

## News Release

For release: 21 July 2016

### **Issue of JPY 10,000,000,000 0.70 per cent Fixed Rate Subordinated Notes**

#### **Notice under section 708A(12H)(e) of the Corporations Act 2001 (Cth)**

Today Australia and New Zealand Banking Group Limited ("**Issuer**") will issue JPY 10,000,000,000 0.70 per cent fixed rate subordinated notes due 21 July 2026 pursuant to its US\$60,000,000,000 Euro Medium Term Note Programme (the "**Subordinated Notes**").

The Subordinated Notes convert into fully paid ordinary shares of the Issuer ("**Ordinary Shares**") where the Australian Prudential Regulation Authority ("**APRA**") determines this to be necessary on the grounds that the Issuer would otherwise become non-viable.

This notice is a cleansing notice prepared for the purposes of section 708A(12H)(e) of the Corporations Act 2001 (Cth) ("**Corporations Act**") (as inserted by ASIC Corporations (Regulatory Capital Securities) Instrument 2016/71) to enable Ordinary Shares or Approved NOHC Ordinary Shares issued on conversion of the Subordinated Notes to be freely tradeable without further disclosure and includes:

- in Schedule 1 a description of the rights and liabilities attaching to the Subordinated Notes that has been extracted from the Information Memorandum dated 16 May 2016 (the "**Information Memorandum**");
- in Schedule 2 commercial particulars of the Subordinated Notes, extracted from the Pricing Supplement for the Subordinated Notes dated 19 July 2016 (the "**Pricing Supplement**"); and
- in Schedule 3 a description of the rights and liabilities attaching to Ordinary Shares.

Words and expressions defined in the Information Memorandum have the same meanings in the remainder of this cleansing notice unless the contrary intention appears.

The issue of the Subordinated Notes by the Issuer will not have a material impact on the Issuer's financial position. If a Non-Viability Trigger Event occurs and the Issuer issues Ordinary Shares, the impact of Conversion on the Issuer would be to increase the Issuer's shareholders' equity. The number of Ordinary Shares issued on Conversion is limited to the Maximum Conversion Number. The Maximum Conversion Number is 269,189.1484 Ordinary Shares per Subordinated Note (with a nominal value of JPY 100,000,000), based on the Issue Date VWAP of JPY 1,857.43.

As a disclosing entity, the Issuer is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Broadly, these obligations require the Issuer to prepare and lodge with ASIC both yearly and half yearly financial statements and to report on its operations during the relevant accounting period, and to obtain an audit or review report from its auditor.

Copies of documents lodged with ASIC may be obtained from or inspected at an ASIC office.

The Issuer must ensure that the ASX is continuously notified of information about specific events and matters as they arise for the purposes of ASX making the information available to the Australian securities market. In this regard, the Issuer has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information concerning it of which it becomes aware, which a reasonable person would expect to have a material effect on the price or value of its quoted securities.

The Issuer will provide a copy of any of the following documents free of charge to any person who requests a copy before the Subordinated Notes are issued:

- any continuous disclosure notices given by the Issuer in the period after the lodgement of the annual financial report of the Issuer for the year ended 30 September 2015 and before the date of this notice;
- the Issuer's consolidated financial report and dividend announcement for the half year ended 31 March 2016;
- the Issuer's annual financial report for the year ended 30 September 2015; and
- the Issuer's constitution.

All written requests for copies of the above documents should be addressed to:

Investor Relations Department  
Australia and New Zealand Banking Group Limited  
ANZ Centre Melbourne  
Level 10  
833 Collins Street  
Docklands VIC 3008

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES OF AMERICA

*This Notice is not a prospectus or other disclosure document in relation to the Subordinated Notes, and does not constitute an offer or invitation for the Subordinated Notes or any Ordinary Shares for issue or sale in Australia. Subordinated Notes are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 or Chapter 7 of the Corporations Act. The securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States or any jurisdiction, and the securities may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons unless an exemption from the registration requirements of the US Securities Act is available and the offer and sale is in accordance with all applicable state securities laws of any state of the United States. This notice is not an offer or invitation to any U.S. persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act")).*