



Media Release

For Release: 25 June 2014

Issue of A\$750,000,000 Subordinated Notes

Notice under section 708A(12G)(e), Corporations Act 2001 (Cth)

Today Australia and New Zealand Banking Group Limited ("**Issuer**") will issue A\$750,000,000 subordinated notes due 25 June 2024 pursuant to its Australian dollar debt issuance programme (the "**Subordinated Notes**").

The Subordinated Notes convert into fully paid ordinary shares of the Issuer ("**Ordinary Shares**") where the Australian Prudential Regulation Authority ("**APRA**") determines this to be necessary on the grounds that the Issuer would otherwise become non-viable.

This notice is a cleansing notice prepared for the purposes of section 708A(12G)(e) of the Corporations Act 2001 (Cth) ("**Corporations Act**") (as inserted by ASIC Instrument 14-1723) to enable fully paid Ordinary Shares issued on conversion of the Subordinated Notes to be freely tradeable without further disclosure and includes:

- in schedule 1 commercial particulars of the Subordinated Notes, extracted from the Pricing Supplement for the Subordinated Notes dated 24 June 2014; and
- in schedule 2 a description of the rights and liabilities attaching to Ordinary Shares.

A description of the rights and liabilities attaching to the Subordinated Notes is contained in the "Conditions of the Securities" section of the Information Memorandum dated 8 April 2014 that was lodged with the Australian Securities Exchange ("**ASX**") on 9 April 2014 ("**Information Memorandum**").

Words and expressions defined in the Information Memorandum have the same meanings in the remainder of this cleansing notice unless the contrary intention appears.

The issue of Subordinated Notes by the Issuer will not have a material impact on the Issuer's financial position. If a Non-Viability Trigger Event occurs and the Issuer issues Ordinary Shares, the impact of Conversion on the Issuer would be to increase the Issuer's shareholders' equity. The number of Ordinary Shares issued on Conversion is limited to the Maximum Conversion Number. The Maximum Conversion Number is 148.1481 Ordinary Shares per Subordinated Note, based on the Issue Date VWAP of \$33.75.

As a disclosing entity, the Issuer is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Broadly, these obligations require the Issuer to prepare and lodge with ASIC both yearly and half yearly financial statements and to report on its operations during the relevant accounting period, and to obtain an audit or review report from its auditor.

Copies of documents lodged with the ASIC may be obtained from or inspected at an ASIC office.

The Issuer must ensure that the ASX is continuously notified of information about specific events and matters as they arise for the purposes of ASX making the information available to the Australian securities market. In this regard, the Issuer has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information concerning it of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of its quoted securities.

The Issuer will provide a copy of any of the following documents free of charge to any person who requests a copy before the Subordinated Notes are issued:

- the Information Memorandum;
- the Issuer's annual financial report for the year ended 30 September 2013;
- the Issuer's consolidated financial report and dividend announcement for the half year ended 31 March 2014 made before the date of this notice;
- any continuous disclosure notices given by the Issuer in the period after the lodgement of the annual financial report of the Issuer for the year ended 30 September 2013 and before the date of this notice; and
- the Issuer's constitution.

All written requests for copies of the above documents should be addressed to:

Investor Relations Department
Australia and New Zealand Banking Group Limited
ANZ Centre Melbourne
Level 10
833 Collins Street
Docklands VIC 3008

This Notice is not a prospectus or other disclosure document in relation to the Subordinated Notes, and does not constitute an offer or invitation for the Subordinated Notes or any Ordinary Shares for issue or sale in Australia. Subordinated Notes are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 and Chapter 7 of the Corporations Act. The securities have not been, and will not be, registered under the Securities Act or the securities laws of any state of the United States or any jurisdiction, and the securities may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons unless an exemption from the registration requirements of the Securities Act is available and the offer and sale is in accordance with all applicable state securities laws of any state of the United States. This notice is not an offer or invitation to any U.S. persons.

Schedule 1 – Extract of commercial particulars of the Subordinated Notes

Extract from the Pricing Supplement of the Subordinated Notes

1	Issuer:	Australia and New Zealand Banking Group Limited
2	(i) Series Number:	100
	(ii) Tranche Number:	1
3	Specified Currency:	Australian Dollars (“AUD”)
4	Aggregate Nominal Amount:	
	(i) Tranche:	AUD 750,000,000
	(ii) Series:	AUD 750,000,000
5	(i) Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
	(ii) Net proceeds:	AUD 750,000,000
6	Specified Denomination:	A\$1,000
		However, the Notes will not be issued or transferred in Australia unless the aggregate consideration payable by the investor or purchaser is at least A\$500,000 (disregarding moneys lent by the Issuer or its associates), unless the offer or invitation does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act. Section 708(19) of the Corporations Act provides that an offer of debentures for issue or sale does need disclosure to investors under Parts 6D.2 of the Corporations Act if the Issuer is an Australian authorised deposit-taking institution (“ADI”). As at the date of this Pricing Supplement, the Issuer is an ADI.
7	(i) Issue Date:	25 June 2014
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	25 June 2024
9	Interest Basis:	Floating Rate as described in item 17
10	Redemption/Payment Basis:	Redemption at Par
11	Change of Interest Redemption/Payment Basis:	or Not Applicable
12	Call Options:	Issuer Call Option (Further particulars specified below)

13	Status of the Securities:	Subordinated Notes (Further particulars specified below)
14	Listing:	None
15	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	Fixed Rate Security Provisions	Not Applicable
17	Floating Rate Security Provisions	Applicable
	(i) (a) Interest Period(s):	3 months
	(b) Interest Payment Dates:	25 June, September, December and March in each year commencing on 25 September 2014 up to and including, the earlier of either the Optional Redemption Date or the Maturity Date, subject to adjustment in accordance with the Business Day Convention
	(c) Interest Period Date if not an Interest Payment Date:	Not Applicable
	(ii) Business Day Convention:	Modified Following Business Day Convention
	(iii) Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
	(iv) Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount(s):	Issuer
	(v) Screen Rate Determination:	Applicable
	- Reference Rate:	3 month BBSW
	- Interest Determination Date(s):	The first day of each Interest Period
	- Relevant Screen Page:	Reuters screen page BBSW
	- Relevant Time:	10:30 am
	- Relevant Financial Centre:	Sydney
	(vi) Margin:	+ 1.93 per cent. per annum
	(vii) Minimum Rate of Interest:	Not Applicable
	(viii) Maximum Rate of Interest:	Not Applicable
	(ix) Rate Multiplier	Not Applicable
	(x) Day Count Fraction:	Actual/365 (fixed)

	(xi)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Securities, if different from those set out in the Conditions:	Not Applicable
18		Zero Coupon Security Provisions	Not Applicable
19		Index-Linked Interest Security Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION			
20		Issuer Call Option	Applicable
			The Issuer must obtain the prior written approval of APRA before exercising the Issuer Call Option.
	(i)	Option Exercise Date(s):	As set out in Condition 5.4
	(ii)	Optional Redemption Date(s):	25 June 2019 and every Interest Payment Date thereafter, subject to adjustment in accordance with the Business Day Convention
	(iii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	Redemption at Par
	(iv)	If redeemable in part:	Not Applicable
	(a)	Minimum Redemption Amount:	Not Applicable
	(b)	Maximum Redemption Amount:	Not Applicable
21		Put Option:	Not Applicable
22		Redemption for taxation reasons:	Applicable
			The Issuer must obtain the prior written approval of APRA before redeeming Subordinated Notes for taxation reasons.
23		Redemption for regulatory reasons:	Applicable
			The Issuer must obtain the prior written approval of APRA before redeeming Subordinated Notes for regulatory reasons.
	(i)	Minimum notice period:	As set out in Condition 5.2A
	(ii)	Maximum notice period:	As set out in Condition 5.2A
24		Final Redemption Amount:	Redemption at Par
25		Early Redemption Amount:	Redemption at Par
		Early Redemption Amount(s) payable on	

redemption for taxation reasons, redemption for regulatory reasons or on Event of Default and/or the method of calculating the same (if required or if different from that set out in the Conditions)

PROVISIONS APPLICABLE TO SUBORDINATED NOTES

26	Subordinated Notes:	Applicable
27	Write-Off	Not Applicable
28	Conversion:	Applicable (<i>with a fall back to write-off on an Inability Event in accordance with Condition 5B</i>).
	(i) CD:	1.00 per cent.
	(ii) VWAP Period:	5 Business Days
	(iii) Issue Date VWAP:	20 Business Days
29	Form of Securities:	Registered
30	Additional Financial Centre(s) (<i>for the purposes of the "Business Day" definition</i>) or other special provisions relating to Interest Payment Dates:	Not Applicable
31	Public Offer Test compliant	Yes. The Issuer intends to issue the Subordinated Notes in a manner consistent with the public offer test set out in section 128F(3) of the Income Tax Assessment Act 1936 of Australia.
32	Details relating to Instalment Notes, including Instalment Amount(s) and Instalment Date(s):	Not Applicable
33	Consolidation provisions:	Not Applicable
34	Governing law:	State of Victoria and the Commonwealth of Australia
35	Other terms or special conditions:	Not Applicable

DISTRIBUTION

36	If syndicated, names of Lead Managers and the Dealers:	Not Applicable
37	If non-syndicated, name of Dealer:	Australia and New Zealand Banking Group Limited
38	Additional selling restrictions:	Not Applicable

OPERATIONAL INFORMATION

- 39** ISIN Code: AU3FN0023859
- 40** Common Code: 108042303
- 41** Any clearing system(s) other than Austraclear and the relevant identification number(s): Austraclear System
- On admission to the Austraclear System, interests in the Transferable Certificates of Deposit may be held through Euroclear or Clearstream, Luxembourg. Entitlements in respect of holdings of interests in Transferable Certificates of Deposit in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear and entitlements in respect of holdings of interests in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian of Clearstream, Luxembourg.

Schedule 2 – Description of rights and liabilities attaching to Ordinary Shares

The rights and liabilities attaching to the Ordinary Shares issued on conversion of the Subordinated Notes are set out in the constitution of the Issuer (“**Constitution**”) and are also regulated by the Corporations Act, ASX Listing Rules and the general law.

A summary of the key rights attaching to the Ordinary Shares is as follows. Investors who wish to inspect the Constitution may do so at the registered office of the Issuer during normal office hours.

Voting rights

Subject to any rights or restrictions attached to any shares or class of shares, a registered holder of an Ordinary Share (“**Shareholder**”) is entitled to attend and vote at a general meeting of the Issuer. Any resolution being considered at a general meeting is decided on a show of hands unless a poll is held. On a show of hands, each Shareholder present has one vote.

On a poll, each Shareholder has one vote for each Ordinary Share. Partly paid Ordinary Shares confer that fraction of a vote which is equal to the proportion which the amount paid bears to the total issue price of the Ordinary Share.

General meetings

Notice of a general meeting must be given to each Shareholder in accordance with the Corporations Act. Each Shareholder is entitled to receive notices, financial statements and other documents required to be sent to Shareholders under the Constitution, Corporations Act and ASX Listing Rules, but in the case of financial statements and annual reports only where the Shareholder has requested one to be sent to them in accordance with the Corporations Act.

Dividend entitlement

Subject to the Corporations Act, the Constitution and the terms of issue of Ordinary Shares, the board of directors of the Issuer (“**Board**”) may resolve to pay dividends on Ordinary Shares which are considered by the Board to be appropriate, in proportion to the capital paid up on the Ordinary Shares held by each Shareholder (subject to the rights of holders of shares carrying preferred rights including Subordinated Notes).

Dividend reinvestment plan and bonus option plan

Shareholders who are eligible may participate in the Issuer’s dividend reinvestment plan or bonus option plan, as in force from time to time, in accordance with (and subject to) the rules of those plans. Shareholders who are subject to the laws of a country or place other than Australia may not be eligible to participate, because of legal requirements that apply in that country or place or in Australia. Until the Board otherwise determines, participation in the Issuer’s dividend reinvestment plan and bonus option plan is not available directly or indirectly to any entity or person (including any legal or beneficial owner of Ordinary Shares) who is (or who is acting on behalf of or for the account or benefit of an entity or person who is) in or resident in the United States (including its territories or possessions) or Canada.

Rights of shareholders on a winding-up of the Issuer

If the Issuer is wound up and its property is more than sufficient to pay all debts, share capital of the Issuer and expenses of the winding-up, the excess must be divided among Shareholders in proportion to the capital paid up on the Ordinary Shares at the commencement of the winding-up (subject to the rights of holders of shares carrying preferred rights on winding-up including Subordinated Notes). A partly paid Ordinary Share is counted as a fraction of a fully paid Ordinary Share equal to the proportion which the amount paid on it bears to the total issue price of the Ordinary Share.

However, with the sanction of a special resolution, the liquidator may divide among Shareholders the assets of the Issuer in kind and decide how the division is to be carried out or vest assets in trustees of any trusts for the benefit of Shareholders as the liquidator thinks appropriate.

Transfer of ordinary shares

Ordinary Shares may be transferred by any means permitted by the Corporations Act or by law. The Board may decline to register a transfer where permitted to do so under the ASX Listing Rules or the settlement operating rules of the ASX ("**ASX Settlement Operating Rules**"), or where registration of the transfer is forbidden by the Corporations Act, ASX Listing Rules or ASX Settlement Operating Rules. In addition, subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, the Board may decline to register a transfer if registration would create a new holding of less than a marketable parcel under the ASX Listing Rules.

Issues of further shares

Subject to the Constitution, Corporations Act and ASX Listing Rules, the Board may issue or grant options in respect of Ordinary Shares on such terms as the Board decides. The Board may also issue preference shares, including redeemable preference shares, or convertible notes with preferred, deferred or special rights or restrictions in relation to dividends, voting, return of capital and participation in surplus on a winding-up of the Issuer.

Variation of rights

The Issuer may only modify or vary the rights attaching to any class of shares with the prior approval, by a special resolution, of the holders of shares in that class at a meeting of those holders, or with the written consent of the holders of at least 75% of the issued shares of that class.

Subject to the terms of issue, the rights attached to a class of shares are not treated as varied by the issue of further shares which rank equally with that existing class for participation in profits and assets of the Issuer.

Variation of the constitution

The Constitution can only be modified by a special resolution in accordance with the Corporations Act. Under the Corporations Act, for a resolution to be passed as a special resolution it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

Approved NOHC Event

If an Approved NOHC Event occurs the terms and conditions of the Subordinated Notes may be amended to enable substitution of the Approved NOHC as the issuer of ordinary shares on Conversion (including Conversion upon the occurrence of a Non-Viability Trigger Event). If this occurs, the rights and liabilities of the Approved NOHC Ordinary Shares will not be materially different to the rights and liabilities of Ordinary Shares.