

ANZ ASIA INVESTOR TOUR 2014

AUSTRALIA AND
NEW ZEALAND
BANKING GROUP
LIMITED

23 JULY 2014

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GROUP

Client Value Proposition &
Coverage

洞悉先機



全憑我們在亞太區29個市場的專業與卓見

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ANZ



澳新銀行

Business Performance Management supports Global Products & Customer Segments through a range of centralised functions



ANZ's Asia Pacific network coupled with depth of product capability and strong risk discipline is unique

Leveraging leadership in domestic markets to drive offshore growth

- Deep presence in Asia coupled with strategic expansion rounds out our network footprint
- Connecting clients to growth opportunities in key corridors, winning regional cross-border deals
- Network presence in Europe and America links customers into the Asia Pacific corridors

Strong product capabilities

- ROE accretive, capital-light products
- Product leadership in key categories (e.g. Cash & Trade, FX, Loans & Syndication & Commodities)
- Competitive product platforms (e.g. Transactive, Markets)

Disciplined execution to complement growth

- Targeted customer segments developing deeper, more profitable relationships
- Risk discipline - AA rated bank with strong reputation
- Centralised optimisation of capital allocation and business performance

ANZ will compete via insights-led, deep customer relationships

- Insights-driven relationships and comprehensive product suite
- Diverse network to facilitate corridor flows for priority customer segments and industries
- Enhancement of customer platforms

Clear market leadership in Australia and NZ is a competitive advantage in facilitating cross border deals

Leading bank in Australia and New Zealand...



Ranked #1¹:

- Overall Lead Bank Penetration
- Relationship Strength Index
- Overall Satisfaction with Products and Services
- Most Trusted Advisor
- Knowledge of Customers' Industry

Other awards:

- Best Trade Finance Bank in Australia (2012 – 2013, The Asian Banker)
- Australia/New Zealand Loan House of the Year (2013, IFR Asia Awards)

...with a leading global brand

- Amongst the top 55 global brands²
- Brand value up 15% in 2014, ahead of Citi, Westpac, Standard Chartered, DBS and NAB

and a top 4 Corporate Bank in Asia by market penetration³...

Greenwich Associates Large Corporate Study Asian Large Corporate Banking Market Penetration

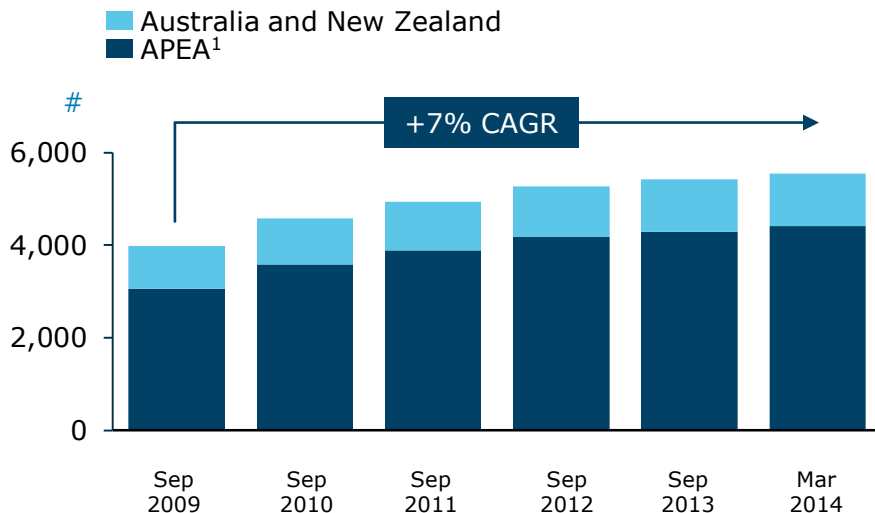


---> Represents the momentum of growth and quality improvement achieved by ANZ Bank over the past 4 years

1. Peter Lee Associates Large Corporate and Institutional Relationships Banking surveys, Australia and New Zealand 2014. Ranked against the Top 4 competitors. 2. BrandZ Top 100 Most Valuable Global Brands study (2014) 3. As defined by Total Relationships Market Penetration In Asia 4. The Greenwich Quality Index score is based upon a normalized composite of all qualitative evaluations transformed to a scale of 0 to 1,000 with the difference from the average shown. Note: Cross-hairs are calculated by the average of the banks shown in graph.

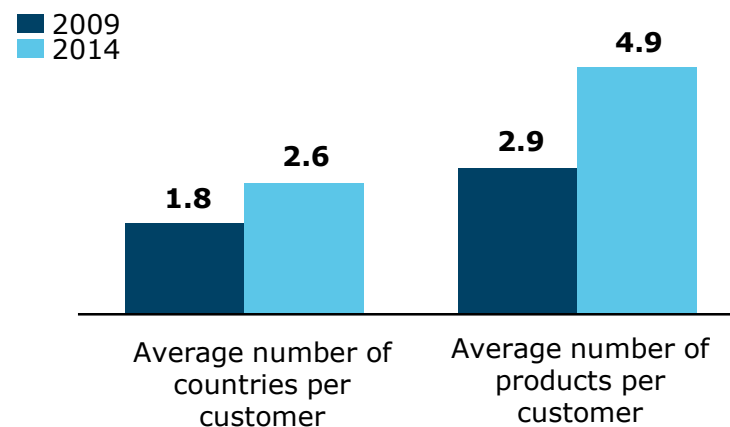
ANZ has demonstrated great customer momentum in becoming a regional player

Well managed growth in Institutional customers...



... and deepened wallet share of strategic clients

Product and geographic penetration of international customers²



... to deliver strong growth in ANZ's priority segments and industries

- 329 Institutional clients have an active relationship with ANZ in 5 or more countries, representing an 8% annual increase³
- Cross-border revenue is up 6% year-on-year³
- Steady customer growth in priority segments; Local Diversified Industries up 8%, Natural Resources up 7%, Agribusiness up 6%, Utilities and Infrastructure up 4% year-on-year³

1. Pre-2011 Pacific individual customer data not captured historically; extrapolated based on FY11 Pacific customer growth rate
 2. Based on customers outside of Australia and New Zealand and existed between 2009 and 2014
 3. As at 1H14

Our expanded footprint assists us to differentiate our client offerings

Rounding out ANZ footprint to support clients' needs across the network

- Representative Office in Myanmar
- Full banking license in Thailand
- Sub-branch in Shanghai FTZ
- Regulatory approval obtained to open two branches in India and one Paris branch

Comprehensive product capabilities

- Leading Australasian bank with full suite of onshore and offshore RMB products
- Comprehensive DCM offerings with strong global cross-border distribution capabilities

Steady growth in key corridor flows:

From	To	Growth ¹
Asia	Australia	+6%
Asia	Pacific	+13%
EMEA	Asia	+4%

Our unique corridors connect clients more effectively

- Only regional bank with Australia as anchor markets:
 - Support 100% of all significant Asia (ex. Japan) Agri investment deals into Australia
 - Manage 35% of all iron ore flows from Australian producers into Asia
- Support 100% of all significant FDI transactions from China into New Zealand
- Leading foreign bank in Greater Mekong, allowing us to bank supply chains of global names
- Dominant corporate bank in Pacific
- EMEA contributes half of IIB's cross border throw

1. FY13 year on year growth

IIB will win by driving insight-led, deep customer relationships with targeted customer segments

IIB STRATEGIC PRIORITIES	KEY AREAS OF FOCUS FOR CLIENT COVERAGE
Connecting more Customers by Providing Seamless Value	<ul style="list-style-type: none">• Tailored customer segment value propositions to deepen relationships• Strengthening relationships with International businesses requiring cross-border banking• Attack key corridors across Asia, Australia and New Zealand
Delivering leading products through Insights	<ul style="list-style-type: none">• Generate proprietary insights to drive solution dialogue with clients• Deep dives on regional corridor flows to identify value add opportunities• Systematically commercialise solutions to targeted clients
Intensifying balance sheet discipline	<ul style="list-style-type: none">• Less capital intensive and shorter tenor products• ROE discipline core to execution• Optimise capital allocation via centralised approach
Scaling & optimising infrastructure	<ul style="list-style-type: none">• Increase volumes in flow products to drive down unit cost• ROE accretive products to increase customer relevance• Enhance digital platforms to improve customer experience

IIB is focused on developing deeper, more profitable relationships with GB, IB and Retail segments by delivering targeted value propositions

Segments	What we offer	How we serve	Our target
Global Banking	<ul style="list-style-type: none"> Bespoke products covered by product specialists and customised operations Intense coverage by Senior Bankers and Industry Heads 	<ul style="list-style-type: none"> Invest to deliver bespoke banking insights and solutions Global Account Management leveraging on global footprint 	<ul style="list-style-type: none"> Top 3 regional bank
International Banking	<p>Local Corporates</p> <ul style="list-style-type: none"> Partial product customisation covered by in-country relationship teams Sophisticated product range 	<ul style="list-style-type: none"> Insight-driven solutions provided by in-country teams Comprehensive client coverage leveraging on domestic market leadership and regional footprint 	<ul style="list-style-type: none"> Lead bank with full-service offering in Aus/NZ Top 3 Asian bank for flow products
	<p>Emerging Corporates</p> <ul style="list-style-type: none"> Standardised products (i.e. Trade Finance, FX and hedging) Local and offshore multi-currency funding 	<ul style="list-style-type: none"> Selective industry insight-driven solutions In-country coverage leveraging local footprint 	<ul style="list-style-type: none"> Top 3 international bank for flow products (cash, markets and trade)
Retail Banking	<ul style="list-style-type: none"> End-to-end financial solutions (deposit services, credit/debit cards, secured & unsecured lending facilities, investment & insurance) 	<ul style="list-style-type: none"> Dedicated Relationship Managers supported by product specialists (investment & insurance, treasury and mortgage) to serve Affluent segment Regional network and local specialists via branches, ATMs, call centres, e-banking and mobile banking 	<ul style="list-style-type: none"> Top 3 foreign bank offering / Leading foreign bank providing full suite of banking, investment products, and advisory services

Insight capabilities create a more compelling client offering by delivering superior customer outcomes

Origination and delivery of insights-led customer solutions through:

Using proprietary data to generate high-value cross-border solutions

Example: Landmark cross-border deal - Formosa Plastic Group

- End-to-end solution to facilitate a significant Taiwanese investment in an Australia iron ore project
- Insights delivered world-class country, product and industry advisory that gave ANZ the edge to win exclusive mandate

Collaborating with Relationships and Products to accelerate product sales

Example: Designed the first Basel III compliant Additional Tier 1 issue in Asia - UOB

- Design issuance structure and guided client through regulatory change
- Cross-jurisdictional engagement differentiated our DCM sales approach
- Replicating approach led to more bank Joint Lead Manager roles in the regulatory capital space

Systematically commercialising solutions to targeted clients

Example: Unlocked value in Australia Retail supply chain

- Analysis on Australia Retailers' direct sourcing trends led to development of FX solutions in anticipation of increasing FX volatility exposure
- Led discussions with 120 Retailers
- Generated A\$1m incremental revenue

Comprehensive flow products and platforms in key corridors

	Current Capability (2014)	Target Capabilities (2016) With key focus on flow products	Benefits
Cash & Trade	<ul style="list-style-type: none"> • Payment and Cash management • Full trade products across Documentary Credits, Guarantees Supply Chain and Trade Finance 	<ul style="list-style-type: none"> • Enhance Supply Chain and Trade Finance capabilities • Sophisticated Structured Trade Finance • Network Cash Management (pooling) • Enhance wholesale digital channels across web, mobile/tablet and host-to-host 	<ul style="list-style-type: none"> • Shorter tenor deals • Less capital intensive • Increase volume to drive down unit cost
Markets	<ul style="list-style-type: none"> • Global Syndication/Bonds • FX, Rates and Commodities spot and derivatives 	<ul style="list-style-type: none"> • Integrated segment sales and service • E-channel capability at competitive speeds • Increase transactional capacity to trade in commodities markets • Agency and Asian currency clearing • Specialised/high yield bonds and cross border debt 	<ul style="list-style-type: none"> • Capture greater cross-sell opportunities • Increase non-interest income
Retail Products	<ul style="list-style-type: none"> • Insurance and investment products (i.e. bonds, mutual funds, dual currency deposits) • Mortgages • Consumer Finance products (i.e. credit cards and personal loans) 	<ul style="list-style-type: none"> • Alternative investments: collateralised FX, equity and bond financing; unique commodities offerings • Full suite of transaction capability for payment channels (e.g. e-banking, mobile banking) • Foreign and business property mortgages and unsecured loans • Consumer finance products 	<ul style="list-style-type: none"> • Increase fee-based income • Deepen customer relationships through cross-sell • Drives greater customer acquisition

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