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12

HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

**Results Presentation &
Investor Discussion Pack**



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HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

Mike Smith
Chief Executive Officer



Overview of financial performance

	1H12 AUDm	Growth vs 2H11	Growth vs 1H11
Underlying Profit	2,973	5%	6%
Operating Income	8,704	4%	3%
Expenses	4,020	3%	5%
Provisions	565	3%	-14%
Statutory Net Profit After Tax	2,919	8%	10%
EPS (cents)	112.2	3%	2%
Dividend per Share (cents)	66	n/a	3%
Net Interest Margin	2.38%	-6bps	-9bps
Customer deposits (AUDb)	308.3	4%	15%
Net loans and advances¹ (AUDb)	412.6	4%	9%

All figures other than Statutory Net Profit after Tax and Dividend are presented on an underlying basis.

1. Including acceptances

Our Super-Regional Strategy is built on three pillars

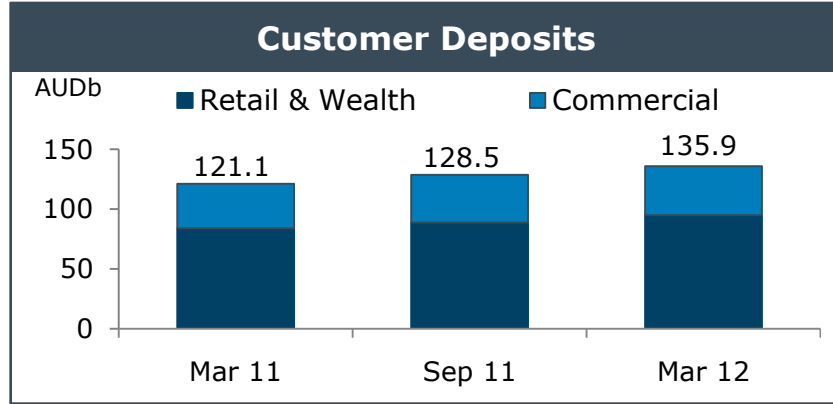
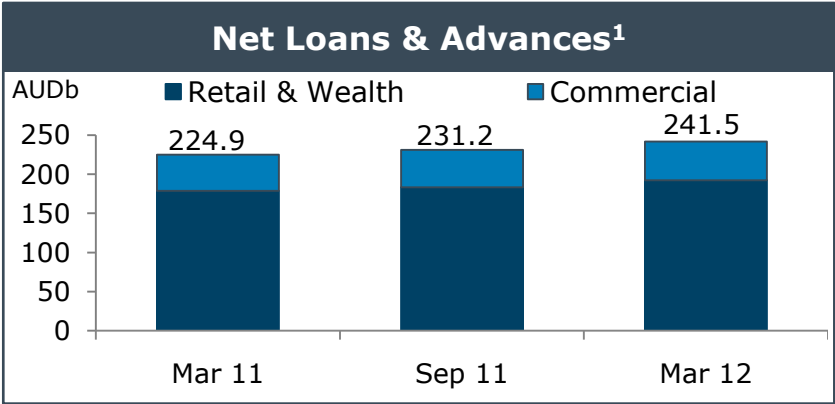
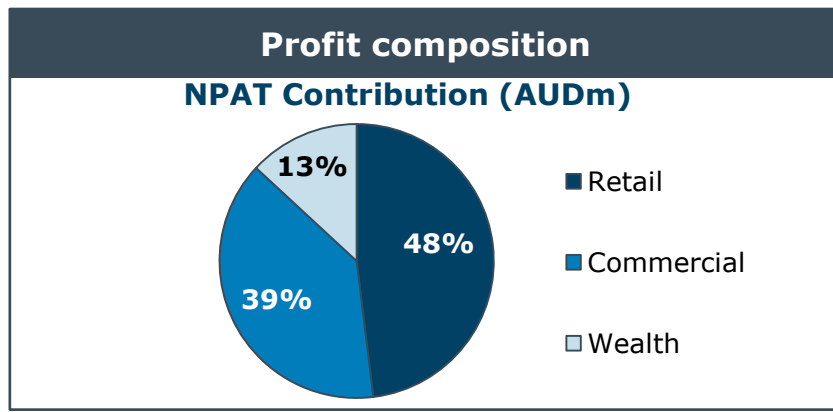
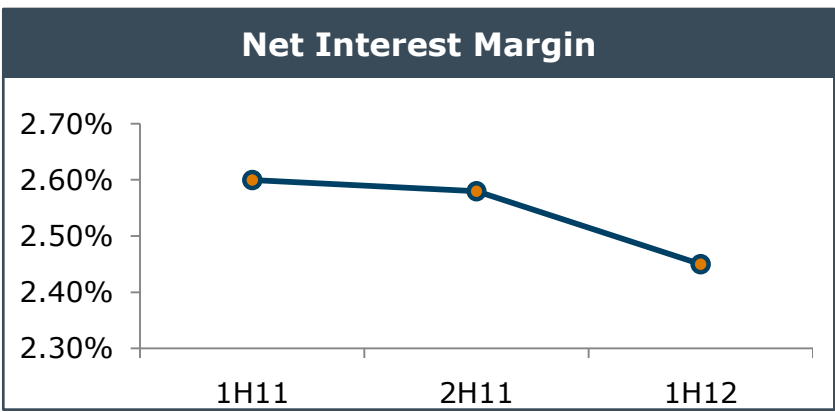
Diversification		Connectivity	
1. Revenue <ul style="list-style-type: none"> a. Focus Markets <ul style="list-style-type: none"> • Indonesia +17% ✓ • Singapore +5% ✗ • India +71% ✓ • Greater China +24% ✓ • Greater Mekong +13% ✓ b. Focus Sectors <ul style="list-style-type: none"> • Natural Resources +31% ✓ • Agribusiness -3% ✗ • Infrastructure +14% ✓ • FIG +26% ✓ 		1. Trade & Capital Flows <ul style="list-style-type: none"> • Trade +25% ✓ • Cash Management +19% ✓ • FX +23% ✓ • Capital Markets +12% ✓ 	
2. Funding (Term Debt Outstanding) ✓ <ul style="list-style-type: none"> • Domestic 34% • Asia 14% • Europe & America 52% 		2. Cross Border (Catch & Throw) <ul style="list-style-type: none"> • % of Group Revenue 4% ✓ 	
		3. Migrant Banking ✓ <ul style="list-style-type: none"> • Added 28 International Banking Services branches in Australia • Added additional language specialists 	
Shared Core Infrastructure			
Product <ul style="list-style-type: none"> • Transactive • FX • Retail RMB • Go Money 	Operations <ul style="list-style-type: none"> • Hubs • Finnacle 	Risk <ul style="list-style-type: none"> • Markets and Credit Risk Engines 	People <ul style="list-style-type: none"> • Leadership development and training

All growth rates reflect 1H12 v 1H11

Australia Division

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Underlying profit growth (AUDm)	1H12 v 2H11
Australia Division	-7%

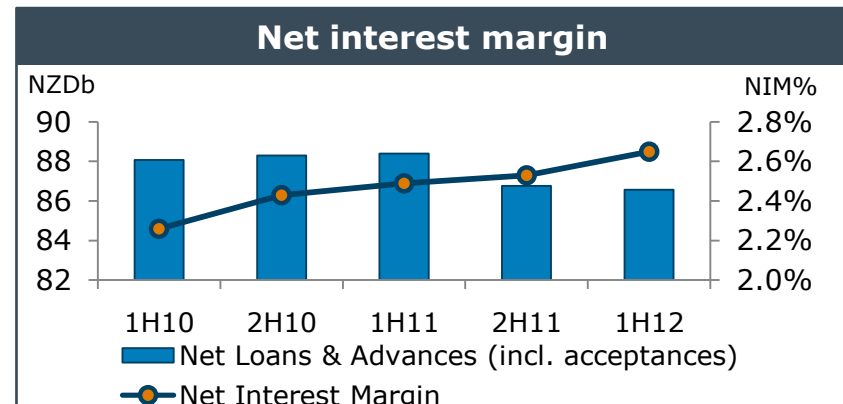
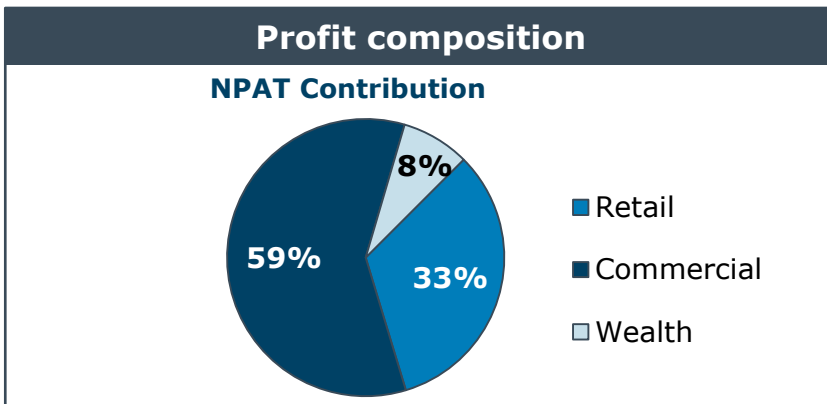
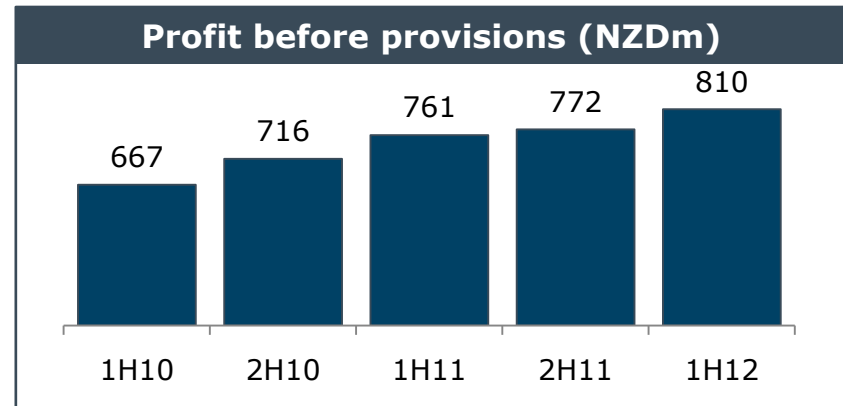
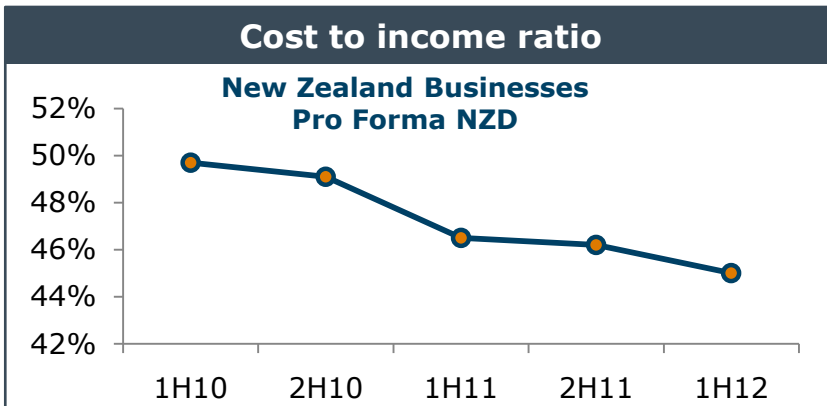


1. Including acceptances.



New Zealand Businesses

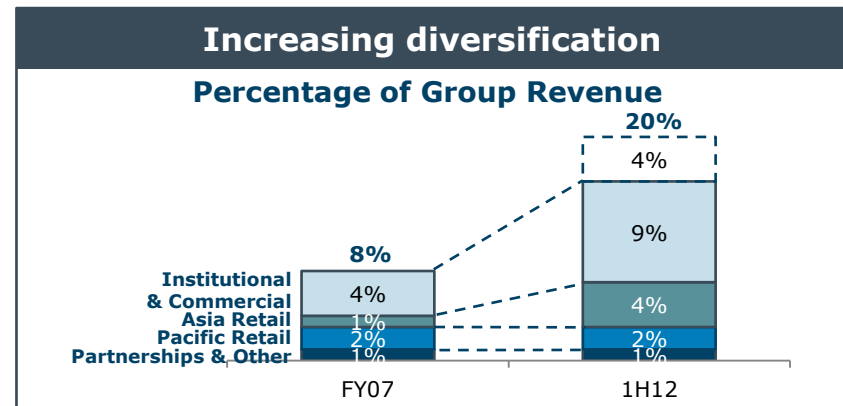
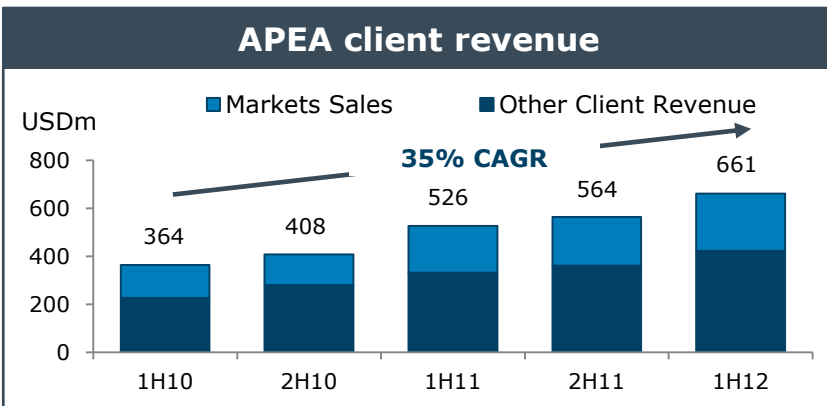
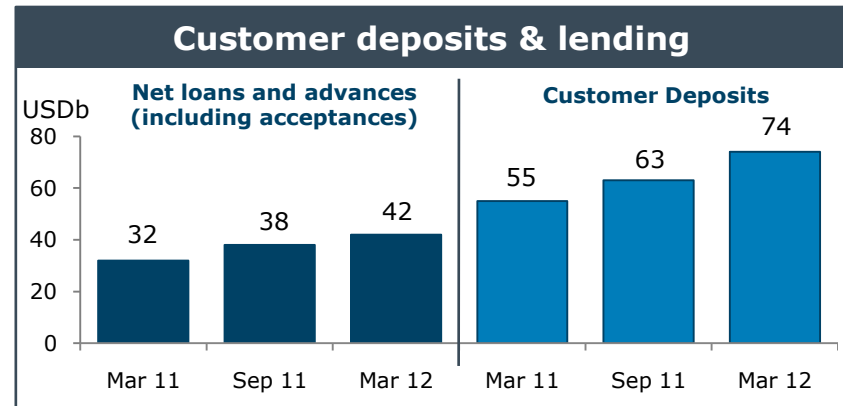
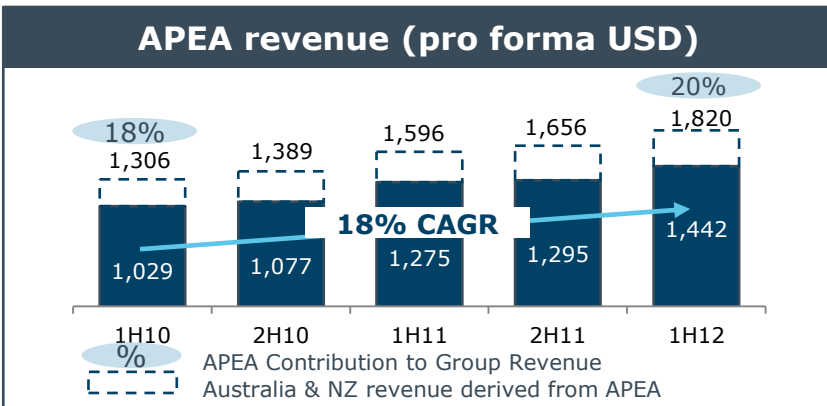
Underlying profit growth (NZDm)	1H12 v 2H11
New Zealand Businesses	11%



Asia Pacific, Europe & America (APEA) Division

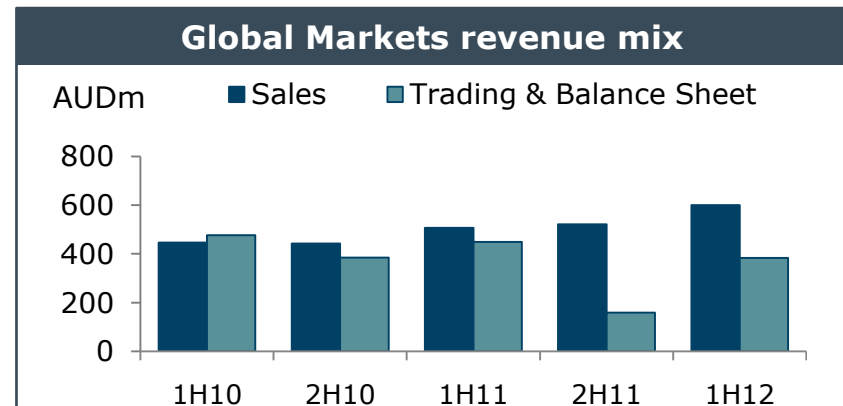
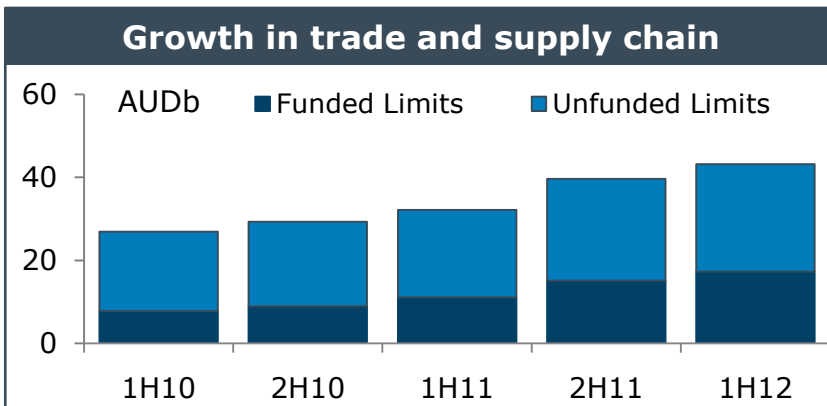
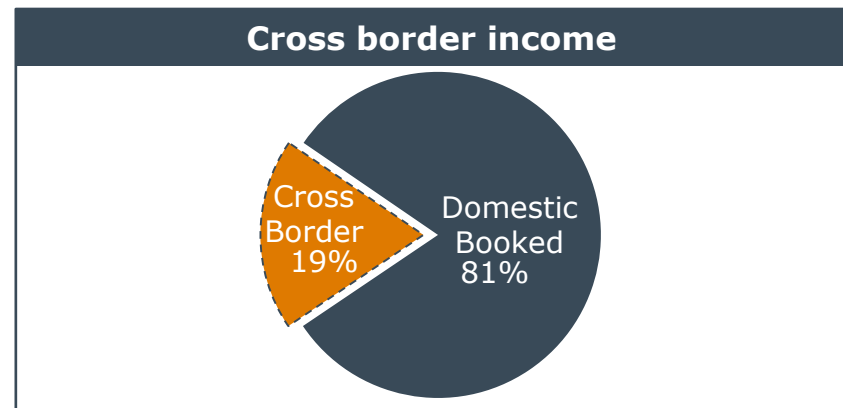
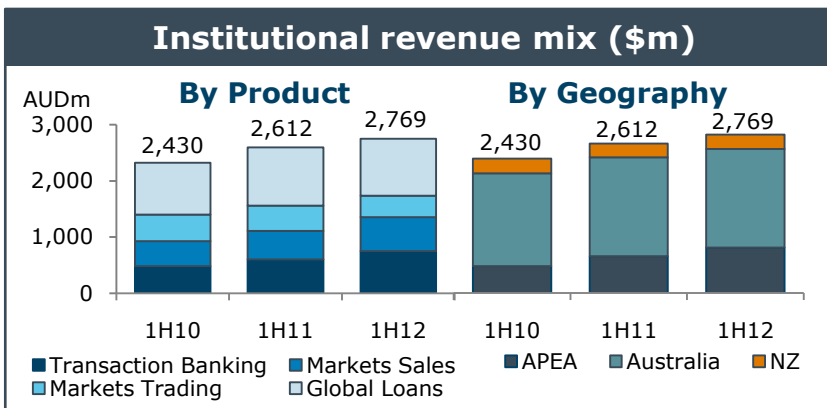
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Underlying profit growth (USDm)	1H12 v 2H11
APEA Division	21%



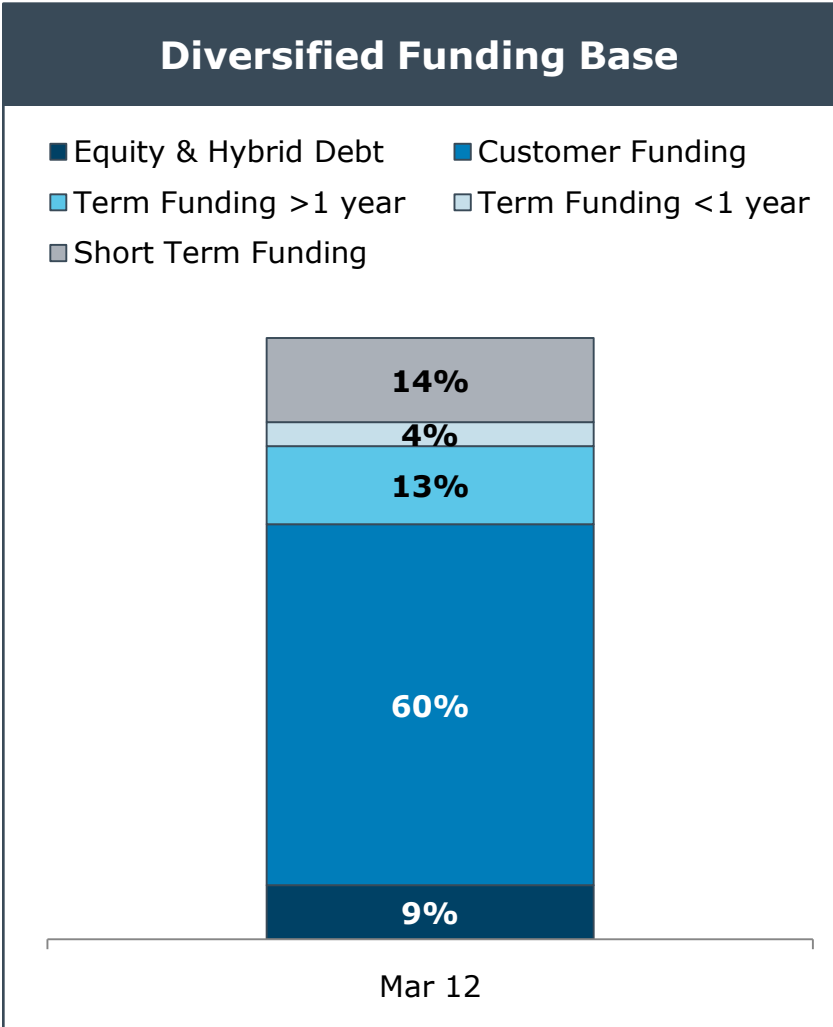
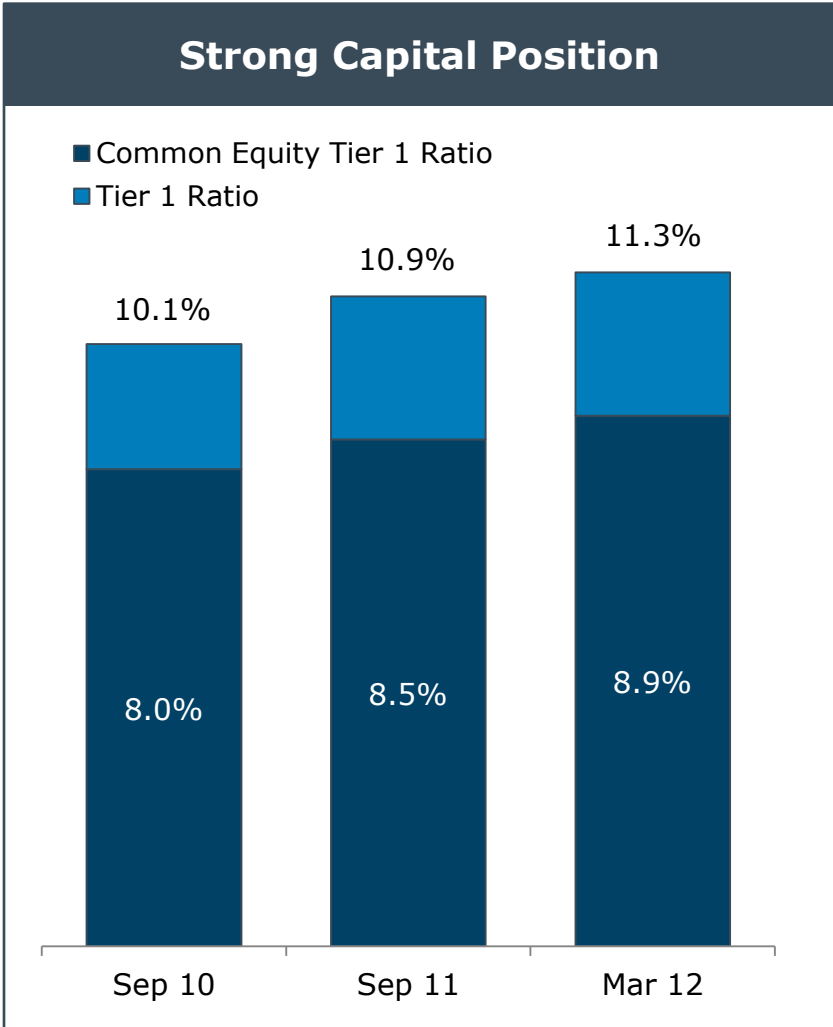
Institutional Division

Underlying profit growth (AUDm)	FY11 v FY10
Institutional Division	24%



Strengthened capital position, well diversified funding base

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Key points

- **Competitive advantages emerging from connectivity and from diversification into higher growth geographies**
- **Australian and New Zealand environment challenging – opportunities remain but need to reshape business for future**
- **Balance sheet management distinctive – lower structural funding task**

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AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

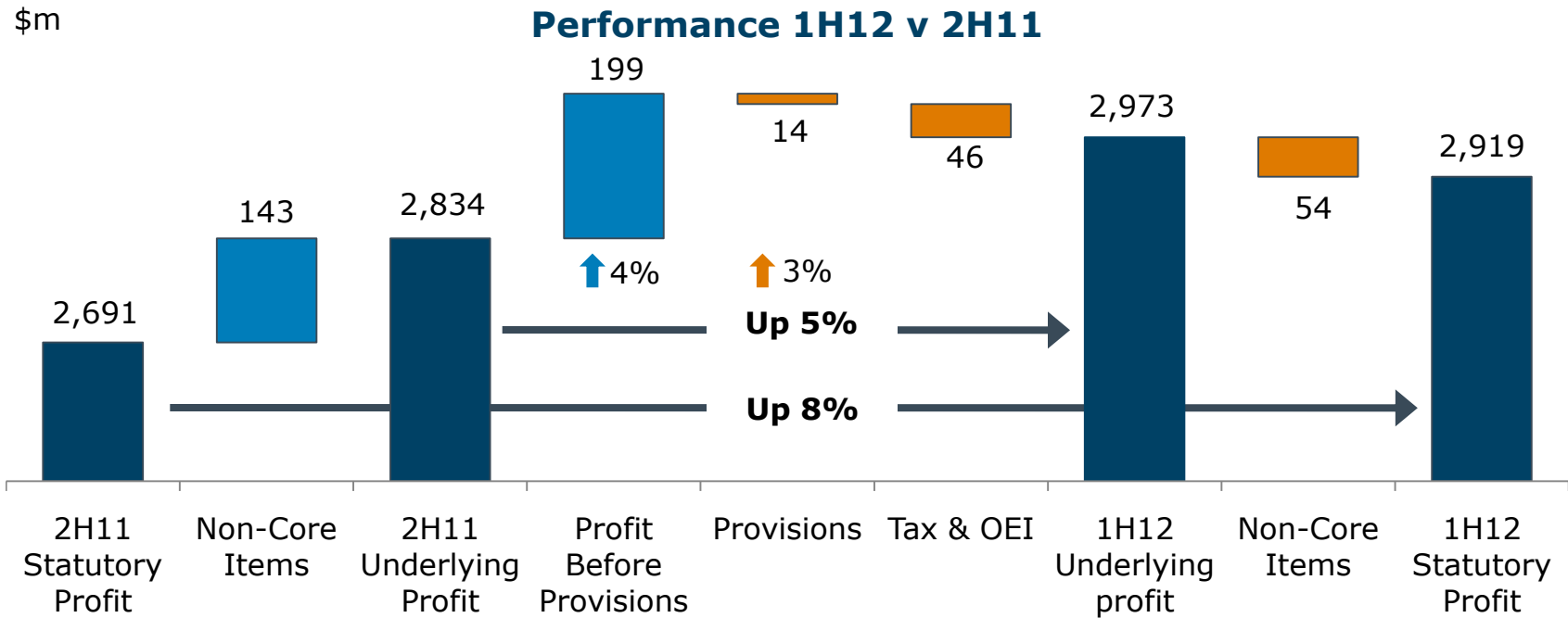
2 May 2012

Peter Marriott
Chief Financial Officer



First Half 2012

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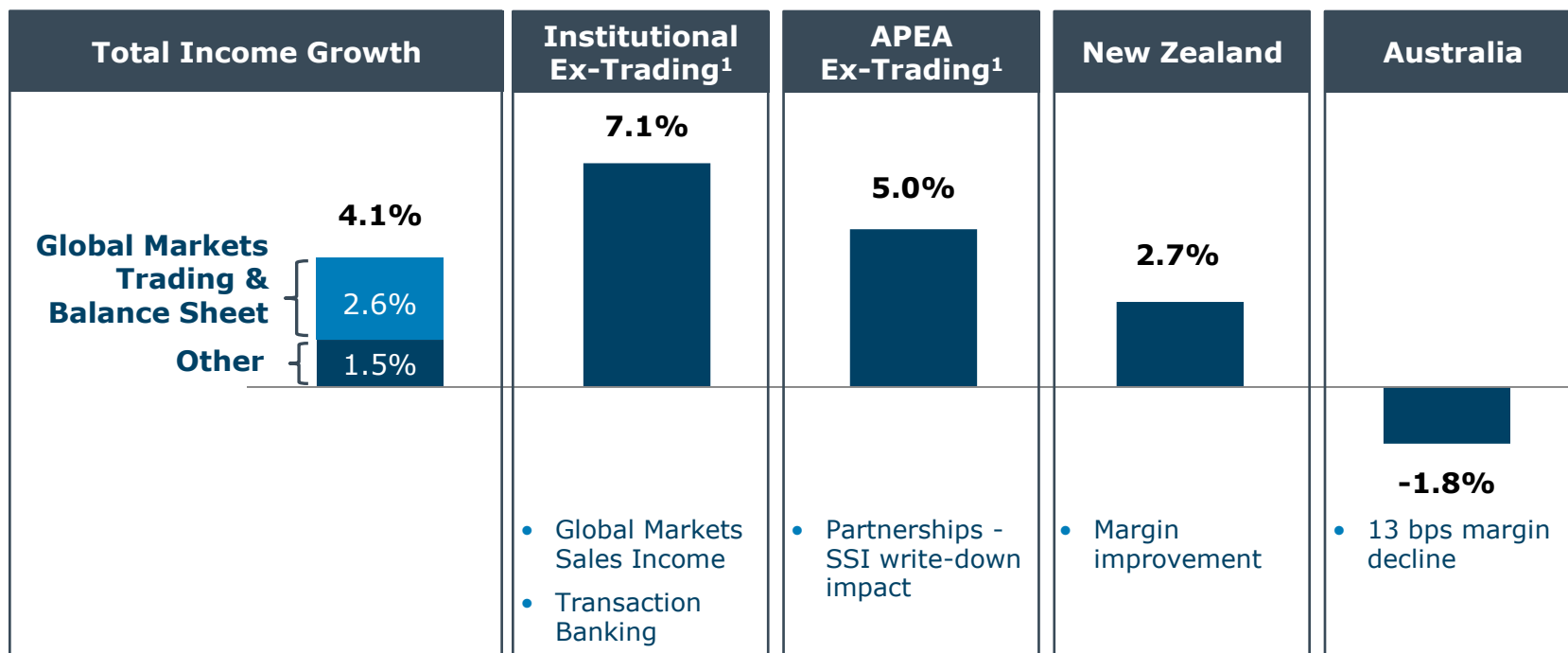


Performance 1H12 v 1H11

1H11 Statutory Profit	Non-Core Items	1H11 Underlying Profit	Profit Before Provisions	Provisions	Tax & OEI	1H12 Underlying Profit	Non-Core Items	1H12 Statutory Profit
2,664	154	2,818	75	95	(15)	2,973	54	2,919
			Up 2%	Down 14%		Up 6%		Up 10%

Group income growth strong assisted by Markets trading income recovery offset by Australia margin pressure

Pro Forma Income growth 1H12 v 2H11

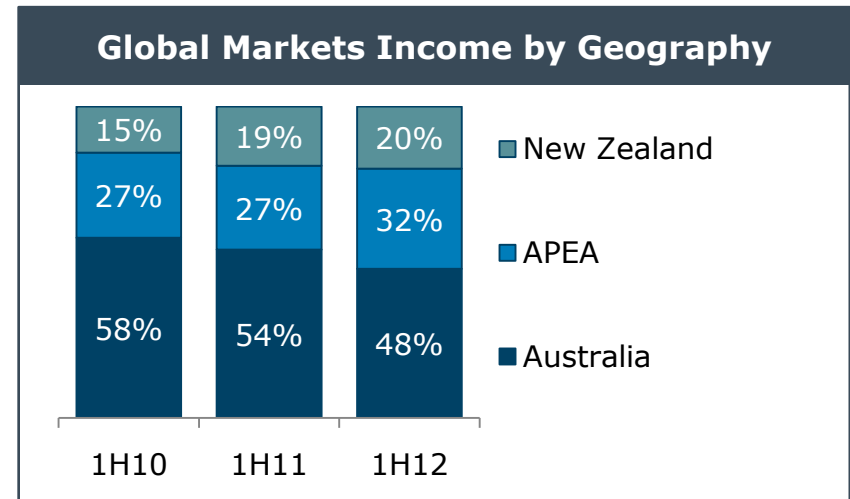
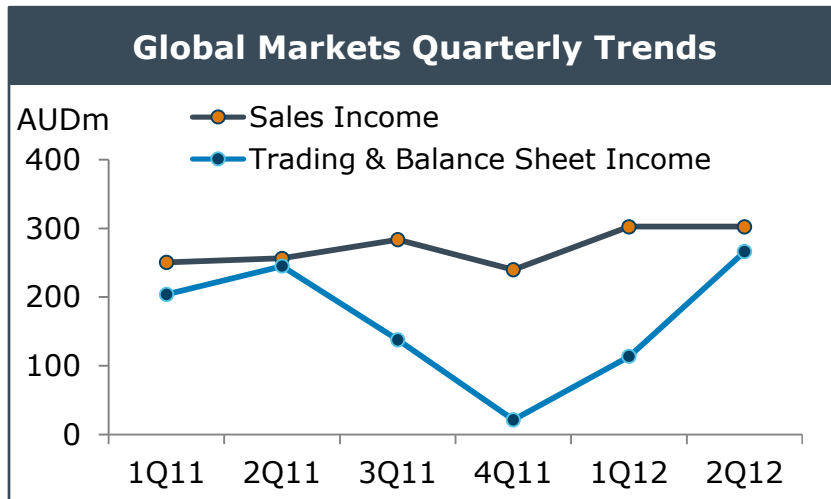
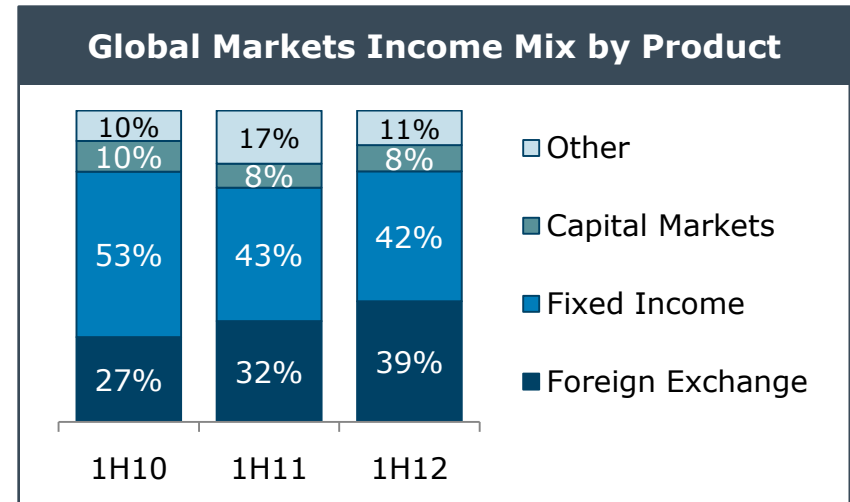
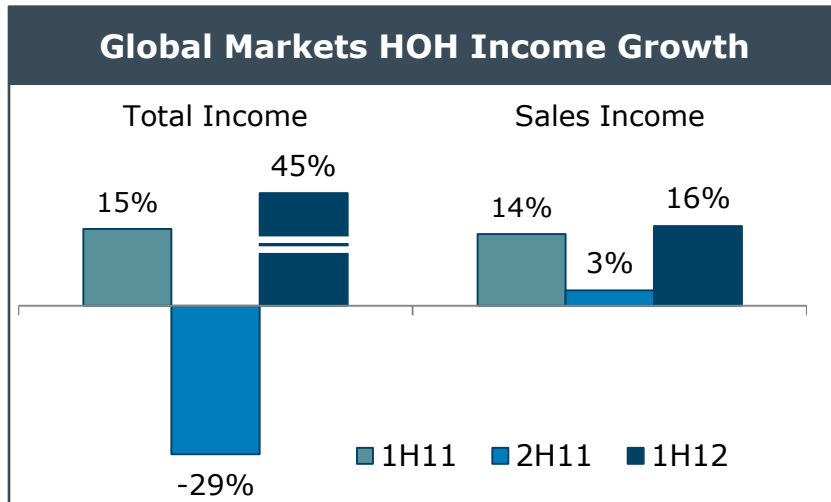


Pro Forma Income growth 1H12 v 1H11

	Total	Total Ex-Trading ¹	Institutional Ex-Trading ¹	APEA Ex-Trading ¹	New Zealand	Australia
Income Growth	3.4%	4.4%	10.4%	9.4%	3.6%	-0.7%

1. Excludes Global Markets trading and balance sheet income.

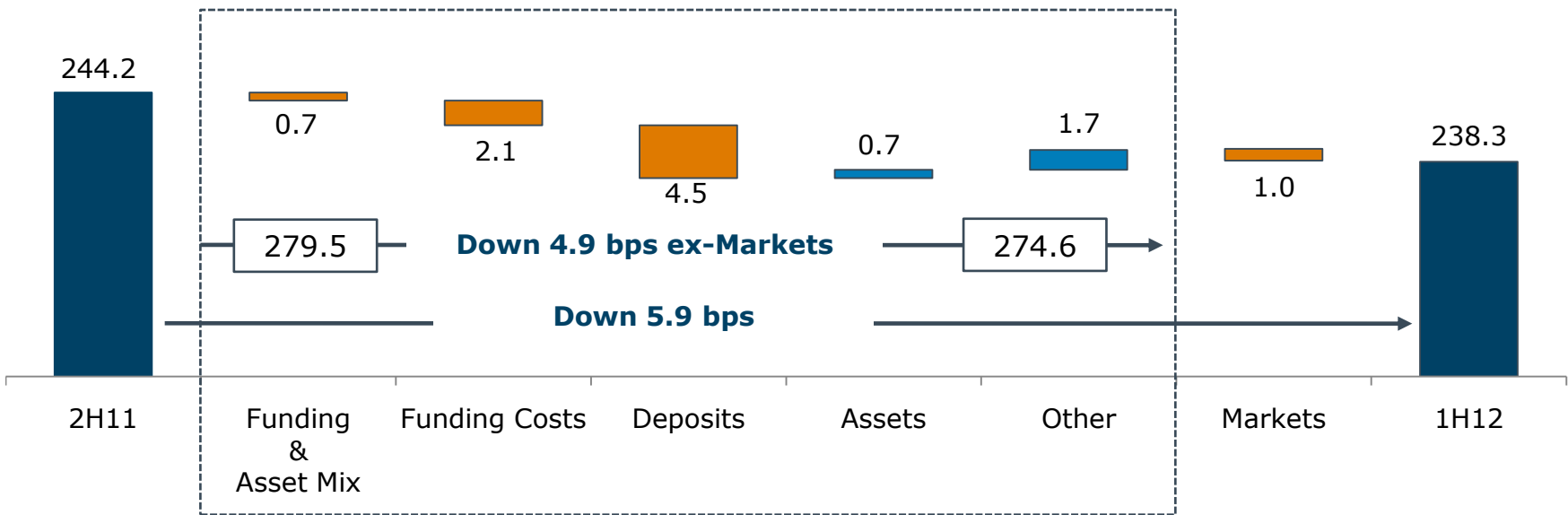
Global Markets income recovered with continued growth in sales and normalisation of trading income



Net Interest Margin – First Half 2012

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Movement 1H12 v 2H11 (bps)



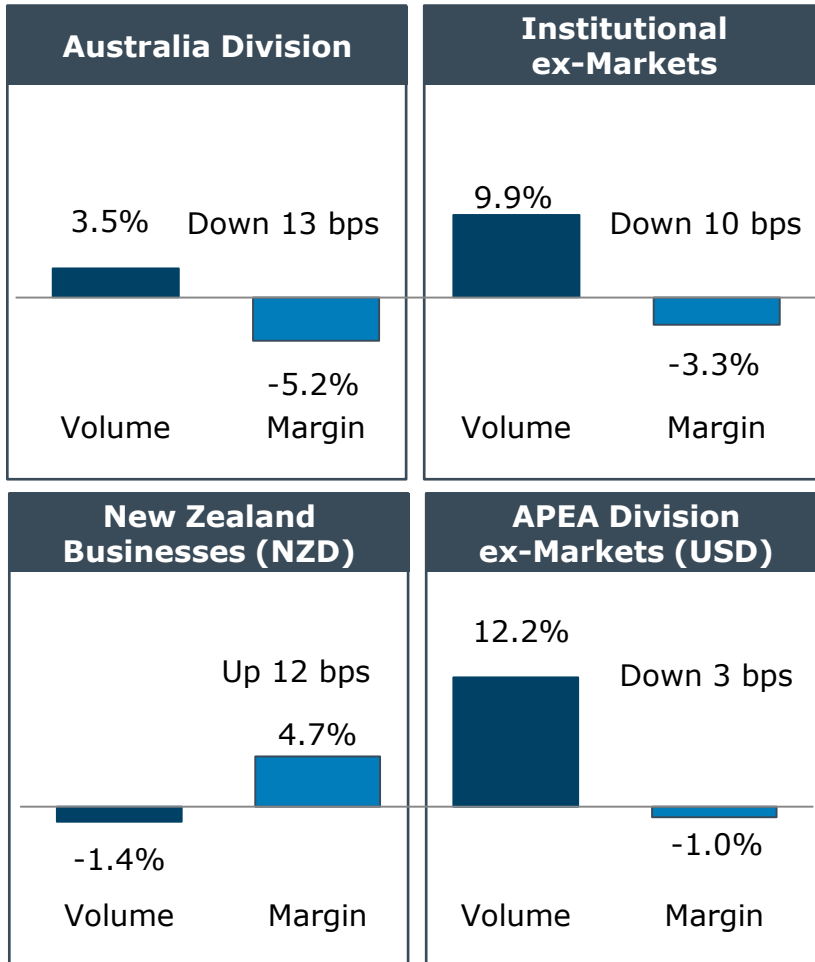
Movement 1H12 v 1H11 (bps)

1H11	Funding & Asset Mix	Funding Costs	Deposits	Assets	Other	Markets	1H12
247.2	2.6	(6.6)	(7.9)	3.8	2.4	(3.2)	238.3
	280.3	Down 5.7 bps ex-Markets			274.6		
	Down 8.9 bps						

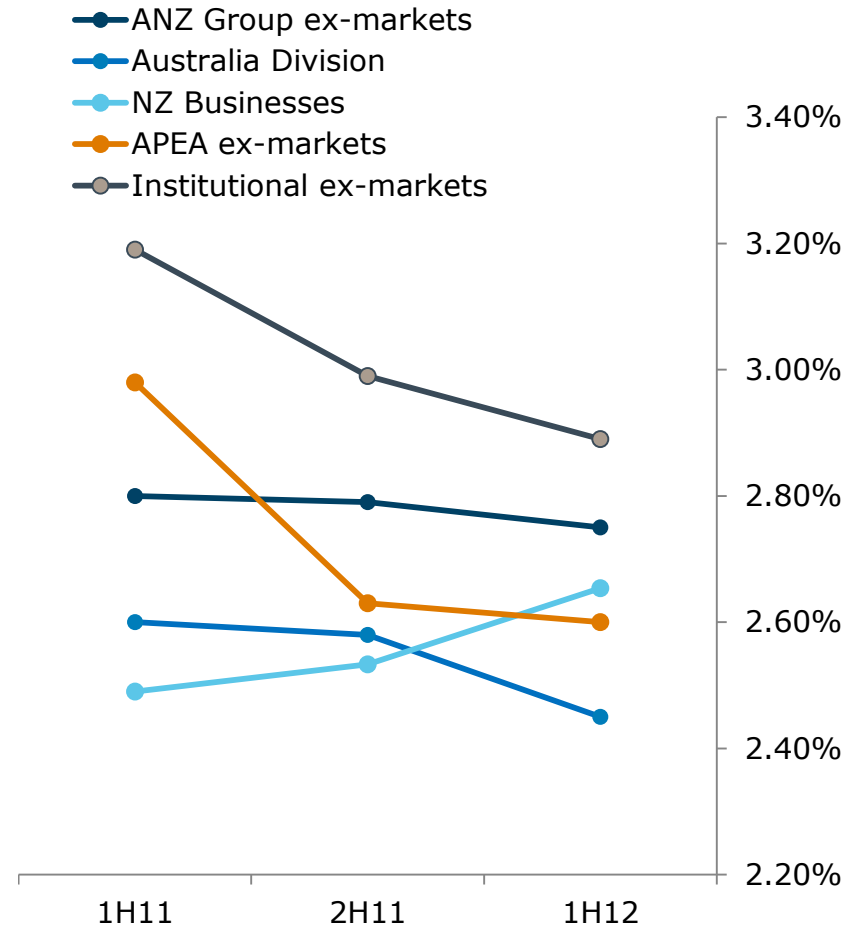
Net Interest Margin – Divisional Trends

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Net Interest Margin 1H12 v 2H11

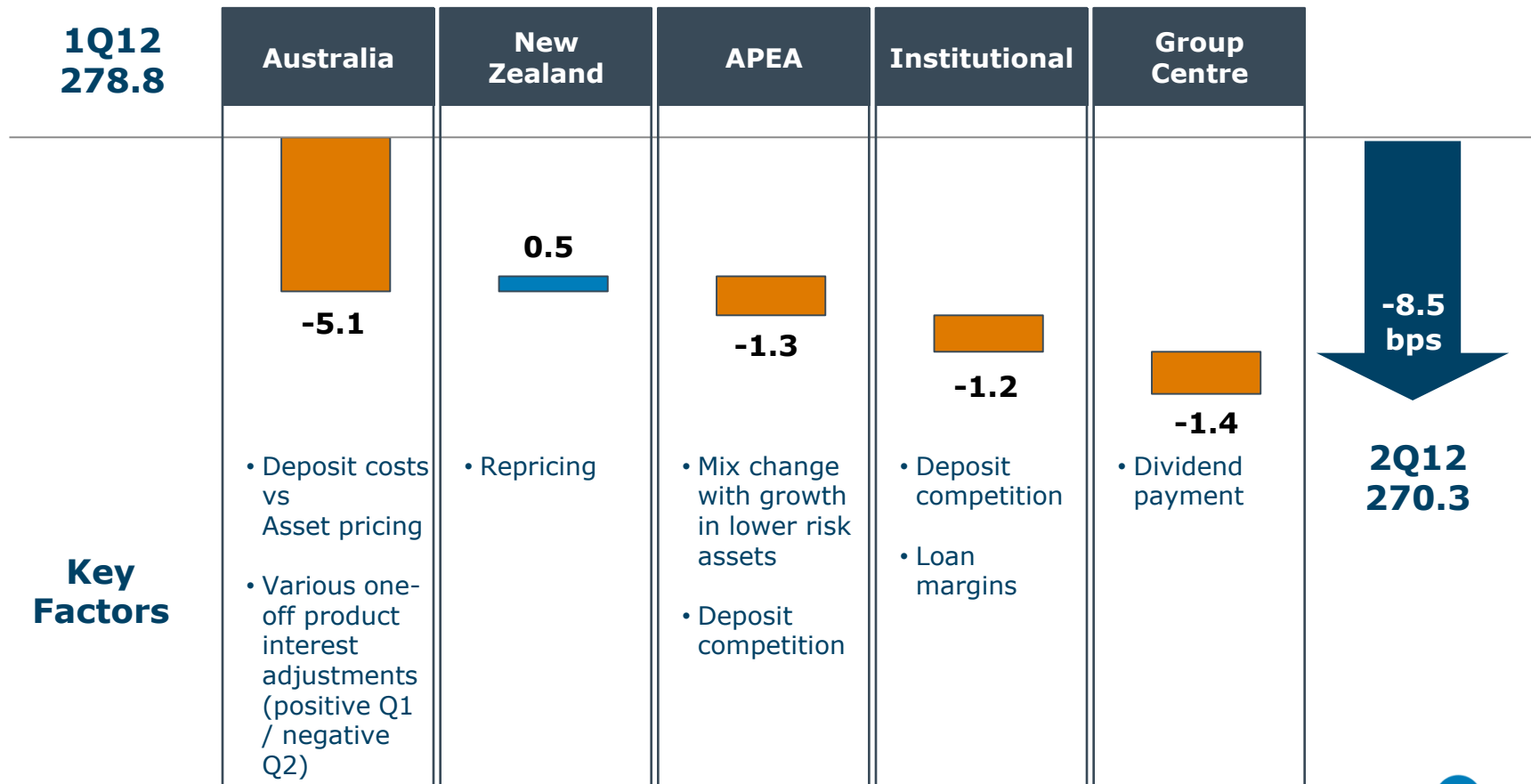


Net Interest Margin



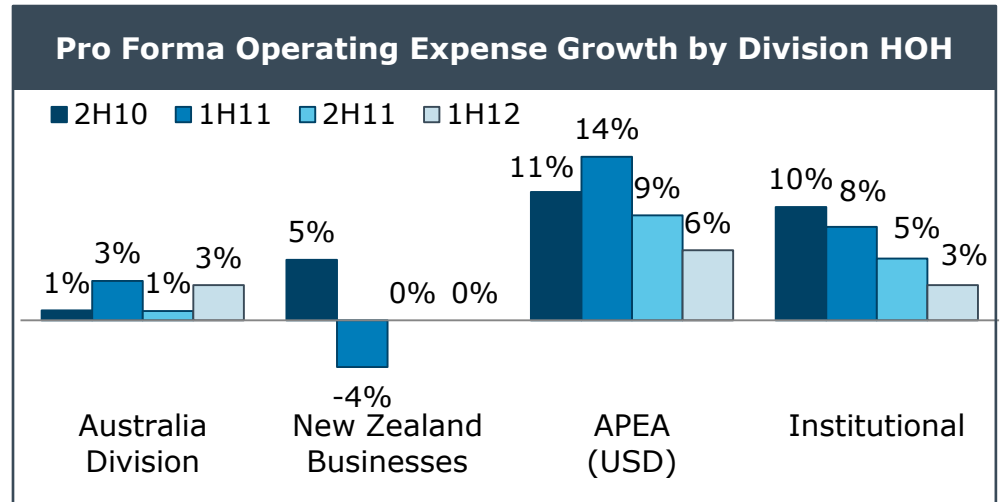
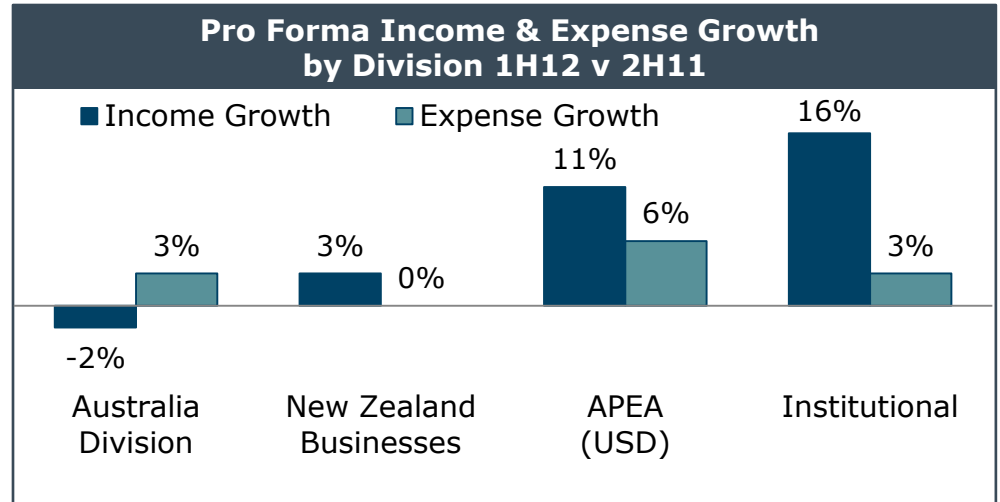
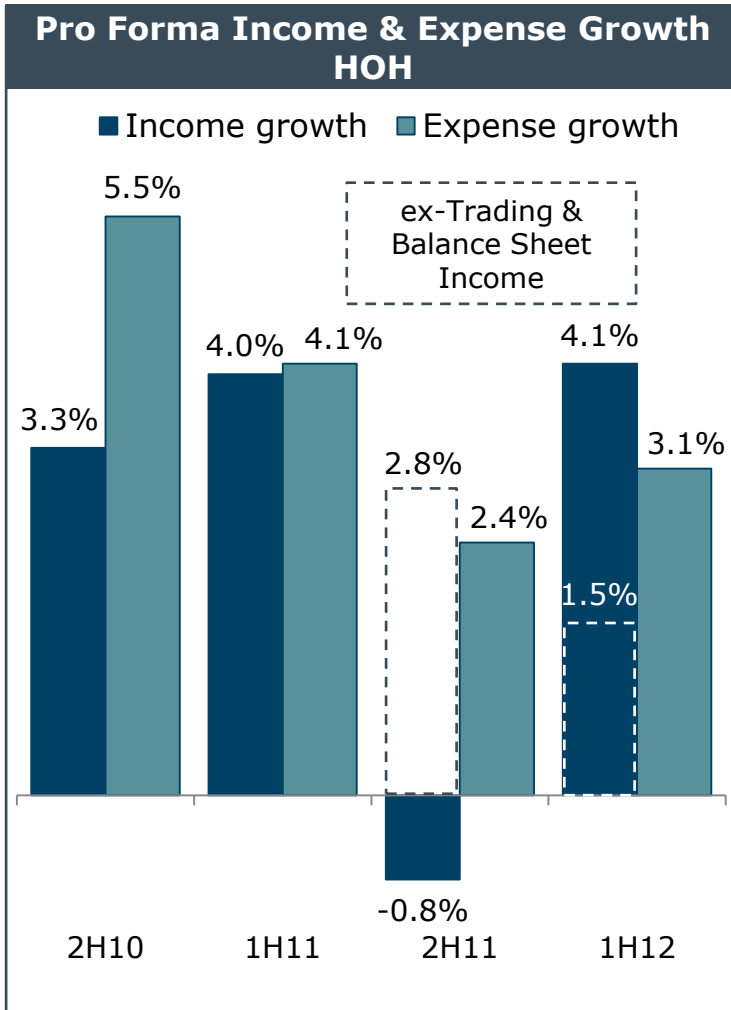
NIM declined in Q2 partly due to one off's

Contribution to Net Interest Margin ex-Markets Movement 2Q12 v 1Q12



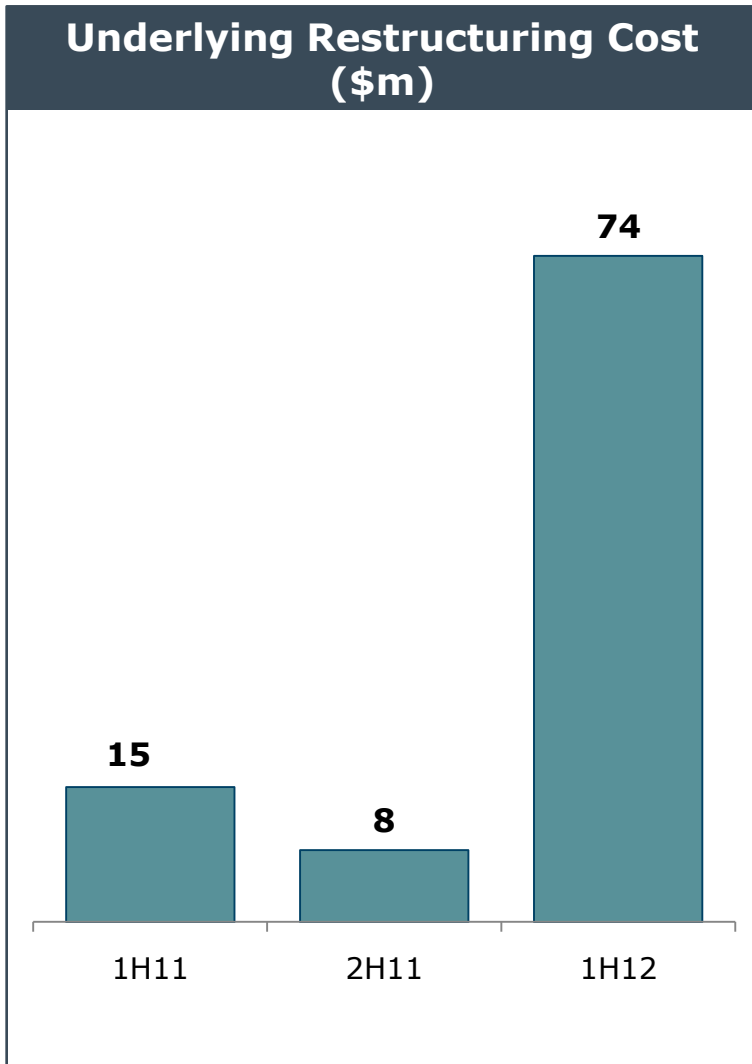
Key Factors

Positive 'JAWS' in most divisions; action underway on costs in Australia

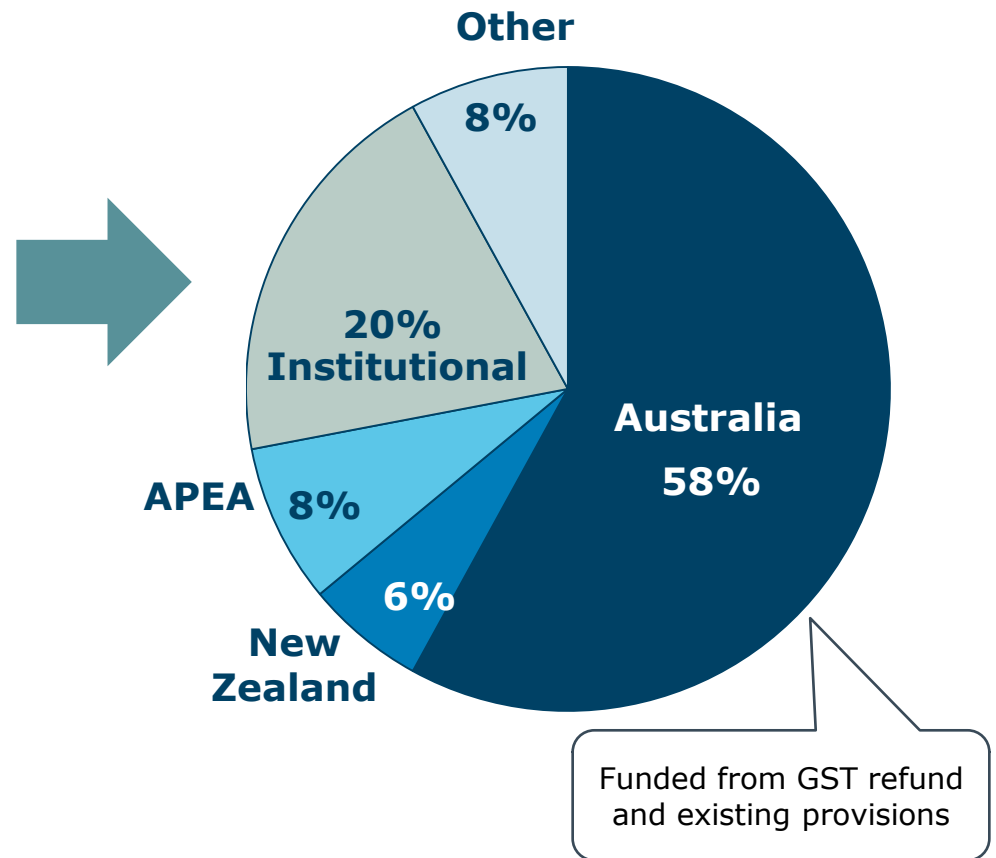


There has been a ramp up in restructuring activity

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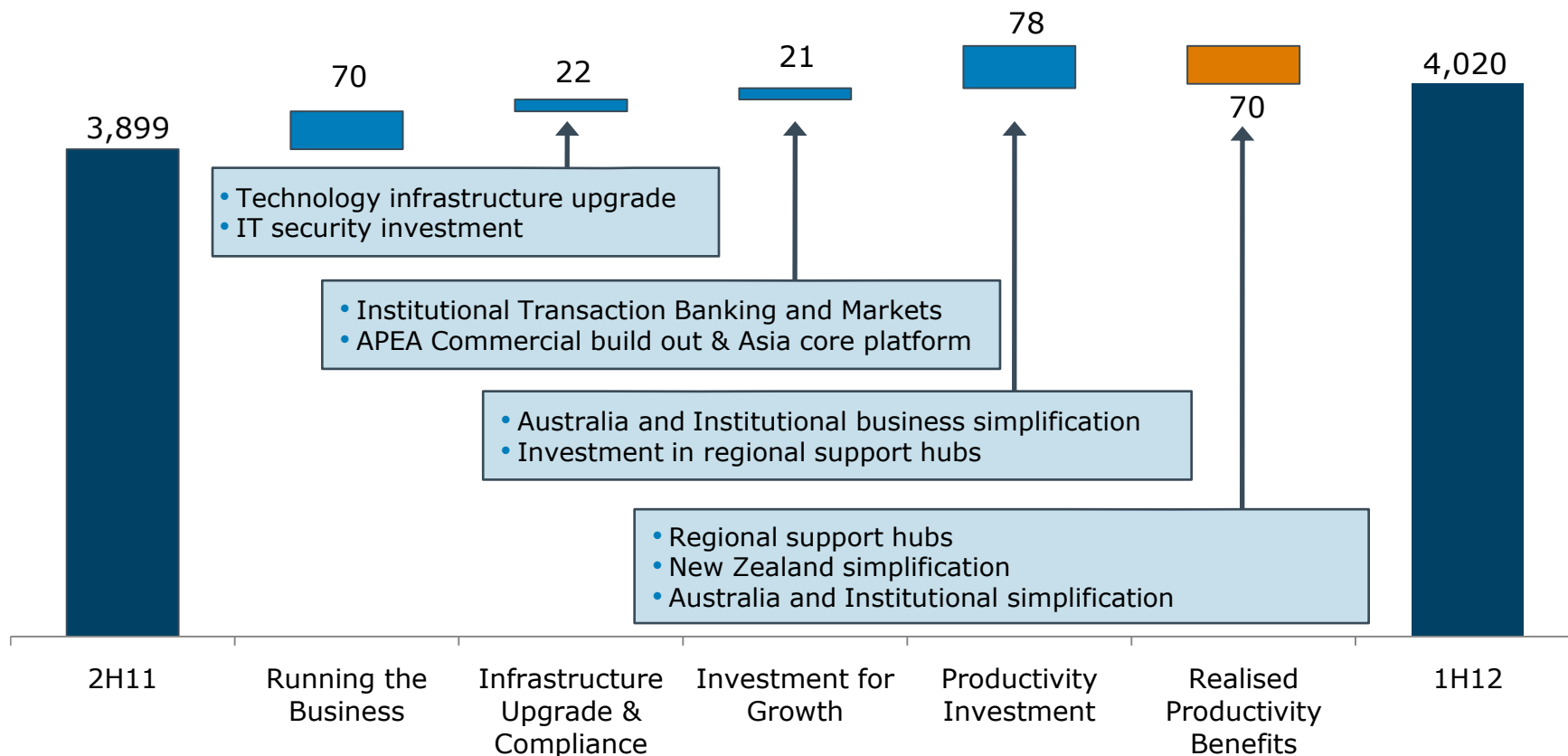
1H12 Underlying Restructuring Cost Breakdown



A greater focus on simplification and productivity whilst continuing to invest for growth

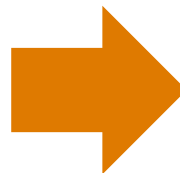
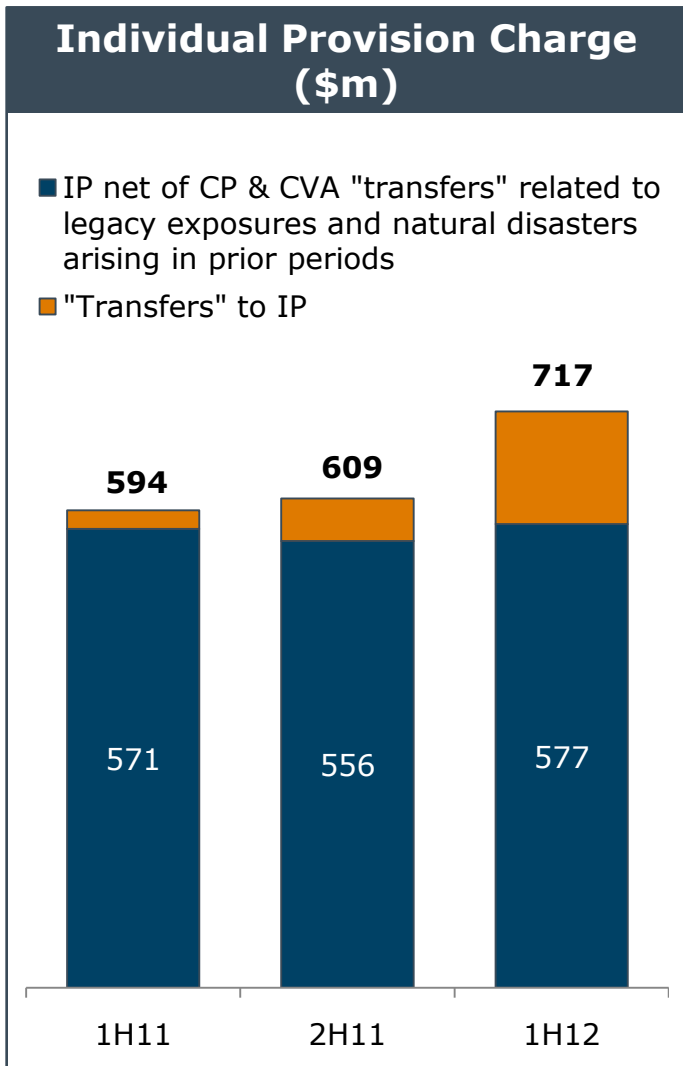
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Operating Expense Growth Pro Forma 1H12 v 2H11



Individual Provision Charge lifted by "transfers"

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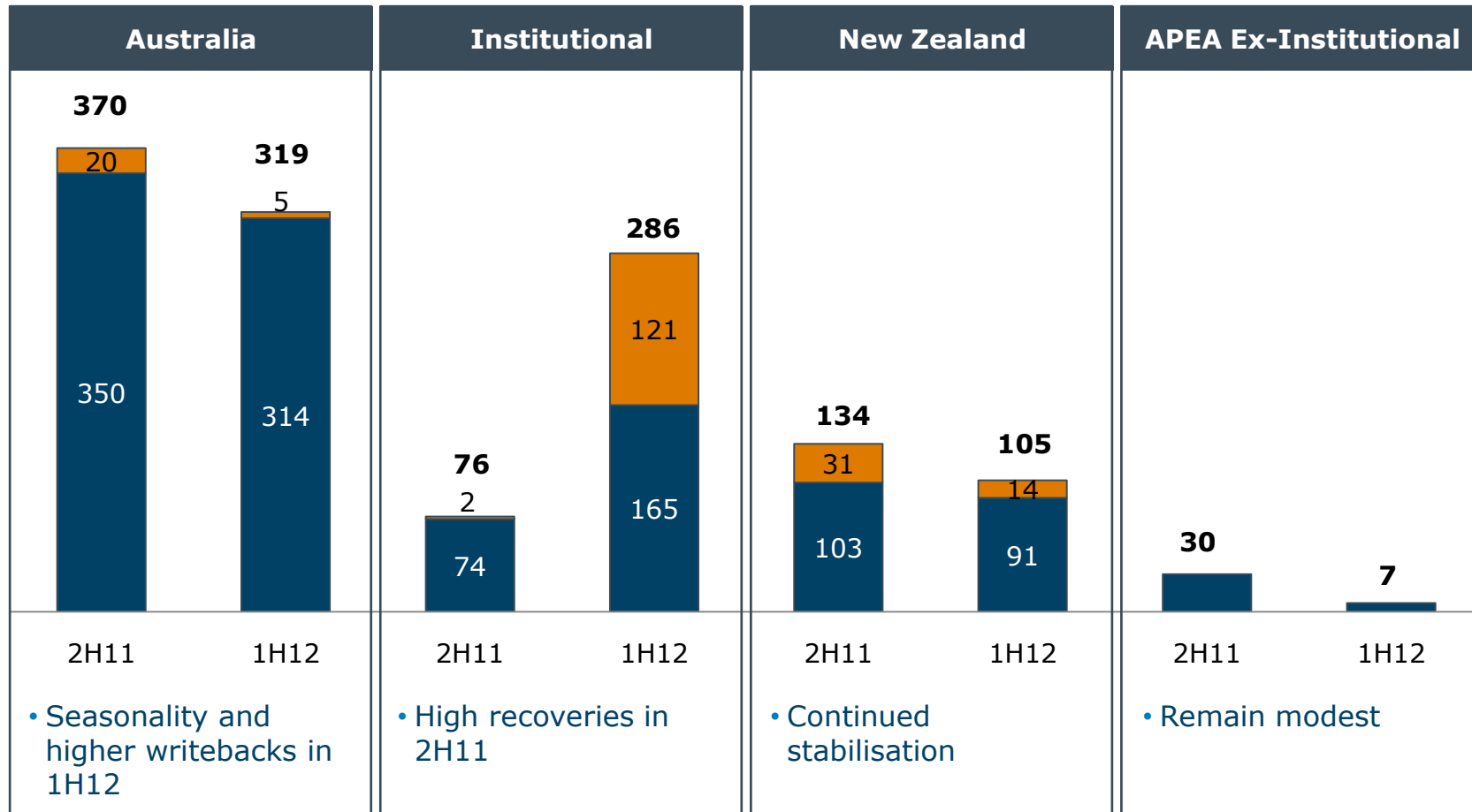


Institutional	121
Management overlay	53
Other Single name	35
Credit Valuation Adjustment on derivatives	33
New Zealand management overlay	14
Australia management overlay	5
Total	140

Individual Provision Charge – underlying trends reasonably stable

Individual Provision Charge by Division (\$m)

■ IP Charge net of CP Transfers ■ CP & CVA "transfers" related to legacy exposures and natural disasters

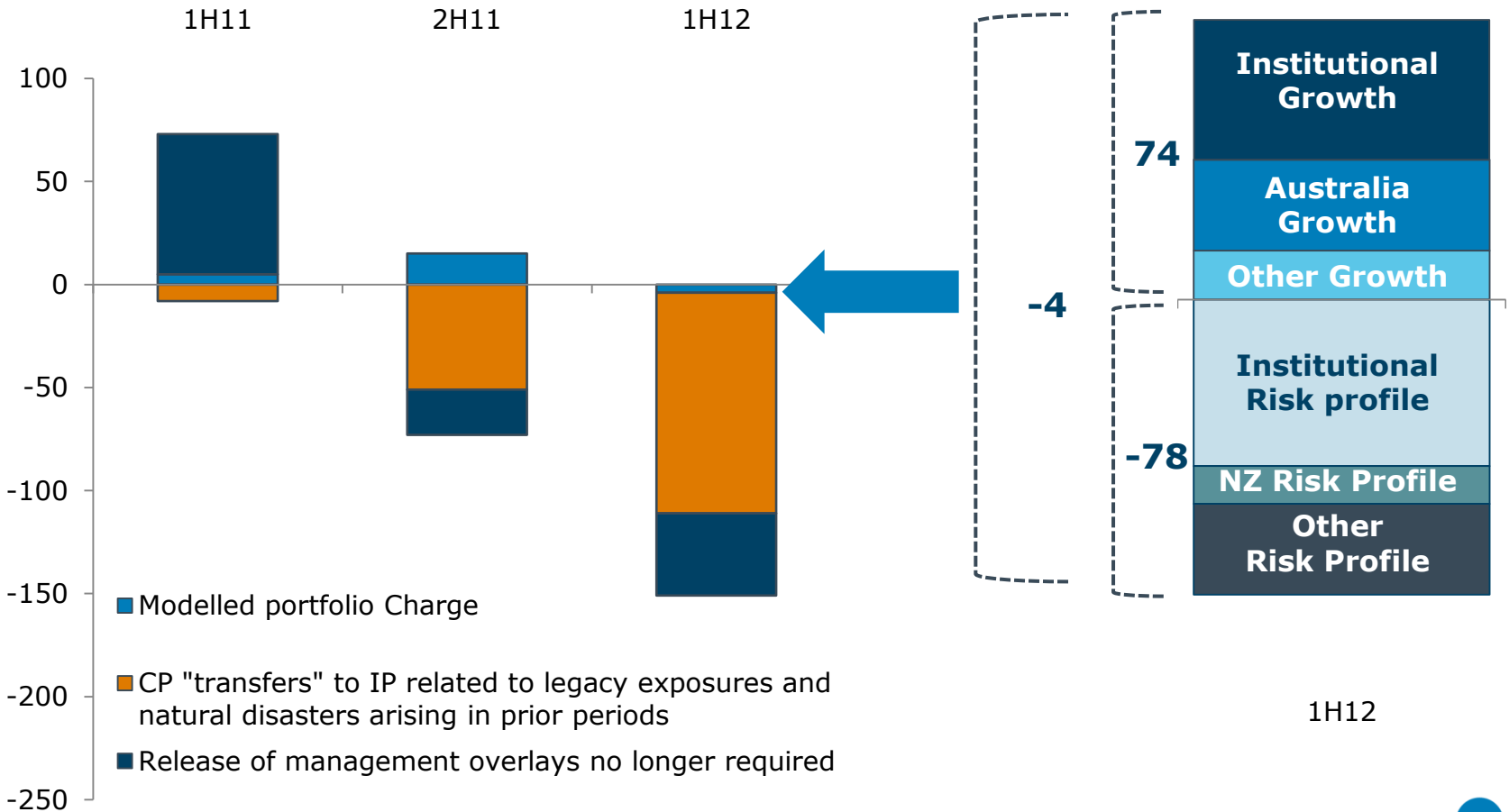


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Collective Provision release principally due to exposures being crystallised

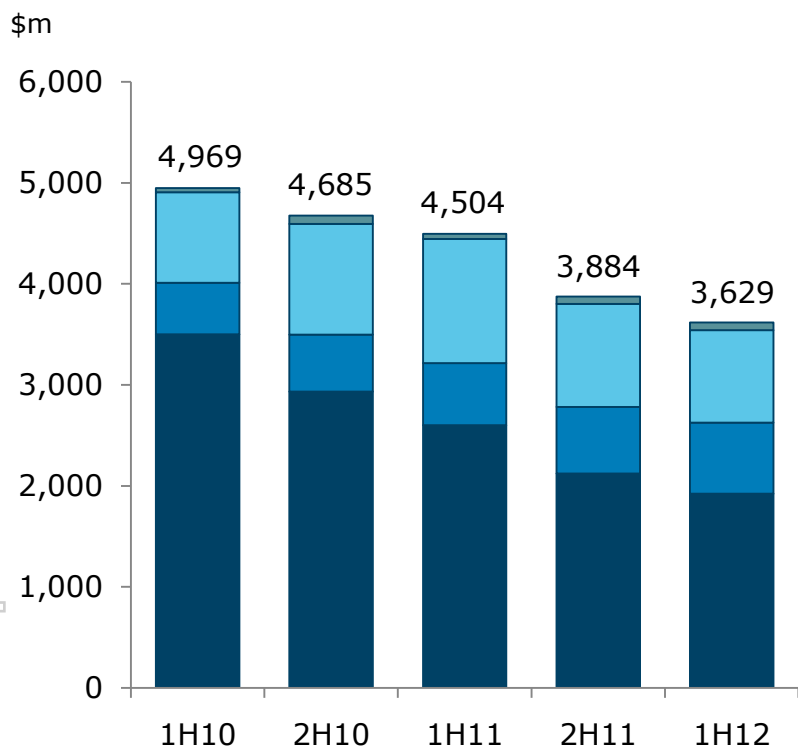
Collective Provision Charge Composition (\$m)

Modelled Collective Provision Charge Drivers 1H12 (\$m)



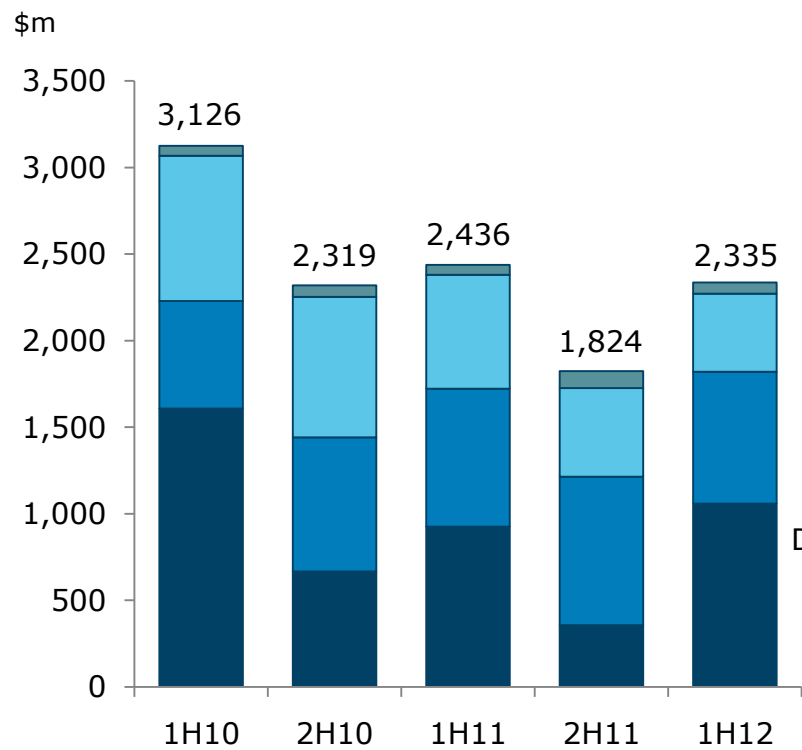
Net impaired assets continue to reduce, increase in new impaired driven by two single names in Institutional

Net Impaired Assets by Division



Institutional
 Australia Division
 NZ Businesses
 APEA ex-Institutional

New Impaired Assets by Division



Institutional
 Australia Division
 NZ Businesses
 APEA ex-Institutional

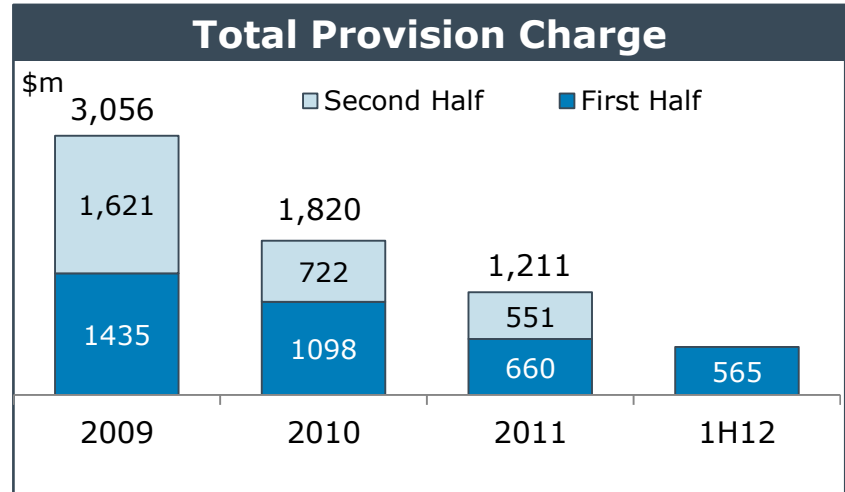
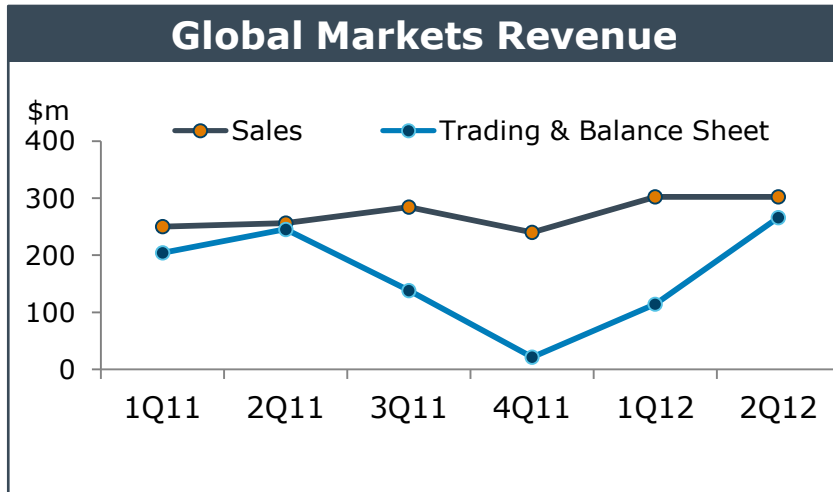
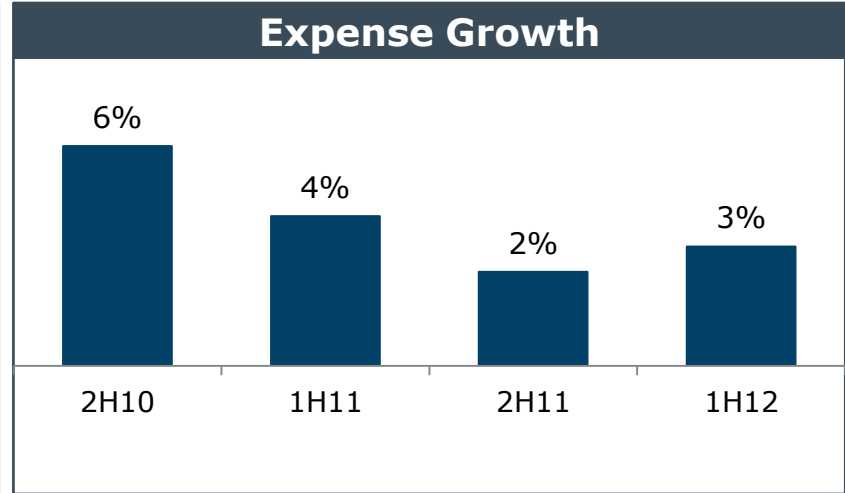
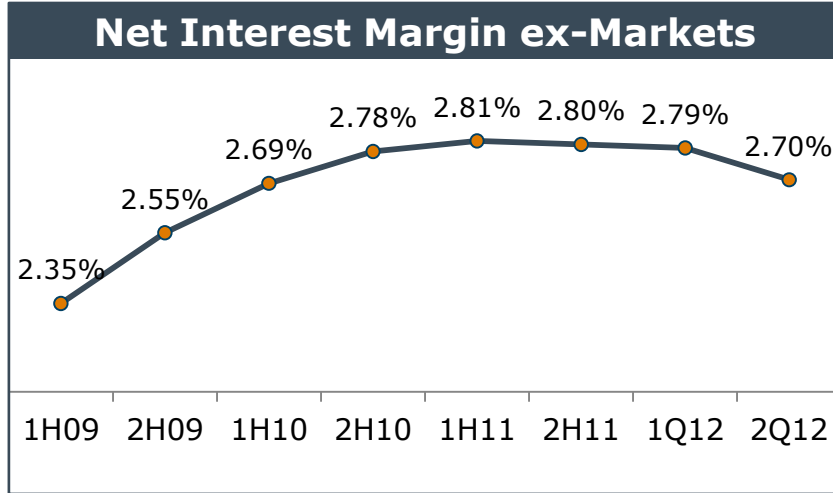
Driven by 2 large single names

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Outlook

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HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

**Investor Discussion Pack
Additional Financial Information**



NIM movement summary

Basis points (bps)	Group		Regions					Divisions						
	HOH	PCP	Australia		NZ		APEA	Australia Division		NZ Businesses		APEA	Global Institutional	
			HOH	PCP	HOH	PCP	HOH	HOH	PCP	HOH	PCP	HOH	HOH	PCP
Starting NIM	244.2	247.2	261.4	259.4	240.0	235.4	139.1	258.4	260.3	253.3	249.0	155.1	189.4	202.9
Funding & Asset Mix	-0.7	2.6	-0.6	5.3	0.5	2.5	-0.9	-1.6	-1.4	0.7	2.7	-4.5	-4.8	-5.0
Funding Costs	-2.1	-6.6	-2.5	-6.4	0.4	-4.2	0.4	-3.9	-5.2	-1.6	-9.3	-3.6	0.9	-7.1
Deposits	-4.5	-7.9	-5.4	-9.1	3.8	0.9	-8.0	-6.7	-10.5	4.1	0.3	-9.2	-3.7	-6.1
Assets	0.7	3.8	-1.9	0.4	3.9	16.8	11.9	-0.9	3.7	4.4	18.1	12.4	-0.2	-8.9
Other	1.7	2.4	0.4	1.1	3.8	4.8	2.7	-0.3	-1.9	4.3	4.4	2.3	-2.2	-3.0
Movement excl. Global Markets	-4.9	-5.7	-9.9	-8.6	12.4	20.8	6.1	-13.4	-15.3	12.0	16.3	-2.6	-10.0	-30.0
Markets	-0.9	-3.2	0.2	0.9	-2.3	-6.1	0.6	0.0	0.0	0.0	0.0	5.3	4.1	10.6
Total Movement	-5.8	-8.9	-9.7	-7.7	10.0	14.7	6.7	-13.4	-15.3	12.0	16.3	2.7	-5.9	-19.4
Ending NIM	238.3	238.3	251.7	251.7	250.0	250.0	145.8	245.0	245.0	265.3	265.3	157.8	183.5	183.5

Some small variances to the detailed NIM pages exist as a result of rounding

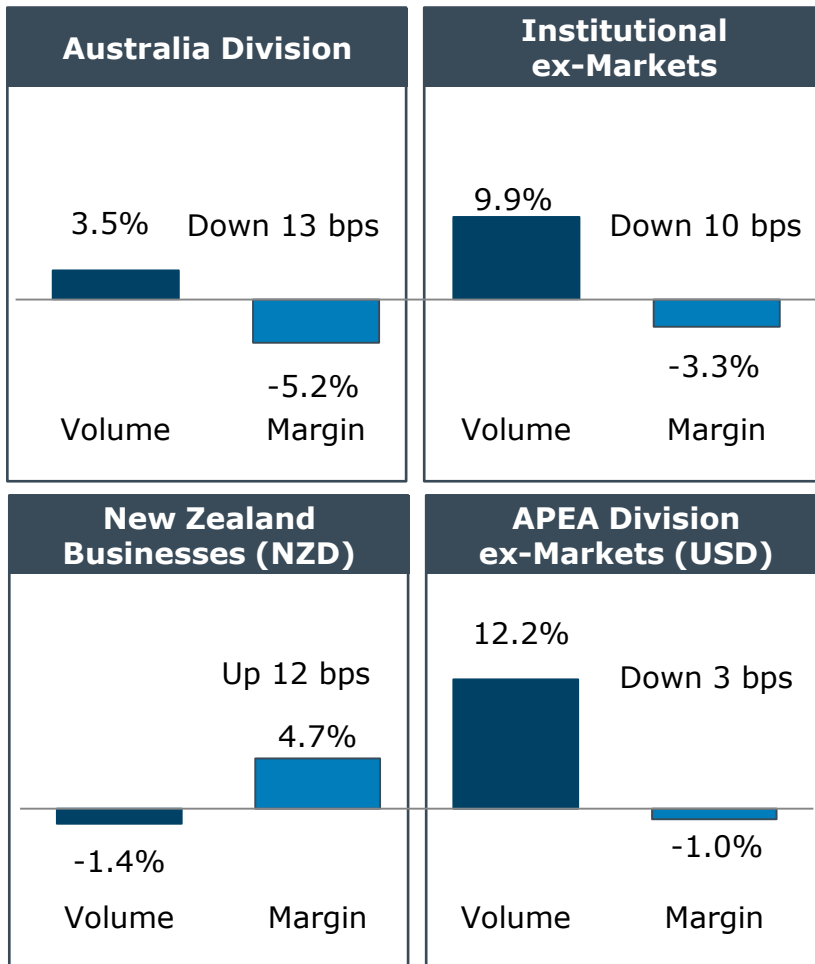


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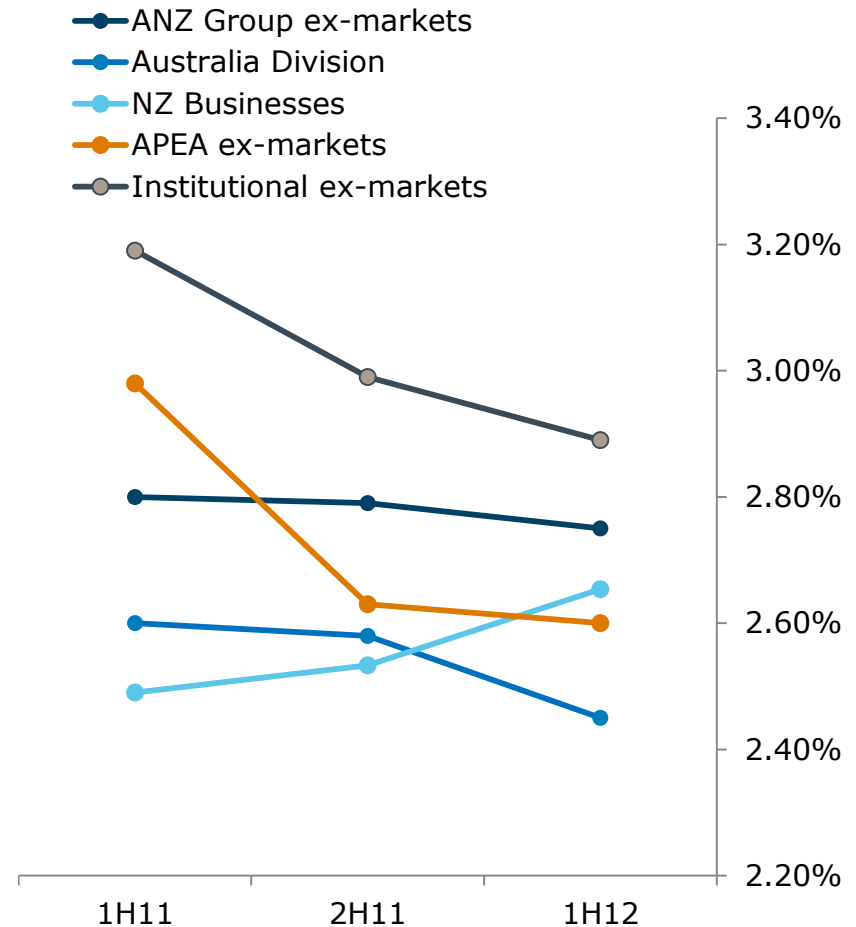
Net Interest Margin – Divisional Trends

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Net Interest Margin 1H12 v 2H11

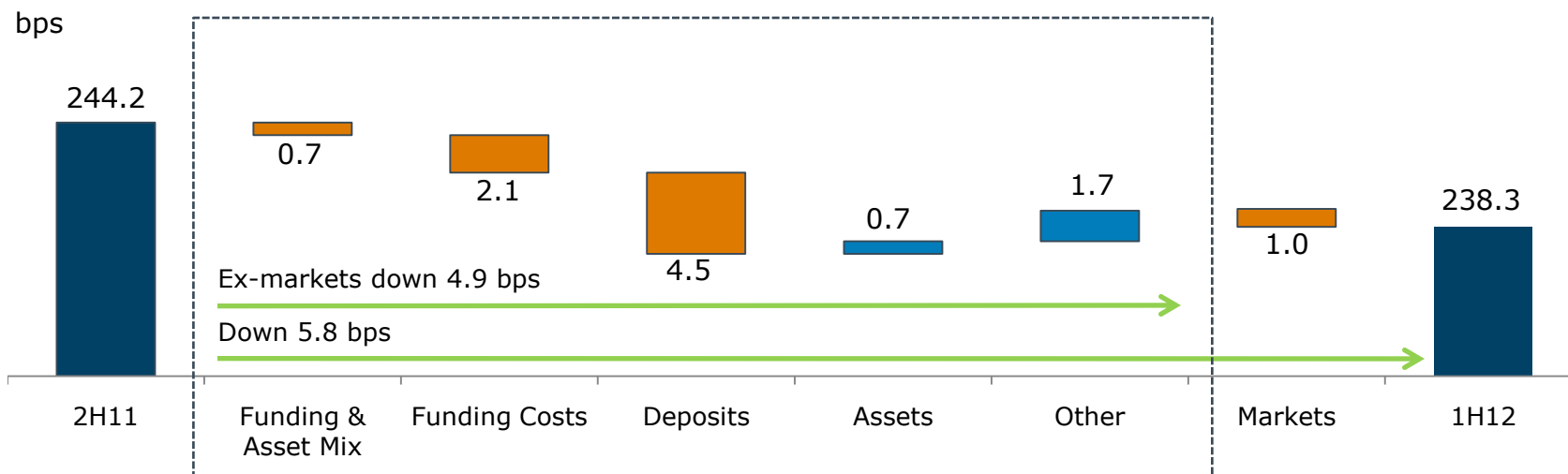


Net Interest Margin



Net Interest Margin - Group

NIM movement 1H12 v 1H11

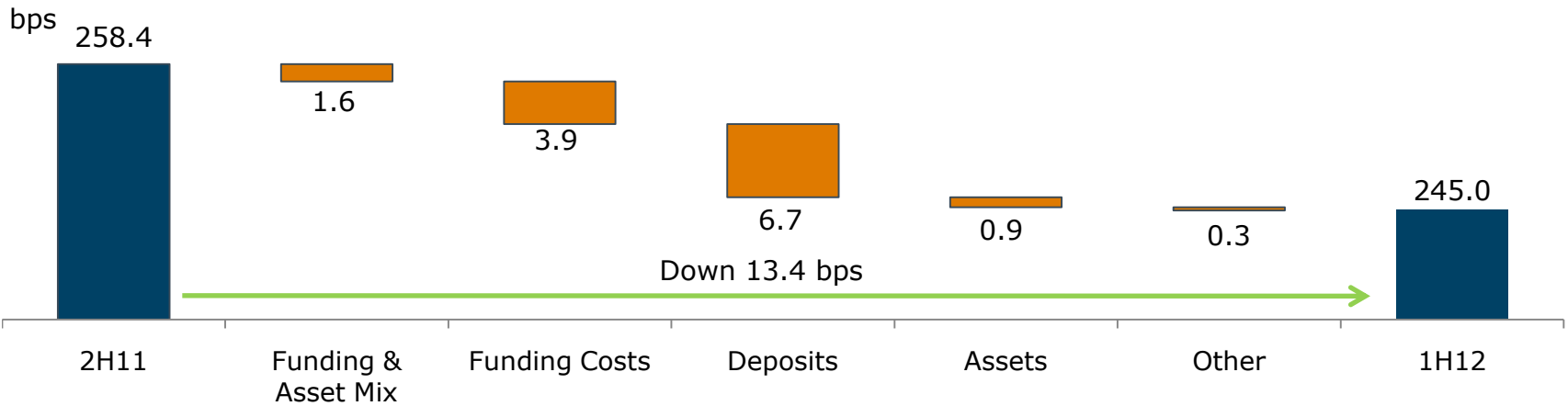


Key drivers of movement

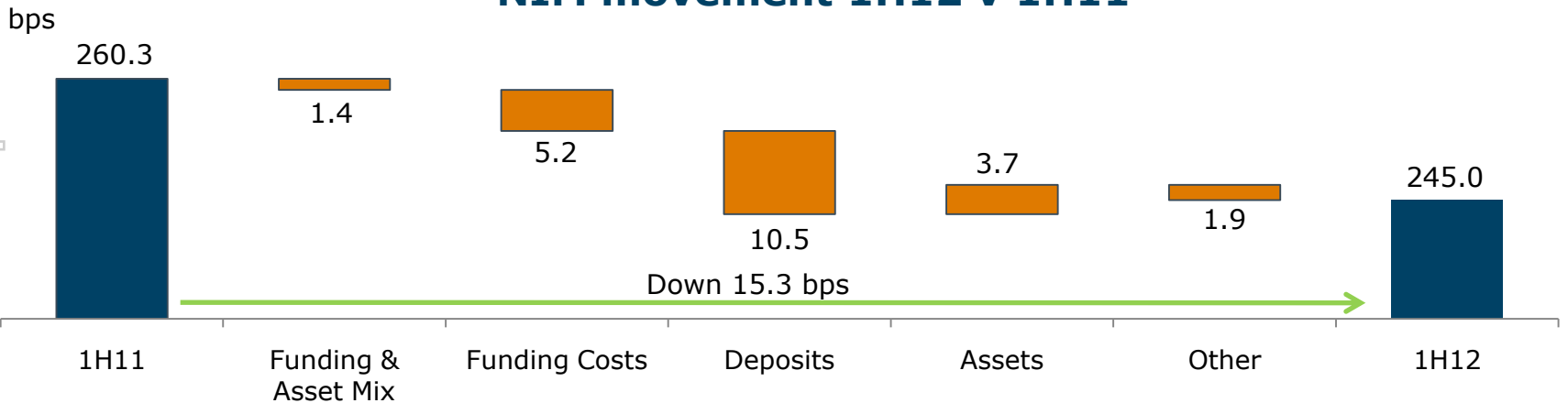
Funding & Asset Mix	Negative asset mix impacts with an increase in lower margin Institutional trade loans and greater growth in the lower spread APEA region (partly offset by funding mix benefits from reduced reliance on wholesale funding)
Funding Costs	Impact of higher wholesale funding costs
Deposits	Effects of strong competition on retail deposits in Australia business
Assets	Repricing actions on Institutional trade loans and NZ Businesses lending partly offset by continued margin compression in Australia housing loans

NIM - Australia Division

NIM movement 1H12 v 2H11



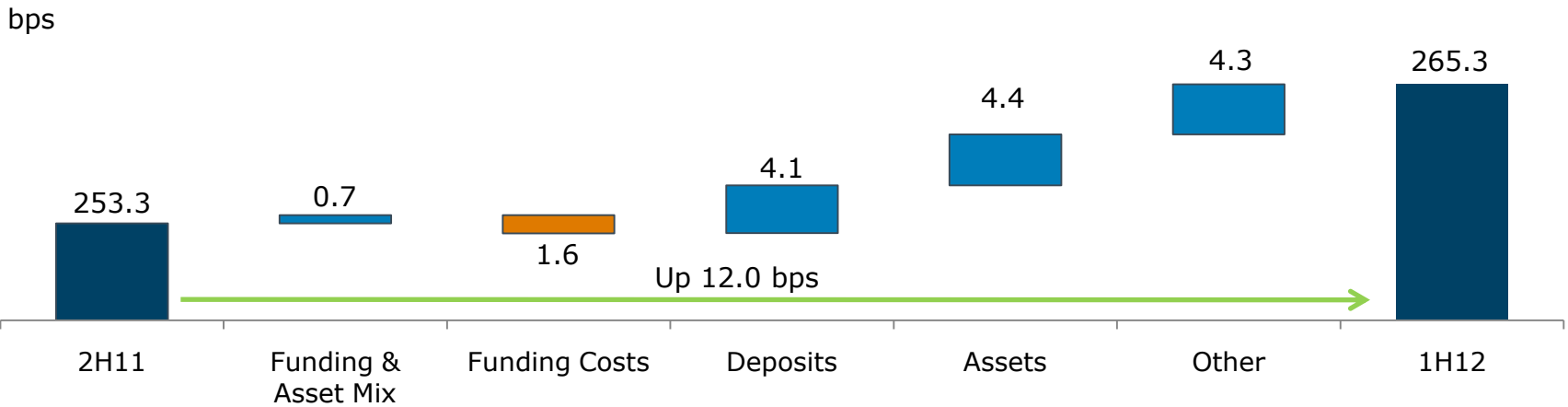
NIM movement 1H12 v 1H11



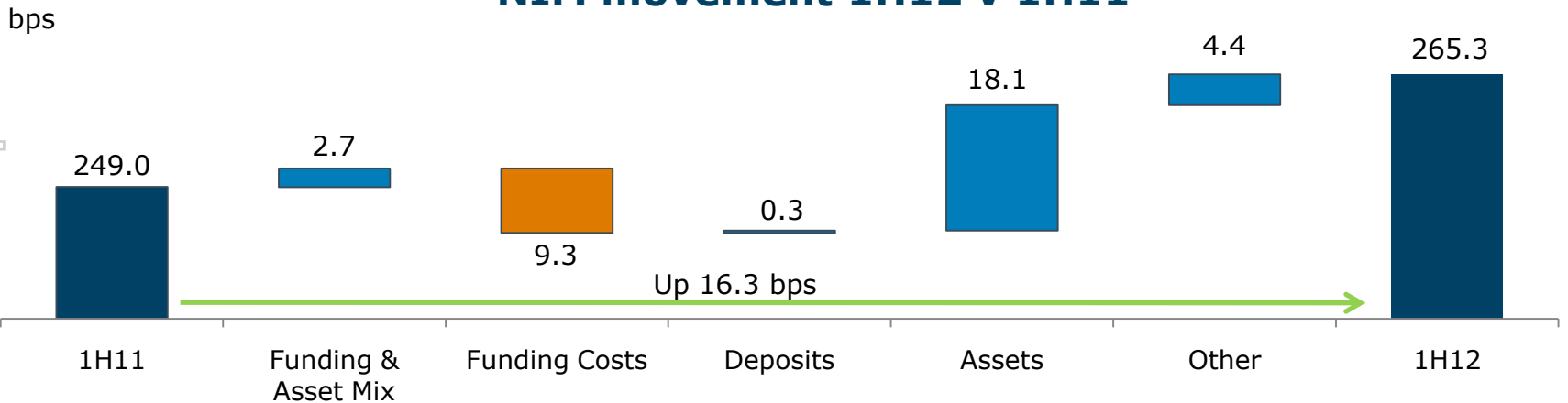
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NIM – New Zealand Businesses

NIM movement 1H12 v 2H11

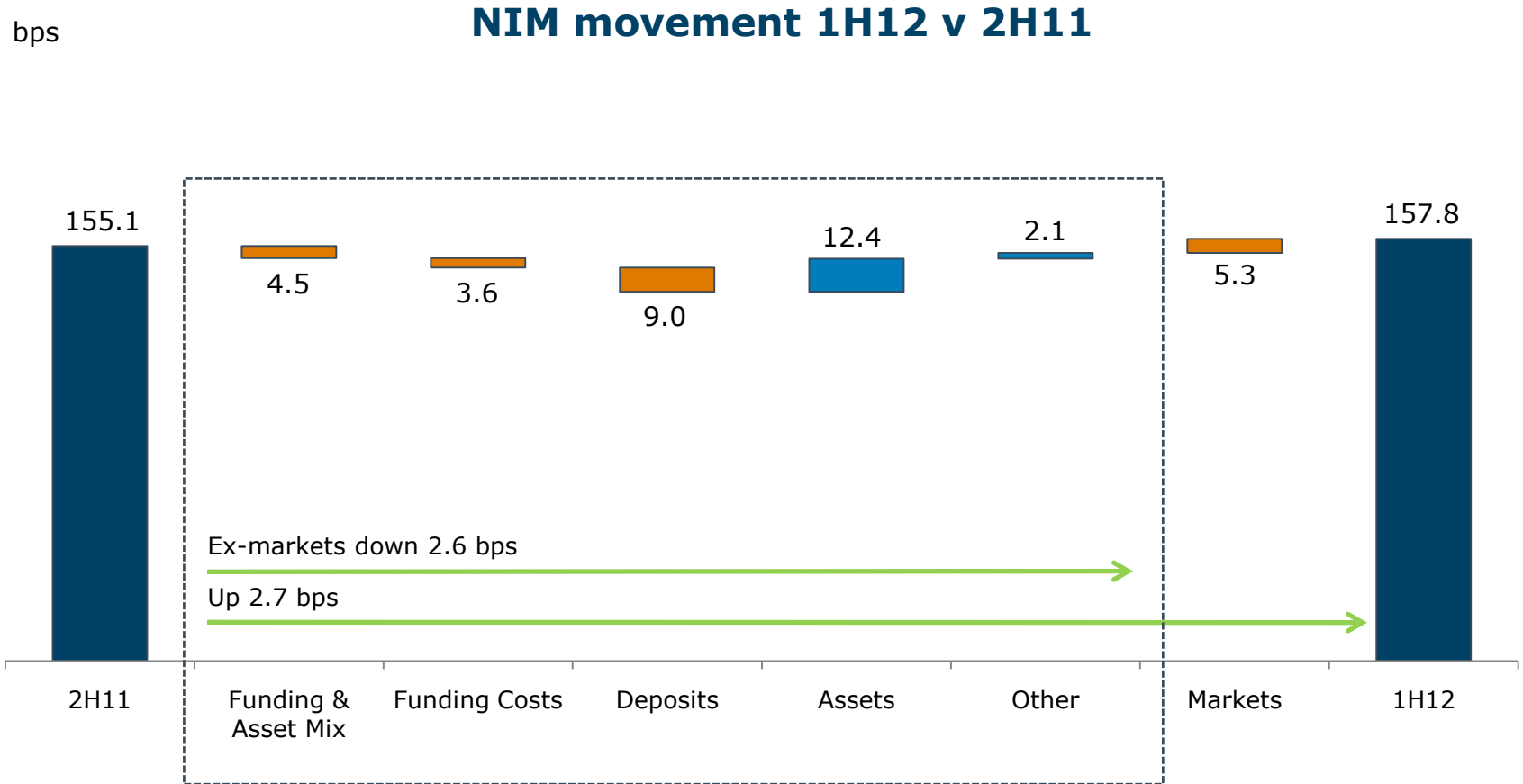


NIM movement 1H12 v 1H11



NIM – APEA Division

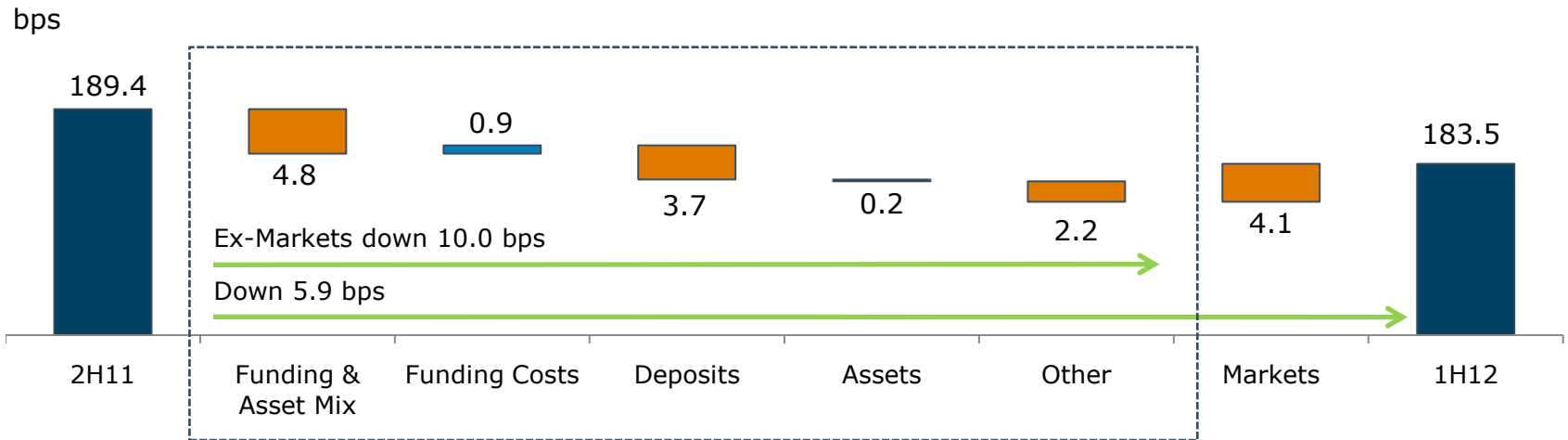
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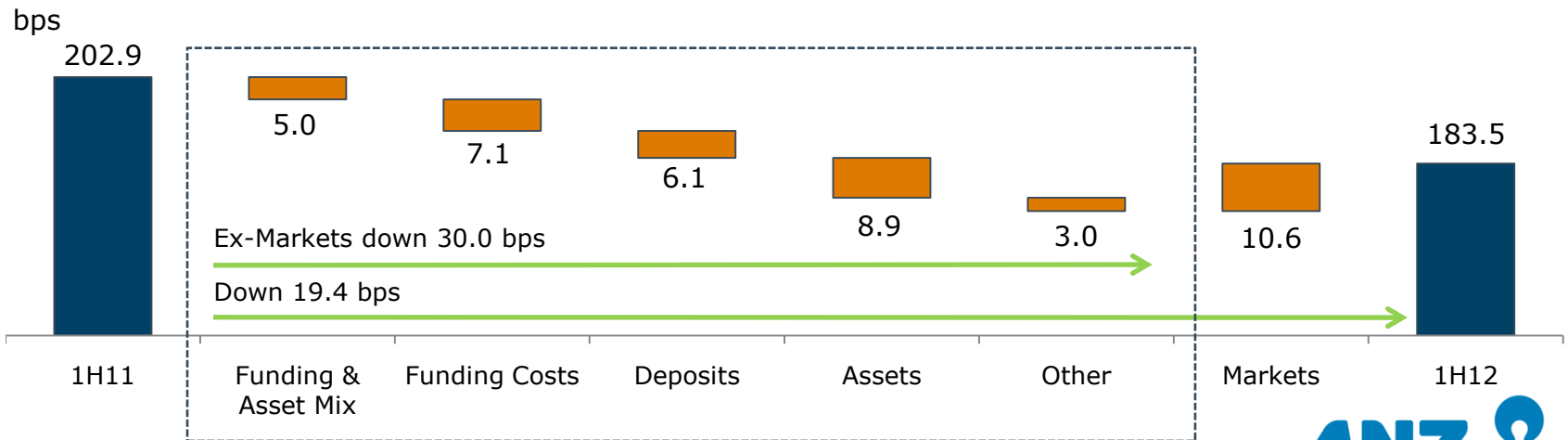
NIM – Institutional Division

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NIM movement 1H12 v 2H11

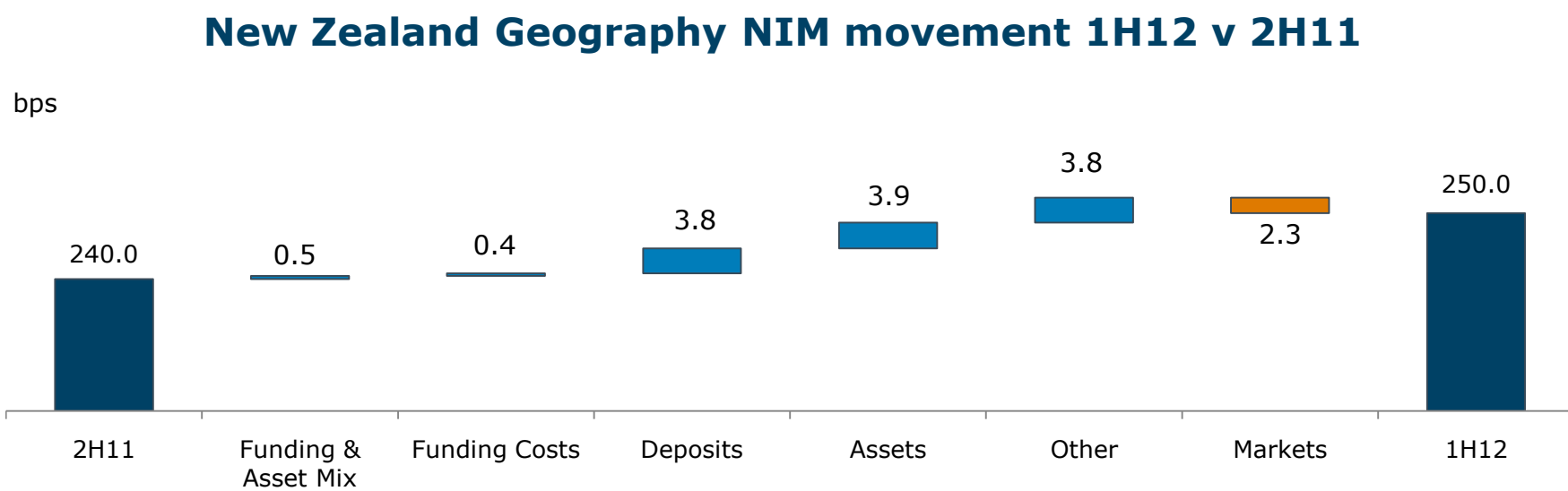
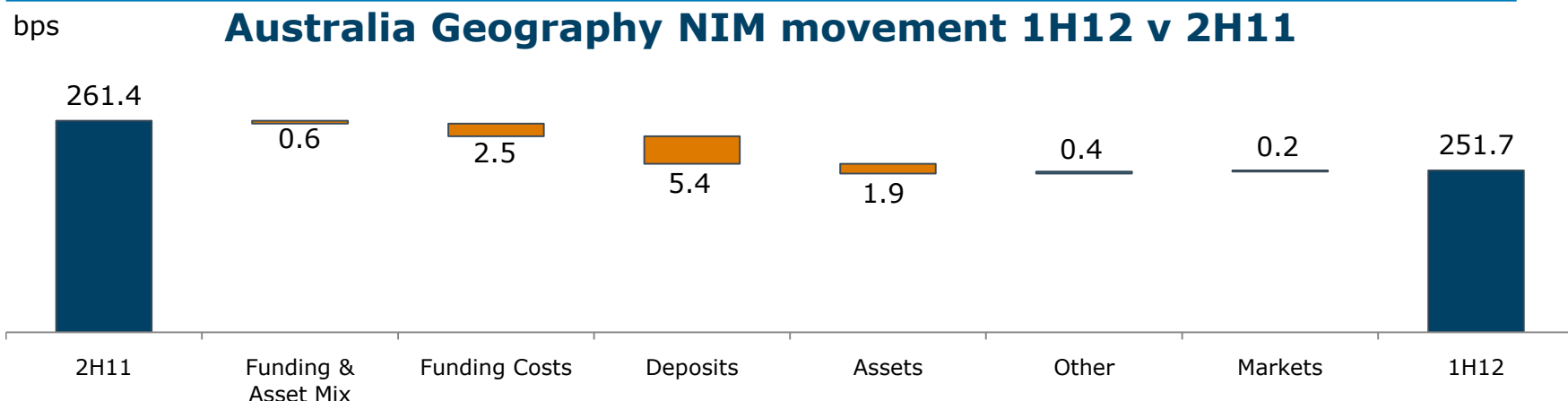


NIM movement 1H12 v 1H11



Net Interest Margin - Geography

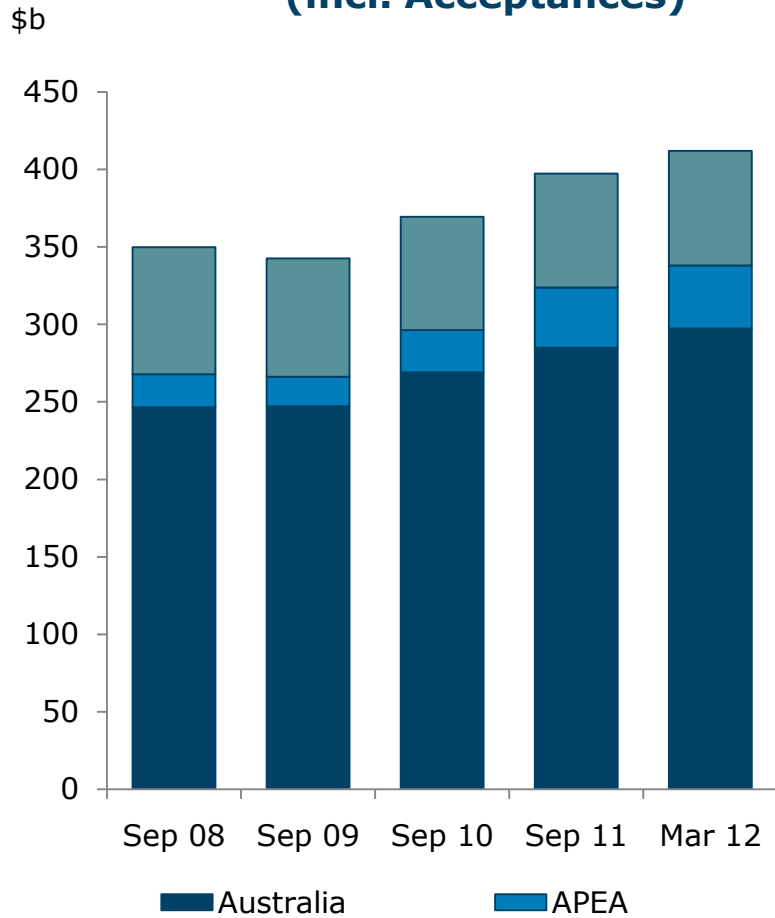
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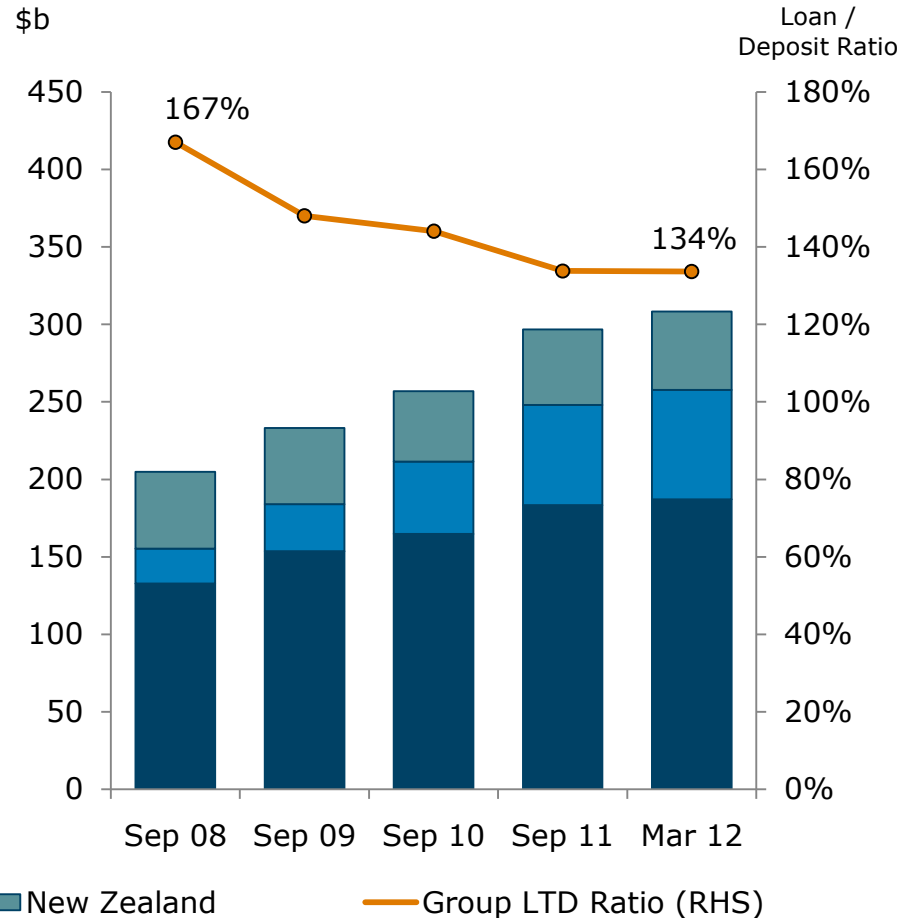
Balance Sheet – Customer Lending & Deposits

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Net Loans & Advances (incl. Acceptances)

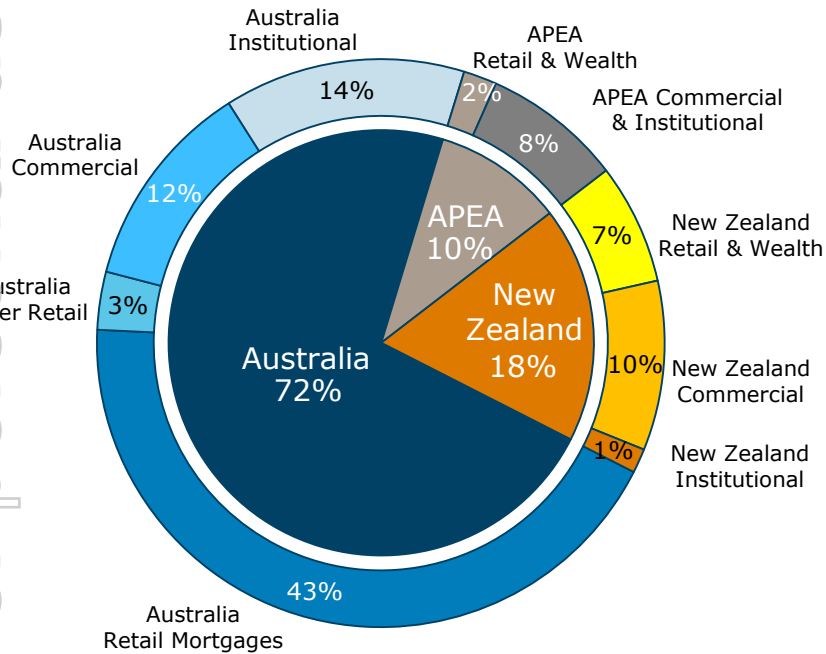


Customer Deposits

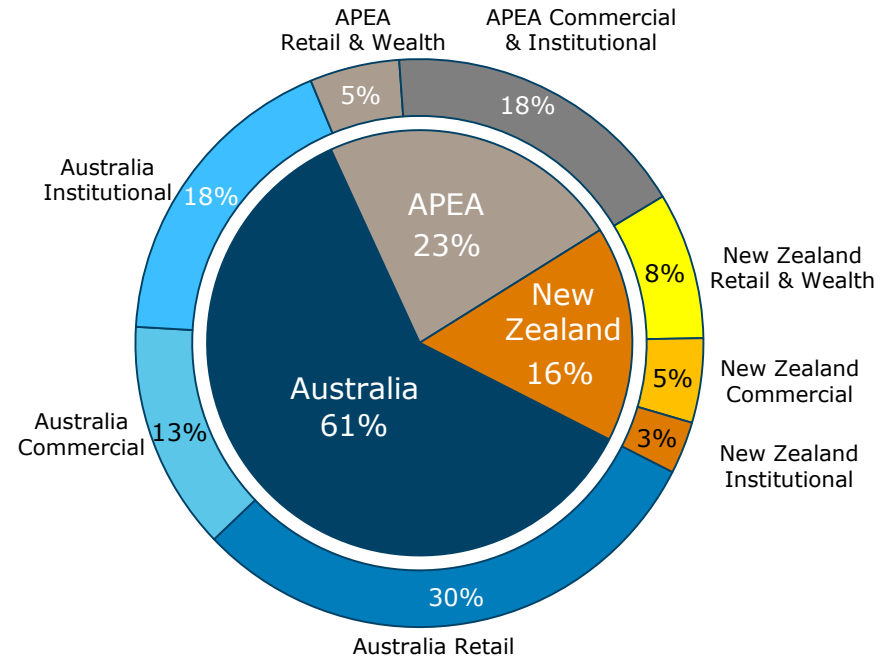


Balance Sheet - Composition by Geography

Net Loans & Advances (incl. Acceptances)



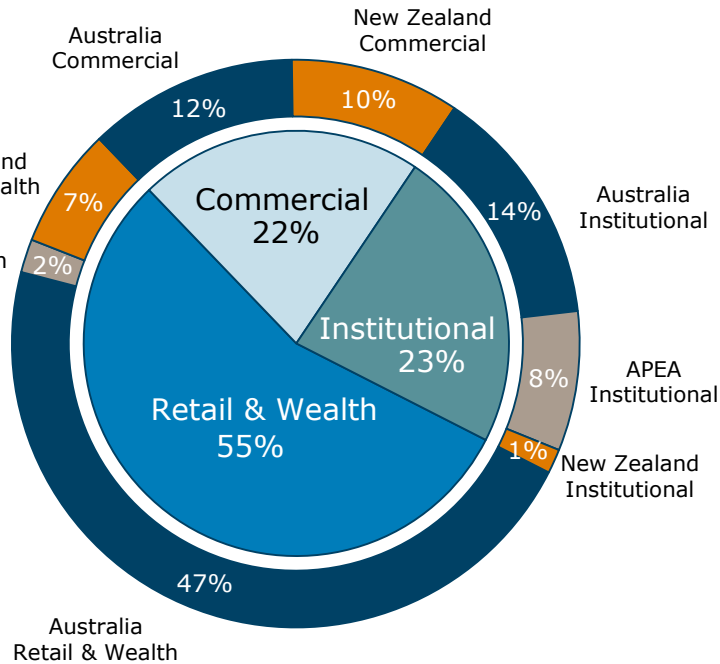
Customer Deposits



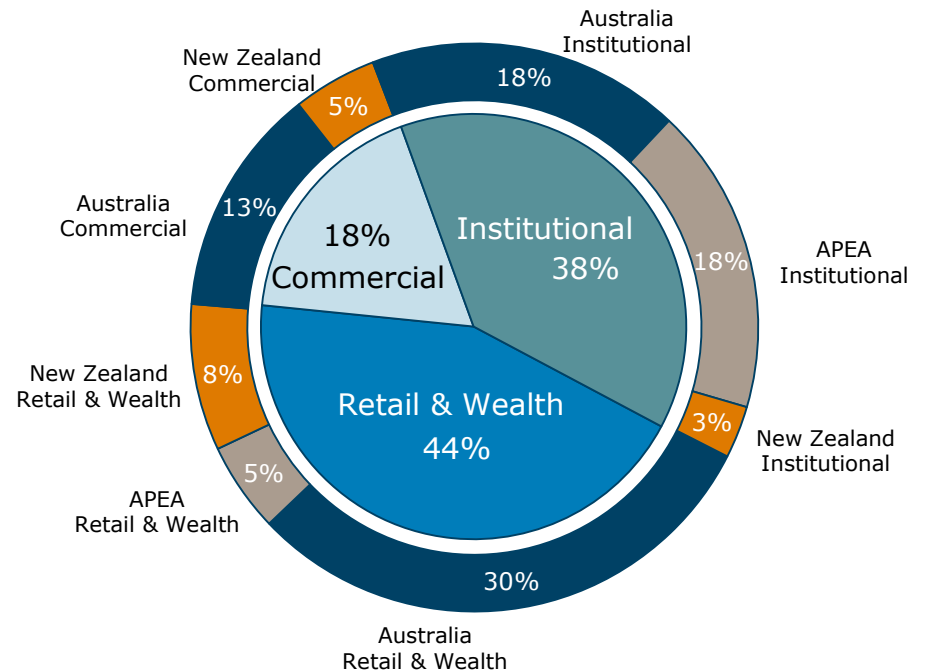
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Balance Sheet - Composition by Segment

Net Loans & Advances (incl. Acceptances)



Customer Deposits

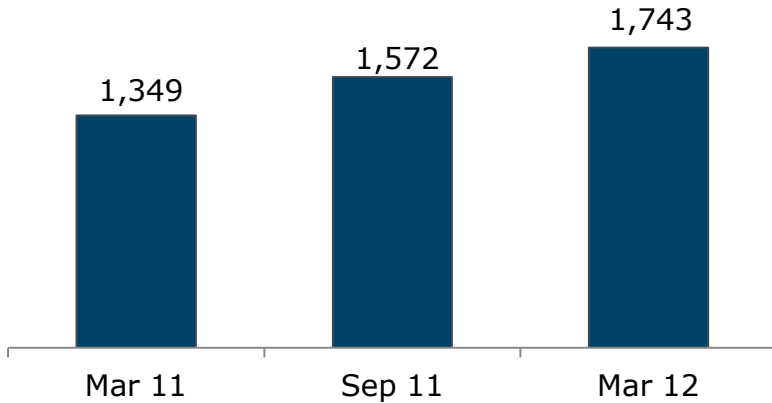


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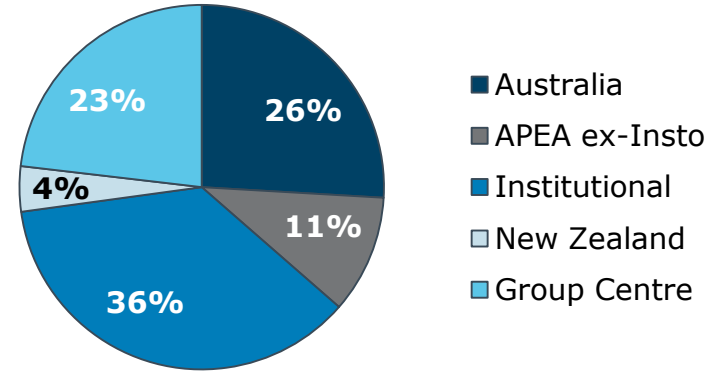
Software capitalisation

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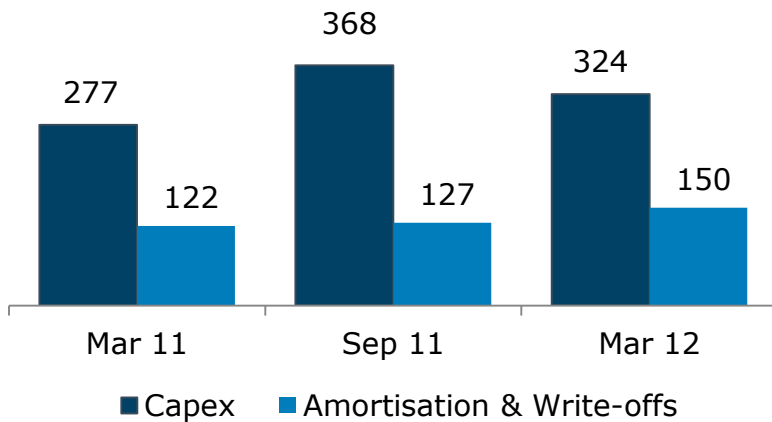
Capitalised software balance (\$m)



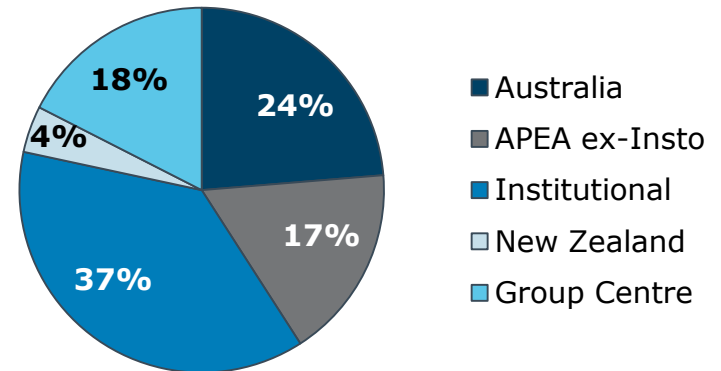
Capitalised costs – by division



Software capex v Amortisation (\$m)



Net book value – by division



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12

HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

Divisional Performance
Australia Division



Australia Division – Consistent customer focus and well-established market positioning

1. Driving customer growth and improving productivity and efficiency

- Delivering on the transformation agenda for the distribution network, reducing network costs and aligning capability and capacity with customer demand
- Delivered improved mortgages sales capabilities and simplified processes to drive proprietary growth
- Provided expanded ability for customers to address simple service requests online
- Introduced ANZ OneSwitch to on-board Commercial customers quickly and easily.

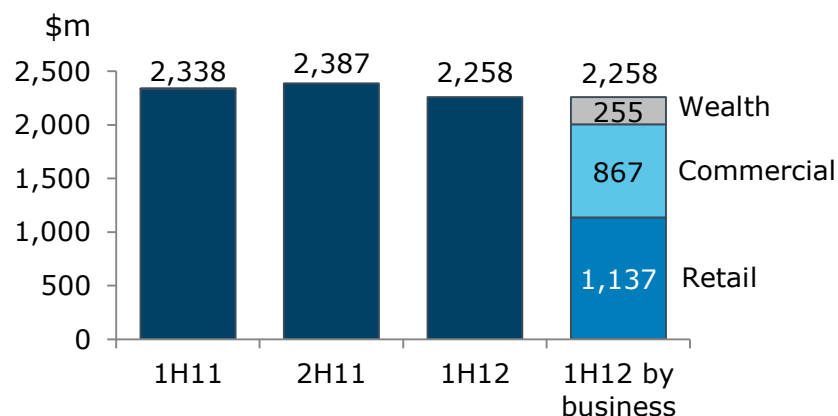
2. Delivered customer propositions targeted at key segments aligned to Super Regional Strategy

- Expanded multi-lingual capabilities across a range of products and services, including Wealth products
- Launched pre-arrival concierge service for customers migrating to Australia, onboarded ~1,500 customers since October 2011
- Mortgage products targeted to new residents as well as non-resident customers
- Acquired new-to-bank Commercial customers by accessing distribution networks of Retail, OnePath and Esanda and leveraging ANZ Super Regional capabilities.
- New retirement savings products for 50+ customers.

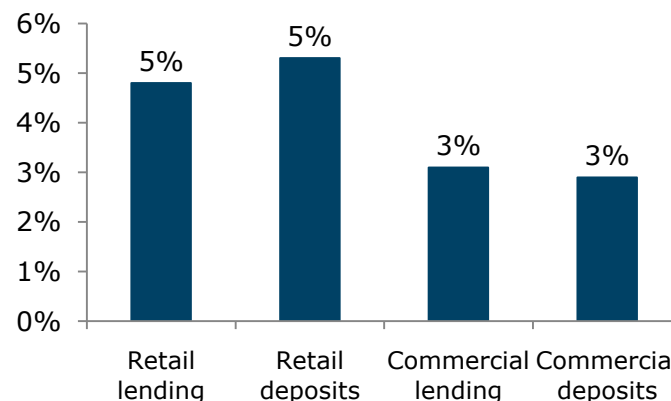
3. Successful implementation of technology and innovation initiatives

- Enhanced functionality of goMoney for iPhone and iPad (registered users to date surpassing 600k)
- Launch of Smart Choice Super online
- Improved user experience online, including enhanced security online statement access
- Expanded scope and functionality of integrated mortgage origination platform
- Pilot utilisation of iPads by frontline bankers, A-Z Review application.

Underlying PBP



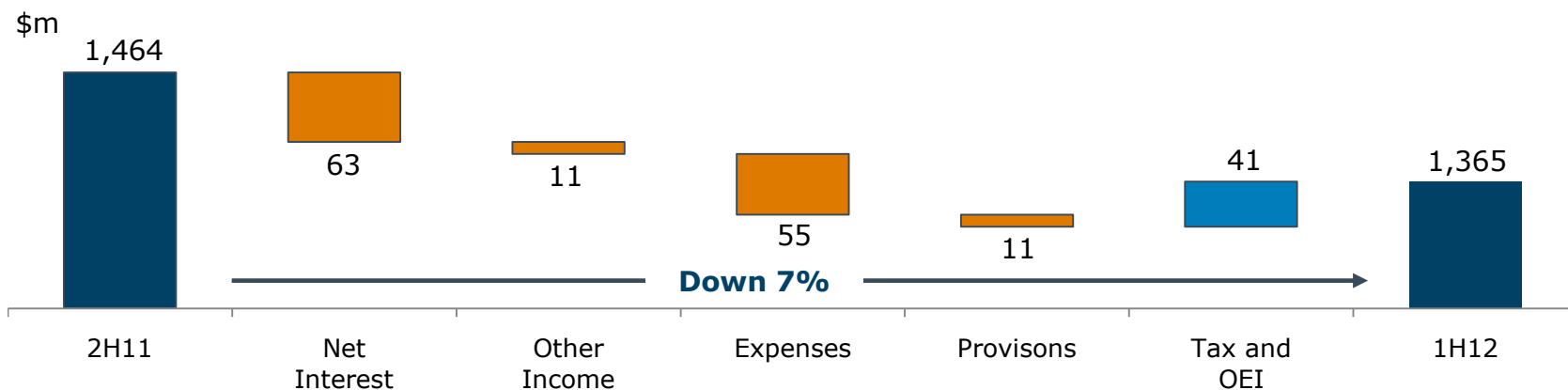
Lending & deposit growth (HOH)



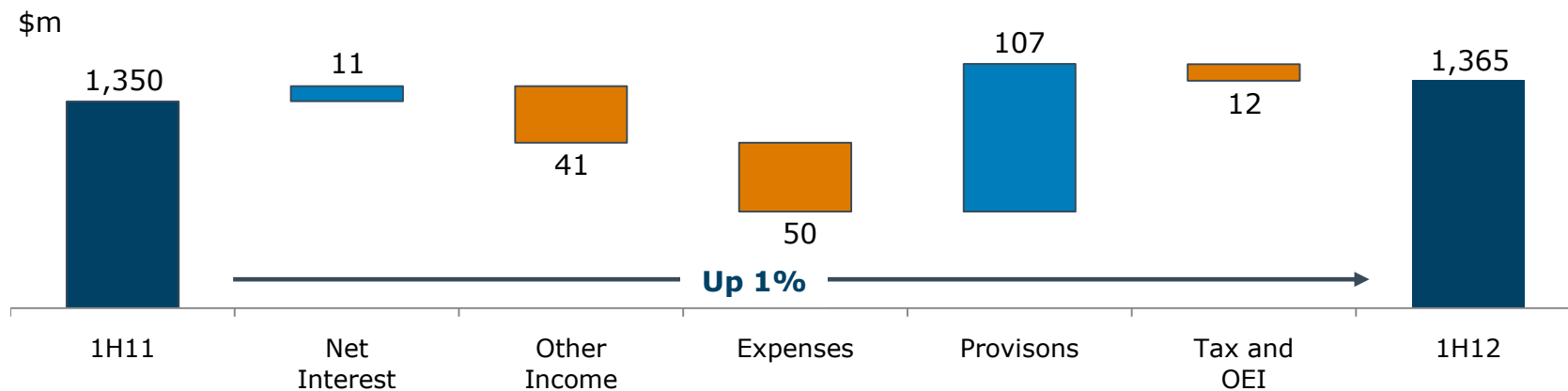
Australia Division – Financial performance

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Underlying NPAT movement – 1H12 v 2H11



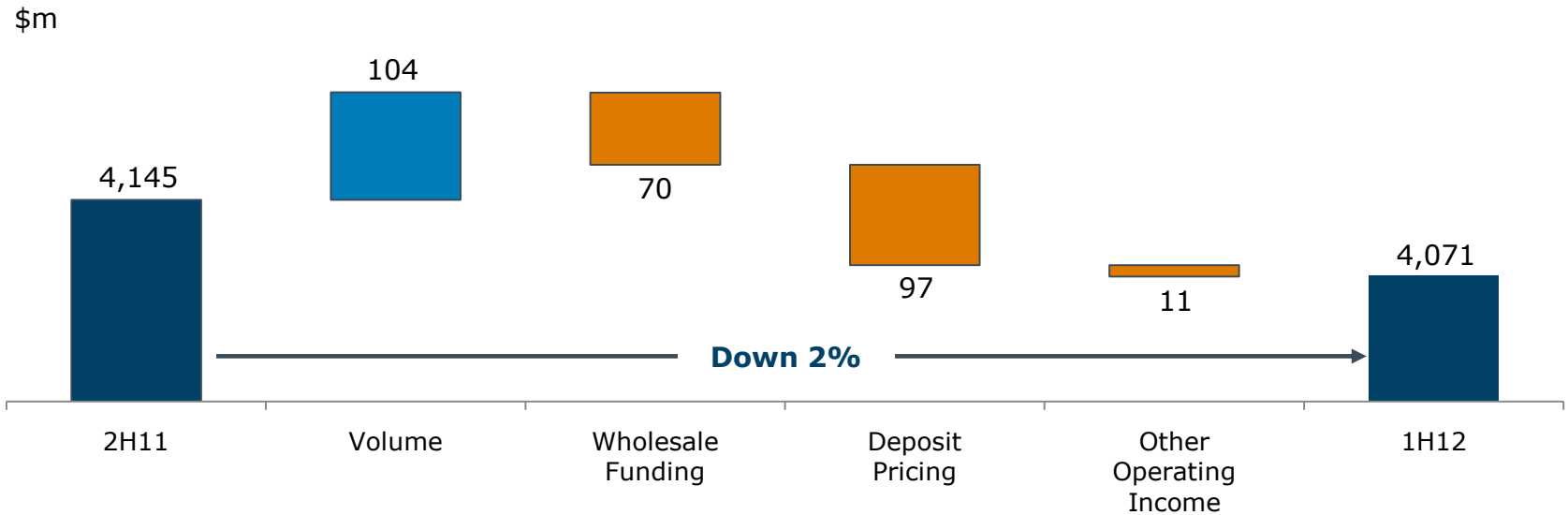
Underlying NPAT movement – 1H12 v 1H11



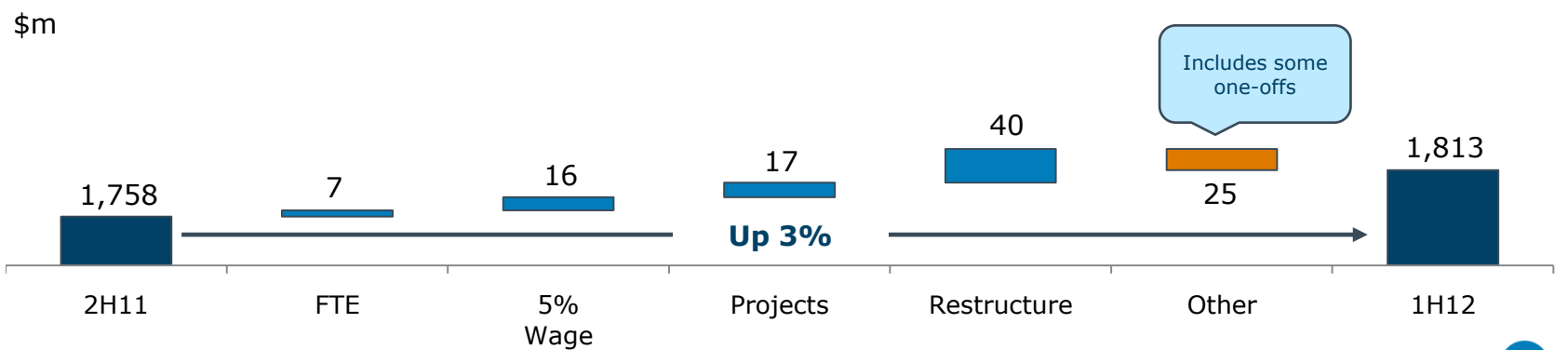
Australia Division – Operating Income and Expenses

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Operating income movement - 1H12 v 2H11

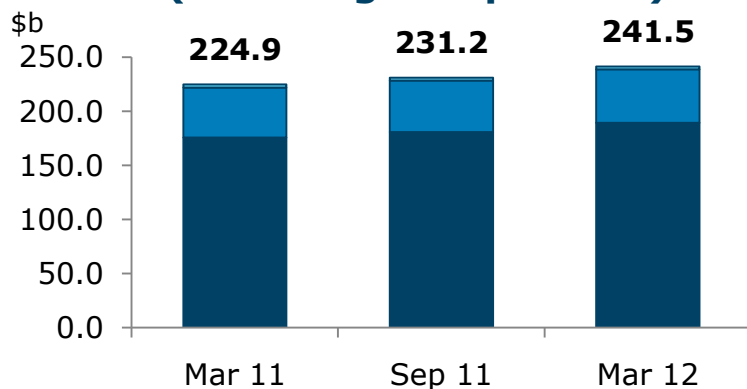


Operating expenses movement - 1H12 v 2H11



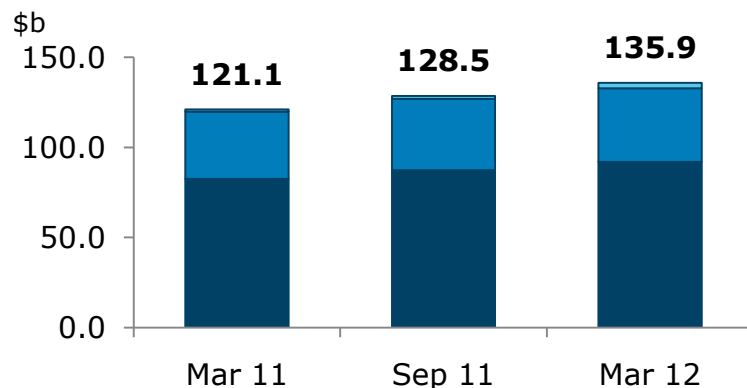
Australia Division – loans and deposits

Net loans and advances (including acceptances)



- Lending up 4% HOH and 7% PCP
- Mortgages up 5% HOH and 8% PCP
- Commercial up 3% HOH and 7% PCP
 - Small Business Banking up 6% HOH and 13% PCP
 - Business Banking up 4% HOH and 9% PCP
 - Regional Commercial Banking up 1% HOH and 4% PCP

Customer deposits



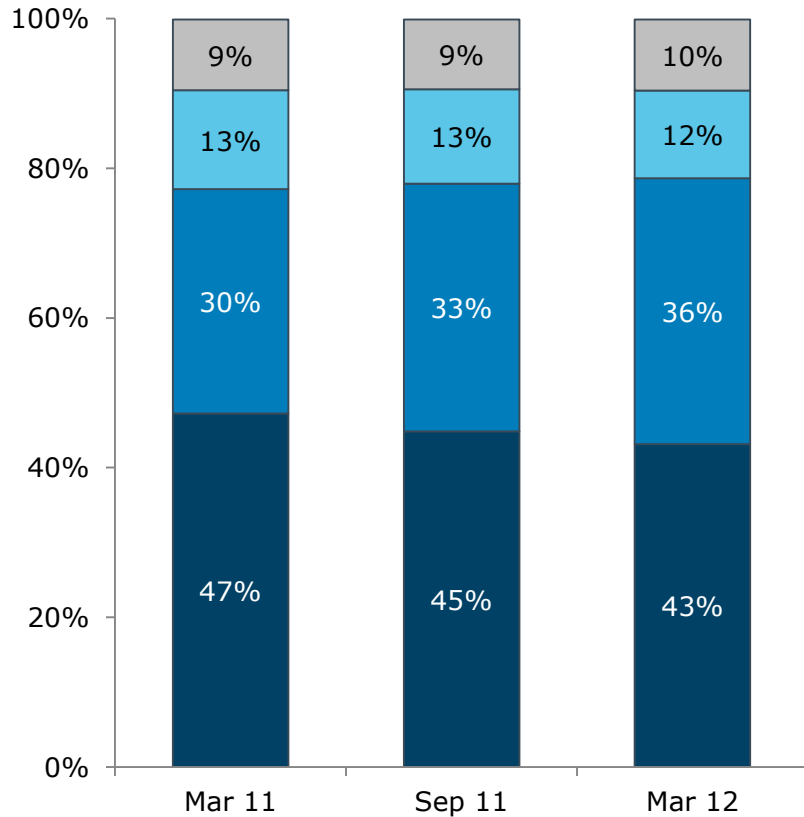
- Customer deposits up 6% HOH and 12% PCP
- Retail up 5% HOH and 12% PCP
- Commercial up 3% HOH and 10% PCP
 - Small Business Banking up 5% HOH and 17% PCP
 - Business Banking flat HOH and up 4% PCP
 - Regional Commercial Banking up 5% HOH and 10% PCP

■ Retail ■ Commercial ■ Wealth

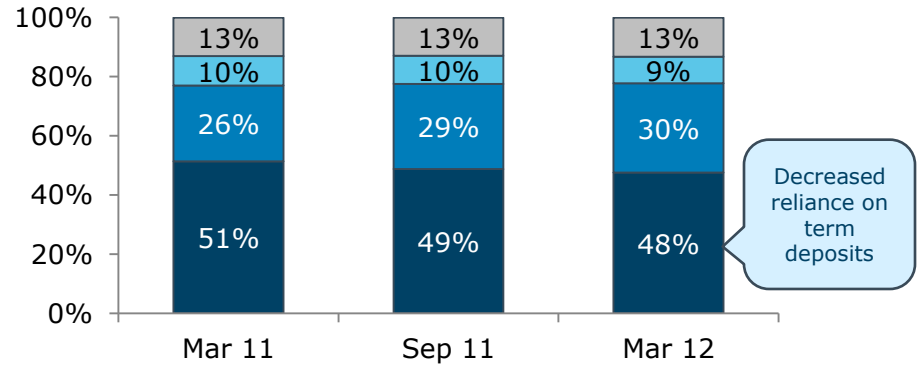
Australia Division – Deposits

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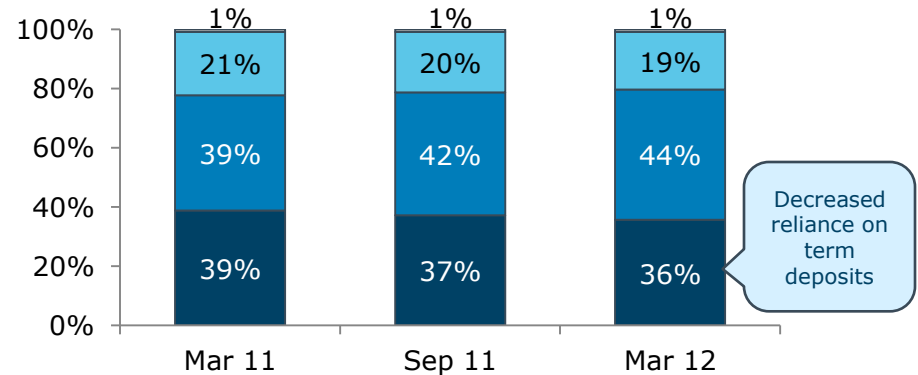
Customer deposit composition



Retail deposit composition



Commercial deposit composition



■ Term Deposits ■ Savings ■ Transaction ■ Offset Account



Retail – Strengthening the franchise

Movement	1H12 v 2H11	1H12 v 1H11
Income	-4%	-1%
Expenses	2%	4%
Profit Before Provisions	-8%	-6%
Net loans & advances incl. acceptances	5%	8%
Customer deposits	5%	11%

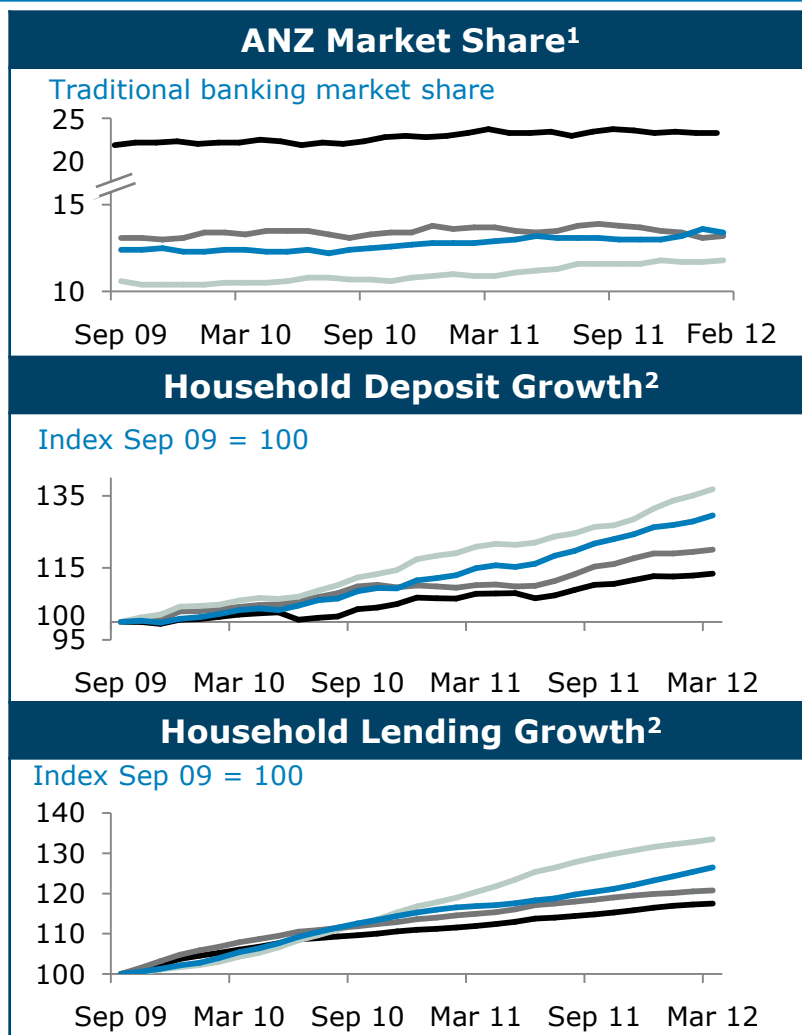
Clearly defined strategic priorities to drive growth

- Deepening customer relationships and growing share of wallet amongst high value customers
- Decreasing the cost of doing business
- Strong growth in mortgages and deposits
- Improving funding position through management of deposit mix and less reliance on term deposits
- Leveraging our super regional strength, locally

Outcome

- Achieved #2 in market share by brand¹
- Strongest growth in customer share of wallet¹
- Peer leading MFI customer satisfaction
- Implemented productivity initiatives, including further automation, enhanced functionality of goMoney (over 600k users³) and expense reduction initiatives
- Strong deposit growth - up 5% HOH and 11% PCP
- Mortgages FUM up 5% HOH and 8% PCP.

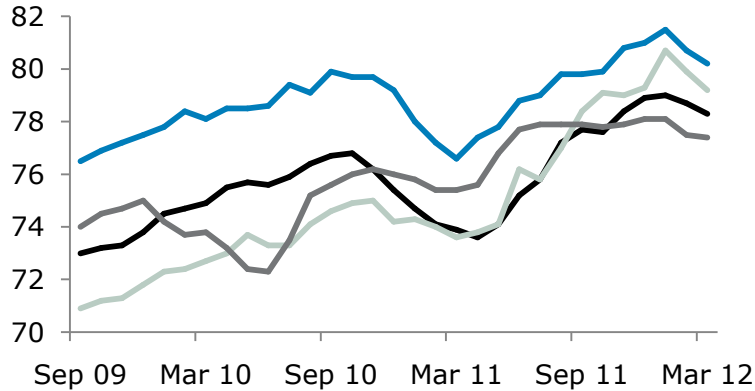
1. Source: Roy Morgan Research
 2. Source: APRA Statistics
 3. As at April 2012



Retail - Focused on growth by building deep relationships with customers

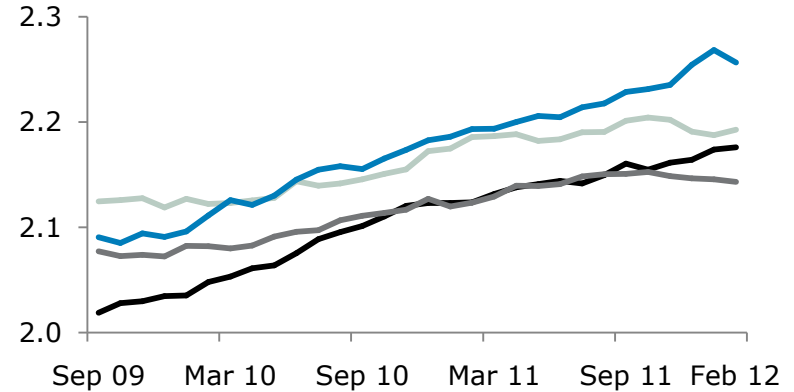
MFI Customer Satisfaction remains highest amongst peers, exceeding 80% ...

(%) MFI Customers¹



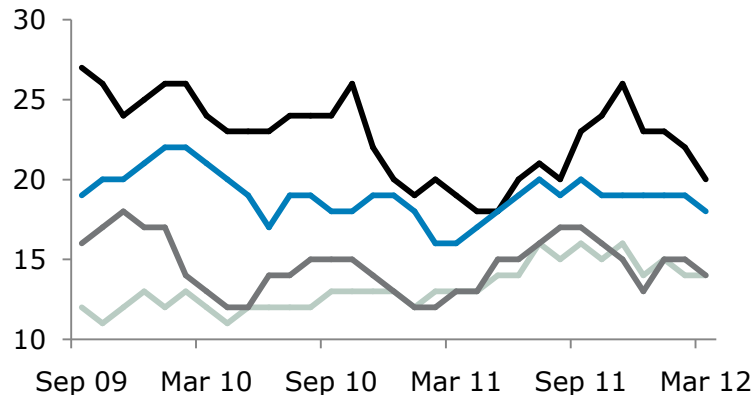
...supporting leading performance in numbers of products per customer

Products per customer^{1,3}



Purchase intention for ANZ home loans remains strong...

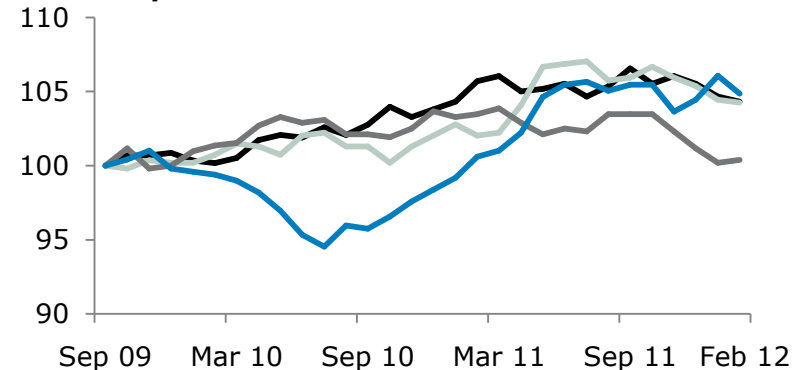
(%) Home loans purchase intention²



...and growth in share of wallet outperforms domestic peers

(%) Share of wallet – Traditional Banking^{1,3}

Index Sep 09 = 100



— ANZ — Peer 1 — Peer 2 — Peer 3

1. Source: Roy Morgan Research

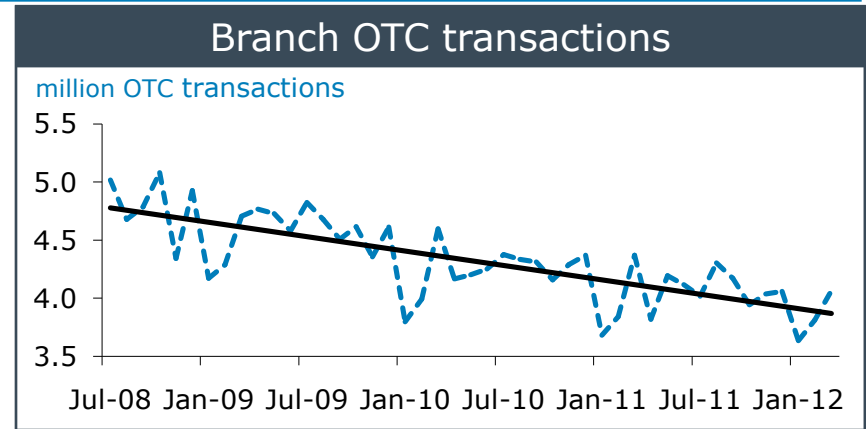
2. Source: Australian Retail Brand Monitor

3. Source: Roy Morgan Research: Traditional Banking – 12 month moving average



Retail - We are focusing on digital and online channels to meet customer expectations

- Online now the channel of choice for an increasing number of customers
- Branch transactions are declining at the rate of ~4% - 5% per annum
- Branch space is under-utilised and not set up for more complex higher value activities, fit-out costs primarily driven by security
- Focus on reshaping the distribution network, (branches, contact centre and digital banking platforms) to meet customer needs creating a multi-channel network.



Branch reconfiguration



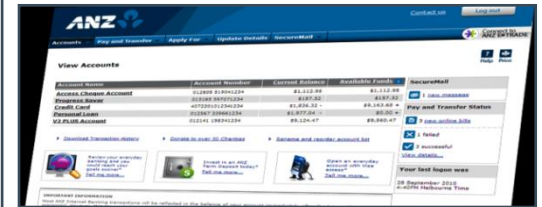
- Transformed branch network aligned to customer demand reshaped as a critical sales and service channel
- Open plan branch design focusing on complex, higher value sales
- Smaller branch footprint, lower cost fit-out.

goMoney



- More than 600k registered users¹ since release in August 2010
- Over 20 million transactions executed in the last year totalling more than \$12 billion.²

Internet banking



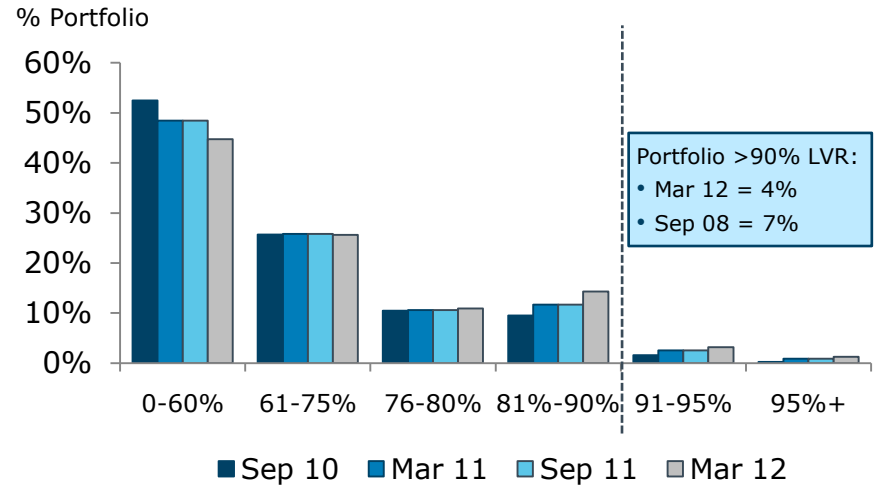
- Over 5.6m registered users²
- Approximately 146 million transactions totaling more than \$216 billion executed over the last 12 months (up 4% and 8% on the prior year respectively).

1. As at April 2012
2. As at March 2012

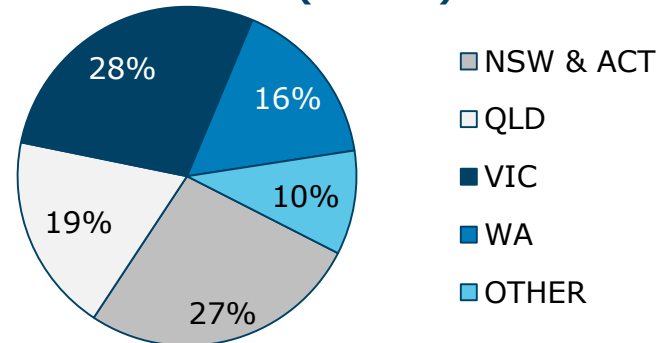
Retail – Mortgages

Portfolio Statistics	
Total Number of Mortgage Accounts	851k
Total Mortgage FUM	\$178b
% of Total Group Lending	43%
Owner Occupied Loans - % of Portfolio	63%
Average Loan Size at Origination	\$258k
Average LVR at Origination	64%
Average Dynamic LVR of Portfolio	50%
% of Portfolio Ahead on Repayments ¹	48%
First Home Owners - % of Portfolio	9%
First Home Owners - % of New Lending	7%
90+ Day Delinquencies	0.51%

Dynamic Loan to Valuation Ratio



Mortgage Portfolio by State (Mar 12)

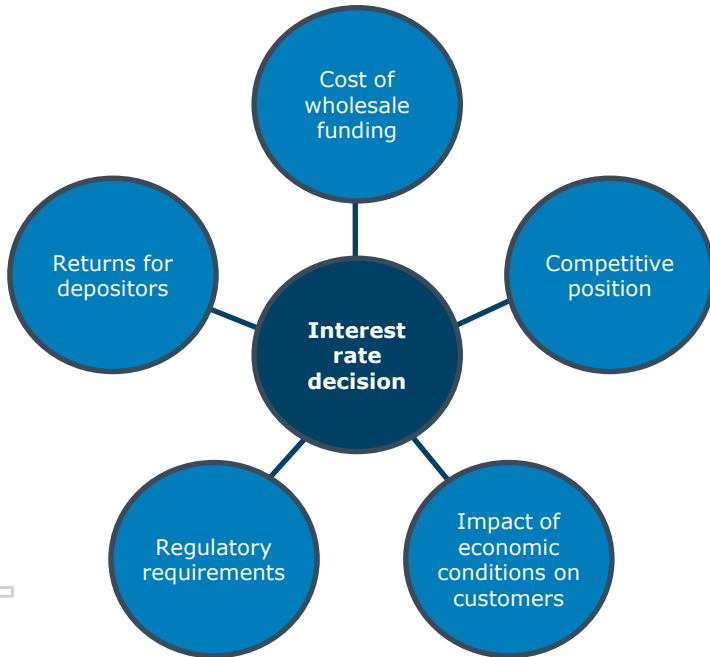


1. One month or more ahead of repayments. Excludes funds in offset accounts.



Retail - Mortgage pricing

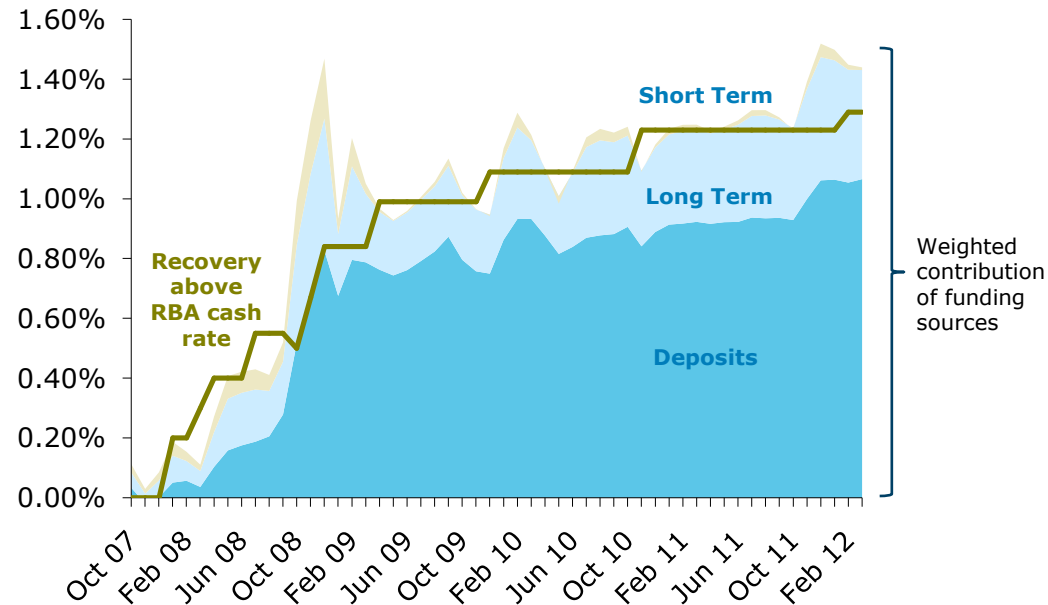
Criteria used to assess Interest Rates



Change in cost of funds over the RBA Cash Rate since the Global Financial Crisis

ANZ's average cost for term wholesale funding between 1 October 2011 to 31 March 2012 increased by 15 bps from 116 basis points above the three month bank bill swap rate to 131 bps¹

Mvmt in funding costs vs. Cash Rate relative to pre-crisis levels²



1. ANZ, 23 April 2012, 'Integrity and transparency on bank funding costs'. Represents Australian geography portfolio.

2. Pre-crisis levels represents the average change in cost of funding relative to the cash rate over the 12 month period ending September 2007

Commercial – Executing to a clearly articulated strategy

Targeting sectors where we have deep industry specialisation

- Natural Resources & Infrastructure downstream business growth in WA and QLD
- Agriculture sector growth prospects in key Asian markets with rising food demand
- Trading companies with complex funding requirements and cross-border needs (cross-border referrals up 43% PCP).

Continued leadership in super regional capability

- Maintained lead brand position in being 'able to service my business needs across Australia, New Zealand and Asia.'^{1,2}

Diversifying sales activity, increased bank cross-sell

- Trade finance revenue up 14% HOH, up 20% PCP
- Markets revenues up 18% HOH, 54% PCP
- Mortgages revenue down 1% HOH, up 8% PCP.

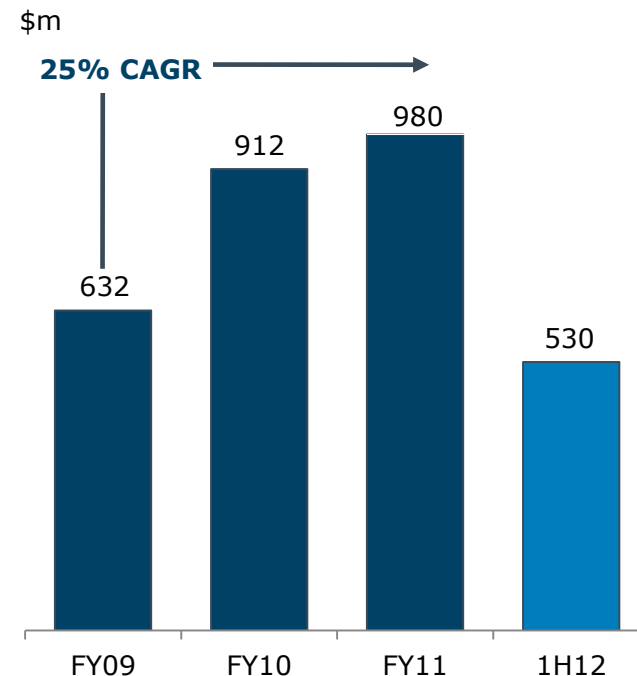
Growing customer base and deepening relationships

- Acquired 12,400 net new customers (predominantly small-medium businesses) in the first half (up 3%)
- Increased share of wallet by 1.7% pts from Sep 11 to Mar 12^{1,3,4}
- Increased customer quality by 3.4% from Mar 11 to Mar 12^{1,3,5}

Risk profile of business stable

- Net impaired assets flat YTD.

Commercial Banking Underlying Net profit after tax



Notes:

1. DBM Business Financial Services Monitor, 12-month rolling average.
2. 31% of all businesses in Commercial associate ANZ with 'able to service my business needs across Australia, New Zealand and Asia' in Mar12 n=17,372; 31.7% in Sep-11 n=17,696.
3. Commercial includes most small and medium sized businesses
4. Base: Sep11 n=4,462; Mar12 n=4,493
5. Base: Mar11 n=17,954; Mar-12 n=17,224



Commercial overview

Movement	1H12 v 2H11	1H12 v 1H11
Income	1%	4%
Expenses	4%	3%
Profit Before Provisions	-1%	5%
Net loans & advances incl. acceptances	3%	7%
Customer deposits	3%	10%

Strategic focus

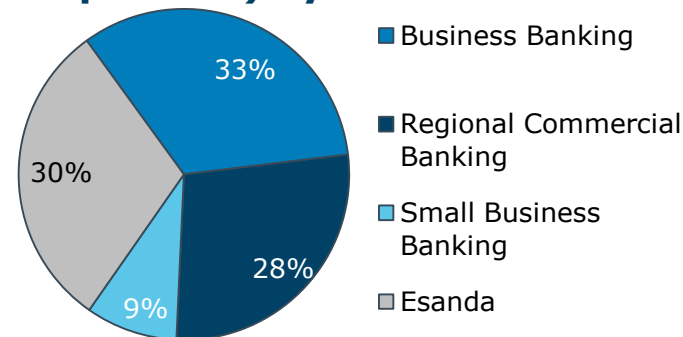
- Continued drive for customer growth through leveraging:
 - Super Regional capabilities and footprint
 - Strengths in Markets, Trade Finance and Cash Management and Agriculture, Natural Resources & Infrastructure sector expertise
 - Retail, OnePath and Esanda's distribution network
- Continued improvement in efficiency and productivity through centralising and standardising administration functions and enhanced use of offshore Centres of Excellence.

Outcome

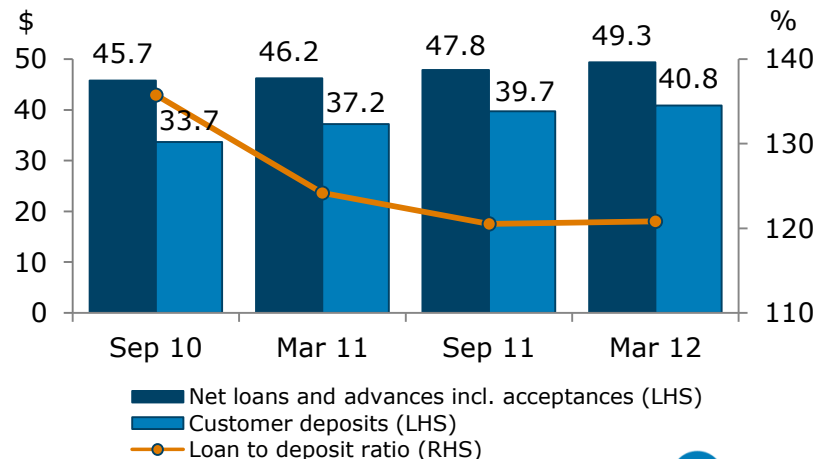
- Increased market share (up 110 bps since Jun 11, up 70 bps YTD Mar 12)¹ through growth in the share and size of customers and enhanced share of wallet
- Customer acquisition up 3% (Feb 12 YTD) across all segments – Small Business ('SME'), Regional Commercial and Business Banking
- Lending up 3% HOH reflecting investment in training and productivity initiatives
- Deposit growth of 3% HOH.

1. DBM Business Financial Services Monitor. 12-month rolling average Commercial includes most small and medium sized businesses
Base: Jun11 n=17,305; Sep11 n=17,296 and Mar12 n=17,128

Net loans & advances (incl. acceptances) by business



Net loans and advances (incl. acceptances) & Customer deposits



Commercial – Super regional advantage

Our super regional platform and core capabilities are driving cross-sell and new-to-bank acquisition

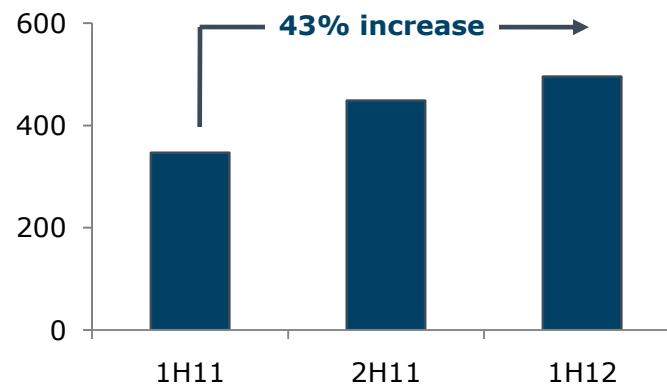
Super regional platform

- ANZ is the only bank able to connect Commercial customers across Asia, New Zealand and Australia via a network that spans:
 - 1,200+ branches
 - ~270 business centres
 - ~3,000 Commercial frontline staff
- The value of this connectivity is evidenced by a 43% growth in cross-border referrals PCP.

ANZ strengths

- To further enhance our super regional offering we're leveraging ANZ's market leading capabilities in:
 - Trade finance: Best Trade Finance in Australasia (2009, 2010, 2011)¹
 - Markets: 'Best FX Product Corporate & Business Bank'²
 - Cash Management: ANZ Transactive cross-border cash capability.

Cross-border referrals



ANZ RMB Capability:

- Make and receive RMB trade & services payments to your Chinese counterparts
- Integrated RMB online capability - FX Online & ANZ Transactive
- Offshore RMB Foreign Currency Account (Australia, New Zealand, Hong Kong) solutions
- Trade Finance solutions (Letter of credit / Trade finance, etc.) available to support RMB denominated trade transactions

1. Trade Finance Magazine – Awards of Excellence. 2. 2011 Australian Banking & Finance Corporate and Business Bank Award.

Commercial - Small Business banking

Leveraging ANZ distribution networks and enhancing customer experience

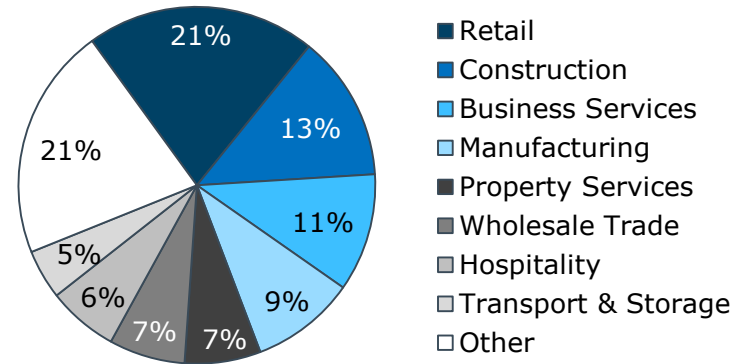
- Acquiring new-to-Commercial customers by tapping into the OnePath and Esanda distribution networks, Retail's affluent segment, ANZ mobile lenders and through the in-branch A-Z Review campaign
- Enhancing our innovation offering via the Small Business HUB, LinkedIN, the ANZInnovyzStart program, Small Business Sales Trends, our partnership with Xero and our "Business Insights" program
- Inception of the Commercial Sales and Services Centre as a support contact point for Commercial Banking customers and frontline staff
- A greater focus on cross sell, margin management and customer retention.

Outcome

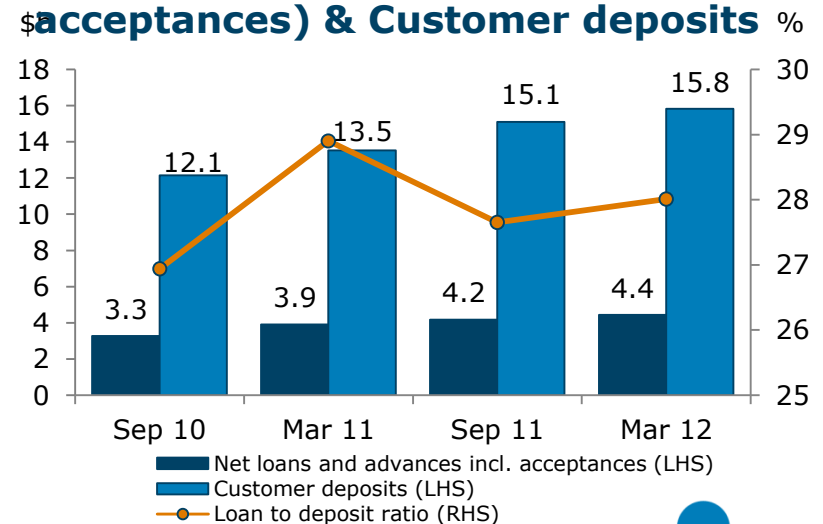
- Net Customer growth up 4% Mar 12 YTD
- Market Share continues to grow (Mar 12 YTD +1% pts¹)
- Deposits up 5% HOH and 17% PCP
- Lending up 6% HOH and 13% PCP.

1. DBM Business Financial Services Monitor. 12-month rolling average Small Business Banking includes most small businesses in metro areas excl Agribusinesses
Base: Sep11 n=8,306 and Mar12 n=8,811

1H12 lending book composition by key segments



Net loans and advances (incl. acceptances) & Customer deposits



Commercial - Business banking

Leverage capability and create capacity to drive growth and control costs

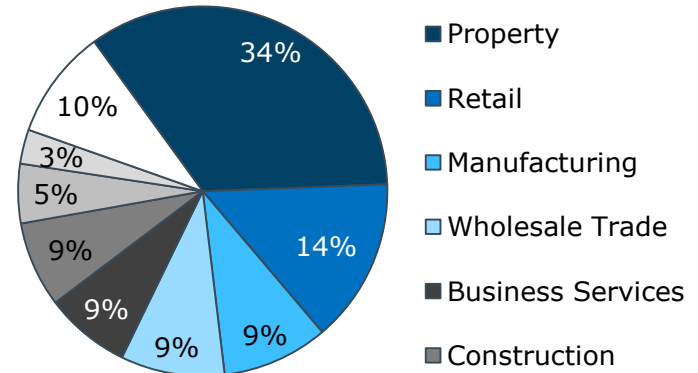
- Growing the balance sheet by focusing on winning new-to-bank Trading companies with higher, more complex funding requirements
- Prospecting for larger deals alongside Corporate Banking to drive additional flows with same input
- Creating capacity to grow without additional costs through sales productivity
- Leveraging super regional connectivity and offering new services to customers (e.g. trade finance in RMB)
- Enhanced frontline skills and capabilities via sales leadership and coaching initiatives.

Outcome

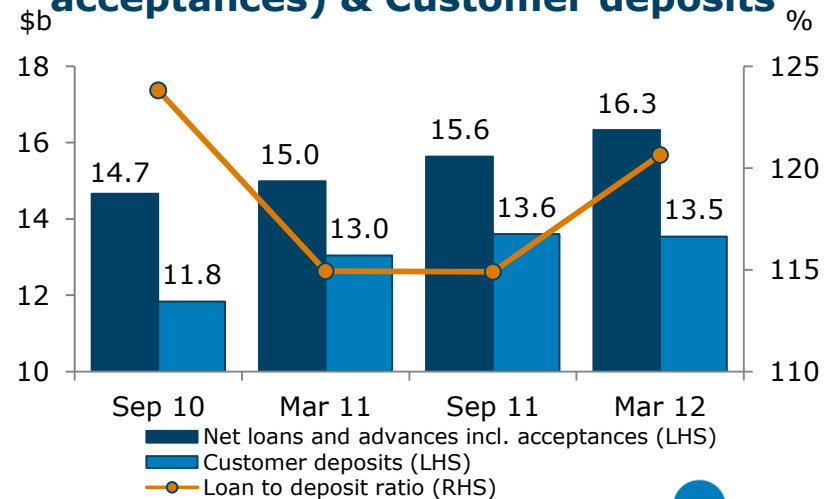
- Lending up 4% HOH (+9% PCP), with 50% of 1H12 new-to-bank deal sizes with higher, more sophisticated trading companies
- Deposits flat HOH (+4% PCP), impacted by pricing competition
- New-to-bank approvals up 14.5% HOH (26% PCP)
- Market share continues to improve from 11.7% in Mar 11 to 13.3% in Mar 12^{1,3}
- Customer Satisfaction for the same period up from 6.8 to 7.3.^{2,3}

1. DBM Business Financial Services Monitor. 12-month rolling average
Base: Mar11 n=3,007 and Mar12 n=2,718
2. DBM Business Financial Services Monitor, 6-month rolling average score using an 11-pt scale where 0 is Extremely Dissatisfied and 10 is Extremely Satisfied
Base: Mar11 n=1,872 and Mar12 n=1,336
3. Business Banking includes most medium sized businesses in metro areas excl Agribusinesses

1H12 lending book composition by key segments



Net loans and advances (incl. acceptances) & Customer deposits



Commercial - Regional Commercial banking

Capitalising on opportunities for growth and supporting customers in need

Regional Commercial¹

- Leveraging bank-wide sector expertise in Resources and Infrastructure to identify and capture Commercial opportunities within major projects, e.g. contractors and suppliers
- Capitalising on the opportunities to connect Regional Commercial customers across the value chain to our Asia Pacific Network.

Agribusiness²

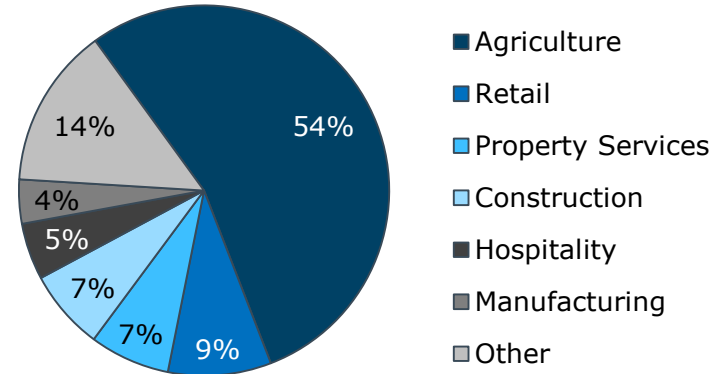
- Leveraging bank-wide Agribusiness expertise to capture Farmgate business
- Continued investment in Agribusiness capability to further grow existing market share
- Strategic positioning of Agribusiness segment within Super Regional Strategy given rising food demand in key Asian destination markets.

Outcome

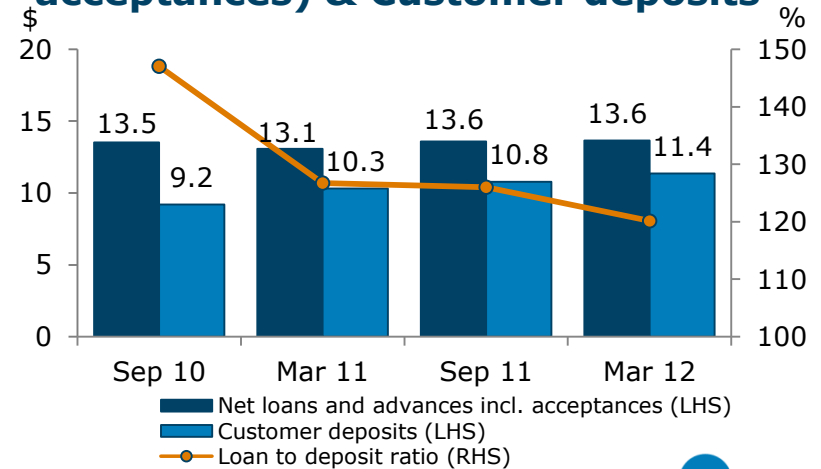
- 1H12 NPAT grew 5% HOH
- Lending FUM stable amidst seasonal harvest pay-downs
- Continued solid deposit growth HOH 5% and 10% PCP
- Improved lending to deposits mix from 126% in 2H11 to 120% at 1H12
- Market share continues to improve from 15.0% in Mar 11 to 16.2% in Mar 12.³

1. Non-metro Small Business and Business Banking customers.
 2. Farmgate customers
 3. DBM Business Financial Services Monitor. 12-month rolling average
 Regional Commercial Banking includes most small and medium sized non-metro businesses and Agribusinesses
 Base: Mar11 n=6,987; Mar12 n=5,599

1H12 lending book composition by key segments



Net loans and advances (incl. acceptances) & Customer deposits



Commercial - Esanda

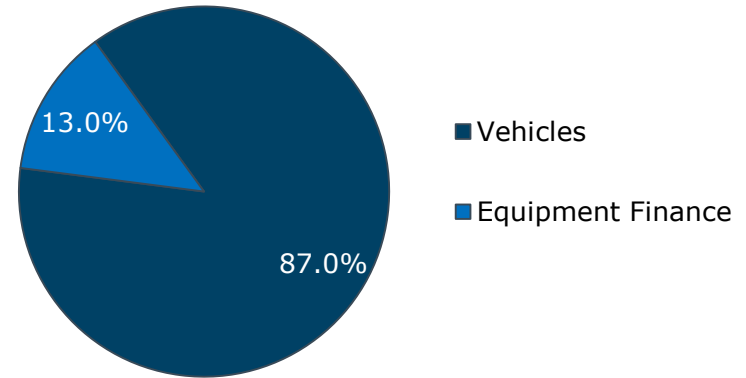
Market leader in vehicle finance and asset finance

- Largest provider of auto finance to the automotive dealer network and market leading Commercial Broker in asset finance in Australia
- Strong new business volumes and improved margin management despite the softer car market, reflecting good market share gains:
 - New business writings¹ up 9.6% HOH and 18.9% PCP
- Dealer satisfaction up from 7.2 to 7.8
- Solid momentum in Internet and phone based sales (sales up 23% HOH and PCP)
- Capability build out of Bangalore and Manilla processing hubs have improved speed to market on decisioning and loan settlements
- Significant source of new-to-bank customers:
 - ~ 4,500 new business customers introduced to the ANZ Group from Esanda cross sell initiatives in the past 18 months
 - Cross sell to Broker asset finance clients via premium partner proposition remains the market leading strategy.

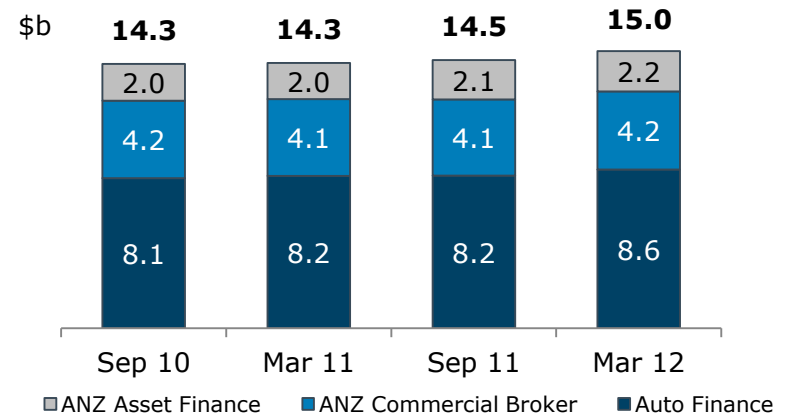
Outcome

- Strong Revenue growth of +4% HOH and +10% PCP
- Positive Lending momentum up 3% HOH and 4% PCP.

Esanda Group lending composition by assets (Mar 12)



Net loans and advances by lines of business (Mar 12)



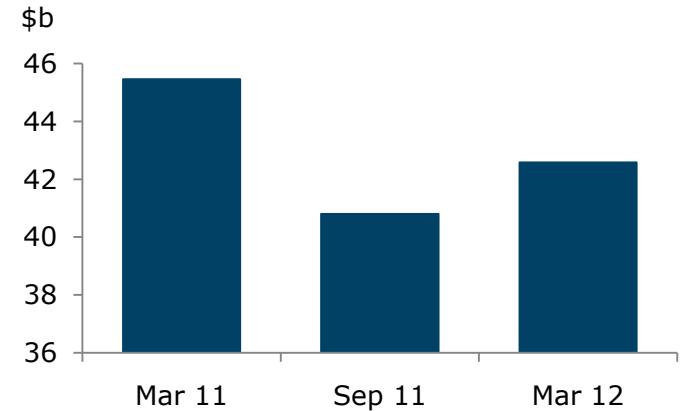
1. Writings covering Auto Finance, Broker and Asset Finance

Wealth (OnePath superannuation, Investments & Insurance and ANZ Private)

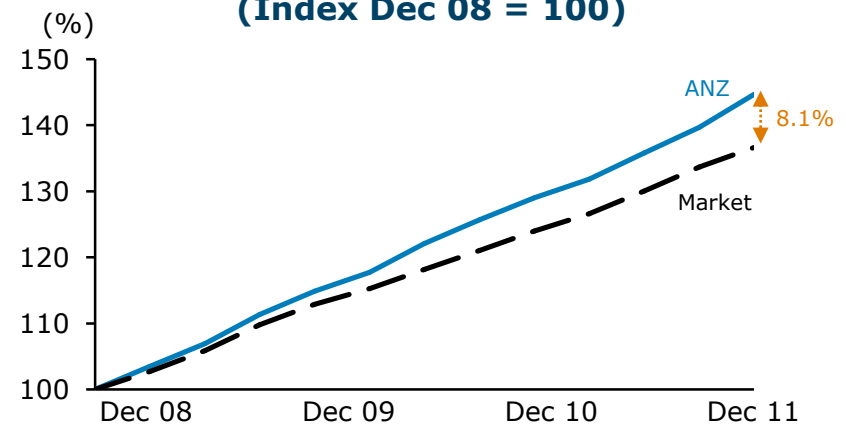
Business Performance¹

- NPAT down 9% reflecting higher funding costs, reduced trading volumes in E*Trade and increased operating expenses
- Net funds management and insurance income up 4% driven by trends in the individual in-force book and realisation of project benefits from investment management and custodial arrangements, partially offset by adverse claims and life lapse rate experience
- Expense growth +5% reflects continued investment in growth initiatives as well as seasonality
- FUM up 4%. Volumes negatively impacted by adverse equity investor market sentiment
- Annual in-force premiums down 3% (up 4% PCP)
- Improved ANZ channels penetration
 - Launched simple super and life insurance product on anz.com and simple insurance offerings via the branch network, which are gaining sales momentum
 - Improved productivity and sales momentum in ANZFP, sales revenue up 12% to end February (FYTD)
- Well prepared for new regulatory environment - New 'Fee For Service' adviser offering exceeds \$1bn FUM pre FoFA
- Strong retail life insurance sales (#1 in IFA sales for 8 consecutive quarters), growth in individual risk in-force ahead of system
- Strengthened investment management capability and platform functionality (e.g. ANZ term deposits on platform nearing \$1bn since Sep 11 launch).

Funds under management (end of period)



Individual Risk In-force² (Index Dec 08 = 100)



1. All comparisons HOH unless otherwise indicated
 2. Source: Plan for Life



12

HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2011

**Divisional Performance
Asia Pacific, Europe & America
(APEA) Division**



APEA an increasing contributor to group revenue through continued execution of Super Regional strategy

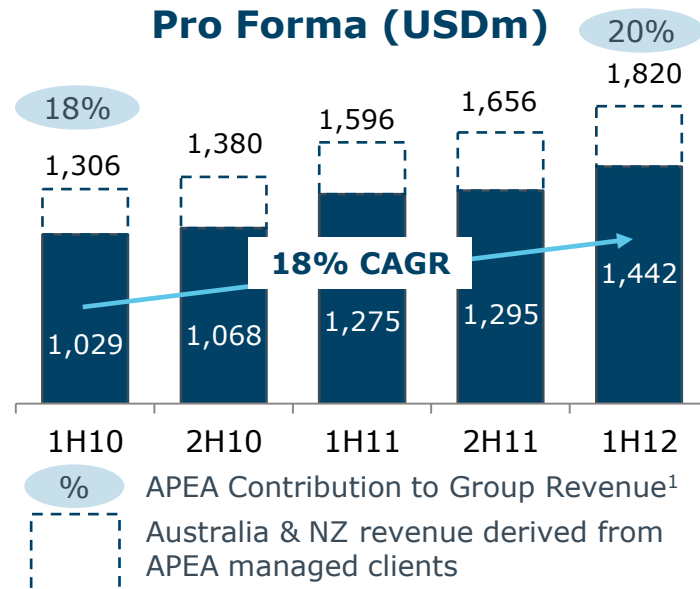
APEA contributed 20%¹ of Group revenue in 1H12...

- NPAT growth of 21% HoH (11% PCP)
- Jaws were +5% with income up 11% and expenses increasing 6%
- Customer deposits grew by 17% (USD11b) and lending increased by 12% (USD5b).

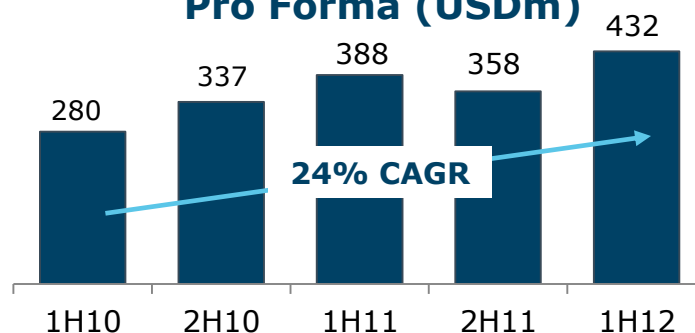
... as we continue to execute on our long term Super-regional strategy ...

- Connectivity is a key competitive differentiator for ANZ
 - 4% of Group revenue was booked in Australia and New Zealand but derived from APEA
 - 46% CAGR growth in Intra-APEA cross border income since 1H10
- Balance sheet strength – improving deposit base and credit quality
- Prioritised investment, with USD54 million increased spend largely focused on technology and infrastructure
- Growth and competitiveness in our target segments
 - Recognised as a Top 5 corporate bank in Asia by the Greenwich Large Corporate Banking Survey 2012
 - Active customers in Asia Institutional grew by 9% HOH
 - Awards for retail deposit offering in Indonesia² and Hong Kong³

APEA Revenue Pro Forma (USDm)



APEA NPAT Pro Forma (USDm)



1. Includes an additional proportion of Group revenue reported in Australia and New Zealand from APEA managed customers.

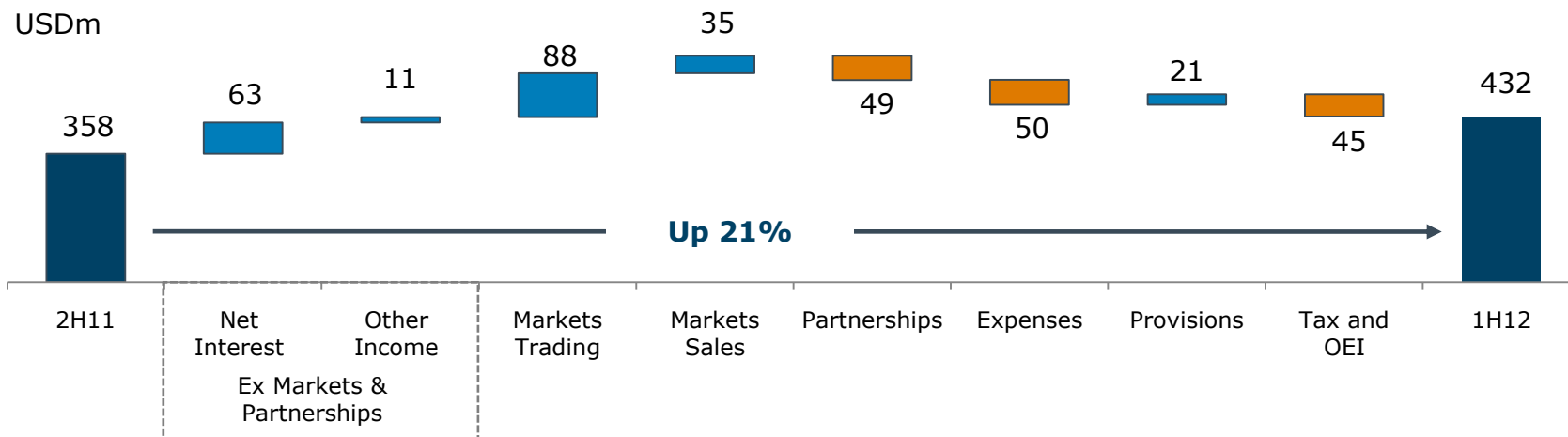
2. ANZ Super Savings Account won the "Service to Care Award 2012" 3. ANZ Hong Kong was named the Best Deposits Service Bank at the 12th 'Capital' Outstanding Enterprise Awards



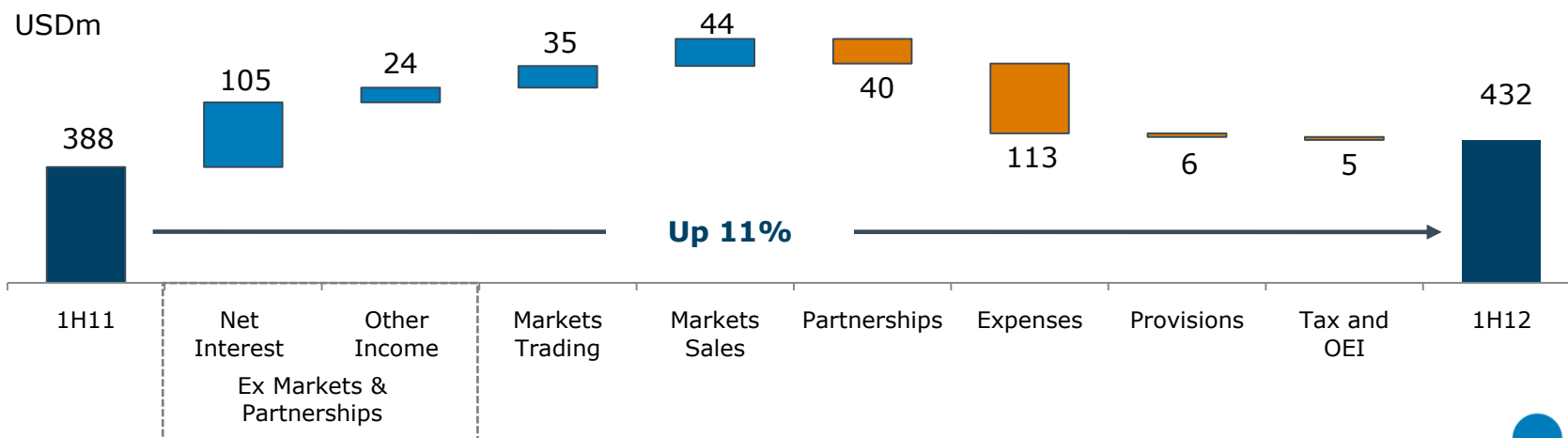
APEA performance a result of strong income momentum and effective cost management

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NPAT movement – 1H12 v 2H11



NPAT movement – 1H12 v 1H11



Revenue growth is driven by focus on our priority geographies, customer segments and products

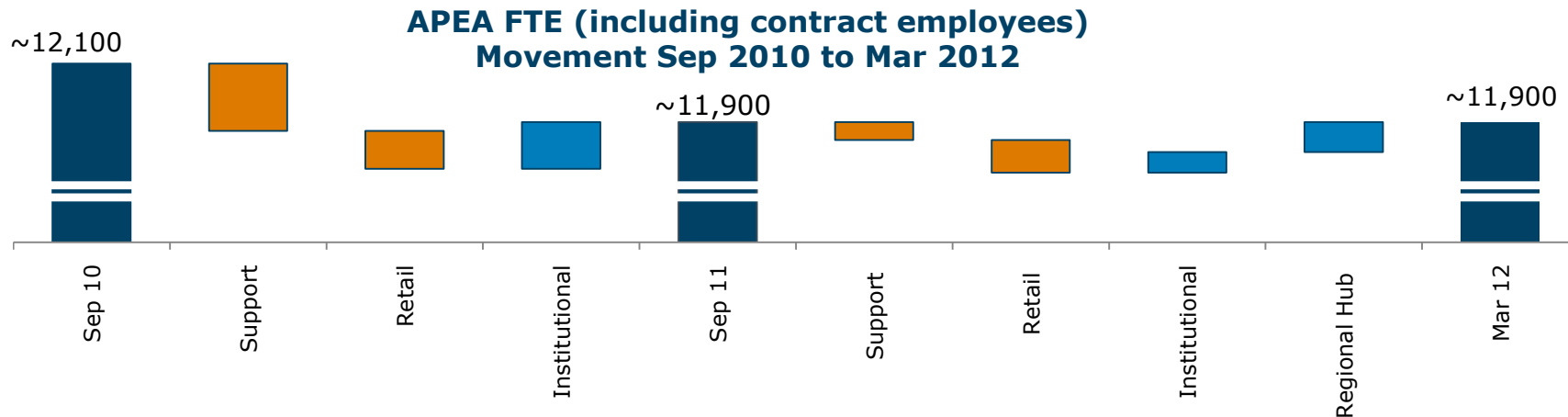
	Geographies	Customer Segments	Products																																																						
Strategic Priorities	Franchise Markets <ul style="list-style-type: none"> Greater China Singapore Greater Mekong Indonesia India The Pacific 	Institutional <ul style="list-style-type: none"> Natural Resources Agriculture Infrastructure Financial Institutions Multinationals 	Institutional & Commercial <ul style="list-style-type: none"> Cash Management Trade Foreign Exchange Global Capital Markets 																																																						
	Network Markets <ul style="list-style-type: none"> Europe America Japan Korea 	Commercial Retail, Wealth & Private Bank <ul style="list-style-type: none"> Affluent & Emerging Affluent High Net Worth 	Retail & Private Bank <ul style="list-style-type: none"> Investments & Insurance Deposits 																																																						
Revenue Growth	<table border="1"> <caption>Revenue Growth by Geography</caption> <thead> <tr> <th>Geography</th> <th>1H12 v 2H11</th> <th>1H12 v 1H11</th> </tr> </thead> <tbody> <tr> <td>Greater China</td> <td>16%</td> <td>24%</td> </tr> <tr> <td>India</td> <td>27%</td> <td>71%</td> </tr> <tr> <td>Indonesia</td> <td>7%</td> <td>17%</td> </tr> <tr> <td>Greater Mekong</td> <td>19%</td> <td>13%</td> </tr> <tr> <td>Singapore</td> <td>28%</td> <td>5%</td> </tr> </tbody> </table>	Geography	1H12 v 2H11	1H12 v 1H11	Greater China	16%	24%	India	27%	71%	Indonesia	7%	17%	Greater Mekong	19%	13%	Singapore	28%	5%	<table border="1"> <caption>Revenue Growth by Customer Segment</caption> <thead> <tr> <th>Customer Segment</th> <th>1H12 v 2H11</th> <th>1H12 v 1H11</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>35%</td> <td>59%</td> </tr> <tr> <td>Natural Resources</td> <td>31%</td> <td>51%</td> </tr> <tr> <td>Financial Institutions</td> <td>25%</td> <td>43%</td> </tr> <tr> <td>Agriculture</td> <td>24%</td> <td>41%</td> </tr> <tr> <td>Affluent & Emerging Affluent</td> <td>5%</td> <td>3%</td> </tr> </tbody> </table>	Customer Segment	1H12 v 2H11	1H12 v 1H11	Commercial	35%	59%	Natural Resources	31%	51%	Financial Institutions	25%	43%	Agriculture	24%	41%	Affluent & Emerging Affluent	5%	3%	<table border="1"> <caption>Revenue Growth by Product</caption> <thead> <tr> <th>Product</th> <th>1H12 v 2H11</th> <th>1H12 v 1H11</th> </tr> </thead> <tbody> <tr> <td>Trade</td> <td>37%</td> <td>63%</td> </tr> <tr> <td>Foreign Exchange Sales</td> <td>20%</td> <td>47%</td> </tr> <tr> <td>Cash Management</td> <td>14%</td> <td>44%</td> </tr> <tr> <td>Retail Deposits</td> <td>12%</td> <td>16%</td> </tr> <tr> <td>Investments & Insurance</td> <td>6%</td> <td>14%</td> </tr> </tbody> </table>	Product	1H12 v 2H11	1H12 v 1H11	Trade	37%	63%	Foreign Exchange Sales	20%	47%	Cash Management	14%	44%	Retail Deposits	12%	16%	Investments & Insurance	6%	14%
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Achievements	<ul style="list-style-type: none"> Singapore, Hong Kong, Indonesia, PNG and Europe and America all delivered >\$100 million total effort revenue¹ Continued strong performance in Greater Mekong 	<ul style="list-style-type: none"> Commercial growth focused on four priority countries Continued strong growth in priority Institutional segments based on deepening customer insights 	<ul style="list-style-type: none"> Continued strong growth in Trade Cash management platform launched in Singapore and Hong Kong and on track for further regional rollout Continued growth in retail deposit base 																																																						

1. Total effort revenue includes revenue 'thrown' into other geographies



We utilise strong expense discipline in order to fund deployment of revenue generating headcount

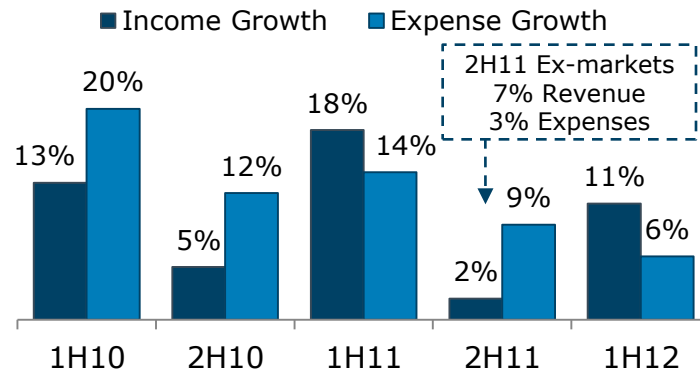
A focus on reducing back-office costs while continuing to invest in revenue-generating capabilities...



...driving real impact on the performance of business

- **1H12 Revenue / Expense jaws 5%**
- **Improving Cost to Income 59% 1H12 (62% 2H11)**
- **Strong HOH revenue growth in areas of investment;**
 - Foreign Exchange sales Up 20%
 - Cash Management Up 14%
 - Trade Up 37%
 - Commercial segment Up 35%

Revenue & Expense Growth Pro Forma USD HOH



In addition, we are continuing to optimise our footprint in order to fund growth investments

Continuing to rationalise sub-scale businesses...

- Sold Wing, our Cambodia mobile payments platform, to focus on our ANZ Royal joint venture in the country
- Sold our stake in Vietnam's Sacombank, to focus on our own business in the country

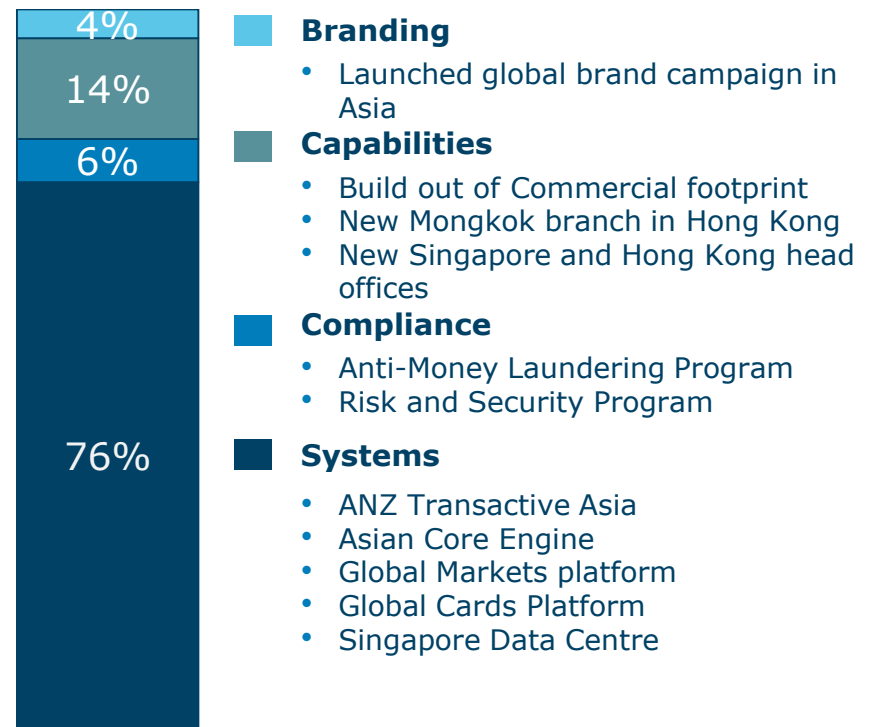
... and optimise footprint to serve customers most efficiently...

- Rationalising our branch network in Taiwan to best serve affluent and emerging affluent customers
- Rationalising our branch network in the Pacific (Solomon Islands, Samoa, Tonga & Vanuatu)
- Rationalised Regional offices in Hong Kong & Singapore and premises in Taiwan and Indonesia

...in order to fund additional growth investment

Additional investment 1H12¹

USD54m



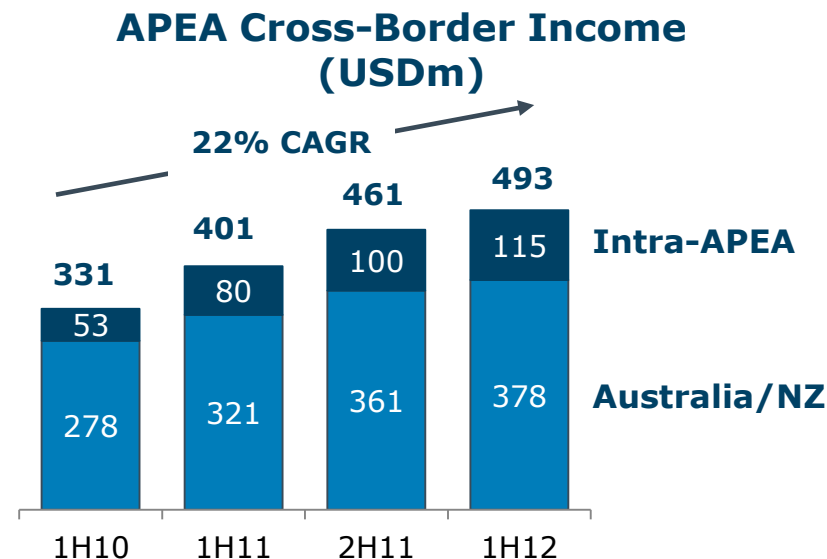
1H12

1. Incremental 1H12 v 2H11 investment spend, inclusive of capitalised project expenditure associated with ANZ Transactive Asia and Asian Core Engine

Connectivity is a key differentiator for ANZ, driving cross-border revenue growth across the network

Intra APEA connectivity becoming increasingly important

- ANZ's APEA business intra region cross-border revenues have achieved CAGR of 46% from 1H10 to 1H12 (Up 15% HOH / 43% PCP)
- Trade transaction volume increased 34% PCP
- Offshore customers represent 33% of our Retail Banking customer base in Singapore and Hong Kong
- 532 Asian Institutional clients have an active relationship with ANZ in 3 or more jurisdictions

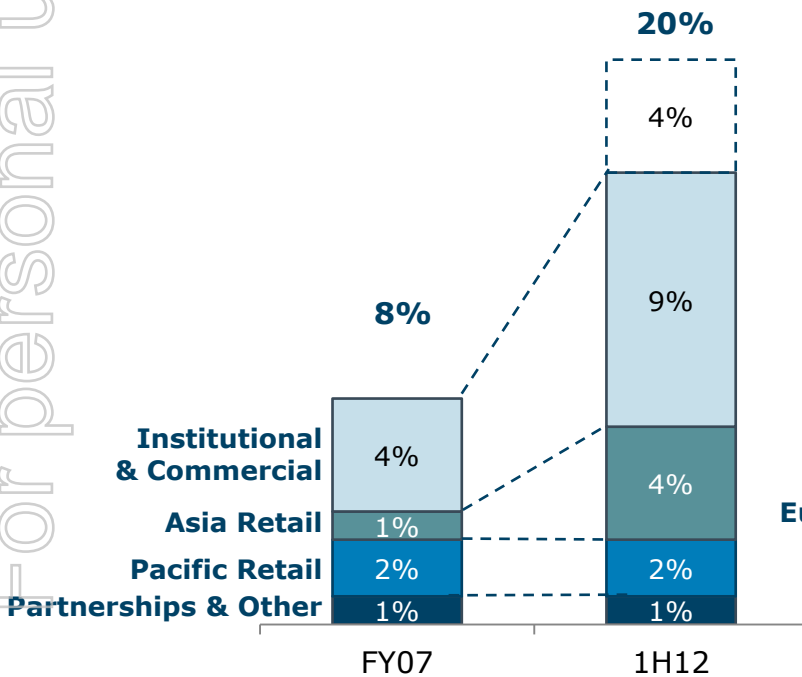


Institutional	<ul style="list-style-type: none"> • Continue to develop connectivity in key markets of Singapore, Hong Kong, India, China and Indonesia • Ramping up Europe & America 'throw' into Asian network off strong base of 'throw' into Australia and New Zealand • Focus on simplifying on-boarding processes across borders to ensure seamless customer interactions across the network
Retail & Wealth	<ul style="list-style-type: none"> • Initiatives implemented to capture Retail connectivity in the region have resulted in a 5 fold increase in cross-border referrals HoH
Partnerships	<ul style="list-style-type: none"> • Partners leverage ANZ's core capabilities in Australia and other markets for customer referrals and connectivity <ul style="list-style-type: none"> ➢ e.g. SRCB and AMMB customers moving to Australia can open ANZ Australia accounts prior to arriving in Australia

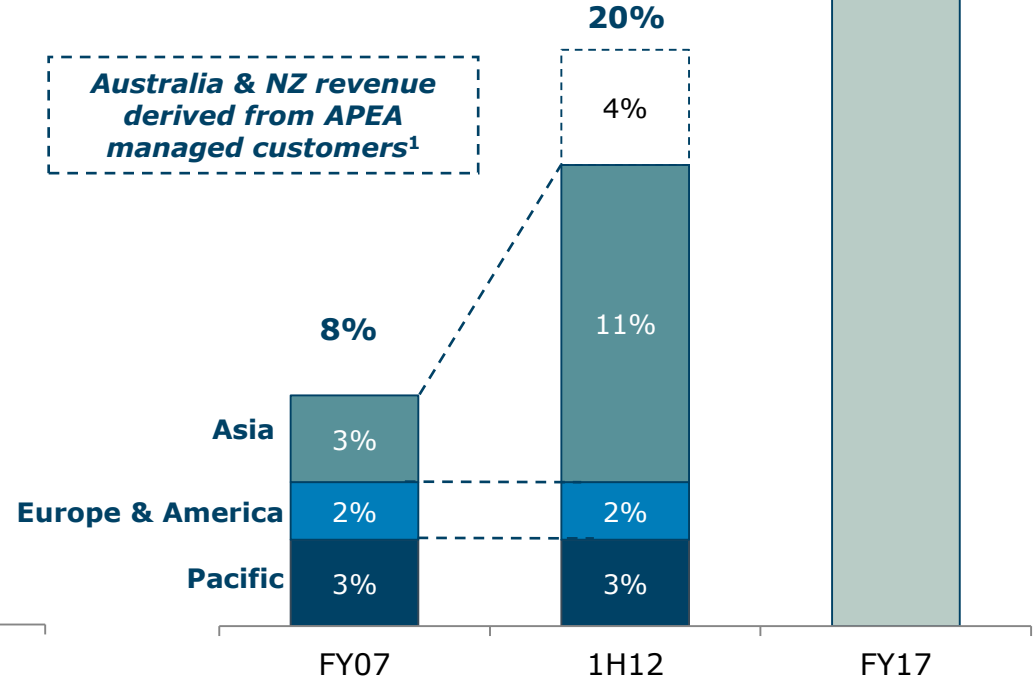
Focus on Asia has grown APEA's contribution to 20% of ANZ Group revenue, on our way to 25-30% by 2017

APEA Contribution to Group Revenue

By Segment



By Geography



Driving 25 to 30% of Group earnings by 2017

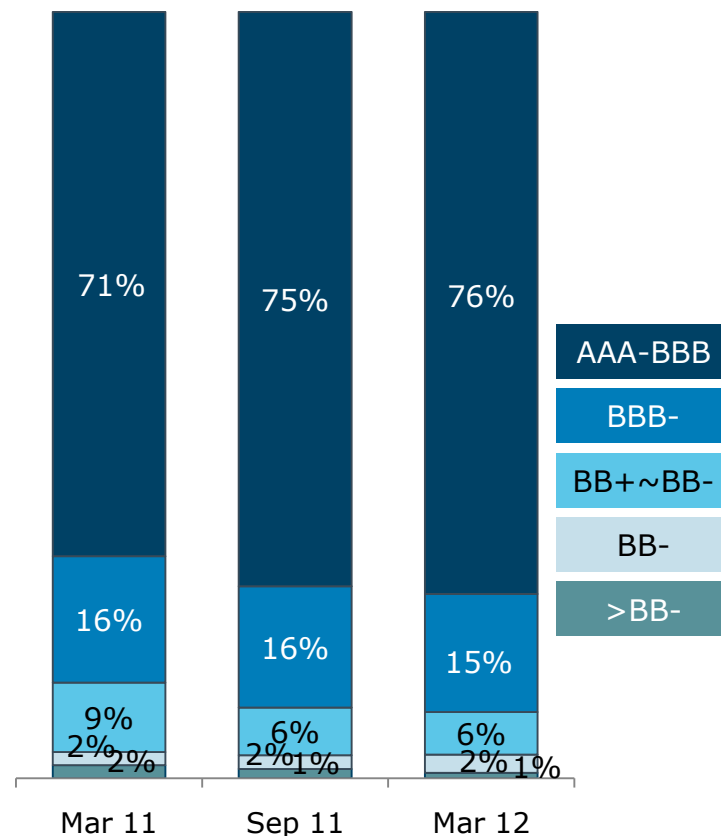
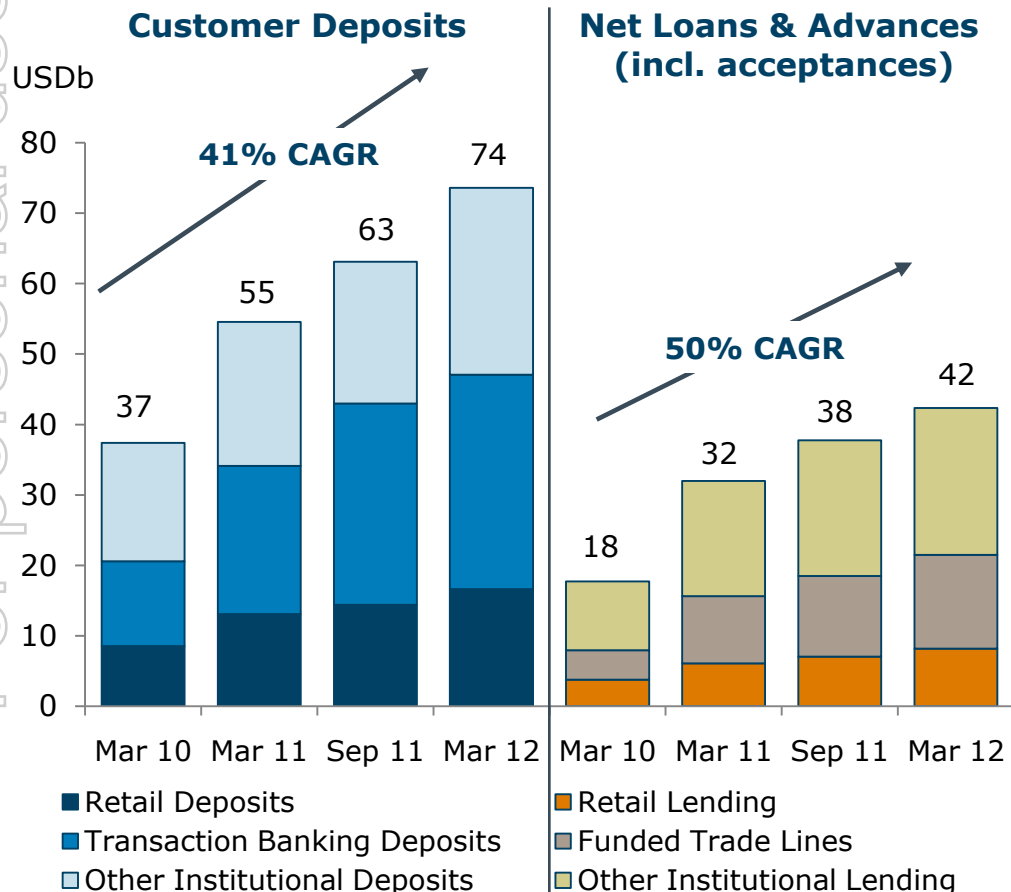
1. Australia & NZ revenue derived from APEA not available for FY07

APEA continues to grow its deposit base, with strong credit quality in the loan book

- Significant volume growth
- Retail Asia deposits up 20% HOH
- 31% of APEA lending book represents funded trade lines. These have an average tenor of 3 months
- Self funding, Loan to Deposit ratio of 58%

APEA Institutional Risk Grade profile by Exposure at Default

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APEA Institutional revenue up 26% on continued client acquisition and deepening wallet share

Revenue up 26% on prior comparative period

- Growth across all products and sectors, in particular Trade, Cash Management and Foreign Exchange

Continuing momentum on client acquisition

- ANZ recognised as a top 5 Corporate Bank in Asia. Five years ago, ANZ was outside the Top 20¹
- ANZ market penetration has grown to 28% in 2011¹
- 20% growth in client numbers on 1H11 – focus on multinationals, financial institutions and local corporates
- Deepening industry specialisation model to improve customer insight

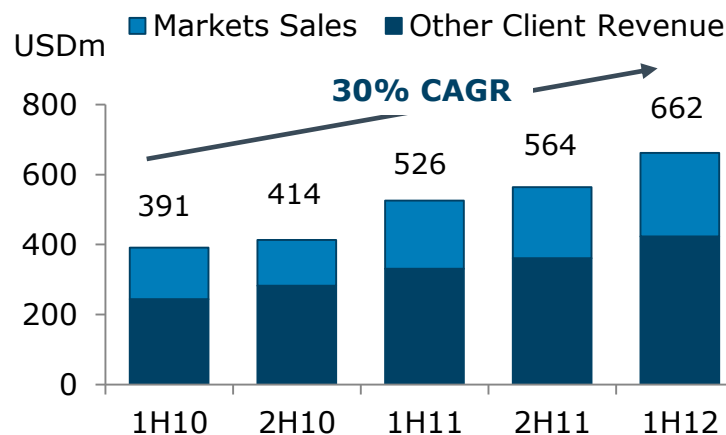
Deepening wallet share as product capability grows

- Increasing cross-sell across products and geographies to improve revenue quality and diversification. Top 50 client revenue has grown 15% pcp, whilst customer concentration reduced
- Delivery of regional transaction banking cash platform remains on track
- Global Markets product expansion and platform development
- Ongoing investment in priority products and markets

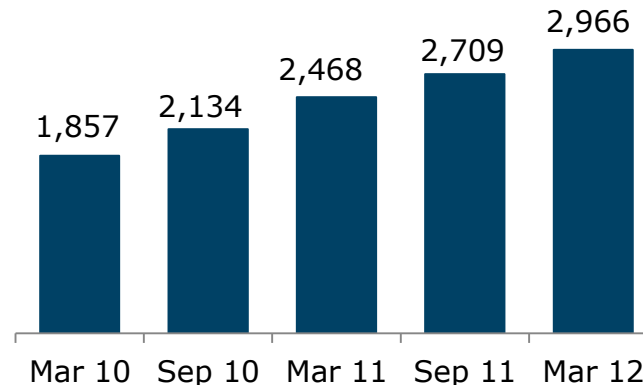
Improving efficiency and productivity

- CTI of 44% improved 1.0% on 1H11
- Improving customer onboarding processes
- Hubbing key processes an ongoing focus on efficiency in all parts of the business

APEA Institutional Client Revenue Pro Forma²



Asia Institutional Clients



1. Greenwich Large Corporate Banking Survey, 2012

2. Includes APEA Commercial revenue

We continue to build out the Commercial segment utilising Institutional product capabilities

Commercial segment revenues up 59% PCP as customer franchise strengthens

Country build out

- Focused build-out in Hong Kong, Singapore, Taiwan and Indonesia
- Hired experienced Commercial Relationship Managers and right support staff to increase bench strength
- Re-organised regional and country teams to align to target segments

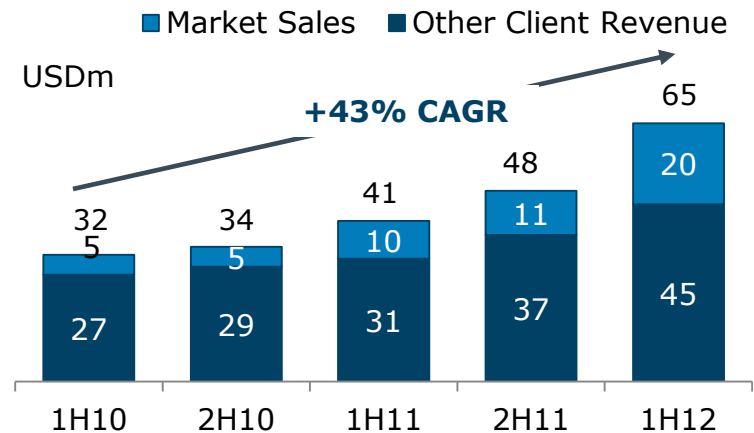
Growing client base and deepening relationships

- Commercial clients grew 35% PCP

Increase cross-sell, particularly of trade and markets products

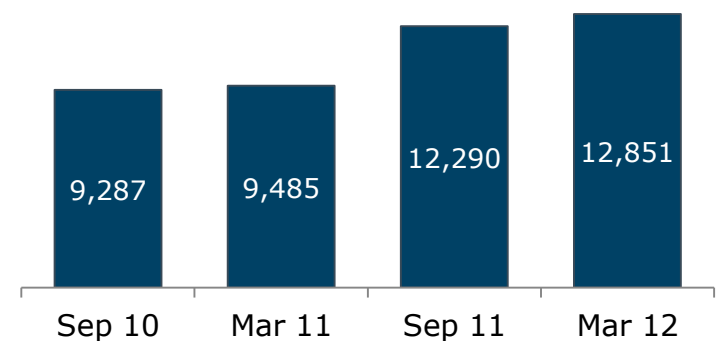
- Number of products per customer increased from 1.69 to 2.03 in 1H12 across the portfolio
- Trade cross-sell to markets clients increased 14% in 1H12

Commercial Client revenue growing¹



Client numbers continue to grow

Commercial Asia Client Numbers²



1. Pro Forma basis adjusted for RBS acquisition

2. Includes retail transfer in Vietnam Aug 11

APEA Retail – Continued focus on growing affluent and emerging affluent while repositioning the portfolio

Delivering growth amidst portfolio reshaping

- Revenue up 4% HoH
- Fee income represents 38% of total revenue
- Investment & Insurance focus delivered 24% of total revenue

Robust customer acquisition and cross sell activity

- Continued to grow Affluent banking customer base – acquisitions more than doubled compared to 1H11
- Product holdings per customer for affluent segment average 5.6

Portfolio repositioning

- De-risked credit card & unsecured loans in Taiwan, Indonesia and Hong Kong
- Out-segment portfolio balance declined by A\$100m over the last 18 months, resulting in improved credit quality

Strong Balance Sheet Growth contributing funds to the overall business

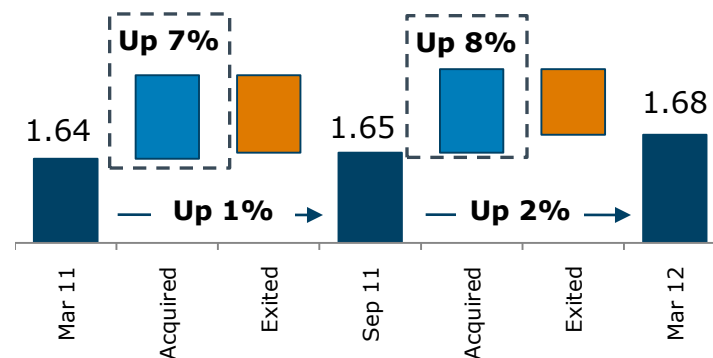
- Continue to grow our funding base with 16% deposit growth overall HoH (24% growth in Asia)

Investments continue to support further growth

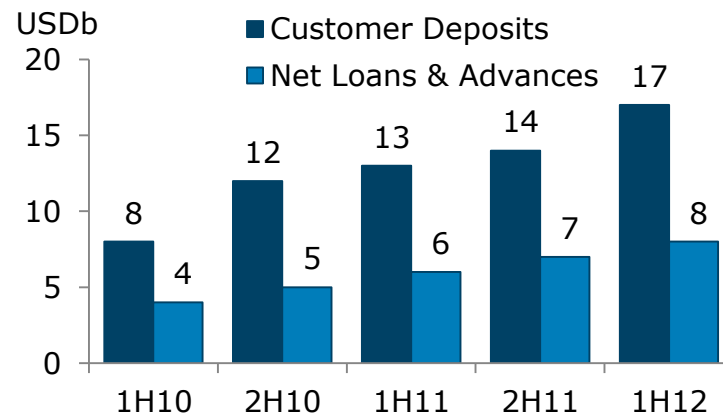
- Continued investment in people, product, brand and infrastructure
- Asia Retail CTI improved by 2% HOH

Underlying growth in core customers through period of portfolio repositioning

Asia Retail Customer Movement (millions)¹



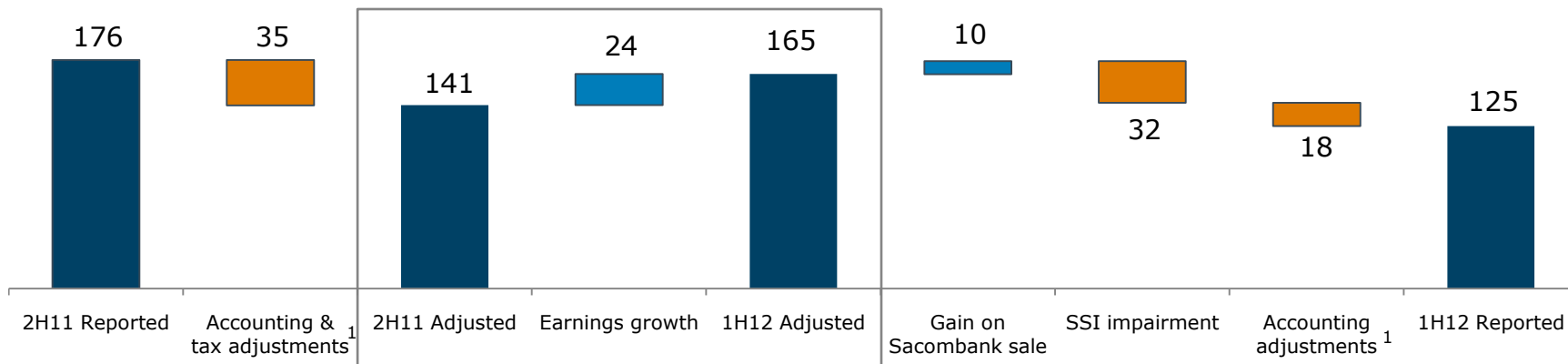
A Growing Funding Base



1. Client movement across Deposits, Cards, Mortgages, Personal Loans and Investments & Insurance product categories.

Accounting charges impacted partnership performance which is led by four significant contributors

Partnerships NPAT 1H12 v 2H11 (USDm)



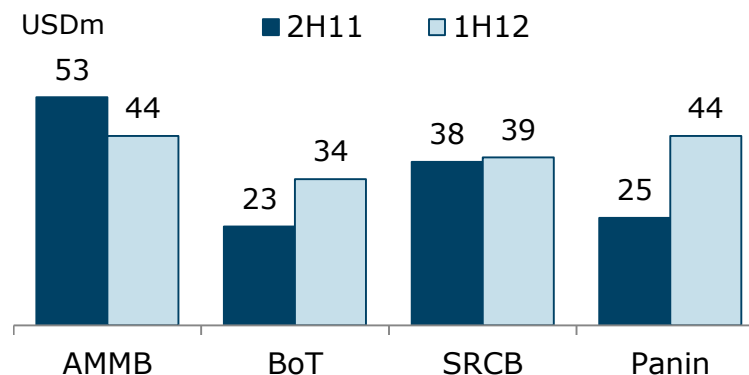
Four partnerships delivering largest contribution...

- AMMB, BoT, Panin and SRCB all delivered more than USD 25 million revenue in 1H12
- Gain on sale of Sacombank stake of USD 10 million
- Partnerships also deliver referral and other revenue across the ANZ network

...impacted by accounting adjustments and SSI impairment

- USD35 million of positive accounting impacts in 2H11 and negative USD18 million accounting impacts in 1H12
- 1H12 SSI impairment charge of USD 32 million

Adjusted NPAT contribution by Partnership



1. Earnings recognised by ANZ differ from published results of partnerships due to application of IFRS, Group accounting policies and acquisition adjustments.

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12

HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

Divisional Performance
Institutional Division



Institutional is growing NPAT by diversifying into non-lending revenue streams

Diversifying revenue streams to reduce reliance on lending

- Trade & Supply Chain revenue up 22%¹ HOH
- Cash management revenue up 9%
- Markets sales revenue up 16% HOH
- Transaction banking represented 27% of Institutional revenue (23% 1H11)

Increasing geographic diversification

- APEA 29% of Institutional revenue 1H12 (20% FY10, 25% FY11)

Focus on sectors with existing strength and potential for ANZ to differentiate

- **Natural Resources**
Revenue up 20% HOH, up 31% PCP
- **Financial Institutions**
Revenue up 15% HOH, up 26% PCP
- **Infrastructure**
Revenue down 15% HOH, up 14% PCP
- **Agriculture**
Revenue down 2% HOH, down 3% PCP

Improving cost efficiency

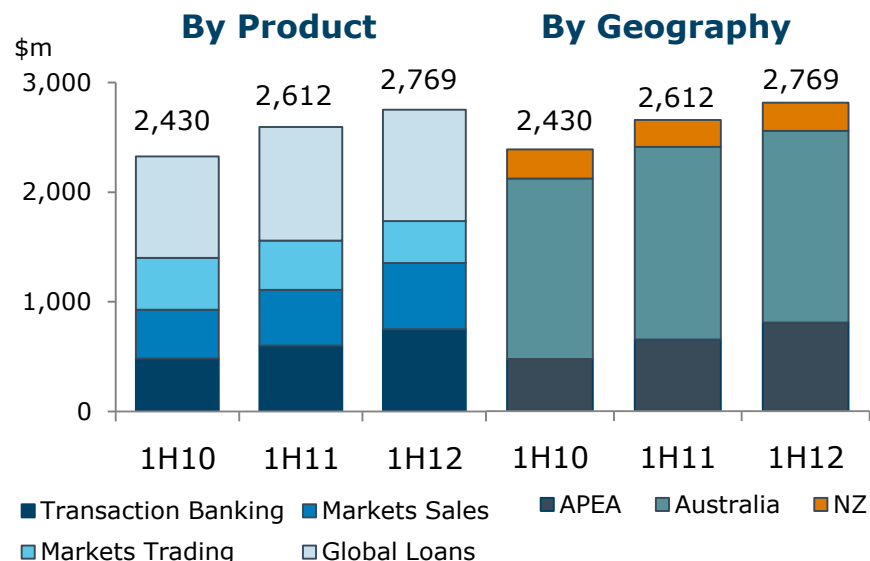
- Positive JAWS (Operating Income growth - Expense growth) +13% HOH

Improving risk profile of business

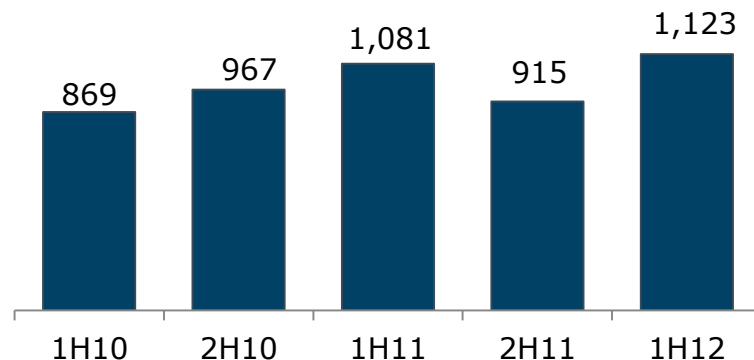
- Weighted average credit scores within the loan portfolio have continued to improve with 84% of the book now rated higher than BBB-
- Net impaired assets down 9%

1. Excludes non-trade related guarantees

Institutional Revenue Mix (\$m)



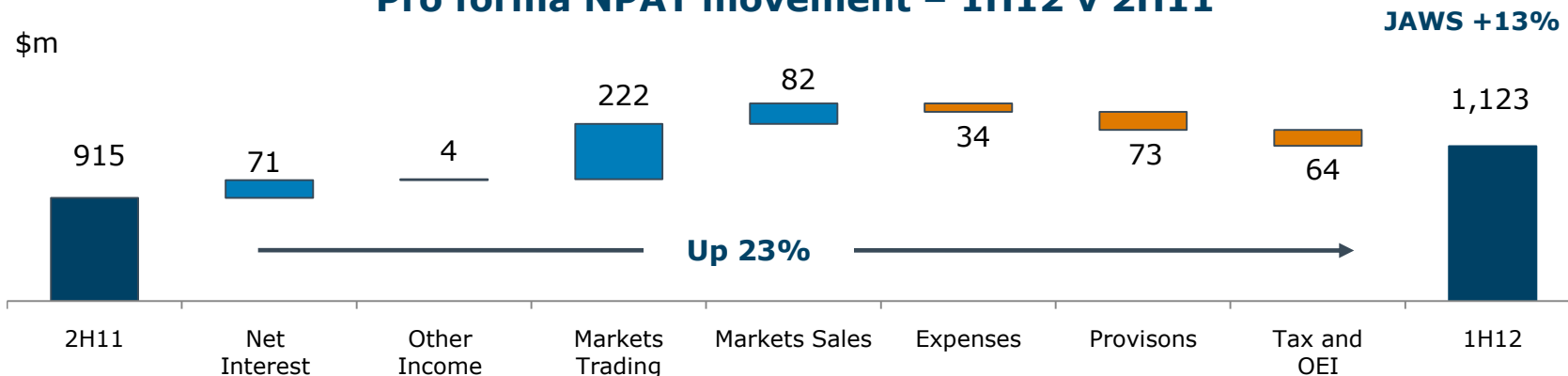
Institutional Division Pro Forma NPAT (\$m)



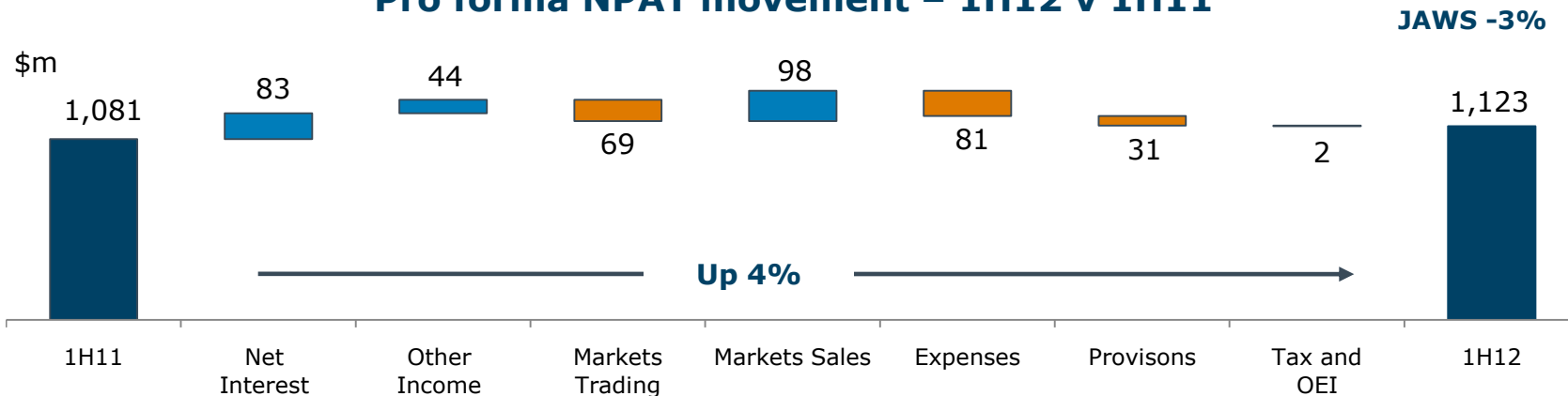
Institutional NPAT up 23% HoH as a result of improved Markets revenue and effective expense control

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Pro forma NPAT movement – 1H12 v 2H11

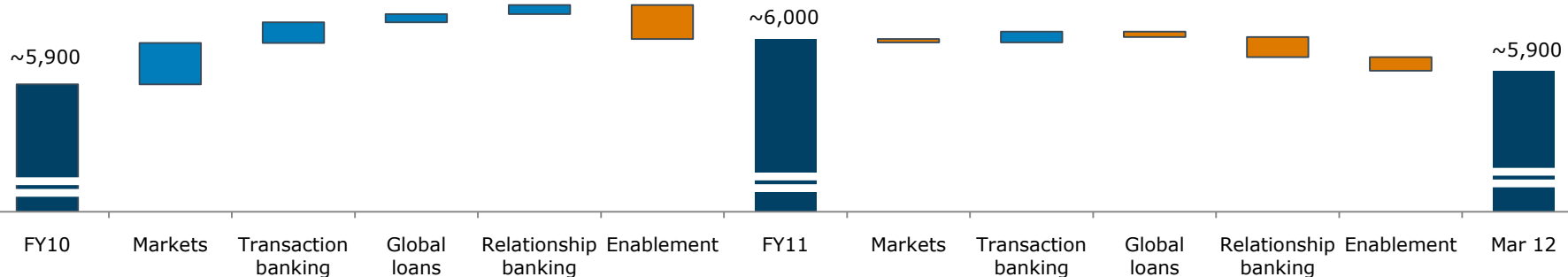


Pro forma NPAT movement – 1H12 v 1H11

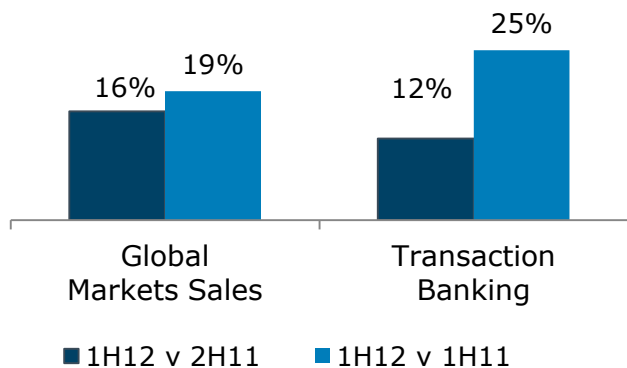


Focus on efficiency enabling Institutional to invest in targeted front-line areas, delivering revenue growth

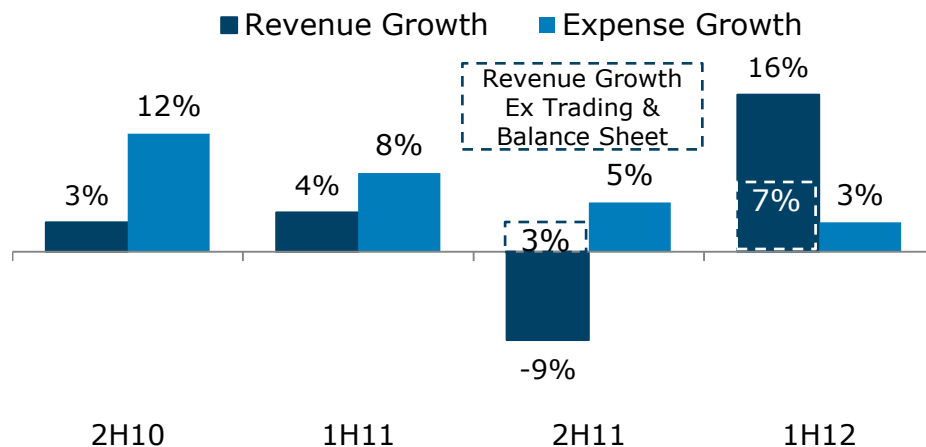
Institutional FTE including contractors



Growing revenue in areas of investment...



...Delivering improved JAWS



Continuing to capture greater share of international flows into Australia and fast growing intra Asian trade

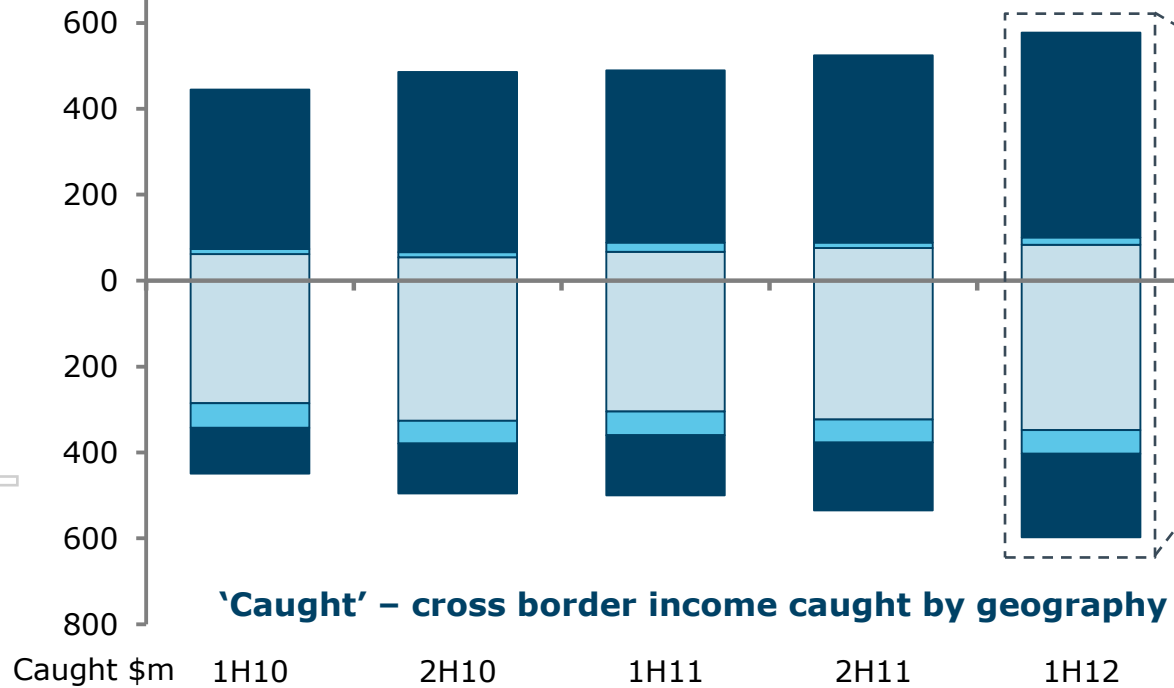
Institutional Cross Border Income

Thrown \$m

■ APEA
 ■ Australia
 ■ New Zealand

'Thrown' – cross border income thrown by geography

Institutional Income 1H12



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Continued focus on APEA, target customer segments and products that drive revenue growth

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	Geographies	Customer Segments	Products																																													
Key Achievements Revenue Growth	<p>APEA growth driving geographic diversification</p> <ul style="list-style-type: none"> APEA revenues grew 29% HOH and now represent 29% of Institutional revenue Australia revenue up 13% HOH recovering from a particularly challenging market conditions in the prior half New Zealand revenue up 1% HOH 	<p>Continued strong performance in Financial Institutions and Natural Resources. Agriculture impacted by portfolio repositioning and Infrastructure by revenue from larger deals booked 2H11</p> <ul style="list-style-type: none"> FIG Asia now accounts for 30% of our global FIG revenues, up from 25% in 1H10, driven mainly by a deepening of our franchise across the region Agriculture revenue growth of -2% HOH largely driven by repositioning of Agri portfolio Infrastructure revenue growth of -15% HOH the result of larger one-off deals in 2H11 	<p>Reducing reliance on balance sheet lending revenues and trading volatility</p> <ul style="list-style-type: none"> Markets sales up 16%, with FX sales revenues now representing 51% of total Global Markets revenue ANZ Transactive driving customer acquisition (up 5%) and improved cross-sell TSC sales capability strengthened across Asia with revenue up 45% and now representing 58% of TSC global revenue¹ 																																													
	<table border="1"> <caption>Geographies Revenue Growth</caption> <thead> <tr> <th>Geography</th> <th>1H12 v 2H11</th> <th>1H12 v 1H11</th> </tr> </thead> <tbody> <tr> <td>APEA</td> <td>29%</td> <td>24%</td> </tr> <tr> <td>Australia</td> <td>13%</td> <td>-1%</td> </tr> <tr> <td>New Zealand</td> <td>1%</td> <td>5%</td> </tr> </tbody> </table>	Geography	1H12 v 2H11	1H12 v 1H11	APEA	29%	24%	Australia	13%	-1%	New Zealand	1%	5%	<table border="1"> <caption>Customer Segments Revenue Growth</caption> <thead> <tr> <th>Segment</th> <th>1H12 v 2H11</th> <th>1H12 v 1H11</th> </tr> </thead> <tbody> <tr> <td>Natural Resources</td> <td>20%</td> <td>31%</td> </tr> <tr> <td>Financial Institutions</td> <td>18%</td> <td>26%</td> </tr> <tr> <td>Agriculture</td> <td>-2%</td> <td>-3%</td> </tr> <tr> <td>Infrastructure</td> <td>-15%</td> <td>14%</td> </tr> <tr> <td>Global Diversified</td> <td>9%</td> <td>2%</td> </tr> </tbody> </table>	Segment	1H12 v 2H11	1H12 v 1H11	Natural Resources	20%	31%	Financial Institutions	18%	26%	Agriculture	-2%	-3%	Infrastructure	-15%	14%	Global Diversified	9%	2%	<table border="1"> <caption>Products Revenue Growth</caption> <thead> <tr> <th>Product</th> <th>1H12 v 2H11</th> <th>1H12 v 1H11</th> </tr> </thead> <tbody> <tr> <td>Global Markets</td> <td>45%</td> <td>3%</td> </tr> <tr> <td>Trade & Supply Chain¹</td> <td>22%</td> <td>47%</td> </tr> <tr> <td>Cash Management</td> <td>9%</td> <td>19%</td> </tr> <tr> <td>Global Loans</td> <td>-1%</td> <td>-2%</td> </tr> </tbody> </table>	Product	1H12 v 2H11	1H12 v 1H11	Global Markets	45%	3%	Trade & Supply Chain ¹	22%	47%	Cash Management	9%	19%	Global Loans	-1%	-2%
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1. Excludes non-trade related guarantees



Priority Customer Segments – capture trade flows to/from Asia while maintaining domestic position

Natural Resources	Infrastructure	Agriculture																																																						
<ul style="list-style-type: none"> Our focus is on capturing Australia/NZ - Asia/Pacific trade flows and remaining the lead bank to sector in Australia Built an experienced regional leadership team APEA booked revenue up 32% HOH and now represents 52% of global segment revenue 	<ul style="list-style-type: none"> Dominant infrastructure specialist in Australia and New Zealand with focus on supporting customers in the Asia Pacific region APEA booked revenue now represents 18% of global segment revenue 	<ul style="list-style-type: none"> A primary focus on Agri customers linked into trade across the Asia Pacific region An emphasis on providing markets, working capital and trade and supply chain solutions A focus on positioning Australia / New Zealand franchise towards growing Asia Pacific trade linkages A growing Asian franchise with APEA booked revenue up 24% HOH 																																																						
<table border="1"> <caption>Natural Resources Performance</caption> <thead> <tr> <th>Period</th> <th>Revenue (\$m)</th> <th>Clients</th> </tr> </thead> <tbody> <tr> <td>1H10</td> <td>190</td> <td>500</td> </tr> <tr> <td>2H10</td> <td>210</td> <td>550</td> </tr> <tr> <td>1H11</td> <td>240</td> <td>650</td> </tr> <tr> <td>2H11</td> <td>260</td> <td>680</td> </tr> <tr> <td>1H12</td> <td>320</td> <td>700</td> </tr> </tbody> </table>	Period	Revenue (\$m)	Clients	1H10	190	500	2H10	210	550	1H11	240	650	2H11	260	680	1H12	320	700	<table border="1"> <caption>Infrastructure Performance</caption> <thead> <tr> <th>Period</th> <th>Revenue (\$m)</th> <th>Clients</th> </tr> </thead> <tbody> <tr> <td>1H10</td> <td>150</td> <td>200</td> </tr> <tr> <td>2H10</td> <td>160</td> <td>250</td> </tr> <tr> <td>1H11</td> <td>190</td> <td>300</td> </tr> <tr> <td>2H11</td> <td>250</td> <td>350</td> </tr> <tr> <td>1H12</td> <td>220</td> <td>380</td> </tr> </tbody> </table>	Period	Revenue (\$m)	Clients	1H10	150	200	2H10	160	250	1H11	190	300	2H11	250	350	1H12	220	380	<table border="1"> <caption>Agriculture Performance</caption> <thead> <tr> <th>Period</th> <th>Revenue (\$m)</th> <th>Clients</th> </tr> </thead> <tbody> <tr> <td>1H10</td> <td>120</td> <td>350</td> </tr> <tr> <td>2H10</td> <td>100</td> <td>380</td> </tr> <tr> <td>1H11</td> <td>130</td> <td>400</td> </tr> <tr> <td>2H11</td> <td>130</td> <td>420</td> </tr> <tr> <td>1H12</td> <td>130</td> <td>450</td> </tr> </tbody> </table>	Period	Revenue (\$m)	Clients	1H10	120	350	2H10	100	380	1H11	130	400	2H11	130	420	1H12	130	450
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Financial Institutions – building Super Regional platform to capture growing investor demand

We are building markets and transactional banking capabilities to capture investor shift to diversify investment portfolios

A focus on continued growth

Banks

- Build out Transaction Banking and GCM business based on Clearing leadership position
- Cautiously expand Trade FI business in Asia

Insurers

- Expand customer base, with a focus on Asian insurers
- Focus on building share of Transaction Banking wallet

A targeted strategy to achieve strong growth

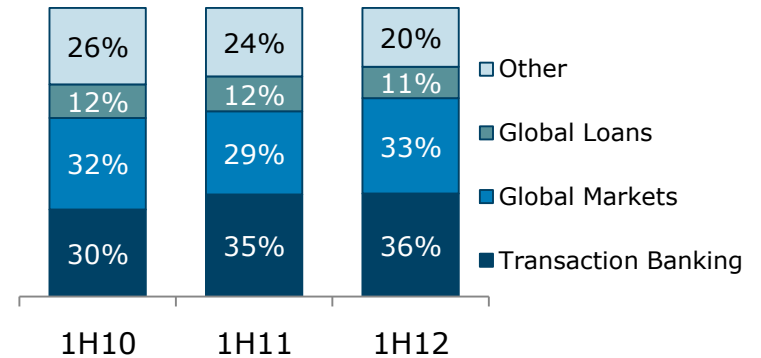
Funds

- Leverage new FX and Transactive platforms to deepen relevance with global Real Money Funds and Australian Super Funds
- Selective lending to quality names

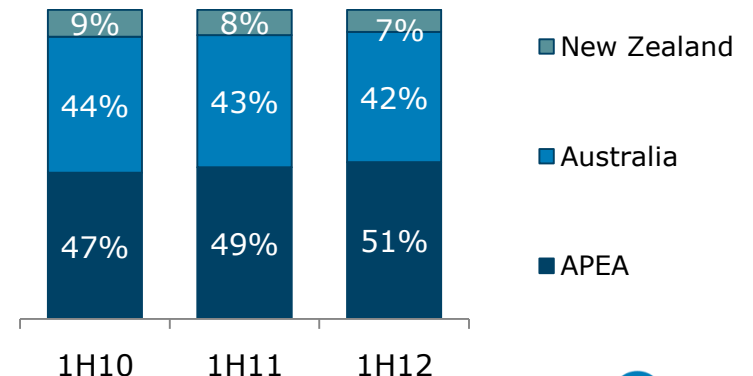
Public Sector

- Grow base globally, taking advantage of sovereign appetite for super regional assets
- Target deposits, FX, Fixed Income & Commodity sales

Greater Transaction Banking & Markets contribution
Financial Institutions
Operating income by Product



Revenue mix shifting towards Asia
Financial Institutions
Operating income by Geography



Transaction Banking – delivering superior client connectivity central to Super Regional strategy

Payments & Cash Management

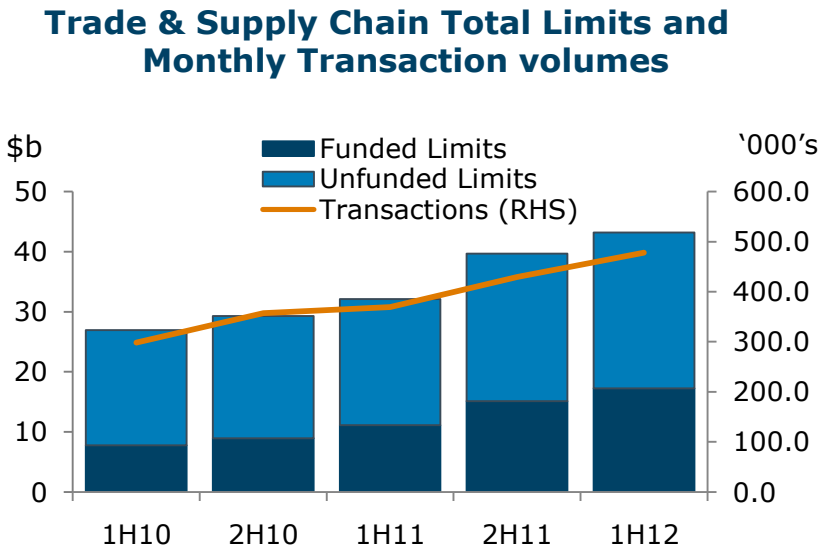
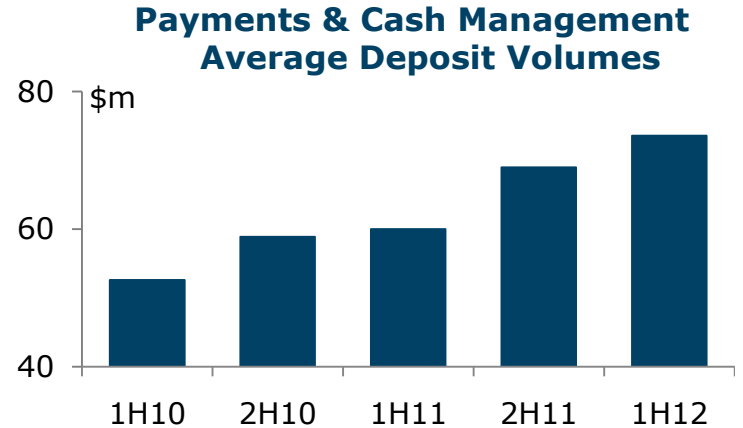
Continuing to deliver enhanced connectivity to clients

- Transactive full functionality now embedded in Australia, New Zealand, Singapore, Hong Kong & the Pacific with remaining Asian markets on line by the end of 2012
- Introducing onshore and offshore CNY payment and account capabilities enabling clients to transact in RMB
- CashActive now on-line delivering web based liquidity solutions

Trade & Supply Chain

Capturing growing regional trade flows central to Super Regional strategy

- TSC delivered \$231m revenue¹, with 47% growth PCP and Asia growing at 69% PCP
- Targeted investment in Asia is delivering strong growth – APEA TSC¹ revenue growth 35% HOH
- ANZ built further on its already market leading positions in Australia and New Zealand – ANZ is now the lead trade bank for over 28% of ‘Institutional’ customers in Australia²
- A regional trade network of over 500 trade specialists, utilising a common platform and dedicated processing ‘hubs’



1. Excludes non-trade related guarantees. 2. ‘East & Partners’ Australian Trade Finance Markets report, 2012.



Global Markets - continued focus on diversification and growing client driven revenue

Since 2010, we have been executing on our strategy to diversify our business increasing our product offering and global footprint

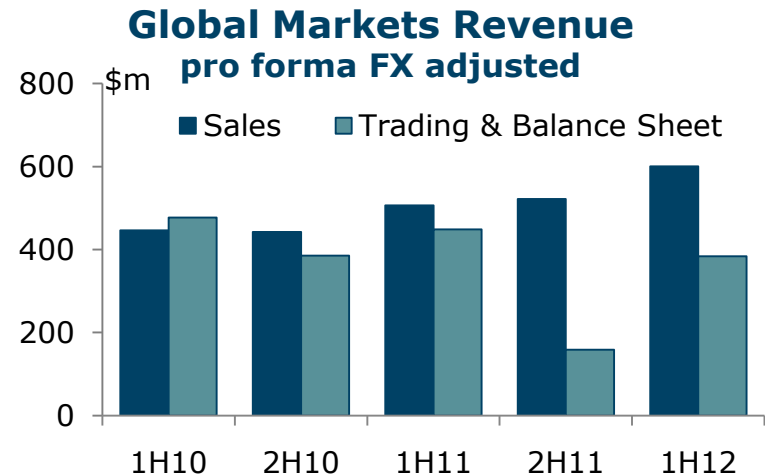
Our strategy has delivered revenue growth of 45% over 2H11 and 3% over 1H11

We have focused on growing non-trading revenue by differentiating our sources of revenue...

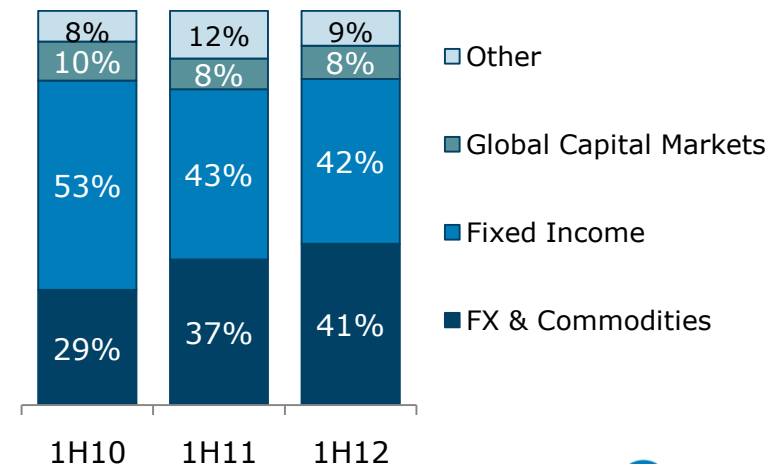
- Sales has performed strongly (up 16% from 2H11) across all geographies and products
- APEA region has grown by 42% over 2H11 reflecting the our investment in regional capabilities
- FX business benefited from its 2011 expansion with revenue up 14% from 2H11
- Fixed Income revenue grew by 91%, rebounding from the challenging trading conditions in 2H11

...and have remained resilient despite difficult market conditions

- Trading and Balance Sheet revenues have improved following the difficult macroeconomic conditions experienced in 2H11
- Australian revenues were up 67% from 2H11 benefiting from the rebound in the domestic Fixed Income business

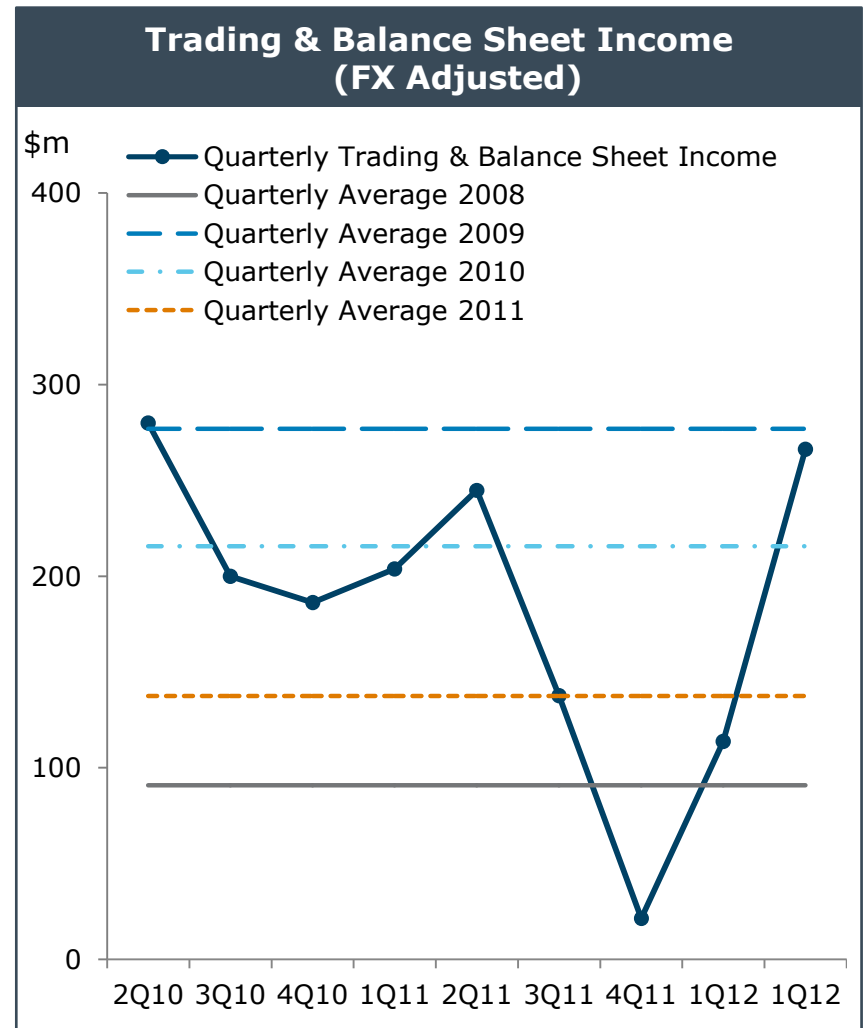
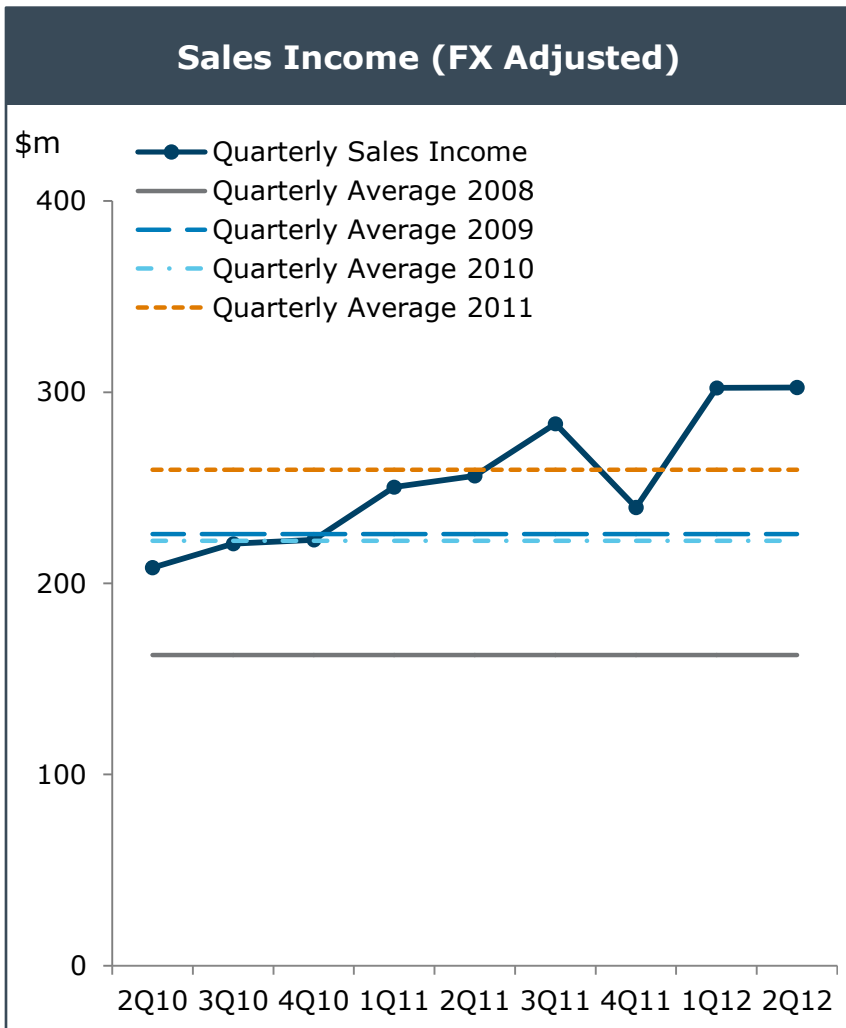


Global Markets Revenue by Product



Global Markets customer sales income at record highs

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Global Capital Markets – continue to build distribution capabilities and strengthen market position

Extended leading position in domestic bond markets

- No. 1 bond issuer in Australia with 21.7% market share and led on 41% of trades 1Q12
- No. 1 bond issuer in New Zealand with 48% market share and led 64% of trades 1Q12

Deepened our presence in Asia

- Improved our position in Asian Syndicated Loans from 10th in 2011 to 7th in 1Q12
- Significant increase in Dim Sum (China offshore) Bond league tables from 29th in 2011 to 8th in 1Q12, doubling full year volume

Asia-Pacific (ex-Japan) Markets

- Dramatic progress up the Asia-Pacific (ex-Japan) Bond league tables from 20th in 2009 to 4th in 1Q12
- No.1 Mandated Lead Arranger in Asia-Pacific (ex-Japan) Syndicated Loans
- Syndicated Loan market volumes increased by 27% to US\$342bn (largest ever volumes) in 2011. ANZ increased MLA market share to 8.7% from 6.0%
- Bond market volumes have significantly increased by 52% on an annualised basis in 1Q12. ANZ increased market share to 3.6% from 2.9%

Corporate and frequent issuer bonds league table rankings

Category	2011	Q1 2012		
	Rank	Rank	# Deals	Amount Arranged
Australia (ex-self led)	1	1	29	AUD5.5b
New Zealand (ex-self led)	1	1	7	NZD0.9b
China offshore (Dim Sum)	29	8	6	CNY2.1b
Asia Pacific ex-Japan	9	4	44	USD9.0b

Source – Bloomberg

Loan syndications mandated arranger league table rankings

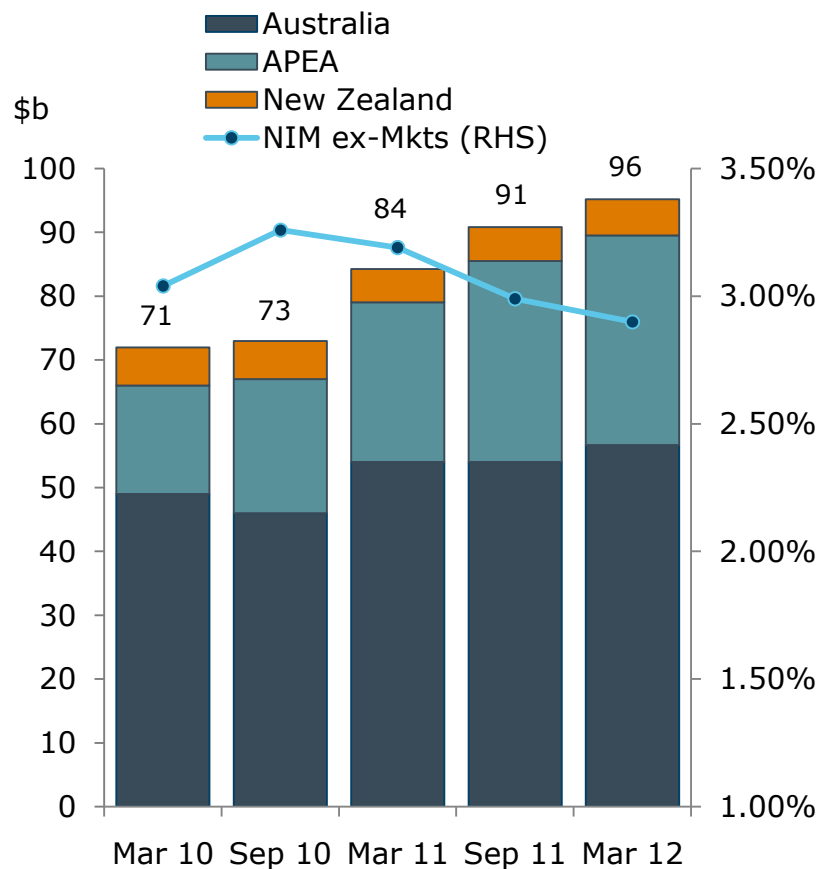
Category	2011	Q1 2012		
	Rank	Rank	# Deals	Amount Arranged USD
Asia-Pac ex-Japan	1	1	28	\$3.0b
Australia	1	2	12	\$1.4b
Asia	10	7	9	\$1.0b

Source – Thomson Reuters LPC

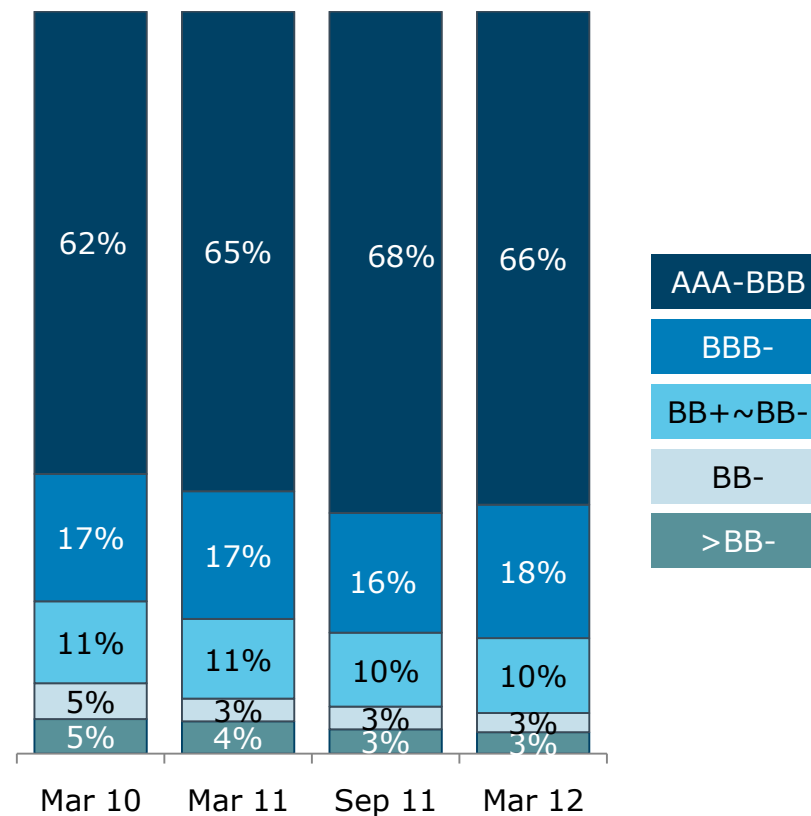
Continued lending growth with stable credit quality and margin contraction

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Institutional Lending Volumes & Net Interest Margin



Institutional Risk Grade Profile by Exposure at Default



Balance Sheet strengthening as LDR improves, with Asia Trade Finance a key driver of lending growth

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Institutional Lending and Deposits

Net Loans & Advances (incl. acceptances)

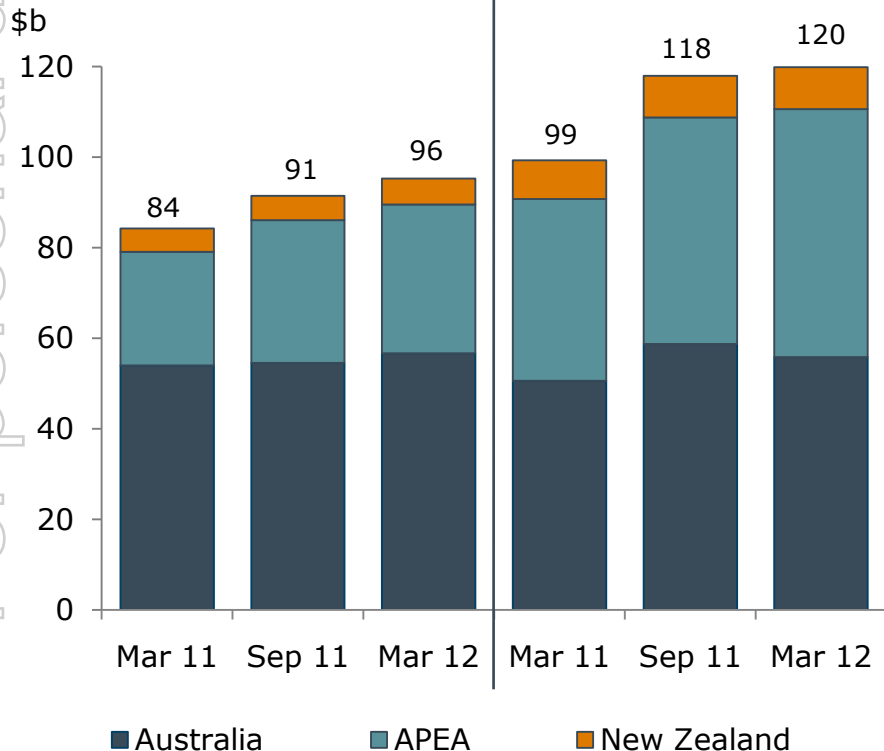
\$4b (5%) Growth HOH

Customer Deposits

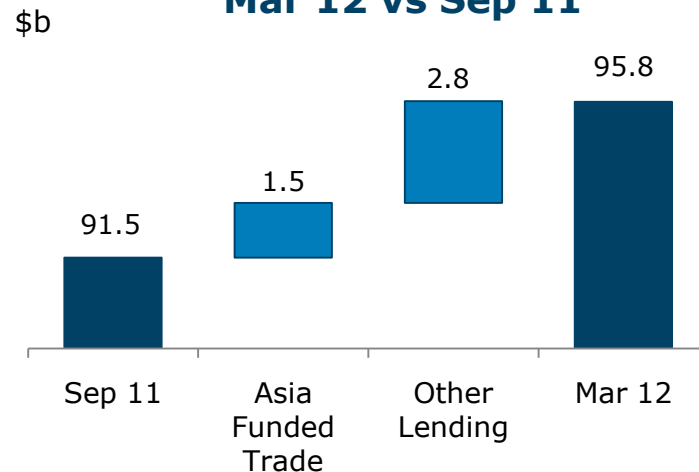
\$2b (2%) Growth HOH

Loan to Deposit Ratio

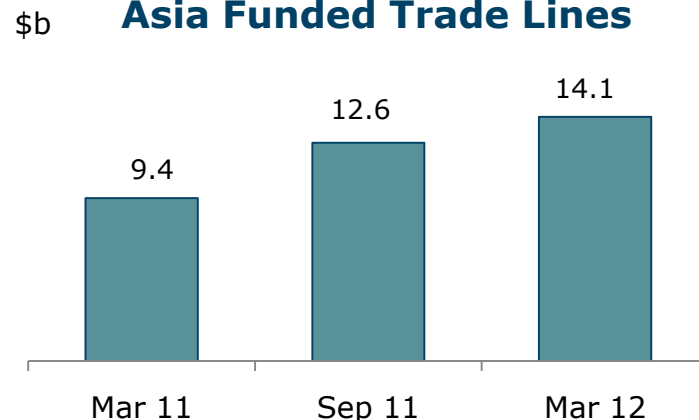
85% 78% 79%



Institutional Lending Growth Mar 12 vs Sep 11



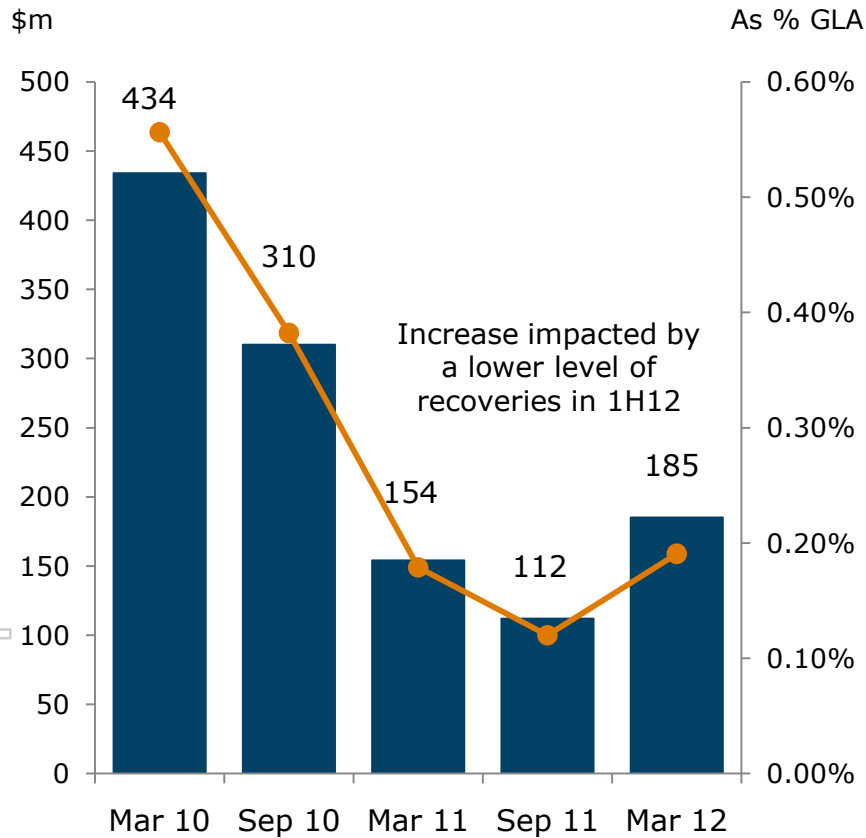
Asia Funded Trade Lines



Institutional maintaining strong credit quality as impaired assets decline

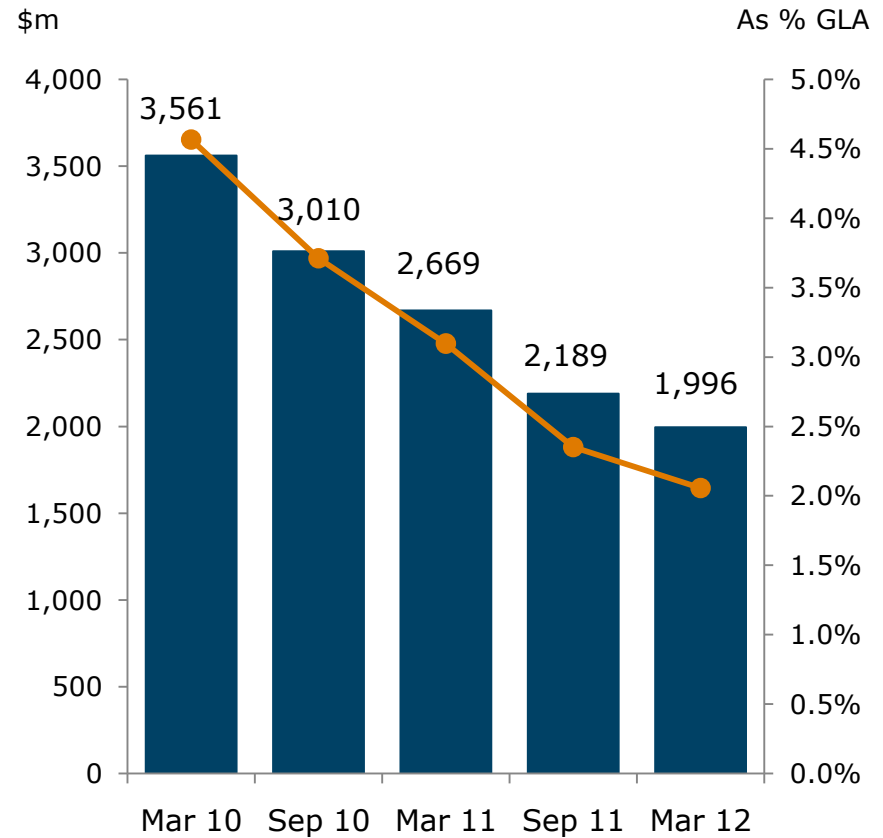
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Institutional Total Provision Charge



■ Institutional Provision Charge ● % GLA (RHS)

Institutional Net Impaired Assets



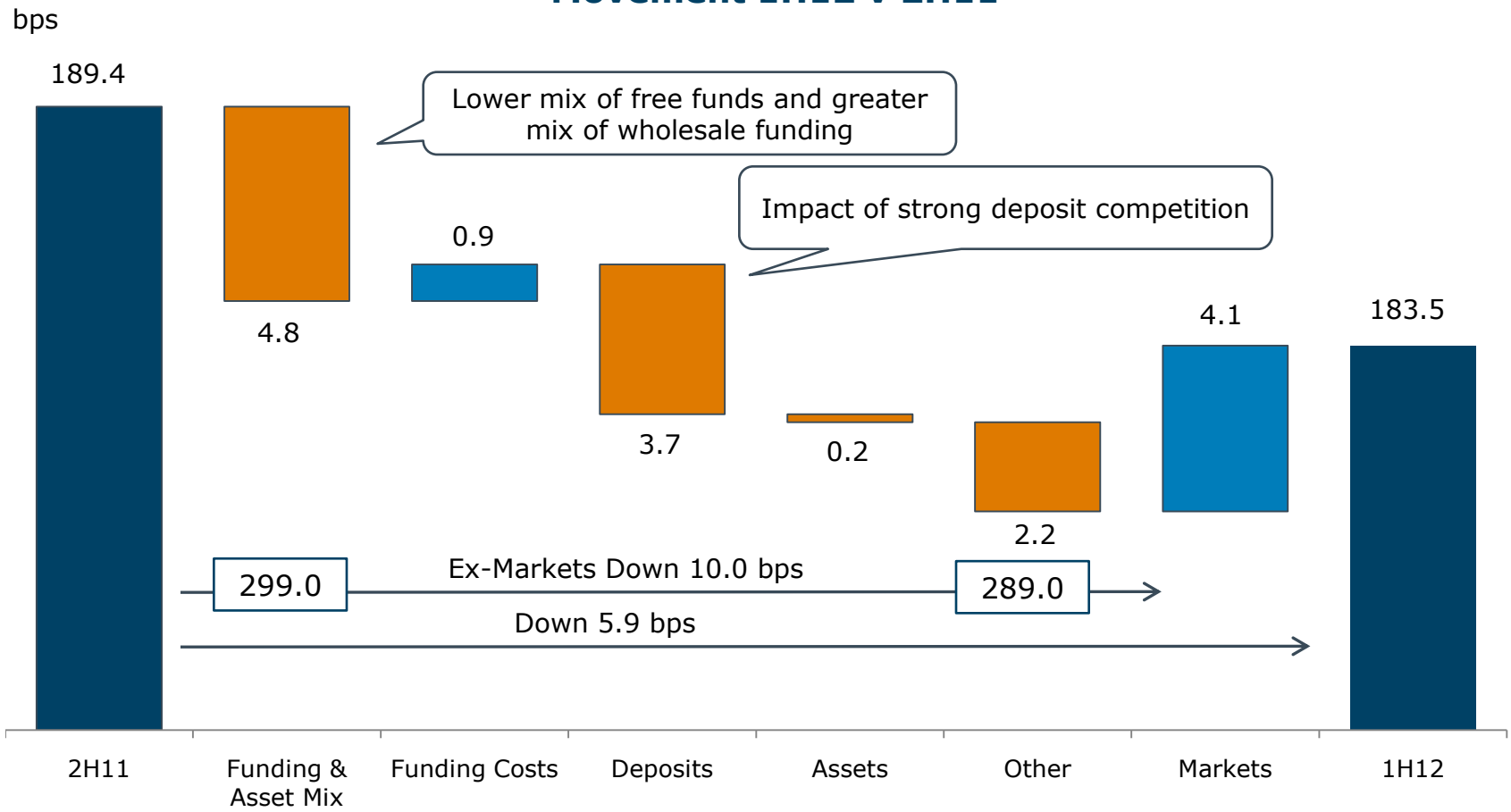
■ Institutional net impaired assets ● % GLA (RHS)



NIM – Institutional Division

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Institutional Division Net Interest Margin Movement 1H12 v 2H11



Recognised as a leading Institutional bank in the Asia Pacific region

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IFR ASIA AWARDS

LOAN HOUSE OF THE YEAR

2011



FX POLL

BEST DOMESTIC PROVIDER OF FX SERVICES IN AUSTRALIA

2011

Voted by Corporates and Financial Institutions



PFI AWARDS

ASIA PACIFIC INFRASTRUCTURE DEAL OF THE YEAR

2011

Wiggins Island Coal Export Terminal

TRADE FINANCE

AWARDS FOR EXCELLENCE

BEST TRADE BANK IN AUSTRALIA, NEW ZEALAND AND VIETNAM


2011



TRANSACTION BANKING AWARDS

BEST TRANSACTION BANK AUSTRALIA

2011



APLMA SYNDICATED LOAN AWARDS

ASIA PACIFIC SYNDICATED LOAN HOUSE OF THE YEAR

2011



BEST DEAL AND INVESTMENT BANK AWARDS - AUSTRALIA

BEST EQUITY LINKED OFFERING

2011

ANZ Convertible Preference Shares III



CFO AWARDS

CORPORATE FINANCE (DEBT) HOUSE OF THE YEAR

2011



PFI AWARDS

MIDDLE EAST OIL & GAS DEAL OF THE YEAR

2011

Barzan Gas Project



AUSTRALIA AND NEW ZEALAND ACHIEVEMENT AWARDS

BEST DEBT FINANCE HOUSE

2011



GREENWICH ASSOCIATES LARGE CORPORATE BANKING SURVEY

TOP 5 CORPORATE BANK IN ASIA

2012



KANGANEWS AWARDS

AUSTRALIAN DOMESTIC PRIMARY AND SECONDARY MARKET HOUSE OF THE YEAR

2011



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12

HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

**Divisional Performance
New Zealand Businesses**



New Zealand Businesses - Simplification & Efficiency

Simplifying the business

- Continuing to simplify the management structure
- Progressing with process and product simplification
- Moving to one IT system

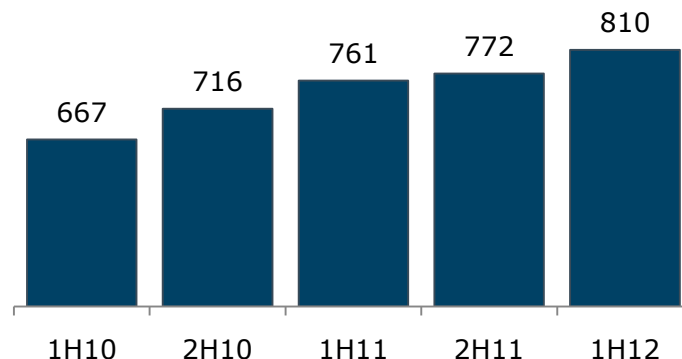
Improving customer and staff engagement – becoming the bank of choice of New Zealanders

- Simplifying our business processes
- CANSTAR Best Agribusiness Bank (April 2012) to complement Canstar Cannex Bank of the Year 2011
- Awarded the Morningstar Fund Manager of the Year and Morningstar KiwiSaver Manager of the Year

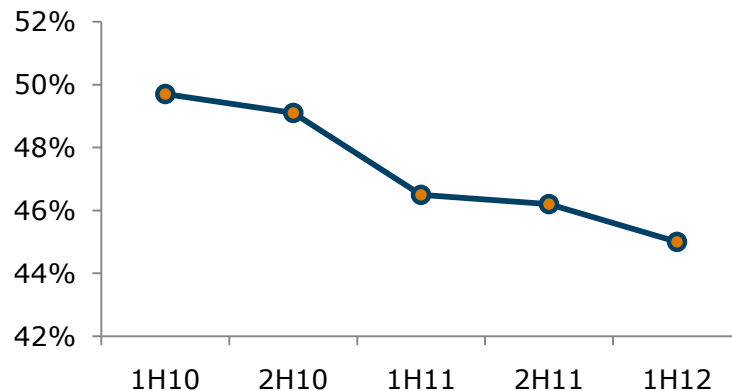
Managing for changed conditions

- Cost focus – aiming to be the most efficient bank in New Zealand with lowest CTI
- Return focus – profitable growth, improved ROE, margin management
- Risk focus – manage to the changed economic settings

**Profit before Provisions
NZDm**



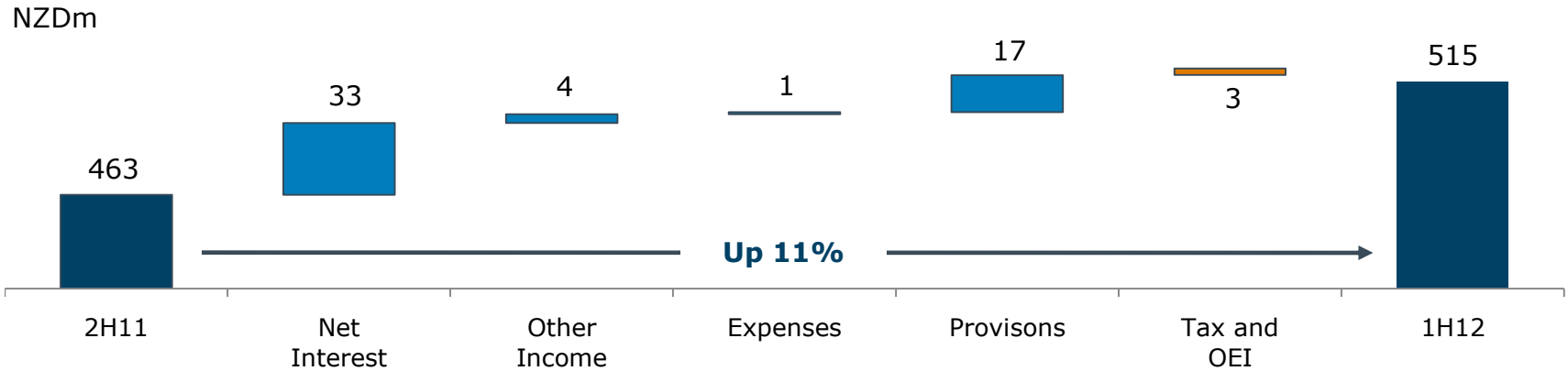
Cost to Income Ratio



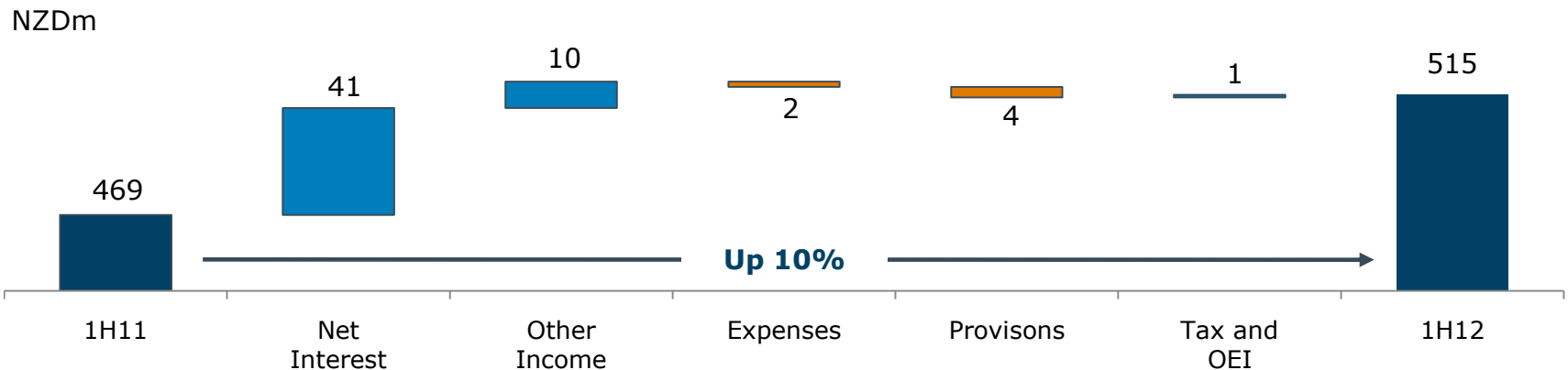
New Zealand Businesses – Financial Performance

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NPAT movement – 1H12 v 2H11



NPAT movement – 1H12 v 1H11



New Zealand Businesses - Balance sheet management

Funding

- Funding gap has reduced by \$1.9b YTD, largely driven by an increase in customer deposits – at call and savings accounts up 14%

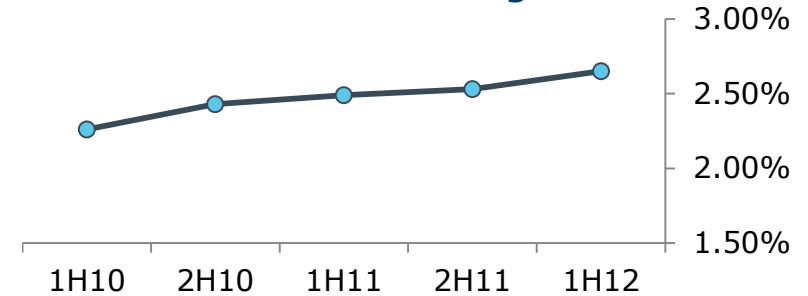
Retail

- Mortgages – market growth subdued at +0.9% YTD in part due to the drag created by Earthquake Commission payments
- Strong focus on mortgages has meant return to system growth
- Credit card balances grew at system
- Continued margin management from disciplined approach to deposits pricing and mix

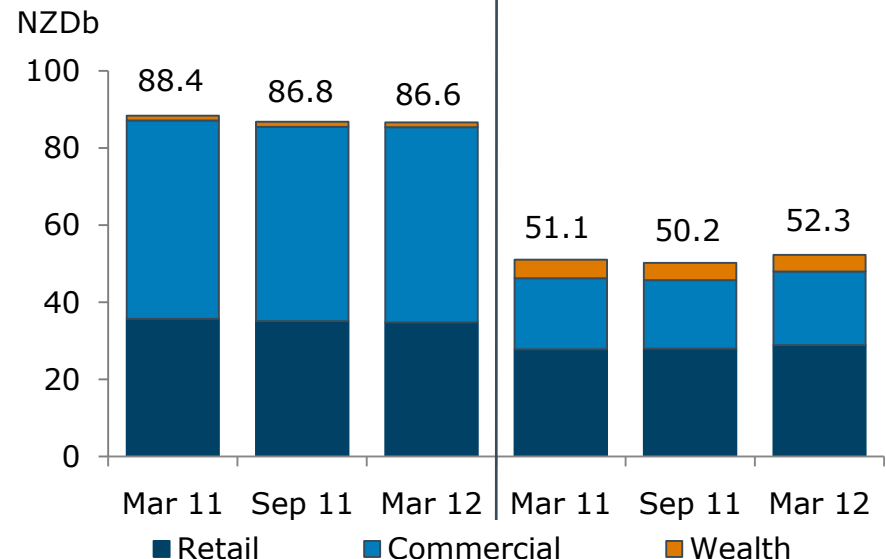
Commercial

- Ongoing higher Dairy sector pay-outs driving deleveraging in the Agri sector
- Lending volumes up driven by strong growth in Business Banking (5% HOH)
- A focus on credit quality has seen a reduction in Commercial and Agri impaired assets of ~4% YTD

Net Interest Margin



Net Loans & Advances (incl. acceptances)



Customer Deposits



Simplification program central to ANZ becoming New Zealand's best bank

STRATEGIC FOCUS

Deliver on our simplification agenda so we are easy to do business with and the most convenient and supportive bank for NZ and New Zealanders

New Zealand's best bank

Largest network – more branches, ATMs, local specialists

Simpler internal processes driving better customer experience

The most efficient bank

Do more for stakeholders

Deliver sustainable returns

NZ Simplification Program

Initiative	Progress
One regional management structure	Completed
One set of systems	In progress
One product and process suite	In progress

Super Regional capabilities provide real differentiation

Leveraging our Super Regional capabilities

- Strong growth in migrant banking customer segment with ~5,000 new customers added through this channel
- Australian retail accounts can now be opened from New Zealand within 20 minutes
- Customers now have online access to ANZ accounts in India, China and Hong Kong through Transactive Asia

Investing to further strengthen capabilities

- Launched a dual currency investment product for our Wealth & Private Banking customers
- Asian specialist team now in place within our Commercial & Agri business
- Involved customers in workshops to upgrade functionality for ANZ Transactive, our trans-Tasman internet banking platform for Institutional and Commercial customers

Providing leadership on New Zealand's growing opportunities with Asia

- Customer workshops are held in Mandarin and Cantonese for migrant Business Banking customers
- Multi-lingual workshops are held for migrants as part of partnership with Education New Zealand and Office of Ethnic Affairs
- Hosted trans-Tasman and China forums for Commercial business owners with plans to expand into Australia or China

Retail & Wealth - simplifying our business to make banking easier for customers and staff

Simplification initiatives undertaken across business

- Focus on sales management disciplines – mortgage pipeline management, conversion rates, A-Z customer needs reviews
- Simpler credit decision processes, short form applications for home loan top-ups
- BERT branch scheduling tool puts more service in branches in the right places, at the right times

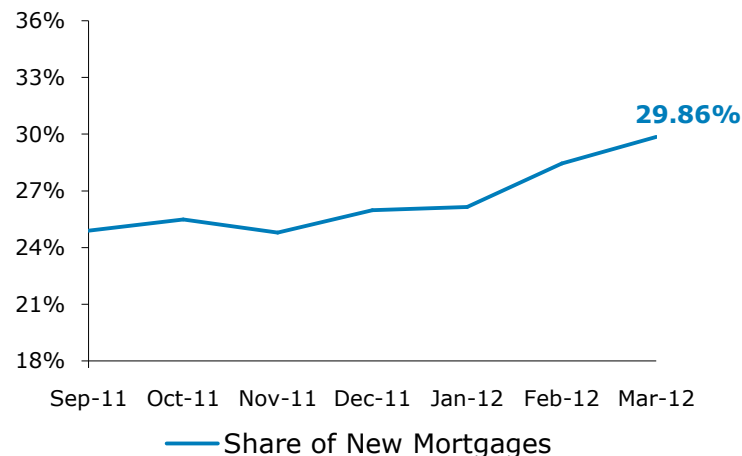
Programme already yielding results

- Productivity gains from simplification continue to drive flat costs
- Share of mortgage registrations at highest level since 2008 and GLA volumes are increasing
- 5 new branches opened in growth locations and 4 branches co-located for ANZ and NBNZ customers

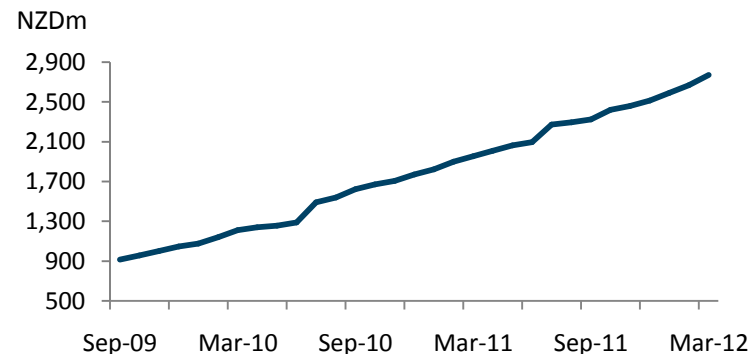
Wealth position continues to strengthen

- ANZ Wealth #1 in the Retail Managed Funds market
- Awarded the Morningstar Fund Manager of the Year and Morningstar KiwiSaver² Manager of the Year
- Key focus on bank distribution sales, with 3 core products: KiwiSaver, life insurance, general insurance

Share of Mortgage registrations growing steadily since Sep 2011¹



OnePath KiwiSaver FUM



1. Source: Terralink

2. KiwiSaver is NZ's primary retirement savings vehicle

Commercial – driving greater segment connectivity to unlock value

Key highlights

- Maintained #1 market share in the small business banking sector
- Awarded CANSTAR Best Agribusiness Bank

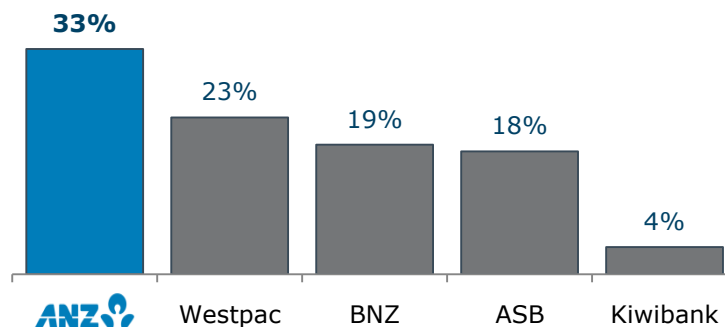
Enhanced customer focus

- Strong focus on significant Small Business sector (increased coverage, segment specialisation, A-Z reviews, Small Business workshops) is paying dividends
- Investing in New Zealand’s farming future - \$120m Young Farmers start-up package supported by free Future Farmers education
- Dairy payout price levels continue to drive agribusiness deleveraging although production levels at record highs

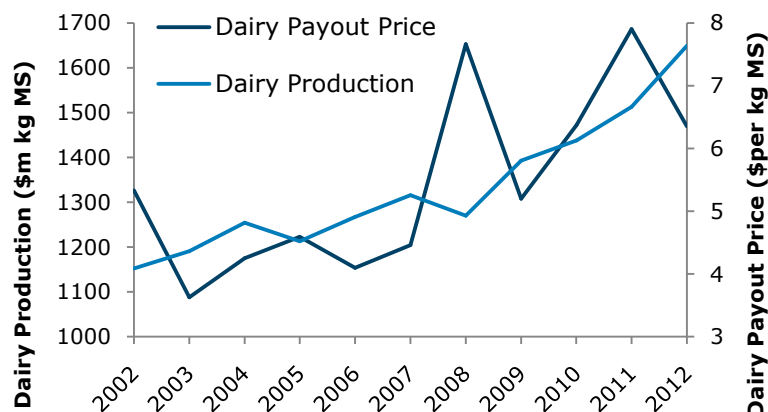
Connecting customers to super-regional network

- Connected technology client to Transaction Banking and Markets capabilities across their target NZ, Australian and South-East Asian geographies
- Enabled clients to conduct seamless Trans-Tasman banking via Transactive cash management platform
- Held China Business Forum for Commercial customers

ANZ has a strong market share in small business banking sector¹



Dairy payout and production²



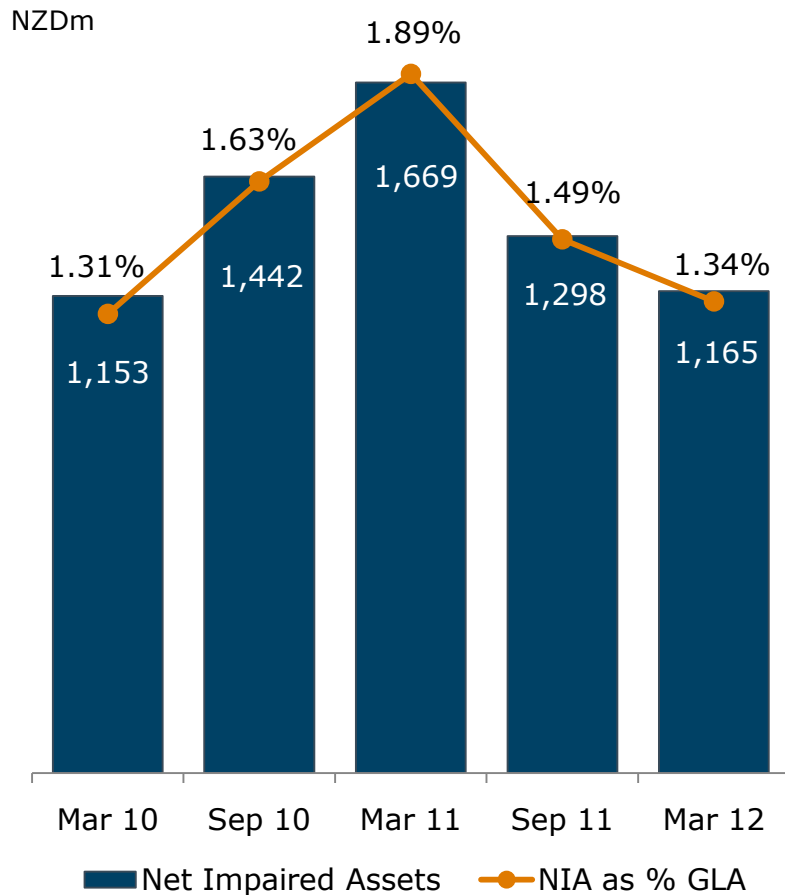
1. TNS: Business Finance Monitor Mar 2012

2. Source: ANZ National, Fonterra

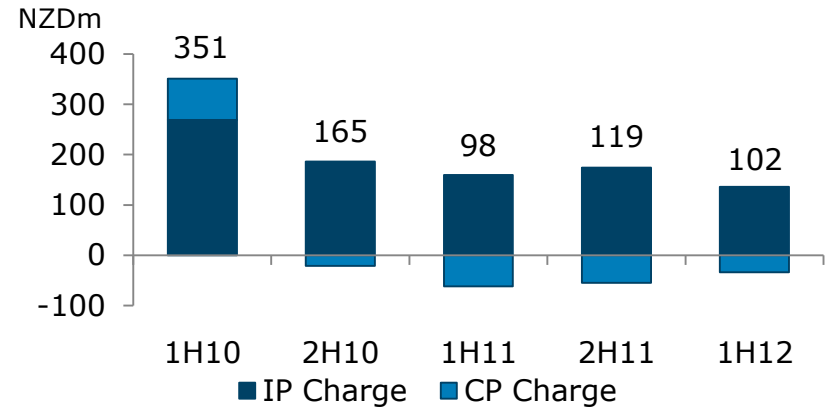
New Zealand Businesses - credit quality

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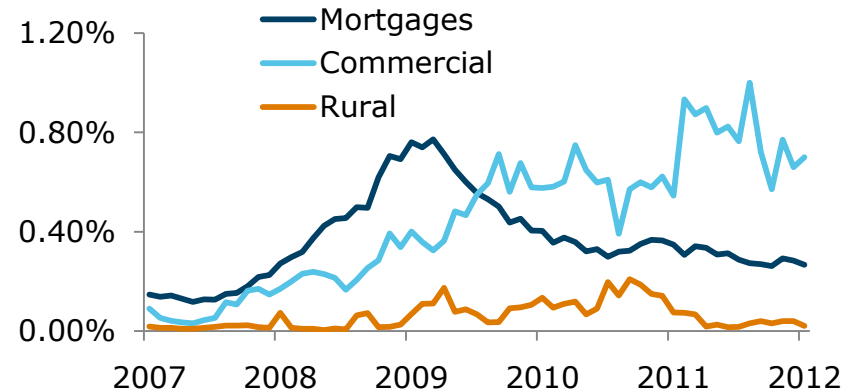
Net impaired assets



Total provision charge



90+ Days arrears



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12

HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

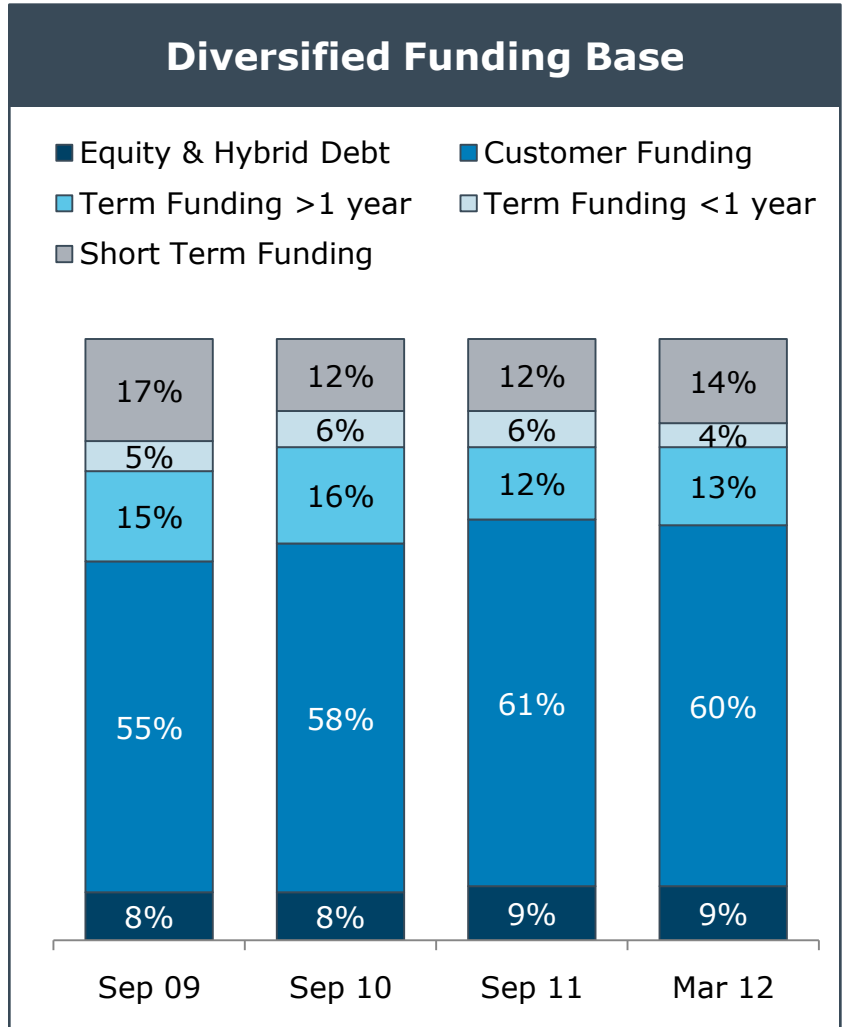
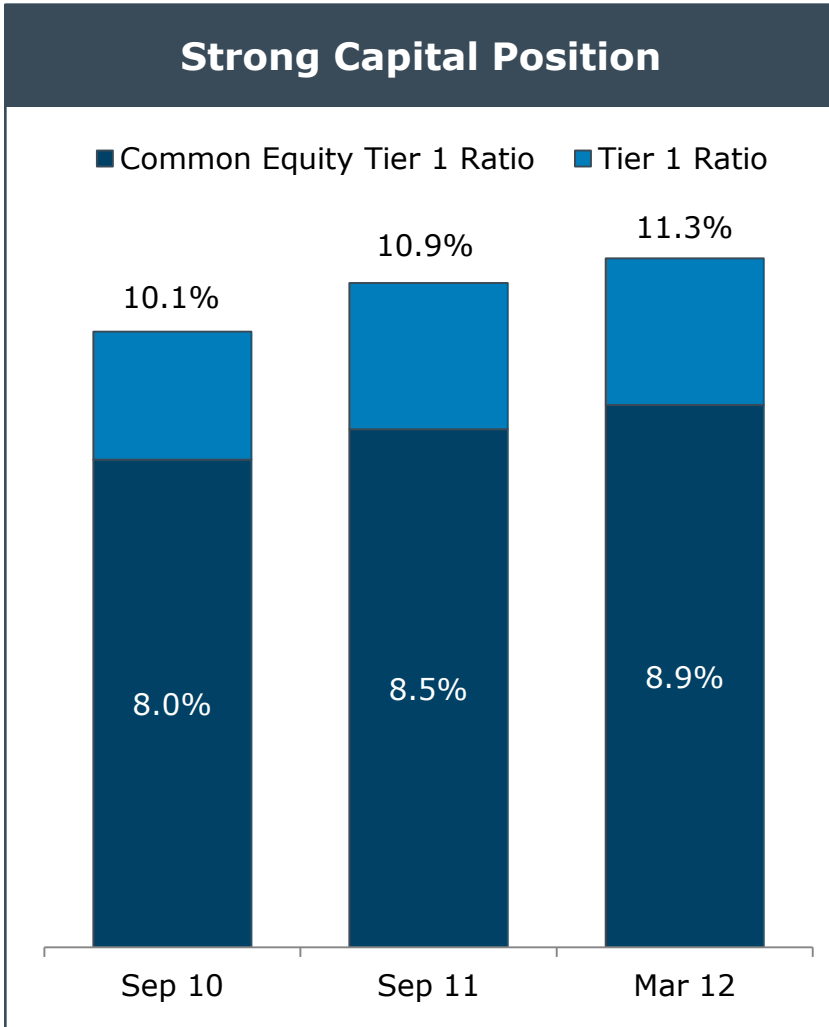
2 May 2012

Investor Discussion Pack
Treasury



Strengthened capital position; well diversified funding base

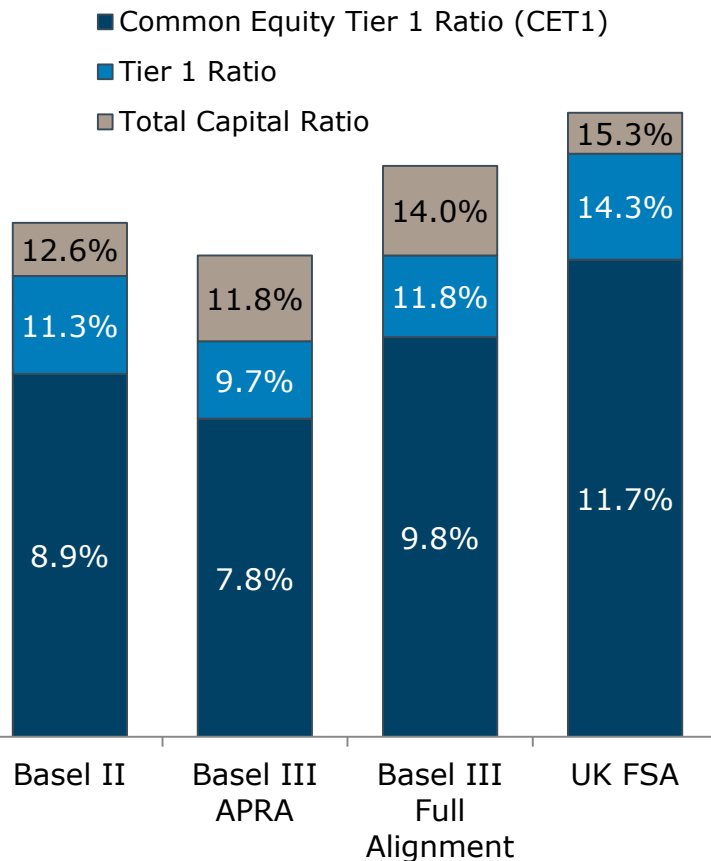
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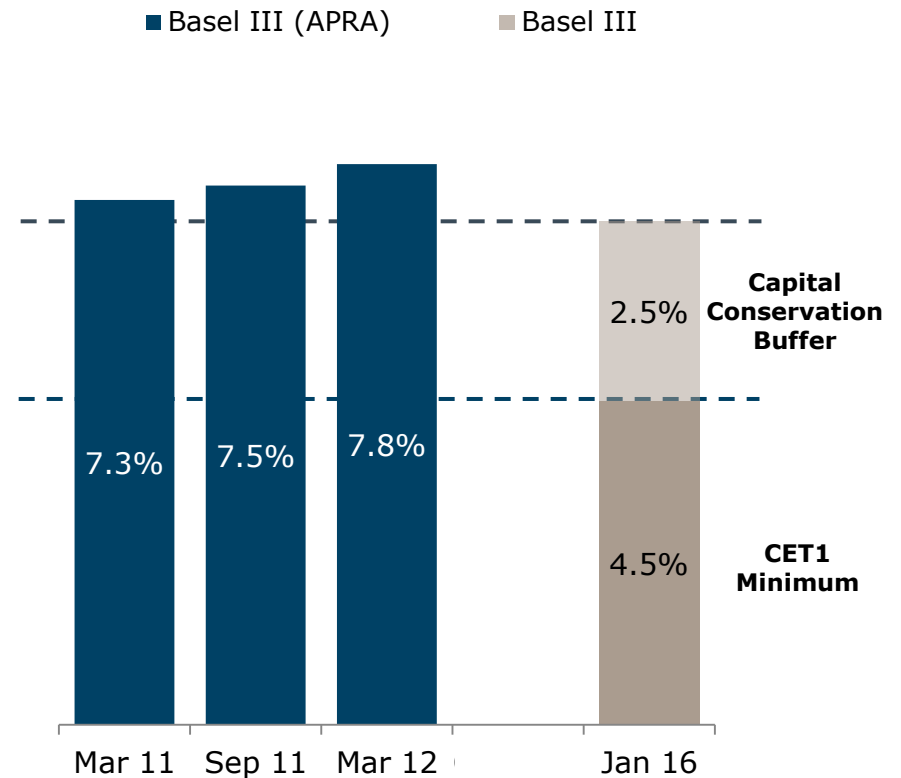
Continued strengthening of capital levels places ANZ in a strong position for upcoming Basel III implementation

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Current capital levels are strong (Mar-12)

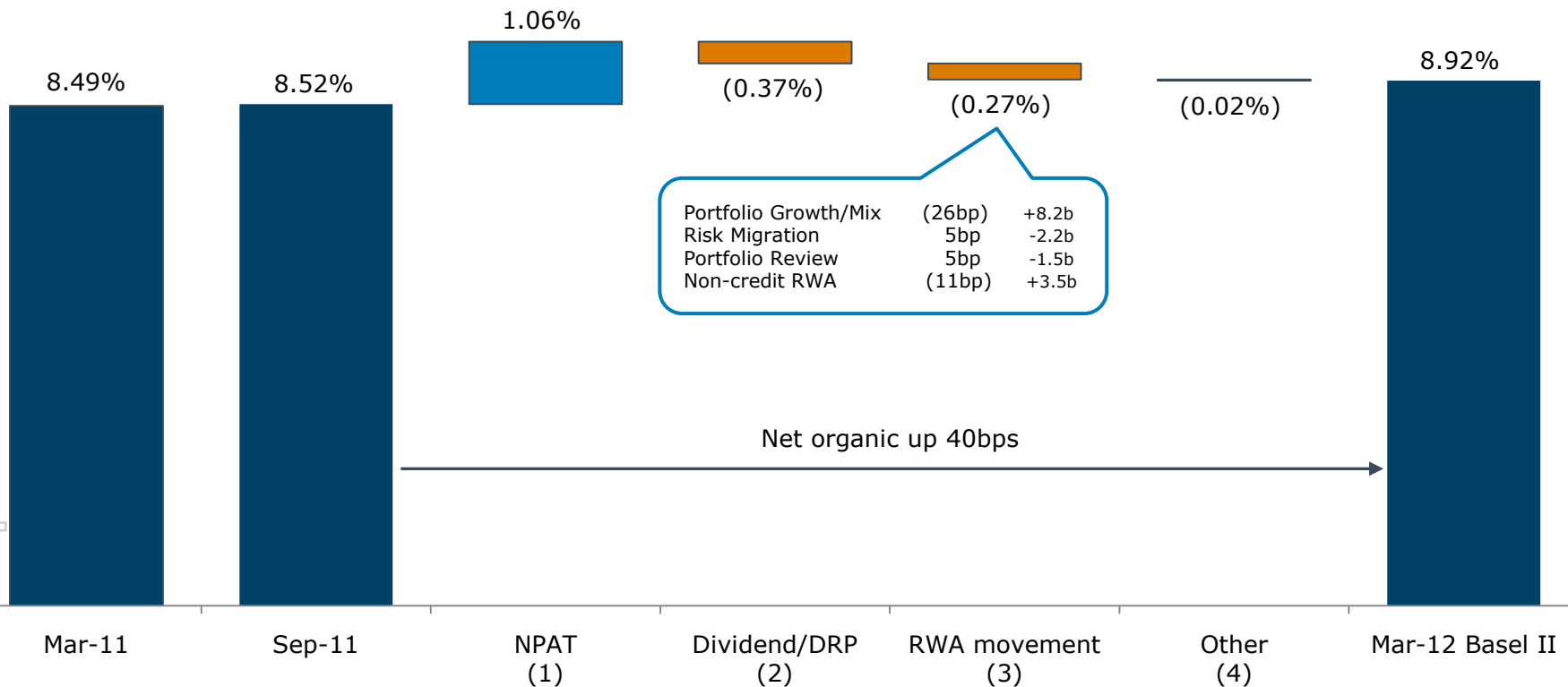


Well placed to meet Basel III CET1 target under APRA's draft capital standards



Solid organic capital generation underpins strong CET1 position

Capital Position (Common Equity Tier 1 Ratio)

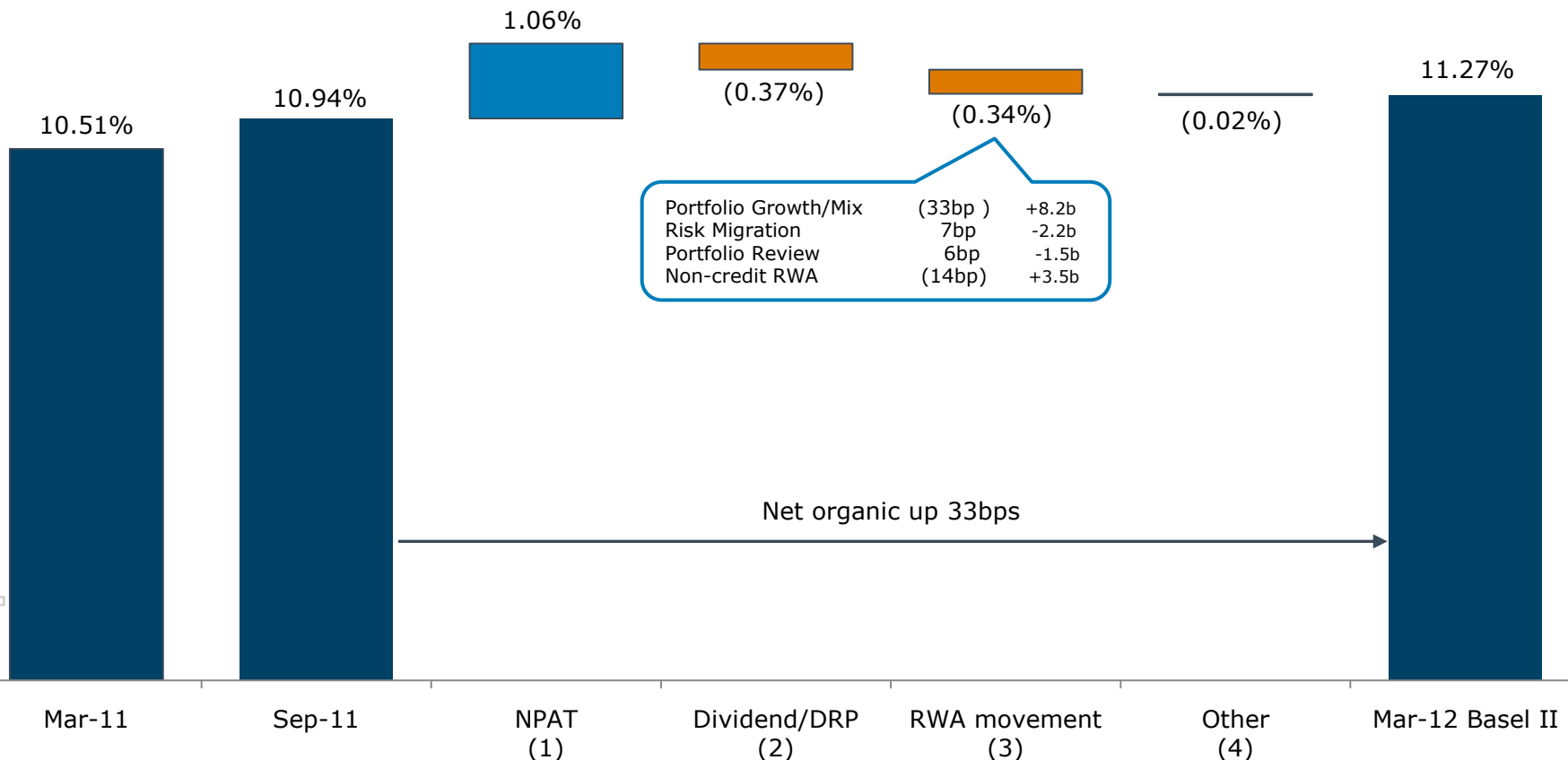


1. Underlying NPAT. 2. Includes prior period under-accrual of DRP. 3. Includes impact of movement in Expected Loss versus Eligible Provision shortfall. 4. Includes OnePath Insurance Business' capital retention, Asian Banking Associates' retained earnings, Non-Core NPAT items, Capitalised Costs and Software, FX, Net Deferred Tax Assets, Pensions, MTM gains on own name included in profit

Tier 1 position strengthened through organic capital generation

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Capital Position (Tier 1 Ratio)



1. Underlying NPAT. 2. Includes prior period under-accrual of DRP. 3. Includes impact of movement in Expected Loss versus Eligible Provision shortfall. 4. Includes OnePath Insurance Business' capital retention, Asian Banking Associates' retained earnings, Non-Core NPAT items, Capitalised Costs and Software, FX, Net Deferred Tax Assets, Pensions, MTM gains on own name included in profit

Reconciliation of ANZ's capital position under Basel III

ANZ capital ratios : Basel II to Basel III

	CET1	Tier-1	Total Capital
APRA Mar-12 Basel II	8.9%	11.3%	12.6%
Dividend not provided for (net of DRP)	0.4%	0.4%	0.4%
Investments in ADI and overseas equivalents	-0.4%	-0.4%	0.0%
Investments in ANZ insurance subs including OnePath	-0.4%	-0.4%	0.0%
Expected losses in excess of eligible provisions	-0.1%	-0.1%	0.1%
Other	-0.1%	-0.3%	-0.2%
10% reduction of existing hybrids and sub debt securities	0.0%	-0.2%	-0.4%
Estimated increase in RWA ¹	-0.5%	-0.6%	-0.7%
APRA Mar-12 Basel III proposed	7.8%	9.7%	11.8%
10% allowance for investments in insurance subs and ADIs	0.8%	0.7%	0.7%
up to 5% allowance for deferred tax asset	0.2%	0.2%	0.2%
other capital items	0.2%	0.3%	0.2%
Mortgage 20% LGD floor and other measures	0.5%	0.6%	0.7%
IRRBB RWA (APRA Pillar 1 approach)	0.3%	0.3%	0.4%
Mar-12 Basel III fully aligned	9.8%	11.8%	14.0%

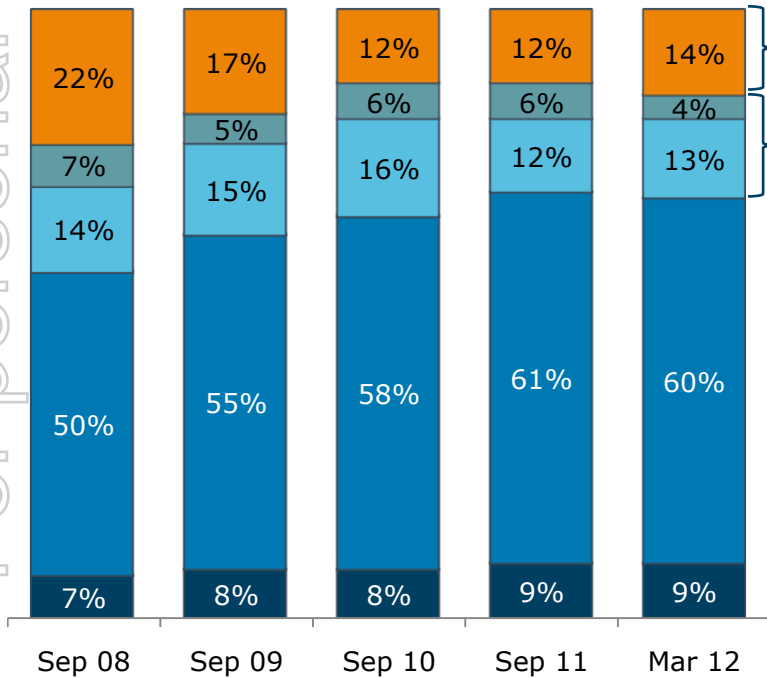
1. Includes credit counterparty but excludes any Basel III liquidity changes.

ANZ has a well diversified funding profile with an increasing weighting to customer funding

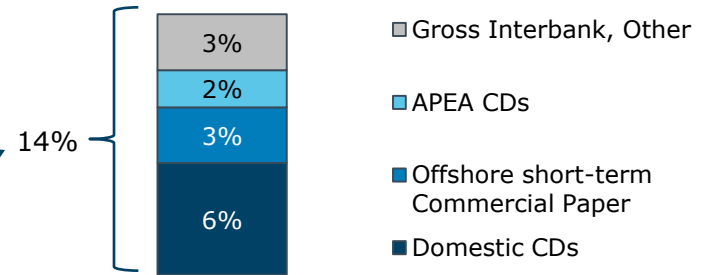
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Strong Funding Composition

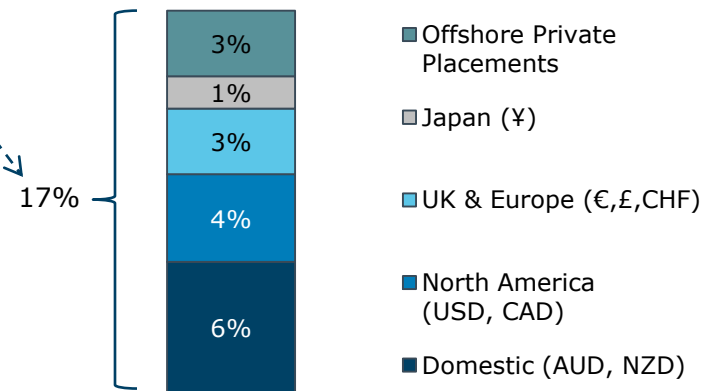
- Short Term Wholesale Funding
- Customer Funding
- Term Debt < 1 year Residual Maturity
- Shareholders equity & Hybrid debt
- Term Debt > 1 year Residual Maturity



Offshore short-term Commercial Paper makes up just 3% of total Group funding

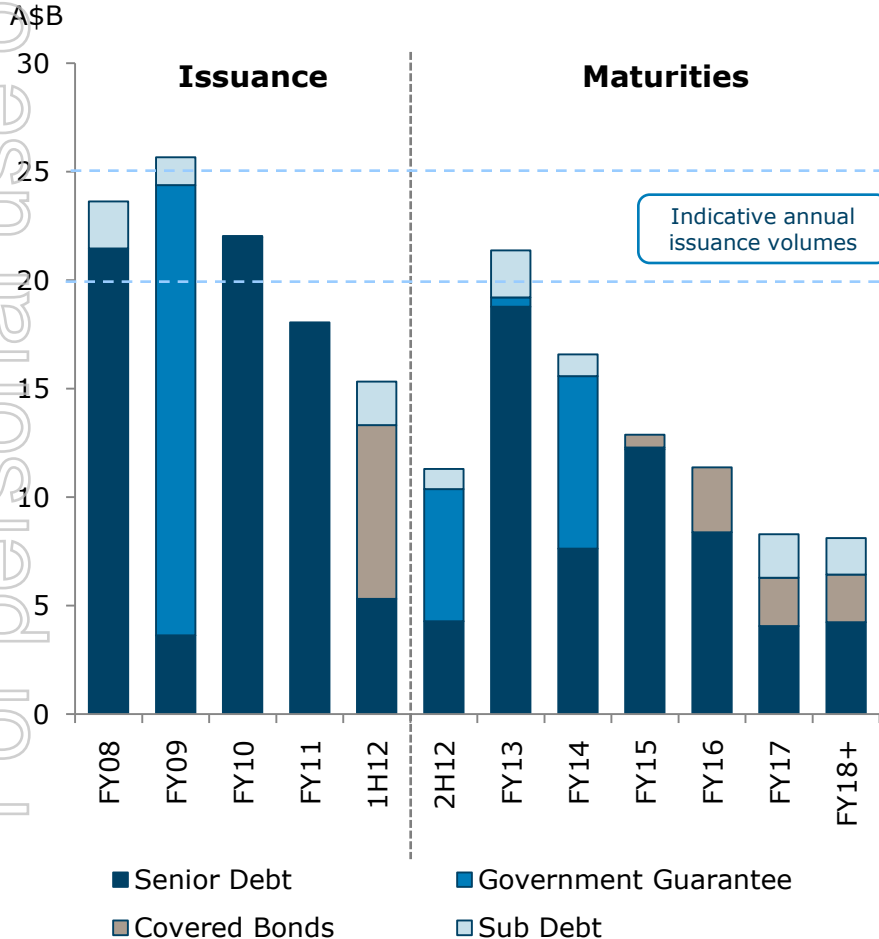


Well diversified term wholesale funding portfolio

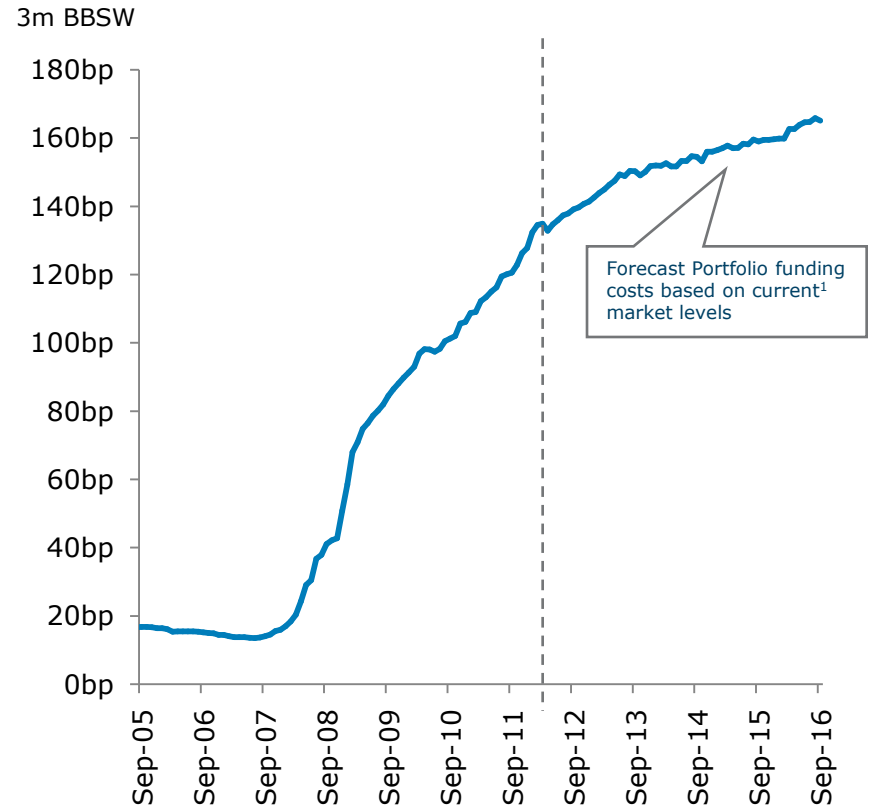


FY12 debt issuance is well ahead of plan; portfolio costs continue to increase

~80% FY12 term wholesale debt issuance completed



Portfolio term funding costs will continue to increase



1. As at 31 March 2012

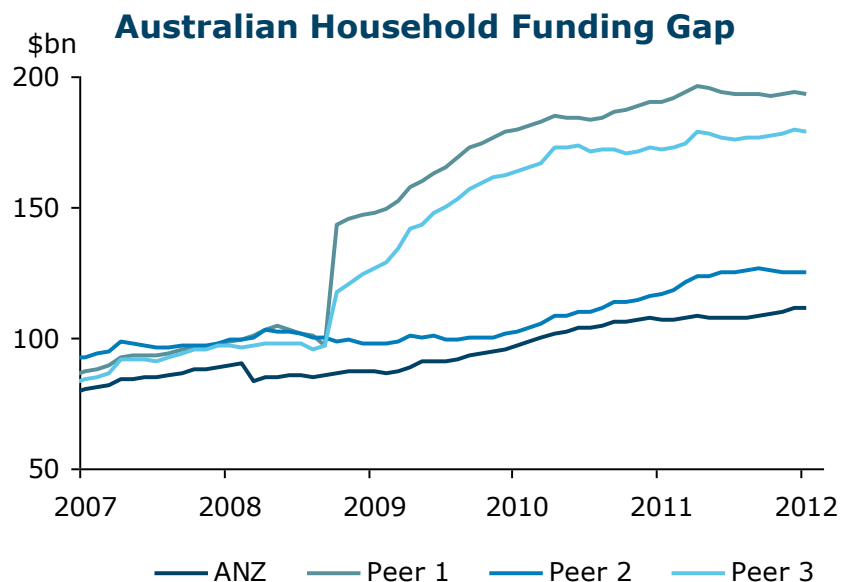
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Lower structural funding gap - a growing competitive advantage

	ANZ	Peer 1	Peer 2	Peer 3
Loan – Deposit Ratio (%)	134	160	153	141
Loan – Deposit Gap (\$bn)	104	186	164	153
Australia Household Funding Gap (\$bn)	111	193	125	179

- ANZ is building an increasingly sustainable balance sheet
- Lower and more stable wholesale funding requirement relative to peers
- Lower reliance on offshore wholesale markets
- Better positioned to take advantage of any uptick in credit growth
- Mitigates Rating Agency pressures and improves capacity to manage through periods of market dislocation

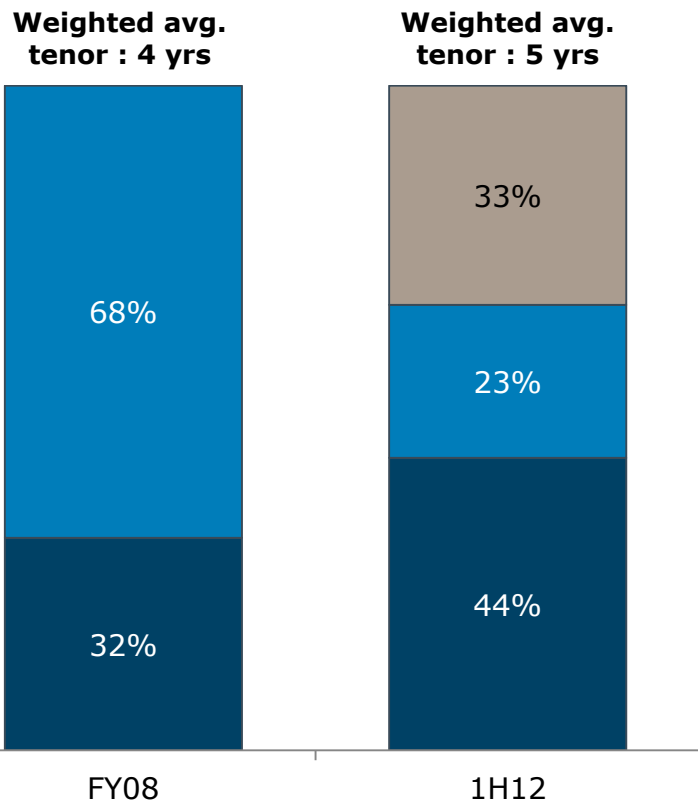


Source: APRA (Mar-12) and latest bank published financial statements.

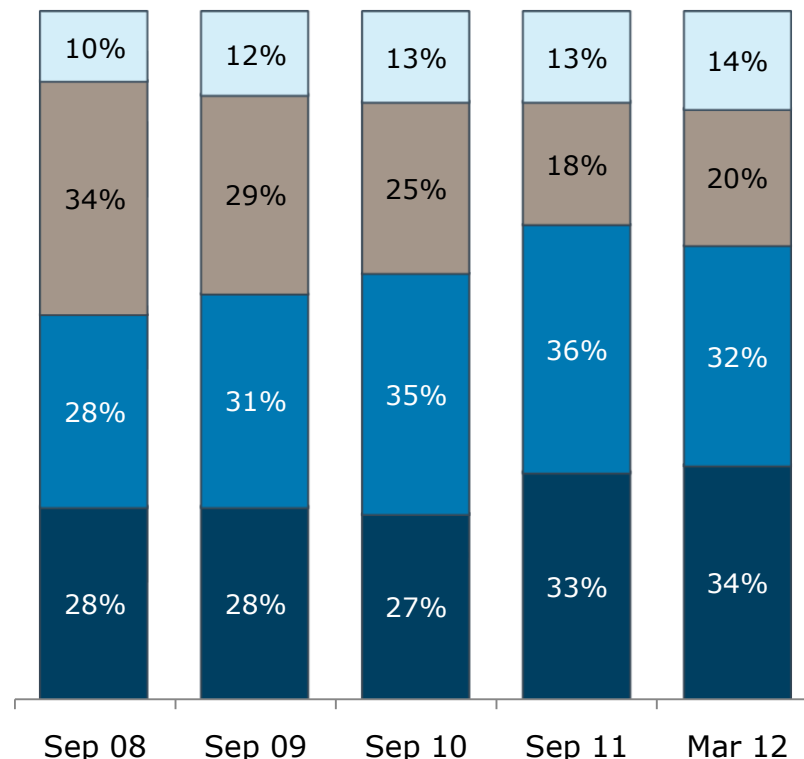
ANZ's term funding portfolio is increasingly diversified with a declining reliance on offshore funding

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Term Debt Issuance



Term Debt Outstandings



- AUD/NZD
- Foreign Currency - Senior Unsecured
- Foreign Currency - Covered Bonds

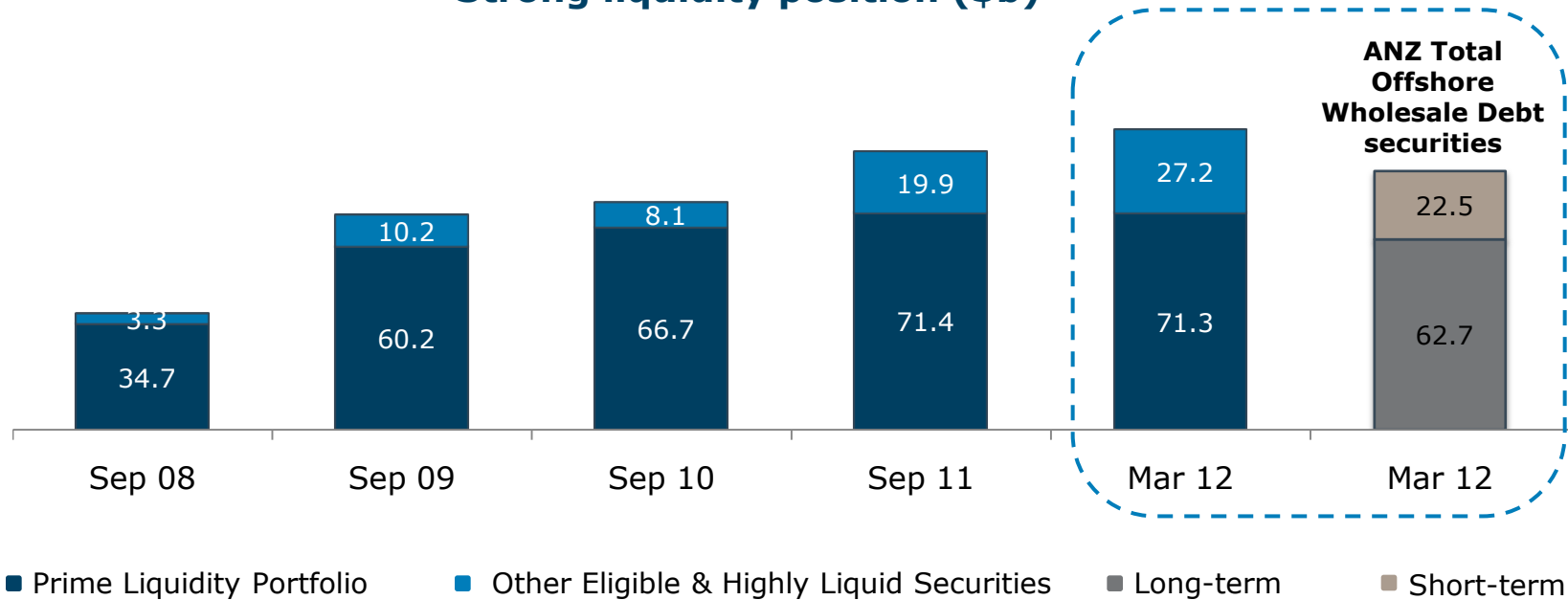
- Domestic
- North America
- Europe
- Asia



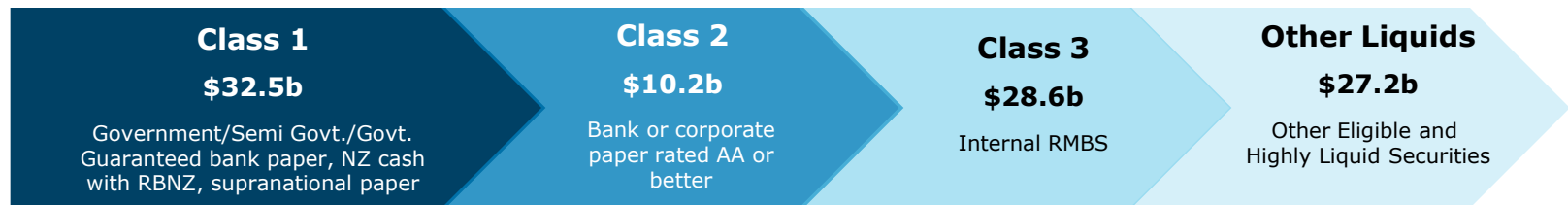
Liquid assets of \$99b exceed total offshore wholesale debt of \$85b

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Strong liquidity position (\$b)



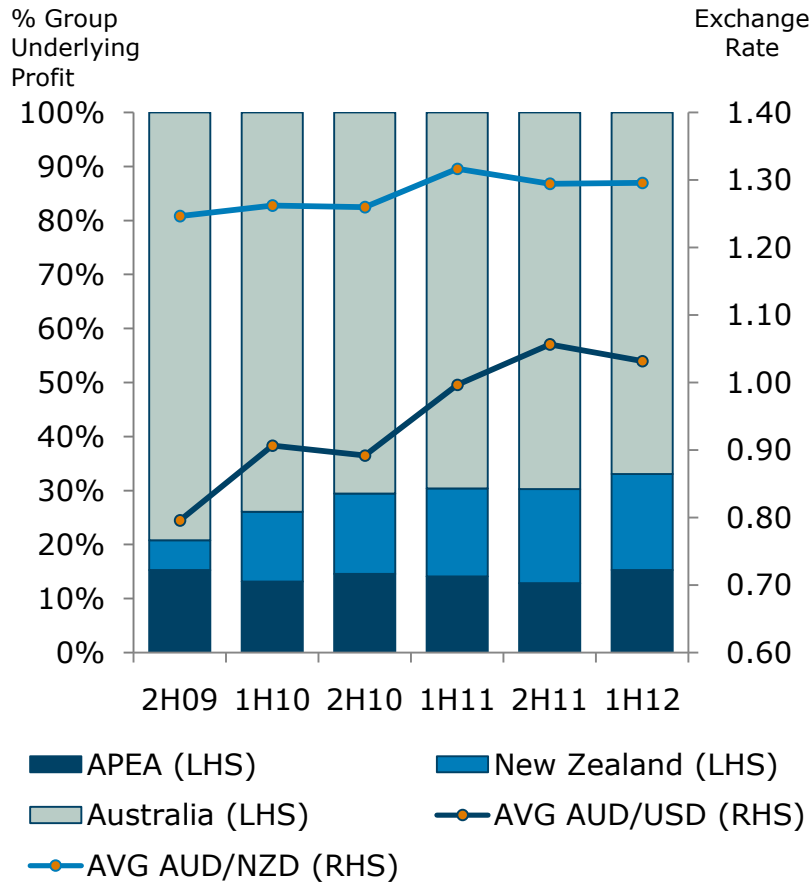
Composition of liquid assets (\$98.5b)



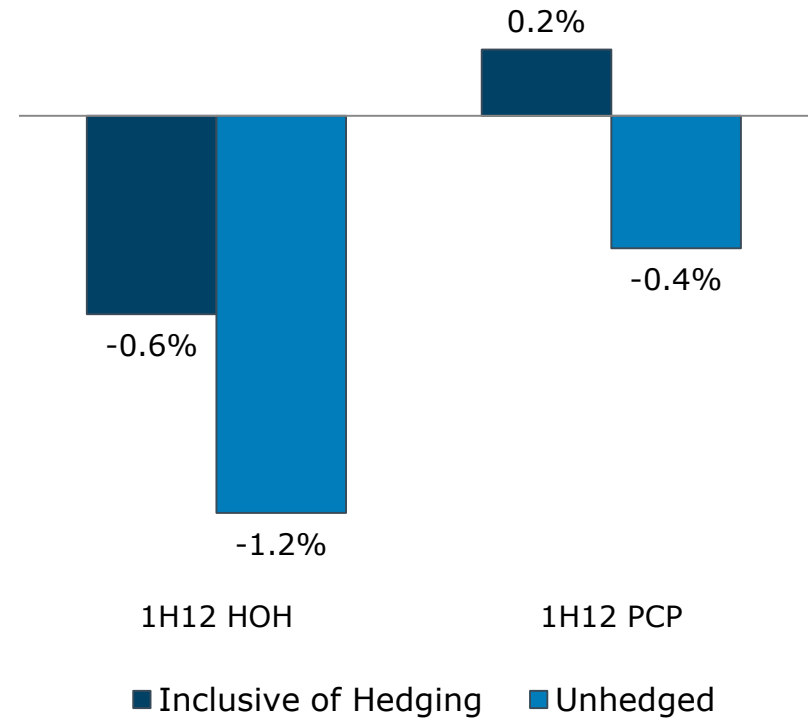
Hedging has lessened the impact on earnings of the stronger \$A

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Earnings Composition by Region & Average Translation Rates



EPS Impact



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12

HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

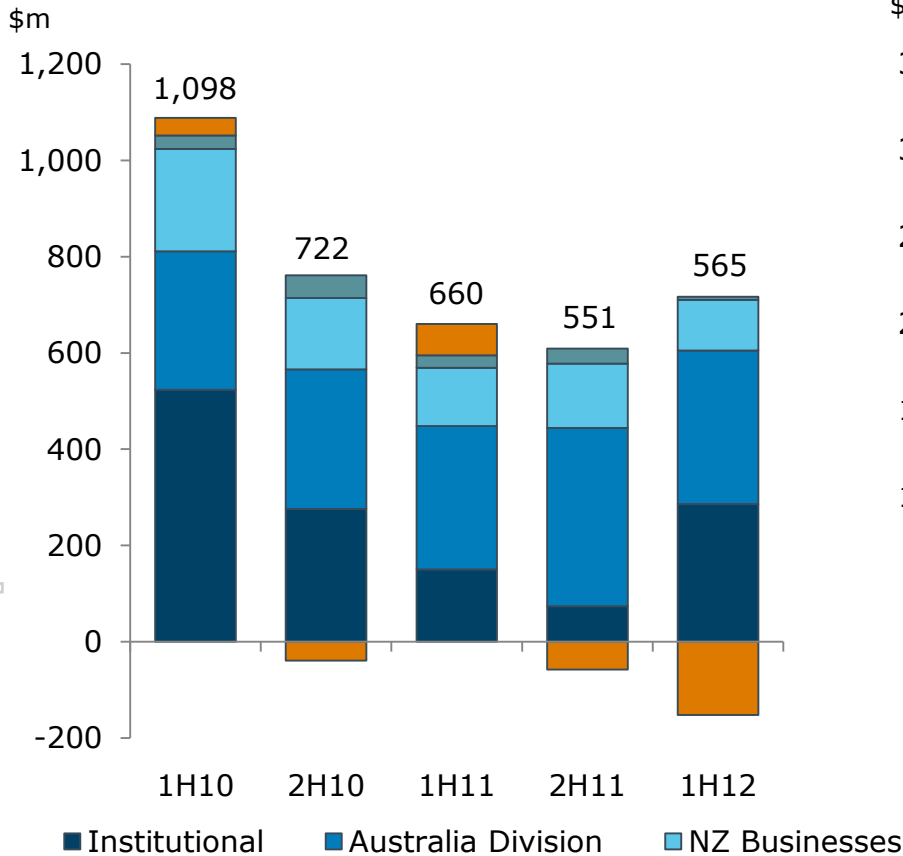
**Investor Discussion Pack
Risk Management**



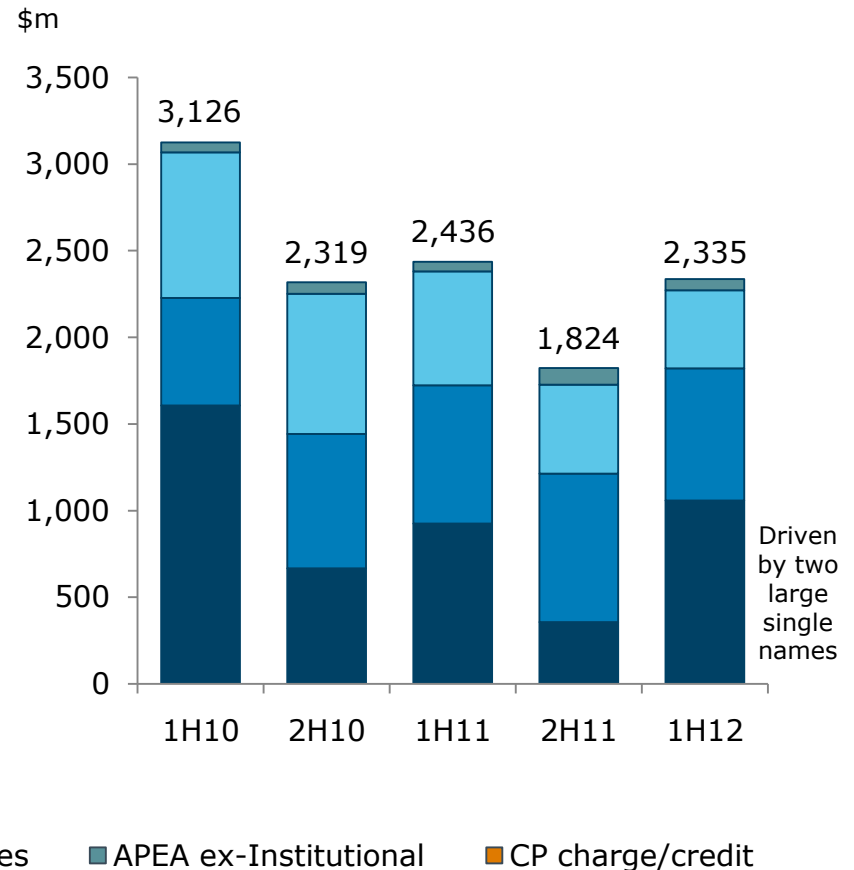
Provision Charge and Impaired Assets

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Total Provision Charge (IP charge by Division, total CP charge)



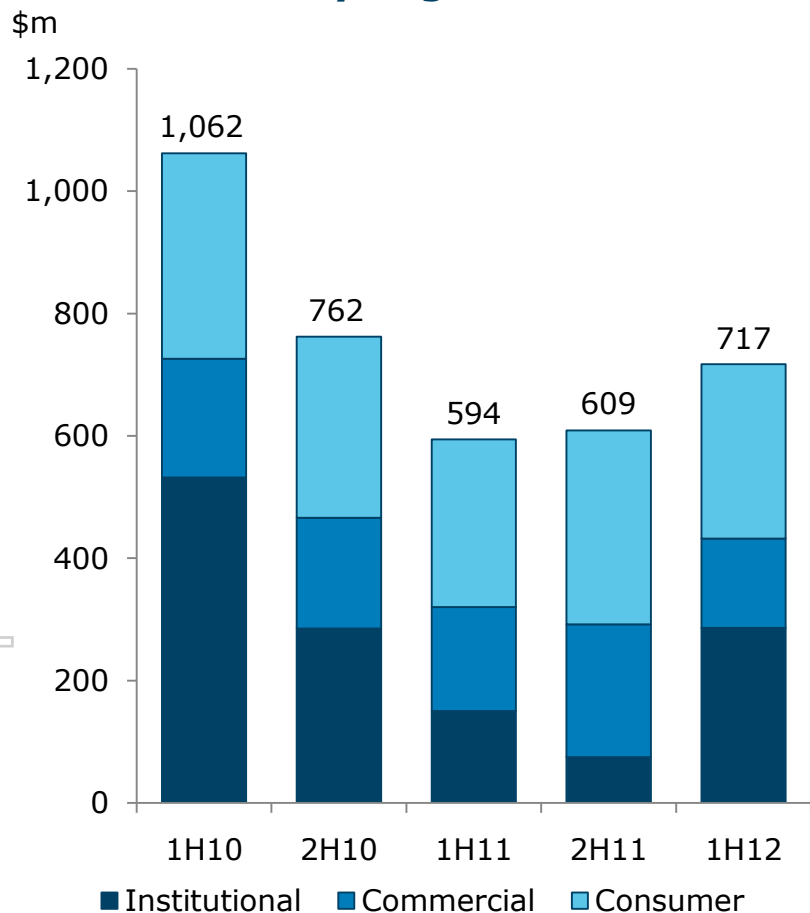
New Impaired Assets by Division



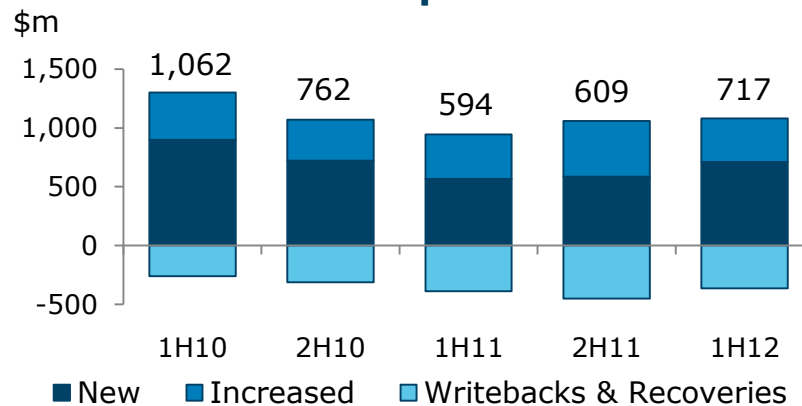
Individual Provision Charge

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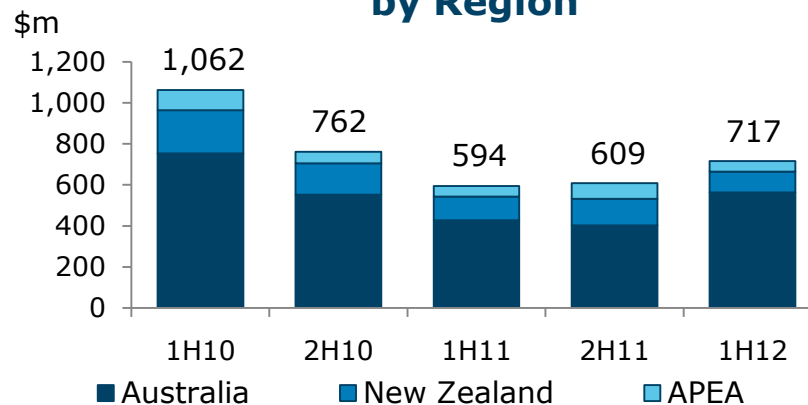
Individual Provision Charge by Segment



Individual Provision Charge composition

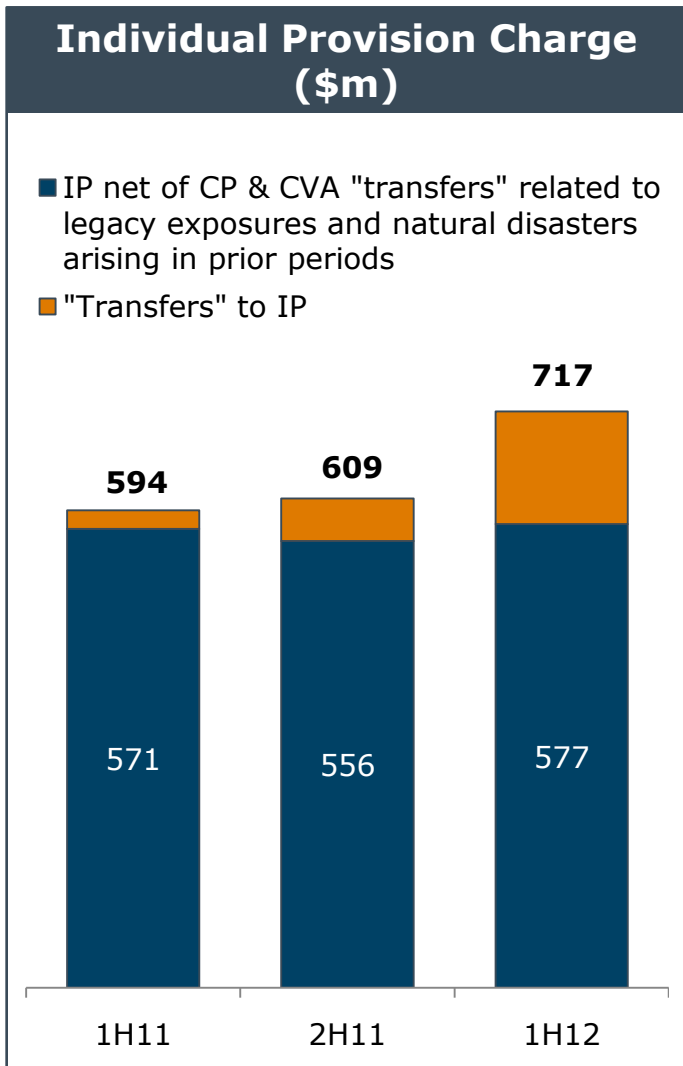


Individual Provision Charge by Region



Individual Provision Charge lifted by "transfers"

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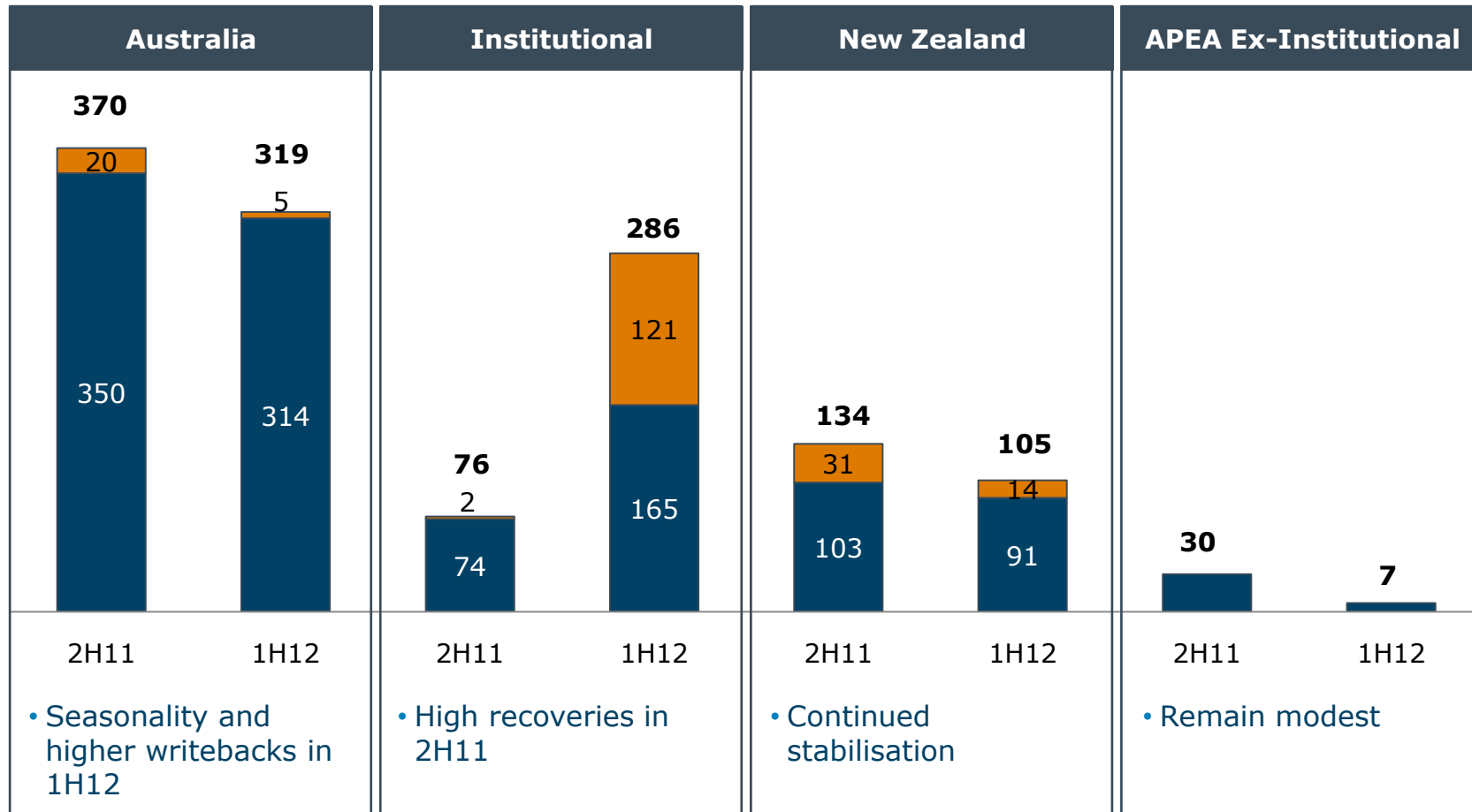


Institutional	121
Management overlay	53
Other Single name	35
Credit Valuation Adjustment on derivatives	33
New Zealand management overlay	14
Australia management overlay	5
Total	140

Individual Provision Charge – underlying trends reasonably stable

Individual Provision Charge by Division (\$m)

■ IP Charge net of CP Transfers ■ CP & CVA "transfers" related to legacy exposures and natural disasters



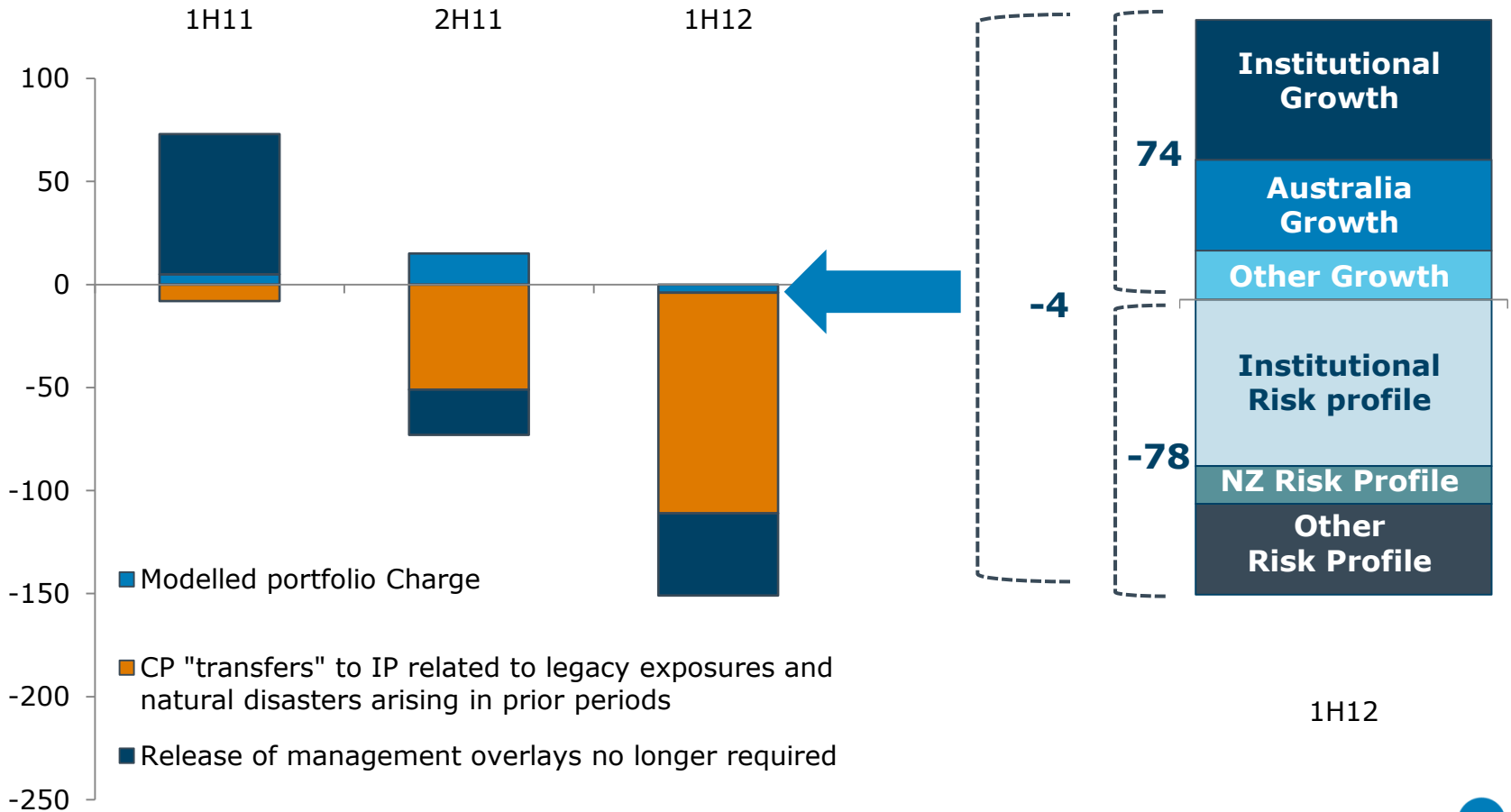
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Collective Provision release principally due to exposures being crystallised

Collective Provision Charge Composition (\$m)

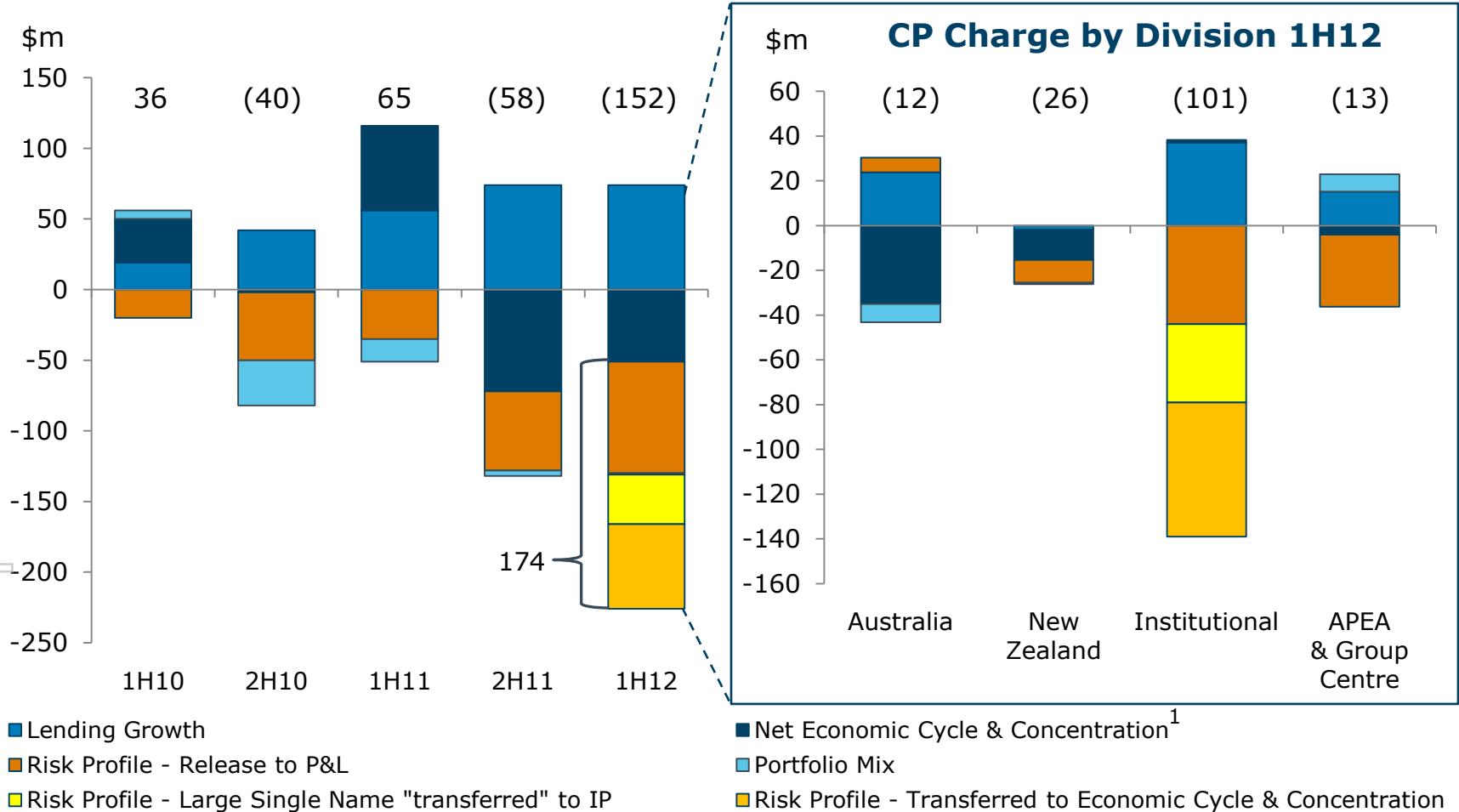
Modelled Collective Provision Charge Drivers 1H12 (\$m)



Collective Provision Charge

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Collective Provision Charge by Source



1. Includes \$60m transferred to concentration risk in 1H12.

Collective Provision Charge

Collective Provision Charge by Source

1H12	Risk Impact	Lending Growth	Portfolio Mix	Economic Cycle & Concentration	Total
Australia Division	7	24	(8)	(35)	(12)
Institutional	(139) ¹	37	0	1 ¹	(101)
New Zealand	(10)	(2)	(1)	(13)	(26)
APEA & Group Centre	(32)	15	8	(4)	(13)
Total	(174)	74	(1)	(51)	(152)

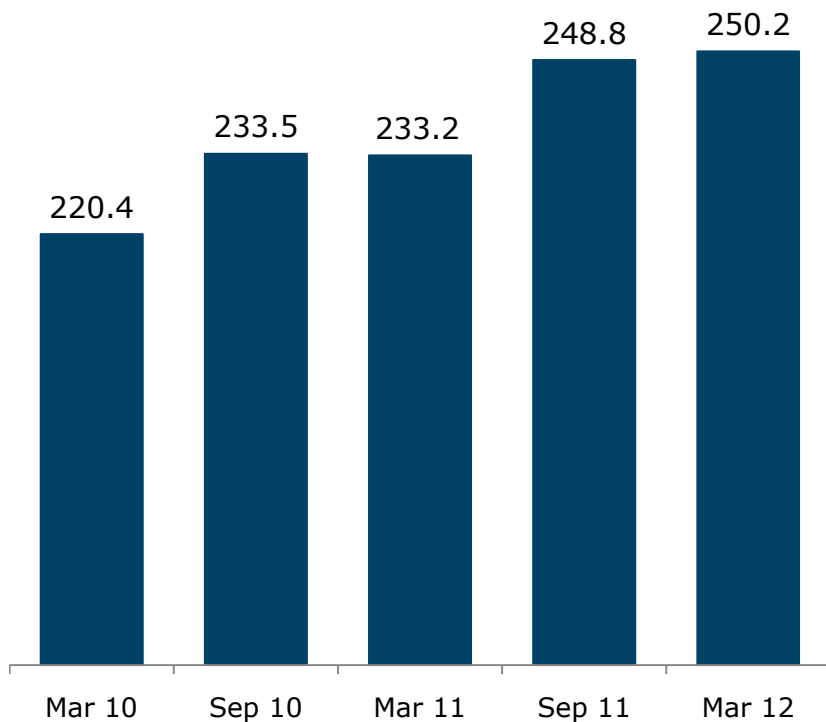
2H11	Risk Impact	Lending Growth	Portfolio Mix	Economic Cycle & Concentration	Total
Australia Division	(1)	26	(6)	(93)	(74)
Institutional	(20)	36	1	12	29
New Zealand	(8)	(5)	(1)	(28)	(42)
APEA & Group Centre	(27)	17	2	37	29
Total	(56)	74	(4)	(72)	(58)

1. Includes transfer of \$60m in Collective Provision from Risk impact to Economic Cycle & Concentration

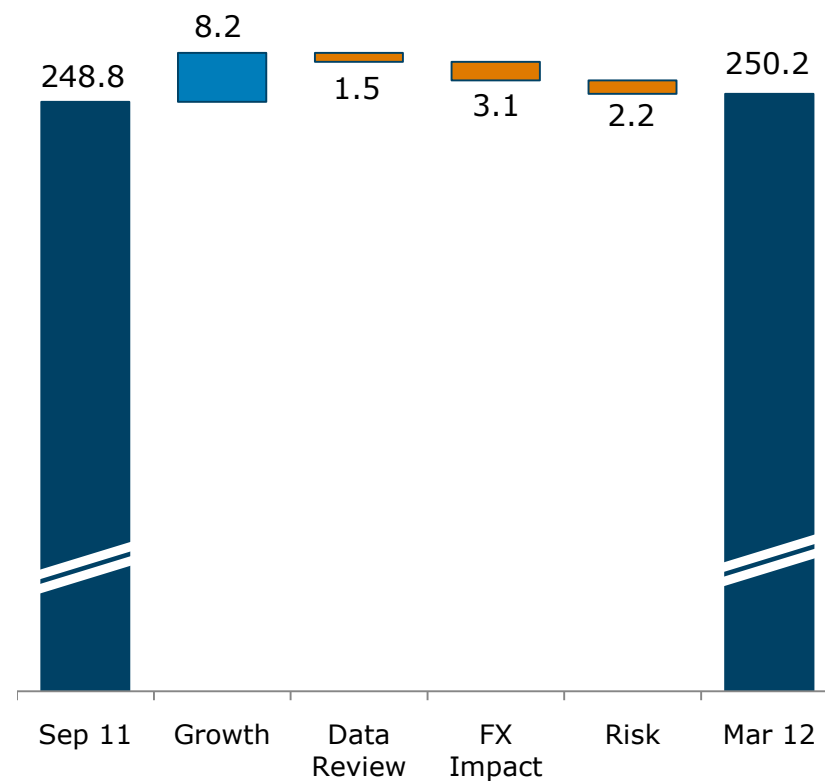
Credit Risk Weighted Assets

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Total Credit Risk Weighted Assets (AUDb)

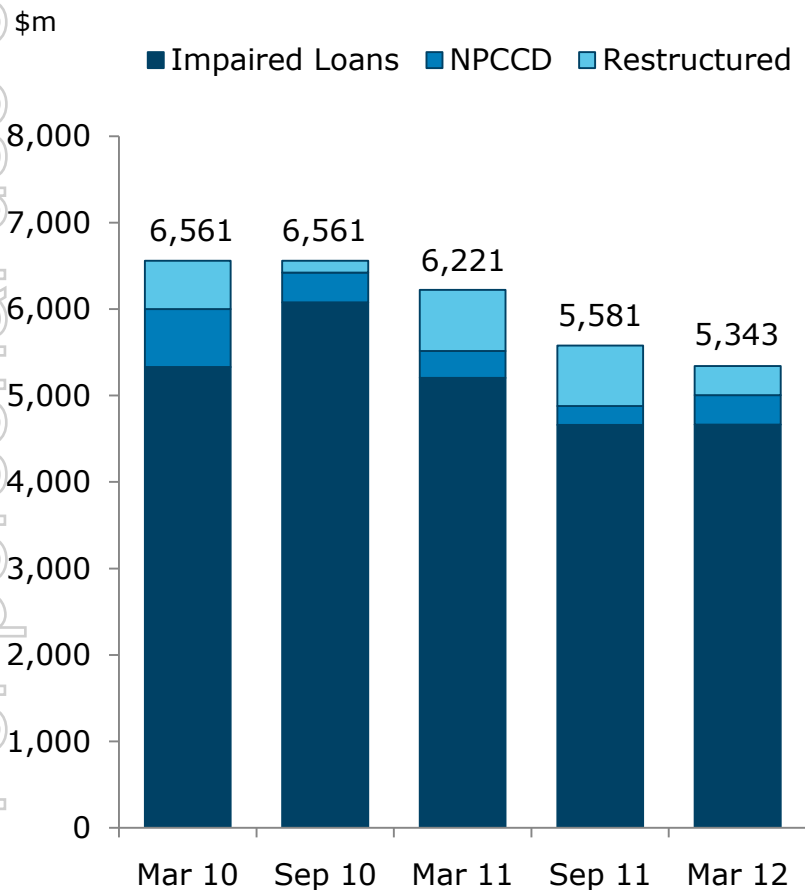


Credit Risk Weighted Assets Movement 1H12 v 2H11 (AUDb)

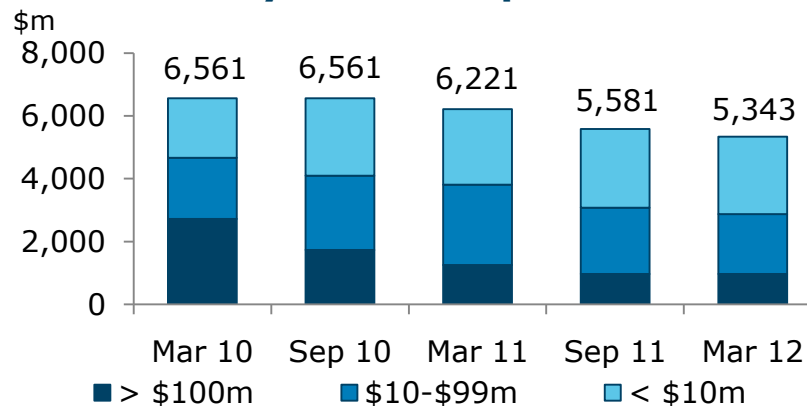


Impaired Assets

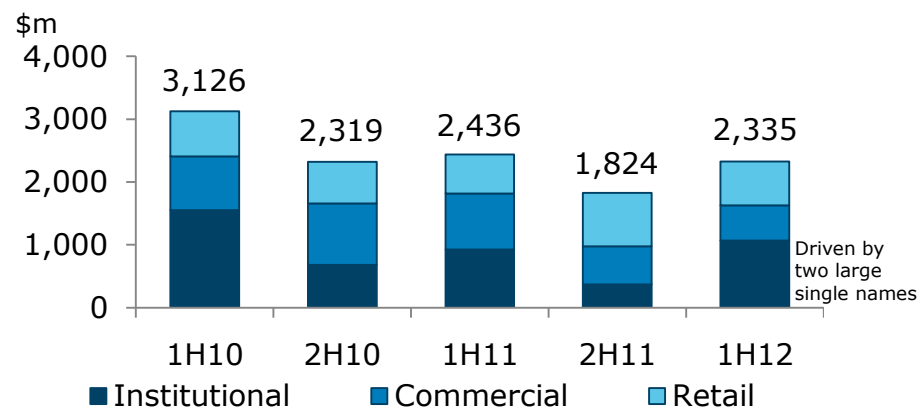
Gross Impaired Assets by Type



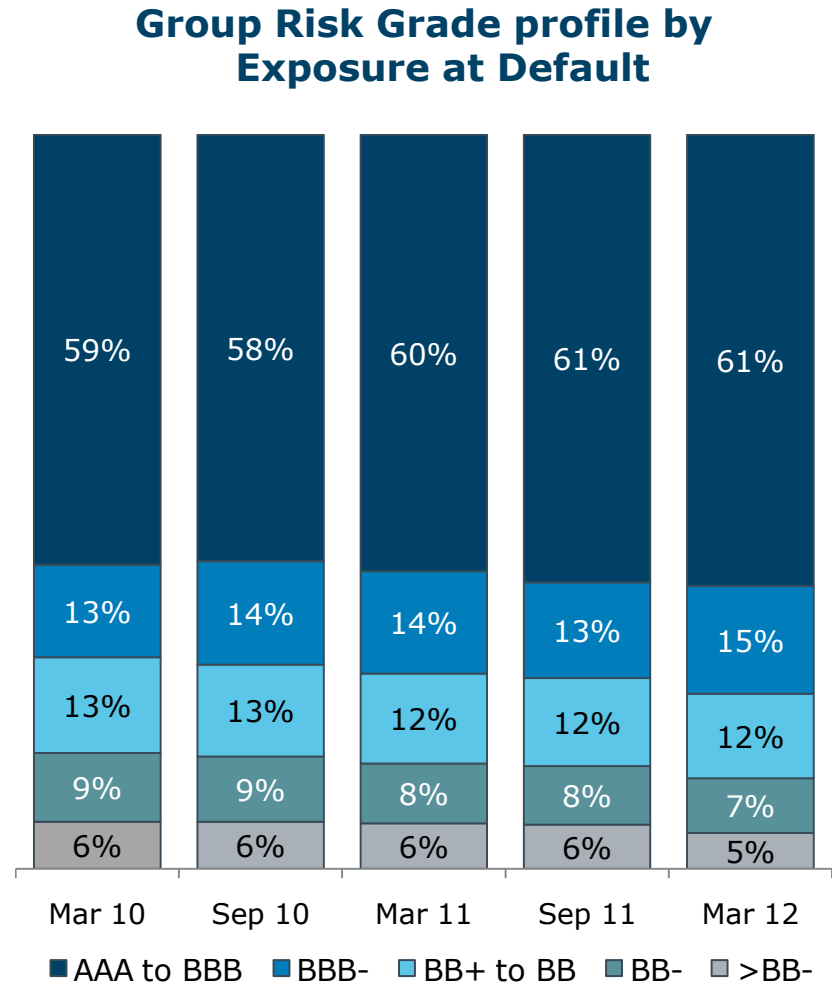
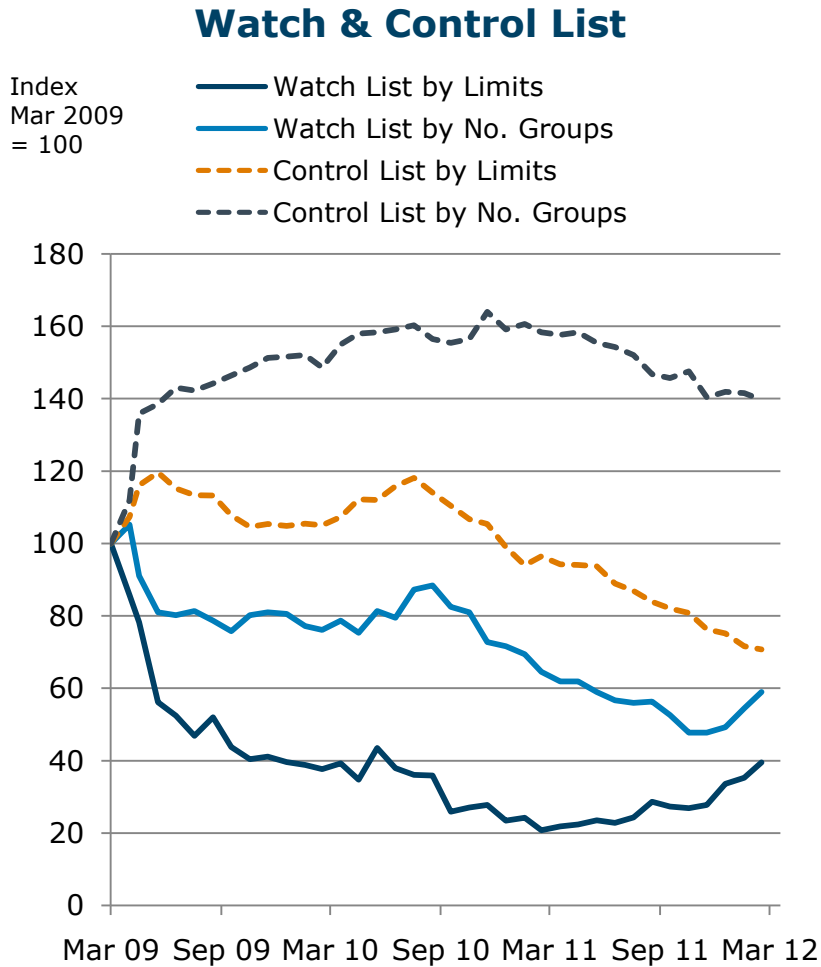
Gross Impaired Assets by Size of Exposure



New Impaired Assets by Segment

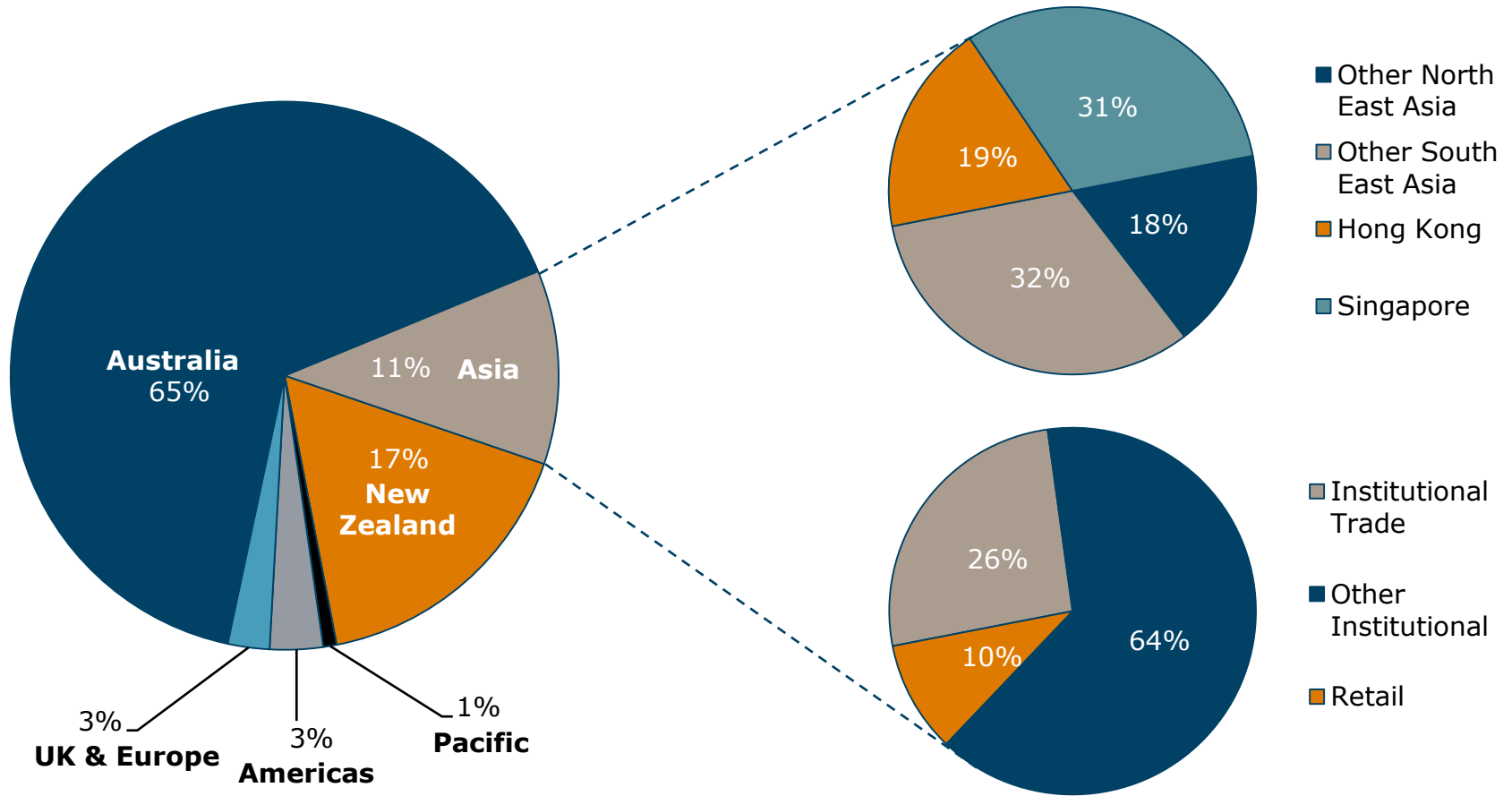


Watch & Control Lists and Risk Grade Profiles



Total lending exposures – by Geography

Exposure at default (EAD)

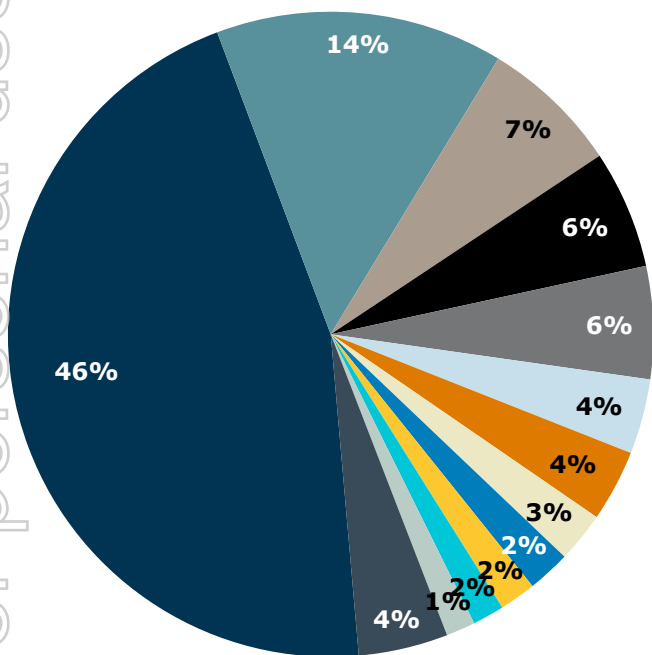


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Total lending exposures – by Sector

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Exposure at default (EAD) as a % of group total

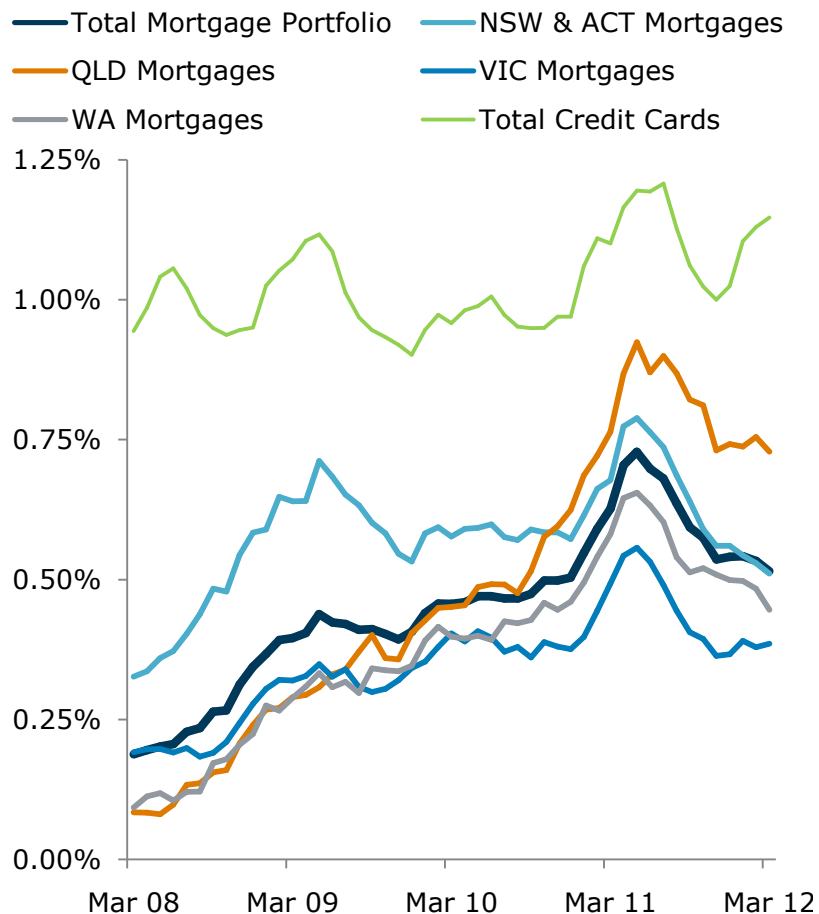


Category	EAD		% in Non Performing	
	Sep-11	Mar-12	Sep-11	Mar-12
Consumer Lending	45.2%	45.7%	0.4%	0.3%
Finance, Investment & Insurance	14.4%	14.4%	0.3%	0.2%
Property Services	6.9%	7.0%	2.5%	2.1%
Agriculture, Forestry, Fishing & Mining	6.0%	5.9%	3.1%	3.0%
Manufacturing	5.8%	5.6%	2.2%	0.9%
Wholesale Trade	3.2%	3.8%	1.5%	1.1%
Government & Official Institutions	4.4%	3.6%	0.0%	0.0%
Retail Trade	2.5%	2.5%	0.7%	0.5%
Transport & Storage	2.1%	2.1%	0.7%	0.6%
Entertainment, Leisure & Tourism	1.8%	1.8%	1.8%	2.1%
Business Services	1.6%	1.6%	3.1%	2.7%
Construction	1.5%	1.5%	1.1%	5.3%
Other	4.6%	4.5%	0.9%	1.4%

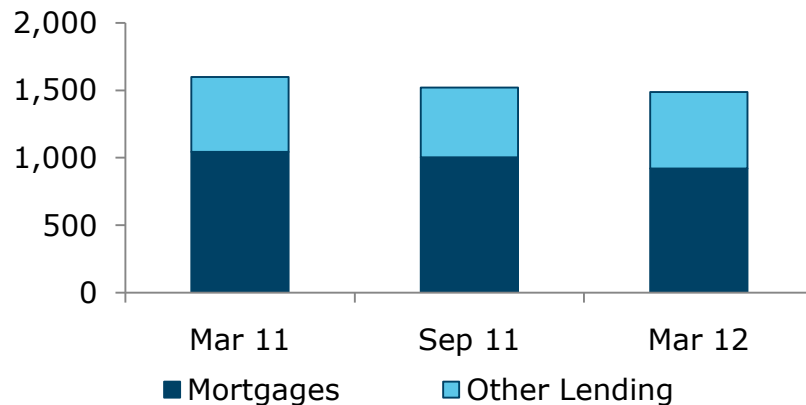
Australia 90+ Day Delinquencies

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Australia Retail 90+ day delinquencies



Australia Division 90+ day Delinquency Balance (\$m)



Mortgages have low loss rates

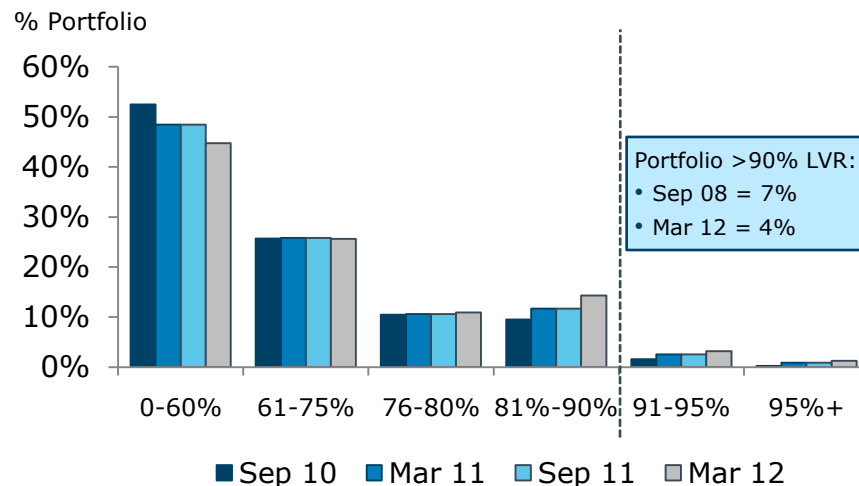
Individual Provision Loss Rates					
	1H10	2H10	1H11	2H11	1H12
Group	0.62%	0.42%	0.32%	0.31%	0.36%
Australia Mortgages	0.02%	0.01%	0.01%	0.03%	0.03%

Australia – Mortgages

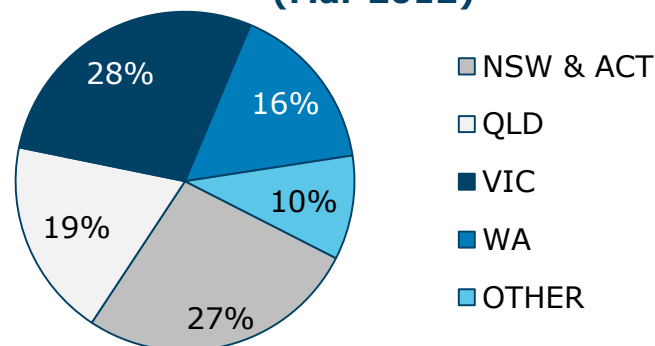
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Portfolio Statistics	
Total Number of Mortgage Accounts	851k
Total Mortgage FUM	\$178b
% of Total Australia Region Lending	60%
% of Total Group Lending	43%
Owner Occupied Loans - % of Portfolio	63%
Average Loan Size at Origination	\$258k
Average LVR at Origination	64%
Average Dynamic LVR of Portfolio	50%
% of Portfolio Ahead on Repayments ¹	48%
First Home Owners - % of Portfolio	9%
First Home Owners - % of New Lending	7%

Dynamic Loan to Valuation Ratio



Mortgage Portfolio by State (Mar 2012)



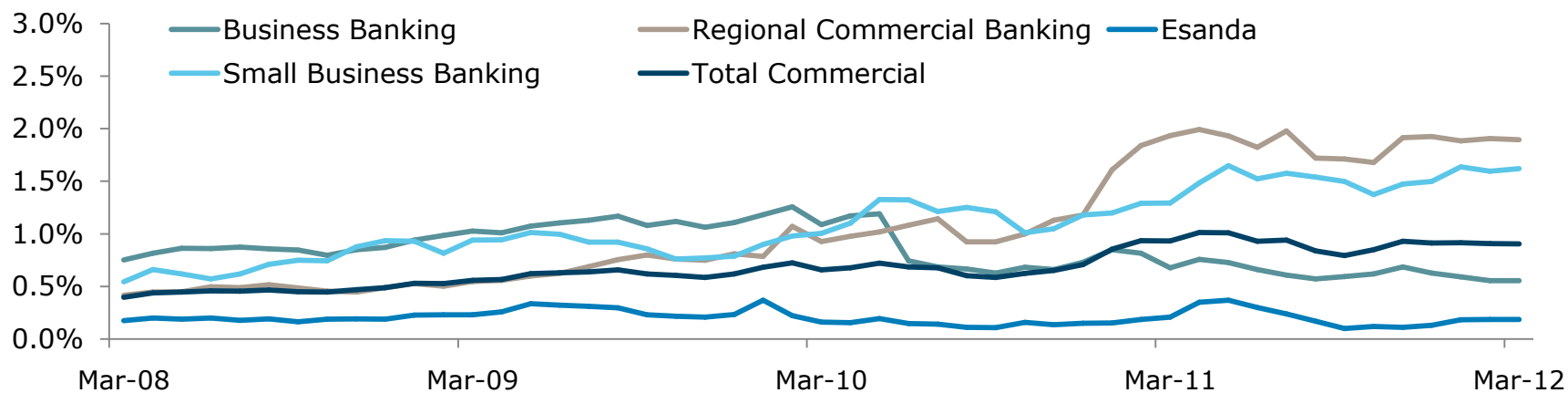
1. One month or more ahead of repayments. Excludes funds in offset accounts.



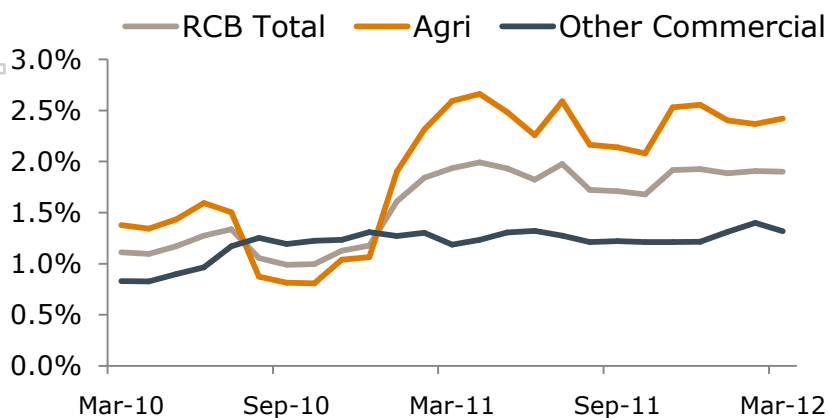
Australia Commercial

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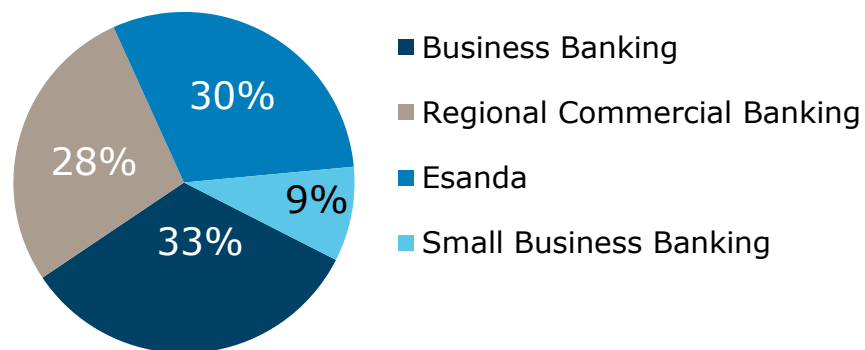
Australia Commercial 90+ day delinquencies



Regional Commercial Banking 90+ day delinquencies



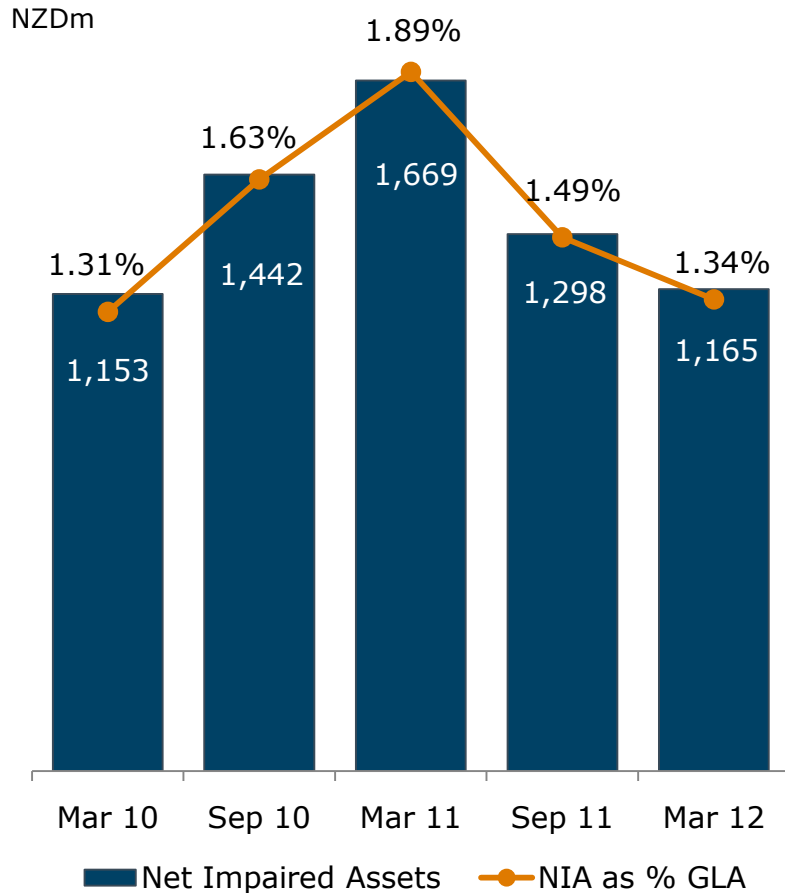
Australia Commercial Lending Mix



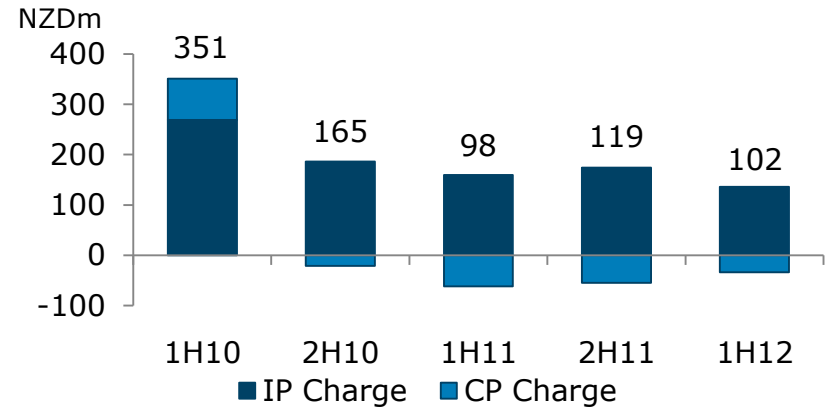
New Zealand Businesses

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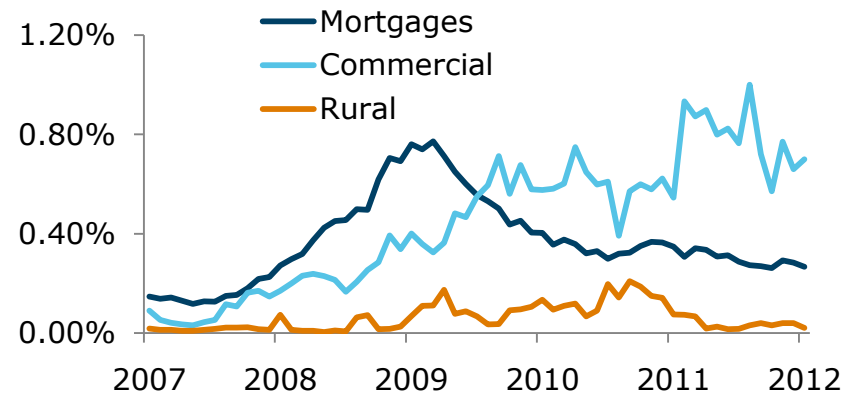
Net impaired assets



Total provision charge



90+ Days arrears



Credit Intermediation Trades

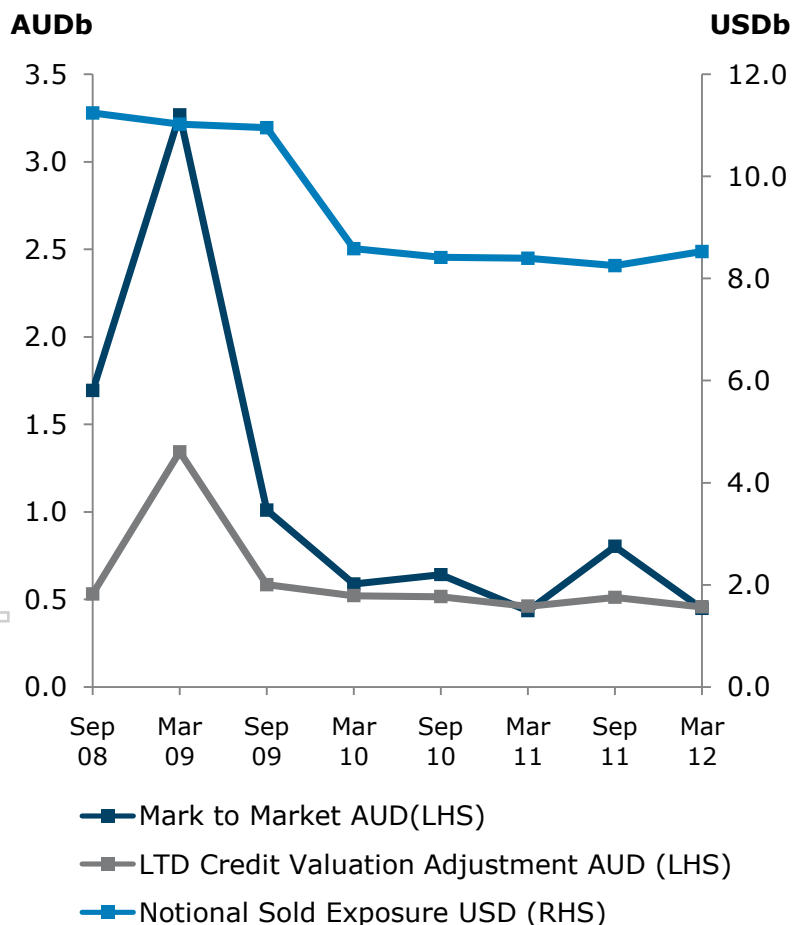
Position as at 31 March 2012	No.	Notional Purchased Protection Principal Amount (USDm)	Mark to Market (USDm)	Life to Date		Notional Principal Amount on Corresponding Sold Protection (USDm)
				Credit Risk on Derivatives (USDm)	Credit Risk on Derivatives (AUDm)	
Counterparty Rating						
AA-/Aa3	2	1,693	208	56	54	1,214
BB/Ba1	1	3,100	82	39	38	3,100
Withdrawn Rating / No rating	3	3,737	175	50	47	3,737
Other costs ¹	-	-	-	297	320	-
Position 31 March 2012	6	8,530	465	442	459	8,052
Position 30 September 2011	6	8,740	782	495	511	8,252

1. Other costs are cumulative life to date costs which include realised losses relating to restructuring trades to reduce risks which were unhedged due to default by the purchased protection counterparty and realised losses on termination of sold protection trades. It also includes foreign exchange hedging losses.

Credit Intermediation Trade Portfolio

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Credit Intermediation Trades



- Cumulative Credit Risk on Derivative expense for the Credit Intermediation Trade portfolio as at 31/3/2012 was AUD 459m (down AUD 52m from 30/9/2011)
- Credit markets have been quite volatile since mid 2011, having been materially impacted by the ongoing European sovereign crisis, US credit rating downgrade, and general concerns about global economic growth. However, since early 2012 credit markets have rallied primarily as a result of the reduction in Greece’s debt burden, the ECB’s Long-Term Refinancing Operation (LTRO), and strengthening in the US economy. The significant tightening of credit markets has led to a decrease in MtM and CVA compared to 30 September 2011.
- The Credit Intermediation Trade Portfolio’s European sovereign debt exposure to the PIIGS is zero, with minimal exposure (< 1%) to financial institutions in these countries.
- The total notional value of the sold protection outstanding was USD 8,052m (30/9/11: USD 8,252m).
- There have been no trade maturities, or unwinds during the first half 2012. Notional value reductions are attributable to the early redemption of one CLO, CLO amortisations for trades that are past their respective reinvestment periods, and exchange rate movements.
- The CDO portfolio has experienced 2 credit events in the underlying reference entities in the last 6 months.
- ANZ has strong levels of protection under the sold protection trades with weighted average attachment points of:
 - ~ 15% for the 12 CDO’s
 - ~ 33% for the 5 CLO’s
- ANZ has USD 8,530m in bought protection outstanding including USD 479m of bought protection for which ANZ has no remaining underlying sold protection exposure.



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HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

2 May 2012

**Investor Discussion Pack
Economic Updates**



Economic updates

	Australia				New Zealand			
	2011	2012	2013	2014	2011	2012	2013	2014
GDP	2.0	3.0	3.1	3.2	1.2	1.9	3.0	2.9
Inflation	3.5	2.2	3.2	3.0	4.6 ¹	1.6	2.5	2.7
Unemployment	5.2	5.4	4.9	4.8	6.6	6.2	6.0	5.7
Cash rate	4.75	3.75	3.75	3.75	2.50	2.50	3.50	4.25
AUD/USD	0.97	1.10	1.10	0.98	N/A	N/A	N/A	N/A
Credit	3.4	3.9	4.0	4.0	1.9	2.1	3.3	4.2
- Housing	5.8	4.7	4.1	4.8	1.6	1.8	2.6	3.4
- Business ²	0.3	2.9	4.0	3.3	2.5	2.6	4.1	5.2
- Other	-0.6	1.4	2.9	1.1	0.6	1.5	2.7	3.5

Source - ANZ economics team estimates. Based on 30 September bank year. Growth rates in through the year terms.

1. Impacted by an increase in the Goods and Services tax rate from 12.5% to 15% effective 1 October 2010

2. NZ Business includes Rural lending

Growth Forecasts – Asia

Emerging Asia GDP Growth Forecasts

	2007	2008	2009	2010	2011	2012	2013
China	13.1	9.6	9.1	10.1	9.2	9.0	9.3
India	9.5	7.4	7.0	8.8	7.1	7.3	8.5
NIEs							
Hong Kong	6.4	2.4	-2.7	7.0	5.0	4.4	5.1
Korea	5.1	1.5	0.2	6.2	3.9	3.4	4.9
Singapore	8.6	2.3	-0.8	14.5	5.0	3.0	6.7
Taiwan	5.9	1.1	-1.9	10.9	4.0	4.0	5.1
ASEAN							
Indonesia	6.3	6.0	4.6	6.1	6.5	6.4	6.9
Malaysia	6.5	4.7	-1.7	7.2	5.1	4.6	6.1
Philippines	7.1	3.7	1.1	7.3	3.7	5.0	5.3
Thailand	4.9	2.5	-2.3	7.8	0.1	5.5	6.0
Vietnam	8.4	6.3	5.3	6.8	6.1	5.5	7.0
Total							
Total	10.3	7.3	6.1	9.1	7.3	7.4	8.1
Total (ex. China & India)	6.1	3.1	0.4	7.6	4.3	4.6	5.7
Sources: CEIC, ANZ Economics.							

Note: Based on calendar year.

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