

Media Release



Corporate Communications

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Esanda to become a Division of ANZ

- launches new deposit product backed by Government Guarantee -

ANZ today announced that Esanda Finance Corporation Limited (Esanda), its specialist asset finance business, will transition from a wholly owned subsidiary to a Division of ANZ over the next three months.

Esanda, established in 1954, is 100% owned by ANZ. Esanda's earnings and balance sheet are already consolidated with ANZ Group for reporting purposes.

While the change to being a Division of ANZ is not material to ANZ, it will allow Esanda's customers to benefit from changes to the market place in recent months. The transition will involve

- The launch of the Esanda Term Deposit, issued by ANZ, which is highly competitive and supported by the Federal Government's guarantee on deposits.
- Maintenance of all existing Esanda Debentures however no new Esanda Debentures will be issued from today.
- Continued growth in lending to small and medium businesses, auto retailers, car and equipment buyers.
- \$13 billion of assets moving from the Esanda entity to the ANZ entity over the next three months.

ANZ's Managing Director of Esanda, Moray McDonald said: "Esanda has built a broad base of loyal debenture customers. Our customers are naturally attracted to the government guarantee, and today's change delivers them the benefit of the government guarantee when their debenture matures."

Existing Debenture holders are not affected until their Debenture matures. They will continue to benefit from Esanda's AA credit rating and the strength of its ownership by ANZ. Their existing terms and conditions continue to apply until maturity, when they will be offered the opportunity to roll-over their investment into an Esanda Term Deposit.

"Esanda has benefited from being part of the ANZ Group for over 50 years. Ours is a strongly performing business and our brand and business operations will not change. As overseas financiers have withdrawn from the Australian market we have welcomed many new, quality auto retailers to Esanda and have begun an exciting new partnership with Subaru," Mr McDonald said.

This transition has been approved by the ANZ and Esanda Boards and has included consultation with the Australian Prudential Regulation Authority and the Australian Securities and Investments Commission. The transition to a division causes no change to management reporting lines or the position of Esanda staff, who were already ANZ Group employees.

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