



Supplementary Prospectus Dated 5 November 2019

Australia and New Zealand Banking Group Limited

*Australian Business Number 11 005 357 522
(Incorporated with limited liability in Australia and registered in the State of Victoria)
as Issuer*

ANZ Bank New Zealand Limited

*(incorporated with limited liability in New Zealand)
as Issuer and Guarantor of Notes issued by ANZ New Zealand (Int'l) Limited*

ANZ New Zealand (Int'l) Limited

*(incorporated with limited liability in New Zealand)
as Issuer*

US\$60,000,000,000

Euro Medium Term Note Programme

This supplement (the "**Supplement**") to the base prospectus of Australia and New Zealand Banking Group Limited ("**ANZBGL**") dated 21 May 2019, as supplemented by the supplementary prospectus dated 10 July 2019, 11 July 2019, 18 July 2019, 1 August 2019, 19 August 2019 and 20 August 2019 (the "**Base Prospectus**"), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000, as amended, (the "**FSMA**") and is prepared in connection with the US\$60,000,000,000 Euro Medium Term Note Programme established by ANZBGL (as Issuer), ANZ Bank New Zealand Limited (as Issuer and Guarantor of Notes issued by ANZ New Zealand (Int'l) Limited ("**ANZNIL**")) and ANZNIL (as Issuer).

The purpose of this Supplement is to:

- incorporate by reference into the Base Prospectus:
 - ANZBGL's audited annual consolidated financial statements for the Group (including the independent auditor's review report thereon and the notes thereto) for the year ended 30 September 2019 (as set out on pages 101 to 217 of ANZBGL's Annual Report ("**2019 Annual Report**")) ("**Consolidated Financial Statements**");
 - ANZBGL's audited annual non-consolidated financial statements (including the independent auditor's review report thereon and the notes thereto) for the year ended 30 September 2019 (as set out in the document entitled 'The Company - 2019 Financial Report' ("**2019 Financial Report**")) ("**Parent Entity Financial Statements**"); and
 - ANZBGL's Basel III Pillar 3 Disclosure as at 30 September 2019 ("**Basel III Pillar 3 Disclosure**");
- update the section entitled "Additional Information" of the Base Prospectus;
- update the sub-section entitled "Recent Developments" in the section entitled "Description of Australia and New Zealand Banking Group Limited and its Subsidiaries" of the Base Prospectus with information regarding (1) the Australian Prudential Regulation Authority's ("**APRA**") consultation on the capital treatment for investments in subsidiaries (Level 1), (2) the sale of OnePath Pensions & Investments ("**OnePath P&I**") to IOOF Holdings Limited ("**IOOF**") and (3) S&P Global's upgrade to Australia's Banking Industry Country Risk Assessment and ANZBGL's Additional Tier 1 and Tier 2 capital credit ratings.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed together with, the Base Prospectus.

ANZBGL accepts responsibility for the information contained in this Supplement and to the best of the knowledge of ANZBGL (which has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. 2019 Annual Report, 2019 Financial Report and Basel III Pillar 3 Disclosure

On 4 November 2019, the 2019 Annual Report, the 2019 Financial Report and the Basel III Pillar 3 Disclosure were released. Copies of the 2019 Annual Report, 2019 Financial Report and Basel III Pillar 3 Disclosure have been filed with the National Storage Mechanism and will be available for inspection at www.morningstar.co.uk/uk/nsm and, by virtue of this Supplement, the Consolidated Financial Statements contained in the 2019 Annual Report, the Parent Entity Financial Statements contained in the 2019 Financial Report and the Basel III Pillar 3 Disclosure shall be deemed to be incorporated into, and form part of, the Base Prospectus. Copies of the Consolidated Financial Statements, the Parent Entity Financial Statements and Basel III Pillar 3 Disclosure are also available at <http://www.shareholder.anz.com/supplementary-disclosures-euro-medium-term-note-programme>.

2. Update of the Additional Information Section

By virtue of this Supplement, the information contained in the "Additional information" section on page 186 of the Base Prospectus shall be updated:

(a) under paragraph (3)(i) with the following information: "Since 30 September 2019 there has been no significant change in the financial or trading position of ANZBGL and its subsidiaries taken as a whole. Since 30 September 2019 there has been no material adverse change in the prospects of ANZBGL and its subsidiaries taken as a whole; and

(b) under paragraph 4(i) with the following information: " ANZBGL only, as set out under the sections entitled "Other Contingent Liabilities" and "Contingent Assets" in Note 33 to the Consolidated Financial Statements, which are incorporated by reference into this Base Prospectus.

3. Update of the Recent Developments Section - Update on APRA's consultation on the capital treatment for investments in subsidiaries (Level 1)

On 15 October 2019, APRA released a discussion paper on draft revisions to the prudential standard APS111 "Capital Adequacy: Measurement of Capital" for consultation. The most material change from APRA's proposal is in relation to the treatment of capital investments for each banking and insurance subsidiary at Level 1 with the tangible component of the investment changing from 400% risk weighting to:

- 250% risk weighting up to an amount equal to 10% of ANZBGL's net Level 1 Common Equity Tier 1 ("CET1"); and
- the remainder of the investment will be treated as a CET1 capital deduction.

ANZBGL is reviewing the implications for its current investments.

The net impact on the Group is unclear and will depend upon a number of factors including the capitalisation of the affected subsidiaries at the time of implementation, the final form of the prudential standard, as well as the effect of management actions being pursued that have the potential to materially offset the impact of these proposals.

Based on ANZBGL's current investment in its affected subsidiaries and in the absence of any offsetting management actions, the above proposals implies a reduction in ANZBGL's Level 1 CET1 capital ratio of up to approximately \$2.5 billion (approximately 75 basis points). However, ANZBGL believes that this outcome is unlikely and, post implementation of management actions, the net capital impact could be minimal.

There is no impact on the Group's Level 2 CET1 capital ratio arising from these proposed changes, which are proposed to be implemented from 1 January 2021.

4. Update of the Recent Developments Section - Update on OnePath P&I sale to IOOF

On 17 October 2019, the Group announced it has agreed a revised price for the sale of its OnePath P&I business and Aligned Dealer Groups ("ADGs") to IOOF of \$850 million, being a \$125 million reduction from the original sale price of \$975 million announced in October 2017.

The new price of \$850 million includes approximately \$25 million that the Group has already received for the sale of its ADGs in October 2018. The revised terms reflect changing market conditions and include lower overall warranty caps as well as some changes to the strategic alliance arrangements.

Subject to APRA approval, the Group expects the transaction to complete in the first quarter of calendar year 2020 and is expected to increase the Group's CET1 capital ratio by approximately 20 basis points. The Independent Trustee (OnePath Custodians) and the Group have both confirmed no objection to the transaction.

The sale agreement includes termination rights for both the Group and IOOF if the remaining condition of APRA approval is not satisfied.

The Group and IOOF have agreed to extend the relevant date in the agreement to 31 December 2019, with each party having certain rights to further extend this date up until 30 June 2020.

5. Update of the Recent Developments Section - S&P Global upgrades Australia's Banking Industry Country Risk Assessment and ANZBGL's Additional Tier 1 and Tier 2 capital credit ratings

On 24 October 2019, S&P Global announced it has increased the stand-alone credit profiles (SACP) of ANZBGL, the Group and the other major Australian banks by one notch to 'a' from 'a-'. S&P Global stated that this reflects "the reduced economic risks we see in the Australian banking system due to an orderly correction in national house prices and modest growth in private debt in the past two years".

As a result, S&P Global has upgraded its credit ratings on the Additional Tier 1 (AT1) capital and subordinated debt (Tier 2 capital) instruments issued by entities in the Group by one-notch in line with the increase in the Group's revised SACP.

S&P Global also affirmed ANZBGL's senior unsecured credit rating at AA- (long term) and A-1+ (short term). The long-term rating continues to have a stable outlook.

The revised ANZBGL ratings are:

- Senior debt (long term): No change at AA- (stable)
- Senior debt (short term): No change at A-1+
- Basel 3 subordinated debt: upgraded from BBB to BBB+
- Basel 3 AT1 capital¹: upgraded from BB+ to BBB-

For the purposes of the Prospectus Directive 2003/71/EC (as amended) and this Supplement, any document or information incorporated by reference, either expressly or implicitly, into the 2019 Annual Report, 2019 Financial Report or Basel III Pillar 3 Disclosure does not form part of this Supplement. Information in the 2019 Annual Report, 2019 Financial Report or Basel III

¹ This includes ANZ Bank New Zealand Limited's NZ\$500 million Capital Notes which are also upgraded from BB+ to BBB- as their credit rating is calculated based on the Group's SACP.

Pillar 3 Disclosure which is not incorporated by reference into the Base Prospectus is either not relevant for investors or is covered elsewhere in the Base Prospectus.

A copy of this Supplement has been filed with the National Storage Mechanism and will be available for inspection at www.morningstar.co.uk/uk/nsm.

To the extent that there is any inconsistency between any statement contained in this Supplement or in any information or document incorporated by reference into, and forming part of, this Supplement and any other statement contained in the Base Prospectus or in any information or document incorporated by reference into, and forming part of, the Base Prospectus, the statements contained in this Supplement or in any information or document incorporated by reference into, and forming part of, this Supplement will prevail.

Save as disclosed in this Supplement or in any document incorporated by reference into, and forming part of, this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.