured by retail sales, showed signs of recovery during the last half of the year to June, 1972.



The budget for the fiscal year to March, 1973 was designed to encourage further increases in spending, and provided for a 16.2 per cent expansion of Government expenditure. Export earnings have grown fairly rapidly but imports have lagged in line with the low levels of consumer demand and investment spending.

The growth in liquid assets of the banks in New Zealand has increased their capacity to finance expansion of the economy on terms more favourable and more flexible than those available from other lenders. All that is necessary is that consumer demand should expand.

Directors and Staff

Viscount Hampden retired from the Bank's service in June, 1972 on reaching the age of 70. He first became a Director of The English, Scottish and Australian Bank in 1946 and was Chairman from 1948 until the time of the merger in 1969, when he became Deputy Chairman of the new Bank. I should like to thank him for the immense contribution he has made to our Bank. He is held in great affection by all who had the privilege of knowing him and is greatly missed.

Viscount Bridgeman has intimated that, as he has reached the age of 76, he does not wish to submit his name for re-election to the Board. He has served our Bank and its forerunners since 1949 with great ability and dedication, and he too will be much missed.

We were fortunate that Mr. Martin Jacomb was able to accept our invitation, last February, to join the Board. Mr. Jacomb is an Executive Director of a well known company of merchant bankers and I am sure his experience will be of value to us.

Several senior members of our management have also retired recently. In September Mr. W.H.Simon, Assistant General Manager and General Manager of our Australian Savings Bank, retired. November marked the retirement of Mr. J.C.Macvean, Assistant General Manager (Lending), and Mr. D.H.Merry, Assistant General Manager and Economic Adviser. During their distinguished careers these senior executives undertook many important assignments for the Bank and I would like to record the Board's appreciation of their achievements and to wish them well.

I must take this opportunity of thanking all our staff for the work they have done in the past year. As you will have appreciated from what I have written about the year's events, there have been many changes in economic conditions which, welcome though many of them have been to us, have brought fresh problems and challenges to our staff, and we are most grateful to them for their cheerful and whole-hearted response. I should mention here that an inheritance from the merger was a variety of pension arrangements flowing from the predecessor banks, which provided widely differing retirement conditions and benefits. After extensive examination we have established new and improved pension arrangements. These new arrangements have been well received and a very high incidence of transfers to the new schemes by our staff and pensioners has been achieved.

The Outlook

In a world where the economic scene is being dominated by the difficulties of evolving a flexible and equitable international payments system, we are fortunate that, in each of the two countries to which we are so closely related, the balance of payments is strong. The difficulty in both countries is one of abundance in international reserves rather than scarcity.

In Australia and New Zealand earnings from export trade, international reserves and domestic savings are at record levels. Also, while the levels of inflation, unemployment, production and consumer demand are not wholly satisfactory, the position is improving.

It is manifest that the communities we serve have exceptional growth capabilities, that they will strive to maintain their economic and social balance and that they will grapple with the monetary problems generated by having overseas funds in excess of their present requirements. Both Australia and New Zealand should successfully adjust their economies to the effects of the United Kingdom joining the European Economic Community and their internal and external trade will sustain a rising demand for a wide range of financial services. In helping to service this rising demand, our London operations, together with the activities of our Representative Offices in New York and Tokyo, can be expected to continue to play their part in strengthening and fostering trade with the major business areas of Europe, North America and Japan, with profit to the Bank.

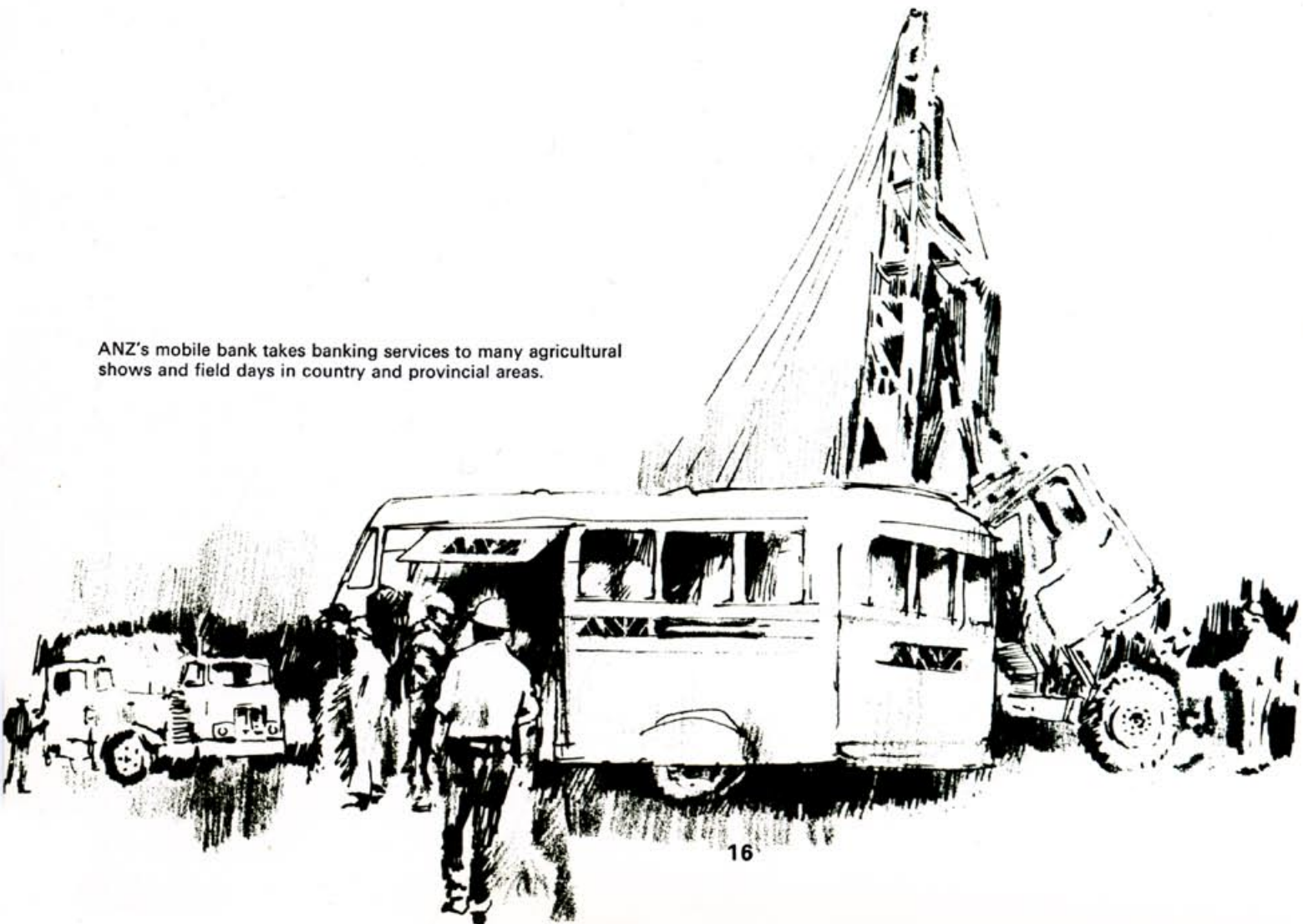
As part of this broad picture, the situation of Australia and New Zealand in the Pacific region, the scene of so much recent development, has special significance. Both countries have the resources to supply capital and skills to their neighbours and to be increasingly influential in world affairs, more particularly in the Pacific region.

In the Bank itself, we are getting clear of the problems inherent in merging two large branch banking organisations and are continuing the processes of streamlining the organisation structure and of pressing hard on all the factors which will enhance profitability. We are now closer to achieving the benefits which were seen as the advantages of the merger.

Alexander Ross

28th November, 1972

ANZ's mobile bank takes banking services to many agricultural shows and field days in country and provincial areas.



**Australia and New Zealand
Banking Group Limited
and its subsidiaries**
Consolidated Profit and Loss Account
for the year ended
30 September 1972

The notes appearing on pages 22 and 23
are an integral part of these accounts.

	1972 £'000	\$A'000	1971 £'000	\$A'000
Consolidated Profit:				
After charging all expenses, providing for taxation on profits and making transfers to reserves and provision for contingencies out of which accounts provision has been made for any diminution in the value of assets	8,418	17,105	6,362	13,687
Deduct amounts retained by subsidiaries	3,376	6,860	2,518	5,418
Profit dealt with in the accounts of Australia and New Zealand Banking Group Limited	5,042	10,245	3,844	8,269
Add balance brought forward	3,417	6,942	3,536	7,608
	8,459	17,187	7,380	15,877
Appropriations:				
Interim dividend	1,606	3,264	1,606	3,456
Proposed final dividend	1,607	3,264	1,607	3,456
Transfer to Reserve Fund	1,000	2,032	750	1,614
Balance carried forward by Australia and New Zealand Banking Group Limited	4,246	8,627	3,417	7,351
Add balances carried forward by subsidiaries	1,453	2,953	1,108	2,385
Consolidated balances carried forward	5,699	11,580	4,525	9,736

Earnings per share, based on the above-mentioned consolidated profit, 26.2p (1971 19.8p)

**Australia and New Zealand
Banking Group Limited
and its subsidiaries
Consolidated Balance Sheet
30 September 1972**

The notes appearing on pages 22 and 23
are an integral part of these accounts.

	1972 £'000	\$A'000	1971 £'000	\$A'000
Authorised Capital:				
35,000,000 shares of £1 each	35,000	71,117	35,000	75,299
Issued Capital:				
32,130,000 shares of £1 each, fully paid	32,130	65,285	32,130	69,124
Reserve Funds	32,396	65,825	27,482	59,126
Profit and Loss Account Balances	5,699	11,580	4,525	9,736
	70,225	142,690	64,137	137,986
Borrowings by Subsidiaries:				
Debenture Stock 1972/80 (Secured)	77,139	156,738	65,147	140,156
Unsecured Notes 1972/80 and Loan Deposits	33,648	68,369	34,266	73,720
Mortgage Loan (Secured)	228	463	234	503
Proposed Final Dividend	1,607	3,264	1,607	3,456
Deposits, Current Accounts, Bills Payable and Other Accounts (including contingencies reserves and taxation on profits to date)	1,749,151	3,554,102	1,409,830	3,033,109
Balances due to Other Banks	149,929	304,641	132,124	284,252
Amounts due in respect of Refinanced Loans to Customers	67,324	136,795	61,129	131,513
	2,149,251	4,367,062	1,768,474	3,804,695
Acceptances, Endorsements, Confirmed Credits, Guarantees and other Engagements on behalf of customers and others	163,321	331,852	150,970	324,797
Alexander Ross	} Directors			
G.C.Gibbs				
A.D.Marris				
S.Cumberland	Group Accountant			
	2,312,572	4,698,914	1,919,444	4,129,492

	1972 £'000	SA'000	1971 £'000	SA'000
Coin, Bullion, Notes and Cash at Bankers	70,597	143,447	41,869	90,077
Deposits with Other Banks and Financial Institutions and cheques in course of collection	108,835	221,141	90,766	195,274
Money at Call and Short Notice	49,753	101,094	26,973	58,030
Treasury Notes and Treasury Bills	40,621	82,537	36,588	78,715
Statutory Deposits:				
With Reserve Bank of Australia	56,954	115,724	60,300	129,730
With Reserve Bank of New Zealand	5,217	10,600	2,910	6,261
Loan Fund Accounts with Reserve Bank of Australia	13,453	27,335	8,085	17,393
Investments:				
Quoted	375,405	762,786	242,513	521,743
Unquoted, at or under cost	146,706	298,091	121,407	261,195
Bills Receivable and Remittances in Transit	176,293	358,209	144,197	310,226
Loans and Advances to Customers and Other Accounts (less provision for doubtful debts)	860,195	1,747,832	780,530	1,679,232
Loans to Customers under Refinance Arrangements	67,324	136,795	61,129	131,513
Balances outstanding under Hire Purchase and other contracts entered into by a subsidiary after deducting charges yet to mature £23,350,000 (1971 £19,895,000) and after writing off or providing for bad and doubtful debts	128,748	261,603	110,386	237,484
	2,100,101	4,267,194	1,727,653	3,716,873
Trade Investments at Cost:				
Quoted	42	85	39	84
Market value £90,000 (1971 £67,000)				
Unquoted	2,446	4,970	2,367	5,092
Bank Premises, Sites, Furniture and Equipment, at cost, (less amounts written off)	46,662	94,813	38,415	82,646
	2,149,251	4,367,062	1,768,474	3,804,695
Liabilities of Customers and Others for acceptances, endorsements, confirmed credits, guarantees and other engagements	163,321	331,852	150,970	324,797
	2,312,572	4,698,914	1,919,444	4,129,492

**Australia and New Zealand
Banking Group Limited**
Balance Sheet
30 September 1972

The notes appearing on pages 22 and 23
are an integral part of these accounts.

	1972 £'000	\$A'000	1971 £'000	\$A'000
Authorised Capital: 35,000,000 shares of £1 each	35,000	71,117	35,000	75,299
Issued Capital: 32,130,000 shares of £1 each, fully paid	32,130	65,285	32,130	69,124
Reserve Fund	20,000	40,638	19,000	40,877
Profit and Loss Account Balance	4,246	8,627	3,417	7,351
Proposed Final Dividend	56,376	114,550	54,547	117,352
Deposits, Current Accounts, Bills Payable and Other Accounts (including contingencies reserves and taxation on profits to date)	1,250,499	2,540,893	998,969	2,149,183
Balances due to Other Banks	149,929	304,641	132,124	284,252
Amounts Due in respect of Refinanced Loans to Customers	67,324	136,795	61,129	131,513
Amounts Due to Subsidiaries	15,046	30,570	7,076	15,223
Acceptances, Endorsements, Confirmed Credits, Guarantees and Other Engagements on behalf of customers and others	1,540,781	3,130,713	1,255,452	2,700,979
	163,267	331,741	150,970	324,797
Alexander Ross	} Directors			
G.C.Gibbs				
A.D.Marris				
S.Cumberland		Group Accountant		
	1,704,048	3,462,454	1,406,422	3,025,776

	1972 £'000	\$A'000	1971 £'000	\$A'000
Coin, Bullion, Notes and Cash at Bankers	20,346	41,341	20,877	44,915
Deposits with Other Banks and Financial Institutions and cheques in course of collection	107,973	219,391	89,952	193,523
Money at Call and Short Notice	43,232	87,844	20,141	43,331
Treasury Notes and Treasury Bills	39,636	80,537	16,601	35,715
Statutory Deposits:				
With Reserve Bank of Australia	56,954	115,724	60,300	129,730
With Reserve Bank of New Zealand	5,217	10,600	2,910	6,261
Loan Fund Accounts with Reserve Bank of Australia	13,453	27,335	8,085	17,393
Investments:				
Quoted	254,947	518,026	137,684	296,213
Unquoted, at or under cost	217	442	205	441
Bills Receivable and Remittances in Transit	176,293	358,209	144,197	310,226
Loans and Advances to Customers and Other Accounts (less provision for doubtful debts)	695,831	1,413,859	636,422	1,369,198
Loans to Customers under Refinance Arrangements	67,324	136,795	61,129	131,513
	1,481,423	3,010,103	1,198,503	2,578,459
Trade Investments unquoted at cost	1,385	2,814	1,313	2,825
Investments in Subsidiaries shares at cost	40,988	83,284	40,517	87,168
Amounts Due from Subsidiaries	4,639	9,426	5,526	11,889
Bank Premises, Sites, Furniture and Equipment, at cost, (less amounts written off)	12,346	25,086	9,593	20,638
	1,540,781	3,130,713	1,255,452	2,700,979
Liabilities of Customers and Others for acceptances, endorsements, confirmed credits, guarantees and other engagements	163,267	331,741	150,970	324,797
	1,704,048	3,462,454	1,406,422	3,025,776

Notes on the Accounts

1. General Notes

(a) The accounts are shown in sterling. For information only, Australian currency amounts are also shown and these represent conversions of the sterling amounts at the exchange rate ruling at the date of the Balance Sheets. Sterling amounts for the previous year have been converted at the rate of exchange ruling at 30th September, 1971.

(b) Overseas profits remitted to the United Kingdom during the year have been converted into sterling at the rate ruling at the date of remittance. Other overseas profits have been converted at the rates ruling at the end of the accounting period. Assets and liabilities in currencies other than sterling have been converted at the rates ruling at the date of the Balance Sheets and the net surplus arising from such revaluations has been taken to reserves.

(c) Quoted investments (excluding trade investments) held by the Company and by its subsidiaries are, in the main, redeemable at fixed dates within ten years and are stated in the Balance Sheets at book amounts which are at or under cost and in the aggregate below redemption value.

The book amounts and valuations at middle market prices of these investments are given in Note 2. As redeemable investments are normally held to or near maturity, no provision is considered necessary for any difference between the book amounts and the market values of such individual stocks quoted below book amounts at the balance date, neither have any transfers been made from reserves or out of the current year's profits to write them down apart from the normal amortisation of the premium on stocks bought above par.

(d) Provision has been made for United Kingdom Corporation Tax at the appropriate rate on profits for the year to 30th September, 1972, after taking account of relief for overseas taxation.

(e) A list of subsidiary and associated companies and other trade investments is given on pages 28 and 29 and forms part of these Notes on the Accounts.

2. Investments

(a) The Company-
Quoted investments in the Balance Sheet of Australia and New Zealand Banking Group Limited comprise:

	1972 £'000	1971 £'000
Quoted in Great Britain:		
British Government Securities	981	1,589
Other Securities	424	1,480
Quoted outside Great Britain:		
Australian and New Zealand Government Securities	253,090	134,432
Other Securities	452	183
	254,947	137,684
Market Value	258,602	135,842

(b) The Company and its Subsidiaries-
Quoted Investments (excluding trade investments) in the Consolidated Balance Sheet of Australia and New Zealand Banking Group Limited and its subsidiaries comprise:

	1972 £'000	1971 £'000
Quoted in Great Britain:		
British Government Securities	981	1,589
Other Securities	424	1,480
Quoted outside Great Britain:		
Australian and New Zealand Government Securities	367,327	232,847
Other Securities	6,673	6,597
	375,405	242,513
Market Value	380,425	236,454

(c) The balance of the consideration for the sale of ANZ Investments Limited's interest in IAC (Holdings) Limited, the surplus on which was dealt with in the 1971 accounts, has been received in full during the current year.

3. Forward Exchange Contracts

There are forward exchange contracts for the sale of currencies to the value of £709,625,000 (1971 £428,050,000) which are covered to a corresponding amount by forward purchases, by arrangements with central banks or by holdings of foreign currencies.

4. Capital Commitments

(a) Contracts for outstanding capital expenditure not provided for in these accounts totalled:

	1972	1971
The Company	£10,881,000	£1,280,000
The Company and its Subsidiaries	£13,956,000	£4,970,000

(b) Capital expenditure, as authorised by the Directors but not contracted for, totalled:

The Company	£6,113,000	£4,450,000
The Company and its Subsidiaries	£17,698,000	£9,800,000

5. Auditors' Remuneration

Provision has been made in the consolidated accounts for auditors' remuneration of:

	1972	1971
The Company	£14,000	£14,000
The Company and its Subsidiaries	£45,989	£42,693

6. Directors' Emoluments

(a) The emoluments of the Directors of the Company were as follows:

	1972	1971
Directors' Fees	£28,972	£28,500
Other remuneration (including contributions in respect of future pensions)	£89,695	£82,453
Pensions (including past Directors)	£1,952	£745
	<u>£120,619</u>	<u>£111,698</u>

Payment to a former Director, following retirement

£5,000	—
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(b) Included in the above figures are the emoluments (excluding contributions in respect of future pensions) of the following:

The Chairman	£10,000	£10,000
The highest paid United Kingdom Director	£13,522	£12,897

(c) The total emoluments (excluding contributions in respect of future pensions) of the Directors (excluding Australian resident Directors) fall within the following range:

Up to £2,500	11	10
from £2,501 to £5,000	3	5
from £5,001 to £7,500	2	—
from £7,501 to £10,000	1	1
from £10,001 to £12,500	—	—
from £12,501 to £15,000	1	1

7. Employees' Emoluments

No United Kingdom employee (1971 one) of the Company received emoluments between £10,000 and £12,500.

8. Contingent Liabilities

(a) There are contingent liabilities in respect of uncalled capital on trade investments of the Company amounting to £453,000.

(b) The Company has guaranteed the repayment of loans made to its customers by a subsidiary to the extent of £520,000 (1971 £836,000)

(c) The Company has guaranteed the depositors' balances with Australia and New Zealand Savings Bank Limited and with ANZ Savings Bank (New Zealand) Limited.

9. Subsidiaries' Reserves

The 'Balances carried forward by subsidiaries' in the Consolidated Profit and Loss Account are stated after allowing for appropriations to subsidiaries' reserves totalling £3,096,000 (1971 £2,199,000)

Report of the Auditors to the members of Australia and New Zealand Banking Group Limited

We have examined the annexed consolidated profit and loss account and consolidated balance sheet and balance sheet together with the notes thereon. The accounts of certain subsidiary companies have been audited by other firms.

In our opinion the balance sheet and the consolidated accounts, together with the notes thereon, comply with the Companies Acts 1948 to 1967 in the manner authorised for a banking company.

Peat, Marwick, Mitchell & Co.,
Chartered Accountants.
London.
28th November, 1972.

**Australia and New Zealand
Savings Bank Limited
Balance Sheet
30 September 1972**

Deposits guaranteed by Australia and New Zealand Banking Group Limited.

Certain of the notes appearing on pages 22 and 23 refer to these accounts.

Board of Directors:
C.H.Rennie (Chairman)
J.Jennings
Lord Remnant
Sir Alexander Ross
K.H.C.Swan

	1972 \$A'000	1971 \$A'000
Authorised Capital:		
14,000,000 shares of \$A1 each	14,000	14,000
Issued Capital:		
5,000,000 shares of \$A1 each, fully paid	5,000	5,000
Reserve Fund	15,200	12,700
Profit and Loss Account Balance	998	1,060
	21,198	18,760
Depositors' Balances and Other Accounts, including provision for accrued interest, taxation and reserve for contingencies	895,709	783,793
	<u>916,907</u>	<u>802,553</u>

	1972 \$A'000	1971 \$A'000
Notes and Coin	106	92
Balances with Banks:		
Australia and New Zealand Banking Group Limited	12,914	9,221
Reserve Bank of Australia	102,000	45,070
Money at Call and Short Notice	11,000	13,600
Treasury Notes	2,000	43,000
Investments:		
Quoted investments at or under cost:		
Australian Government securities	194,162	172,060
Other Australian securities	12,531	13,660
Market Value \$A209,108,000 (1971 \$A176,818,000)		
Unquoted Australian and Fijian investments at or under cost:		
Loans to Authorities constituted by or under Government Acts	253,215	214,525
Other Australian and Fijian securities	19,126	12,593
Investments in Subsidiary:		
Shares, at cost	1,000	1,000
Loan	7,350	8,900
Balances due by Other Banks	1,750	1,750
Loans and Other Accounts, including accrued interest (less provision for doubtful debts)	299,753	267,082
	<u>916,907</u>	<u>802,553</u>

**Profit and Loss Account
for the year ended
30 September 1972**

	1972 \$A'000	1971 \$A'000
Transfer to Reserve Fund	2,500	2,000
Dividend	750	—
Balance carried forward	998	1,060
	<u>4,248</u>	<u>3,060</u>

	1972 \$A'000	1971 \$A'000
Balance brought forward	1,060	510
Profit, including income from investments, after charging all expenses, providing for taxation on profits earned to date and making transfers to reserves and provision for contingencies	3,188	2,550
	<u>4,248</u>	<u>3,060</u>

**ANZ Savings Bank
(New Zealand) Limited**
Balance Sheet
30 September 1972

Deposits guaranteed by Australia and New Zealand Banking Group Limited.

Certain of the notes appearing on pages 22 and 23 refer to these accounts.

	1972 NZ\$'000	1971 NZ\$'000
Authorised Capital:		
250,000 shares of NZ\$2 each	500	500
Issued Capital:		
250,000 shares of NZ\$2 each, fully paid	500	500
Reserve Fund	1,200	910
Profit and Loss Account Balance	251	192
	1,951	1,602
Depositors' Balances and Other Accounts, including provision for accrued interest, taxation and reserve for contingencies	94,185	88,285

96,136	89,887
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Profit and Loss Account
for the year ended
30 September 1972

	1972 NZ\$'000	1971 NZ\$'000
Transfer to Reserve Fund	290	230
Balance carried forward	251	192

541	422
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Board of Directors:
T.M.Williamson (Chairman and General Manager)
N.T.Caradus
E.L.Jones
Lord Remnant
C.H.Rennie
Sir Alexander Ross
W.J.Sisam

	1972 NZ\$'000	1971 NZ\$'000
Balances with Banks:		
Australia and New Zealand Banking Group Limited	5,117	4,445
Investments:		
Quoted investments at or under cost:		
New Zealand Government securities Market Value NZ\$38,192,000 (1971 NZ\$39,458,000)	37,825	39,629
Unquoted investments at or under cost:		
3 $\frac{3}{4}$ per cent New Zealand Government special stock	34,100	31,580
Local Authority securities	2,082	2,006
Loans and Other Accounts, including accrued interest (less provision for doubtful debts)	17,012	12,227

96,136	89,887
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Esanda Limited
Summary of the
Audited Balance Sheet
30 September 1972

Certain of the notes appearing on pages 22 and 23 refer to these accounts.

Board of Directors:
H.McE.Scambler (Chairman)
J.Jennings
G.W.Kimber (General Manager)
C.H.Rennie
K.H.C.Swan

	1972 \$A'000	1971 \$A'000
Authorised Capital:		
20,000,000 Ordinary Shares of \$A1	20,000	20,000
Issued Capital:		
12,500,000 Ordinary Shares of \$A1 each, fully paid	12,500	12,500
Capital Reserve	18	16
General Reserve	19,000	15,500
Unappropriated Profits	1,407	1,128
	<u>32,925</u>	<u>29,144</u>
Secured Borrowings:		
Debenture Stock	156,738	140,156
(Maturing within one year \$A36,084,000 (1971 \$A32,577,000))		
Unsecured Borrowings:		
Unsecured Notes and Fixed Term Deposits (Maturing within one year \$A41,000,000 (1971 \$A40,291,000))	79,446	73,798
	<u>269,109</u>	<u>243,098</u>
Current Liabilities:		
Sundry Creditors, Interest accrued and Australian Income Tax provisions	10,110	7,790
	<u>279,219</u>	<u>250,888</u>

	1972 \$A'000	1971 \$A'000
Current Assets:		
Cash at Australia and New Zealand Banking Group Limited	609	501
Money at Call	2,250	1,100
Amounts receivable after writing off or providing for bad and doubtful debts and contingencies.		
Less Charges yet to mature \$A47,444,000 (1971 \$A42,803,000)	267,957	244,031
	<u>270,816</u>	<u>245,632</u>
Investment:		
Shares in a company listed on a prescribed Stock Exchange, at cost (Market Value \$A170,000 (1971 \$A130,000))	72	72
Fixed Assets:		
Freehold land and building under construction, at cost, less provision for depreciation \$A95,000 (1971 \$A40,000)	8,331	5,184
	<u>279,219</u>	<u>250,888</u>

Disposition of Profit
for the year ended
30 September 1972

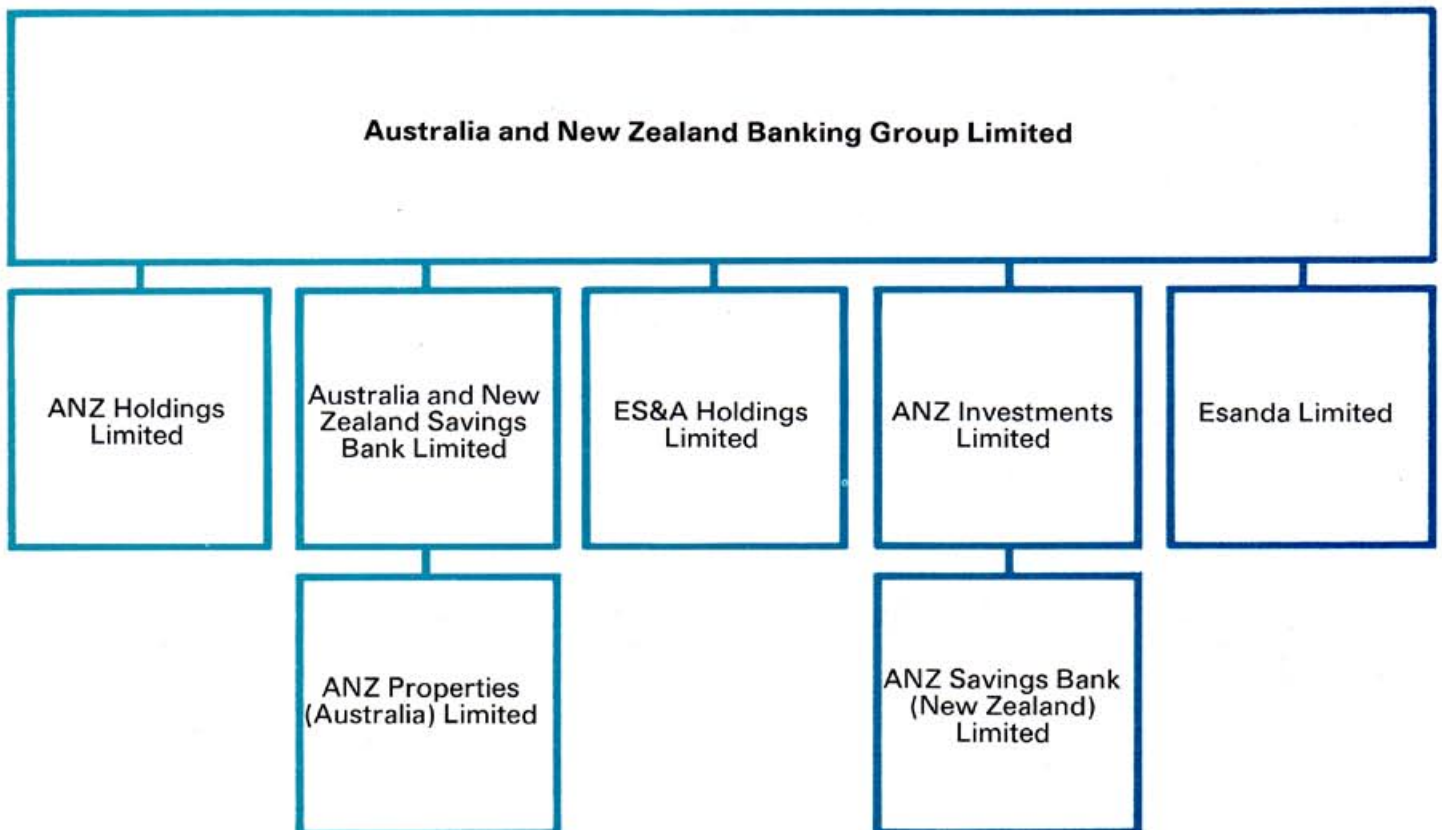
	1972 \$A'000	1971 \$A'000
Dividend	2,000	1,600
Transfer to General Reserve	3,500	2,500
Balance of Unappropriated Profits carried forward	1,407	1,128
	<u>6,907</u>	<u>5,228</u>

	1972 \$A'000	1971 \$A'000
Balance of Unappropriated Profits brought forward from previous year	1,128	1,054
Net Profit after provision for Australian Tax	5,779	4,174
	<u>6,907</u>	<u>5,228</u>

Group Structure

A detailed analysis of the Group is shown on pages 28 and 29 and a list of Group services is set out on pages 34 and 35.

The main structure of the Group is as set out below :



Australia and New Zealand Banking Group Limited Subsidiary Companies and Group Interests

Wholly Owned Subsidiaries

Name of Company Nature of Business	Issued Share Capital Country of Incorporation	Principal Area of Operations
ANZ Holdings Limited Holds properties and investments formerly held by ANZ Bank	15,400,000 shares of £1 Great Britain	Australia/New Zealand
ANZ Custodians Limited Holds Australian securities for U.K. issued Bearer Depository Receipts	7 shares of \$A1 Australia	Australia
* ANZ Discounts Limited Negotiation of foreign currency loans for Australian customers	5 shares of \$A2 Australia	Australia
ANZ Investments Limited Holding company for shares in subsidiary and associated companies and trade investments	100 shares of £1 Great Britain	International
* ANZ Managed Investments Limited Full range of investment services for public	209,010 shares of \$A1 Australia	Australia
ANZ Nominees Limited Nominee Services	1,000 shares of £1 Great Britain	England/Australia/ New Zealand
ANZ Overseas Finance Limited Provision of foreign currency loans	100 shares of £1 Great Britain	England
ANZ Pensions Limited Management of staff pension funds	250,000 shares of £1 Great Britain	England/Australia/ New Zealand
* ANZ Pensions (Overseas) Pty. Limited Management of staff pension funds	5 shares of \$A2 Australia	Australia/New Zealand
* ANZ Properties (Australia) Limited Property owning company	1,000,000 shares of \$A1 Australia	Australia
Australia and New Zealand Savings Bank Limited Savings Bank	5,000,000 shares of \$A1 Australia	Australia
* ANZ Savings Bank (New Zealand) Limited Savings Bank	250,000 shares of NZ\$2 New Zealand	New Zealand
ANZ Services Limited Non-operative	5,000 shares of \$A2 Australia	Non-operative
* Britannia Investment Company Pty. Limited Property owning company	82,000 shares of \$A1 Australia	Australia
ES&A Holdings Limited Holds properties and investments formerly held by ES & A Bank	8,400,000 shares of £1 Great Britain	Australia
ES&A Properties (U.K.) Limited Property owning company	125,000 shares of £1 Great Britain	England
Esanda Limited Hire purchase, lease, instalment and general finance facilities	12,500,000 shares of \$A1 Australia	Australia
* Esanda (Wholesale) Pty. Limited Hire purchase, lease, instalment and general finance facilities	50 shares of \$A2 Australia	Australia
Esanda Nominees Limited Nominee Services	100 shares of £1 Great Britain	England
ES&A Nominees (Australia) Pty. Limited Nominee Services	50 shares of \$A2 Australia	Australia
* ES&A Properties (Australia) Limited Holds properties formerly held by ES & A Savings Bank	2,000,000 shares of \$A1 Australia	Australia
ES&A (Security) Pty. Limited Trustee company	2 shares of \$A2 Australia	Australia
Melbourne Safe Deposit Pty. Limited Holding company for shares in subsidiary and associated companies and trade investments	29,000 shares of \$A1 Australia	Australia
* Equity capital held by subsidiary companies		

Associated Companies and Trade Investments

Name of Company Nature of Business	Issued Share and Loan Capital and Reserves Country of Incorporation	Group Interest	Principal Area of Operations
ANG Holdings Limited A subsidiary investment holding company of ANG Corporation	1,766,900 ordinary shares of \$A1 497,000 cumulative convertible 9% preference shares of \$A1 Papua New Guinea	0.75% Nil	Papua New Guinea
ANG Properties Limited Property owner for ANG Corporation	420,000 shares of \$A1 Papua New Guinea	10.00%	Papua New Guinea
Australia New Guinea Corporation Limited Investment Company	654,500 shares of \$A1 Papua New Guinea	4.59%	Papua New Guinea
Australian Banks' Export Re-finance Corporation Limited Provides finance for Australian capital goods exports	2,000,000 shares of \$A1 Loan Capital \$A30,675,000 Reserves \$A641,228 Australia	21.78% 19.19%	Australia
Australian Innovation Corporation Limited Support for Australian innovations and inventions	710,000 shares of \$A1 (75% paid) Australia	3.52%	Australia
Australian International Finance Corporation Limited Medium and long term lending and related financial services	6,250,000 shares of \$A1 Reserves \$A450,764 Australia	20.00%	Australia and Pacific area
Australian Interstate Pipe Line Company Limited Development and financing of oil and gas pipelines	60,960 shares of \$A2 Australia	11.11%	Australia
Australian Resources Development Bank Limited Financing development of Australia's natural resources	3,000 shares of \$A1,000 Australia	14.40%	Australia
351 Collins Street Limited Owner of 351 Collins Street property	1,170,000 shares of \$A2 Australia	50.00%	Australia
Databank Systems Limited Nationwide computer network jointly owned by the trading banks	200,000 shares of NZ\$1 Loan Capital NZ\$4,785,000 Reserves NZ\$49,974 New Zealand	20.00% 20.00%	New Zealand
Development Finance Corporation of New Zealand Provision of development finance, advisory and technical services	2,750,000 shares of NZ\$1 New Zealand	4.73%	New Zealand
Endeavour Investments (New Zealand) Limited The majority shareholder of UDC Group Holdings, which owns United Dominions Corporation Finance	4,000,000 shares of NZ\$1 Reserves NZ\$472,024 New Zealand	20.00%	New Zealand
Intercontinental Banking Services Limited Provision of medium term finance	3,500,000 shares of £1 (10% paid) Great Britain	14.29%	England
Malaysia Industrial Finance Corporation Berhad Hire purchase finance	1,000,000 shares of \$1 Malaysian Reserves \$308,241 Malaysian Malaysia	25.00%	Malaysia
Melanesia International Trust Company Limited Trustee, corporate and financial services	300,000 shares of £0.50 New Hebrides	32.50%	International
Private Investment Company for Asia S.A. Capital investment in developing countries of Asia	4,920 shares of US\$5,000 Panama	0.81%	Asia
South East Asia Development Corporation Berhad Investment and banking facilities in S.E. Asia	3,500,000 shares of \$1 Malaysian Malaysia	0.86%	South East Asia
Swan Television Limited Television company operating in Western Australia	3,200,000 shares of \$A0.50 Australia	4.50%	Australia
The Diebold Group International Inc. International management consultancy	2,000 shares of common stock of US\$1 3,000 shares of convertible preferred stock US\$1 Liberia	Nil 10.00%	World wide, outside Europe & North America

Note: Where applicable, Loan Capital and Reserves have been shown on this page for companies in which the Group Interest in the equity capital amounts to 20 per cent or more.

**Australia and New Zealand
Banking Group Limited
and its subsidiaries**
Ten year Summary

Where applicable, the summary comprises the combined figures for Australia and New Zealand Bank Limited and The English, Scottish and Australian Bank, Limited, and for Australia and New Zealand Savings Bank Limited and ES&A Savings Bank Limited. Prior to 1969 the figures for The English, Scottish and Australian Bank, Limited and ES&A Savings Bank Limited were as at 30th June.

* Includes 15 months' profit for The English, Scottish and Australian Bank, Limited and subsidiary companies.

† These items show decreases on previous years' figures because of significant alterations in exchange rates.

	1963	1964	1965	1966	1967	1968	1969
	6,018	6,923	8,266	9,574	11,589	13,705	14,884 *
	47,690	52,710	56,224	56,224	56,224	51,204 †	69,124
	94,363	106,161	110,668	113,876	118,858	113,999 †	122,310
	1,841,960	2,143,271	2,318,586	2,550,132	2,755,105	2,979,711	3,397,608
	1,202,993	1,359,179	1,405,342	1,506,444	1,577,712	1,672,268	1,861,034
	644,399	704,238	774,527	823,914	935,896	1,009,420	1,101,840
	306,752	369,221	411,211	460,583	532,110	599,325	671,295
	58,156	83,266	101,130	116,531	136,793	171,325	208,775
	55,013	62,353	74,566	87,782	91,329	118,189	136,874
	65,406	74,106	88,963	102,941	111,353	140,669	162,952
ANZ Savings Bank (New Zealand) Limited commenced business on 1st October, 1964			25,345	41,143	53,111	65,821	78,289
			1,730	3,677	4,832	5,891	8,233
	1,127	1,162	1,223	1,277	1,280	1,294	1,311
	353	386	398	390	351	336	338

1970	1971	1972
15,813	13,687	17,105
69,124	69,124	65,285 †
131,211	137,986	142,690
3,816,373	4,129,492	4,698,914
2,052,969	2,149,183	2,540,893
1,327,969	1,369,198	1,413,859
712,609	783,793	895,709
236,882	267,082	299,753
178,131	213,954	236,184
208,302	250,888	279,219
88,491	88,285	94,185
11,276	12,227	17,012
1,327	1,254	1,191
342	297	274

Amounts in \$A'000

Group Net Profit

Paid Up Capital

Shareholders' Funds

Total Group Assets

Trading Bank Deposits and Other Accounts

Trading Bank Loans, Advances, etc.

Australian Savings Bank Deposits and Other Accounts

Australian Savings Bank Loans and Other Accounts

Esanda—Total Borrowings

Esanda—Total Assets

Amounts in NZ\$'000

New Zealand Savings Bank Deposits and Other Accounts

New Zealand Savings Bank Loans and Other Accounts

Branches and Sub-branches

Agencies

Principal Establishments

Administrative Headquarters
351 Collins Street, Melbourne, Victoria

Managing Director
H.McE.Scambler

Chief General Manager
C.H.Rennie

General Managers
R.A.Orpwood (Personnel and Services)
J.Jennings (Operations)
E.Arundel (Planning and Development)

Assistant General Managers
T.F.Davies
A.G.Kilpatrick
G.W.Kimber (General Manager, Esanda)
P.B.Sinnott
K.H.C.Swan
K.O.Wilks
G.B.Willcocks

Chief Managers International Division
T.F.Beckwith
J.H.L.Holberton

Administrative and Registered Offices, London
71 Cornhill, London, EC3V 3PR

Executive Director
R.C.Wheeler-Bennett

Secretary
J.W.Agate

Group Accountant
S.Cumberland

Victoria

Administrative Offices: 287 Collins Street, Melbourne
Chief Manager **W.M.Manyweathers**

Principal Banking Offices in Melbourne:
388 Collins Street. Manager **R.Gamon**
394 Collins Street. Manager **G.R.Stevens**
Royal Bank Branch, 293 Collins Street
Manager **J.W.Keck**
Stock Exchange Branch, 351 Collins Street
Manager **R.T.Brunskill**

New South Wales

Administrative Offices: 2 Martin Place, Sydney
Assistant General Manager and
Senior Chief Manager **M.Brunckhorst**
Chief Manager **T.C.J.Caldwell**

Principal Banking Offices in Sydney:
King and George Streets. Manager **J.P.Davidson**
Martin Place and George Street. Manager **E.B.Povey**
Martin Place and Pitt Street. Manager **N.C.Smith**
Pitt and Hunter Streets. Manager **E.F.Southwood**

Australian Capital Territory

Principal Canberra Office:
Alinga Street and Ainslie Avenue
Manager **J.R.Carey**

Queensland

Administrative Offices: 406 Queen Street, Brisbane
Chief Manager **F.Hill**

Principal Banking Office in Brisbane:
Queen and Creek Streets
Manager **T.B.Adams**

South Australia

Administrative Offices:
75 King William Street, Adelaide
Chief Manager **V.F.Paul**

Principal Banking Offices in Adelaide:
13 King William Street. Manager **T.A.Wightman**
King William and Currie Streets
Manager **G.M.Salthouse**

Western Australia

Administrative Offices: 84 St. George's Terrace, Perth
Chief Manager **G.E.C.Hodgson**

Principal Banking Offices in Perth:
84 St. George's Terrace. Manager **I.A.Walton**
101 St. George's Terrace. Manager **J.C.Poynton**

Tasmania

Administrative Offices: 86 Collins Street, Hobart
Chief Manager **A.B.Melrose**

Principal Banking Office in Hobart:
103 Macquarie Street. Manager **L.G.Twidale**

Northern Territory

Main Banking Office: 43 Smith Street, Darwin
Manager **N.R.Thompson**

Papua New Guinea

Main Banking Office:
A.N.G. House, Hunter Street, Port Moresby
Manager **R.McN.Hill**

New Zealand

Administrative Offices:
196 Featherston Street, Wellington
Chief Manager **T.M.Williamson**

Principal Banking Offices:
Wellington, Lambton Quay and Featherston Street
Manager **T.N.Bright**
Auckland, Queen and Victoria Streets
Manager **J.A.Mace**
Christchurch, 85 Hereford Street
Manager **J.S.Clark**
Dunedin, Princes and Liverpool Streets
Manager **T.D.Dearness**

Pacific Islands

Main Banking Offices:
Fiji, Suva, Victoria Parade
Manager **J.H.Garland**
British Solomon Islands, Honiara, Mendana Avenue
Manager **J.L.Waddell**
New Hebrides, Vila, Rue Higginson
Manager **J.D.Benjamin**

Japan

Representative Office for Japan:
Room 1109, New Yurakucho Building, 11, 1-Chome,
Yuraku-cho, Chiyoda-ku, Tokyo
Representative **R.A.D.Nicolson**

North America

Representative Office for North America:
63 Wall Street, New York
Representative **R.D.McLeod**

United Kingdom and Europe

Administrative Offices:
71 Cornhill, London, EC3V 3PR
Chief Manager **R.J.Sutton**
Deputy Chief Manager **C.H.Bennett**

Principal Banking Office:
71 Cornhill, London, EC3V 3PR
Manager **N.V.Pinks**

Share Registers are maintained at Administrative
Offices in London, Melbourne, Sydney, Brisbane,
Adelaide, Perth, Hobart and Wellington, and at the
principal office in Canberra.

Group Services

Domestic Banking:

Cheque accounts and interest bearing term deposit accounts, including negotiable and convertible certificates of deposit.

Financial assistance for primary, secondary and tertiary industry.

Leasing.

Personal loans.

Safe custody and night safe facilities.

Money transfers.

Travellers' cheques, travellers' letters of credit and provision of foreign currency.

Economic and business advisory services covering oil, gas, minerals, rural and industrial undertakings.

Term loans.

Farm development loans.

Savings Banking:

Interest bearing savings accounts for individuals, clubs, societies, etc.

Investment accounts.

Christmas Club Savings scheme.

Special Purpose Savings accounts.

Loans for housing.

Loans to semi-government instrumentalities, municipal bodies and schools.

Provision of savings bank facilities in factories, offices and schools.



International Banking :

Financing of international trade.

Provision of Euro-currency and foreign currency finance.

Advice on import and export procedures.

Oversea remittances.

International consortia financing.

Trade enquiry service.

Oil and minerals services.

Hire Purchase and General Finance :

Comprehensive instalment purchase and related facilities in Australia, New Zealand, Papua New Guinea and Malaysia.

Leasing finance.

Financing of capital goods and property.

Investment :

Portfolio management and investment advisory services.

Self employed and employees' retirement funds.

Nominee and custodian services.

Bearer Depository Receipt service to facilitate dealings in Australian securities in the United Kingdom.

Registrar services.

Purchase and sale of investments.

Investment of short, medium and long term funds.

Miscellaneous :

Comprehensive travel service.

Economic research and information service.

Publications covering a wide range of topics.

Business development service.

Migrant Advisory Centres in Australia and New Zealand.

Migrant services in the United Kingdom and Europe.



**Australia and New Zealand
Banking Group Limited
Analysis of Shareholdings
30 September 1972**

Holding of:	Accounts		Shares	
	No.	%	No.	%
Up to 500	15,850	59.3	3,949,850	12.3
501 to 1,000	6,432	24.1	4,393,594	13.7
1,001 to 5,000	3,965	14.8	6,789,705	21.1
5,001 to 10,000	229	0.9	1,536,770	4.8
Over 10,000	260	0.9	15,460,081	48.1
	26,736	100.0	32,130,000	100.0
Held by:				
Nominee, Investment and Trustee Companies	1,335	5.0	8,896,083	27.7
Insurance Companies	141	0.5	4,943,198	15.4
Individuals and others	25,260	94.5	18,290,719	56.9
	26,736	100.0	32,130,000	100.0

Directors' Shareholdings

	Beneficial		Non-beneficial	
	As at 30th September, 1972	As at 30th September, 1971	As at 30th September, 1972	As at 30th September, 1971
Sir Alexander Ross	400	400	—	—
Angus Mackinnon	2,015	2,015	5,400	5,400
Sir Donald F. Anderson	1,374	1,374	—	—
The Hon. E.L. Baillieu	405	405	4,500	4,500
Viscount Bridgeman	1,618	1,618	—	—
C.A.W. Dawes	567	567	—	—
Sir Geoffrey C. Gibbs	1,954	1,954	2,286	2,878
M.W. Jacomb	250	—	—	—
R.E.B. Lloyd	250	250	3,914	3,914
A.D. Marris	567	567	—	—
Colonel A.T. Maxwell	250	250	—	—
P.E. Nesbitt	471	471	—	—
Lord Remnant	405	405	—	—
C.H. Rennie	250	250	—	—
R.T. Renton	405	405	—	—
D.J. Robarts	1,611	1,611	—	—
H. McE. Scambler	300	300	—	—
R.H. Senior	1,954	1,954	5,503	5,503
R.C. Wheeler-Bennett	1,432	1,432	4,050	4,050
	16,478	16,228	25,653	26,245

Since 30th September, 1972 Mr. Angus Mackinnon's non-beneficial shareholding has been reduced to 3,000.

