

*Prospectus*

*Simple steps to invest in a  
new security called  
ANZ StEPS*

**Co-managers**

ABN AMRO Morgans Limited  
ANZ Securities Limited  
Bell Potter Securities Limited  
Citigroup Global Markets Australia Pty Limited  
Deutsche Securities Australia Limited  
Macquarie Equities Limited  
Ord Minnett Limited  
UBS Private Clients Australia Limited

**Joint Arrangers & Bookrunners**

**Deutsche Bank**   **UBS**

**Joint Lead Managers**

ANZ Investment Bank  
Deutsche Bank AG  
UBS Advisory and Capital Markets Australia Limited

*Prospectus for the issue of ANZ Stapled Exchangeable Preferred Securities  
(ANZ StEPS) at an Issue Price of \$100.00 each to raise up to \$750 million –  
with the ability to accept oversubscriptions for up to \$250 million*

*Applications must be for a minimum of 50 ANZ StEPS (\$5,000)*

Australia and New Zealand Banking Group Limited  
ABN 11 005 357 522

ANZ Holdings (New Zealand) Limited  
ARBN 105 689 932



# Important information

This Prospectus, which is dated 14 August 2003, is for the issue to the Initial Holders and transfer to Holders (successful Applicants) of ANZ Stapled Exchangeable Preferred Securities (ANZ StEPS) at an Issue Price of \$100.00 each to raise up to \$750 million – with the ability to accept oversubscriptions for up to \$250 million (Offer). This Prospectus was lodged with the Australian Securities and Investments Commission (ASIC) on 14 August 2003. No ANZ StEPS will be issued on the basis of this Prospectus later than 13 months after that date.

Australia and New Zealand Banking Group Limited (ANZ) and ANZ Holdings (New Zealand) Limited (ANZ (NZ)) will apply to Australian Stock Exchange (ASX) for ANZ StEPS to be quoted on ASX. ASIC and ASX take no responsibility for the content of this Prospectus.

The Offer is being made by ANZ and ANZ (NZ) only. The Joint Arrangers and Initial Holders are not offering ANZ StEPS under this Prospectus.

## Prospectus availability and Applications

This Prospectus will be made generally available from the date of this Prospectus until the Closing Date. You can obtain a copy of this Prospectus during the Offer Period on the ANZ website at [www.anz.com/anzsteps](http://www.anz.com/anzsteps) or by calling the ANZ StEPS InfoLine 1800 022 060. The Application Form will be available with

printed copies of this Prospectus and on the ANZ website at [www.anz.com/anzsteps](http://www.anz.com/anzsteps)

Applications for ANZ StEPS pursuant to this Prospectus may only be made by Australian residents during the Offer Period on an Application Form attached to, or accompanying, this Prospectus (including an electronic copy of this Prospectus). Applications will not be accepted before the Opening Date and, in any case, not until after the Exposure Period. Application Forms are only available with a Prospectus. The Exposure Period is expected to end on 21 August 2003, although ASIC may extend it by up to a further seven days by notice in writing to ANZ and ANZ (NZ).

## Foreign jurisdictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

No action has been taken to register ANZ StEPS or otherwise permit a public offering of ANZ StEPS in any jurisdiction outside Australia.

The distribution of this Prospectus outside Australia may be restricted by law. If you come into possession of this Prospectus, you should observe any such restrictions and seek your own advice on your eligibility to apply. Any failure to comply with these restrictions may violate securities laws.

ANZ StEPS may be offered to professional and sophisticated investors in certain jurisdictions outside Australia (except the United States and Canada) if that offer is made in accordance with the laws of that jurisdiction.

See Section 8.6 for details of selling restrictions in certain foreign jurisdictions – New Zealand, Hong Kong, Singapore and the United States.

This Prospectus has not been registered in New Zealand under or in accordance with the Securities Act 1978 (New Zealand). Under the Offer, no ANZ StEPS may be offered or sold to the public within New Zealand or allotted with a view to being offered for sale to the public in New Zealand.

## Defined words and expressions

Some words and expressions used in this Prospectus have defined meanings, which are in the Terms of Issue in Appendix A or in the Glossary in Appendix B. A reference to time in this Prospectus is to Melbourne time, unless otherwise stated. A reference to \$, A\$, AUD and cents is to Australian currency, unless otherwise stated.

## Disclaimer

No person is authorised to give any information, or to make any representation, in connection with the Offer described in this Prospectus that is not contained in this Prospectus. Any information or representation that is not in this Prospectus may not be relied on as having been authorised by ANZ or ANZ

(NZ) in connection with the Offer. Except as required by law, and only to the extent so required, none of ANZ, ANZ (NZ) or any other person warrants or guarantees the future performance of ANZ or ANZ (NZ) or any return on any investment made pursuant to this Prospectus.

This Prospectus is dated 14 August 2003 and speaks as at that date. As a disclosing entity under the Corporations Act and subject to regular reporting and disclosure obligations, ANZ may disclose information to ASX after the date of this Prospectus which may be relevant to the Offer or which qualifies statements in this Prospectus. However, except to the extent required by law, ANZ and ANZ (NZ) do not assume any obligation to supply further information or to amend any statements in connection with the Offer.

The pro forma financial information provided in this Prospectus is for information purposes only and is not a forecast of operating results to be expected in future periods.

**You should read this entire Prospectus carefully. If you are unclear in relation to any matter or uncertain if ANZ StEPS are a suitable investment for you, then you should consult your stockbroker, accountant or other professional adviser.**

## ANZ StEPS InfoLine

# 1800 022 060

Monday to Friday 8:30am – 5:00pm (Melbourne time)

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## Key dates

<i>Event</i>	<i>Date</i>
<i>Announcement of Offer and lodgement of this Prospectus with ASIC</i>	<i>14 August 2003</i>
<i>Record date – for Ordinary Shareholder priority allocation</i>	<i>(7:00pm) 13 August 2003</i>
<i>Bookbuild</i>	<i>19-20 August 2003</i>
<i>Announcement of Initial Margin</i>	<i>21 August 2003</i>
<i>Opening Date</i>	<i>(9:00am) 22 August 2003</i>
<i>Closing Date</i>	<i>(5:00pm) 17 September 2003</i>
<i>Allotment Date</i>	<i>24 September 2003</i>
<i>Commencement of trading of ANZ StEPS on ASX (deferred settlement basis)</i>	<i>25 September 2003</i>
<i>Dispatch of holding statements</i>	<i>1 October 2003</i>
<i>Commencement of trading of ANZ StEPS on ASX (normal settlement basis)</i>	<i>2 October 2003</i>
<i>First Distribution Payment Date</i>	<i>15 December 2003</i>
<i>First Reset Date</i>	<i>15 September 2008</i>

### **Dates may change**

The Offer dates are indicative only and are subject to change. ANZ, ANZ (NZ) and the Joint Arrangers may agree to extend the Closing Date for the Offer, close the Offer early without notice or withdraw the Offer at any time prior to allotment of ANZ StEPS. Accordingly, you are encouraged to apply as soon as possible after the Opening Date. If the Closing Date for the Offer is extended, the later Offer dates may also be extended.

### **Quotation**

ANZ and ANZ (NZ) will apply to ASX within seven days after the date of this Prospectus for ANZ StEPS to be quoted on ASX.

### **Applications**

No Application for ANZ StEPS under this Prospectus will be accepted (and no ANZ StEPS will be issued) until seven days after this Prospectus was lodged with ASIC. ASIC may extend that period for up to a further seven days by notice in writing to ANZ and ANZ (NZ). This period is known as the Exposure Period.

Applications will only be accepted between the Opening Date and the Closing Date. You can obtain an Application Form and a copy of this Prospectus on the ANZ website at [www.anz.com/anzsteps](http://www.anz.com/anzsteps) or arrange for a copy to be sent to you by calling the ANZ StEPS InfoLine 1800 022 060.



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14 August 2003

Dear Investor

The Directors are pleased to offer you the opportunity to invest in ANZ through a new security, expected to be quoted on the ASX. The new security is called ANZ Stapled Exchangeable Preferred Securities (ANZ StEPS). The offer of ANZ StEPS was approved by Ordinary Shareholders at a general meeting held on 13 August 2003.

ANZ StEPS are stapled securities that offer a floating, non-cumulative, preferred Distribution, payable quarterly in arrears. The Distribution Rate for the first Distribution on 15 December 2003 will be 5.85% per annum.

ANZ intends to issue up to 7.5 million ANZ StEPS at an Issue Price of \$100.00 each, to raise up to \$750 million – with the ability to accept oversubscriptions for up to \$250 million. Applications must be for a minimum of 50 ANZ StEPS (\$5,000). If there is excess demand for ANZ StEPS, then Ordinary Shareholders will receive a priority allocation over Applicants who apply as members of the general public.

If you invest in ANZ StEPS, then on any Reset Date, you may require Exchange of your ANZ StEPS. The first Reset Date is 15 September 2008. If you want to realise your investment in ANZ StEPS before any Reset Date, then you may sell them on the ASX at the then prevailing market price. There can be no assurance as to what that price will be.

The issue of ANZ StEPS forms part of ANZ's ongoing capital management program. The proceeds from the issue will strengthen ANZ's balance sheet and increase its financial flexibility. The proceeds may be used to partially fund any buy-back or redemption of the preference shares that were issued in the United States in 1998 or for other purposes determined by the Directors.

Full details of this investment opportunity are in this Prospectus and the Directors urge you to read the entire document carefully. To apply for ANZ StEPS, you will need to fill out the Application Form accompanying this Prospectus. If you have any questions regarding how to apply, please call the ANZ StEPS InfoLine 1800 022 060. If you are uncertain whether ANZ StEPS are a suitable investment for you, we encourage you to consult your stockbroker, accountant or other professional adviser.

The Offer is expected to open at 9:00am on 22 August 2003 and close at 5:00pm on 17 September 2003. It is possible that the Offer will close earlier so we encourage you to lodge your Application promptly.

Yours faithfully

Charles Goode  
Chairman

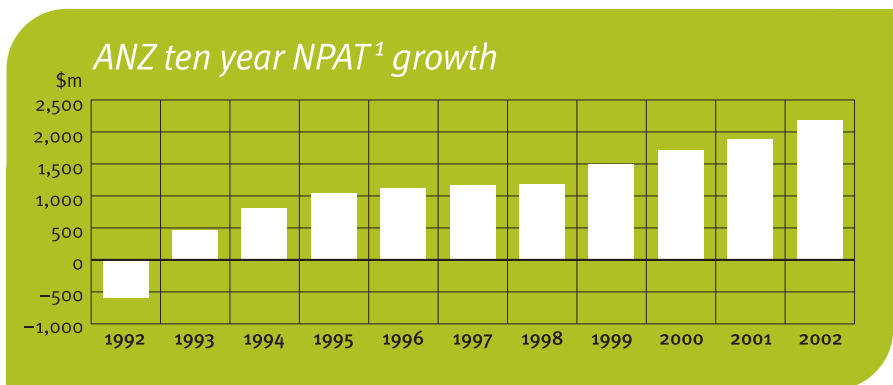
# ANZ highlights

- Established in 1835 and one of Australia’s ten largest publicly listed companies with a market capitalisation of approximately \$27.4 billion
- Delivers a broad range of financial products and services through ten business segments and a network of more than 1,000 branches
- Net profit after tax<sup>1</sup> for the year ended 30 September 2002 totalled \$2.2 billion – a 15.9% increase on the previous year
- Principal markets in Australia and New Zealand (representing approximately 90% of total assets as at 31 March 2003) – with smaller operations in Asia, the Pacific, the United Kingdom, Europe and the United States

Market capitalisation  
**\$27.4 billion**

- ANZ's ten business segments*
- |                                      |                             |
|--------------------------------------|-----------------------------|
| 1. PERSONAL BANKING AUSTRALIA        | 6. CONSUMER FINANCE         |
| 2. INSTITUTIONAL FINANCIAL SERVICES  | 7. ASSET FINANCE            |
| 3. CORPORATE & SME BANKING AUSTRALIA | 8. ING AUSTRALIA JV         |
| 4. NEW ZEALAND BANKING               | 9. ASIA PACIFIC             |
| 5. MORTGAGES                         | 10. TREASURY & GROUP CENTRE |

**1,000 branches**



**2002 NPAT<sup>1</sup> 15.9% up**

**Notes:**

Years ended 30 September.

<sup>1</sup> Net profit after tax (excluding Significant Transactions).

# ANZ StEPS key features

## *Floating Distribution Rate*

- 5.85% per annum for the first Distribution on 15 December 2003
- calculated each quarter as the 90 Day Bank Bill Rate<sup>1</sup> per annum plus a Margin per annum. The Initial Margin is 1.00% per annum
- payable quarterly in arrears (subject to Payment Tests)

## *Preferred Distributions*

- Distributions on ANZ StEPS will be paid in preference to any dividends on Ordinary Shares
- if Distributions are not paid – a ‘dividend stopper’ prevents ANZ from paying distributions or dividends or returning share capital on its Ordinary Shares

## *Resettable terms*

- Distribution Rate and certain other terms may be changed by ANZ on Reset Dates
- the first Reset Date is 15 September 2008

## *Exchangeable for Ordinary Shares or \$100.00 cash*

- Holders may require Exchange of ANZ StEPS on any Reset Date
- on Exchange, Holders will receive for each ANZ StEPS (at ANZ’s choice):
  - a number of Ordinary Shares calculated in accordance with the Conversion Ratio; or
  - \$100.00 cash (subject to APRA approval)

## *Quoted on ASX*

- ANZ is applying to have ANZ StEPS quoted on ASX
- ANZ will refund all Application payments if ANZ StEPS are not quoted on ASX

## *Issue credit rating<sup>2</sup>*

- Standard & Poor’s has rated ANZ StEPS ‘A–’
- Moody’s has rated ANZ StEPS ‘A2’

### *Notes:*

<sup>1</sup> The 90 Day Bank Bill Rate for the period from the Allotment Date (expected to be 24 September 2003) to 15 December 2003 is 4.85% per annum.

<sup>2</sup> Issues rated ‘BBB–’ or higher by Standard & Poor’s or ‘Baa3’ or higher by Moody’s are considered to be investment grade (see Section 5.9 for ANZ’s key credit ratings and Sections 6.1.11 and 6.2.8 for risks associated with credit ratings).

# How to apply

If you want to apply for ANZ StEPS you need to do the following:

1

## READ

Read this Prospectus in full, paying particular attention to:

- important information on the inside front cover;
- answers to key questions about ANZ StEPS, in Section 2; and
- investment risks that may be relevant to an investment by you in ANZ StEPS, in Section 6.

2

## CONSIDER and CONSULT

Consider all risks and other information about ANZ StEPS in light of your own particular investment objectives and circumstances.

Consult your stockbroker, accountant or other professional adviser if you are uncertain whether ANZ StEPS are a suitable investment for you.

3

## COMPLETE the APPLICATION FORM

Complete the Application Form accompanying this Prospectus.

If you are a registered Ordinary Shareholder with an Australian address at 7:00pm on 13 August 2003, you are eligible for a priority allocation of ANZ StEPS over Applicants who apply as members of the general public (if there is excess demand for ANZ StEPS). To receive this priority allocation, you must complete a yellow personalised Shareholder Application Form. To receive your yellow personalised Shareholder Application Form, follow the instructions on the registration card that was mailed to you on 14 August 2003 or call the ANZ StEPS InfoLine 1800 022 060.

If you are not an Ordinary Shareholder and you want to apply for ANZ StEPS, you should complete the blue Application Form accompanying this Prospectus.

When you have completed your Application Form, you must pay for your ANZ StEPS by cheque or money order (or both) in Australian currency. You cannot pay with cash. Cheques should be crossed 'not negotiable' and made payable to 'ANZ StEPS Offer'.

If you are a Broker Firm Applicant, send your Application Form and Application payment to your Participating Broker.

4

## MAIL or DELIVER

Mail or deliver your completed Application Form together with your Application payment (unless you are a Broker Firm Applicant):

**Mail to:**  
ANZ Share Registry  
GPO Box 3329  
Melbourne VIC 8060

**Deliver to:**  
ANZ Share Registry  
Level 12, 565 Bourke Street  
Melbourne VIC 3000

Your completed Application Form and Application payment must be received by ANZ Share Registry by no later than 5:00pm on the Closing Date – which is expected to be 17 September 2003. It is possible that the Offer will close early, so you should lodge your Application promptly.

For further details on applying for ANZ StEPS, see Section 3. If you have any questions on how to apply, call the ANZ StEPS InfoLine 1800 022 060.