01 July 2014

Company Announcements
Australian Securities Exchange
Level 4
20 Bridge Street
Sydney NSW 2000

Shareholder Update 2014

The attached Shareholder Update is being made available to ANZ shareholders in conjunction with the despatch of the 2014 Interim Dividend statements.

Yours faithfully

John Priestley
Company Secretary
Australia and New Zealand Banking Group Limited

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CHAIRMAN'S REPORT

A message from David Gonski AC

Enclosed with this Shareholder Update is advice of your 2014 Interim Dividend payment of 83 cents per share fully franked, 14% higher than the first half of 2013.

This represents a strong outcome for shareholders reflecting another good financial performance for the half with statutory profit up 15% to $3.4 billion while cash profit rose 11% to $3.5 billion.

Shareholders are also continuing to benefit from careful management of capital. In recent years we have gradually moved to a more even split between the half year and full year dividends to reduce capital volatility. We have also been in a position to maintain the dividend payout ratio towards the upper end of the Board's target of 65 to 70% of Cash Profit.

This is my first communication to shareholders having re-joined the ANZ Board earlier this year and had the privilege to succeeded John Morschel as your Chairman on 1 May 2014.

It's very pleasing to be back after six years. The financial result for the first half of 2014 highlights the enormous progress ANZ has made in this time.

That progress is based on an exciting direction established in 2007 with our super regional strategy. In this half, it saw good performances from our key domestic business in Australia and in New Zealand and rapid growth from the continued expansion of our presence in Asia Pacific.

Our financial performance is being supported by stronger outcomes for the 8 million customers we serve in 33 countries. This is seeing ANZ grow market share in our key markets and maintain and build customer satisfaction.

We are also working hard to make a difference in the community, including a focus on promoting financial inclusion and integrating social and environmental considerations into our business decisions.

Much of the change I have observed at ANZ reflects the quality of the management team established under our Chief Executive Mike Smith's leadership.

I also want to acknowledge John Morschel's significant legacy at ANZ having been a director for the past 10 years and as Chairman for the past four. I know ANZ is a better bank today because of his contribution. This extends to a number of directors who have retired as planned or stepped down because of their other commitments during the half: David Meiklejohn, Greg Clark, Alison Watkins and Peter Hay. On behalf of shareholders I want to thank them for their service.

To support a process of board renewal, we have been very pleased to welcome John (J.T.) Macfarlane to the board in May. John was formerly Chairman and CEO of Deutsche Bank Australia and New Zealand.

Our performance in the first half demonstrates ANZ is delivering for shareholders, for customers and for the community and we are continuing to make good progress toward building a regionally connected bank focussed on Australia, New Zealand and Asia Pacific.

This positions us well for a good 2014 and, on behalf of our shareholders, I'd like to thank our talented and professional staff for their contribution.

DAVID GONSKI AC
CHAIRMAN

2014 HALF YEAR HIGHLIGHTS

▲ 11%

$3,515 million
CASH PROFIT

1H13	$3,179 million

▲ 14%

83 cents
DIVIDEND PER SHARE

1H13	73 cents

▲ 10%

128.7 cents
CASH EARNINGS PER ORDINARY SHARE

1H13	116.9 cents

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