2008 Annual General Meeting
18 December 2008
Michael Smith
Chief Executive Officer
Queensland - one of Australia’s strongest growing states

GSP & Household Disposable income

Annual change %

Source: ANZ Economics

Population growth

Annual change %

Source: ANZ Economics
Perspective on the current environment

Global financial crisis  Impact on our regions

Building a stronger super regional bank
2008 has been an extraordinary year

- 25 banks in the US have failed
- 230,000 job losses in banking
- Job losses could reach 500,000
- Financial institutions have written off close to US$1 trillion

### Cumulative global losses from the credit crisis

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</tr>
</thead>
<tbody>
<tr>
<td>$bn</td>
<td>7</td>
<td>66</td>
<td>282</td>
<td>504</td>
<td>670</td>
<td>918</td>
<td>983</td>
</tr>
</tbody>
</table>

Source: ANZ Economics, Bloomberg
Financial sector turmoil being felt in the real economy

Global economic growth (GDP)

% change from earlier year

Year

Source: ANZ Economics
A record year for ANZ term wholesale funding

2008 wholesale funding program

- Public Senior
- Private Placements
- Subordinated Debt

Finalisation of government guarantee
## Signs of significant slowing in domestic markets

<table>
<thead>
<tr>
<th></th>
<th>Australia</th>
<th>New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
<td>2009F</td>
</tr>
<tr>
<td>GDP</td>
<td>3.1%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>4.2%</td>
<td>5.7%</td>
</tr>
<tr>
<td>AUD/USD</td>
<td>0.8%</td>
<td>0.6%</td>
</tr>
<tr>
<td>AUD/NZD</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: ANZ Economics, Bloomberg

China & India forecast to grow 5 to 8% in 2009
Significant impacts on equities market

ANZ and major Australian peer bank average
(share price movement %)

Source: Reuters
*Rebased index 17/12/2007
Benefits already being seen from ANZ’s strong position

Household deposit growth

Traditional Banking Customers
(12 month growth from Oct ‘07)

# Source: APRA statistics
## Source: Roy Morgan Single Source using 12 monthly moving averages, Traditional Banking is defined as Transactions, Deposits, Mortgages, Personal/Other Loans and Credit Cards, *Peer Average includes CBA, NAB, and Westpac, ^ Regional Average includes St.George, Bendigo Bank, BankWest, Adelaide Bank, Bank of Queensland, and Suncorp
Super Regional strategy

**RESTORE**
- Institutional
- Increase revenue growth faster than cost growth
- Drive Asia profit

1 to 2 years

**OUT PERFORM**
- Quality on par with Global leaders
- Superior customer experience
- Unlock franchise value

2 to 5 years

**TRANSFORM**
Create a leading Super Regional Bank

5+ years
Changing trends recognised in 2007

Major trends changing the world for banks and financial institutions

- Globalisation of capital
  - Consolidation
  - Technology
  - Convergence
  - Sustainability

AGM 2007
ANZ has strengthened its balance sheet

**Strengthened capital position (Tier 1 ratio)**

<table>
<thead>
<tr>
<th></th>
<th>Sep 06</th>
<th>Sep 07</th>
<th>Sep 08</th>
<th>Sep 08 Pro Forma</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>6.8%</td>
<td>6.7%</td>
<td>7.7%</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

**Strengthened collective provision balance (CP/CRWA)***

<table>
<thead>
<tr>
<th></th>
<th>Sep 06</th>
<th>Sep 07</th>
<th>Sep 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP/CRWA</td>
<td>0.81%</td>
<td>0.73%</td>
<td>1.13%</td>
</tr>
</tbody>
</table>

**Significant increase in Liquidity ($bn)**

<table>
<thead>
<tr>
<th></th>
<th>Sep-07</th>
<th>Sep-08</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and other liquid assets</td>
<td>20.1</td>
<td>34.7</td>
<td>55.0</td>
</tr>
<tr>
<td>Liquidity portfolio</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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* Including 2008 final dividend underwrite
#2008 Risk Weighted Assets calculated using Basel II methodology.; prior period numbers reflect Basel I methodology
New business model driving the business forward

- Australia
  - Retail
  - Commercial

- New Zealand
  - Retail
  - Commercial

- Asia Pacific
  - Retail
  - Commercial

- Institutional
  - Institutions
  - Corporates

Wealth Management
Underlying business is performing well

Full year revenue growth

<table>
<thead>
<tr>
<th>Reported revenue growth</th>
<th>Underlying revenue growth*</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.3%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

Australia
- amongst best performing retail banks

Asia Pacific
- 52% increase in Cash Profit in 2008

New Zealand
- maintained market share

Institutional
- good performance in Working Capital and Business Banking

* Adjusting for Credit Risk on Derivatives and structured transaction (matching offsetting tax credit)
Higher provisions impacted results

Individual provisions

<table>
<thead>
<tr>
<th></th>
<th>FY07</th>
<th>FY08</th>
</tr>
</thead>
<tbody>
<tr>
<td>$m</td>
<td>438</td>
<td>1,130</td>
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</tbody>
</table>

Collective provisions

<table>
<thead>
<tr>
<th></th>
<th>FY07</th>
<th>FY08</th>
</tr>
</thead>
<tbody>
<tr>
<td>$m</td>
<td>83</td>
<td>818</td>
</tr>
<tr>
<td>Economic cycle adjustment and concentration risk</td>
<td>83</td>
<td></td>
</tr>
</tbody>
</table>
Building our business for the future

- reasonable result in difficult circumstances
- maintained the dividend
- significantly improved balance sheet strength
- right strategy, taking the right actions
The material in this presentation is general background information about the Bank’s activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

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