

News Release

For release: 8 November 2016

ANZ buyback of remaining CPS2 (ANZPA)

ANZ advises that it will buy back all remaining CPS2 for their face value (\$100) on 15 December 2016 via a Nominated Purchaser. The CPS2 buyback will be through the Resale process contained in the CPS2 terms and as contemplated in the ANZ Capital Notes 4 prospectus dated 24 August 2016.

Accordingly, ANZ has today issued a CPS2 Resale Notice so that the Nominated Purchaser will mandatorily purchase all of the CPS2 (10,683,282) which have not been previously bought back by ANZ under the CPS2 reinvestment offer. ANZ has appointed ANZ Capital No. 1 Pty Ltd, a wholly owned subsidiary of ANZ, as the Nominated Purchaser for the Resale. Following the Resale, ANZ will cancel all those CPS2.

The last day of trading of CPS2 on ASX will be 28 November 2016. CPS2 holders on the register on 15 December 2016 will receive the face value of \$100 per CPS2.

CPS2 holders on the register on 30 November 2016 will receive the final Dividend of \$0.8447 per CPS2 which is also payable on 15 December 2016, subject to the conditions set forth in the CPS2 Terms.

The CPS2 Resale Notice (including the terms and conditions) is attached.

Defined terms have the meaning given to them in ANZ Convertible Preference Shares (CPS2) prospectus dated 18 November 2009 (which replaced a prospectus dated 10 November 2009).

For investor queries, please contact the ANZ information line on 1800 113 399 (Australia) or +61 3 9415 4010 (international).

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8 November 2016

Convertible Preference Shares issued by Australia and New Zealand Banking Group Limited ("ANZ" or "we") under a prospectus dated 18 November 2009 ("CPS2") – Resale Notice

Dear CPS2 holder

Why are we writing to you?

The terms of the CPS2 ("**CPS2 Terms**") provide us with an option to require all holders of CPS2 to sell their CPS2 to a purchaser nominated by us ("**Resale**") on a date we nominate.

This letter is notice to you ("**Resale Notice**") that we are hereby exercising that option to resell all outstanding CPS2. This Resale Notice is given subject to the CPS2 Terms.

Who is the nominated purchaser?

The nominated purchaser is ANZ Capital No. 1 Pty Ltd (ACN 157 741 056). It is a wholly owned subsidiary of ANZ and has been appointed in accordance with the CPS2 Terms.

On what date will the Resale occur?

The Resale will occur on 15 December 2016.

What is the Resale Price for CPS2?

The nominated purchaser will pay A\$100 for each CPS2.

What are your alternatives?

You do not need to do anything in response to this notice. If you hold CPS2 on 15 December 2016 (unless the Resale does not proceed):

- (a) we will sign a share transfer form on behalf of all CPS2 holders to transfer all CPS2 to the nominated purchaser; and
- (b) we will then, on behalf of the nominated purchaser, pay you the purchase price for each CPS2 transferred in the same way as ANZ would make any other payment to you in respect of the CPS2.

Anyone holding CPS2 can sell those CPS2 to any person at any time prior to 29 November 2016.

The last day of trading of CPS2 on ASX will be 28 November 2016.

What happens in respect of the dividends for the period to 15 December 2016?

Payment of the \$0.8447 dividend per CPS2 scheduled on 15 December 2016 is subject to conditions set forth in the CPS2 Terms. If those conditions are met, the person holding CPS2 on the register on the record date for the dividend (being 30 November 2016) will receive that dividend on 15 December 2016.

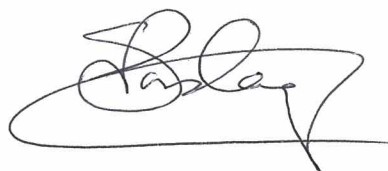
How will you receive payment?

If you have provided details of an Australian dollar account (other than a credit card account) with a financial institution in Australia to ANZ's share registry, Computershare, by 5.00pm (Australian Eastern Daylight Time) on 30 November 2016, the Resale Price and any dividend will be paid by direct credit to that account on 15 December 2016. Payment to any other CPS2 Holder will be by cheque sent through the post on 15 December 2016.

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Who can you contact if you have questions about this?

If you are unsure about what to do in respect of your CPS2, ANZ recommends that you contact your stockbroker, accountant or financial adviser. If you have any questions about your CPS2 or this Resale Notice, please contact the ANZ Information Line by calling 1800 113 399 (Australia) or +61 3 9415 4010 (International).



For and on behalf of
Australia and New Zealand Banking Group Limited

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