

14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

1 May 2014

Results Presentation &
Investor Discussion Pack



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All figures are presented on a Cash basis in Australian Dollars unless otherwise noted. In arriving at Cash Profit, Statutory Profit is adjusted to exclude non-core items, further information is set out on page 83 of the 2014 Half Year Consolidated Financial Report

14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

1 May 2014

Mike Smith
Chief Executive Officer



Delivering for shareholders and customers

1H14 Result	1H14 \$m	1H13 \$m	Growth %
Cash Profit	3,515	3,179	Up 11%
Statutory Profit	3,381	2,937	Up 15%
Cash Earnings per Share (cents)	128.7	116.9	Up 10%
Dividend per share (cents)	83	73	Up 14%
Cash Return on Equity	15.5%	15.5%	Flat

- Strong, clean result
- Super regional strategy delivering
- Performing to FY14 guidance

SUPER REGIONAL STRATEGY

STRONG
CORE
MARKETS

PROFITABLE
ASIAN
GROWTH

ENTERPRISE
APPROACH

STRONG LIQUIDITY AND CAPITAL MANAGEMENT

DISCIPLINED AND EXPERIENCED MANAGEMENT

CEO PRIORITIES FY14-16

Improving
customer
experience

Diversifying
revenue

Improving
productivity

Improving
returns

Strengthen our position in core markets of Australia and New Zealand to drive Group earnings and returns

**STRONG
CORE
MARKETS**

Growth in core customer segments...

#1	Mortgage growth Aust/NZ ¹
1.1x system	Australia retail deposit growth ¹
↑16%	Aust Small Business lending
↑14%	NZ Small Business lending

- Improved sales capability in small business, wealth and home loans
- Stronger cross-business referrals
- Better channel reach & capabilities
- Simplified processes and products
- More sales time

...more efficient, better service...

\$78b	Digital transactions processed via ANZ goMoney™ in Australia
Lower CTI	Australia - 80bps, NZ -370bps, Wealth -90bps

- Improving customer experience
- Reducing customer complaints
- Migration to lower cost channels

...future-proofing core businesses.

✓	Transforming Australia
✓	Simplifying New Zealand
✓	Repositioning Wealth

- More customers, better delivery, lower costs
- Retail income per FTE up 8-9%
- Digital – simpler, better, more integrated
- Focus on customer and network

Asian expansion focused on connecting customers to faster growing regional capital, trade and wealth flows

PROFITABLE
ASIAN
GROWTH

IIB has delivered strong, diversified income growth...

↑9%

International and Institutional Banking

↑17%

IIB Asia¹

Double digit

Growth in priority products and key Asian markets

57%

% of flow products in IIB income - better returns, less risk

- Global Markets Asia +34%; FX Asia +27%
- Global Markets Asia Sales +20%
- Transaction Banking Asia +9%; Payments and Cash Management Asia +17%
- Greater China^{1,2} +20%, SE Asia^{1,2} +15%

...improving cost and balance sheet efficiency...

↓30bps

IIB Cost to Income ratio¹

↑

Asset efficiency, credit quality

- Consolidation of operations hubs
- Higher quality, shorter tenor loan book
- IIB Return on RWA up 4bps

...recognised as a leading regional bank.

Top 4

Corporate Bank in Asia – 2012 & 2013³

37%

APEA % of Institutional NPAT

- Insights – leveraging industry expertise
- Network capability – an emphasis on generating cross-border referrals

Asian businesses now established as a diversified network delivering growth, scale & returns

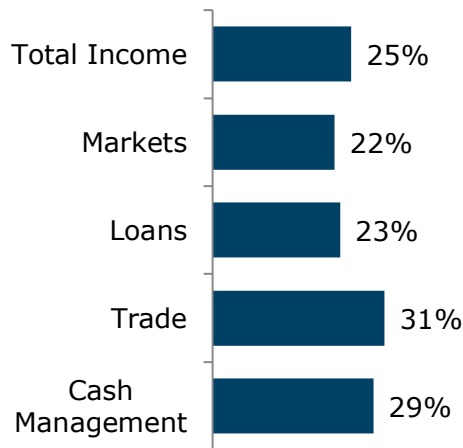
PROFITABLE
ASIAN
GROWTH

Customer driven growth in core segments and markets...

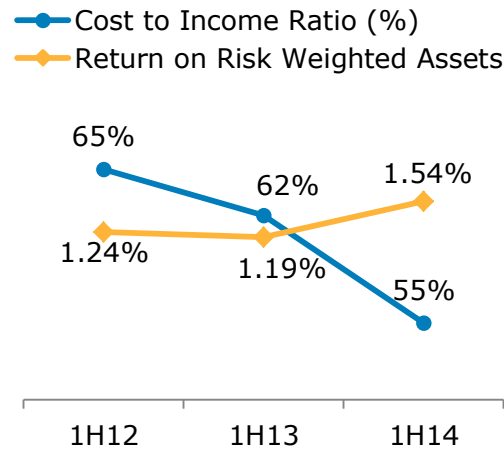
...with strong business, cost and risk disciplines...

...leading to double digit growth and improved returns.

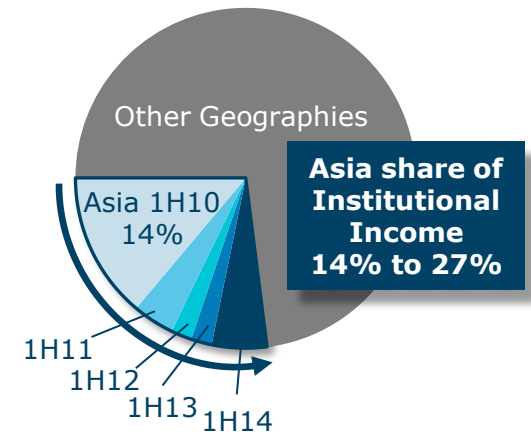
IIB Asia Income CAGR 1H10-1H14



IIB Asia



Institutional Operating Income by Geography



Built on common infrastructure and enterprise focus for greater responsiveness, efficiency and control

ENTERPRISE
APPROACH

Enterprise approach to operations and technology...

~↑ **10%** Operations productivity

~↑ **20%** "Run-the-bank" technology productivity

↓ **9%** Customer complaints

↓ **20bps** Group Cost to Income Ratio

✓ Sustainable returns in a lower growth market

...is delivering a better, more efficient bank...

...for customers and shareholders.

1. Standardisation of processes & systems

- Global wholesale credit decisioning and collateral management – all markets.
- Global cards platform in 17 markets.
- Global payments & FX; workflow mgt.

2. Consolidation of like teams

- Creating scale, resource flexibility and deep knowledge pools – Trade; Collections; Wholesale Lending.

3. Straight Through Processing

- 87% of all inward international payments in Aust/NZ now STP, up from 68% in 2011.

4. Shift to online self-service

- Online card activation saving 36k calls per month.

Building a
better bank
for customers

Building a
better bank
for shareholders

CEO PRIORITIES FY14-16

Improving
customer
experience

Diversifying
revenue

Improving
productivity

Improving
returns

FY16 FINANCIAL OUTCOMES

Above peer growth

CTI <43%

ROE of 16%+

14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

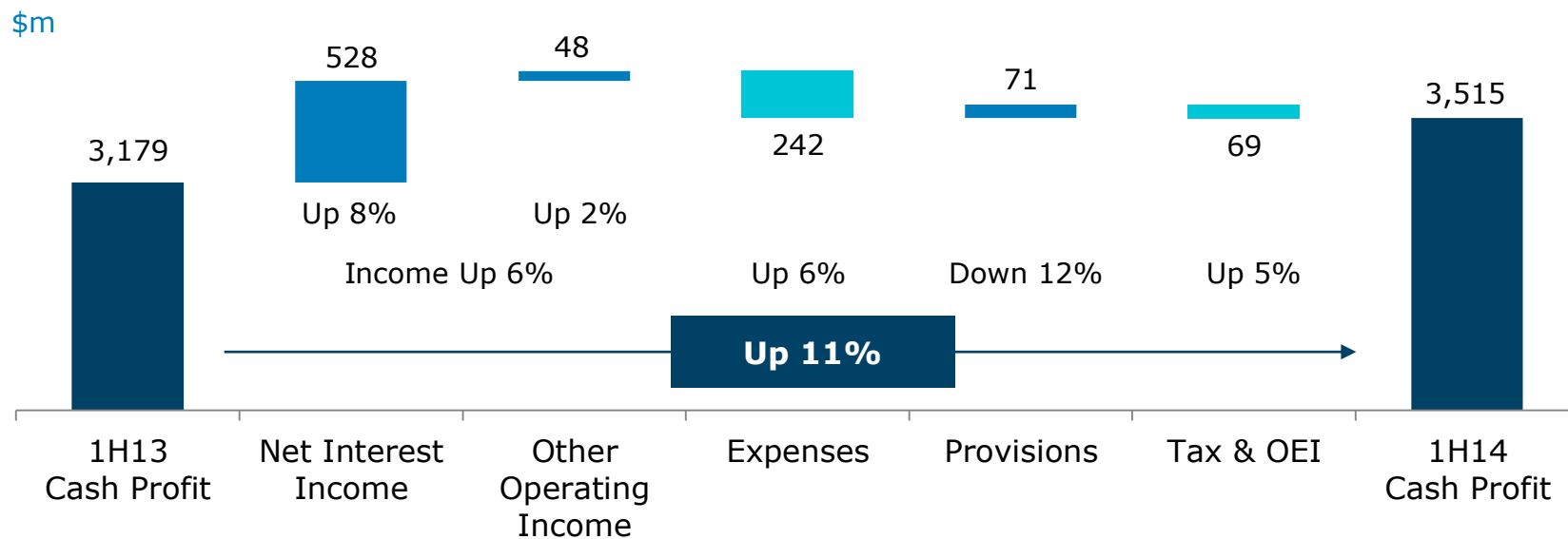
1 May 2014

Shayne Elliott
Chief Financial Officer



1H14 Financial Performance

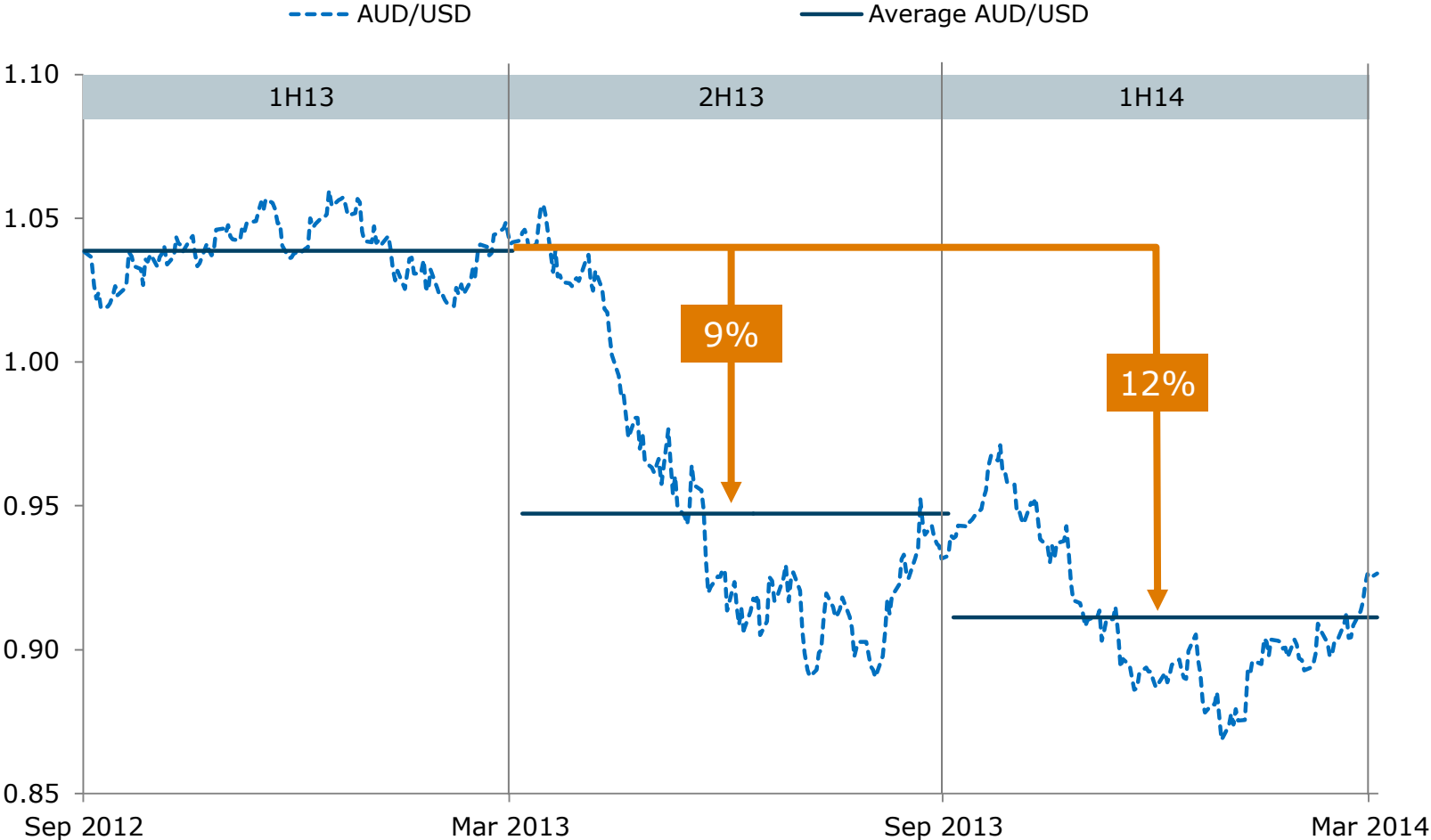
Cash Profit Movement 1H14 v 1H13



	1H14	1 Year	3 Year
Earnings per Share (cents)	128.7	+10%	+22%
Dividend per Share (cents)	83	+14%	+30%
Total Shareholder Return	10.4%	22.0%	65.8%
Return on Equity	15.5%	15.5%	16.1%

Impact of FX movements

Key Currency Movements



Impact of FX movements

	Raw ex. Currency Hedging	Actual (as reported)	FX Adjusted
Revenue	+7.5%	+6.3%	+3.6%
Operating Expenses	+6.0%	+6.0%	+1.7%
Provisions	-11.8%	-11.8%	-14.0%
Cash Profit	+13.0%	+10.6%	+8.6%
Return on Equity	+20bps	Flat	+50bps

1H14 result drivers

Growth 1H14 v 1H13 Adjusted for FX

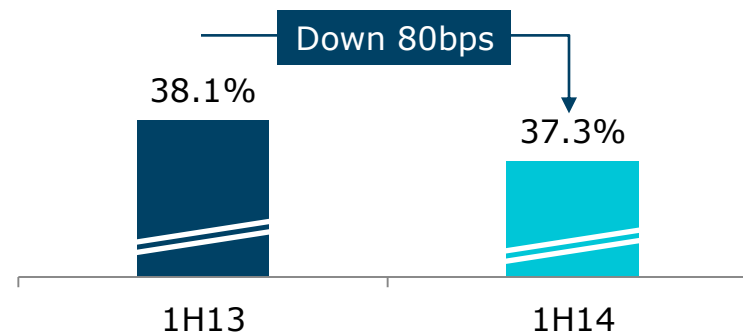
Key Business Lines	Income	Expenses	JAWS
Institutional APEA	+15.7%	+3.0%	+12.7%
Global Wealth	+6.0%	+4.1%	+1.9%
Global Markets	+5.3%	-4.9%	+10.2%
Retail Asia Pacific	+4.0%	+2.5%	+1.5%
Australia Division	+3.8%	+1.7%	+2.1%
New Zealand Division	+3.8%	-5.6%	+9.4%
Institutional Aus/NZ	-4.4%	-4.7%	+0.3%
ANZ Group	+3.6	+1.7%	+1.9%

Strengthening Australia

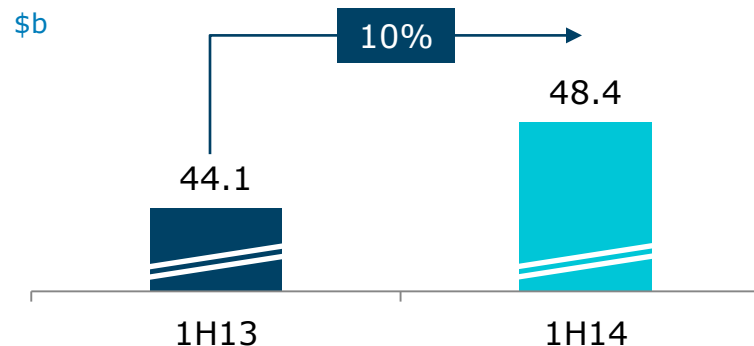
STRONG
CORE
MARKETS

↑9 bps	Home loan share to 15.0% ¹
↑12 bps	Household deposit share to 15.2% ¹
↑32 bps	Business lending share to 17.3% ¹
↑61 bps	Business deposit share to 14.4% ¹
↑13%	Wealth products sold through branches
↑288%	Smart Choice Super FUM ²

Cost to Income Ratio Australia Division



Average Funds Under Management Wealth Australia

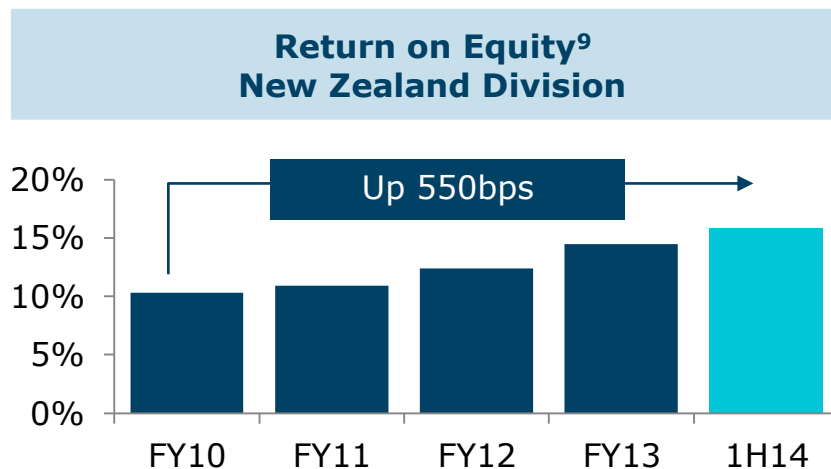
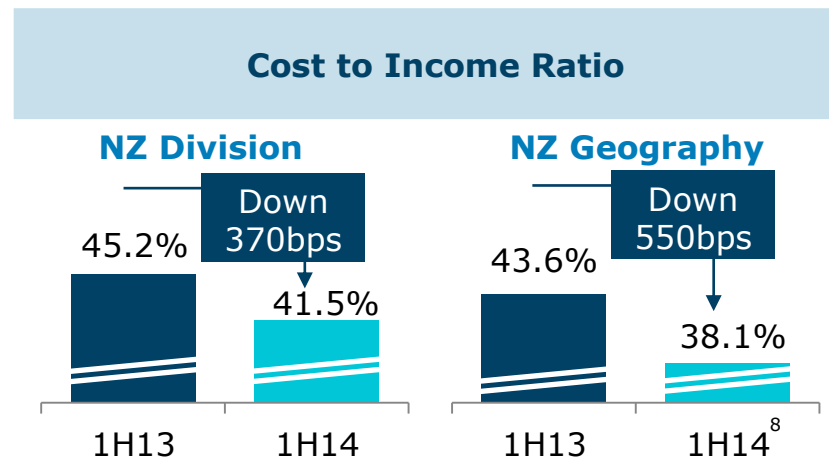


Note: All figures PCP unless otherwise stated; 1. Source: APRA Monthly Banking Statistics, 6 months to February 2014. System adjusted for new ADI incorporations since September 2012. Headline market share as at February 2014: Household home loan lending 14.9%, household deposits 15.0%; Lending to non-financial corporations 17.3%, Deposits from non-financial corporations 14.4%; 2. For the 6 months to March 2014

Strengthening New Zealand

STRONG
CORE
MARKETS

↑22 bps	Mortgage share to 30.7% ¹
↑19 bps	Total deposits share to 28.6% ²
↑20 bps	Commercial lending share to 29.8% ³
↑20 bps	Credit cards share to 26.0% ⁴
↑20%	Revenue per Branch ⁶
↑15%	KiwiSaver FUM ⁷



Profitable in Asia

PROFITABLE
ASIAN
GROWTH

Revenue growth¹

↑27%

FX Asia

↑5%

Trade and Supply Chain Asia

↑17%

Payments and Cash Management Asia

↑20%

Greater China

↑23%

Singapore

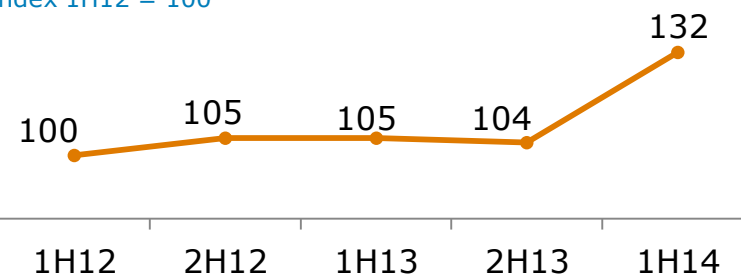
↑11%

Partnerships Asia

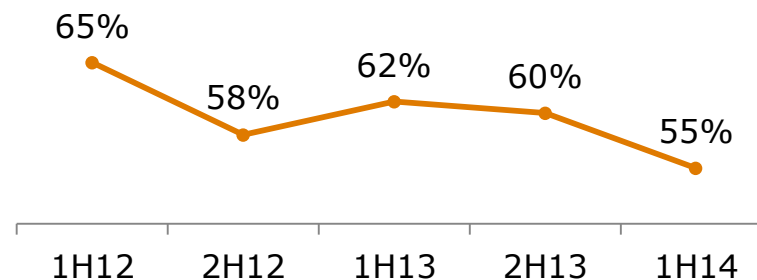
International & Institutional Banking (IIB) Asia Return on Equity

Indexed Return on Equity²

Index 1H12 = 100



IIB Asia Cost to Income Ratio (%)

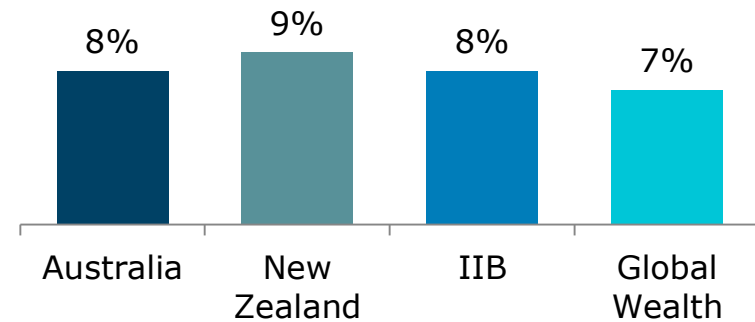


Enterprise Approach

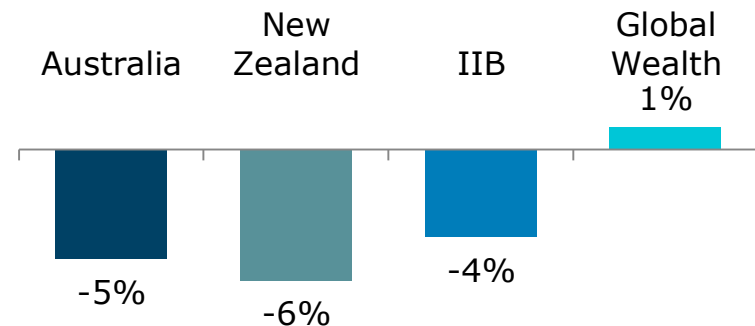
ENTERPRISE
APPROACH

# Countries Implemented	Platforms
ALL	Global Wholesale Credit Decisioning & Trade Processing
25	Global Customer Registry
18	Collateral Management
17	Global Cards
8	Global FX
7	Global Payments Platform and Transactive

Operations Volume Growth 1H14 v 1H13



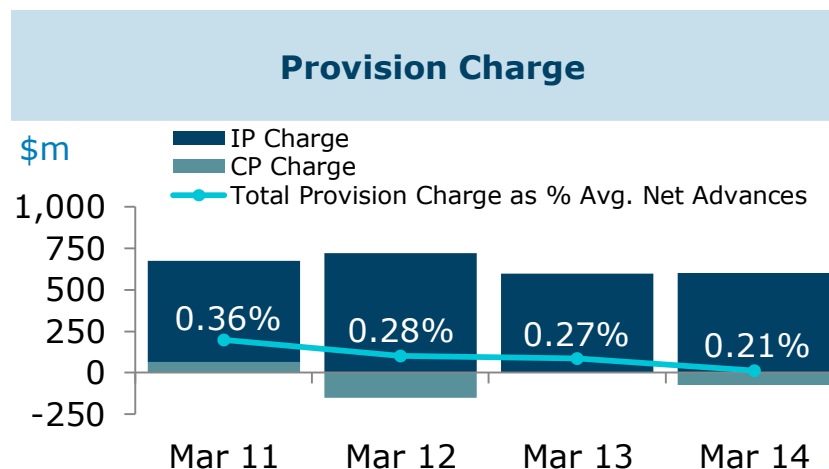
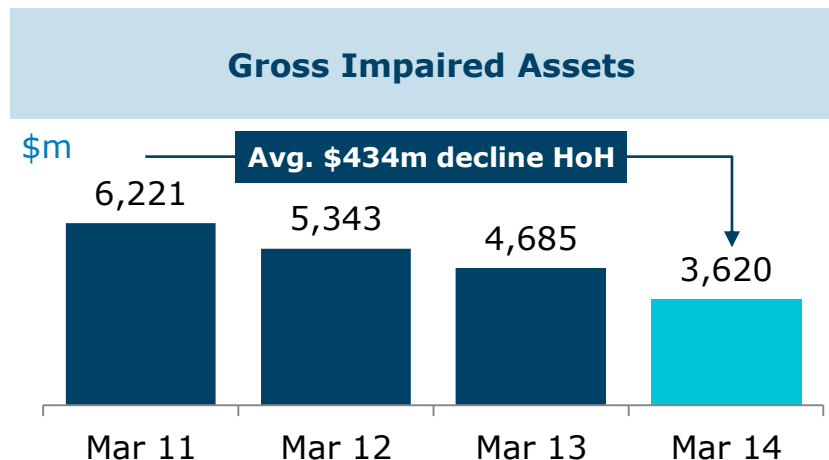
Operations Expense Growth¹ 1H14 v 1H13



1. Growth rates have been calculated on constant FX basis

Credit Quality

↓23%	Gross Impaired Assets
↓2%	New Impaired Assets
↓12%	Total Provision Charge
93bps	Collective Provision Coverage ¹
24bps	IP Loss Rate
39%	Average Credit RWA Rate (CRWA/EAD)

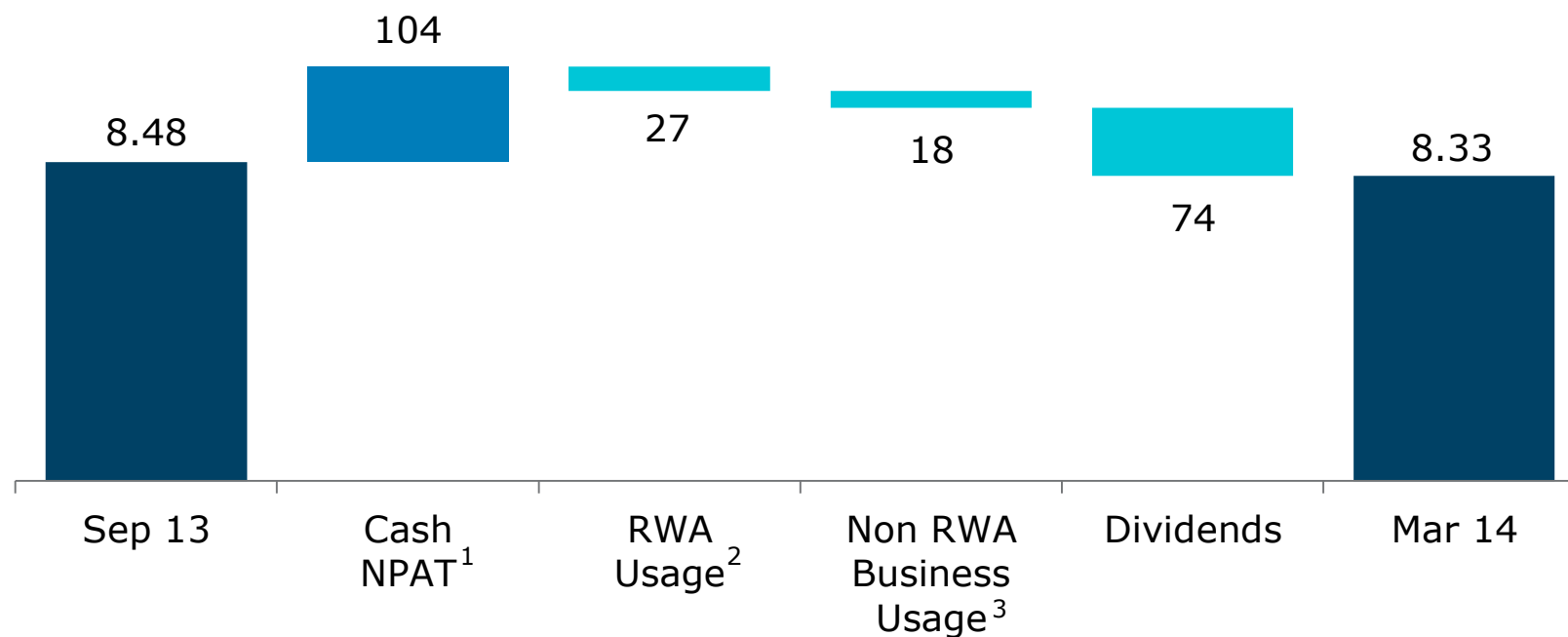


Note: All figures PCP unless otherwise stated; 1. This ratio is the Collective Provision balance as a proportion of Credit Risk Weighted Assets

Capital

APRA Common Equity Tier 1 (Mar 2014 v Sep 2013)

Movement in bps



1. Cash earnings net of pref share dividends; 2. Includes impact of expected loss versus eligible provision shortfall ; 3. Includes capital retention of deconsolidated entities, capitalised software and other intangibles

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BANKING GROUP LIMITED

1 May 2014

ANZ Overview



ANZ offers a distinctive geographic footprint and business mix that provides earnings diversification

Corporate Profile

- Founded in 1835, ANZ is a super regional bank that serves 10 million retail, commercial and institutional customers in 33 markets and employs ~49k staff
- Headquartered in Melbourne, Australia, ANZ is one of the four largest Australian banks and ranked in the top 25 banks globally by market capitalisation
- Listed on the Australian Stock Exchange (ASX) with a secondary listing on the New Zealand Stock Exchange (NZX)

Financial Data for 6 months to 31 March 2014 (\$b)

Statutory Net Profit after Tax	3.4
Cash Net Profit after Tax	3.5
Cash Return on Equity	15.5%
Market Capitalisation	90.7
Total Equity	47.0
Total Assets	737.8
Total Risk Weighted Assets	360.9
Common Equity Tier 1 Ratio	8.3%
Customer Deposits	388.0
Customer Lending	509.3

An established regional network across 33 markets supporting faster growing trade, capital and wealth flows

On the ground presence in 15 Asian markets and representation in Europe, America and Middle East

~17,200 staff ~1.6m customers



The largest bank in the Pacific operating across 12 markets

~2,000 staff ~450k customers

A Top 4 Bank in Australia

~21,400 staff ~6m customers

The largest bank in New Zealand

~8,300 staff ~2.1m customers

Supported by strong and well established domestic franchises

ANZ Operating Structure

Operating Divisions

Australia Division

- Retail Banking
- Corporate & Commercial Banking

New Zealand Division

- Retail Banking
- Commercial & Agri Banking

International & Institutional Banking (IIB)

Client Segments

- Global Banking
- International Banking
- Retail Banking Asia Pacific

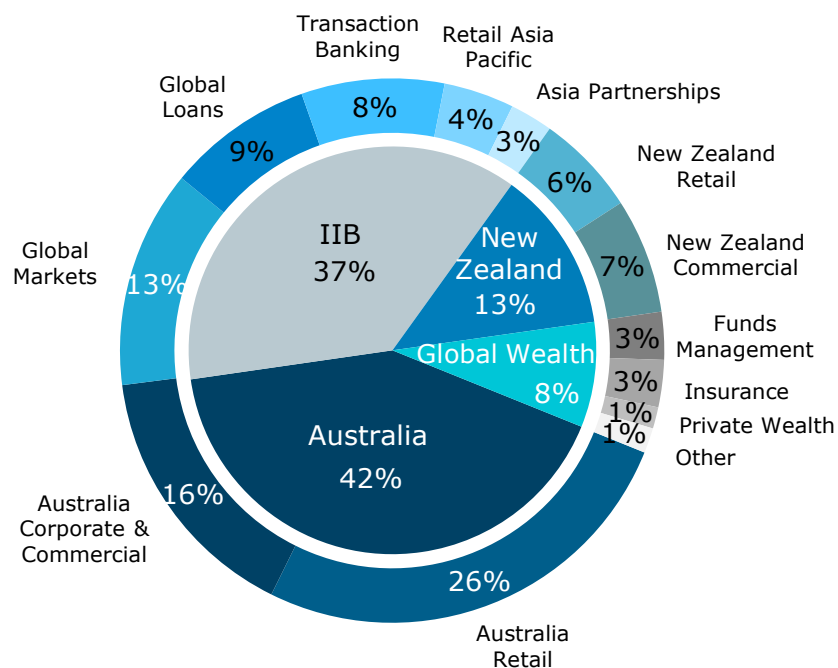
Products

- Transaction Banking
- Global Markets
- Global Loans

Global Wealth

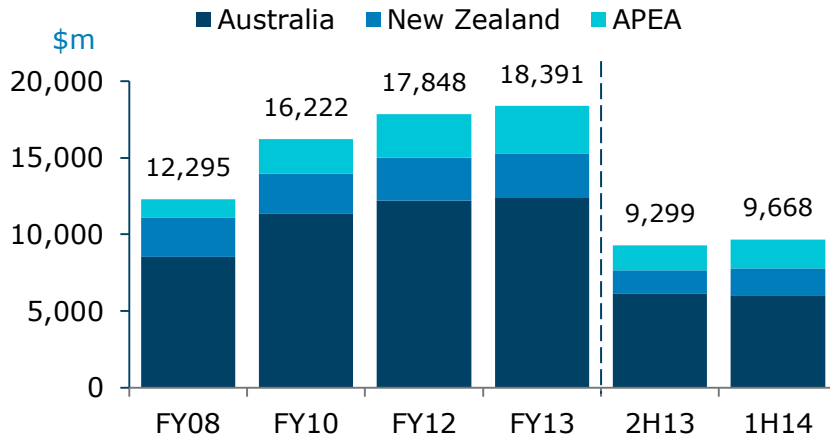
- Insurance
- Funds Management
- Private Wealth
- Advice & Distribution

Operating Income Mix by Division

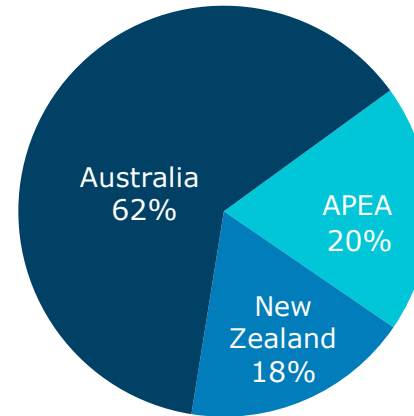


Contribution by Geography

Operating Income

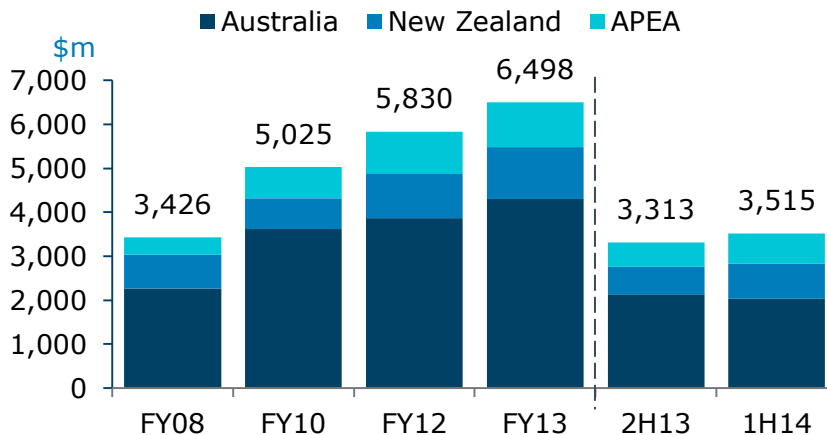


Operating Income 1H14

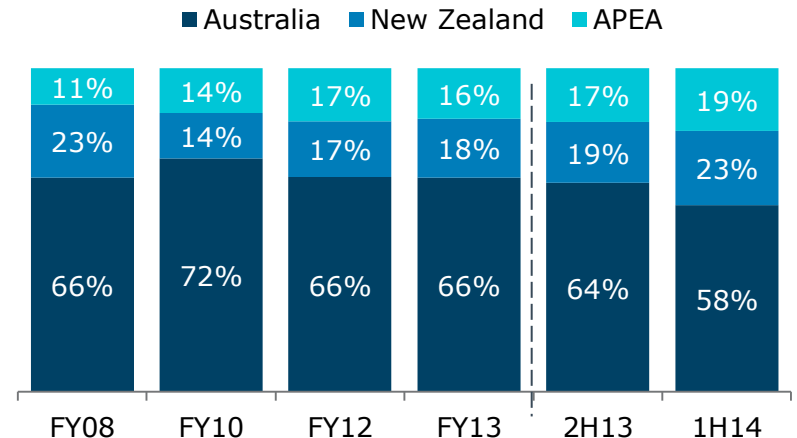


1H14 APEA Network Revenue¹ represented 24% of Group Operating Income and 25% of Group Profit

Net Profit after Tax



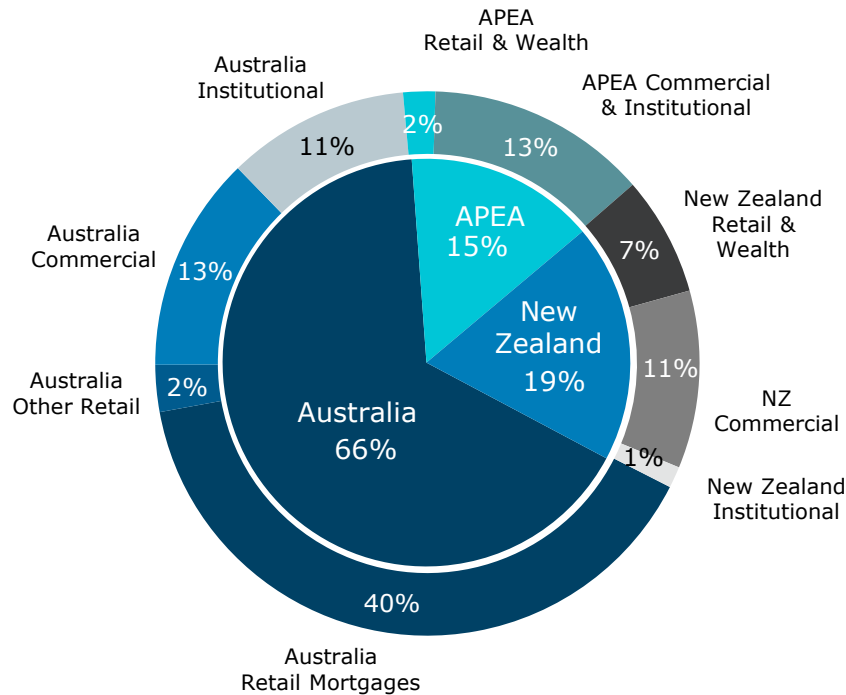
Net Profit after Tax



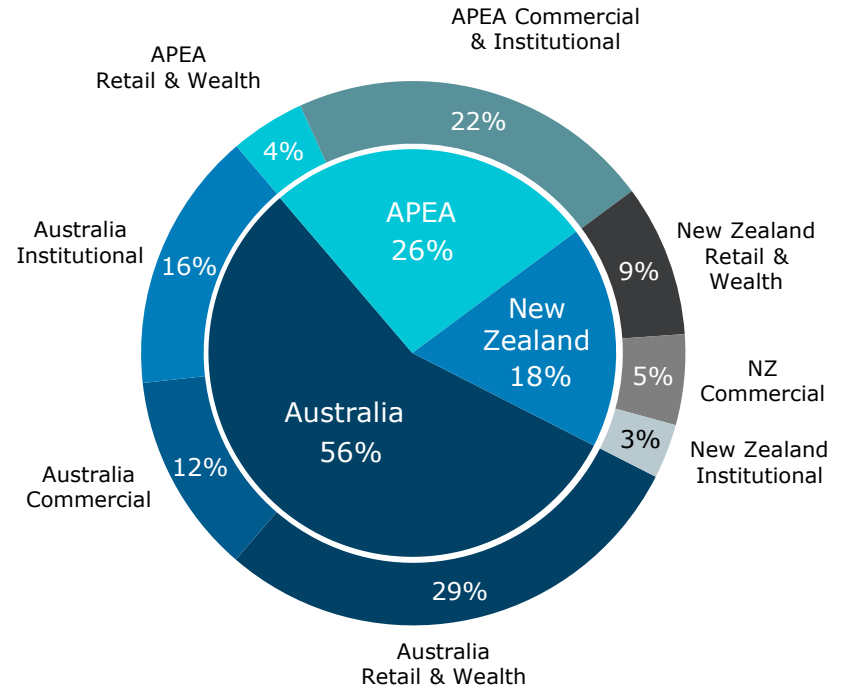
1. APEA Network Revenue represents income generated in Australia & New Zealand as a result of referral from ANZ's APEA network

Customer loans and deposits by Geography

Customer Lending¹



Customer Deposits



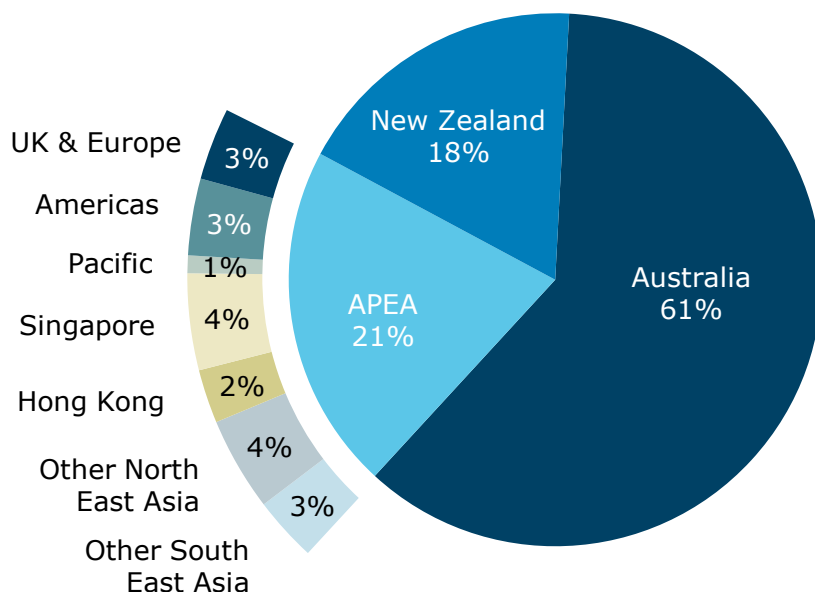
1. Customer lending represents Net Loans & Advances including acceptances

Total Credit Exposure (EAD) by Geography

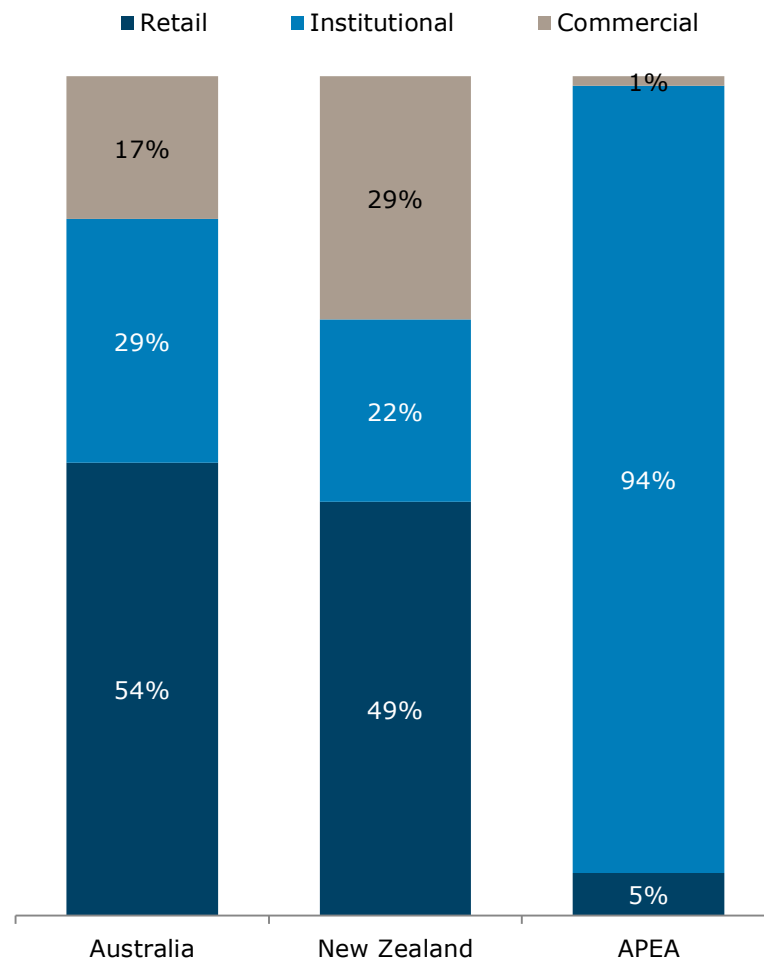
Exposure at Default by Geography

Total Exposure at Default (Mar 14) - \$762b¹

Australia	New Zealand	APEA
\$467.5b	\$136.2b	\$158.7b



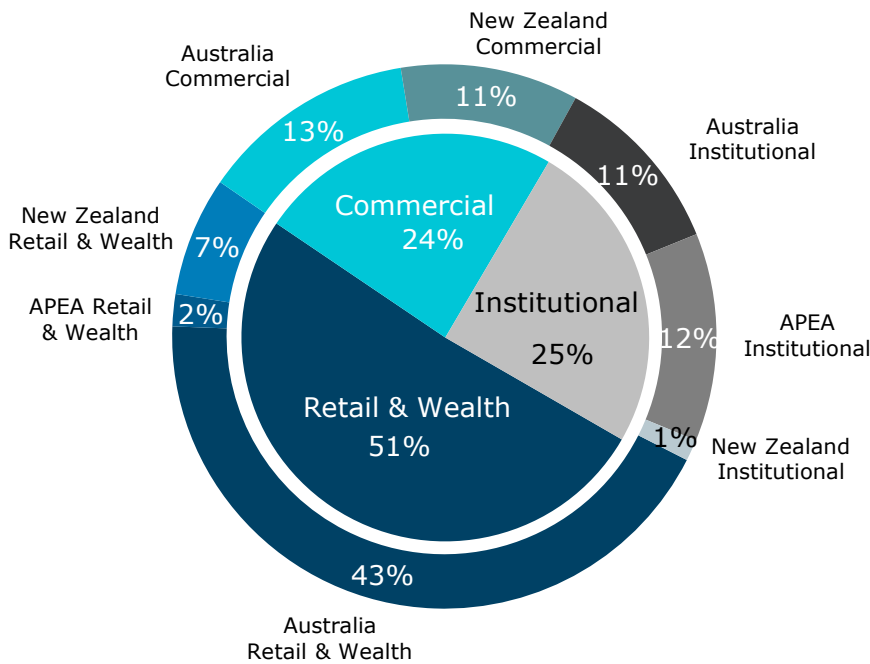
Exposure at Default by Line of Business²



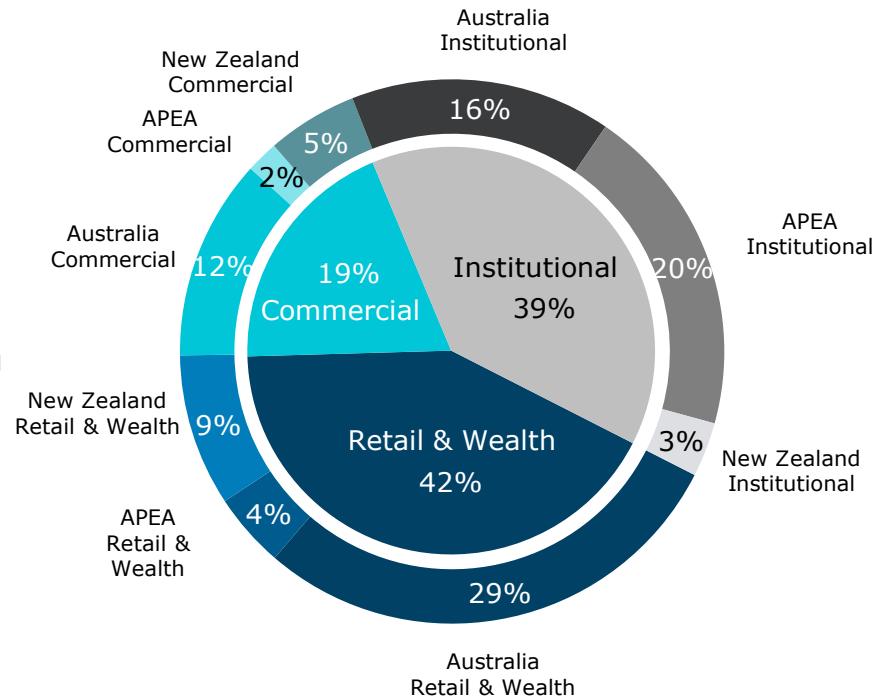
1. EAD excludes amounts for 'Securitisation' and 'Other Assets' Basel asset classes
2. Institutional includes exposure to Bank and Sovereign counterparties and ANZ's Liquidity portfolio

Customer loans and deposits by client segment

Customer Lending¹



Customer Deposits



1. Customer lending represents Net Loans & Advances including acceptances

14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

1 May 2014

Strategy & Performance



ANZ is executing a focused strategy to build the best connected, most respected bank across the Asia Pacific

SUPER REGIONAL STRATEGY

STRONG
CORE
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ASIAN
GROWTH

ENTERPRISE
APPROACH

STRONG LIQUIDITY AND CAPITAL MANAGEMENT

DISCIPLINED AND EXPERIENCED MANAGEMENT

Banking on Australia is transforming the business

Transforming our distribution channels		Building our lead in mobile & digital	
	400+	Smart ATMs	>53% Customers that are digital users
	85	New look sales focused branches	1.1m ANZ goMoney™ active users
	↓9%	Over the Counter transactions	↑43% goMoney™ and Internet Banking logins ¹
	600+	Branches offering simple wealth products	\$78b Transactions processed on goMoney™ ²
	1,200	iPads (with 8 apps) deployed to C&CB bankers	↑43% ANZ FastPay™ transactions ³
Building the capability of our people & systems		Simplifying our products & processes	
	69%	Branch sales staff accredited to sell home loans	↓24% Reduction in average monthly customer complaints ⁶
	1,500+	Branch staff accredited to sell Wealth products	↑110k Net increase in customers across Retail and C&CB ⁷
	1,600+	Branch staff trained to sell small business products	36k Digital C&CB A-Z Reviews ⁸
	32%	Frontline C&CB staff with experience in key Asian markets	↑20% Increase in time frontline C&CB Banker's spend with customers ⁹
	↑13%	Wealth revenue via Retail ⁴	↑28% Business customers onboarded via OneSwitch ⁵
	↑120%	C&CB Cross-border referrals from Australia to Asia ⁵	5 Mins Home loan refinance time (reduced from 45 mins) ¹⁰

Note: All figures have been measured since inception of the 'Banking on Australia' Program (October 2012) unless otherwise stated; 1. Average monthly logins for the 6 months to March 2014 versus 12 months to September 2012; 2. Represents dollar value of transactions processed on ANZ goMoney™ since launch in September 2010; 3. Represents compound monthly growth in the number of transactions processed on ANZ FastPay™ since launch in October 2012; 4. Represents the 6 months to March 2014 versus 6 months to March 2013; 5. Represents the 5 months to February 2014 versus 5 months to February 2013; 6. Average monthly Customer Complaints for the 6 months to March 2014 versus 12 months to September 2012; 7. Net increase in customers for the 12 months to February 2014; 8. Represents 6 months to March 2014; 9. Estimated time being freed up in the frontline by removing activities and streamlining processes, compared to October 2012 baseline; 10. Applicable for non-credit critical renewals through ANZ channels;

And driving growth in our core markets

Australia Division 1H14 NPAT up 5% to \$1.48 billion

Retail		Corporate & Commercial Banking	
#1	Strongest growth of the major domestic banks in Home loans growing at 1.2x system ¹	↑16%	Small Business lending
17	Consecutive quarters of above system home loan growth to March 2014	↑8%	Deposit Growth
1.1x System	Deposit Growth ¹	↑6%	C&CB customers with 26k net new customers ⁴
#2	Total and Affluent Traditional Banking market share ²	= #1	Main Financial Institution (MFI) Customer Satisfaction in Commercial Banking ⁵
↑8%	Revenue per FTE ³	↑4%	Cross-sell revenue generated by C&CB
↑13%	Wealth revenue via Retail	90bps	Net Impaired Assets % of Gross Lending Assets (improved from 140bps in 1H13)

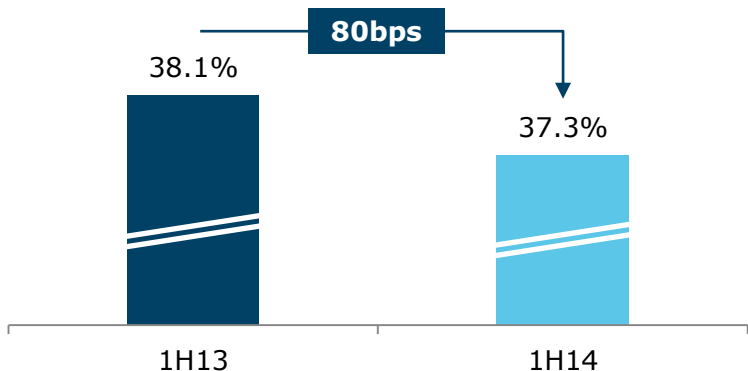
Note: All figures PCP unless otherwise stated; 1. Source: APRA Monthly Banking Statistics, 12 months to February 2014. System adjusted for new ADI incorporations; 2. Source: Roy Morgan Research, Australia Pop'n aged 14+, 12 months to March 2014; Traditional banking includes FUM for total deposits, mortgages, personal/other loans, and credit cards. Affluent defined as customers with All Financial Services FUM between \$400k and \$1m (in all financial institutions) or income greater than \$150k/year; Peers: CBA (excl Bankwest), NAB, Westpac (excl Bank of Melbourne & St George); 3. Represents average Retail FTE for the 6 months to March 2013 and March 2014; 4. Net new customers (excluding Esanda) for the 12 months to February 2014; 5. DBM Business Financial Services Monitor, ranked against other 'Big 4' banks, Commercial banking includes majority of businesses with turnover <\$100m, data sourced in the six months to March 2014

As well as improving productivity and returns across all areas of Australia Division

STRONG CORE MARKETS

Continued cost discipline

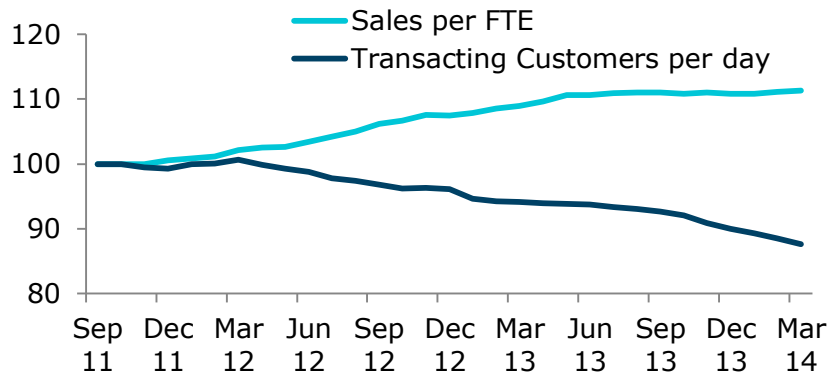
Cost to Income Ratio



Improving Branch productivity

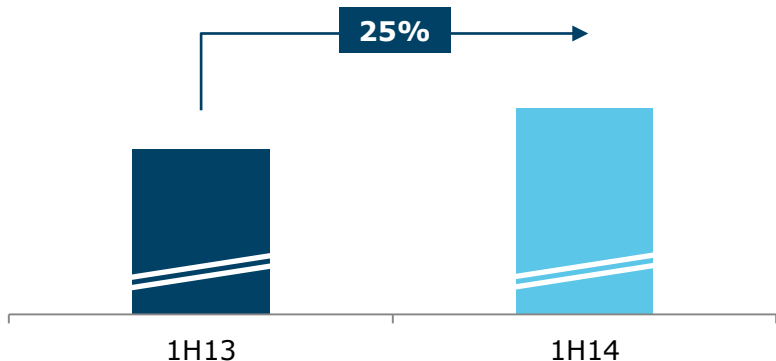
Customer Branch Traffic and Sales Productivity

Index Sept 11 = 100



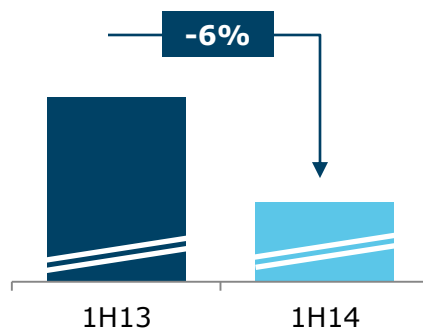
Enhancing sales productivity

Proprietary home loan sales
\$b

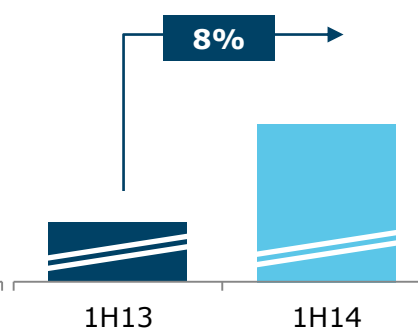


Delivering Operations productivity

Operations Cost



Operations Activity Volume



Winning in New Zealand with geographic CTI below 40% for the first time

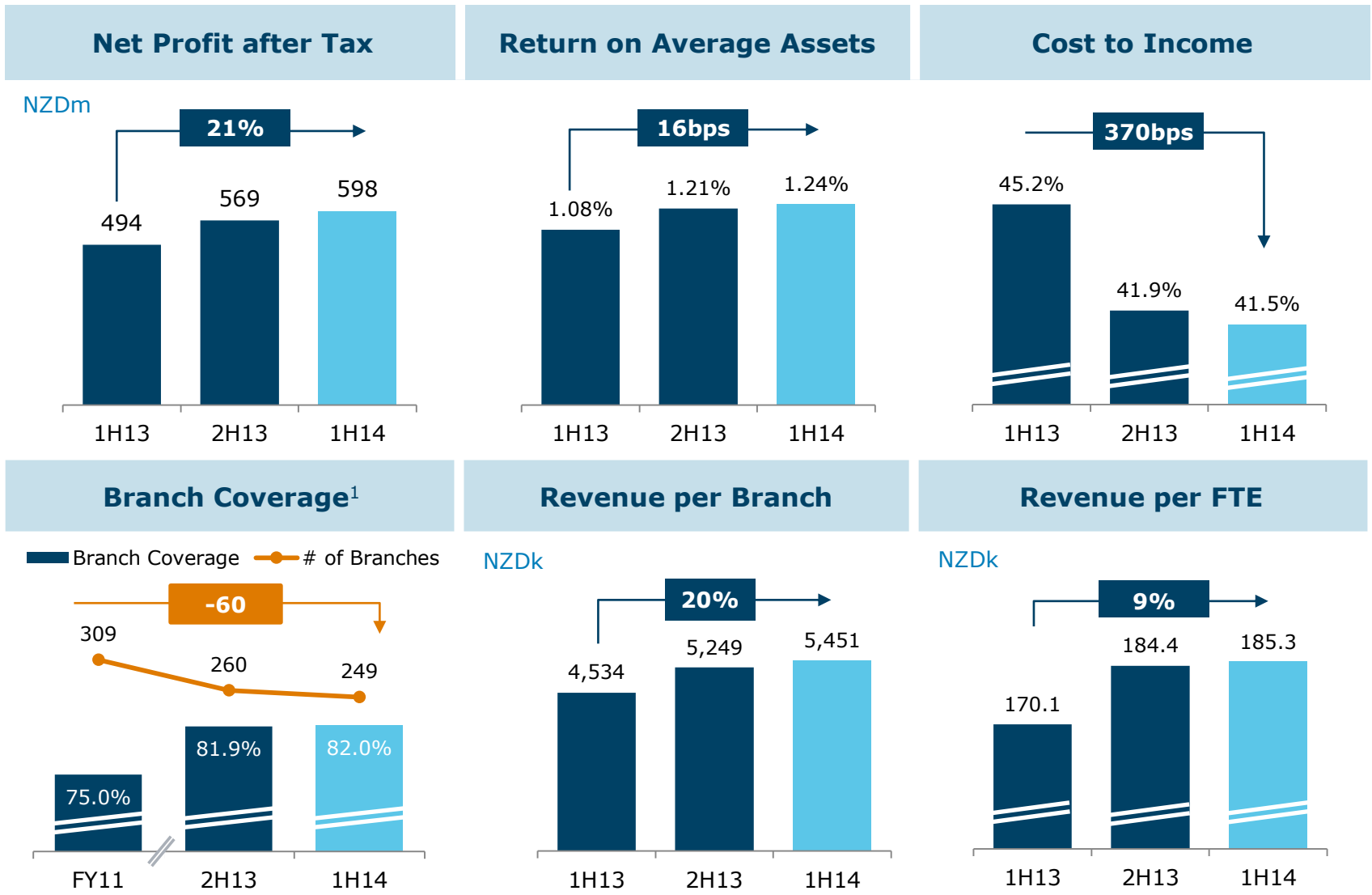
NZ Division 1H14 NPAT up 21% to NZD 598 million

NZ Division ROE accretive to ANZ Group: up 235bps to 15.8%¹

Efficiency		Market Share		Brand	
↓649 bps	CTI 41.5% for NZ Division v Sep 2010 ² (NZ Geog: ↓1,111bps to 38.1% ³)	↑share	Both total lending & total deposit share have grown YTD ^{5,6}	#1	Brand consideration compared to major banks ¹⁰ – from last to first position in 3 years
↑20%	Revenue per Branch	↑22bps	Mortgage market share YTD ⁷	↑17%	Uplift in brand consideration ¹⁰
82% Branch Coverage⁴	Improved footprint leading to: <ul style="list-style-type: none"> • ↑7 percentage point improvement in mortgage sales via Branch • ↑47% KiwiSaver account sales via Branch 	#1	Share of new mortgage sales in all major NZ cities – the first time in Auckland & Christchurch ⁸	↑14%	Retail new customer acquisition
↑10%	Commercial cross-sell revenue from Institutional products	↑20bps	Commercial lending share - growth in all regions ⁹	↑29%	Small Business Banking new customer acquisition

Note: All figures PCP unless otherwise stated; 1. ROE on Internal Expected Loss (IEL) basis; 2. CTI is against September 2010 – the reporting period immediately preceding the commencement of NZS; 3. Including the one off insurance recovery related to the ING frozen funds (excluding: 39.97%); 4. Branch Coverage measures the areas in which ANZ is represented relative to where New Zealanders do business – March 2014; 5. RBNZ S7 – February 2014; 6. RBNZ S8 – February 2014; 7. RBNZ C6 – February 2014; 8. Source: Terralink – March 2014; 9. RBNZ S7 NZD claims, excludes Agriculture, Finance, Non-residents and Households; 10. Source: IPSOS Brand Tracking (first choice, or seriously considered) – March 2011 v March 2014

New Zealand Division – Returns now accretive to Group



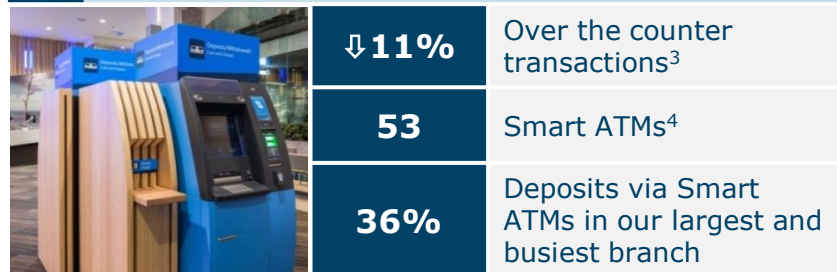
1. Branch coverage measures the areas in which ANZ is represented relative to where New Zealanders do business

New Zealand Division - Using scale and technology to improve customer experience

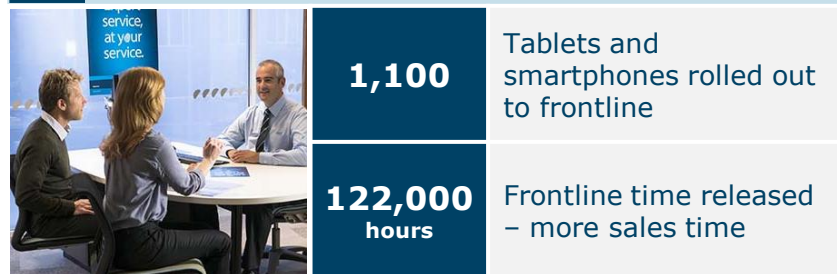
1 Providing easy ways to bank ...



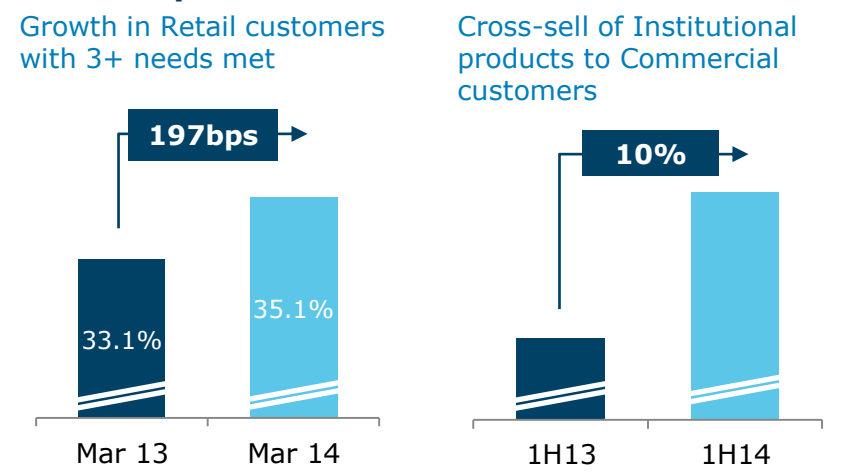
2 Migrating simple transactions ...



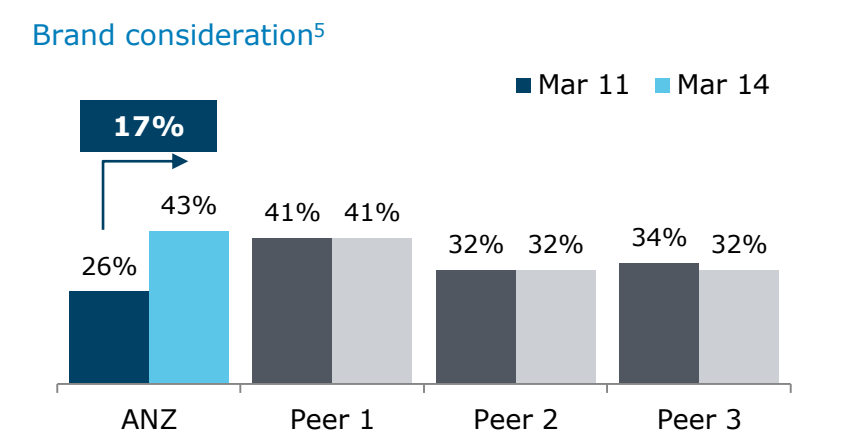
3 Enhancing sales conversations ...



4 Leading to increased product penetration and cross sell ...



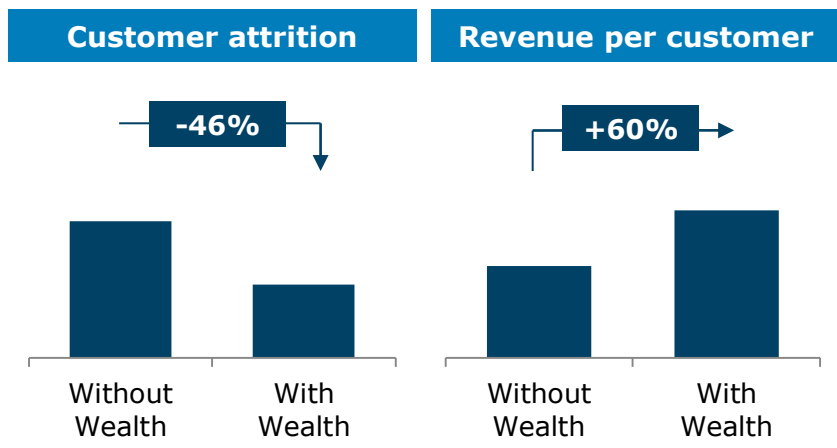
5 ... and brand consideration at an all time high and highest of peers



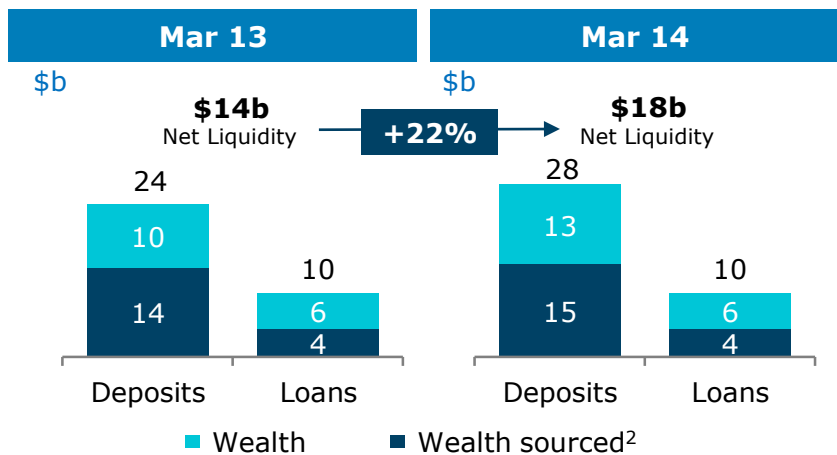
Note: All figures PCP unless otherwise stated; 1. goMoney™ ranked #1 application in both the App Store ('Finance – Free' category) and Google Play ('Top Free in Finance' category) – April 2014; 2. ANZ FastPay launched on 13 December 2013; 3. Refers to eligible transactions migrated from all branches; 4. Aim to have 90 Smart ATMs rolled out by the end of the year; 5. Source: IPSOS Brand Tracking (first choice, or seriously considered) - March 2014

Global Wealth delivering value to ANZ's strategy

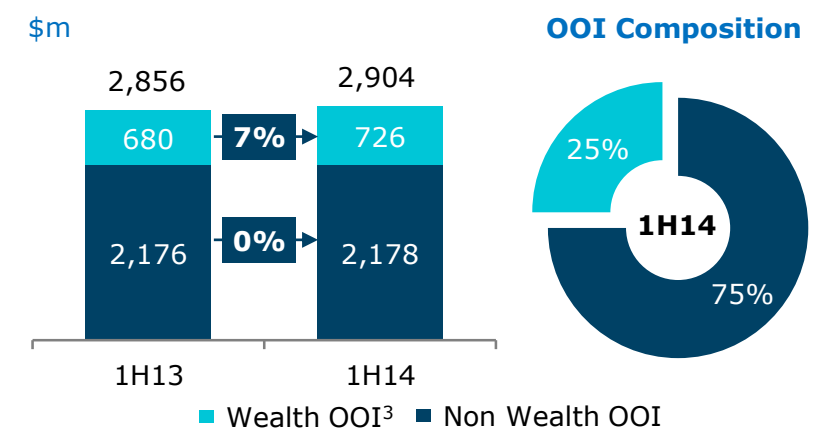
Customer economics¹



Important source of liquidity



Significant source of other operating income (OOI) for ANZ



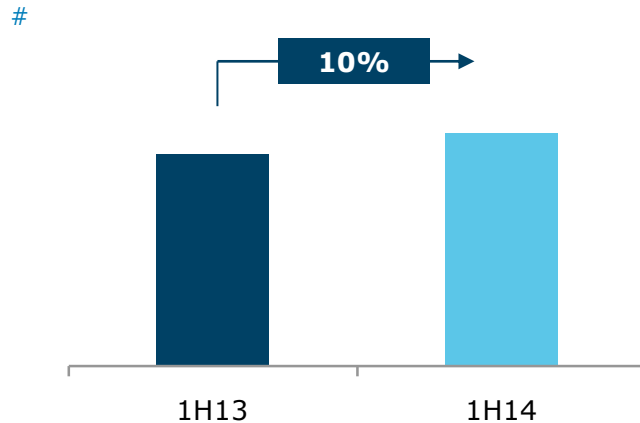
Delivering value to the Group

- Overall improved performance from customers with wealth solutions.
- Global Wealth is an important and growing source of liquidity.
- Global Wealth as a growing source of non-interest income assists Group revenue diversification.

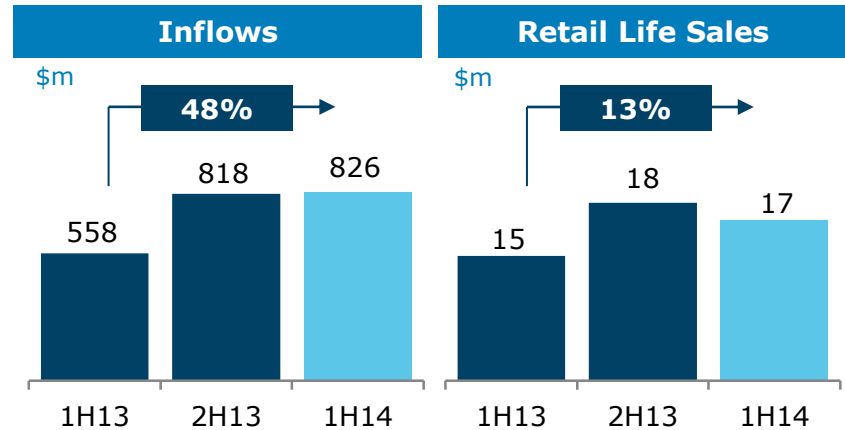
1. Australia Only
 2. Wealth sourced includes deposits and lending sourced by Global Wealth but reported in other Divisions
 3. Wealth OOI includes Other Operating income, net Funds Management and Insurance income

Growing the Wealth business through ANZ channels

Growth in Wealth solutions held by ANZ Customers¹

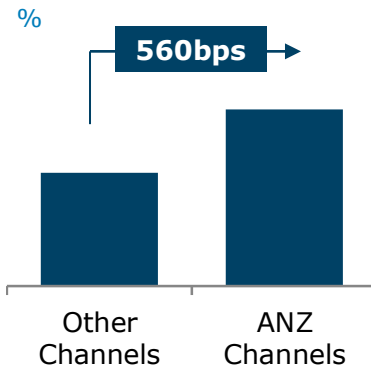


Increasing productivity of ANZ Financial Planning



Focus on channels that drive higher returns

Insurance ROEC²



- ANZ channels deliver:
 - lower acquisition costs; and
 - better portfolio performance.

Delivering on our strategic priorities

- Global Wealth is leveraging the ANZ franchise, building connections to ANZ customers.
- Wealth solutions held by ANZ customers increased 10% through:
 - productivity of ANZ Financial Planning; and
 - simple self directed solutions, e.g. ANZ Smart Choice.

1. Includes Australia, New Zealand and Asia
 2. Return on Economic Capital

Leveraging a profitable franchise in Asia

A Top 4 Corporate Bank in Asia

- AA rated bank with an established regional network and growing client base
- Drawing on strong Australian and New Zealand foundations and established industry expertise

Focus on flow products of Trade, Cash Management & Markets

- Leveraging ANZ's core competency as a trade bank
- Extending cash management, trade and markets capabilities to a broader regional client base

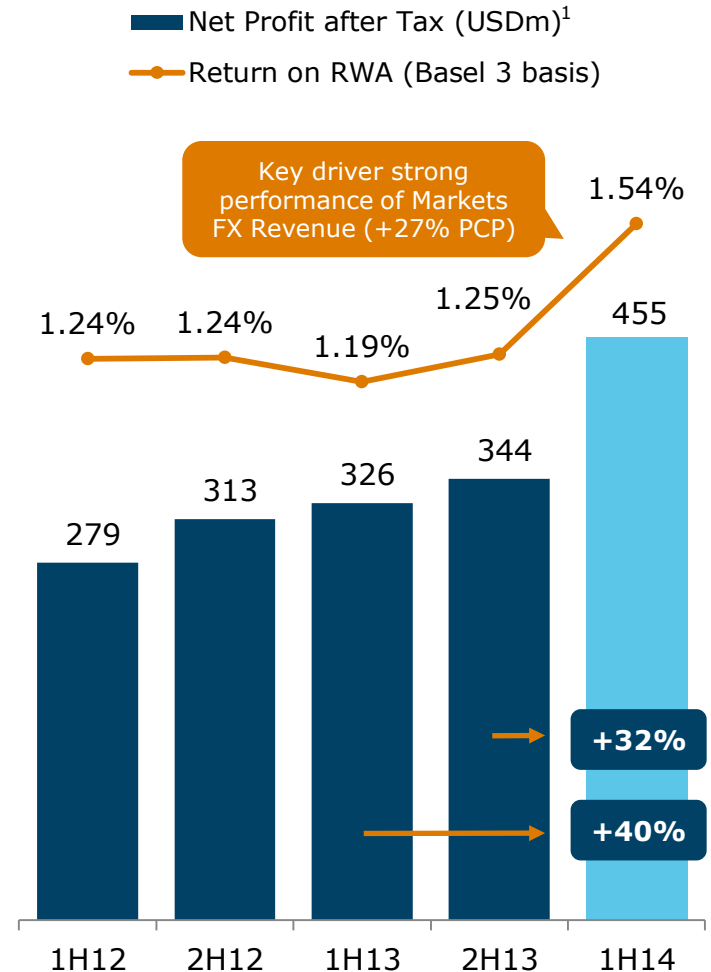
Building efficiency and returns

- Increasing mix of flow products and of non-interest income
- Focus on geographies offering scale and connected to faster growing regional trade and capital flow
- Delivering consistency and scale through common cash management, trade and markets platforms

Delivering a lower risk balance sheet

- Emphasis on banking large, well rated counterparties
- Offer shorter duration flow products aligned to a large and diverse deposit funding base

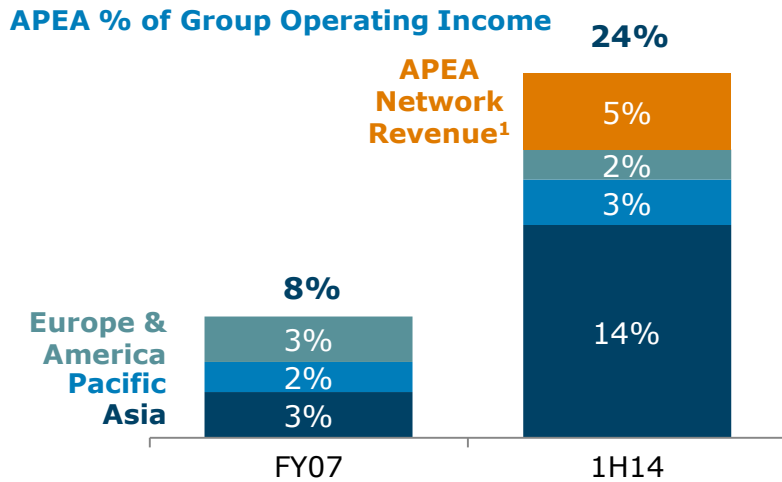
International & Institutional Banking Asia



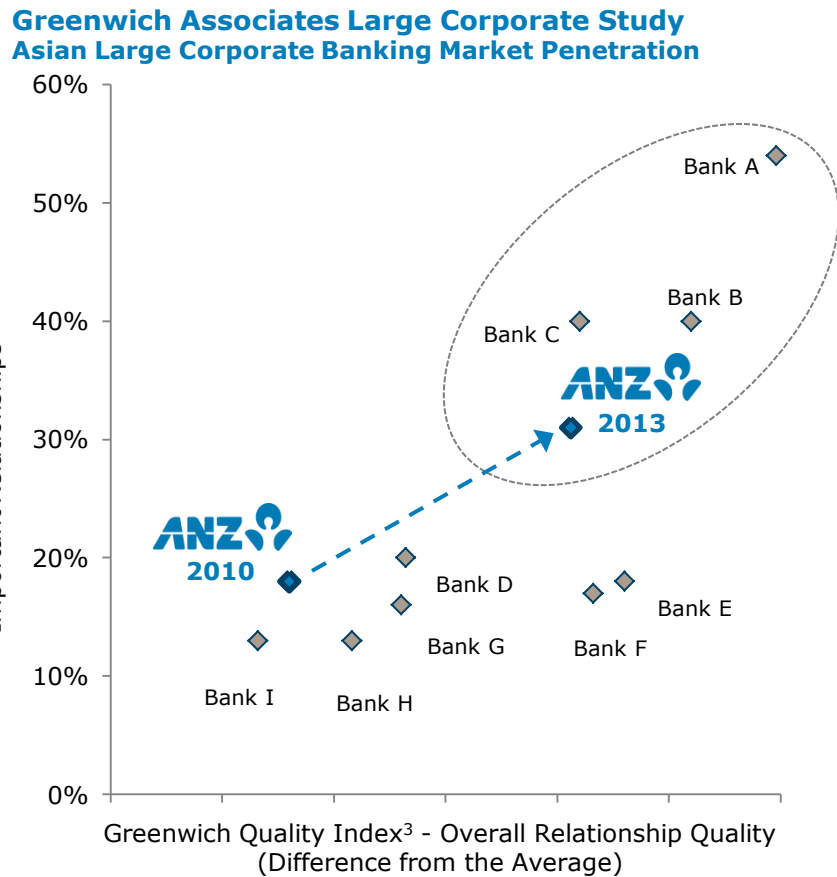
1. Net Profit after Tax divided by average Basel 3 Risk Weighted Assets

ANZ recognised as a leading regional bank in the Asia Pacific

APEA growing contribution to Group Operating Income



A top 4 Corporate Bank in Asia² by Market Penetration



---> Represents the momentum of growth and quality improvement achieved by ANZ Bank over the past 4 years

Recognised as a leading regional bank

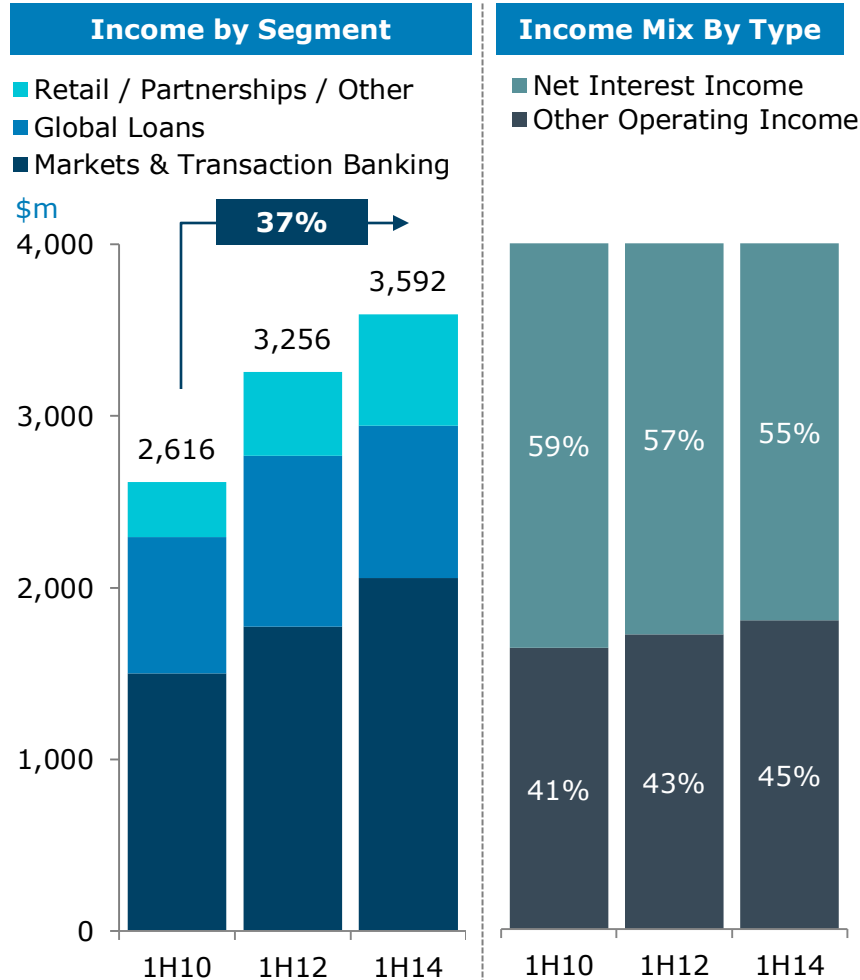
- ✓ Asia Pacific Bank of the Year
Thomson Reuters Project Finance International 2013
- ✓ Best for Overall FX Services as voted by Financial Institutions, *AsiaMoney FX Poll 2013*
- ✓ Asia Pacific's Bank of the Year
The Banker magazine, Bank of the Year Awards 2013
- ✓ #1 Mandated Lead Arranger in Asia ex-Japan
Thomson Reuters 31st Mar 2014

1. Income generated in Australia and New Zealand from ANZ's APEA network. Data not available in FY07
 2. As defined by Total Relationships Market Penetration In Asia
 3. The Greenwich Quality Index score is based upon a normalized composite of all qualitative evaluations transformed to a scale of 0 to 1,000 with the difference from the average shown. Note: Cross-hairs are calculated by the average of the banks shown in graph

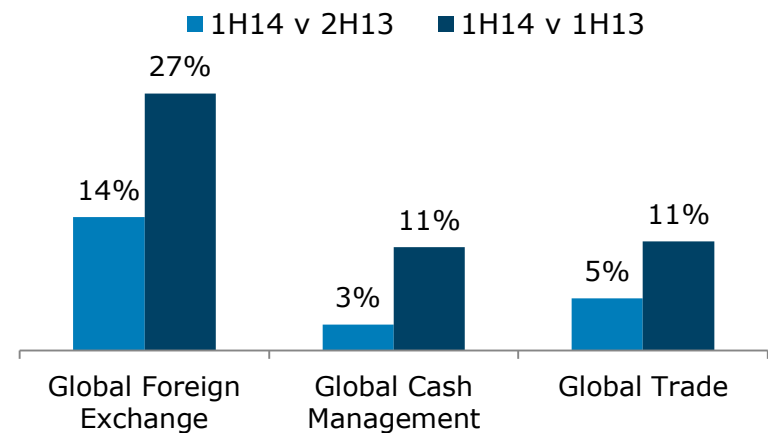
The value of our networked International & Institutional business is driving improved returns

PROFITABLE ASIAN GROWTH

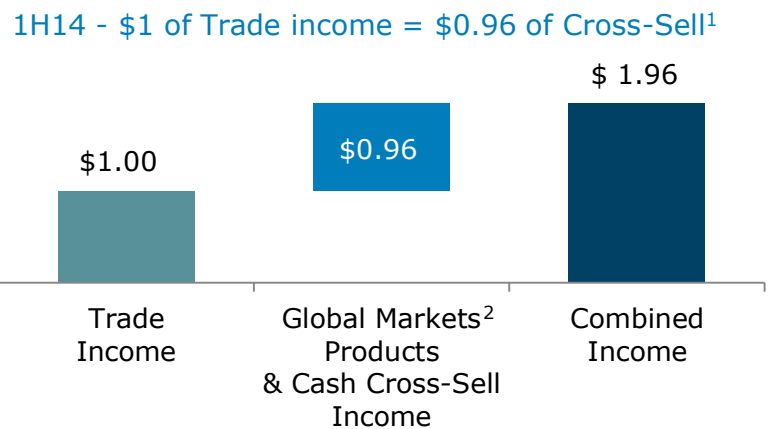
IIB Operating Income



IIB Operating Income Growth



Trade a key driver of cross-sell income



1. Trade customers using Markets and Payments & Cash Management Products
 2. Global Markets products include FX, Commodities and Capital Markets

Trade & Supply Chain supporting super regional strategy and profitable Asian growth

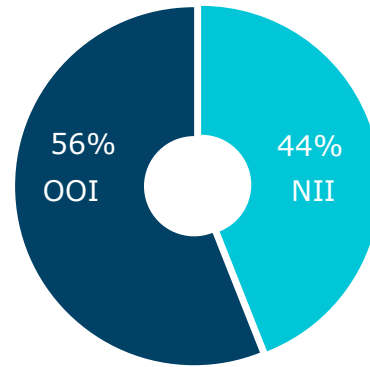
PROFITABLE ASIAN GROWTH

ANZ a leading Trade & Supply Chain Bank

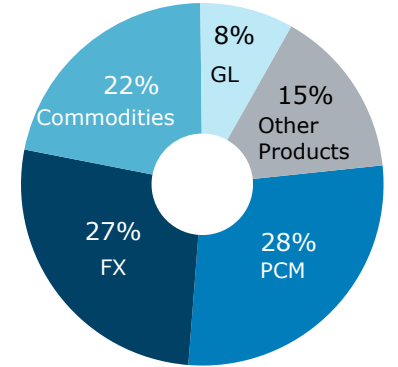
- Trade and Supply Chain (TSC) delivers cross border risk and working capital solutions.
- ANZ one of a few Asia Pacific banks offering a full service, in-country, TSC proposition across 28 markets.
- Consistent TSC proposition across all markets with product, risk management and trade operations delivered via global platform.
- Currently servicing 6,000 clients and processing over 56,000 documentary credits annually.

TSC a key driver of non-interest income both directly and via cross-sell

TSC Direct Income



TSC Cross-sell Income Mix

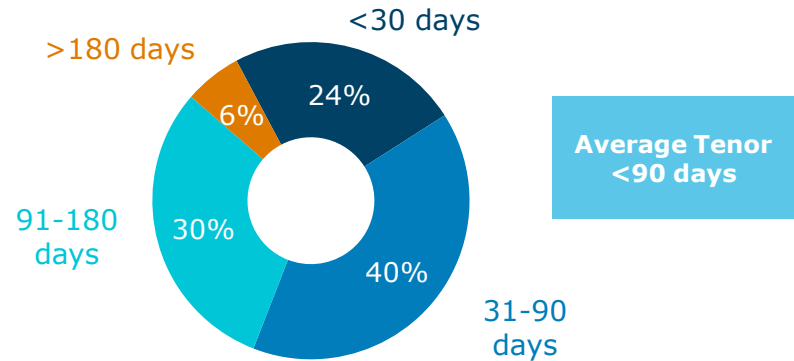


Delivering growth and improved returns

↑ 18%	TSC Intra-Asia income
↑ 15%	Asia funded volumes
↑ 7%	Growth in clients using both cash and trade products
↑ 33%	Growth in value added, higher margin structured trade solutions income

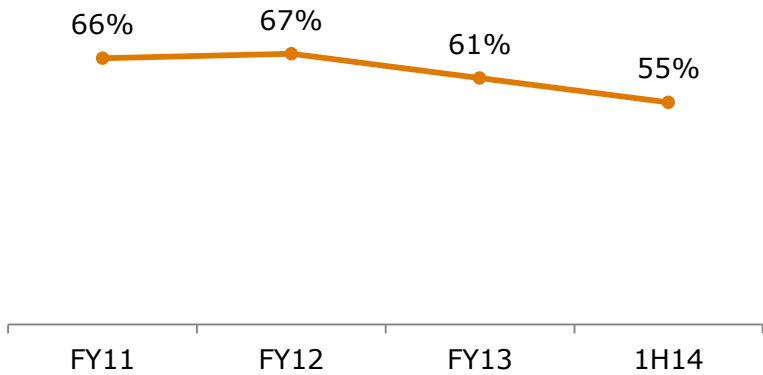
TSC Funded Balance Sheet Short Tenor

Funded Trade Portfolio

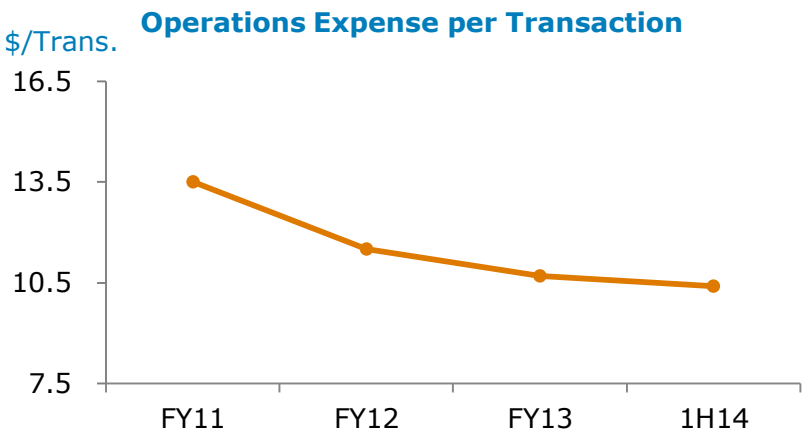


Increased scale driving greater efficiency and returns

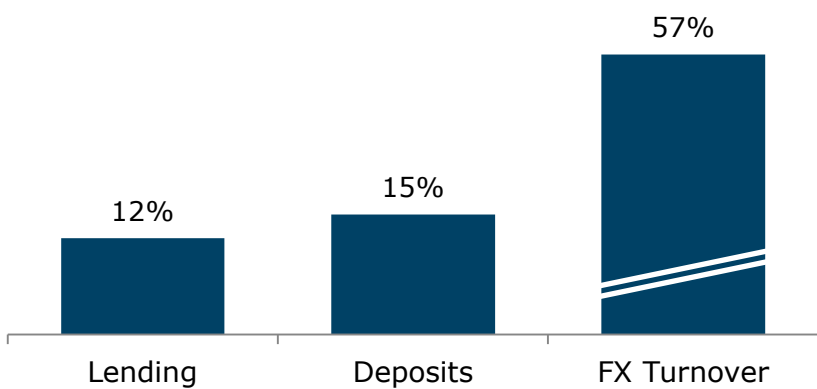
IIB Asia Cost to Income Ratio (%)



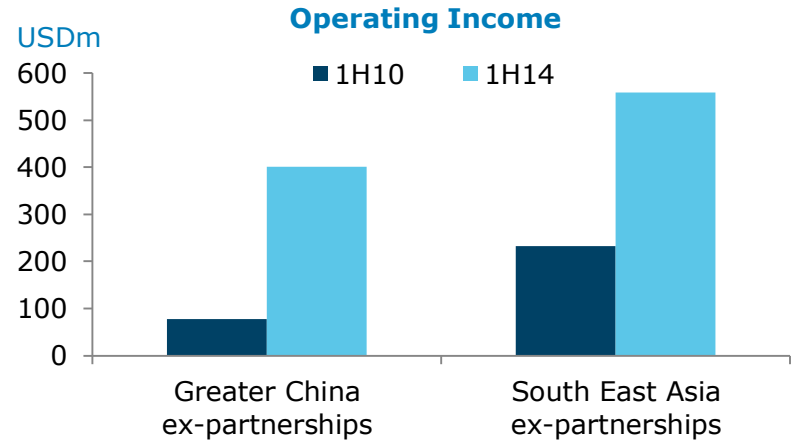
Operations productivity gains being achieved through increased volume



Asia Volume Growth 1H14 v 1H13 (USD)



Significantly larger franchises in core markets



Delivering a lower risk balance sheet through shorter duration and better asset quality

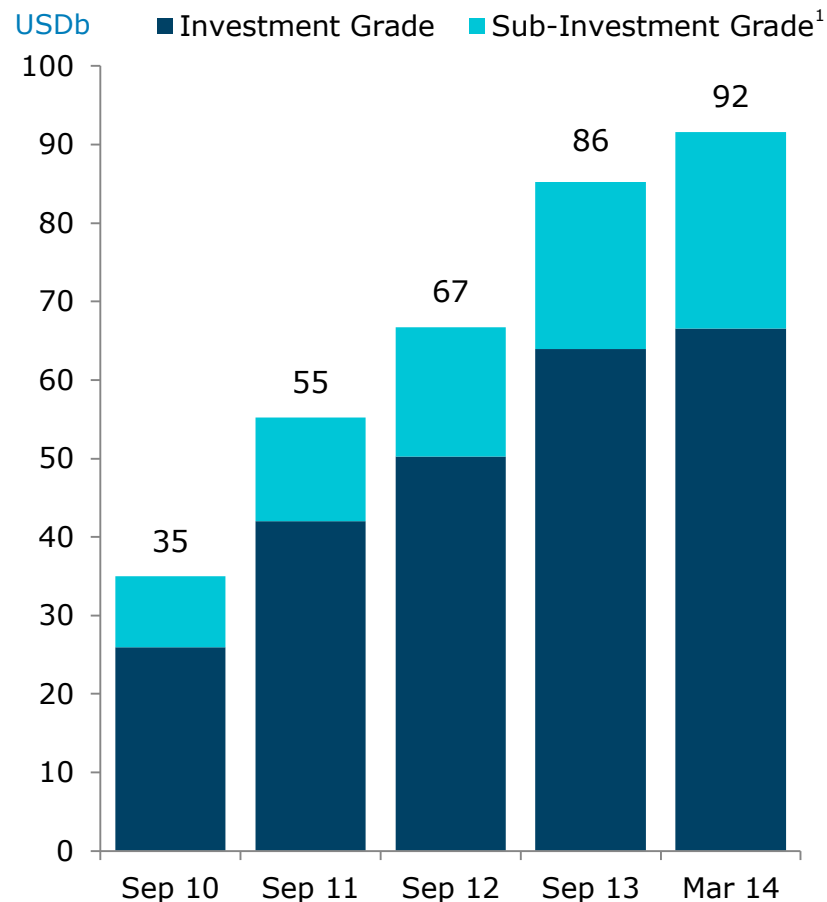
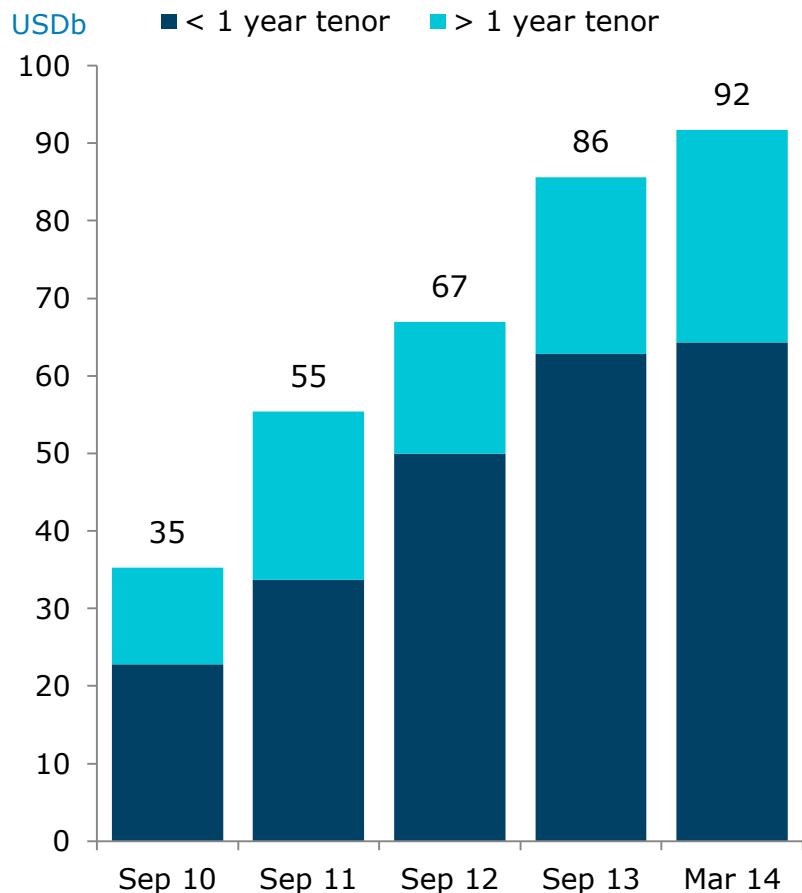
PROFITABLE ASIAN GROWTH

Institutional Asia Tenor by Exposure at Default

70% < 1 Year Tenor

Institutional Asia Risk Grade Profile by Exposure at Default

73% Investment Grade Exposures



1. Sub-investment grade defined as exposures with a rating below BBB-

Building common infrastructure for greater responsiveness, productivity and control

Core processes in multiple locations on common systems mitigates disruption risk & allows greater flexibility while improving productivity

- Integrated model enables more focus on planning and delivery of priority enterprise wide objectives.
- Ability to withstand disruption events (eg. Wellington earthquakes) without adverse customer impacts through load sharing.

We have created a regional delivery network to consolidate and standardise processes and improve quality, productivity and reduce risk

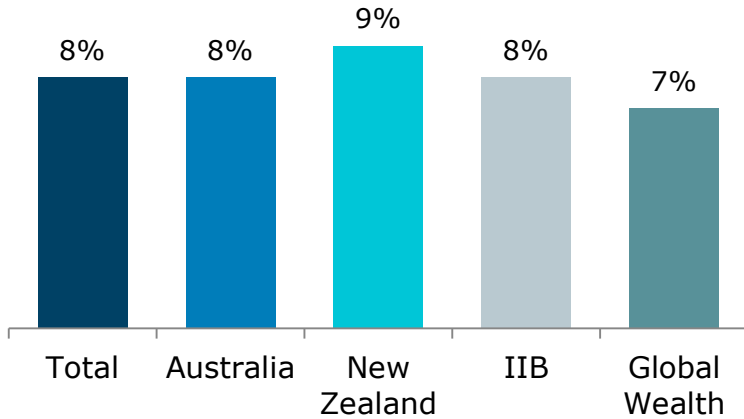
Examples of Enterprise Approach

- Wholesale lending operations merged into one global function operating across multiple locations in an increasingly standardised way.
- Consolidated global trade operations into 4 key locations on a single platform to harness knowledge pools and improve efficiency.
- Markets operations consolidated to 3 core locations for improved control and quality.
- Payments operations consolidated into 5 key locations to mitigate disruption risk and ensure business resilience.

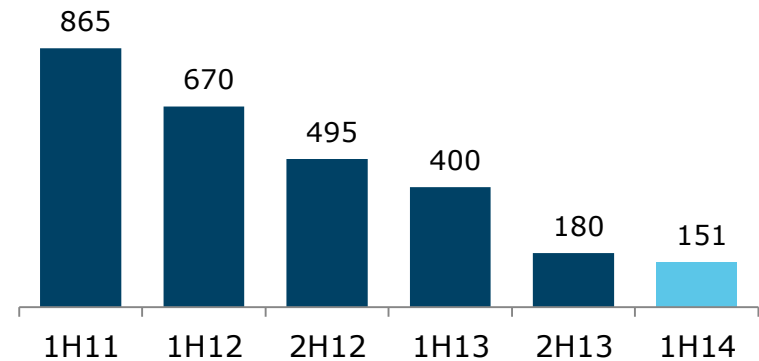


Delivering improved productivity and a better customer experience, some examples include:

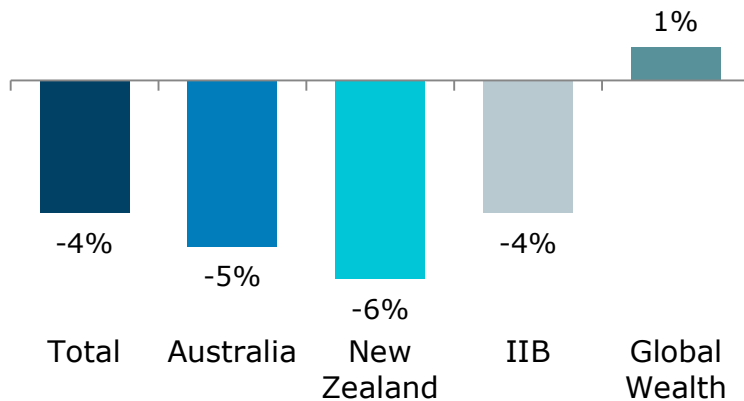
**Operations Volume Growth
1H14 v 1H13**



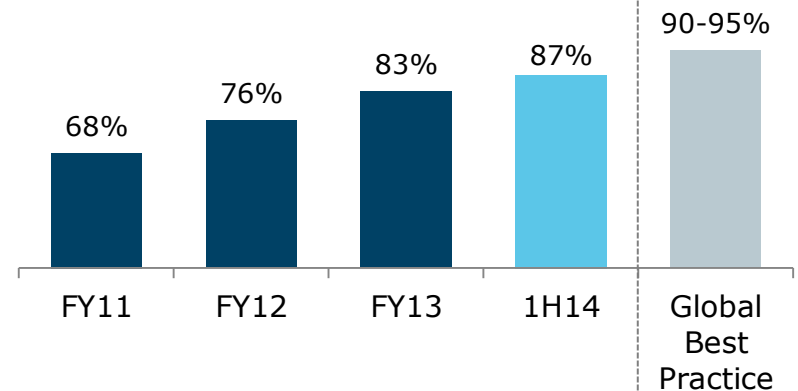
**Transaction Quality, Manual Payments
Defects Per Million**



**Operations Expense Growth¹
1H14 v 1H13**



**Straight Through Processing Aust/NZ
% of Total Transactions²**



1. Growths have been calculated on constant FX basis
2. Inward International Payments

14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

1 May 2014

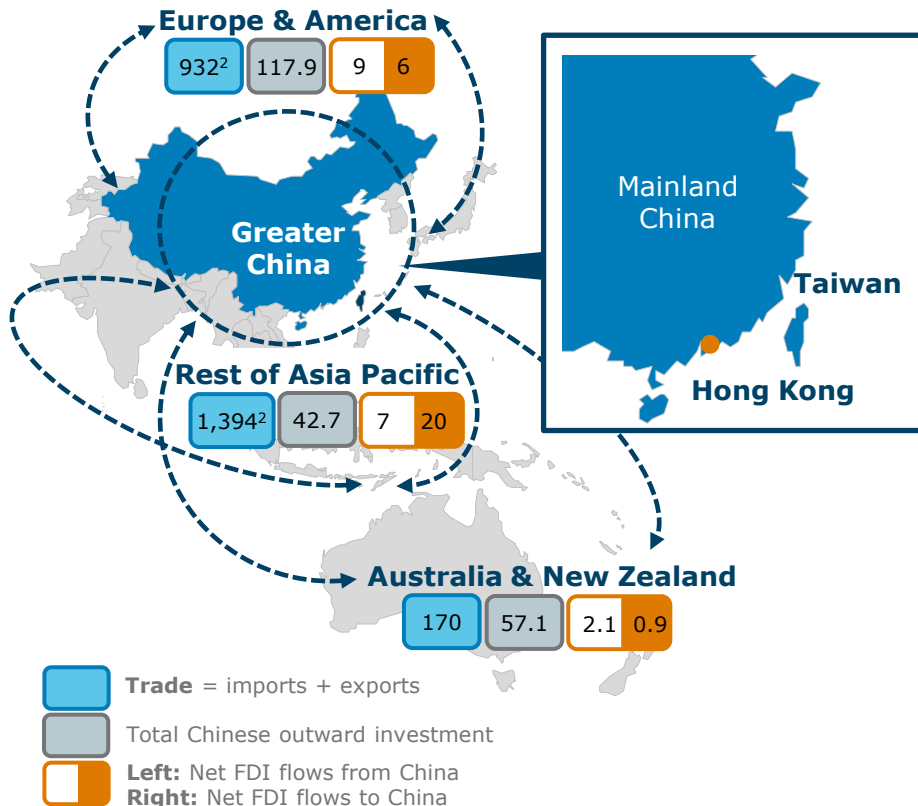
Case Study: Greater China



Our Greater China franchise is focused on supporting large and growing trade and capital flows

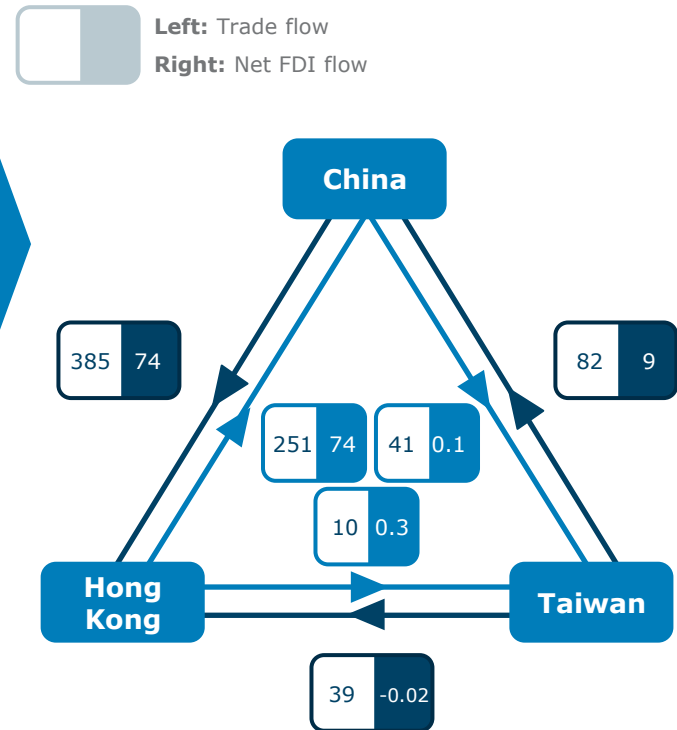
Trade and capital flows between Greater China and the rest of world continue to grow strongly.

Greater China (GC) inter-regional trade flows, Total Chinese outward investment¹ & Net Chinese FDI flows 2013, \$USDbn



Trade and capital flows within Greater China also present significant opportunities

Intra-Greater China Trade & net FDI flows 2013, \$USDbn



Source: ANZ Economics team, Heritage Foundation

1. Investments of ≥USD100m recorded from 2005 to Jun 2013

2. Europe = UK and Germany, Asia Pac = Asia Pacific markets (excl. GC) with an ANZ presence

ANZ's well defined strategic focus has resulted in a strong customer franchise and growing business

Strategic Focus

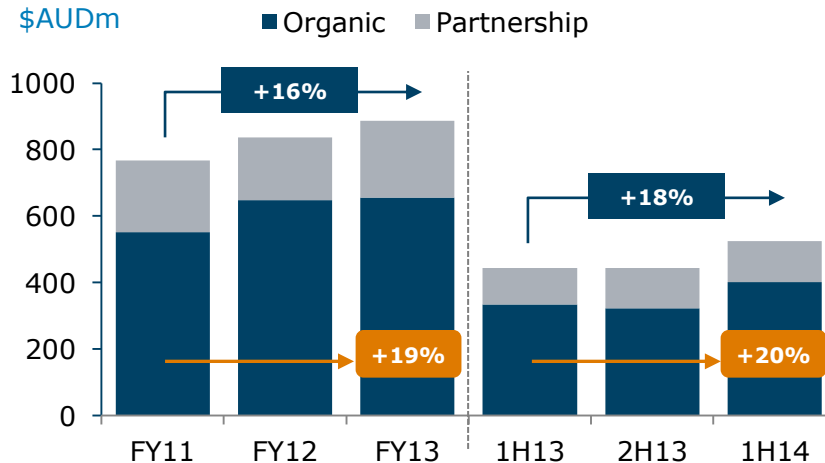
ANZ Greater China strategy is focused on:

1. Being the bank of choice for Greater China corporates and affluent individuals investing in Australia, New Zealand and the rest of Asia Pacific
2. Leveraging our sector/product expertise and network to facilitate fast growing trade flows with and within Greater China;
3. Being a leading on the ground international bank to multinationals operating in Greater China

Corporate Profile

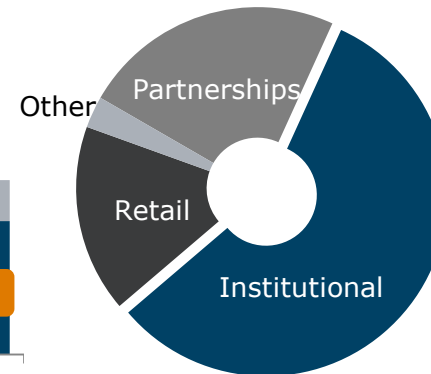
	Staff	Branches	Presence since
China	~950	8 ¹	1986
Hong Kong	~1,300	3	1970
Taiwan	~1,650	14	1980

Operating Income

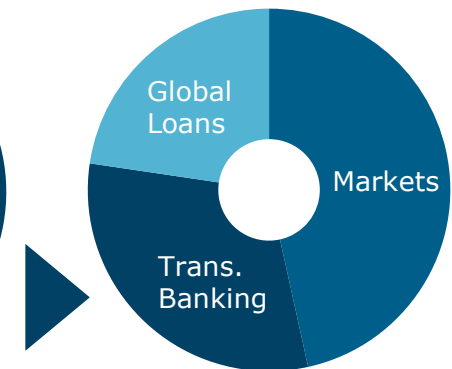


Operating Income Mix

By Business



Institutional Mix



1. 5 branches, 3 sub-branches under Local Incorporated entity ANZ Bank (China), and 1 rural bank

14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

1 May 2014

Group Treasury

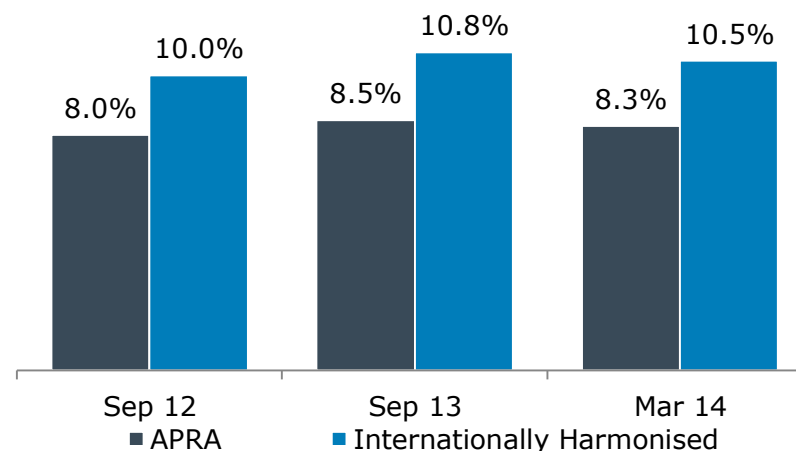


ANZ is well capitalised

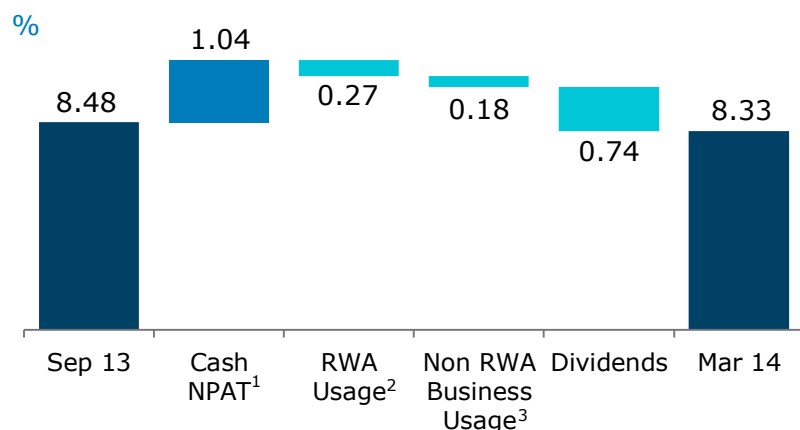
Capital Update

- Capital levels will grow organically in the lead up to the introduction of the higher loss absorbing capital requirements for D-SIB's in 2016
- \$1.6b ANZ Capital Notes 2 Additional Tier 1 transaction successfully completed during the half
- Interim dividend up 14% in part reflecting rebalancing of interim & final dividend
- Dividend Payout to remain towards upper end of 65% - 70% range

Basel 3 Common Equity Tier 1 (CET1)



APRA CET1 Movement Mar 2014 v Sep 2013

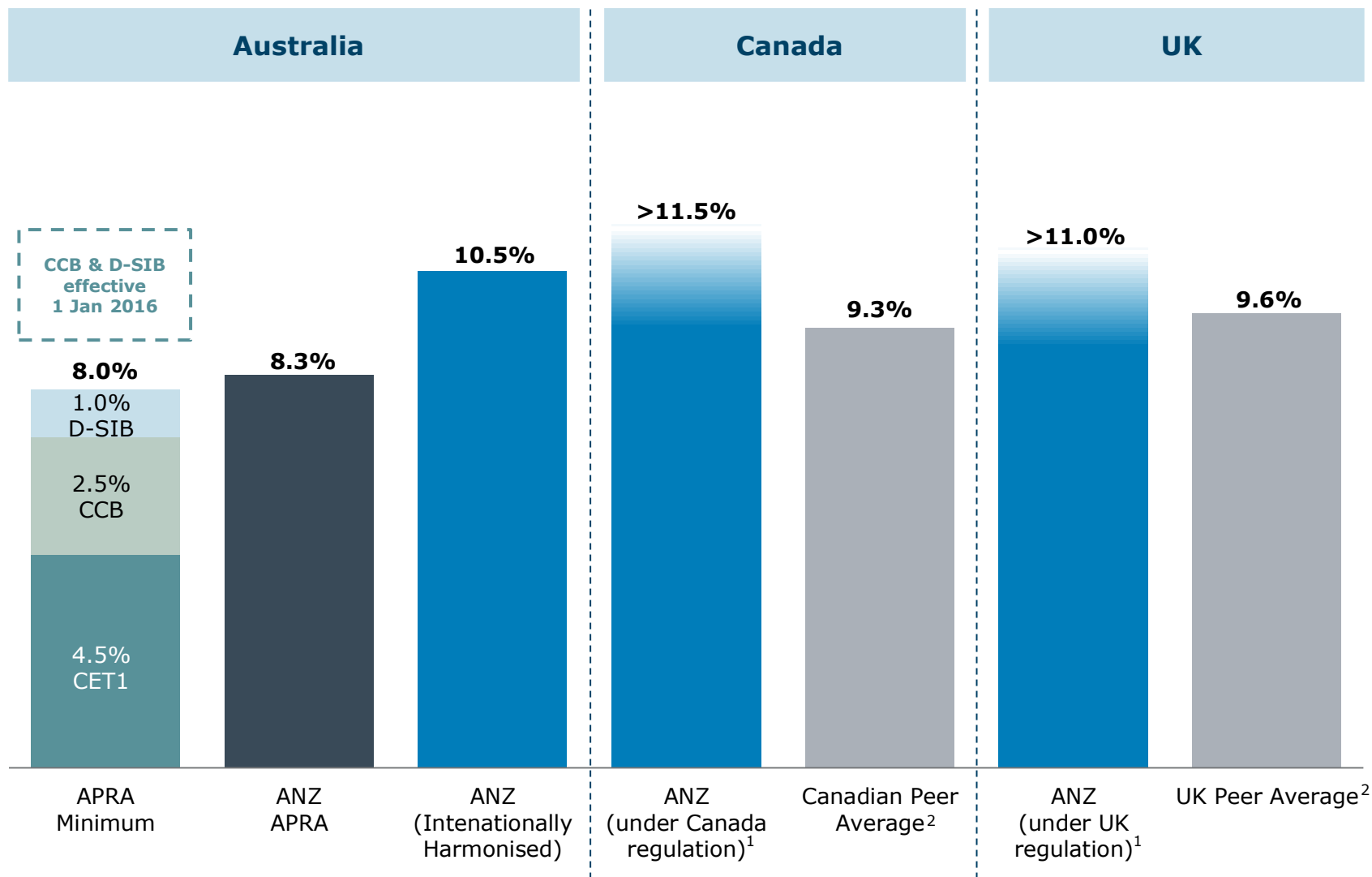


Capital reconciliation under Basel 3

	CET1	Tier 1	Total Capital
APRA	8.3%	10.3%	12.1%
10% allowance for investments in insurance subs and ADIs	0.8%	0.7%	0.7%
Mortgage 20% LGD floor and other measures	0.6%	0.7%	0.7%
IRRBB RWA (APRA Pillar 1 approach)	0.4%	0.5%	0.6%
Up to 5% allowance for deferred tax asset	0.2%	0.2%	0.2%
Other capital items	0.2%	0.2%	0.2%
Internationally Harmonised	10.5%	12.6%	14.5%

1. Cash earnings net of preference share dividends
2. Includes impact of expected loss versus eligible provision shortfall
3. Includes capital retention of deconsolidated entities, capitalised software and other intangibles

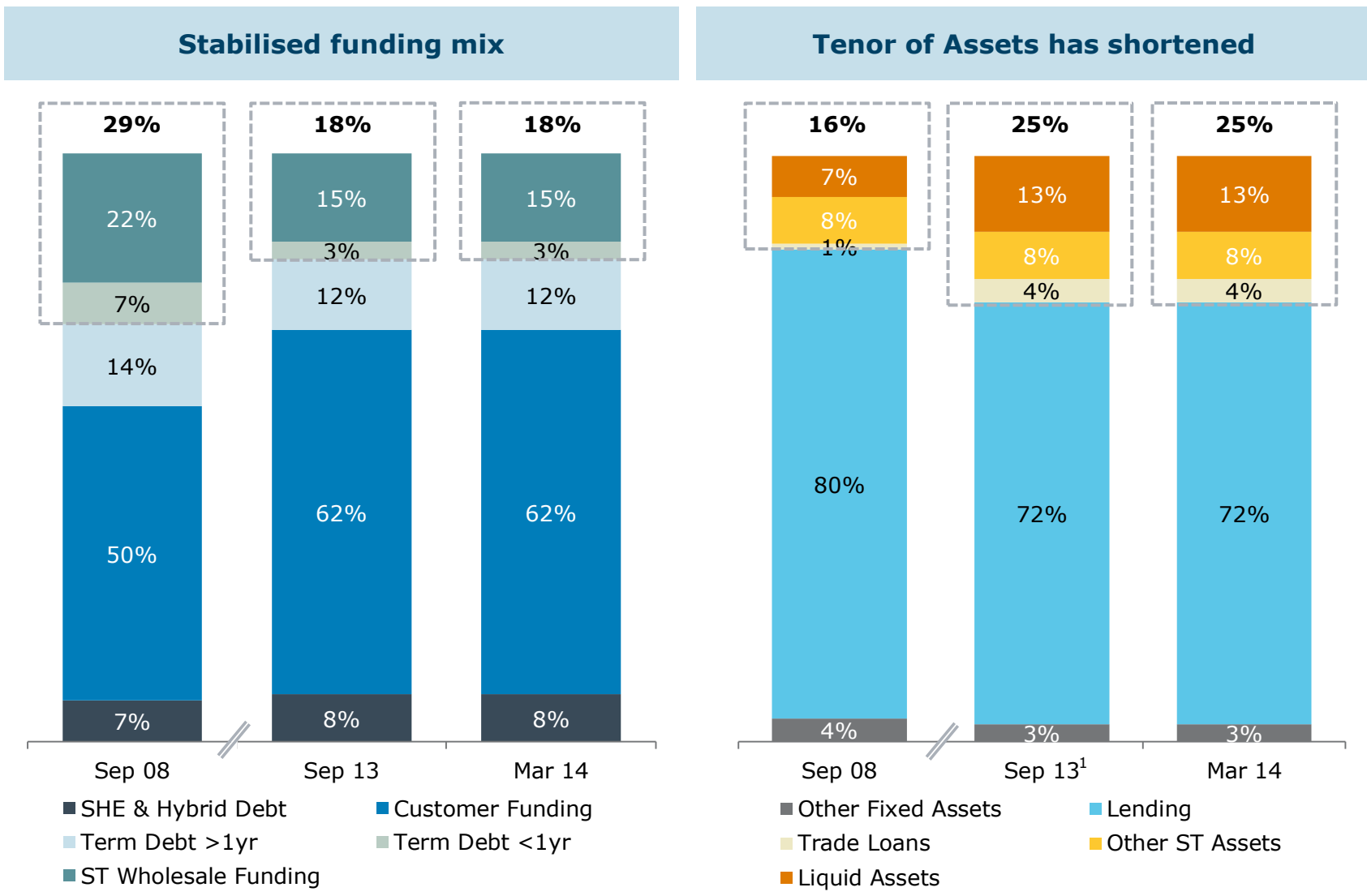
The strength of ANZ's capital levels (CET1) is more apparent on a global comparison



1. ANZ estimate

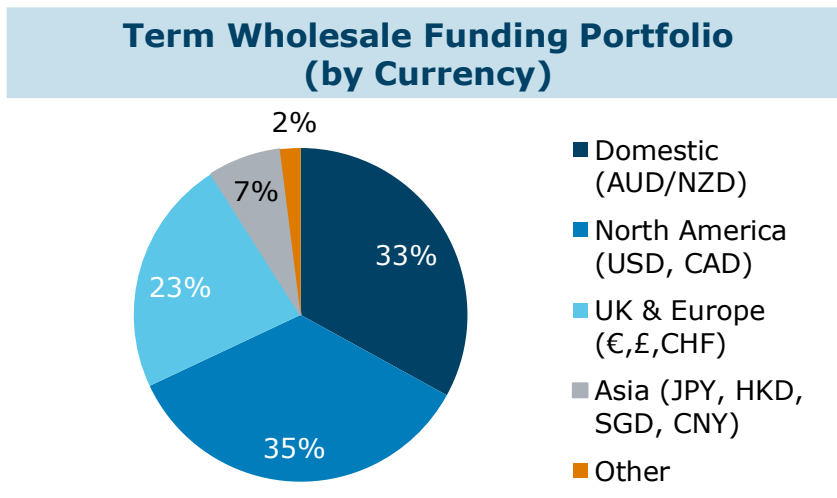
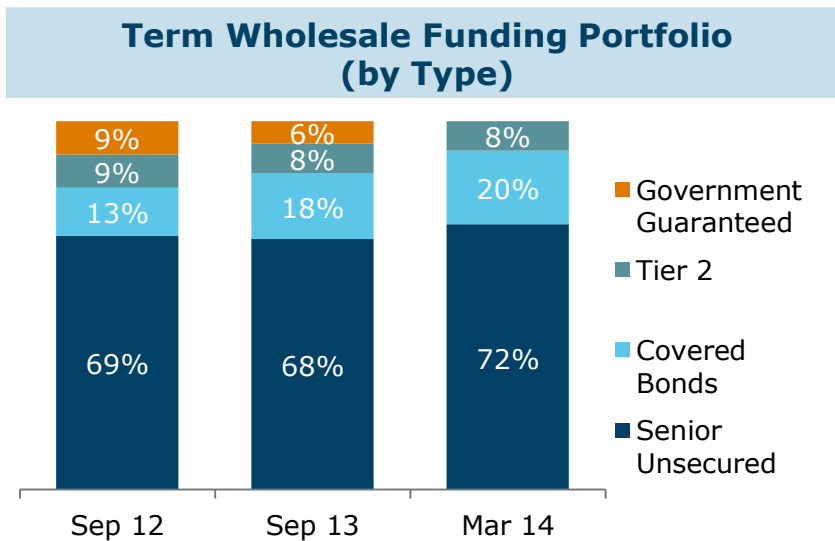
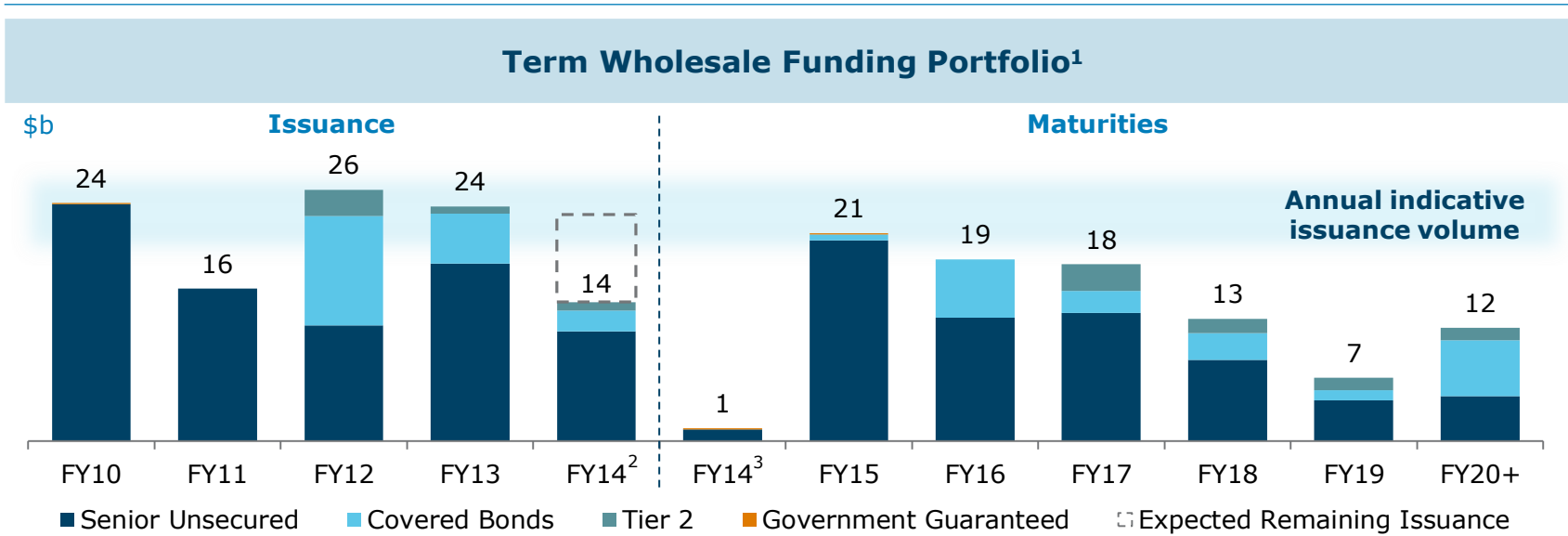
2. Canada Peers (Scotiabank, BMO, TD Bank, and RBC) as at Jan 14 and UK Peers (HSBC, Barclays, and RBS) as at Dec 13 based on a Basel 3 fully transitioned basis, obtained from most recent Capital Adequacy and Risk Management (Pillar 3) disclosures

Stable Balance Sheet composition



1. Sep 13 includes a minor reclassification of lending into trade loans (<0.5%)

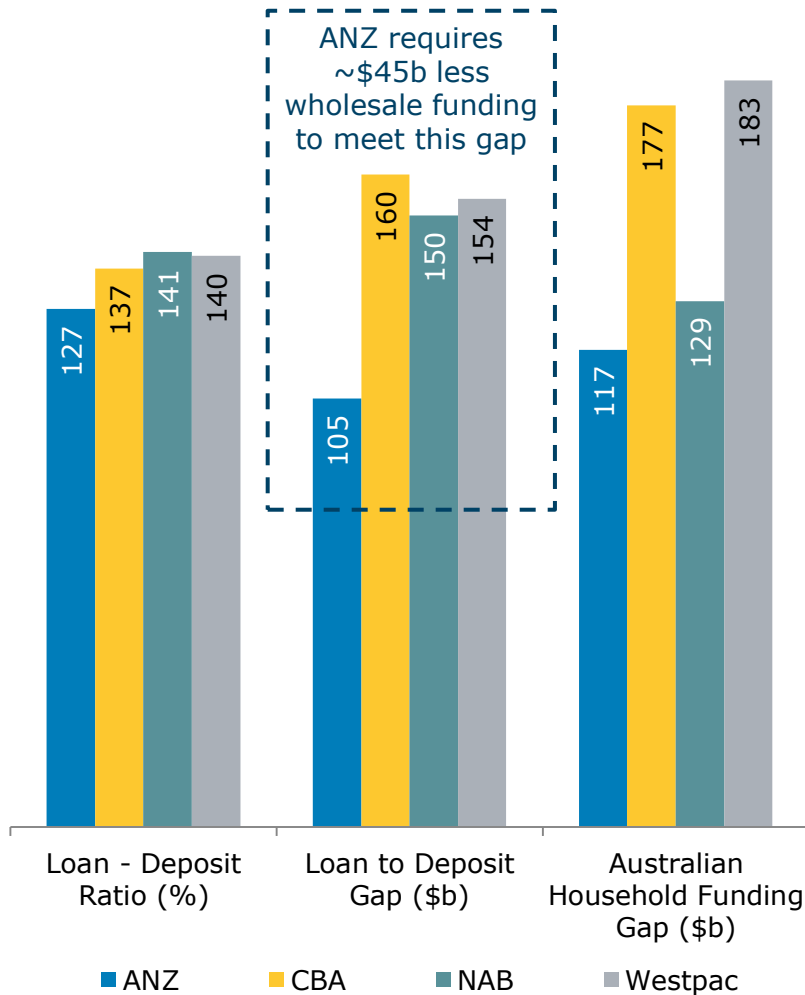
A well diversified term wholesale funding portfolio



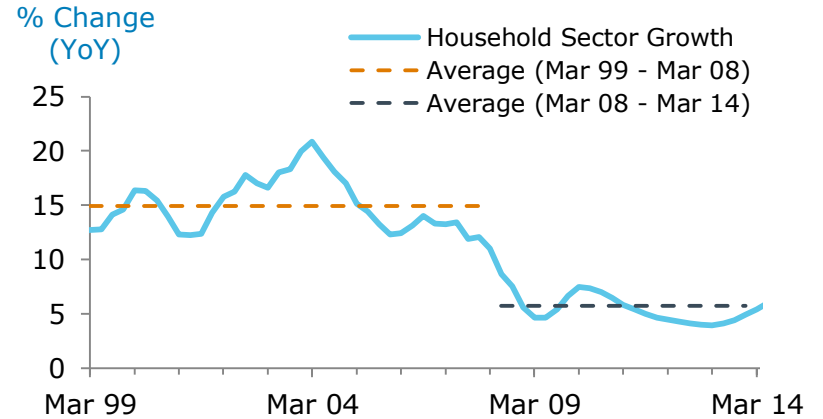
1. Includes transactions with a call or maturity date greater than 12 months as at 30 September in the respective year of issuance
 2. Approximately \$1b of funding has been issued post 31 March 2014
 3. Remaining FY14 maturities

Structural funding gap

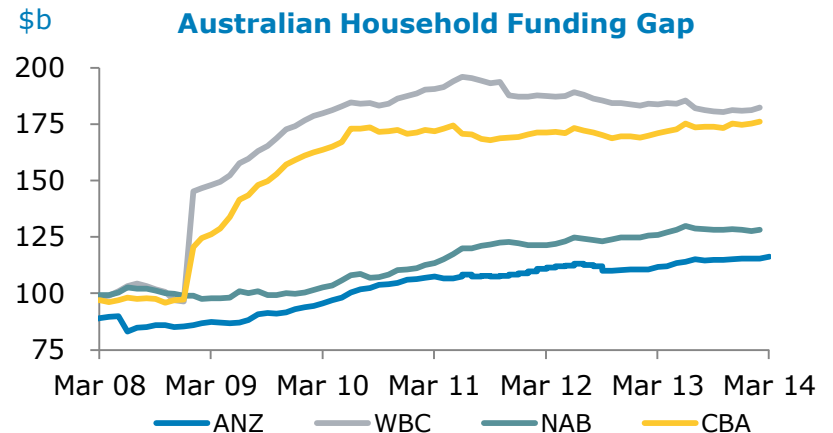
Peer Funding Comparison



Australian household credit growth not expected to return to previous levels

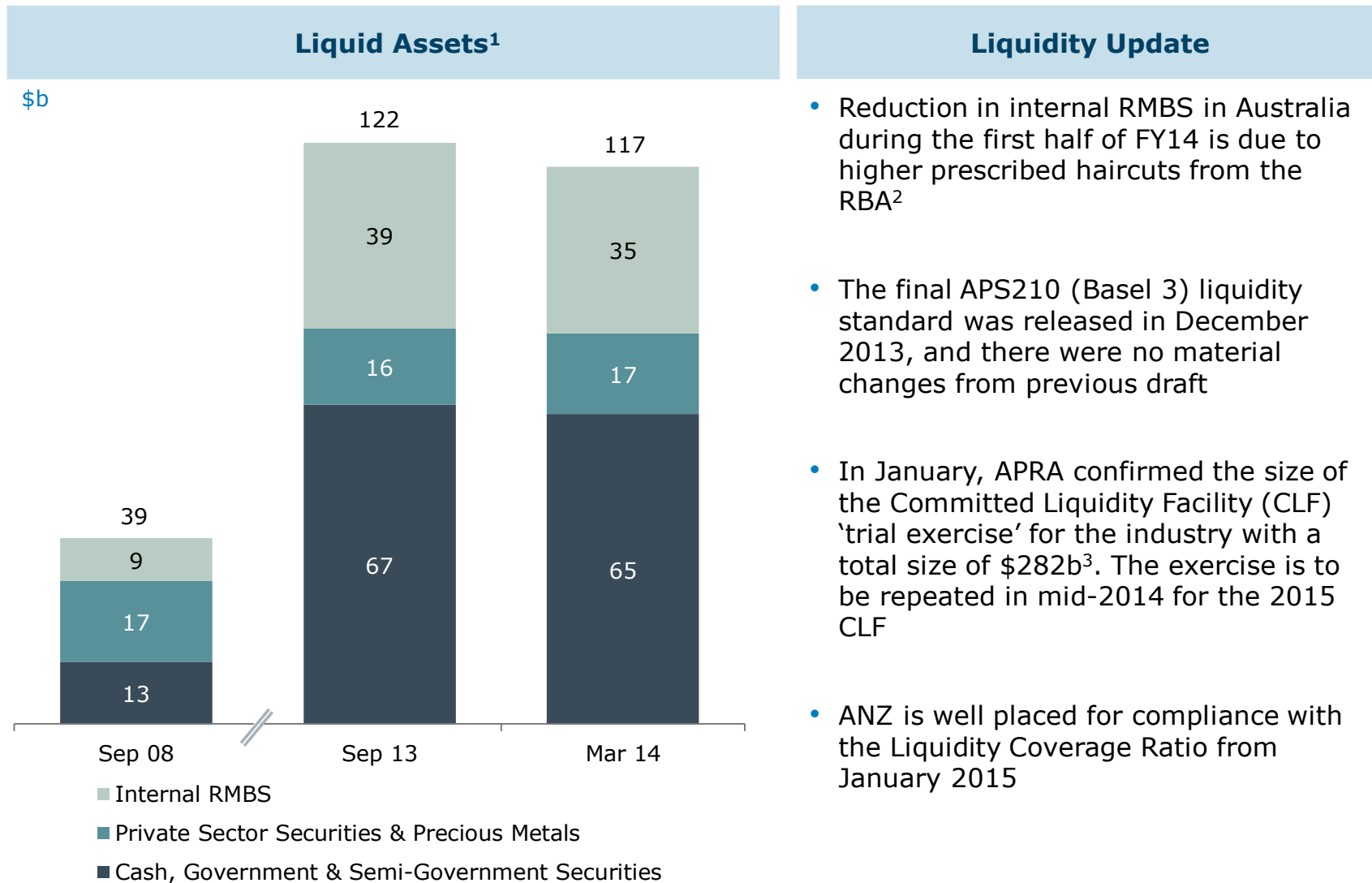


ANZ has the lowest Australian Household Funding Gap



Source: APRA (Mar 14) CBA (Dec 13), NAB (Sep 13) and Westpac (Sep 13)

Liquidity Portfolio – well placed for introduction of LCR



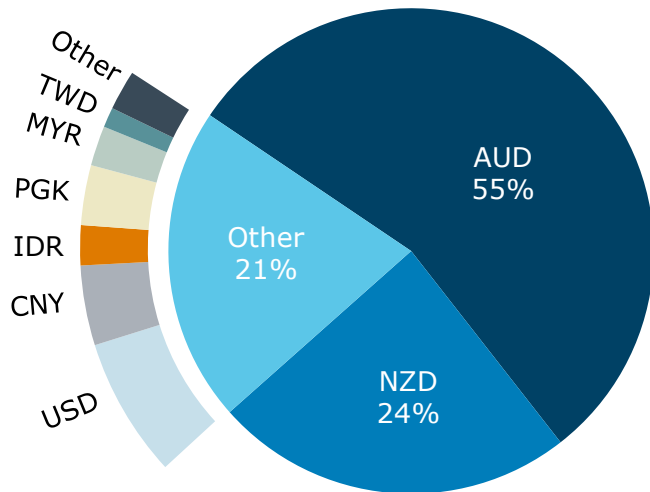
1. Post RBA haircut.

2. More information can be found at the Reserve Bank of Australia website (rba.gov.au under 'Eligible Securities')

3. Source: APRA, "Implementation of the Basel III liquidity framework in Australia - Committed liquidity facility"

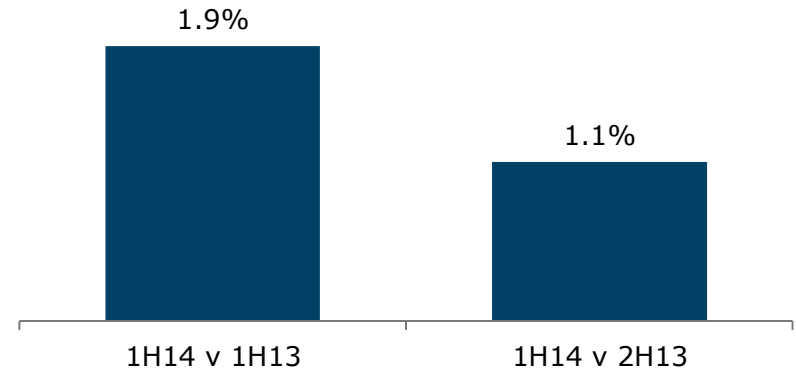
Foreign currency hedging

1H14 Earnings Composition (by Currency)

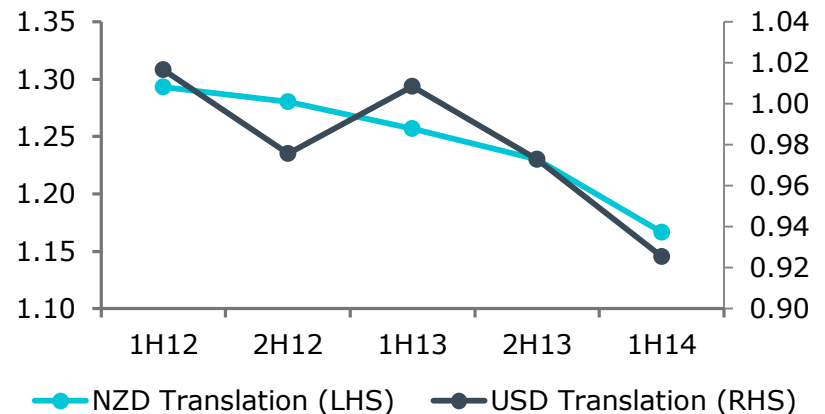


- A key objective of hedging is to manage short term EPS volatility arising from foreign currency earnings
- Hedges currently in place:
FY14: ~70% of remaining earnings
FY15: ~65% of NZD and ~30% of USD (inc. USD correlated) earnings
- At 31 March, the expected impact of FX movements on FY14 earnings (inclusive of hedges) was positive ~1.4% EPS
- Hedging has reduced the impact of a 5% movement of the AUD to less than 1% for FY15

Earnings per Share FX Impact



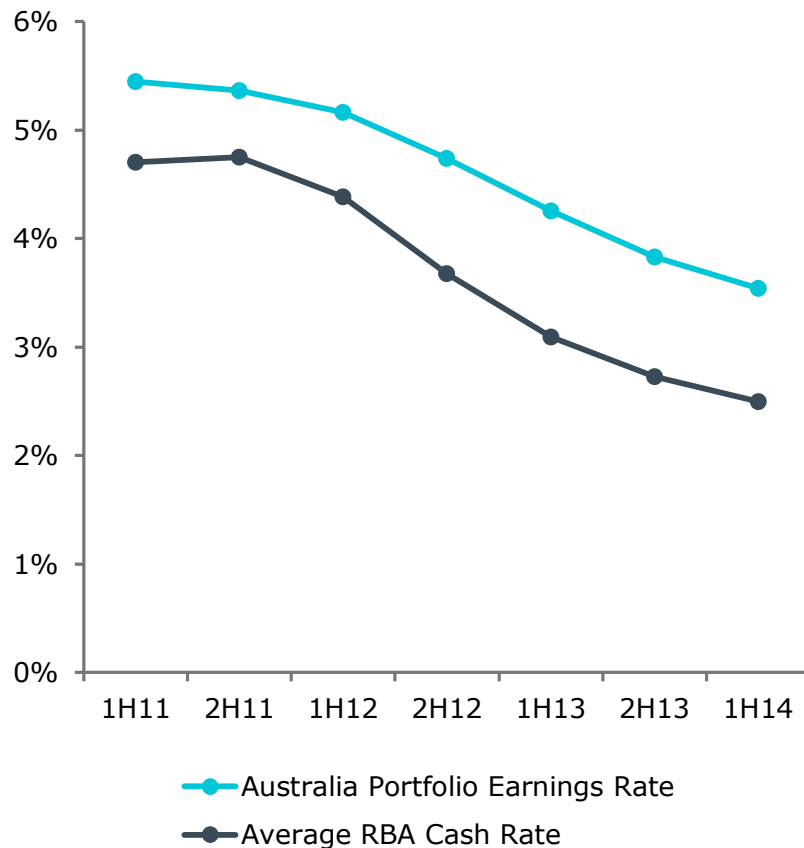
Translation Rates (inclusive of hedges)



Capital and replicating portfolio: Impact from a low interest rate environment on Group NIM is reducing

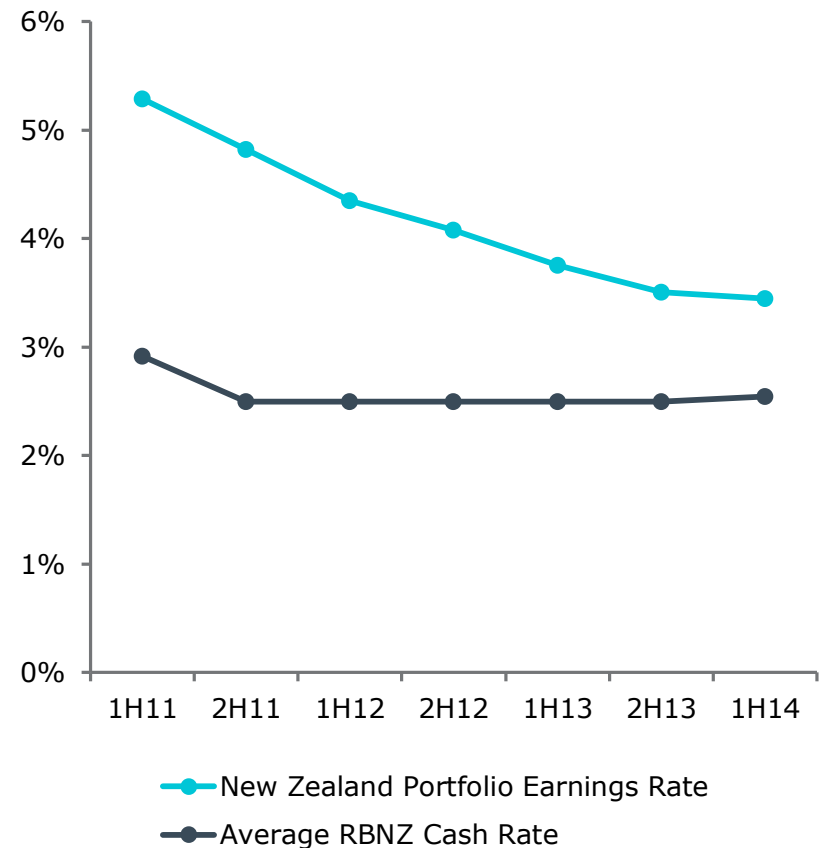
Australia

1H14: ~\$180m portfolio earnings benefit relative to the average RBA cash rate



New Zealand

1H14: ~A\$60m portfolio earnings benefit relative to the average RBNZ cash rate



14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

1 May 2014

Risk Management

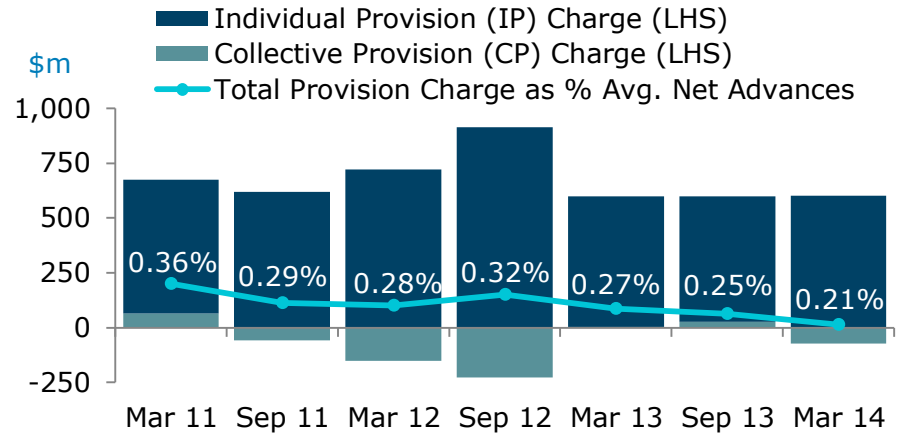


Credit Quality – ongoing improvement

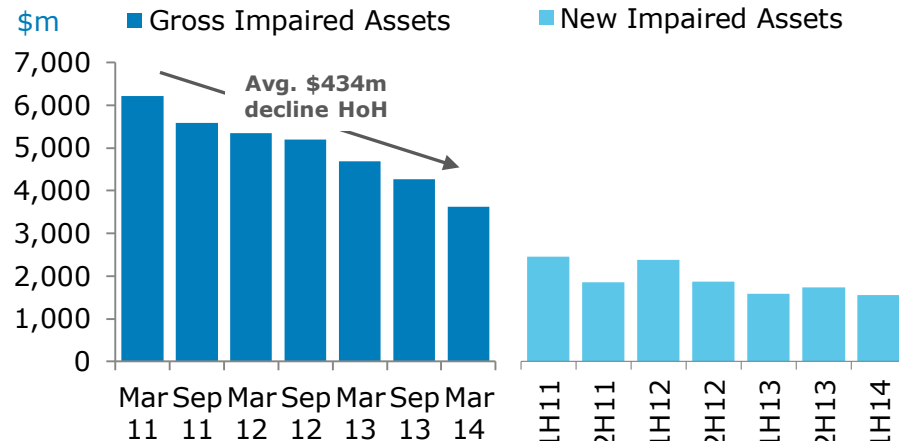
Credit Quality Trends 1H14 v 2H13

93bps	Collective Provision Coverage ¹
↓12%	Total Provision Charge
↓15%	Gross Impaired Assets
↓10%	New Impaired Assets
39%	Credit RWA Rate (CRWA/EAD)

Provision Charge



Impaired Assets



Growth rates reflect 1H14 v 2H13

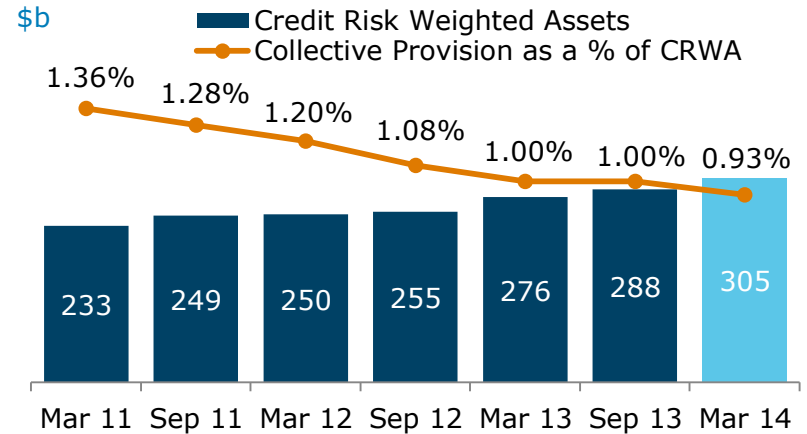
1. This ratio is the Collective Provision balance as a proportion of Credit Risk Weighted Assets

Collective Provision

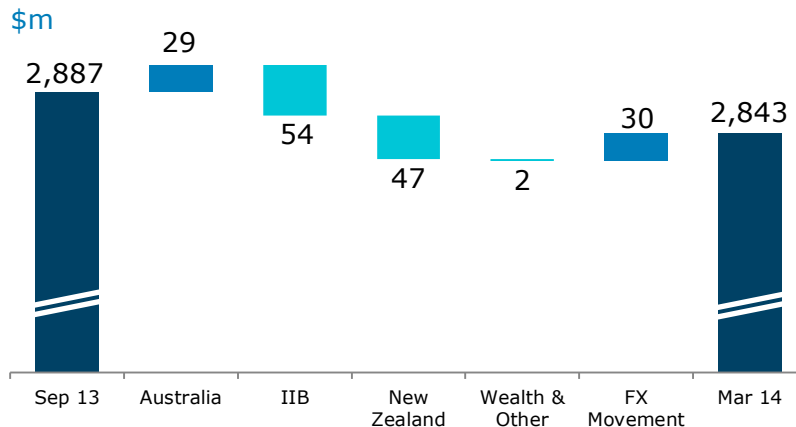
Significant “de-risking” across portfolios is evident from the CP movement

- ANZ remains prudently provided for with a collective provision coverage ratio of 93bps
- The collective provision balance has reduced due to improved customer risk profile and transfer from CP to IP of several large accounts
- Recognising stress remains in some sectors of the Australian economy, the management overlay was increased by \$41m during the half, bringing the total management overlay balance to \$631m as at 31 March 2014

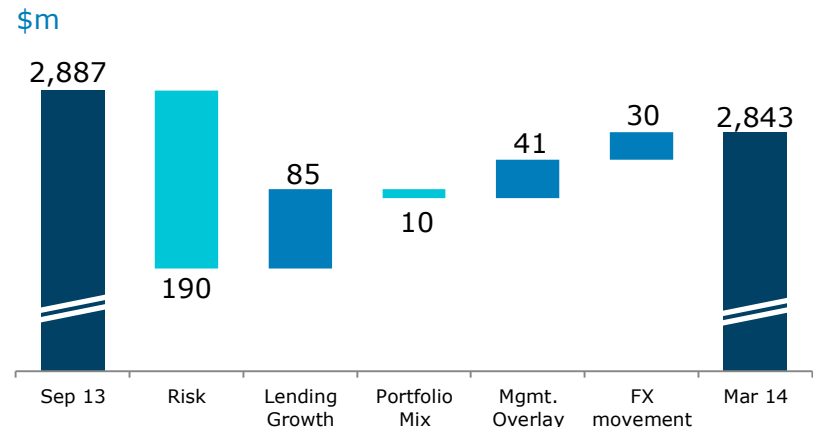
CP Coverage Reflective of Portfolio Risk



Collective Provision by Division

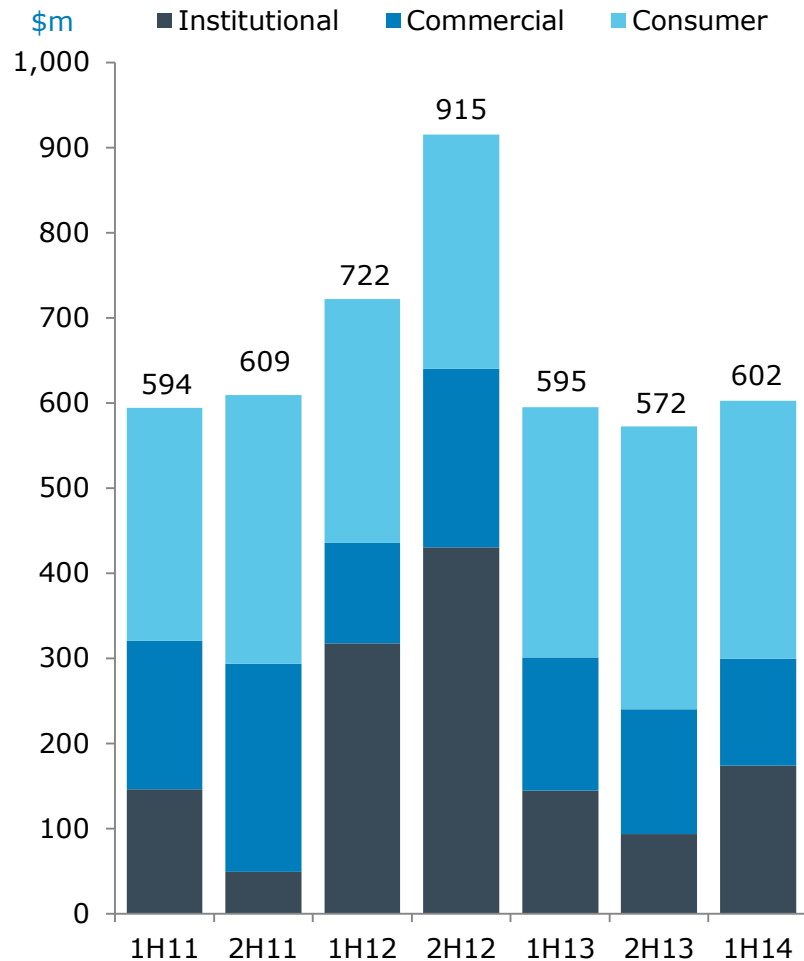


Collective Provision by Source

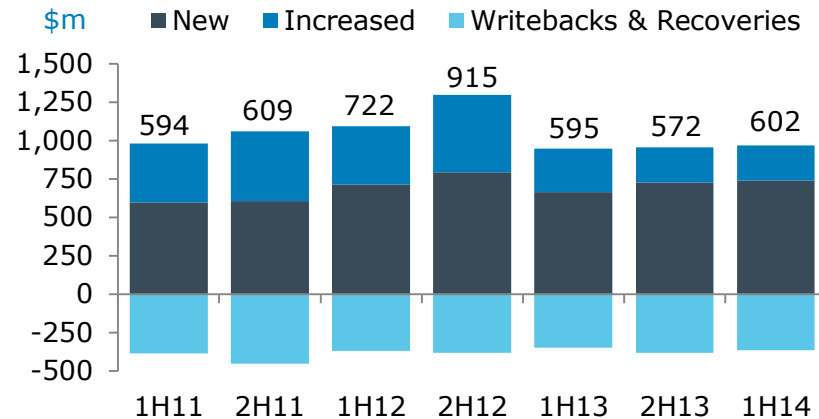


Individual Provisions

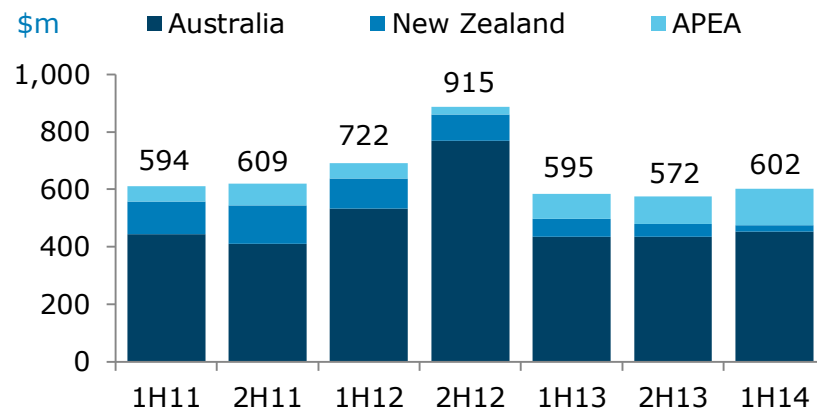
Individual Provision Charge by Segment



Individual Provision Charge Composition



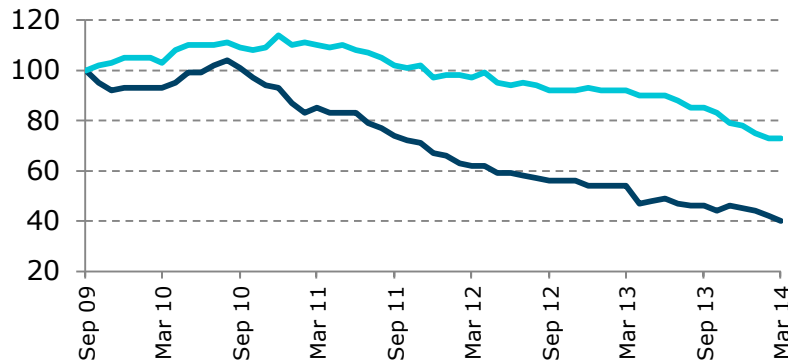
Individual Provision Charge by Region



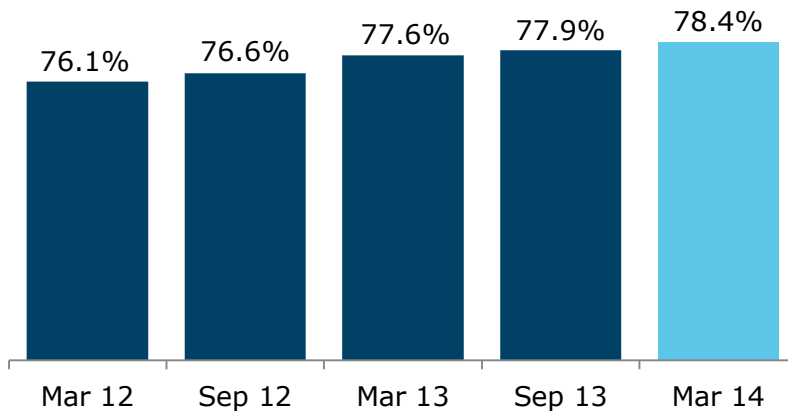
Watch and Control List

Control List

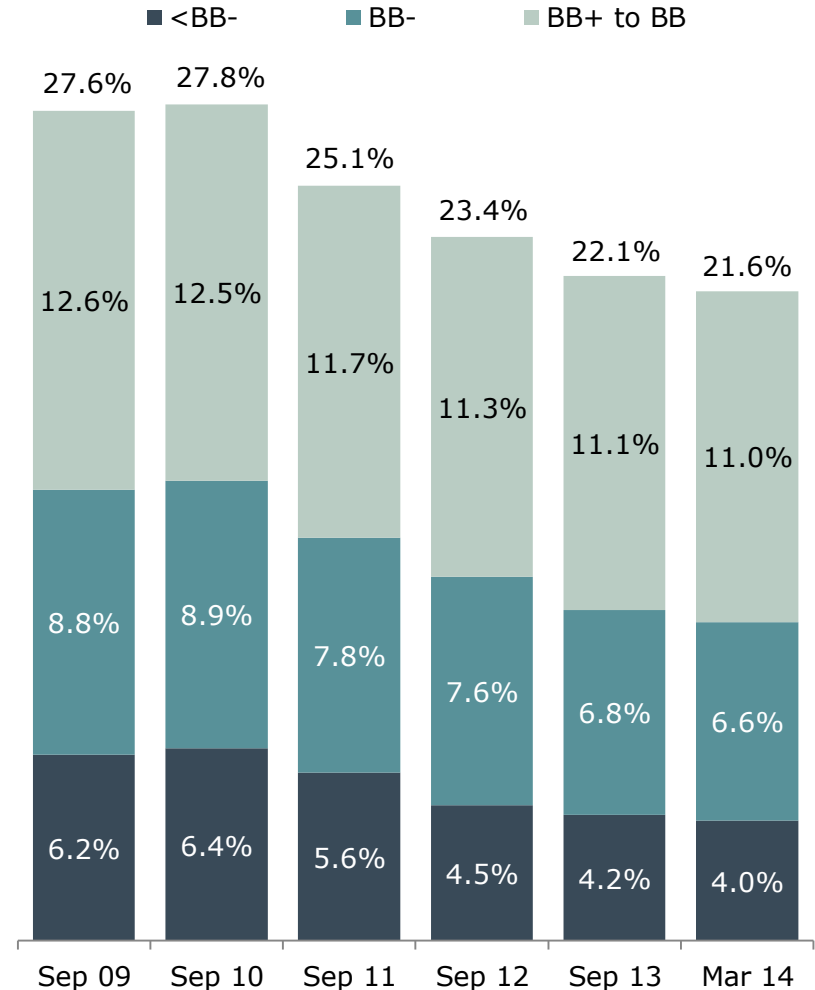
— Control List by Limits — Control List by No of Groups
Index Sep 09 = 100



Group Investment Grade Exposures



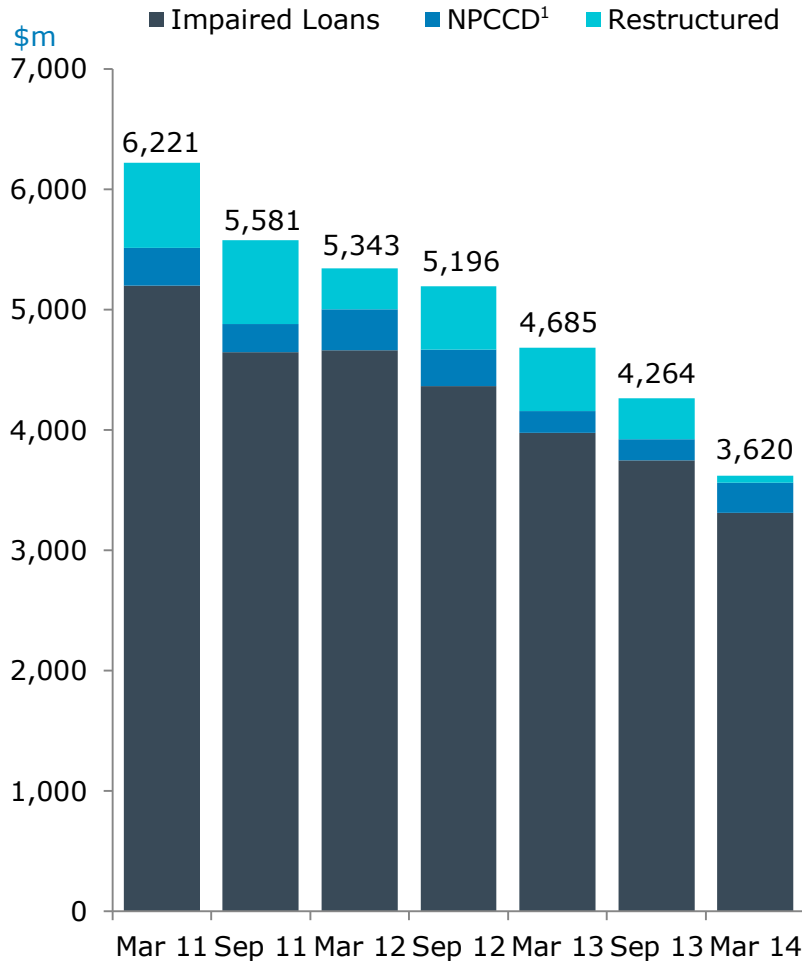
Group Sub-Investment Grade¹ Exposures as % Exposure at Default



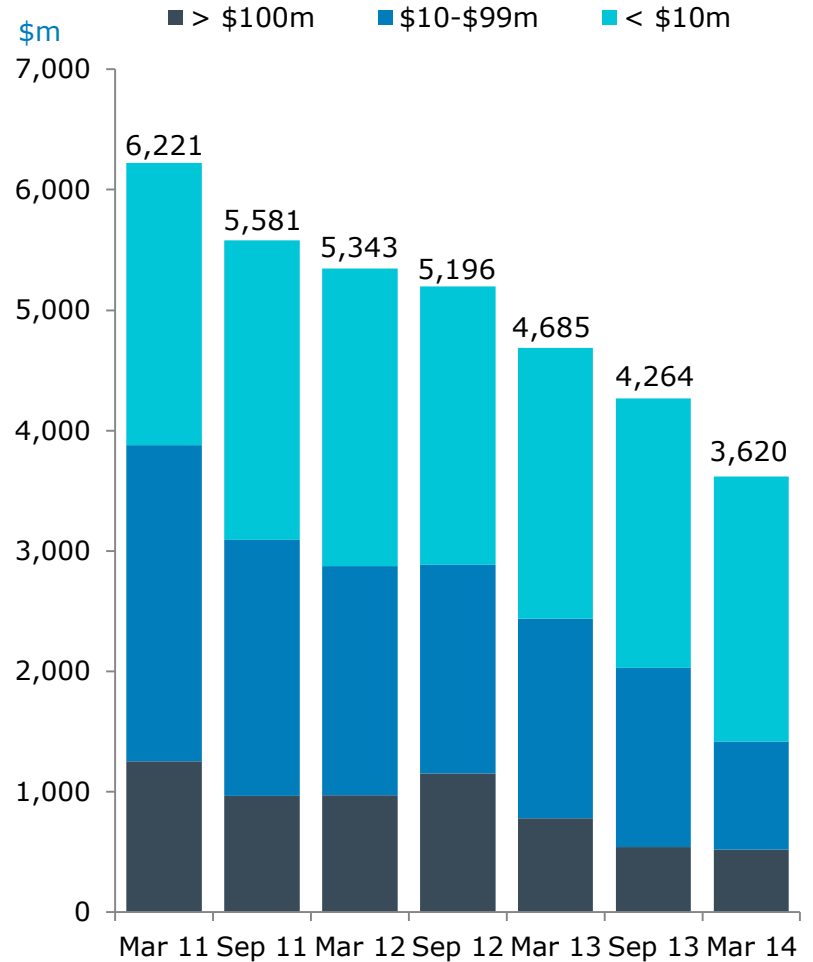
1. Sub-investment grade defined as exposures with a rating below BBB-

Gross Impaired Assets

Gross Impaired Assets by Type



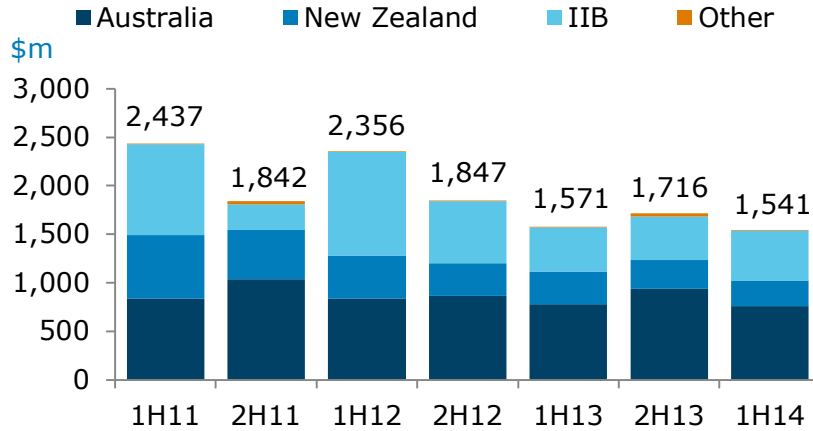
Gross Impaired Assets by Size of Exposure



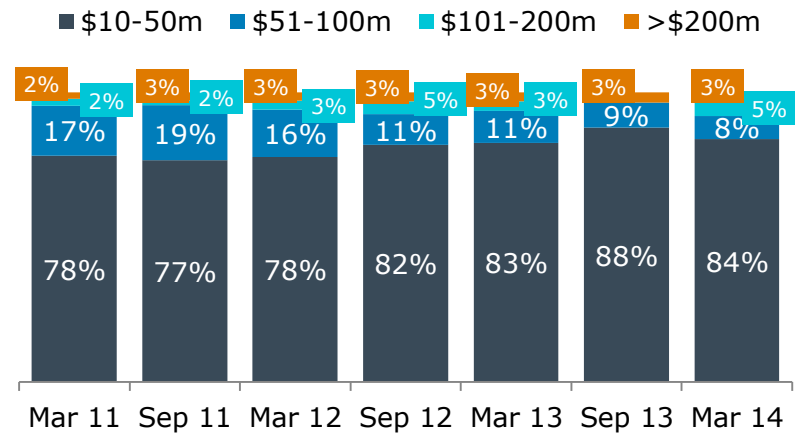
1. NPCCD - Non-Performing Commitments, Contingents & Derivatives

Net Impaired Assets

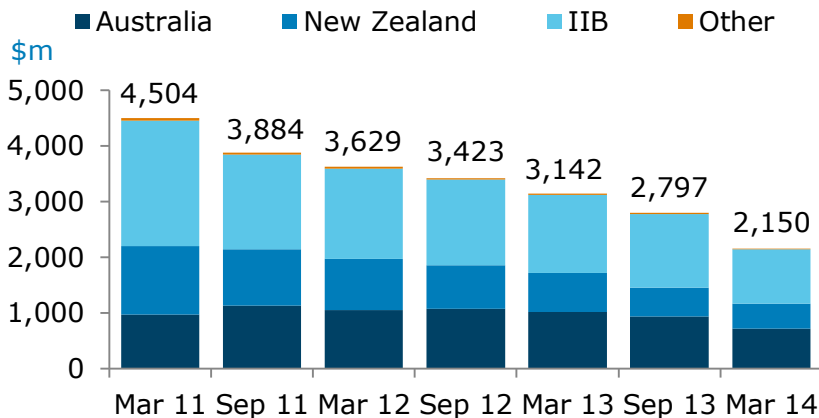
New Impaired Assets by Division



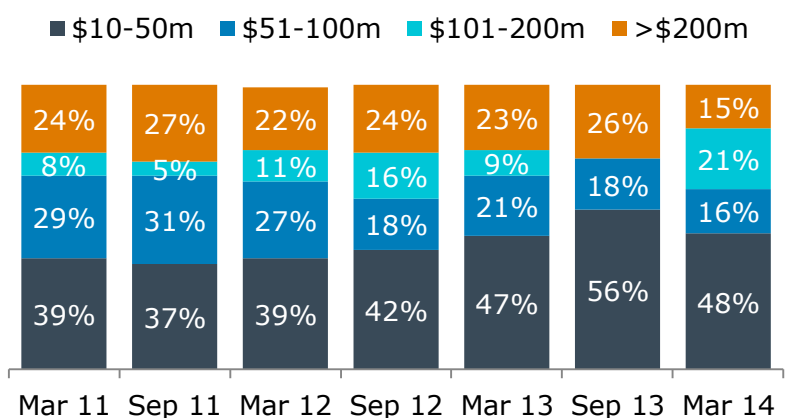
Impaired Assets Concentration by number of Customers¹



Net Impaired Assets by Division



Impaired Assets Concentration by value of Impaired Assets¹

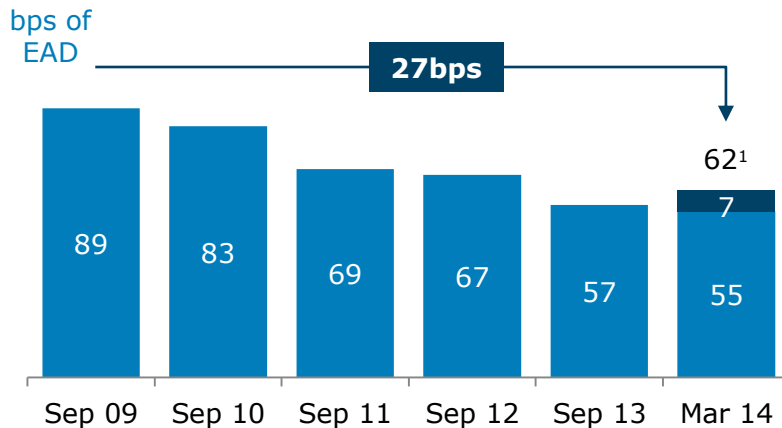


1. Only >\$10m customers

Loss Rates Comparison

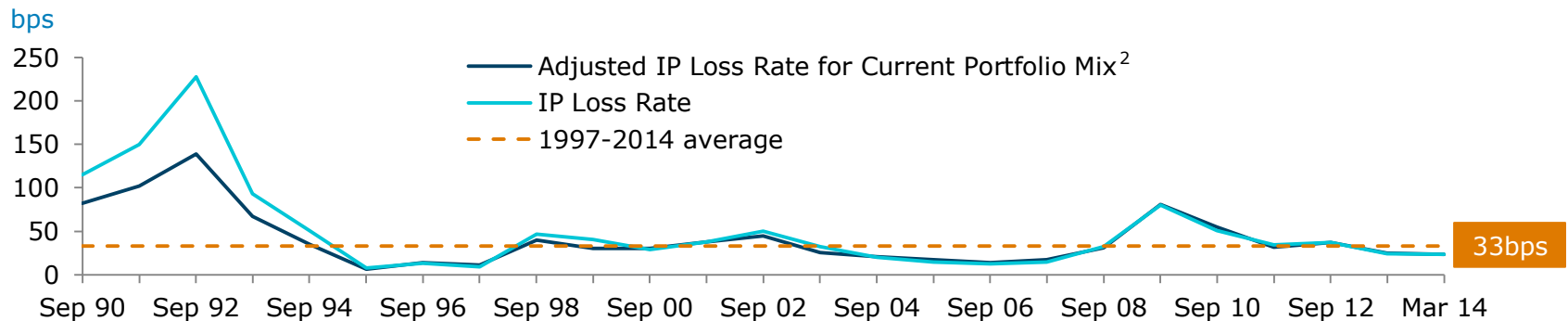
Loss rates continue to decline...

Group Regulatory Expected Loss



- Regulatory Expected Loss is a one-year downturn loss measure as prescribed by APRA and reported in the Results Announcement
- Includes conservative overlays that are not reflective of an 'expected' outcome such as:
 - Balance Sheet Individual Provisions (which have already been expensed to Profit and Loss)
 - assumes stressed asset valuations
 - places a minimum 20% LGD (Loss Given Default) on all Australian Mortgages
- On a like-for-like basis, the Mar 14 Regulatory Expected Loss figure decreased by 2bps from Sep 13

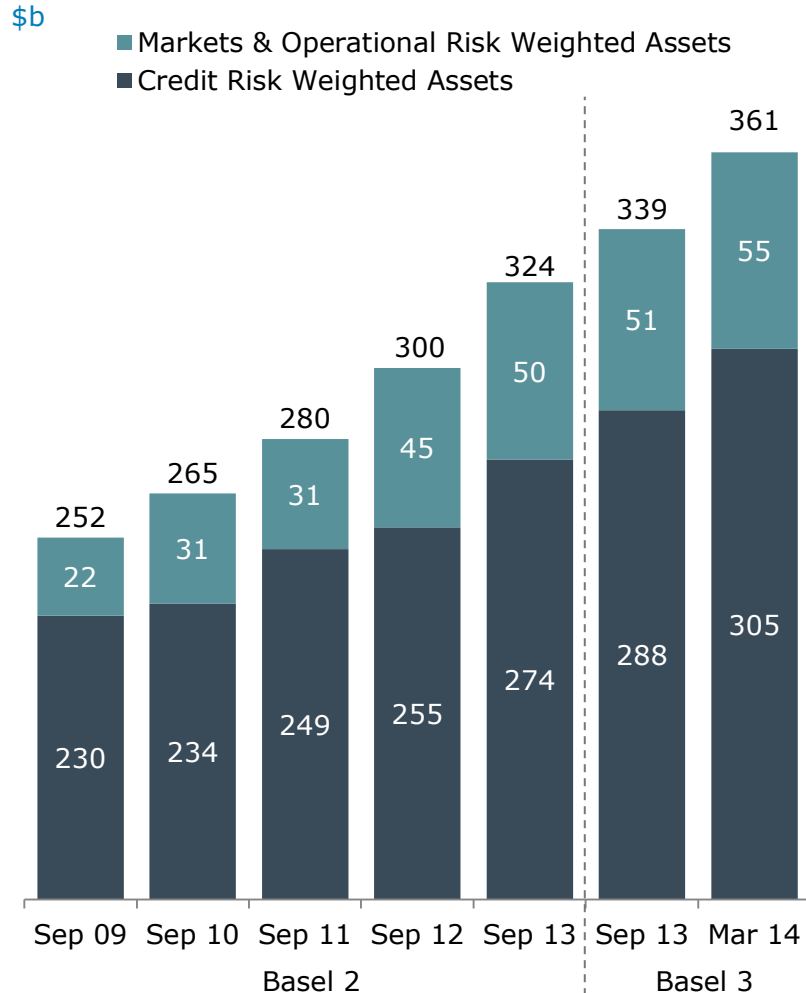
Historical IP Loss Rate



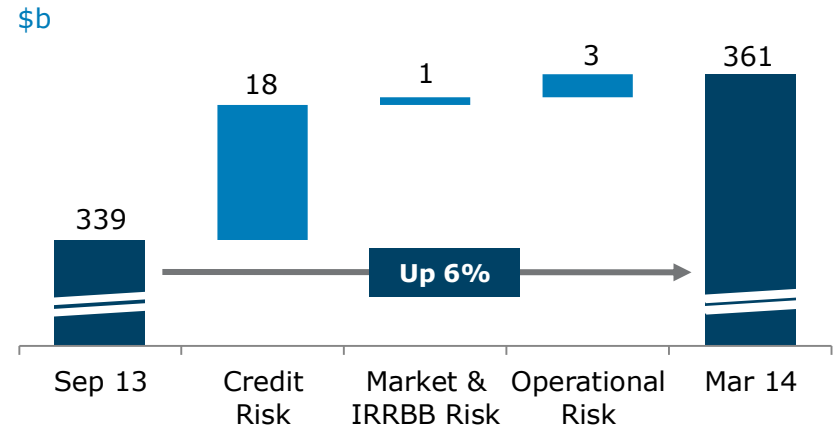
1. Includes additional individual provisions for partial write offs post Sep 13 due to a change in RWA calculation methodology increasing the Mar 14 Regulatory Expected Loss figure by 7bps
2. Adjusted loss rate is based on applying the current portfolio mix to prior period loss rates

Risk Weighted Assets

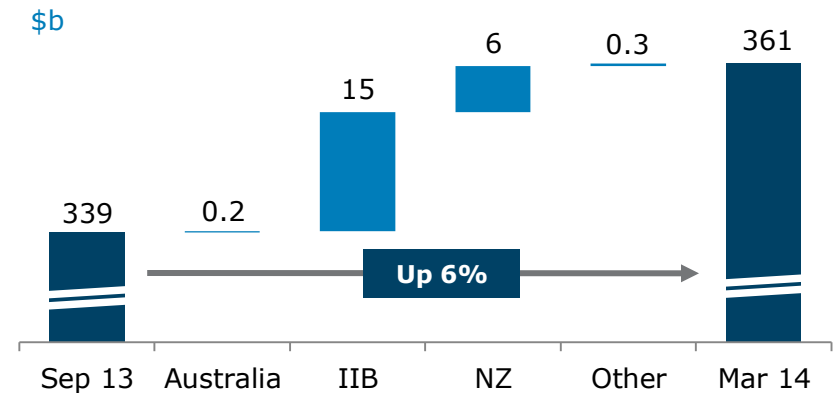
Total Risk Weighted Assets



Total Risk Weighted Assets Movement Mar 2014 v Sep 2013



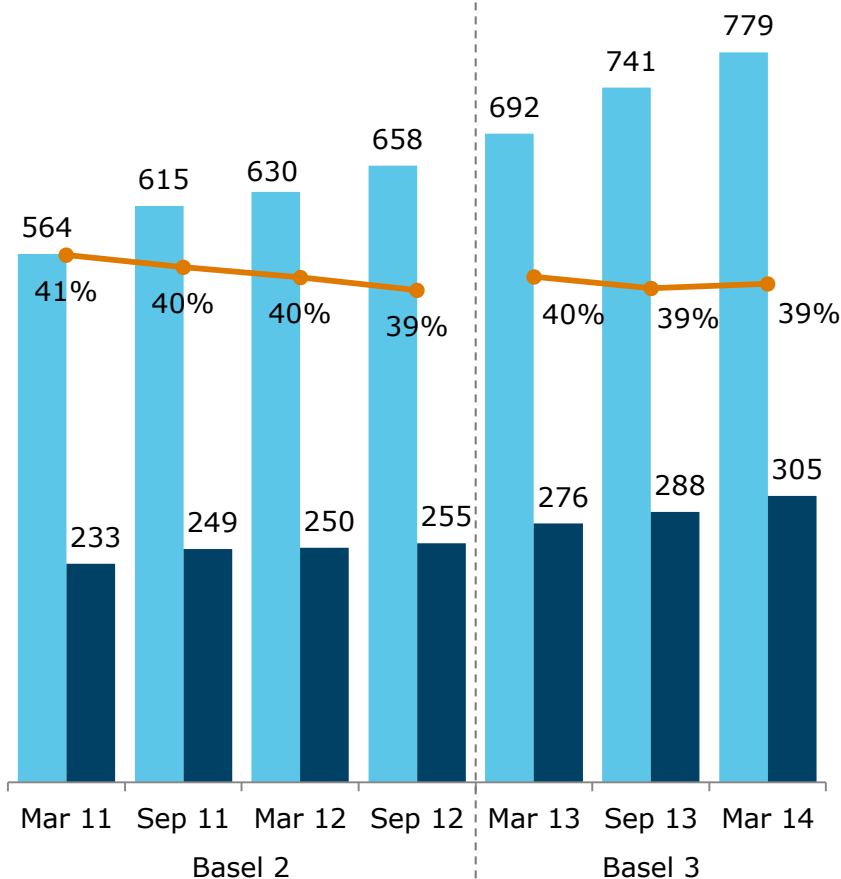
Total Risk Weighted Assets Movement by Division Mar 2014 v Sep 2013



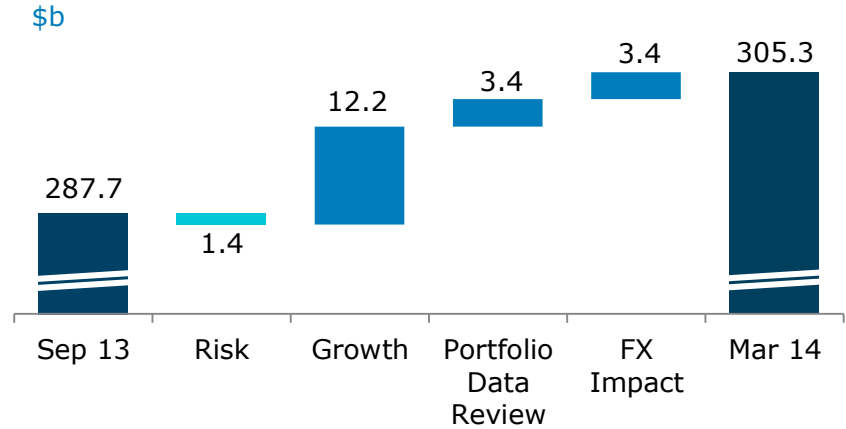
Credit Risk Weighted Assets

Group Exposure at Default and Credit Risk Weighted Assets

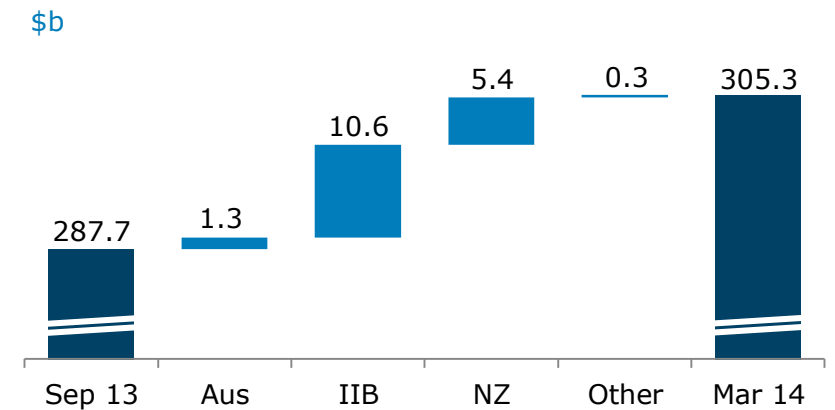
- Exposure at Default (\$b)
- Credit Risk Weighted Assets (\$b)
- CRWA / EAD (%)



Credit Risk Weighted Assets Movement Mar 2014 v Sep 2013



Credit Risk Weighted Assets Movement by Division Mar 2014 v Sep 2013



Traded Market Risk & IRRBB Risk Weighted Assets

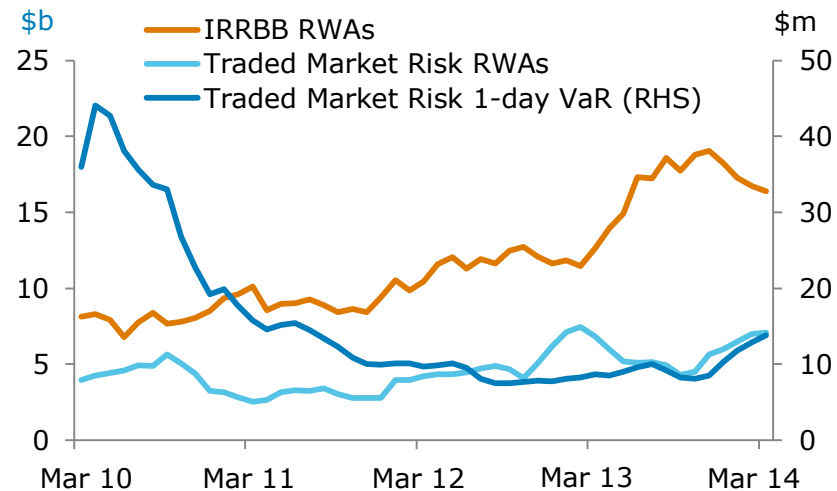
Decisions driving Risk Weighted Asset and VaR outcomes

- RWA for Interest Rate Risk in the Banking Book (IRRBB) was lower primarily due to a reduction in the Investment Term of Capital
- Other contributors to the reduction in RWA include changes in the interest rate risk profile providing a diversification benefit to the Investment Term of Capital position and recent updates to the rates history as some extreme scenarios relating to GFC dropped out
- The recent increases in Traded Market Risk 1-day 99% VaR and RWAs reflects higher Foreign Exchange and Interest Rate risk and relatively lower diversification in the Traded Market portfolio compared to FY13
- Traded Market Risk RWAs were impacted by Basel 2.5 introduction in Jan 2012

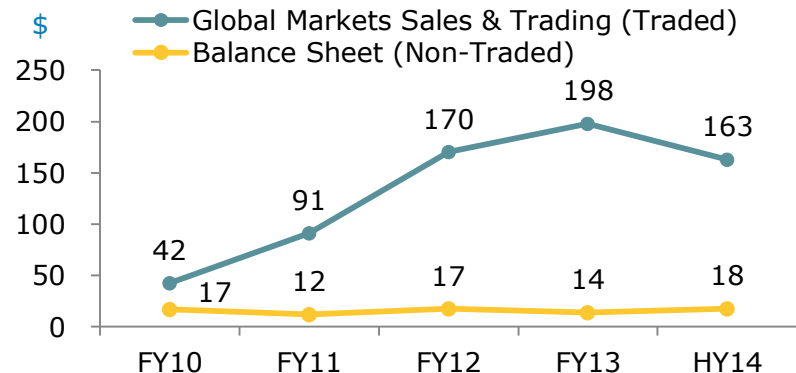
Generating improved Markets Risk-adjusted Income outcomes

- Sales & Trading business has continued to grow its income stream. The lower Income / 1-day 99% VaR ratio for 1H14 is a result of an increase in Trading book VaR in 1H14, which is aligned with the increased proportion of income from Trading activities
- Balance Sheet Income for 1H14 reflects strong performance led by the Liquidity Portfolio with credit spreads tightening

Market Risk Weighted Asset Trends



Income (\$) / VaR¹



1. Average 1-day 99% VaR

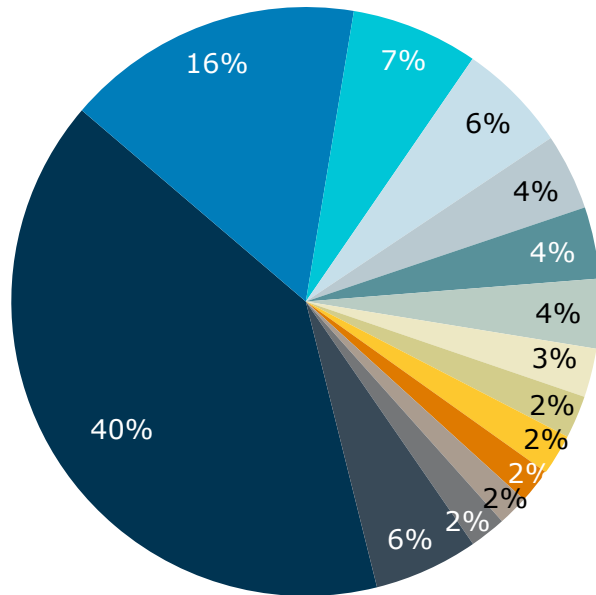
Total Credit Exposure (EAD) by Industry

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

ANZ Group

Total EAD (Mar 14)

\$762b



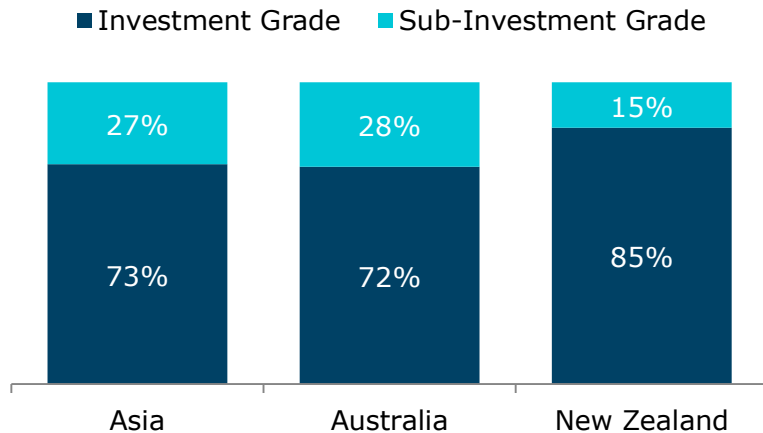
Category	EAD			% in Non Performing		
	Mar 13	Sep 13	Mar 14	Mar 13	Sep 13	Mar 14
Consumer Lending	40.4%	40.8%	40.3%	0.2%	0.2%	0.2%
Finance, Investment & Insurance	16.8%	15.9%	16.4%	0.2%	0.1%	0.1%
Property Services	7.1%	7.1%	7.0%	1.6%	1.1%	1.7%
Manufacturing	6.1%	6.0%	6.1%	1.0%	0.7%	0.6%
Agriculture, Forestry, Fishing	4.2%	4.3%	4.2%	4.1%	4.1%	3.5%
Government & Official Institutions	3.9%	4.0%	3.8%	0.0%	0.0%	0.0%
Wholesale trade	4.0%	3.9%	3.9%	0.6%	0.8%	0.6%
Retail Trade	2.9%	2.9%	2.7%	0.8%	0.9%	0.6%
Transport & Storage	2.2%	2.2%	2.4%	2.0%	1.6%	3.0%
Business Services	1.9%	2.0%	1.9%	0.7%	0.5%	1.3%
Resources (Mining)	1.8%	1.9%	2.3%	0.2%	1.2%	0.7%
Electricity, Gas & Water Supply	1.7%	1.7%	1.7%	0.1%	0.1%	0.1%
Construction	1.6%	1.7%	1.6%	1.2%	1.1%	1.9%
Other	5.4%	5.7%	5.7%	0.1%	0.9%	0.6%

Asia and Trade Finance

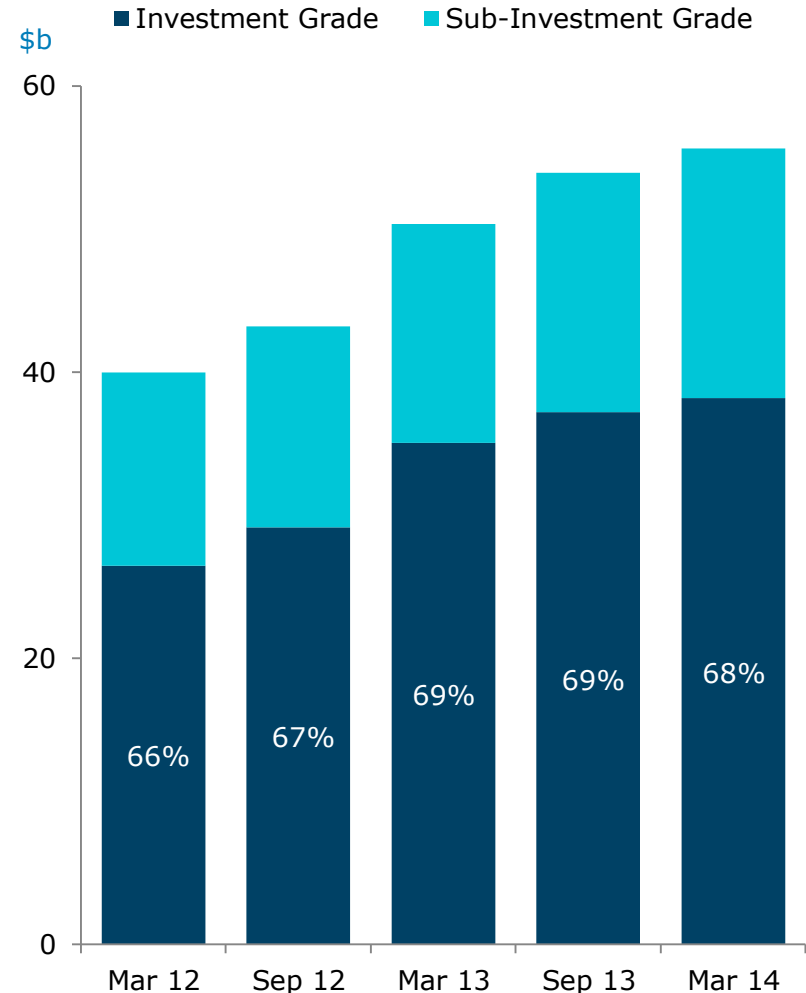
Strong quality Asia Exposure

- Strong growth in Trade Finance portfolio focussed on shorter duration exposures to investment grade counterparties
- The Trade Finance portfolio displays average tenor of less than 90 days and provides access to a large and high quality multi-national customer base
- Overall, the Institutional Asia exposure is of a similar quality to Institutional Australia, with a strong risk profile displayed across all Institutional geographies

Institutional Investment Grade Exposure by Geography



Trade Finance Investment Grade Exposure

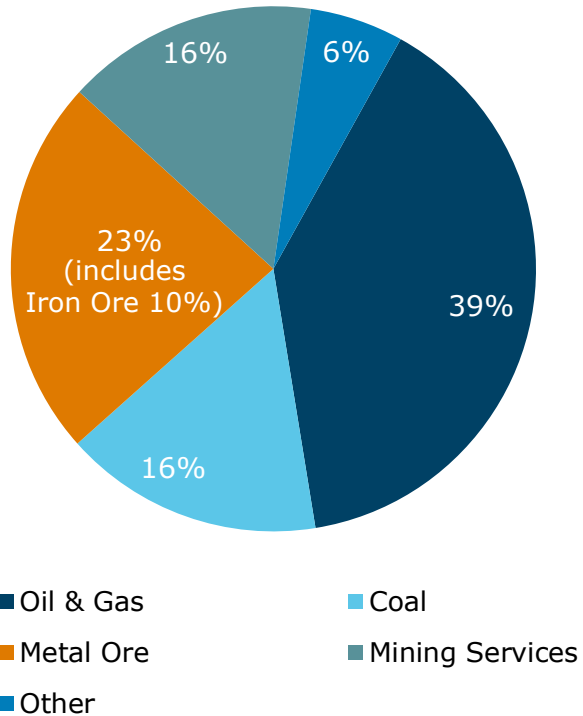


Resources

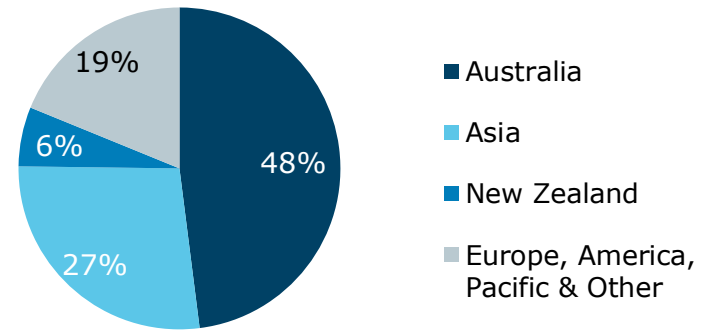
Resources Exposure by Sector (% EAD)

Resources

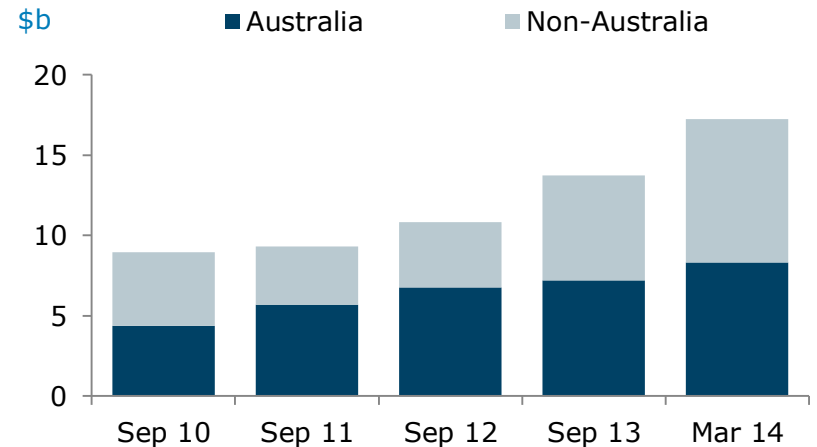
Total EAD (Mar 14)	As a % of Group EAD
\$17.2b	2.3%



Resources Exposure by Geography (EAD)



Resources Exposure by Geography (EAD)

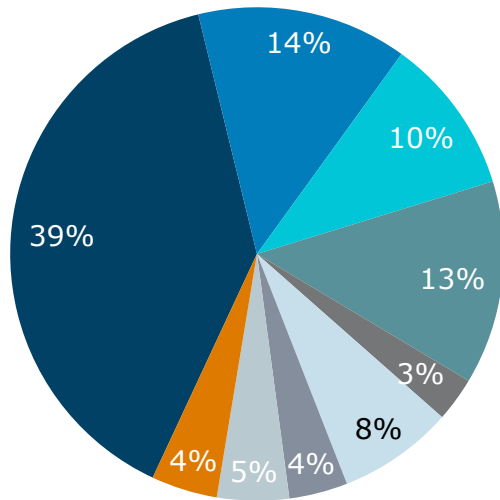


Agriculture

Agriculture Exposure by Sector (% EAD)

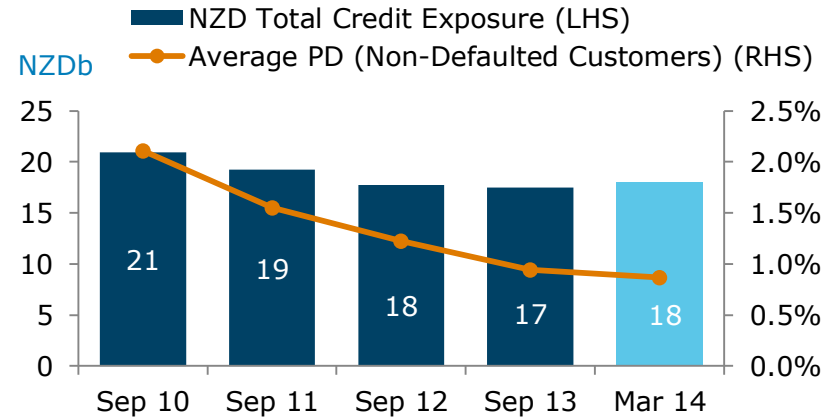
Agriculture

Total EAD (Mar 14)	As a % of Group EAD
\$32.1b	4.2%

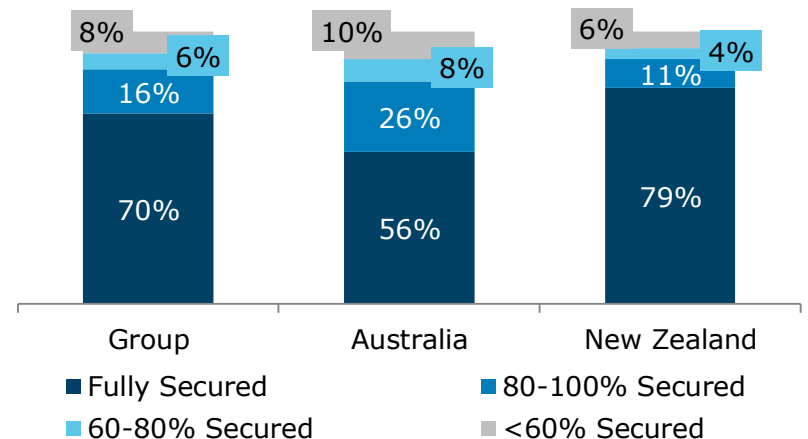


- Dairy
- Beef
- Sheep & Other Livestock
- Grain
- Wheat
- Horticulture/Fruit
- Other Crops
- Forestry & Fishing
- Agriculture Services

New Zealand Agri Exposure and Average Probability of Default

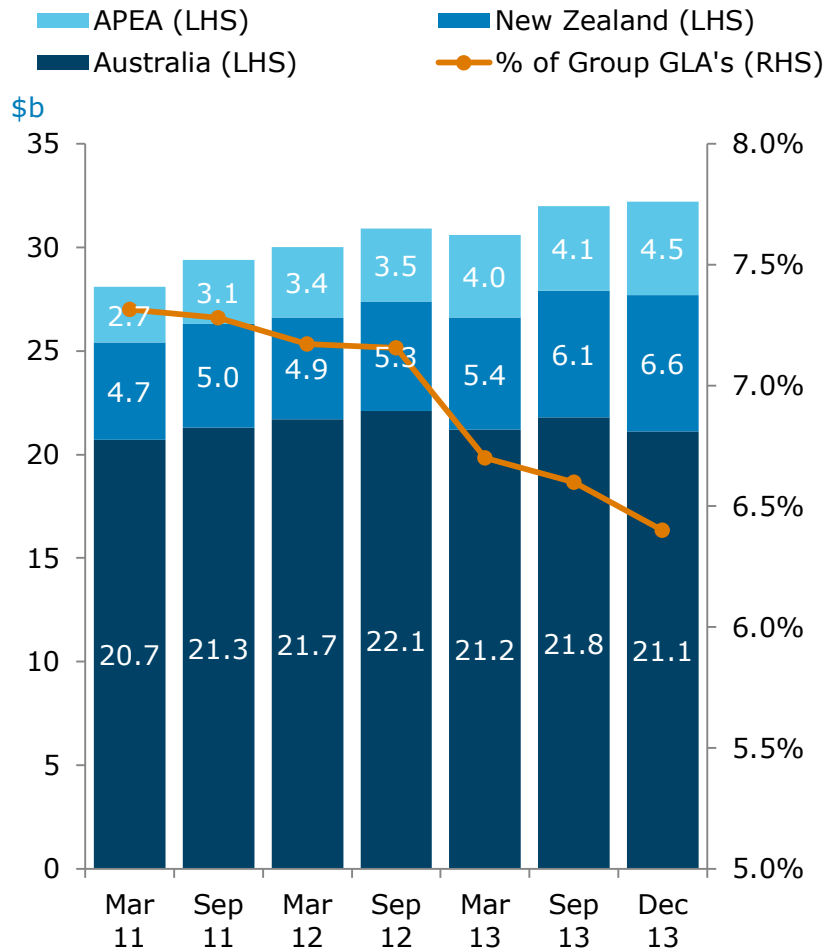


Agriculture Security Levels

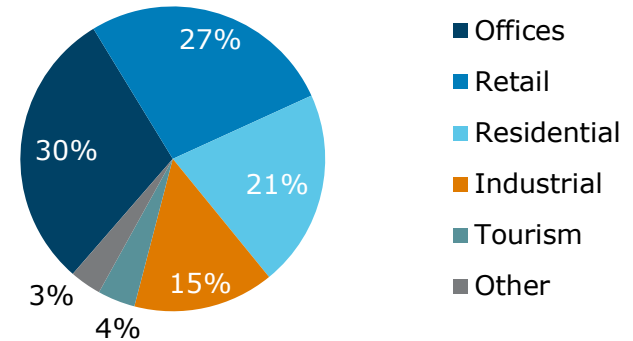


Commercial Property Lending

Commercial Property Outstandings by Region



Commercial Property Outstandings by Sector



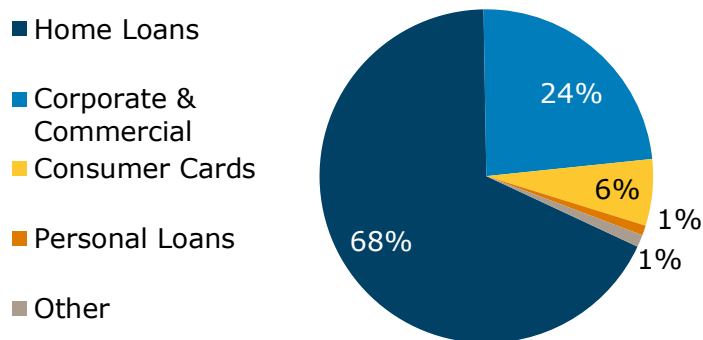
Commercial Property Peer Comparison¹

\$m	ANZ	NAB	WBC	CBA
Commercial Property Portfolio EAD	47,319	69,836	64,016	54,219
Property EAD/Total EAD	5.93%	8.58%	8.21%	6.54%
Impaired Assets	485	2,724	1,214	550
Property Impaired Assets /Property EAD	1.02%	3.90%	1.90%	1.01%

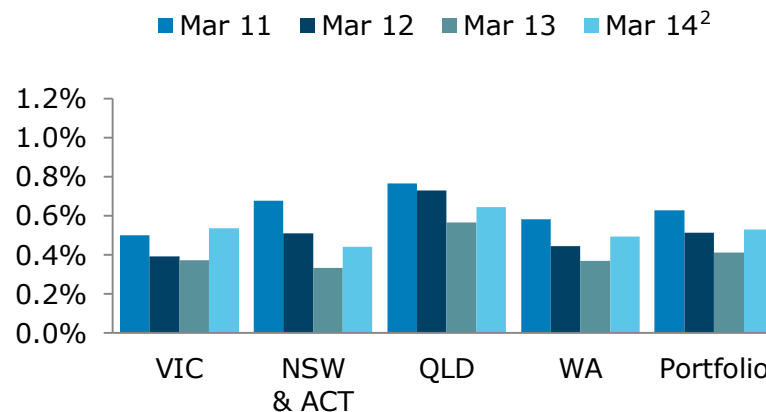
1. Source is the most recent full Pillar 3 disclosures specific to Commercial Property Segment. ANZ Pillar 3 disclosures include Property Services

Australia Division Credit Quality

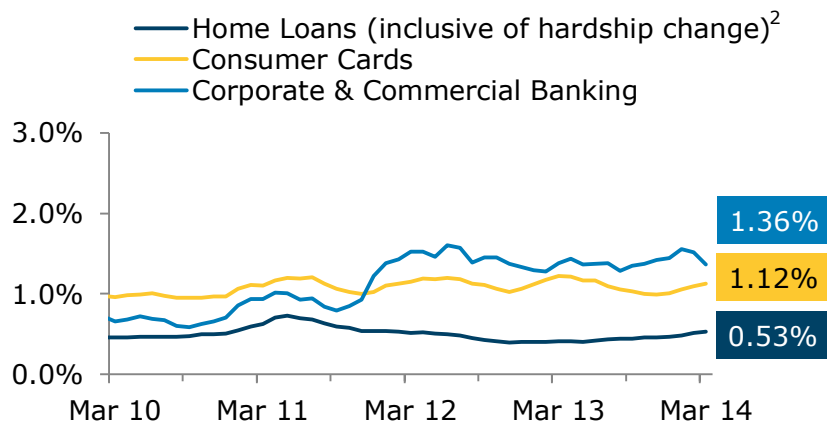
Australia Division Credit Exposure (EAD)



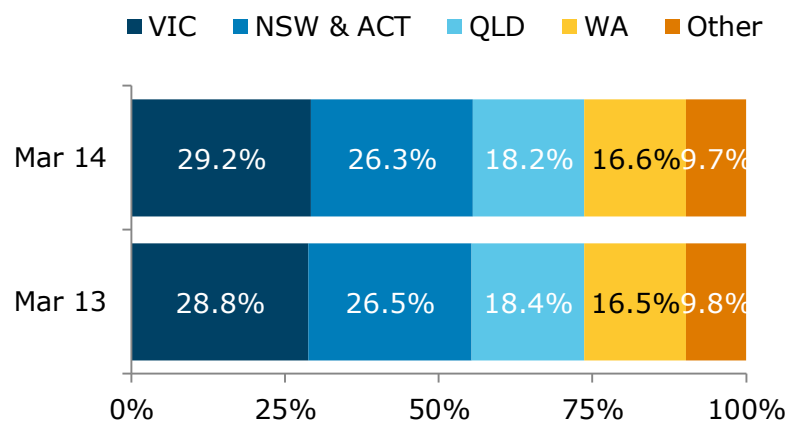
Australia Home Loans 90+ day delinquencies by state¹



Australia Division 90+ day delinquencies¹

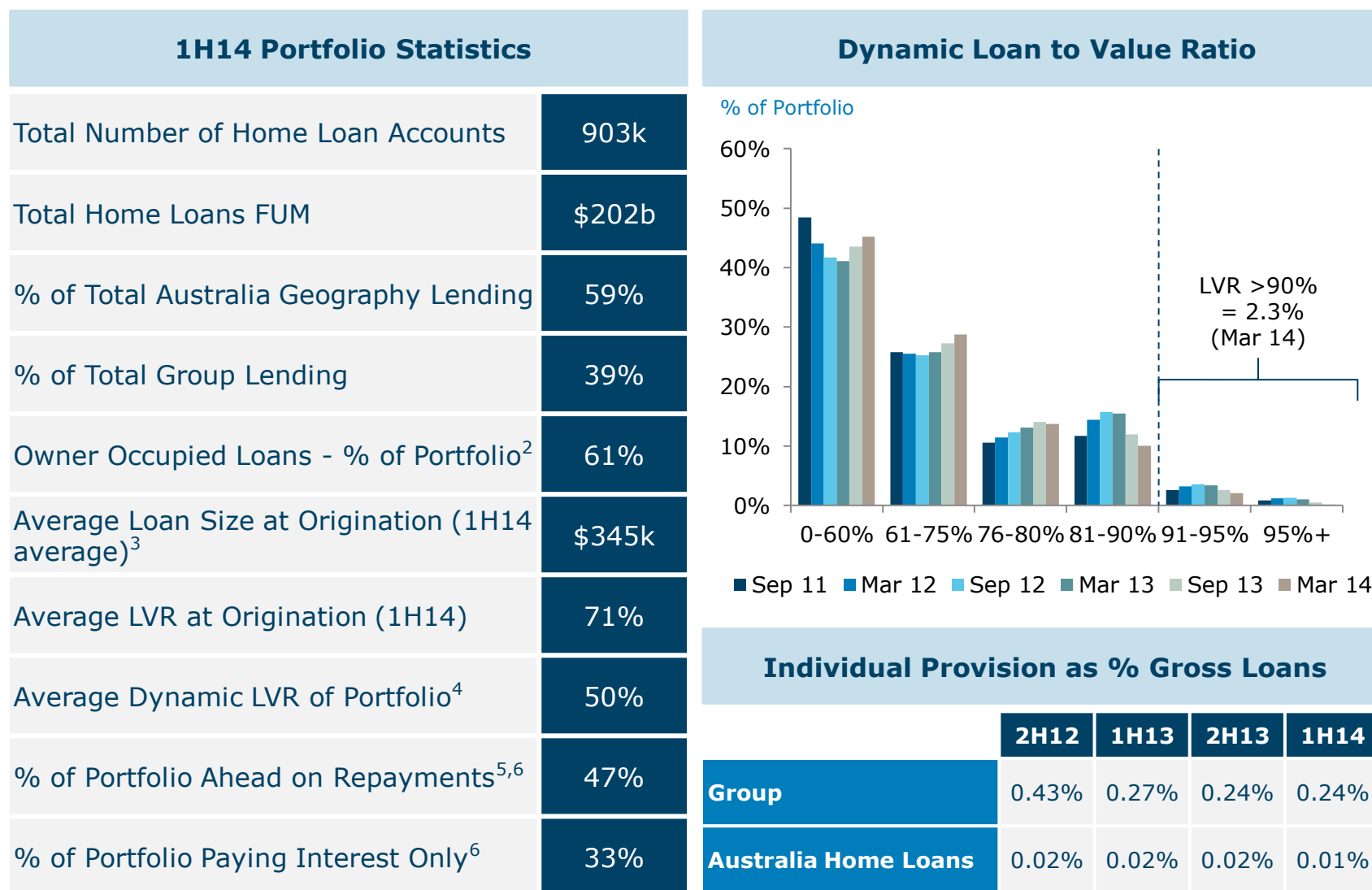


Australia Home Loans Portfolio by state³



1. Delinquency excluding Non Performing Loans
2. Includes hardship cases 90+ DPD has impacted underlying trends during FY14. March'14 90+ DPD excluding hardship changes is 0.46%, inclusive of hardship changes 0.53%
3. Gross loans and advances by state

Australia Division - Home Loan Portfolio¹



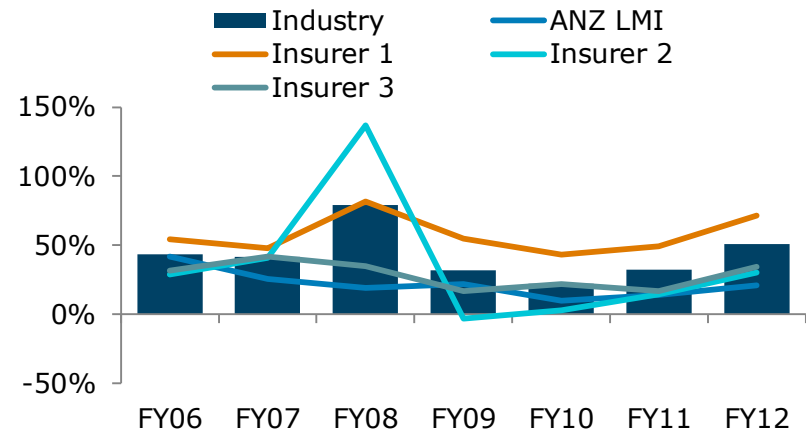
1. Refers to Net Home Loans book (excluding non-performing loans and offset balances); 2. Excluding funds on Equity Manager Accounts; 3. Average loan size of home loans written in 1H14 excluding offset accounts; 4. Dynamic LVR excluding capitalised LMI; 5. % of customers that are one month or more ahead of repayments; 6. Excludes revolving credit facilities

Lenders Mortgage Insurance

Background

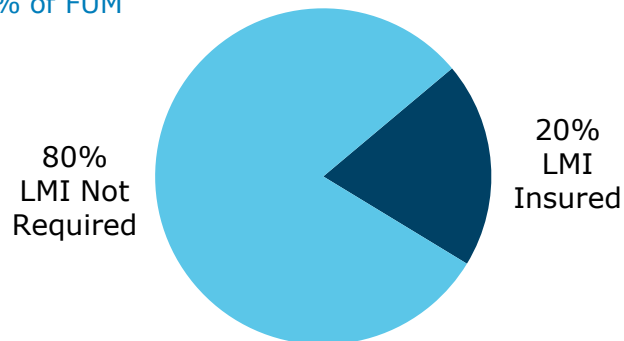
- ANZ's Captive Mortgage insurance business (ANZLMI) provides Lenders Mortgage Insurance for residential mortgages originated through ANZ channels
- ANZLMI remains well capitalised (independent to ANZ) and well above APRA minimum levels
- Stress testing indicates that an average unemployment rate in excess of 8% and property price falls of 25% (from peak to trough) sustained over 3 years are required to breach regulatory capital

ANZLMI maintains industry low loss ratios¹



Current Reinsurance Arrangement

% of FUM



- Lenders mortgage insurance is used on mortgages LVR 80% and above
- Reinsurance is comprised of a Quota share arrangement with reinsurers for mortgages 90% LVR and above and in addition an aggregate stop loss arrangement for policies over 80%
- ANZLMI has developed diversified panel comprised of APRA authorised reinsurers and reinsurers with highly rated security

1. Negative Loss ratios are the result of reductions in outstanding claims provisions. Source: APRA general insurance statistics (loss ratio net of reinsurance)

New Zealand - Home Loan Portfolio

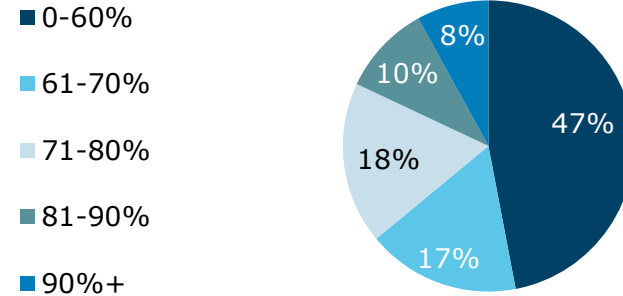
1H14 Portfolio Statistics

Total Number of Home Loan Accounts	484k
Total Home Loan FUM (NZD)	\$61b
% of Total New Zealand Lending	59%
% of Total Group Lending	11%
Owner Occupied Loans - % of Portfolio	76%
Average Loan Size at Origination (NZD)	\$254k
Average LVR at Origination	63%
Average Dynamic LVR of Portfolio	46%
% of Portfolio Paying Interest Only ¹	21%

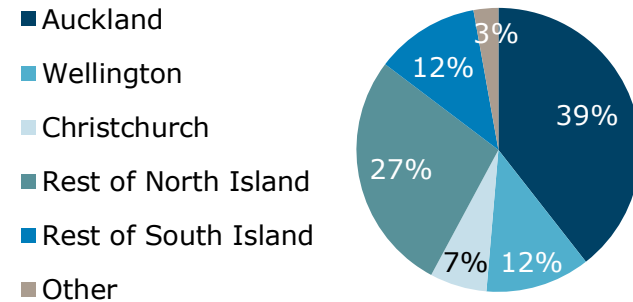
Individual Provision as % Gross Loans

	2H12	1H13	2H13	1H14
Group	0.43%	0.27%	0.24%	0.24%
New Zealand Home Loans	0.03%	0.02%	0.02%	0.02%

Dynamic Loan to Valuation Ratio



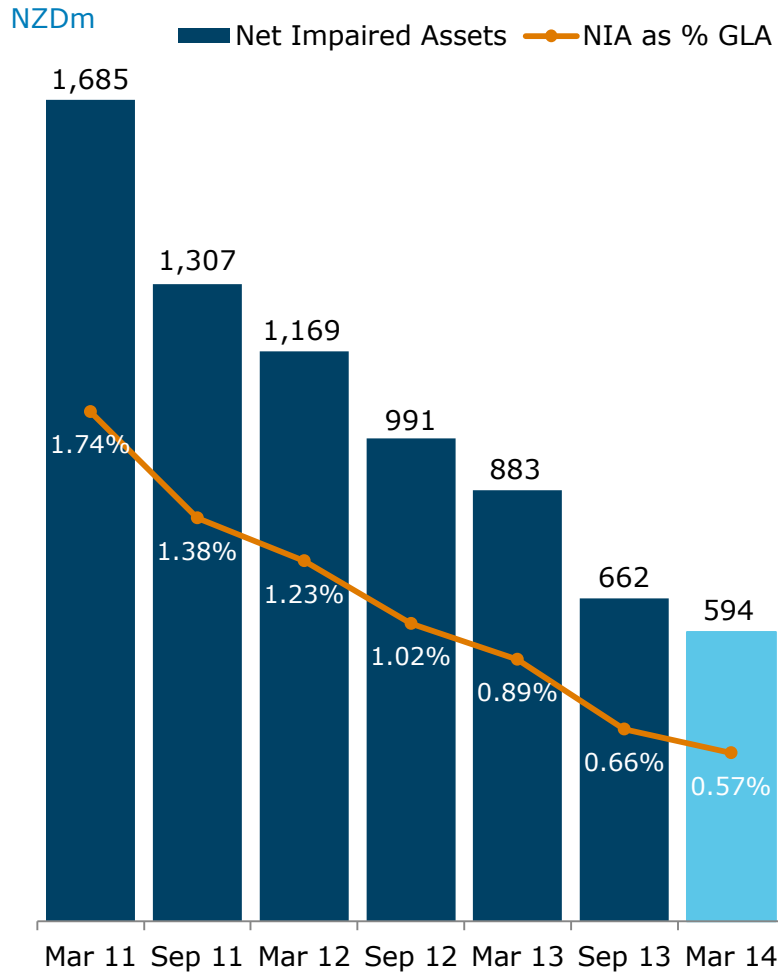
Home Loan Portfolio by Region



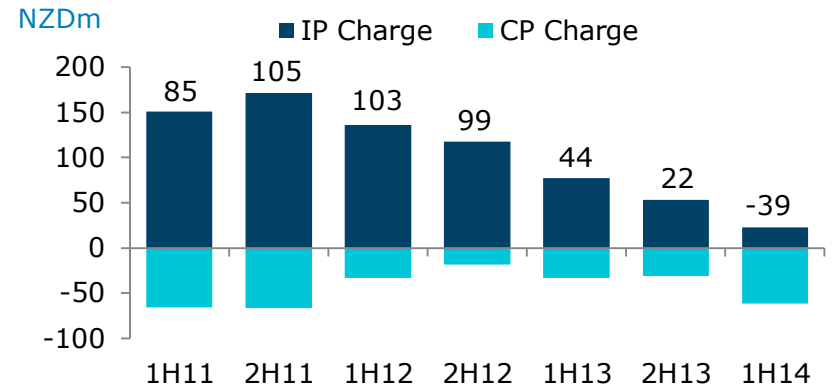
1. Excludes revolving credit facilities

New Zealand – Credit Quality

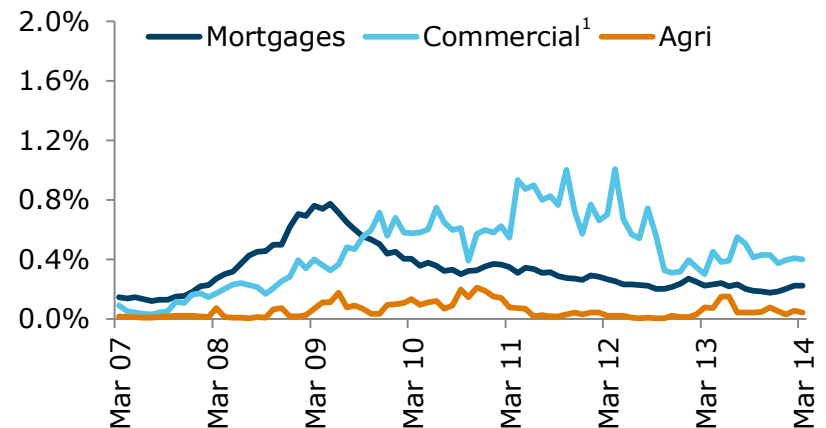
New Zealand Geography Net Impaired Assets



New Zealand Geography Total Provision Charge



New Zealand Division 90+ days delinquencies



1. Spikes in 2012 Commercial 90 day delinquencies are primarily due to internal classifications rather than any deterioration in underlying credit quality

14 HALF YEAR RESULTS

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

1 May 2014

Divisional Performance

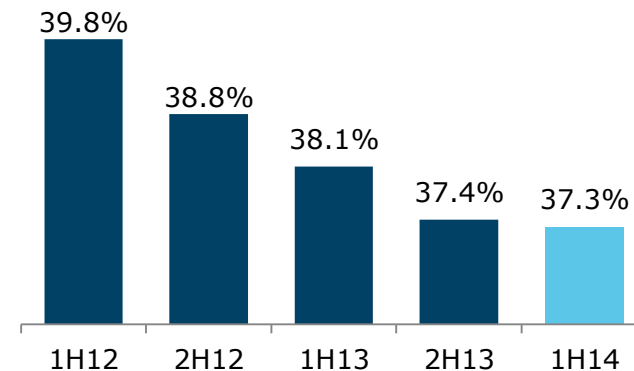


Australia Division 1H14 Profit & Loss Performance

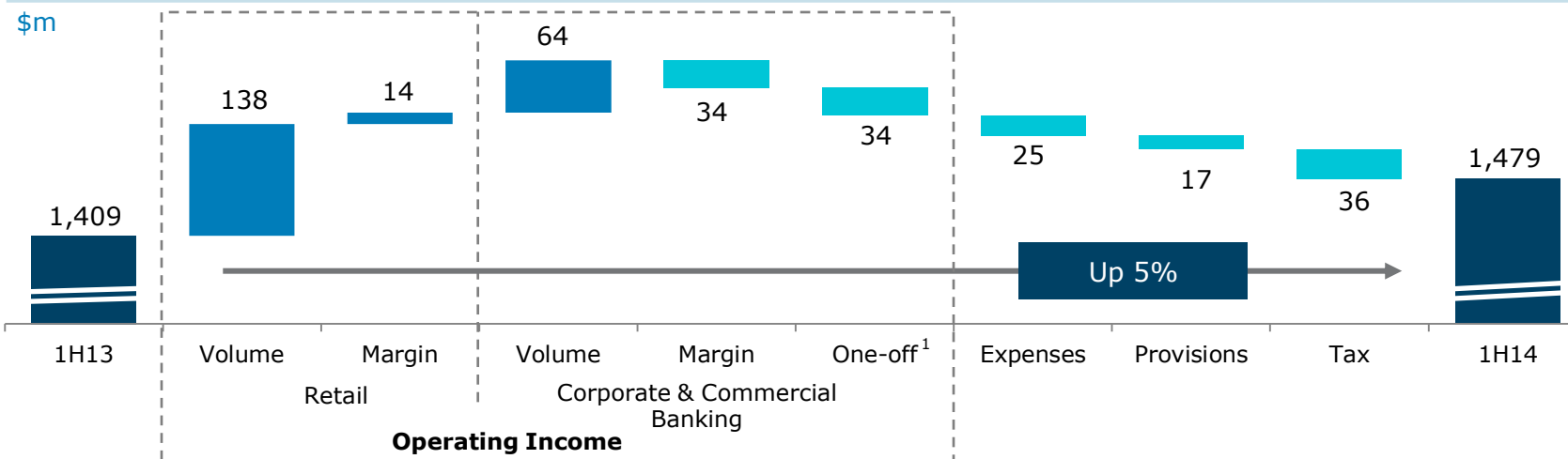
Financial Highlights – 1H14

\$m	1H14	v 1H13	v 2H13
Operating Income	4,017	4%	1%
Operating Expenses	(1,500)	2%	1%
Profit before Provisions	2,517	5%	1%
Provisions (charge)/release	(403)	4%	-7%
Net Profit after Tax	1,479	5%	2%
Net Interest Margin	2.48%	Down 5bps	Down 3bps
Cost to Income Ratio	37.3%	Down 78bps	Down 4bps

Cost to Income Ratio



Net Profit after Tax Movement 1H14 v 1H13



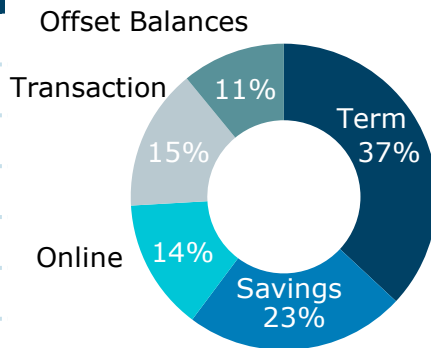
1. Represents a one-off IFRS accounting methodology change to Commercial bill fees

Australia Division 1H14 Balance Sheet Performance

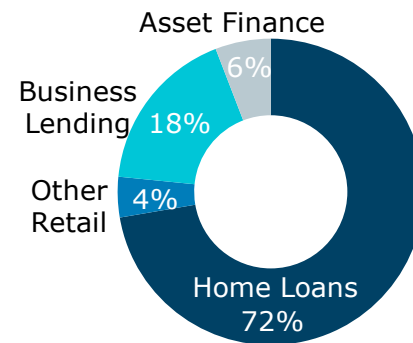
Australia Division Balance Sheet

\$b	Mar 2014	v Sep 2013	v Mar 2013
Customer Deposits	156.3	3%	7%
Retail Deposits	109.4	2%	7%
C&CB Deposits	46.9	3%	8%
Customer Lending	278.3	2%	6%
Home Loan Lending	201.6	3%	7%
Other Retail Lending	11.5	2%	5%
C&CB Lending	65.2	0%	3%

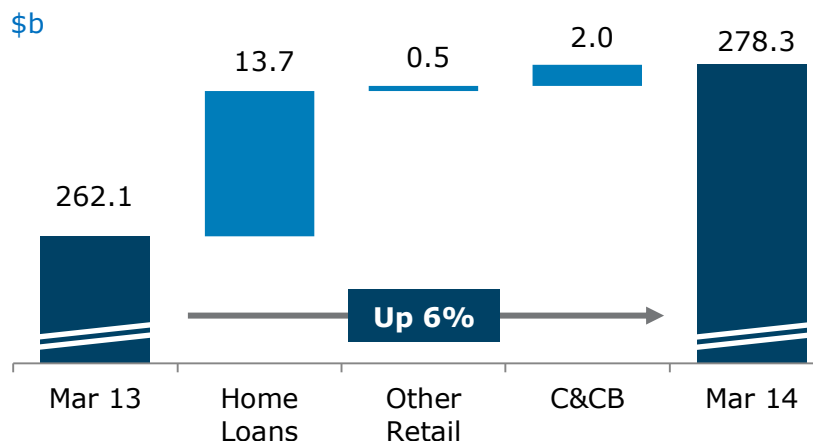
Customer Deposits



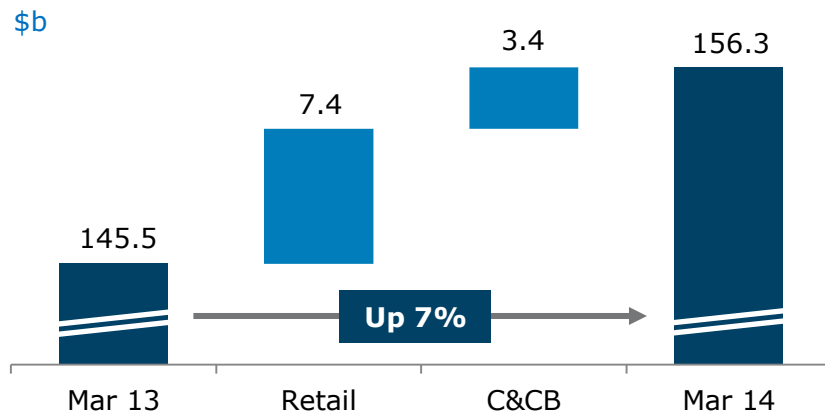
Customer Lending



Customer Lending Movement Mar 2014 v Mar 2013



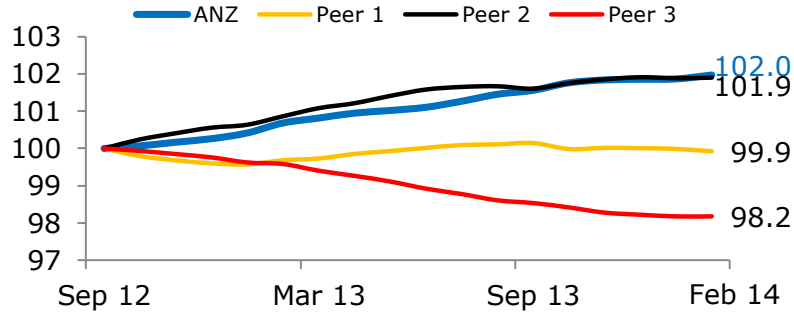
Customer Deposits Movement Mar 2014 v Mar 2013



Retail – continuing to perform strongly

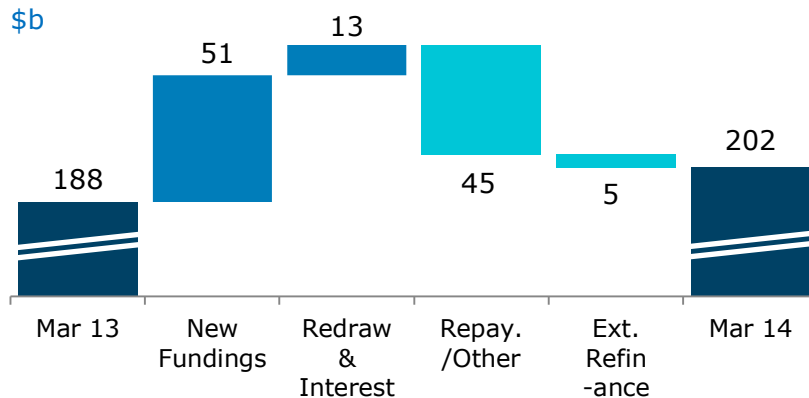
Strongest Home Loan growth of the majors¹...

Household Lending Market Share Growth (%)
Index Sep-12 = 100



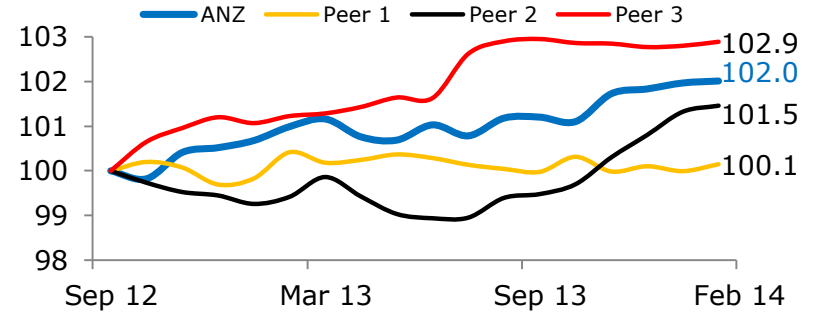
14.7%	14.8%	14.9%	15.0%
Market Share¹			

Continuing to gain home loan market share despite elevated levels of pay down...



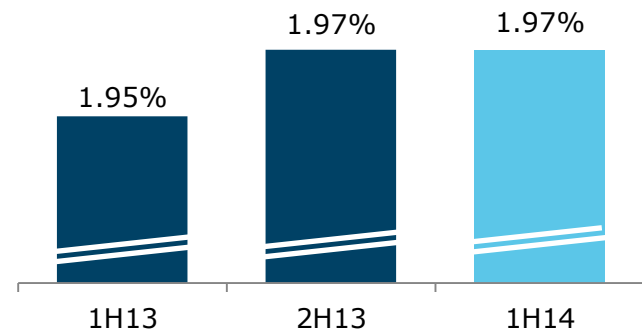
... supported by growth in Retail Deposits¹

Household Deposits Market Share Growth (%)
Index Sep-12 = 100



14.9%	15.1%	15.1%	15.2%
Market Share¹			

... while actively managing margins



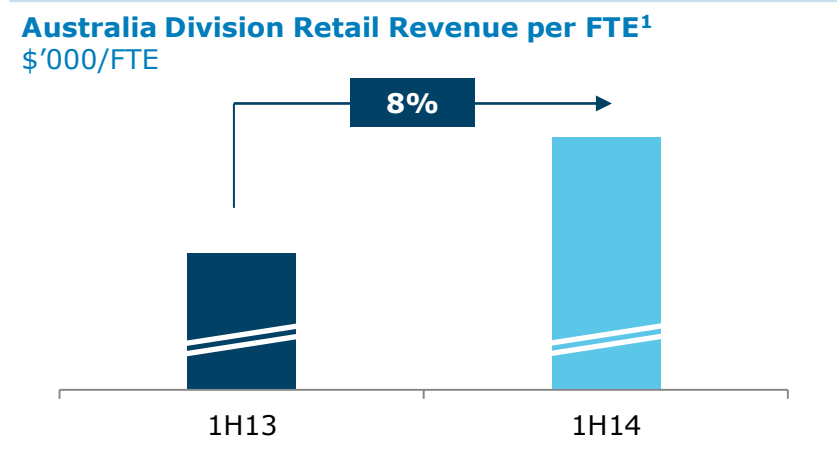
1. Source: APRA Monthly Banking Statistics. System adjusted for new ADI incorporations since September 2012 (base month)

Retail – we are increasing staff capability and freeing up sales capacity which is improving staff productivity

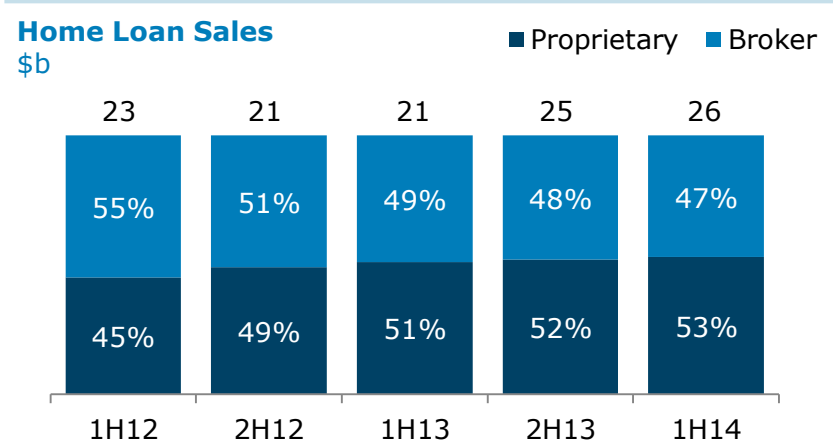
Increased sales capability and capacity...

69%	Branch sales staff accredited to sell home loans
1,500+	Staff accredited to sell Wealth products across 600 branches
1,600+	Staff accredited to sell small business products
400+	Smart ATMs supporting a 9% reduction in over the counter transactions
85	New look sales focused branches

... leading to strong growth in frontline sales productivity...



... driving an uplift in Home Loan Sales via Proprietary Channel...



... and strong sales growth

17	Consecutive quarters of above system home loan growth to March 2014
↑13%	Small Business sales through the Branch network
↑13%	Wealth cross-sell revenue

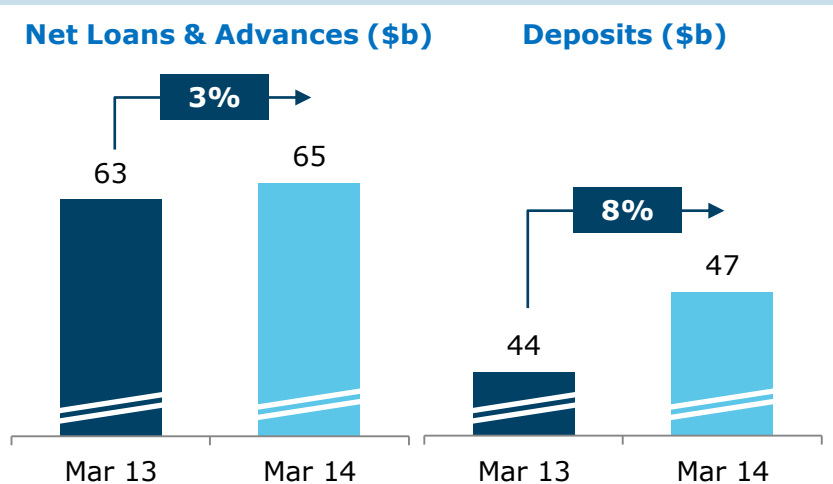
Note: All figures PCP unless otherwise stated
 1. Represents average Retail FTE for the 6 months to March 2013 and March 2014

C&CB – increasing sales capability and capacity to drive outperformance

Improved sales capability...		... and investments in improving capacity ...	
35k	Training hours completed with specific focus on credit, sales & Super Regional ¹	↑20%	Increase in the amount of time frontline C&CB Banker's spend with customers ⁶
32%	Relationship Frontline staff with hands-on experience in key Asian markets	47	Processes moved from frontline to Business Response Team (BRT)
1,200	iPads deployed to frontline bankers	24/7	Servicing availability via BRT with 56k service requests actioned ¹
36k	Digital C&CB A-Z Reviews conducted via iPads ¹		

... are translating to improved performance

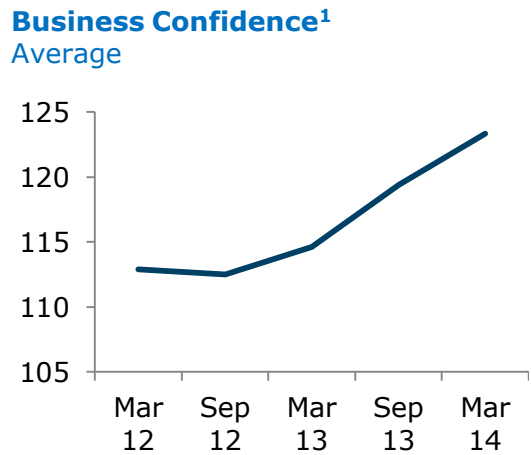
= #1	Main Financial Institution (MFI) Customer Satisfaction in Commercial Banking ²
#1	Can service my business needs in Australia, NZ & Asia ³
↑6%	C&CB customers with 26k net new customers ⁴
37%	Growth in leads sent to the frontline
120%	Growth in Cross Border Referrals from Australia to Asia ⁵



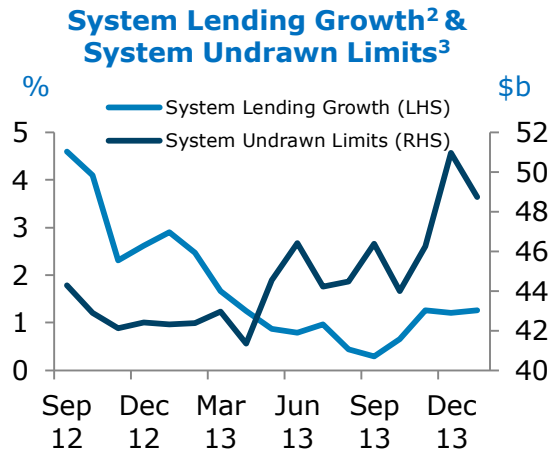
1. Six months to March 2014; 2. DBM Business Financial Services Monitor, ranked against other 'Big 4' banks, Commercial banking includes majority of businesses with turnover <\$100m, data sourced in the six months to March 2014; 3. DBM Business Financial Services Monitor, ranked against other 'Big 4' banks, data sourced from majority of businesses with turnover of \$1-40m in the three months to February 2014; 4. Net new customers (excluding Esanda) for the 12 months to February 2014; 5. Five months to February 2014 vs. PCP; 6. Estimated time being freed up in the frontline by removing activities and streamlining processes, compared to October 2012 baseline;

And C&CB is seeing strong lending sales despite subdued demand for credit

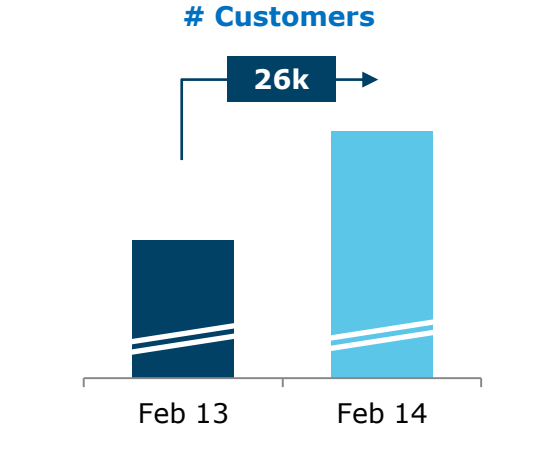
Business confidence has improved recently...



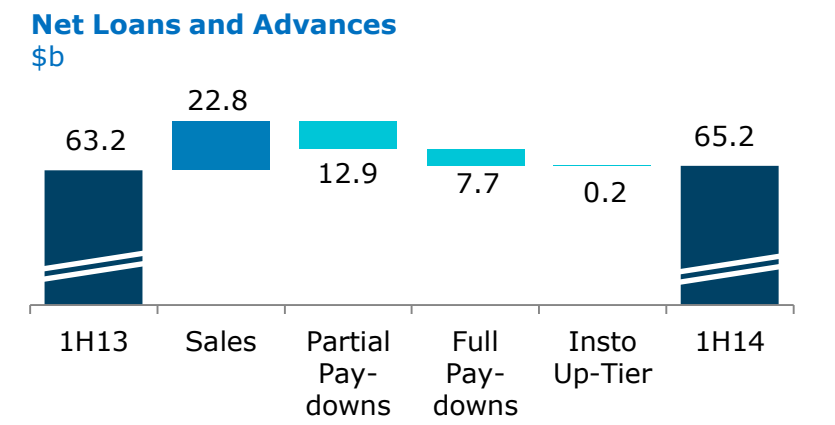
... however this is yet to translate into demand for business credit.



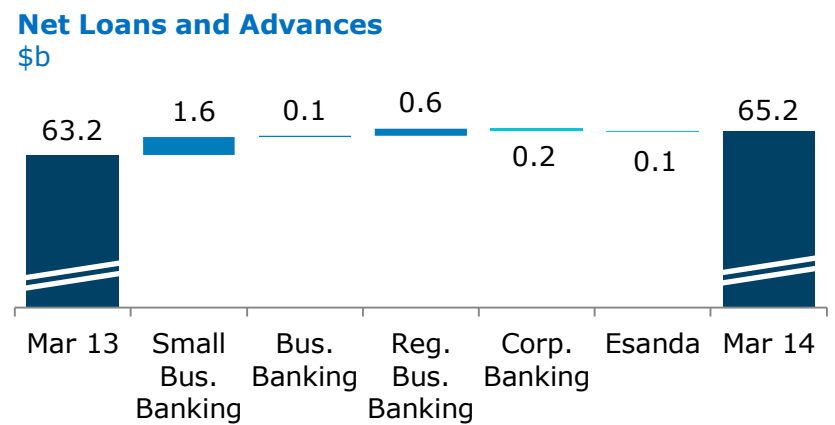
Despite this we have increased our customer numbers...



... achieved strong sales in a challenging environment...



... and grown in our target segments

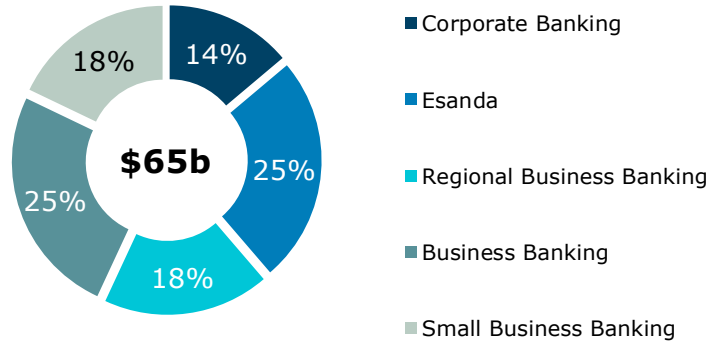


1. Roy Morgan Business Single Source, Business Confidence, average for the preceding 12 months
 2. RBA Financial Aggregates, Total Business Credit, Seasonally Adjusted, September 2012 to February 2014
 3. ABS Lending Finance, Australia, 5671.0, Commercial Finance Commitments not drawn at end of month, September 2012 to January 2014

C&CB – credit metrics continue to strengthen: diversified portfolio, increasing quality, reducing impaired assets

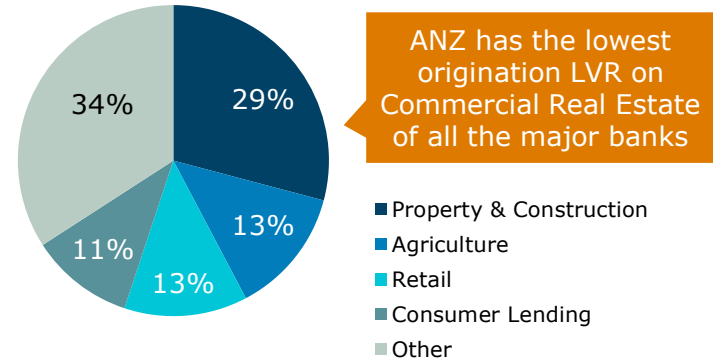
Diversified by customers...

Net Lending Assets



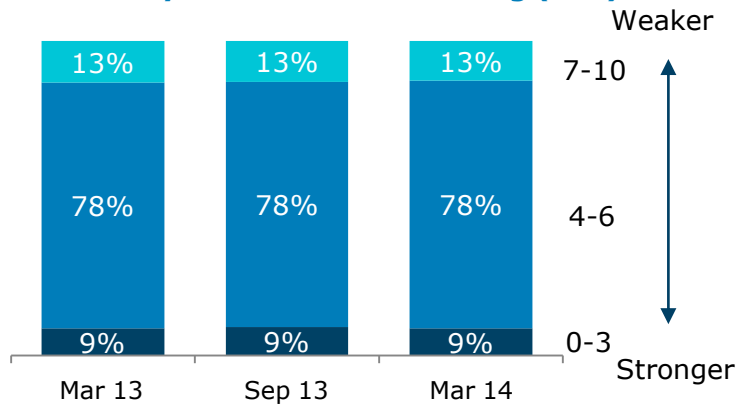
... by industry sector...

Exposure at Default by industry sector (%) (as at Mar 14)



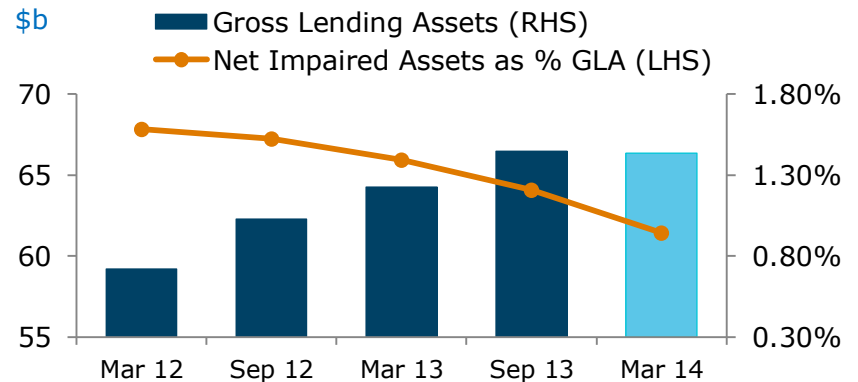
... by risk grade...

EAD by Customer Credit Rating (CCR)



... resulting in continued improvement in asset quality

Net Impaired Assets and Gross Lending Assets

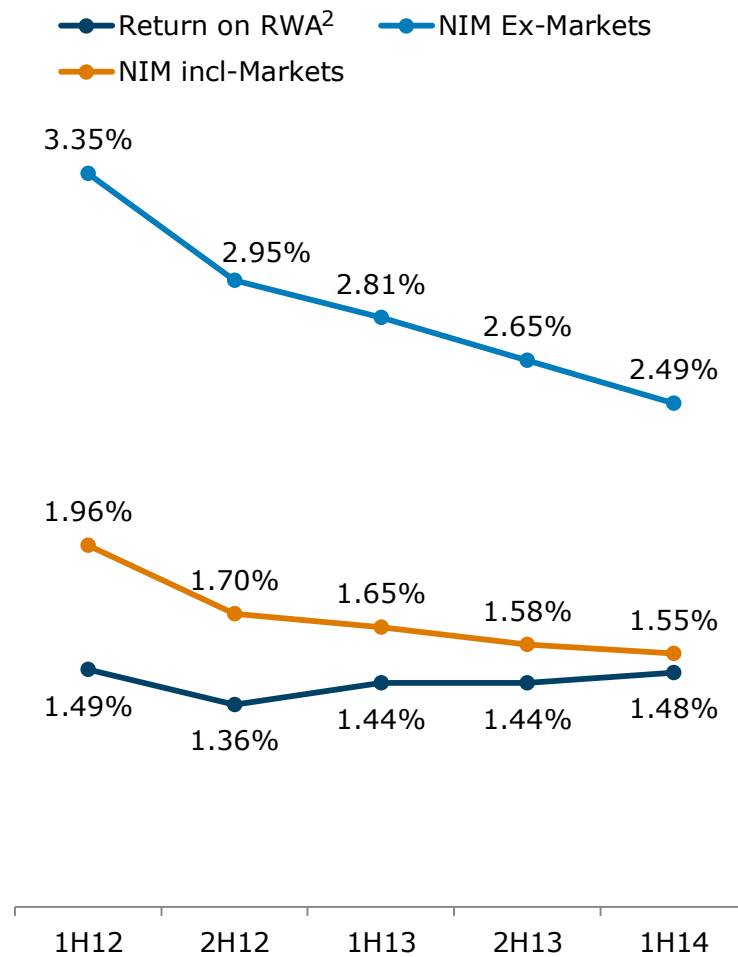


Strategy to target less balance sheet intensive business delivering improved returns

1H14 Highlights

↑15%	Fees and Other Operating Income ¹
↑12%	Network income referred to Australia from Asia
↑0.7%	Positive Operating Income / Expense 'Jaws' – FX Adjusted
↑12%	Growth in Institutional and Commercial customer numbers
↓24bps	Improvement in Loss Rates since 2012

Maintained return on capital despite margin headwinds



Note: All figures PCP unless otherwise stated

1. Excludes Markets Trading and Balance Sheet.

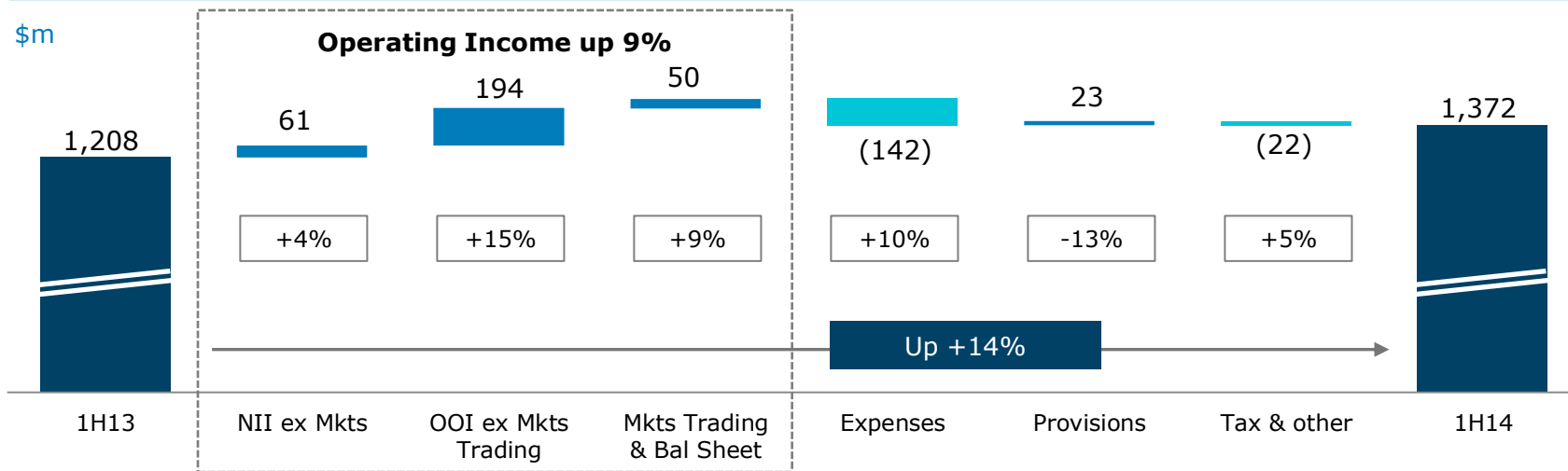
2. Net Profit after Tax divided by average Basel 3 Risk Weighted Assets.

IIB Division 1H14 Profit & Loss Performance

Financial Highlights – 1H14

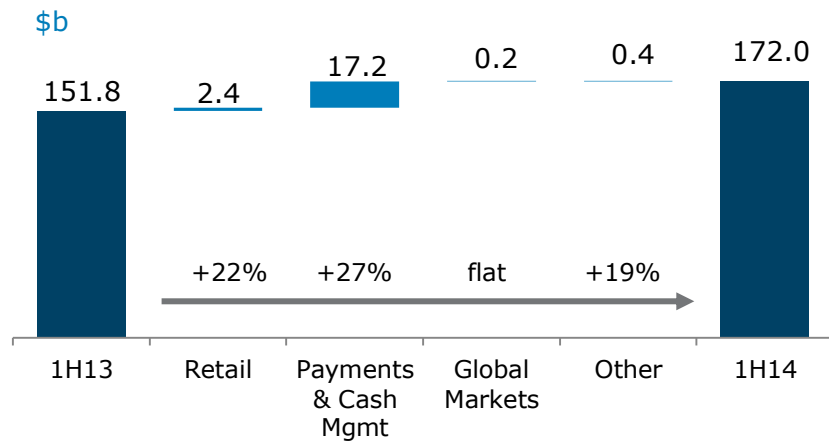
\$m	1H14	v 1H13	v 2H13	FX Adjusted v 1H13	FX Adjusted v 2H13
Operating Income	3,592	9%	8%	4%	7%
Operating Expenses	(1,598)	10%	4%	3%	3%
Profit before Provisions	1,994	9%	12%	4%	11%
Provisions (charge)/release	(161)	-13%	21%	-18%	22%
Net Profit after Tax	1,372	14%	10%	9%	9%
Net Interest Margin (ex markets)	2.49%	Down 32bps	Down 16bps	n/a	n/a
Cost to Income Ratio	44.5%	Up 20bps	Down 170bps	n/a	n/a

Net Profit after Tax Movement 1H14 v 1H13

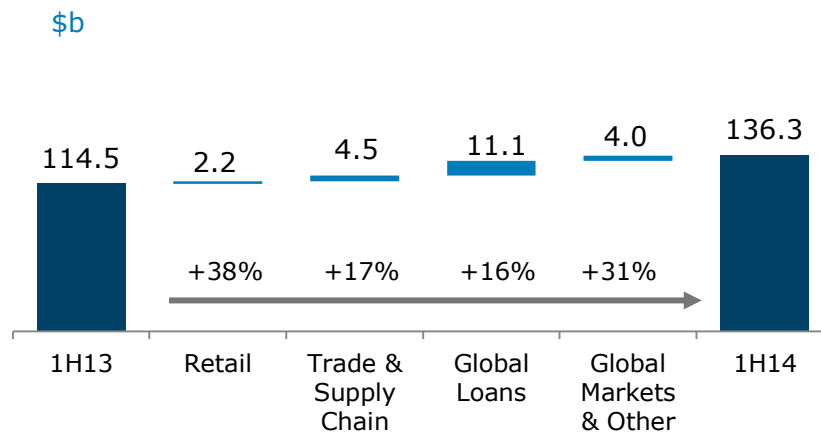


IIB Division 1H14 Balance Sheet Performance

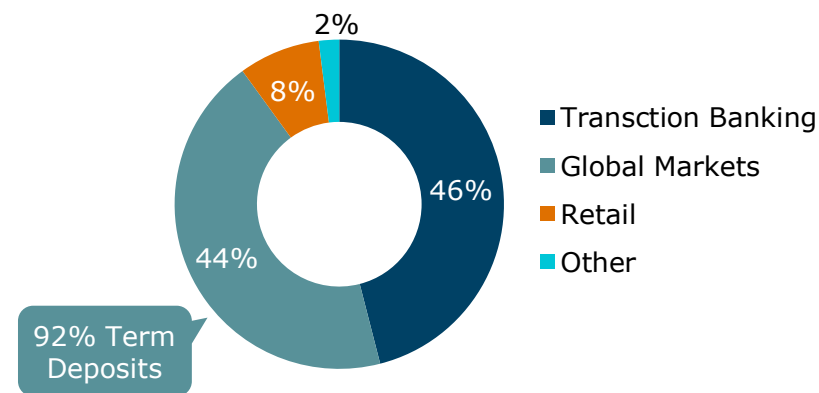
IIB Customer Deposits Movement Mar 2014 v Mar 2013



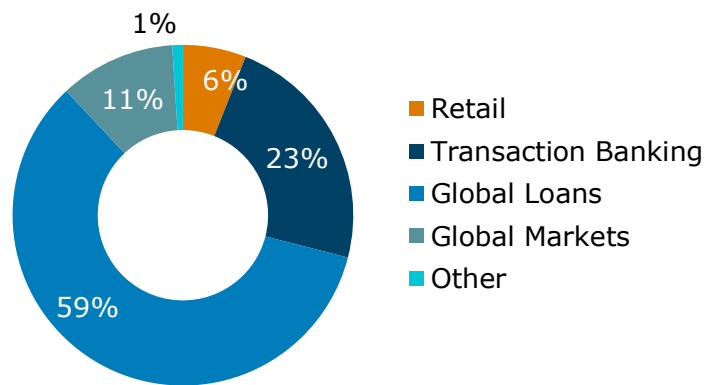
IIB Customer Lending Movement Mar 2014 v Mar 2013



IIB Customer Deposits Composition Mar 2014



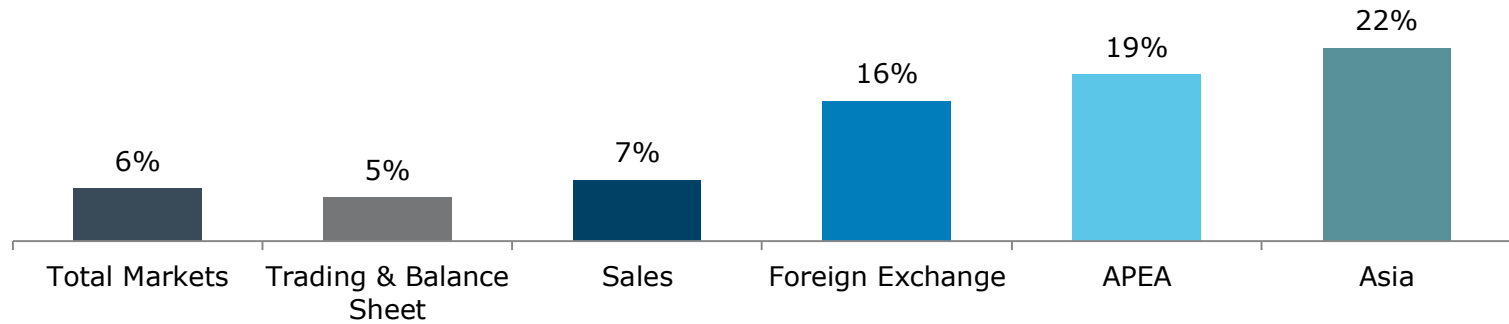
IIB Customer Lending Composition Mar 2014



Global Markets - delivering on growth agenda

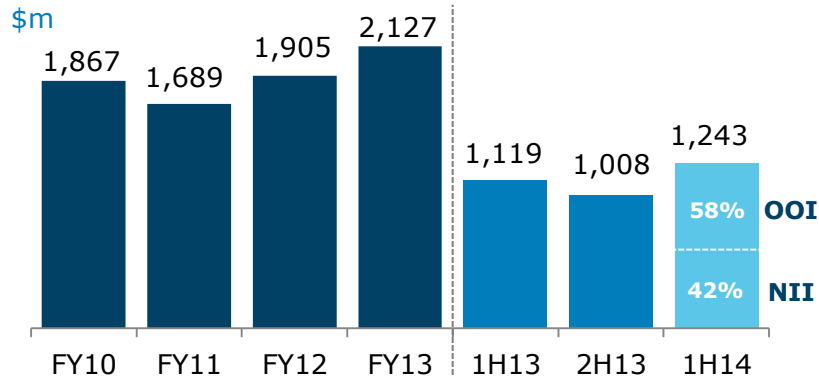
Growth being driven by customer sales and higher return priority products

Global Markets Operating Income – CAGR 1H10 to 1H14



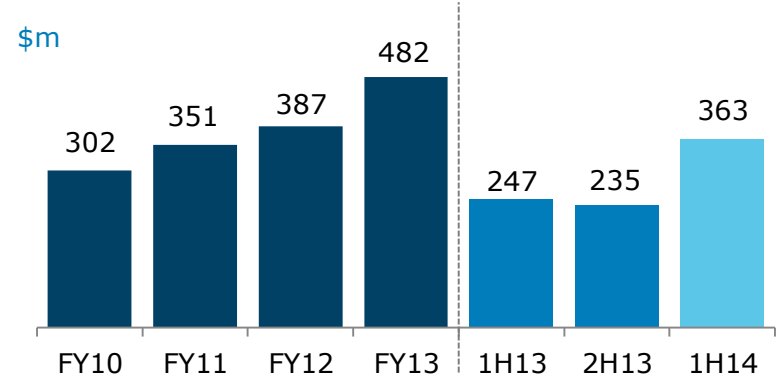
Continue to grow markets business through a focus on client driven income

Global Markets Operating Income



Continued strong growth in Asia

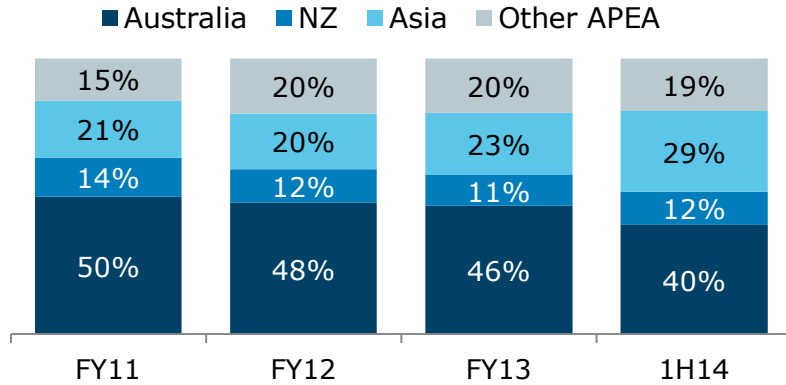
Global Markets Asia Operating Income



Global Markets a more diverse, lower risk business

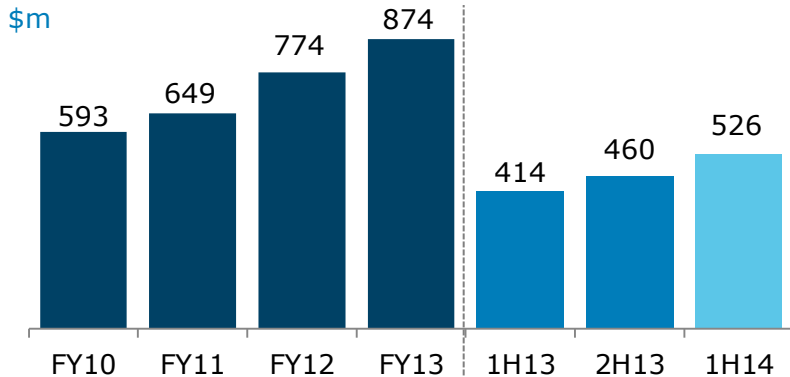
Greater spread of income by geography

Global Markets Operating Income Mix by Geography

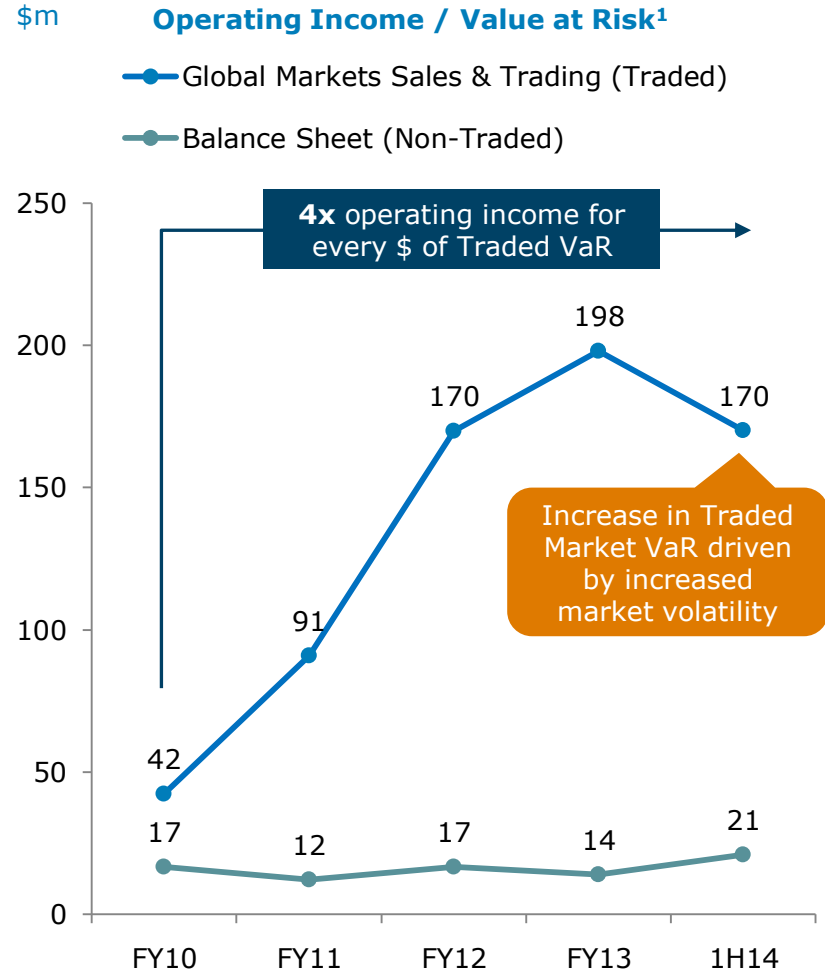


Increased contribution from Foreign Exchange

Foreign Exchange Operating Income



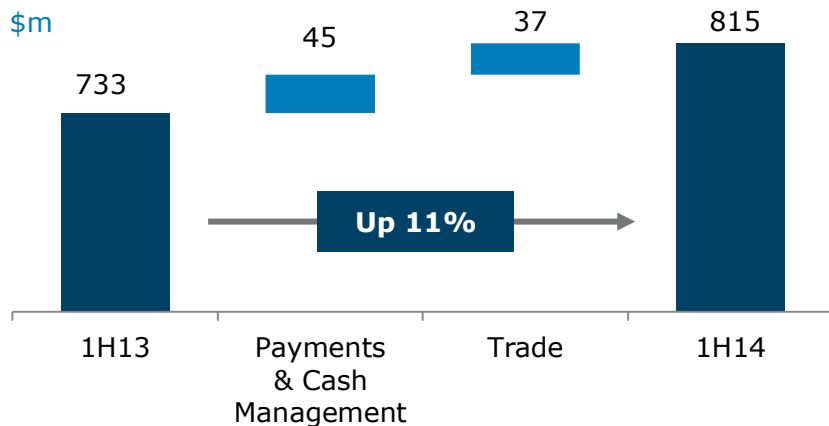
Improved risk profile through focus on client driven income



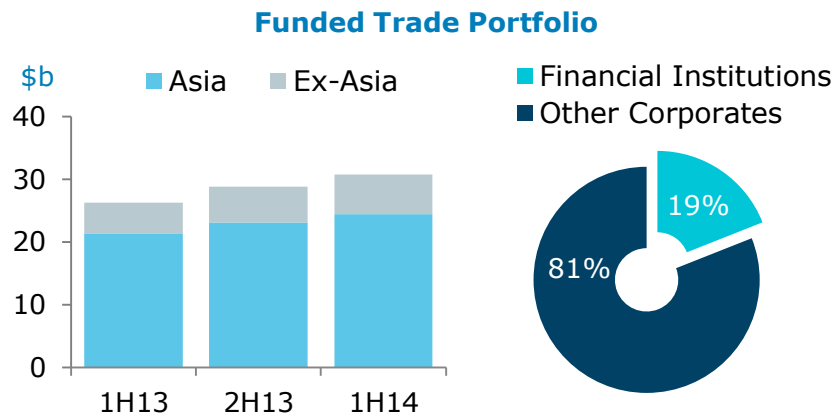
1. Average 1-day 99% VaR

Transaction Banking – driving our regional expansion

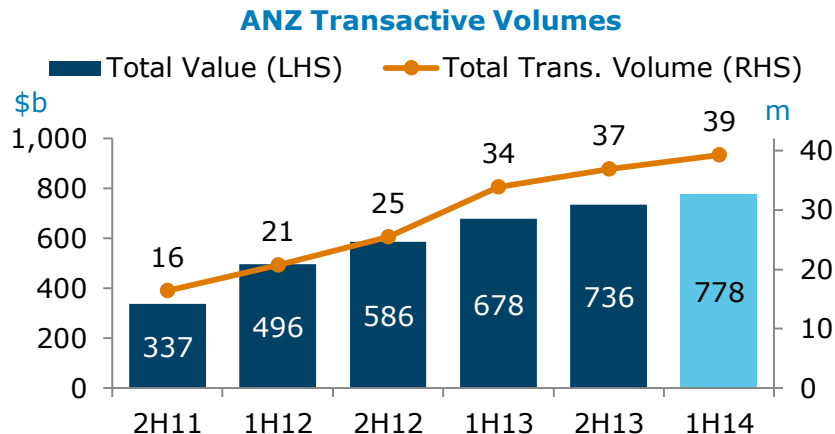
Transaction Banking Operating Income Movement 1H14 v 1H13



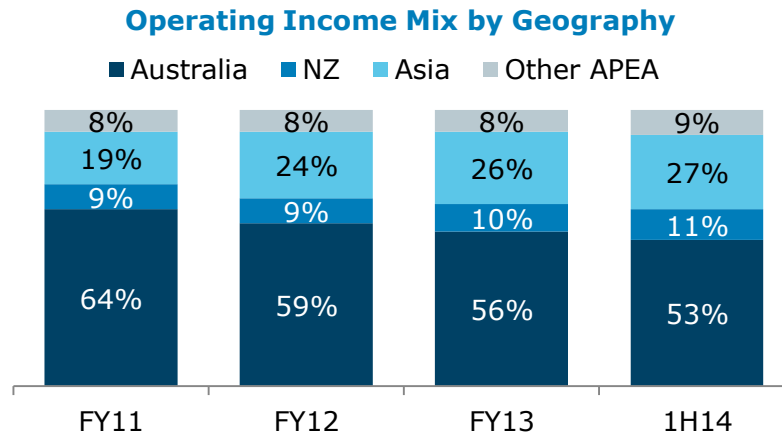
Growing trade finance directly with Asian corporates



Strong growth in volumes through ANZ Transactive cash management platform

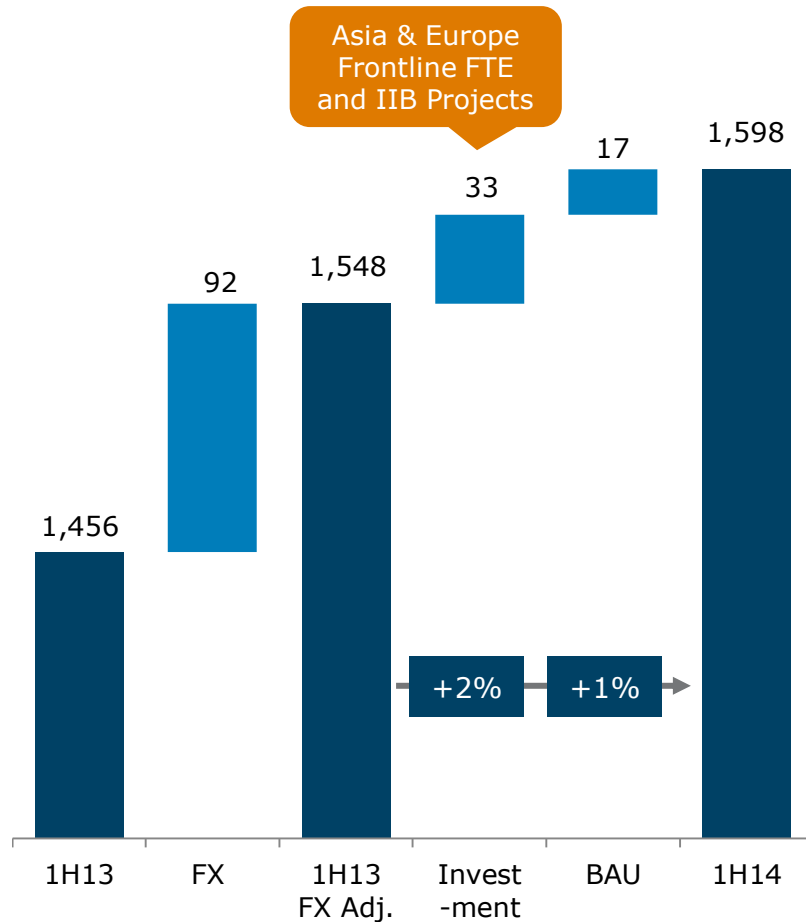


Increasing proportion of Transaction Banking income from Asia



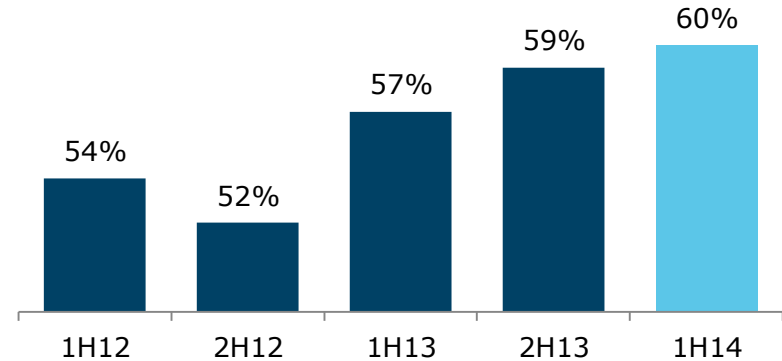
Productivity focus maintained whilst continuing to invest in targeted growth areas

IIB Operating Expense Movement 1H14 v 1H13



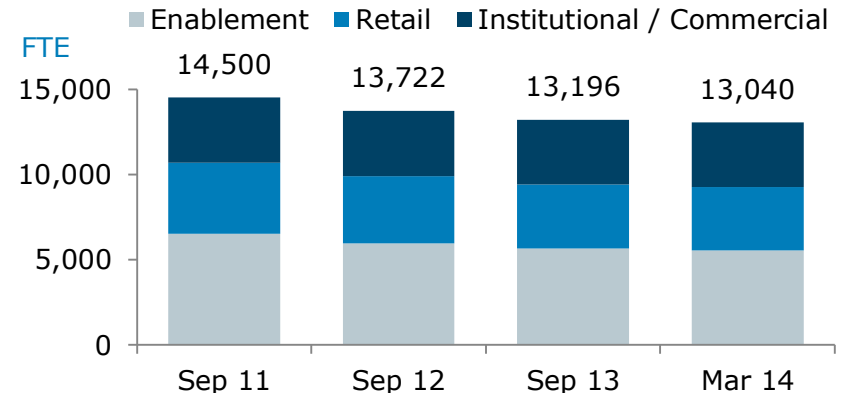
Focusing investment towards faster growing markets

% IIB Operating Expenses outside Australia / New Zealand



Reducing proportion of back-office enablement roles

IIB Full Time Equivalent Employees

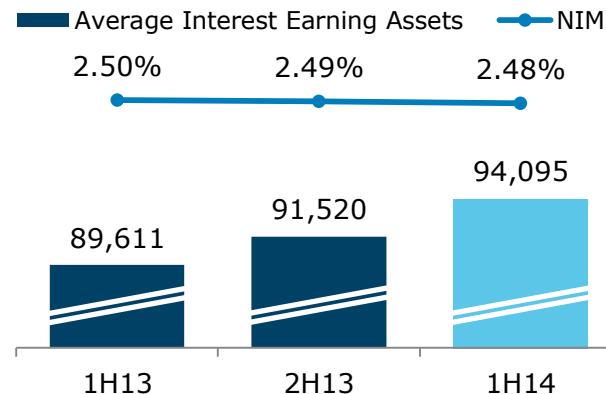


New Zealand Division 1H14 Profit & Loss Performance

Financial Highlights – 1H14

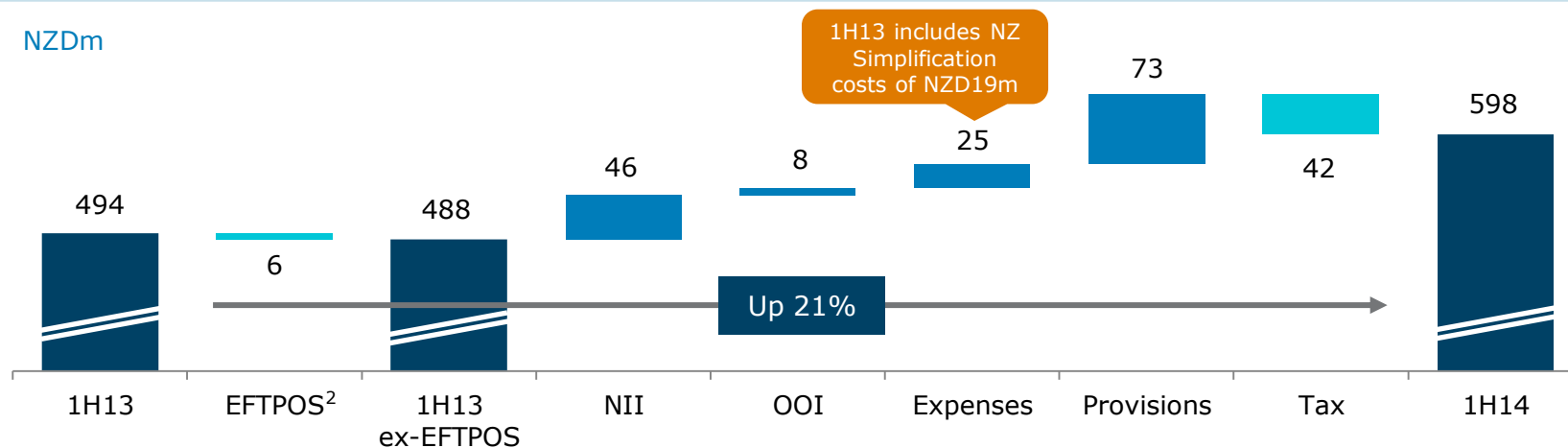
NZDm	1H14	v 1H13	v 2H13
Operating Income	1,357	3%	-1%¹
Operating Expenses	(563)	-6%	-1%
Profit before Provisions	794	10%	0%
Provisions (charge)/release	37	Large ↓	Large ↓
Net Profit after Tax	598	21%	5%
Net Interest Margin	2.48%	Down 2bps	Down 1bps
Cost to Income Ratio	41.5%	Down 370bps	Down 37bps

NIM



Net Profit after Tax Movement 1H14 v 1H13

NZDm



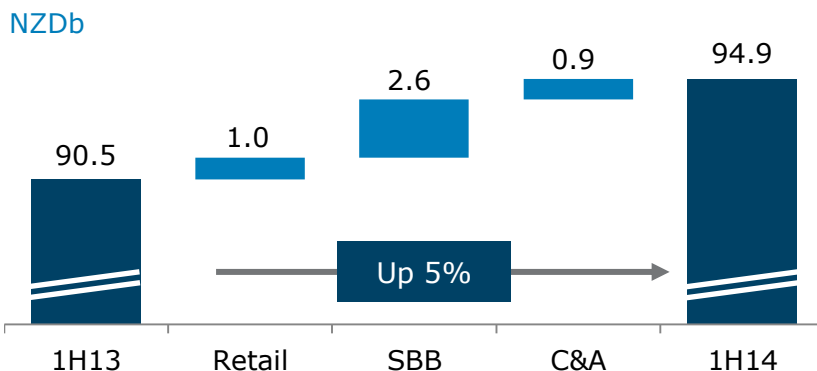
- 2H13 includes gain on sale of EFTPOS New Zealand Limited ('EFTPOS') \$17m and revenue forgone \$7m
- Post tax income and costs associated with EFTPOS in 1H13

New Zealand Division 1H14 Balance Sheet Performance

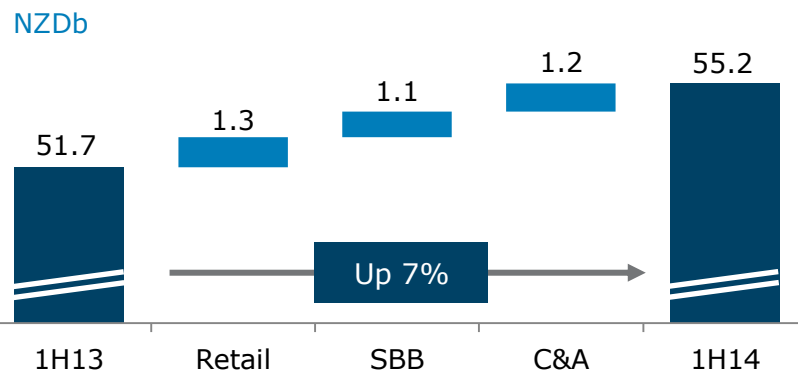
New Zealand Division Balance Sheet

NZDb	Mar 2014	Sep 2013	Mar 2013	v Sep 2013	v Mar 2013
Customer Lending¹	94.9	92.5	90.5	3%	5%
Retail	37.0	36.5	36.0	1%	3%
Small Business Banking (SBB)	21.9	20.5	19.3	7%	13%
Commercial & Agri (C&A)	36.1	35.5	35.2	2%	3%
Risk Weighted Assets	53.8	50.0	50.5	7%	7%
Customer Deposits	55.2	52.2	51.7	6%	7%
Retail	32.7	32.1	31.4	2%	4%
Small Business Banking	11.7	10.8	10.6	9%	10%
Commercial & Agri	10.8	9.4	9.6	15%	12%

Customer Lending Movement Mar 2014 v Mar 2013¹



Customer Deposits Movement Mar 2014 v Mar 2013

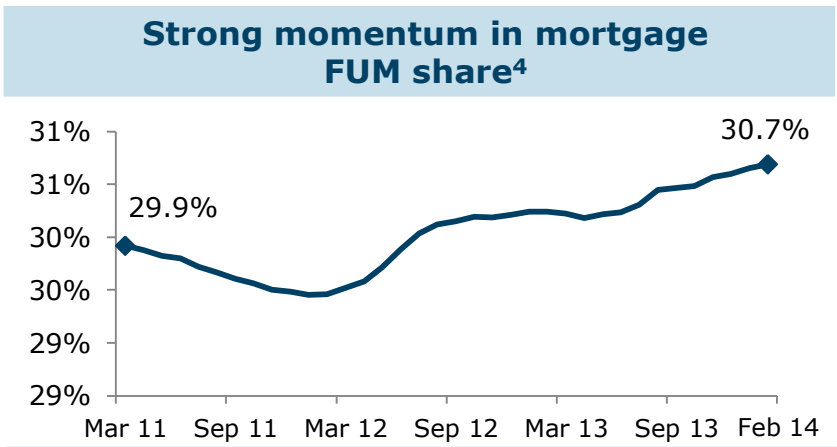


1. Gross Loans and Advances

Retail – Using our distribution network to drive more sales

1H14 Performance: NPAT up 25% to NZD 222m

↑7%	Branch coverage since Sep 11
↑10%	Time spent on sales by frontline staff
↑47%	Increase in KiwiSaver sales
↑20bps	Strong momentum in Credit Card market share YTD ¹
↑10%	Life Insurance premiums ²
↓11%	Over the counter transactions in branches ³
↓4%	CTI down 4% PCP and 1% HOH



Award-winning Products⁵

With more 5 star rated credit cards than any other bank in the CANSTAR Credit Card Report, we make finding the right card easy for you. anz.com/creditcardfind

outstanding value

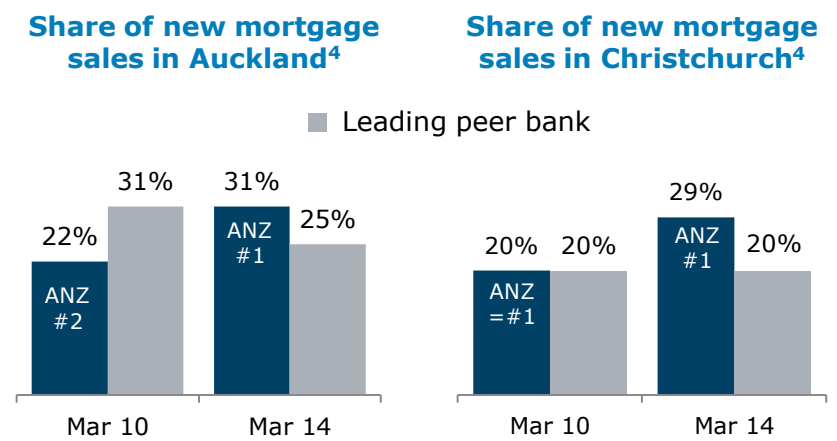
Talk to an ANZ home loan expert today.

Note: All figures PCP unless otherwise stated; 1. RBNZ S5 – February 2014; 2. Life Insurance premiums sold via Branch; 3. Refers to eligible transactions migrated from all branches; 4. RBNZ C6 – February 2014; 5. Source: Canstar Credit Card rating report December 2013

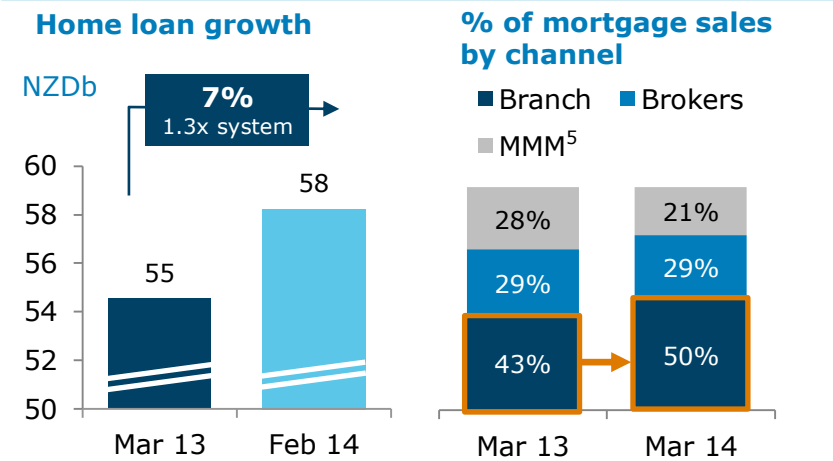
Retail – Grew mortgage share while remaining well within RBNZ caps

#1	Share of new mortgage sales in all major NZ cities ¹
↑22bps	Mortgage market share YTD ²
5% >80% LVR mortgages	>80% LVR lending accounts for ~5% of ANZ NZ's new mortgage lending, well within the 10% cap ³
0 withdrawals	ANZ did not withdraw any pre-approvals as a result of the introduction of the RBNZ LVR caps

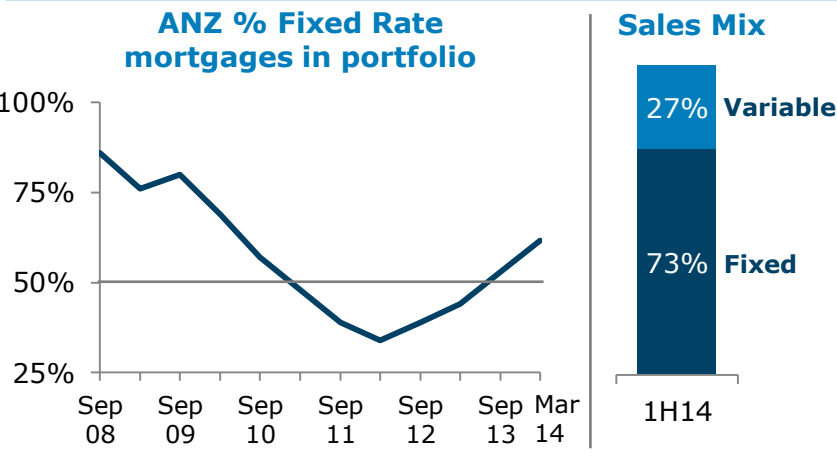
Now #1 in Auckland and Christchurch as well



Increased sales capability & capacity driving higher % of mortgage sales through branches



Managed NIM well in the face of trend towards fixed mortgages



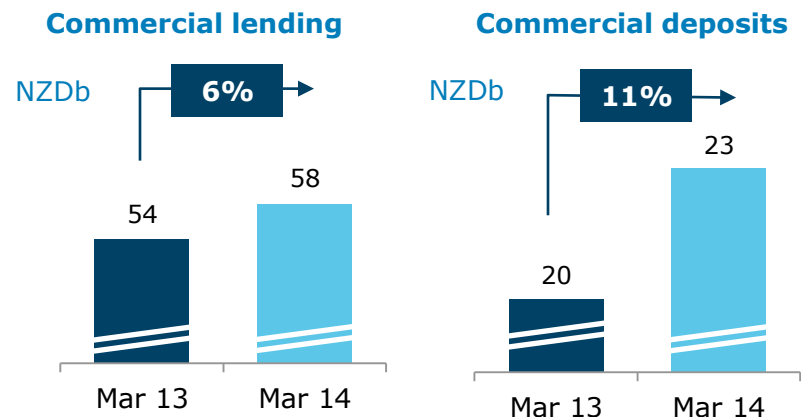
Note: All figures PCP unless otherwise stated; 1. Source: Terralink – February 2014; 2. RBNZ C6 – February 2014; 3. New RBNZ restrictions effective 1 October 2013 require banks' new >80% LVR mortgage lending to be capped at 10% of total new mortgage lending. Banks must be compliant by March 2014; 4. Source: Terralink – March 2014; 5. Mobile Mortgage Manager

Commercial – Return to growth after period of remediation

1H14 Performance: NPAT up 14% to NZD 377m

↑20bps	Commercial lending share ¹ - growth in all regions YTD
↑10%	Cross-sell revenue from Institutional products (e.g. Trade, Markets FX)
↓14%	Reduction in high risk balances since September 2013 ²
↑29%	Small Business Banking new customer acquisition
↑16%	Uplift in Commercial Lending in Auckland
↑48%	Number of Commercial customers with an ANZ@Work package for their staff

Commercial lending growth above system³



Strong presence and recognition in Agri market



Sponsor:
Young Farmer Contest



Strategic Partner:
NZ National Agriculture Fieldays



Supporting:
Red Meat PGP



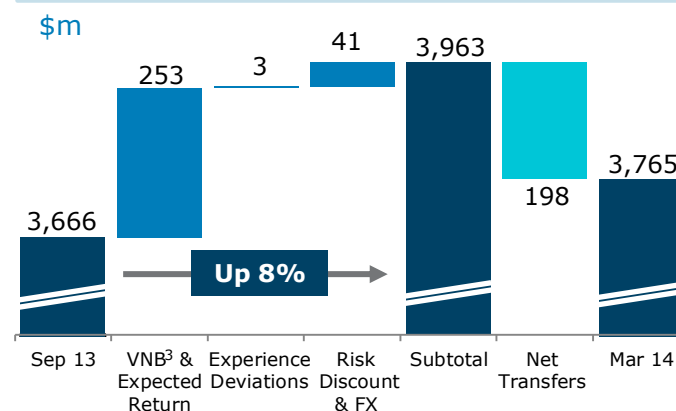
Note: All figures PCP unless otherwise stated; 1. RBNZ S7 NZD claims, excludes Agriculture, Finance, Non-residents and Households; 2. Customer Credit Rating CCR 7 - 10 Internal ANZ Rating, a measure of customer's probability of default. Measured from 0 (strongest) to 10 (weakest); 3. RBNZ S7 NZD claims, excludes Finance, Non-residents and Households - February 2014

Global Wealth Division 1H14 Profit & Loss Performance

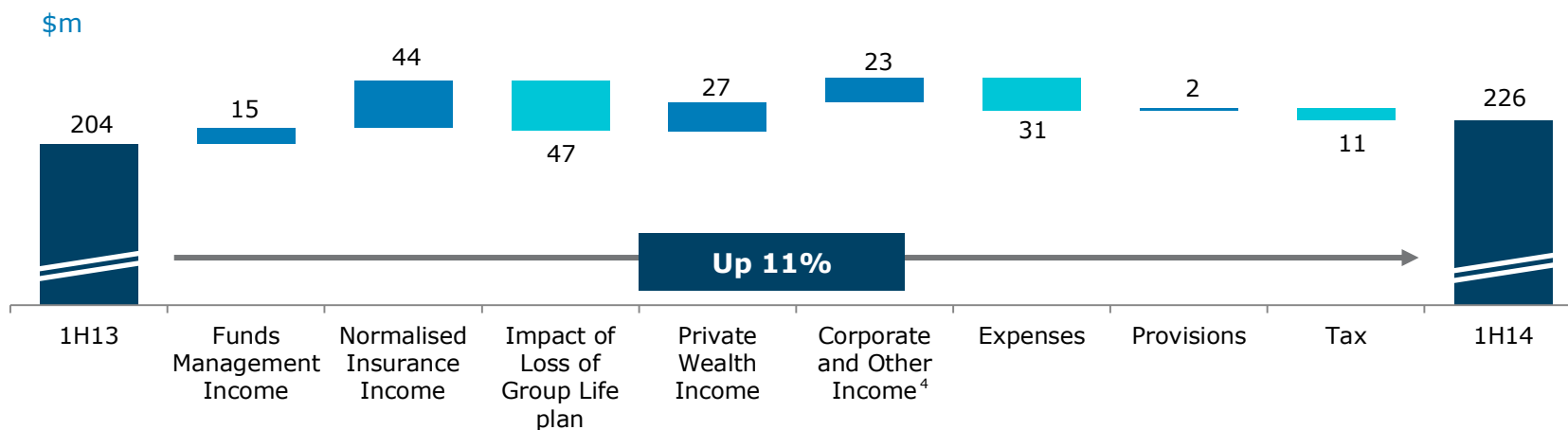
Financial Highlights – 1H14

\$m	1H14	v 1H13	v 2H13
Operating Income	806	8%	3%
Operating Expenses	(494)	7%	1%
Profit before Provisions	312	11%	7%
Provisions (charge)/release	1	Large ↓	Large ↓
Cash Profit	226	11%	-16% ¹
Cost to Income Ratio	61.3%	Down 94bps	Down 140bps

Embedded Value²



Cash Profit Movement 1H14 v 1H13

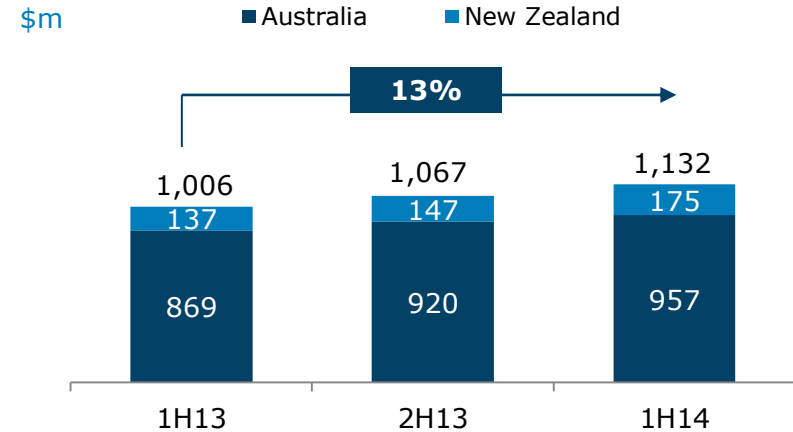


1. Net Profit after Tax in 2H13 included a tax credit of \$50m
2. Includes Insurance and Investments in Australia and New Zealand
3. VNB = Value of New Business
4. Corporate and Other include non-recurring insurance settlement

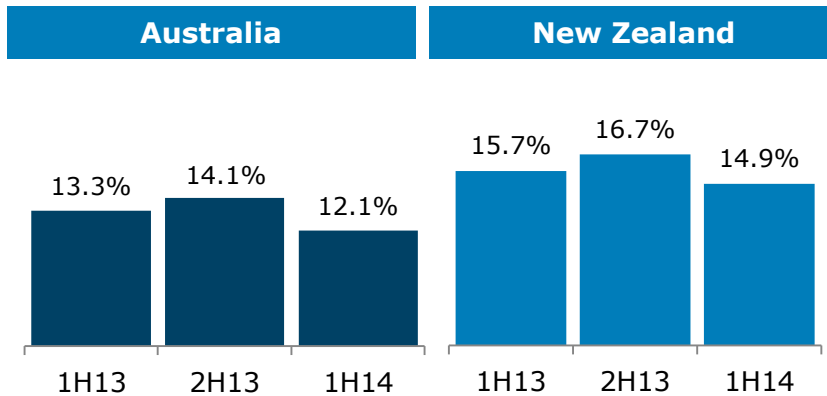
Insurance

↑13%	Increase in Retail and Direct Life Inforce
↓120bps	Lower lapse rates driven by retention activity in Australia and New Zealand
↓11%	Cash Profit impacted by exit of a group insurance plan. Normalised Cash Profit grew 19% ¹

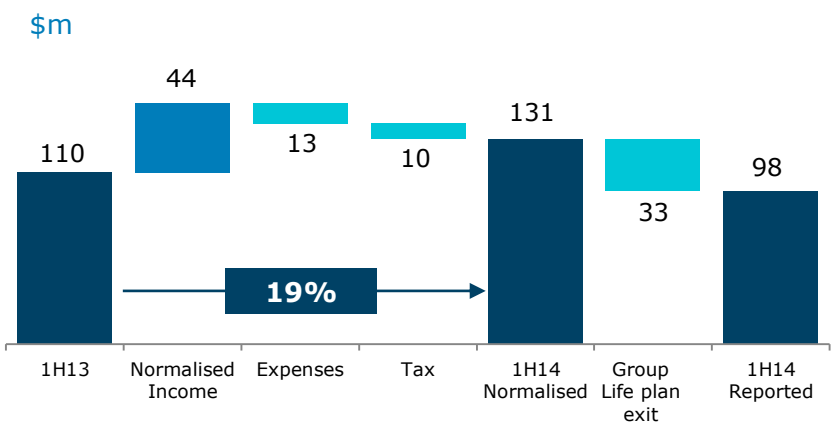
Retail and Direct Life Insurance Inforce



Lapse Rates



Insurance Cash Profit Growth

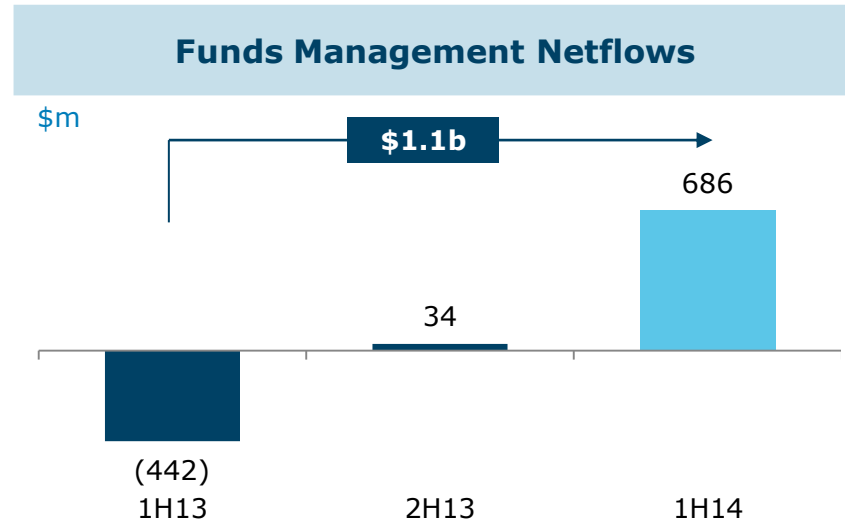


Note: All figures PCP unless otherwise stated

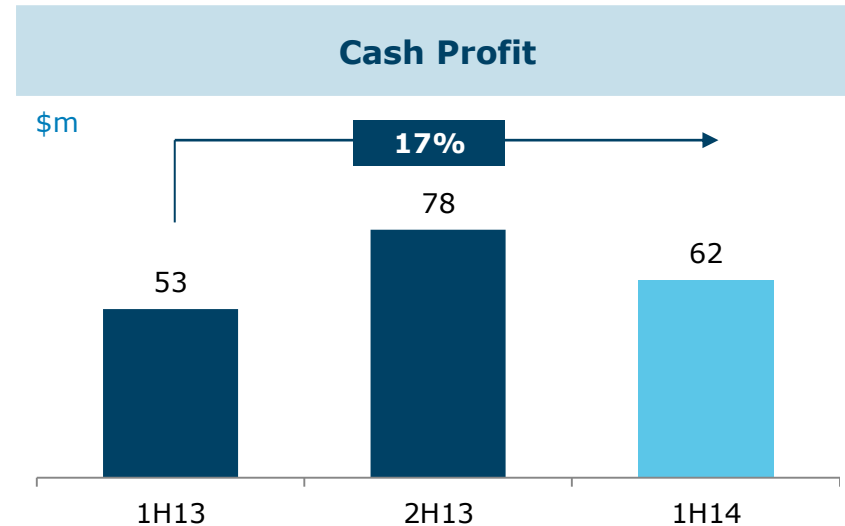
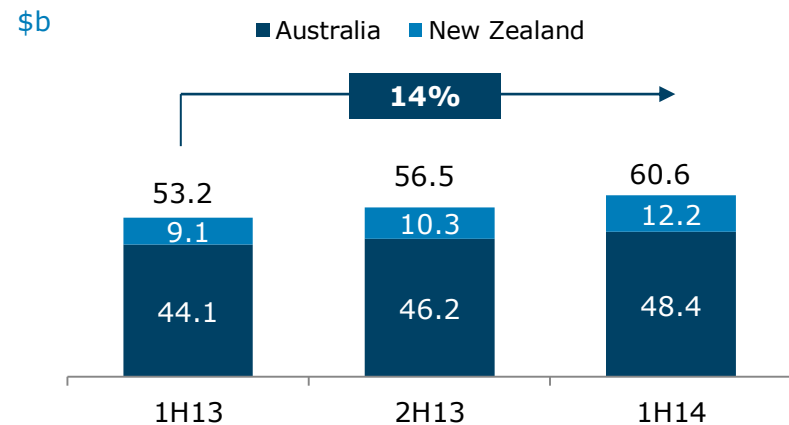
1. Normalised cash profit excludes the exit of a group life insurance plan

Funds Management

↑\$1.1b	Strong Netflows driven by an increase in ANZ Financial Planning productivity
↑14%	Average FUM driven by investment market gains and improvement in Netflows
↑17%	Cash Net Profit after Tax

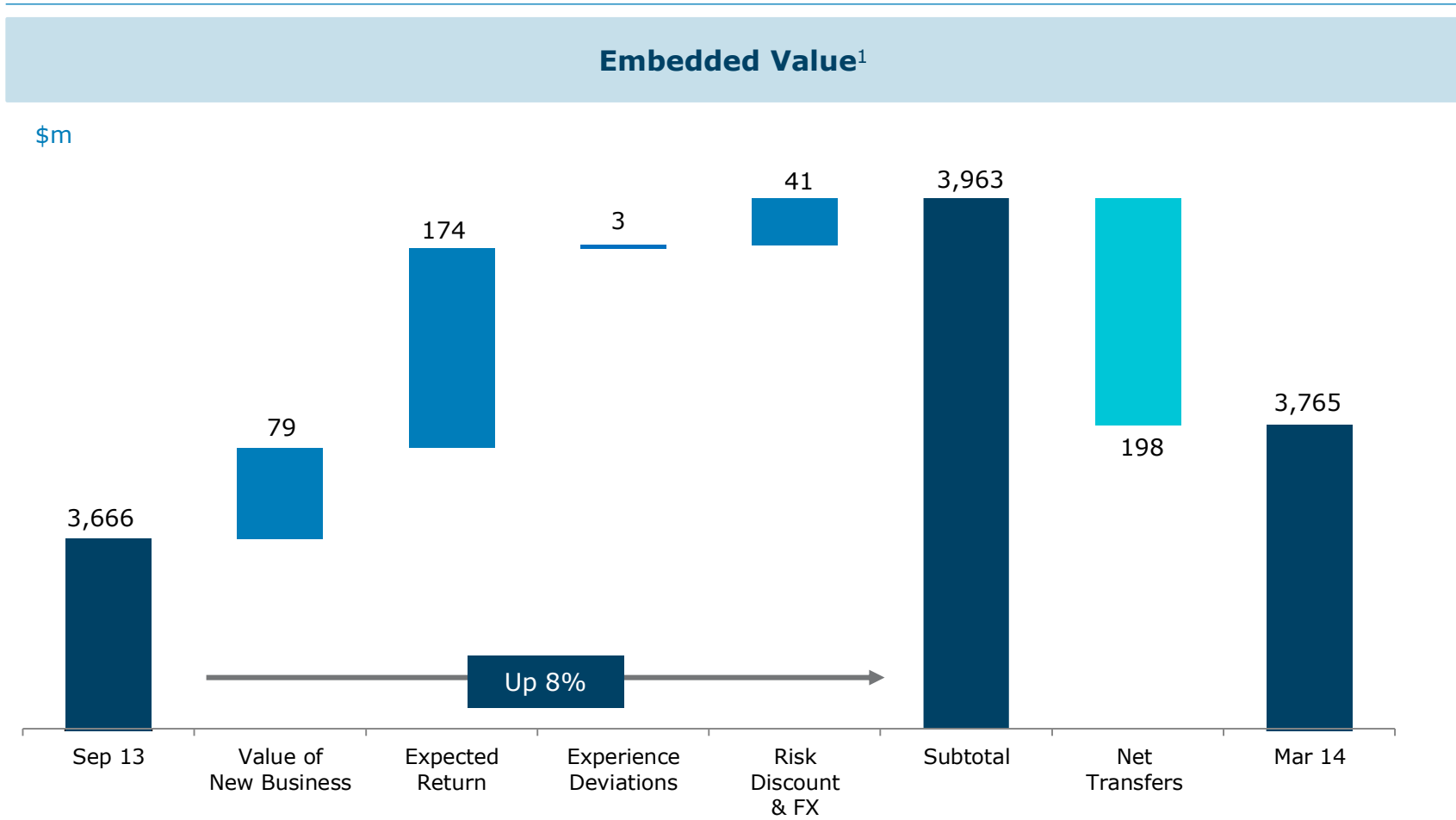


Average Funds Under Management (FUM)



Note: All figures PCP unless otherwise stated

Embedded Value – Insurance and Investments



- Strong business performance and improvements in experience have resulted in an increase in Embedded Value of 8% over the six months to March 2014 before capital returns and dividend payments.

1. Includes Insurance and Investments in Australia and New Zealand

The material in this presentation is general background information about the Bank's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate

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