

Media Release

For Release: 28 September 2011

ANZ closes CPS3 Offer, upsized to raise \$ 1.34 billion

ANZ today announced that it has successfully completed, and upsized, its offer of Convertible Preference Shares (CPS3) raising \$1.34 billion of Tier 1 Capital.

Through the Offer, 13.4 million CPS3 have been issued at \$100 each raising ANZ's 30 June 2011 pro-forma Tier 1 capital ratio to 11.1%.¹

CPS3 allocation policy

The CPS3 allocation policy is described below.

- All valid applications under the ANZ Securityholder Offer and General Offer have been accepted in full.
- A scale back was applied to Applicants under the Broker Firm Offer and the Institutional Offer.

Applications that were accompanied by cheques that were subsequently dishonoured and online Applications, for which BPAY[®] payments were not received, have not received an allocation.

ANZ Securityholder Offer Applicants and General Offer Applicants can obtain information about their allocation of CPS3 by calling the ANZ Information Line on the numbers provided at the end of this announcement.

Applicants under the Broker Firm Offer should confirm their allocation of CPS3 with their Syndicate Broker. Successful Institutional Investors under the Institutional Offer have been advised of their allocation of CPS3 by the Joint Lead Managers.

Deferred settlement trading

CPS3 are expected to commence trading at 11.00am tomorrow on the Australian Securities Exchange (ASX) on a deferred settlement basis under the ASX code of "ANZPC".

All Applicants are responsible for confirming the number of CPS3 allocated to them prior to selling any CPS3. Applicants who sell CPS3 before receiving their Holding Statement or CHESS confirmation do so at their own risk.

Trading on a normal T+3 settlement basis is expected to commence on Wednesday 5 October 2011.

¹ As at 30 June 2011 ANZ's Tier 1 capital ratio was 10.6%. This figure is adjusted for the issue of CPS3 pursuant to the Offer.

Holding statements and refund cheques

Holding statements stating the number of CPS3 issued to each successful Applicant are expected to be despatched by Monday 3 October 2011. Any refunds are also expected to be despatched by this date.

Dividend Rate

The Dividend Rate for each CPS3 for the first Dividend Period ending on (but excluding) 1 March 2012 is 5.4332% per annum. This has been determined in accordance with the CPS3 terms as the Bank Bill Rate on 28 September 2011 of 4.6617% (being the Issue Date) plus the Margin of 3.10% per annum, together multiplied by $(1 - \text{the Tax Rate, which is currently } 30\%)$.

Following the first Dividend Period, the Dividend Rate for CPS3 will be set six-monthly.

Mandatory Conversion Conditions

The Issue Date VWAP has been calculated as \$19.53. Accordingly, the Maximum Conversion Number has been set initially at 10.2407 ANZ ordinary shares per CPS3.

For details about the calculation of these numbers and how they affect CPS3, see the Prospectus which is available online at www.anz.com.

Holders of CPS3

Following allocation of CPS3 pursuant to the Offer, the twenty largest holders of CPS3 and the number and percentage of CPS3 held by those holders are detailed in Attachment A to this announcement.

The distribution schedule of CPS3 is set out in Attachment B to this announcement.

Participation by ANZ directors and associates in the Offer

The number of CPS3 issued to ANZ directors and their associates pursuant to the Offer was 1000 in aggregate.

Newspaper advertisements

Tomorrow ANZ will advertise in The Australian Financial Review, The Australian, The Sydney Morning Herald and The Age the close of the Offer, the Issue Price of each CPS3 and the basis of allocation of CPS3. A copy of this advertisement is attached to this announcement.

CPS3 Class Ruling

The Australian Taxation Office (ATO) has now released a Class Ruling (CR 2011/84) in respect of CPS3. The Class Ruling is consistent with the Taxation Summary contained in Section 5 of the Prospectus.

A copy of the Class Ruling is available from the Investor Centre section of www.anz.com or the ATO website (ato.gov.au) by searching in the ATO's Legal Database by using the Class Ruling reference.

To obtain information about your allocation of CPS3 or about the Offer

ANZ Securityholder Offer Applicants and General Offer Applicants can obtain information about their allocation of CPS3 or the Offer by calling the **ANZ Information Line on 1800 113 399** (within Australia) or +61 3 9415 4010 (international) between 8:30am and 5:30pm (AEST) Monday to Friday.

Unless otherwise defined, capitalised terms in this Media Release have the same meaning given to them in the CPS3 Prospectus dated 31 August 2011.

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Attachment A – Largest 20 CPS3 holders following allocation of CPS3

	UNITS	% I/C	RANK
UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	480,841	3.59	1
CITICORP NOMINEES PTY LIMITED	325,750	2.43	2
RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <MLCI A/C>	206,020	1.54	3
RAKIO PTY LTD <PIEKARSKI GYMPIE A/C>	200,000	1.49	4
QUESTOR FINANCIAL SERVICES LIMITED <TPS RF A/C>	130,000	0.97	5
COMSEC NOMINEES PTY LIMITED	126,220	0.94	6
RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <NMSMT A/C>	121,180	0.90	7
DIMBULU PTY LTD	85,000	0.63	8
JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	84,000	0.63	9
MICHAEL COPPEL VENTURES P/L <MICHAEL COPPEL VENTURES A/C>	80,000	0.60	10
JMB PTY LIMITED	70,000	0.52	11

HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	60,890	0.45	12
BTPS - WRAP SETTLEMENTS A/C	53,540	0.40	13
EASTCOTE PTY LTD <VAN LIESHOUT FAMILY A/C>	50,000	0.37	14
MR TERRENCE E PEABODY & MRS MARY G PEABODY <SUPER FUND A/C>	50,000	0.37	15
RANDAZZO C & G DEVELOPMENTS PTY LTD	50,000	0.37	16
RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <GSENIP A/C>	50,000	0.37	17
TANDOM PTY LTD	50,000	0.37	18
WENTHOR PTY LTD <THE JOHN THORSEN FAMILY A/C>	45,000	0.34	19
FOREST RIGHTS PTY LTD	44,000	0.33	20

Attachment B – Distribution schedule of CPS3 following allocation of CPS3

	1 to 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 100,000	100,001 to (MAX)	* TOTAL *
Holdings						
Issuer	2,257	297	27	26		2,607
Chess	14,040	1,126	68	61	7	15,302
Total	16,297	1,423	95	87	7	17,909
Units						
Issuer	673,635	819,300	232,340	689,990		2,415,265
Chess	4,575,702	2,569,596	572,135	1,677,291	1,590,011	10,984,735
Total	5,249,337	3,388,896	804,475	2,367,281	1,590,011	13,400,000

IMPORTANT NOTICE TO ALL APPLICANTS UNDER THE ANZ CONVERTIBLE PREFERENCE SHARE (CPS3) OFFER

Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZ) is pleased to announce that the offer of CPS3 (Offer) has successfully closed raising \$1.34 billion of Tier 1 Capital (prior to Offer expenses). Through the Offer, 13.4 million CPS3 have been issued at \$100 each.

CPS3 ALLOCATION POLICY

The CPS3 allocation policy is described below.

- All valid applications under the ANZ Securityholder Offer and General Offer have been accepted in full.
- A scale back was applied to Applicants under the Broker Firm Offer and the Institutional Offer.

Applications that were accompanied by cheques that were subsequently dishonoured and online Applications for which BPAY® payments were not received have not received an allocation.

ANZ Securityholder Offer Applicants and General Offer Applicants can obtain information about their allocation of CPS3 by calling the ANZ Information Line on the numbers provided below.

Applicants under the Broker Firm Offer should confirm their allocation of CPS3 with their Syndicate Broker. Successful Institutional Investors under the Institutional Offer have been advised of their allocation of CPS3 by the Joint Lead Managers.

DEFERRED SETTLEMENT TRADING

CPS3 are expected to commence trading on the Australian Securities Exchange (ASX) on a deferred settlement basis today at approximately 11:00am (AEST) under the ASX code 'ANZPC'.

Trading of CPS3 is expected to commence on a normal settlement basis on Wednesday, 5 October 2011.

All Applicants are responsible for confirming the number of CPS3 allocated to them prior to selling any CPS3. Applicants who sell CPS3 before receiving their Holding Statement or CHESS confirmation do so at their own risk.

HOLDING STATEMENTS AND REFUND CHEQUES

Holding statements which set out the number of CPS3 issued to each successful Applicant are expected to be despatched on Monday, 3 October 2011. Any refunds are also expected to be despatched by this date.

FURTHER INFORMATION

Applicants may call their broker or the ANZ Information Line on 1800 113 399 (within Australia) or +61 3 9415 4010 (international) between 8:30am and 5:30pm (Melbourne time) Monday to Friday to confirm their CPS3 allocation.

Unless otherwise defined capitalised terms in this advertisement have the same meaning given to them in the Prospectus dated 31 August 2011. This advertisement contains general information only and does not take into account the investment objectives, financial situation or particular needs of any investor (including financial and tax issues). Investors should obtain their own independent advice from a qualified financial advisor having regard to their own investment objectives, financial situation and needs. CPS3 have not been, and CPS3 will not be, registered under the US Securities Act of 1933, as amended (US Securities Act) or the securities laws of any state or other jurisdiction of the United States. CPS3 may not be offered, sold or resold in the United States, or to, or for the account or benefit of, a US person (as defined in the US Securities Act), except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

* Registered to BPAY Pty Limited (ABN 69 079 137 518)