



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

21 August 2017

### **ANZ Capital Notes 5: Despatch of Letter to Eligible CPS3 Holders**

Attached is a form of the letter being sent to those holders of ANZ convertible preference shares issued by ANZ in 2011 (**CPS3**) who:

- were registered as a holder of CPS3 at 7.00pm AET on 11 August 2017;
- are shown on the CPS3 register as having an address in Australia; and
- are not in the United States or acting as a nominee for, or for the account or benefit of, a US Person or not otherwise prevented from participating in the Buy-Back Facility or ANZ Capital Notes 5 under the laws of any jurisdiction,

(each an **Eligible CPS3 Holder**).

The letter notifies Eligible CPS3 Holders of the offer of ANZ Capital Notes 5 and an opportunity to sell some or all of their CPS3 on 26 September 2017 through a buy-back facility (**Buy-Back Facility**) and to elect for the sale proceeds to be paid in cash or reinvested in ANZ Capital Notes 5 on 28 September 2017. The offer of ANZ Capital Notes 5 and the Buy-Back Facility is pursuant to the prospectus lodged with ASX and the Australian Securities and Investments Commission on 16 August 2017 (**Prospectus**). Eligible CPS3 Holders can obtain a copy of the Prospectus online at [capitalnotes5.anz.com](http://capitalnotes5.anz.com).

Defined terms referred to in this announcement have the meaning given to them in the Prospectus.

Yours faithfully

**Simon Pordage**  
**Company Secretary**  
Australia and New Zealand Banking Group Limited

**For investor enquiries about ANZ Capital Notes 5 please:**

- visit [capitalnotes5.anz.com](http://capitalnotes5.anz.com); or
- call the ANZ Information Line on 1800 113 399 (Australia) or +61 3 9415 4010 (international) Monday to Friday – 8.30am – 5.30pm AET.

**Company Secretary's Office**  
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Australia and New Zealand Banking Group Limited  
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MR JOHN SAMPLE  
FLAT 123  
SAMPLE STREET  
SAMPLE STREET  
SAMPLE STREET  
SAMPLETOWN VIC 3030

HIN/SRN:

CPS3 (ANZPC) held at 7:00pm AET on  
11 August 2017:

Your controlling CHESS participant as  
at 11 August 2017 is:

XX August 2017

Dear Eligible CPS3 Holder

## ANZ Capital Notes 5 Offer and CPS3 Buy-Back Facility

- **ANZ is offering you the opportunity to:**
  - **sell your CPS3 for cash;**
  - **reinvest your CPS3 in a new security called ANZ Capital Notes 5; and**
  - **apply for an additional allocation of ANZ Capital Notes 5.**
- **You can choose to take no action in regards to this Offer. In this case, you will continue to hold your CPS3.**
- **Reinvestment of CPS3 in ANZ Capital Notes 5 is not a simple rollover into a similar security. There are different benefits and risks between CPS3 and this new security. These differences are set out in the Prospectus.**

**We recommend that you seek professional guidance which takes into account your particular investment objectives, financial situation and needs from a professional adviser who is licensed by ASIC to give such advice.**

### Why have we written to you?

As you are a holder of convertible preference shares issued by ANZ in 2011 known as **CPS3**, which were registered in your name at 7:00pm AET on 11 August 2017 (your holding is detailed above), I am writing to invite you to participate in the ANZ Securityholder Offer (**Offer**) for a new ANZ security called ANZ Capital Notes 5.

The Offer provides you with an opportunity to sell some or all of your CPS3 for \$100 each on 26 September 2017 through a buy-back facility (**Buy-Back Facility**) and to elect for the proceeds from the sale of your CPS3 to be paid to you in cash or reinvested in ANZ Capital Notes 5 (which are also \$100 each) on 28 September 2017.

The prospectus for the ANZ Capital Notes 5 (**Prospectus**) contains full details of the Buy-Back Facility and reinvestment opportunity, including the key dates. If you are considering reinvesting your CPS3 holding, it is important you read the Prospectus carefully in full before deciding to apply to participate in the Buy-Back Facility.

If you wish to participate in the Buy-Back Facility and receive cash for your CPS3 holding, this can be done simply online or by completing the Application Form accompanying the Prospectus.

### How can I obtain a copy of the Prospectus?

- View the Prospectus online at [capitalnotes5.anz.com](http://capitalnotes5.anz.com); or
- call the **ANZ Information Line** to request a paper copy of the Prospectus together with a personalised Application Form. You will need to quote your SRN/HIN (set out above).

### How do I apply?

During the Offer Period for the ANZ Securityholder Offer (which is expected to open on 24 August 2017 and close at 5.00pm AET on 13 September 2017), either:

- complete an online application via [capitalnotes5.anz.com](http://capitalnotes5.anz.com) quoting your SRN/HIN. This is quickest and most efficient way for you to apply; or
- complete a paper Application Form accompanying the Prospectus and return it to the Registry.

If you apply to participate in the Buy-Back Facility and choose to reinvest your CPS3 or receive cash, you are not required to make any payment. You will need to pay for any additional ANZ Capital Notes 5 you apply for using BPAY® if you apply online or by cheque or postal order if you use a paper Application Form.

In addition, you can contact your syndicate broker for information on how to apply (although you will only be able to reinvest your CPS3 in Notes as there is no option to receive the sale proceeds as cash through your broker).

If you wish to apply, your application will need to be received by the Closing Date on 5.00pm AET on 13 September 2017. You are encouraged to apply as soon as possible after the offer opens as the timetable may be varied and the offer to participate in the Buy-Back Facility could close early without notice.

You must apply to sell a minimum of 50 CPS3. If you own less than 50 CPS3, you can still apply but you must apply to sell all of your CPS3.

### **If I participate in the Buy-Back Facility, will I still be entitled to receive Dividends?**

You will still receive the scheduled CPS3 dividend payable on 1 September 2017 and you will also receive a pro rata dividend for the period from (and including) 1 September 2017 until (but excluding) the day the buy-back settles (which is expected to be 28 September 2017).

Both dividends are subject to the payment tests in the CPS3 terms, including that the Board of ANZ resolves to pay the relevant dividend.

### **Could my application be scaled back?**

ANZ will not scale back an application to receive the sale proceeds in cash.

Applications to participate in the Buy-Back and for proceeds to be reinvested in ANZ Capital Notes 5 may be scaled back if there is excess demand. If your application for ANZ Capital Notes 5 is scaled back, you will continue to hold your current holding of CPS3 to the extent of the scale back. In the event of excess demand, ANZ's current intention is to give preference to Eligible CPS3 Holders.

Applications for an additional allocation of ANZ Capital Notes 5 may also be scaled back.

### **What happens if I don't want to participate in the Buy-Back Facility?**

Participation in the Buy-Back Facility is not compulsory. You may wish to continue to hold your CPS3 or sell your CPS3 on the ASX through your broker or otherwise.

Should you continue to hold your CPS3 (including because of a scale back or because you do nothing in respect of this Offer), those CPS3 will remain listed on the ASX until redeemed or converted at a future date in accordance with the CPS3 terms. As at the date of this letter, ANZ has not made any decision how it will deal with the CPS3 which are not bought-back under the Buy-Back Facility. The Prospectus includes more information on the factors ANZ may take into account when determining how it will deal with those CPS3.

### **Other Important Information**

- No brokerage or stamp duty will be payable on your application to participate in the Offer.
- The market price of CPS3 is subject to change from time to time and holders may be able to sell or dispose of their CPS3 at a price higher or lower than the price they would receive under the Buy-Back Facility. The current market price of CPS3 is available at the ASX website ([www.asx.com.au](http://www.asx.com.au)).

Finally, I would like to take this opportunity to thank you for your support of ANZ.

Yours sincerely



David Gonski  
Chairman

**For more information you can visit [capitalnotes5.anz.com](http://capitalnotes5.anz.com) or call the ANZ Information Line on 1800 113 399 (within Australia) or +61 3 9415 4010 (international) (Monday to Friday – 8:30am to 5:30pm AET).**