



# A message from ANZ's Chairman Paul O'Sullivan

I am pleased to provide an overview of ANZ's First Half 2022 Financial Results.

ANZ reported a Statutory Profit after tax for the half year ended 31 March 2022 of \$3,530 million, up 10% on the previous half.

Cash profit (from continuing operations), which excludes non-core items included in our statutory result, was \$3,113 million. While this was up 4% on the same period in 2021, it was down 3% on the previous half.

ANZ's Common Equity Tier 1 Ratio was strong at 11.5% and Cash Return on Equity was 10%.

The Interim Dividend payment of 72 cents per share, fully franked, amounts to approximately \$2 billion that is being paid to you, our shareholders.

Looking at the performance of the Group, the Board was pleased with the progress we have made in the continuing transformation of ANZ.

In Australia, we passed an important milestone in the technology transformation of the retail bank called ANZ Plus.

So far this has delivered 20 new technology platforms and hundreds of new automated processes. Once complete it will equip ANZ with modern cloud-based technology and make ANZ a more agile and competitive bank. Our first product on ANZ Plus is a 'Savings & Transact' proposition to help customers better manage their financial wellbeing.

During the half we also made good progress in improving our home loan processing times in Australia. This saw positive balance sheet momentum and we remain on track to grow our home loan book in line with the other major banks by the end of our financial year.

New Zealand had an excellent half, delivering good growth across all our product lines, with our home loan business a particular highlight.

The Institutional bank continued to highlight the benefits of our diversified portfolio with customer revenue again growing. We also saw strong growth in the payments we process on behalf of our financial institution customers, which is a fast growing and profitable business.

From a credit quality perspective, your bank remains in a strong position with customers, in general terms, emerging from the last two pandemic years in good shape.

This strength was reflected in our decision to release almost \$300 million of credit provisions while our collective provision balance of \$3.8 billion is around \$380 million higher than what it was prior to the pandemic.

## Non-Operating Holding Company

You may have seen reports that we intend to lodge a formal application with the Australian Prudential Regulation Authority (APRA) to establish a non-operating holding company.

If this proposal proceeds, a new listed parent holding company will be created with two wholly-owned distinct groups of entities sitting directly beneath it.

These would include a 'Banking Group' which would comprise the current Australia and New Zealand Banking Group Limited and the majority of its present-day subsidiaries, and a 'Non-Banking Group'.

The 'Non-Banking Group' will allow ANZ to offer our customers the best non-banking technology and services in a more efficient way. A good example is the investments we currently hold in 1835i, which is our external innovation and venture capital partner.

This structure is consistent with how many banks are structured and will provide ANZ with greater flexibility and the potential to create additional value for shareholders over time. Importantly, APRA will continue to regulate the Banking Group in the same way it does today.

Right now, shareholders don't need to do anything. If the proposal receives regulatory approval, shareholders will have the opportunity to vote on the proposed new structure during our Annual General Meeting in December. Further updates will be published on [shareholder.anz.com](http://shareholder.anz.com).

Finally, I would like to acknowledge all our people across our network. They have again done a terrific job delivering for their customers, our shareholders and the broader community.

Regards

**PAUL O'SULLIVAN**  
CHAIRMAN

## 2022 HALF YEAR HIGHLIGHTS

▼ -3%

**\$3,113 million**

CASH PROFIT<sup>1</sup>  
(Continuing operations)

**2H21**

**\$3,208 million**

No change

**72 cents**

DIVIDEND PER SHARE

**2H21**

**72 cents**

▼ -2%

**111 cents**

CASH EARNINGS PER ORDINARY SHARE  
(Continuing operations)

**2H21**

**113 cents**

<sup>1</sup> Cash profit excludes non-core items included in statutory profit and is provided to assist readers in understanding the result of the core business activities of the Group.

The non-core items are calculated consistently period on period so as not to discriminate between positive and negative adjustments, and comprise economic hedging and similar accounting items that represent timing differences that will reverse through earnings in the future.

The net after tax adjustment was a reduction to statutory profit of \$422 million (all attributable to continuing operations). Refer pages 71 to 73 of the First Half 2022 Results Announcement for further details.