



Media Release

For Release: 31 March 2014

ANZ closes ANZ Capital Notes 2 Offer, upsized to raise \$1.61 billion

ANZ has successfully completed, and upsized, its offer of ANZ Capital Notes 2 (ANZPE) (**Offer**), raising \$1.61 billion of Additional Tier 1 Capital (prior to Offer expenses).

16.1 million ANZ Capital Notes 2 (**Notes**) have been issued at \$100 each. This includes approximately \$627 million of CPS1 which have been reinvested in the Notes.

Allocation Policy

- All valid applications under the Reinvestment Offer, ANZ Securityholder Offer and General Offer have been accepted in full.
- A scale back was applied to Applicants under the Broker Firm Offer (other than for Broker Firm Applicants under the Reinvestment Offer, who were accepted in full) and the Institutional Offer.

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

CPS1 Reinvestment Applicants, ANZ Securityholder Applicants and General Applicants can obtain information about their allocation of Notes by calling the ANZ Information Line on the numbers provided at the end of this announcement.

Broker Firm Applicants should confirm their allocation with their Syndicate Broker.

Deferred Settlement Trading

The Notes are expected to commence trading on ASX on a deferred settlement basis tomorrow at approximately 12.00pm (**AEDT**) under the ASX code of "ANZPE".

All Applicants are responsible for confirming the number of Notes allocated to them prior to selling any Notes. Applicants who sell Notes before receiving their Confirmation Statement do so at their own risk.

Trading is expected to commence on a normal settlement basis on Friday 11 April 2014.

Confirmation Statements and refund cheques

Confirmation Statements which set out the number of Notes issued to each successful Applicant are expected to be despatched by Friday 4 April 2014.

Distribution Rate

The Distribution Rate for the first Distribution Period from (and including) the Issue Date of 31 March 2014 to (but excluding) the first Distribution Payment Date is 4.1860%. The first Distribution Payment Date is expected to be 24 September 2014. The Distribution Rate is calculated as follows:

180 day Bank Bill Rate on 31 March 2014 (first Business Day of the Distribution Period)	2.7300%
<i>Plus</i> Margin	3.2500%
	5.9800%
<i>Multiplied by</i> (1 – the 30% Tax Rate)	0.7
Distribution Rate	4.1860%

This Distribution Rate equates to a fully franked Distribution amount of \$2.0299 in respect of each Note which, subject to ANZ's absolute discretion and no Payment Condition existing in respect of the Distribution Payment Date, is expected to be paid on Wednesday 24 September 2014. This amount and other relevant details are set out below:

Distribution in respect of each Note	\$2.0299
Distribution Payment Date	24 September 2014
Record date	16 September 2014
Number of days in the Distribution Period	177

Following the first Distribution Period, the Distribution Rate for the Notes will be reset half yearly and announced on ASX.

Maximum Conversion Number

The Issue Date VWAP has been calculated as \$32.30. Accordingly, the Maximum Conversion Number has been set initially at:

- in the case of a Conversion occurring on a Mandatory Conversion Date, 6.1920 ANZ Ordinary Shares per Note; and
- in the case of a Conversion occurring at any other time, 15.4799 ANZ Ordinary Shares per Note.

For details about the calculation of these numbers and how they affect the Notes, see the ANZ Capital Notes 2 Prospectus dated 19 February 2014 (**Prospectus**) which is available online at www.anz.com.

Holders of ANZ Capital Notes 2

Following allocation of the Notes, the twenty largest holders are detailed in Attachment A to this announcement.

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

Participation by ANZ directors and associates in the Offer

The number of Notes issued to ANZ directors and their associates pursuant to the Offer was 3,500 in aggregate.

Buy-Back of CPS1

ANZ completed the buy-back of Reinvestment CPS1 on 31 March 2014. 6,269,434 CPS1 which were reinvested in ANZ Capital Notes 2 under the Reinvestment Offer have been removed from official quotation on ASX.

Newspaper advertisements

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

ANZ Capital Notes 2 Class Ruling

The Australian Taxation Office (**ATO**) has released a Class Ruling (CR 2014/22) in respect of the Notes. The Class Ruling is consistent with the Taxation Summary contained in Section 7 of the Prospectus.

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

To obtain information about your allocation of ANZ Capital Notes 2 or about the Offer

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

Unless otherwise defined, capitalised terms have the meaning given to them in the ANZ Capital Notes 2 Prospectus dated 19 February 2014.

<p>For investor enquiries, please contact the ANZ Information Line on 1800 113 399 (Australia) or +61 3 9415 4010 (international).</p>

For media enquiries only contact:

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Attachment A: Largest 20 ANZ Capital Notes 2 holders following allocation of ANZ Capital Notes 2

	UNITS	% I/C	RANK
UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	656,693	4.08	1
UCA CASH MANAGEMENT FUND LIMITED	260,682	1.62	2
QUESTOR FINANCIAL SERVICES LIMITED <TPS RF A/C>	209,638	1.30	3
NAVIGATOR AUSTRALIA LTD <MLC INVESTMENT SETT A/C>	196,205	1.22	4
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	168,399	1.05	5
J P MORGAN NOMINEES AUSTRALIA LIMITED	167,304	1.04	6
BNP PARIBAS NOMS PTY LTD <DRP>	142,043	0.88	7
BOND STREET CUSTODIANS LIMITED <MPPMIM - V16636 A/C>	102,320	0.64	8
LIGHTNINGEDGE PTY LTD	100,000	0.62	9
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	82,018	0.51	10
NULIS NOMINEES (AUSTRALIA) LIMITED <NAVIGATOR MAST PLAN SETT A/C>	77,661	0.48	11
BOND STREET CUSTODIANS LIMITED <MACQ MASTER DIV INCOME A/C>	60,000	0.37	12
AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	55,956	0.35	13
CITICORP NOMINEES PTY LIMITED	55,450	0.34	14
PERSHING AUSTRALIA NOMINEES PTY LTD <IMPLEMENTED PORTFOLIOS A/C>	50,203	0.31	15
AUSTRALIAN MASTERS YIELD FUND NO 5 LIMITED	50,000	0.31	16
BALLARD BAY PTY LTD <BALLARD BAY DISCRETIONARY AC>	50,000	0.31	17
JMB PTY LIMITED	50,000	0.31	18
JUNORIS PTY LTD <JAN BROOKS FAMILY A/C>	50,000	0.31	19
KOLL PTY LTD <NO 1 ACCOUNT>	50,000	0.31	20

Attachment B: Distribution Schedule of ANZ Capital Notes 2 following allocation of ANZ Capital Notes 2

	1 to 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 100,000	100,001 to (MAX)
 Holders					
Issuer	1,632	264	43	25	1
Chess	18,242	1,652	95	61	7
Total	19,874	1,916	138	86	8
 Units					
Issuer	517,301	623,952	367,931	697,973	260,682
Chess	6,142,595	3,482,123	750,449	1,614,392	1,642,602
Total	6,659,896	4,106,075	1,118,380	2,312,365	1,903,284

IMPORTANT NOTICE TO ALL APPLICANTS UNDER THE ANZ CAPITAL NOTES 2 OFFER

Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (**ANZ**) is pleased to announce that the offer of ANZ Capital Notes 2 (ASX code 'ANZPE') (**Offer**) has successfully closed raising \$1.61 billion of Additional Tier 1 Capital (prior to Offer expenses). 16.1 million ANZ Capital Notes 2 (**Notes**) have been issued at \$100 each.

ANZ CAPITAL NOTES 2 ALLOCATION POLICY

- ▼ All valid applications under the Reinvestment Offer, ANZ Securityholder Offer and General Offer have been accepted in full.
- ▼ A scale back was applied to Applicants under the Broker Firm Offer (other than for Broker Firm Applicants under the Reinvestment Offer, who were accepted in full) and the Institutional Offer.

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

Reinvestment CPS1 Applicants, ANZ Securityholder Applicants and General Applicants can obtain information about their allocation of Notes by calling the ANZ Information Line on the numbers provided below.

Broker Firm Applicants should confirm their allocation of Notes with their Syndicate Broker.

DEFERRED SETTLEMENT TRADING

The Notes are expected to commence trading on the ASX on a deferred settlement basis today at approximately 12:00pm (AEDT) under the ASX code "ANZPE".

Trading of Notes is expected to commence on a normal settlement basis on Friday, 11 April 2014.

All Applicants are responsible for confirming the number of Notes allocated to them prior to selling any Notes. Applicants who sell Notes before receiving their Confirmation Statement do so at their own risk.

CONFIRMATION STATEMENTS

Confirmation Statements which set out the number of Notes issued to each successful Applicant are expected to be despatched on Friday, 4 April 2014.

FURTHER INFORMATION

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

Unless otherwise defined capitalised terms in this advertisement have the same meaning given to them in the ANZ Capital Notes 2 prospectus dated 19 February 2014. This advertisement contains general information only and does not take into account the investment objectives, financial situation or particular needs of any investor (including financial and tax issues). Investors should obtain their own independent advice from a qualified financial adviser having regard to their own investment objectives, financial situation and needs. ANZ Capital Notes 2 have not been, and ANZ Capital Notes 2 will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. ANZ Capital Notes 2 may not be offered, sold or resold in the United States, or to, or for the account or benefit of, a US person (as defined in the US Securities Act), except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. ANZ Capital Notes 2 are higher risk than deposits, are not deposit liabilities of ANZ, are not guaranteed, insured or protected accounts and give holders no claim on ANZ except as provided in their terms. Your investment is subject to investment risk, including possibly delays in repayment and loss of income and principal rate of return. You may lose some or all of your money. ANZ does not guarantee the value or performance of ANZ Capital Notes 2.

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