



U.S. Investor Website Update

Issue of US\$1,500,000,000 Fixed Rate Subordinated Notes

On May 19, 2016, Australia and New Zealand Banking Group Limited ("**Issuer**") issued US\$1,500,000,000 fixed rate subordinated notes due May 2026 pursuant to its US\$25,000,000,000 144A debt programme (the "**Subordinated Notes**").

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

The issue of the Subordinated Notes by the Issuer did 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 54,644.8087 Ordinary Shares per Subordinated Note (with a nominal value of US\$200,000), based on the Issue Date VWAP of US\$18.30.