Earning the trust & respect of our shareholders, customers & community, and our people

Presentation to Australian Shareholders’ Association
October 1, 2002

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Chief Executive Officer
Australia and New Zealand Banking Group Limited
Earning the trust and respect of our shareholders
Earning shareholder respect

- Recovery
- Consolidation
- Performance

Revenue (LHS)
Expenses (LHS)
Provisions (LHS)
Profit (RHS)

* Mar-02 annualised
Delivering performance

NPAT

Cost Income Ratio

EPS & Dividends

ROE

*annualised
ANZ has delivered strong total shareholder returns

Total Shareholder Returns (TSR)

Source: CSFB
We have a diversified portfolio of businesses

<table>
<thead>
<tr>
<th>Business</th>
<th>Mar-02</th>
<th>Mar-01</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Banking Australia</td>
<td>129</td>
<td>131</td>
<td>-1%</td>
</tr>
<tr>
<td>Mortgages</td>
<td>115</td>
<td>108</td>
<td>6%</td>
</tr>
<tr>
<td>Institutional Banking</td>
<td>113</td>
<td>95</td>
<td>20%</td>
</tr>
<tr>
<td>Wealth Management</td>
<td>80</td>
<td>58</td>
<td>38%</td>
</tr>
<tr>
<td>Consumer Finance</td>
<td>79</td>
<td>40</td>
<td>98%</td>
</tr>
<tr>
<td>Transaction Services</td>
<td>75</td>
<td>66</td>
<td>14%</td>
</tr>
<tr>
<td>Corporate Banking</td>
<td>68</td>
<td>61</td>
<td>11%</td>
</tr>
<tr>
<td>Small Medium Business</td>
<td>68</td>
<td>55</td>
<td>22%</td>
</tr>
<tr>
<td>Treasury</td>
<td>63</td>
<td>26</td>
<td>142%</td>
</tr>
<tr>
<td>Asset Finance</td>
<td>49</td>
<td>45</td>
<td>10%</td>
</tr>
<tr>
<td>Personal Banking NZ</td>
<td>46</td>
<td>46</td>
<td>1%</td>
</tr>
<tr>
<td>Pacific/Asia Consumer</td>
<td>43</td>
<td>28</td>
<td>51%</td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>41</td>
<td>42</td>
<td>-2%</td>
</tr>
<tr>
<td>Corp Financing &amp; Advisory</td>
<td>41</td>
<td>38</td>
<td>8%</td>
</tr>
<tr>
<td>Structured Finance</td>
<td>41</td>
<td>39</td>
<td>6%</td>
</tr>
<tr>
<td>Capital Markets</td>
<td>31</td>
<td>24</td>
<td>32%</td>
</tr>
</tbody>
</table>
...and we are building an improved, more sustainable portfolio

Source of profit - today

- Wealth (5 - 10%)
- Small Bus (25 - 35%)
- Consumer Banking (35 - 45%)
- Mortgages (5 - 10%)
- ANZIB (15 - 20%)
- Corporate (15 - 20%)
- Asset Finance (~2005 ~80%)
- Cards (5 - 10%)

Source of profit ~2005

- High
- Low
- Weak
- Strong

Current ANZ Position
Delivering for retail shareholders

- Shareholder privilege pack
- Regular shareholder meetings across Australia and New Zealand
- Regular briefings for private client advisors
- Market briefings webcast, and available to all investors

A comprehensive website to inform retail shareholders

Shareholders

<table>
<thead>
<tr>
<th>000's</th>
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<tbody>
<tr>
<td>250</td>
</tr>
<tr>
<td>200</td>
</tr>
<tr>
<td>150</td>
</tr>
<tr>
<td>100</td>
</tr>
<tr>
<td>50</td>
</tr>
<tr>
<td>0</td>
</tr>
</tbody>
</table>

1992 2001
Protecting and creating value for our shareholders with strong governance

- 8 member board, with CEO only executive director
  - Non-executive directors meet the independence requirements of recent US governance pronouncements
  - Non-executive Chairman

- Corporate governance policy dealing with audit conflicts
  - ANZ’s auditor may not provide non-audit services, except in specific circumstances and following approval by the audit committee

- Recognised as a leader for disclosure and transparency

- Executive remuneration biased towards long-term rewards
  - Bonuses principally in the form of deferred shares
  - Incentive to create long term, sustainable value
Earning the trust and respect of our customers and the community
We are committed to dealing with community concerns

Outrage at $7 billion in bank fees
Customers stay unhappily married to their banks
Bank shock: it’s time to please customers
Branch closures hit country towns hard

Top 500 turn from major banks
Consumer loyalty: don’t bank on it
Many customers are satisfied, however we still have much work to do.
Restoring Customer Faith

2001

Basic account

Seniors Privilege
• Fee-free banking for customers aged 60 and over

Customer Charter
• Simple, fast account opening
• Access to services
• Privacy
• Plain language
• Complaint resolution

Customer Investment
• Measuring customer satisfaction
• Management accountable for service quality

Restoring customer faith
• Local CEO’s
• Addressing core concerns
  ➢ Queues
  ➢ Fees
  ➢ Errors
• Service quality
• Empowered staff

To come

Page 13
Customer Charter – ten promises

1. Simple accounts, fees and charges
2. Simple, fast account opening
3. Quick, convenient branch banking
4. 24 hour, 7 day accessibility
5. Fast, efficient phone service
6. Respect for personal information and privacy
7. Helping you understand our communications
8. Swift resolution of complaints
9. Building relationships with the community
10. Accountability through an independent audit
Transforming the personal customer experience

Bringing more energy to the branch network

- 100 local CEO’s
- Create autonomy to set local strategies
- An ownership culture among staff – ‘Think like a customer, act like an owner’
Encouraging results from the pilot

Customer Satisfaction with Branch experience

Staff satisfaction

<table>
<thead>
<tr>
<th>Control</th>
<th>Pilot</th>
<th>Victoria</th>
<th>Pilot</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.0</td>
<td>8.5</td>
<td>65%</td>
<td>90%</td>
</tr>
</tbody>
</table>
Customers have responded positively to our new transaction accounts

Account Openings 2001 prior corresponding period

Accounts opened – up 14%
Accounts closed – down 25%
We are starting to make a difference

Customers flock to join low-fee ANZ

We’ll serve faster: ANZ

ANZ staff making wishes come true

ANZ chases closed banks

Hawker praises ANZ for opening a rural branch
Earning the trust and respect of our people
Our people are the key driver of long term competitive advantage and value creation

- Talented people
- Unique strategy
- Sustainable leadership
- Growth opportunities
- Return on equity
- Cost of capital
- Strong brand
- Vibrant culture

Share price
- Compound growth rate 30%
- Compound growth rate 5.4%

<table>
<thead>
<tr>
<th>Year</th>
<th>Intangible net assets per share</th>
<th>Tangible net assets per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>$4.98</td>
<td>$4.04</td>
</tr>
<tr>
<td>Today</td>
<td>$17.65</td>
<td>$11.51</td>
</tr>
</tbody>
</table>

Intangible net assets per share
Tangible net assets per share
We are making a substantial difference for our people...

Staff satisfaction

<table>
<thead>
<tr>
<th>Year</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>49</td>
</tr>
<tr>
<td>2000</td>
<td>58</td>
</tr>
<tr>
<td>2001</td>
<td>62</td>
</tr>
<tr>
<td>2002</td>
<td>78</td>
</tr>
</tbody>
</table>
...and our people are increasingly positive about ANZ

Values and cooperation are key to fully leveraging our specialisation strategy.
We are creating a strong employment brand, which will deliver us the best people

Applications for graduate positions

200-225 positions available
Earning trust and respect by delivering value to all stakeholders

Value created

Shareholders

Our people

Customers and Community

Shareholders

Customers and Community

Our people

1997 2000 2002
Copy of presentation available on

www.anz.com
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