

ANZ Global Markets
Morgan Stanley Financials Forum

Steve Bellotti
Managing Director
ANZ Global Markets and Loans

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

12 September 2013

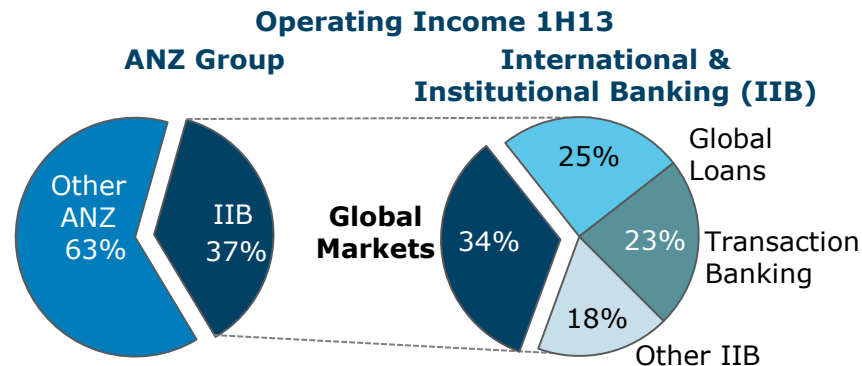


Global Markets is integral to the ANZ super regional strategy and supporting growth in cross border flows

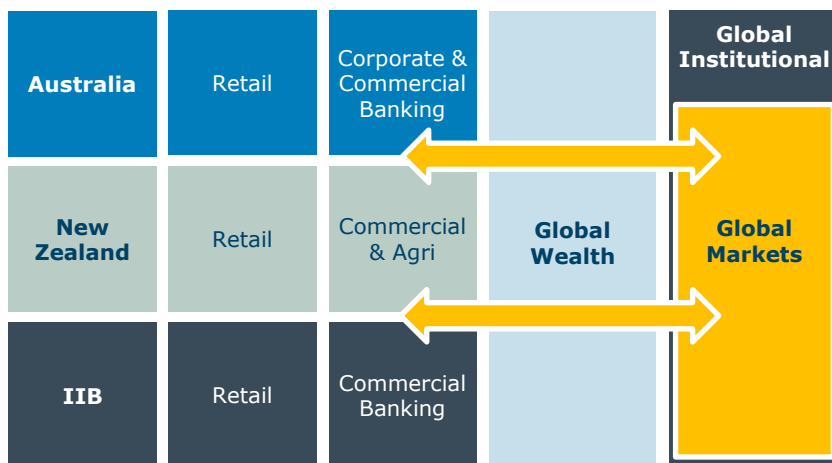
Significantly grown and diversified business by product, customer and geography

- Expanded product range, in particular FX capabilities
- Expanded Asia footprint and increased connectivity across region
- Increased bench strength of Markets team
- Grown and diversified client base
- Enhanced risk systems framework

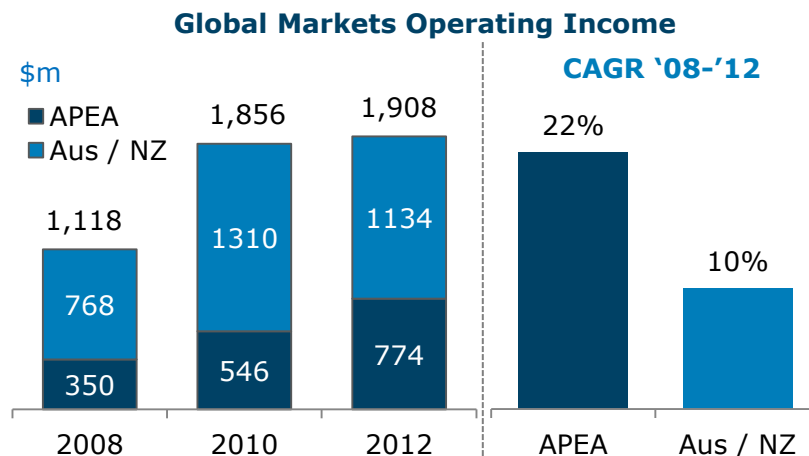
Global Markets is a significant contributor to ANZ's performance



Global Markets plays an important role servicing clients across ANZ



Solid income growth achieved through super regional strategy



Global Markets operates across ANZ's regional network, with a clear client focus and strategy in each region

Europe & America

Niche market focused on Investor clients

Offer access to Asian names via top tier regional credit platform with capability to 'originate and distribute' into Asia

Asia & Pacific

Growth market serving a broad client base, competing against regional and global players

Corporate/Institutional: Multi-currency flow platform (FX, Rates, Credit) and Debt Capital Markets delivering liquidity and access to global capital markets

Commercial: Preferred bank for clients with cross-border needs

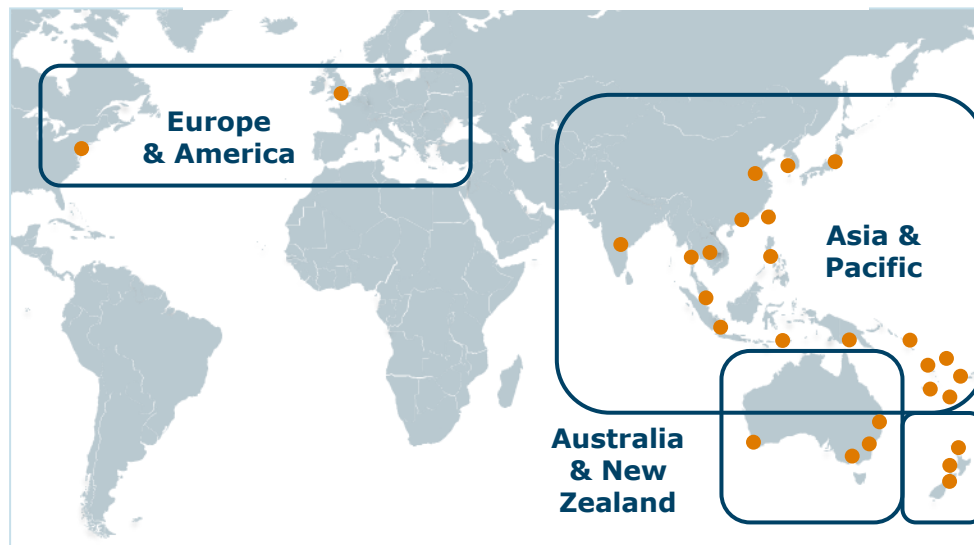
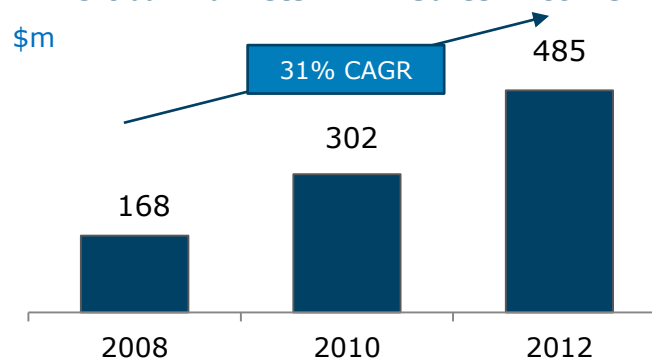
Australia & New Zealand

Well established and leading markets business

Predominately FX and Rates delivered by an efficient cost-to-serve model to Institutional, Corporate and Commercial clients

A growing client base through Asia Pacific, Europe & America

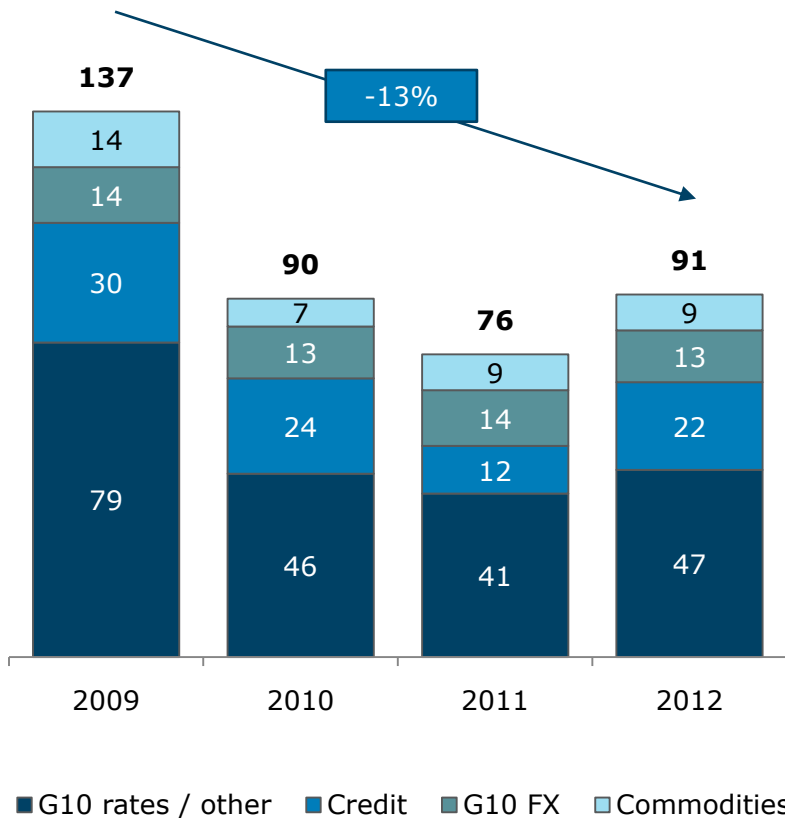
Global Markets APEA Sales Income



ANZ has outperformed against more challenging global and regional trends

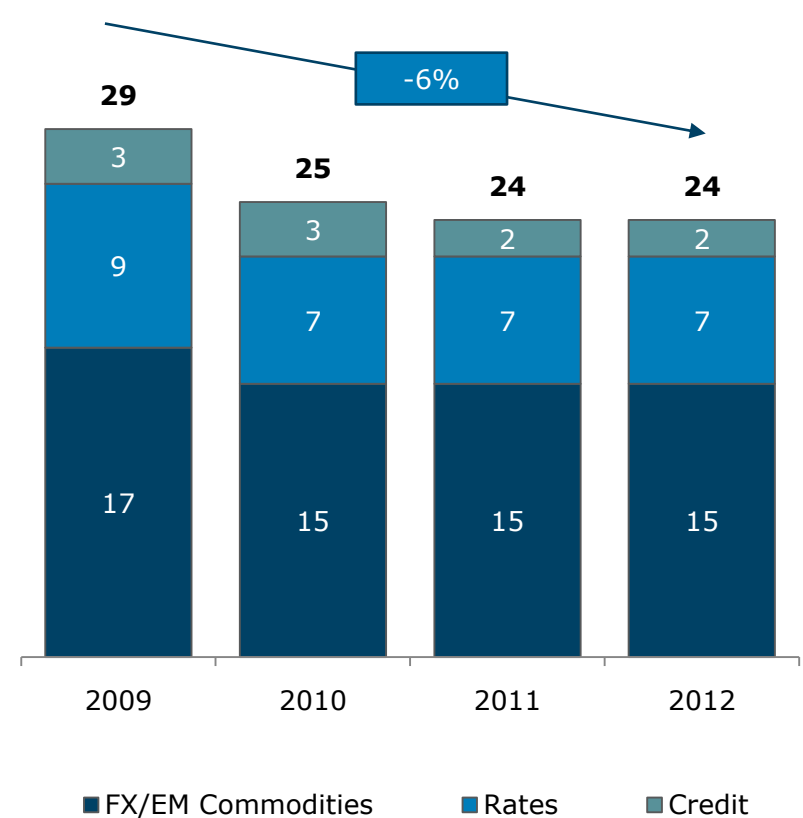
The FICC global wallet has shrunk with Rates the hardest hit

Global FICC Revenue
2009-2012, US\$b



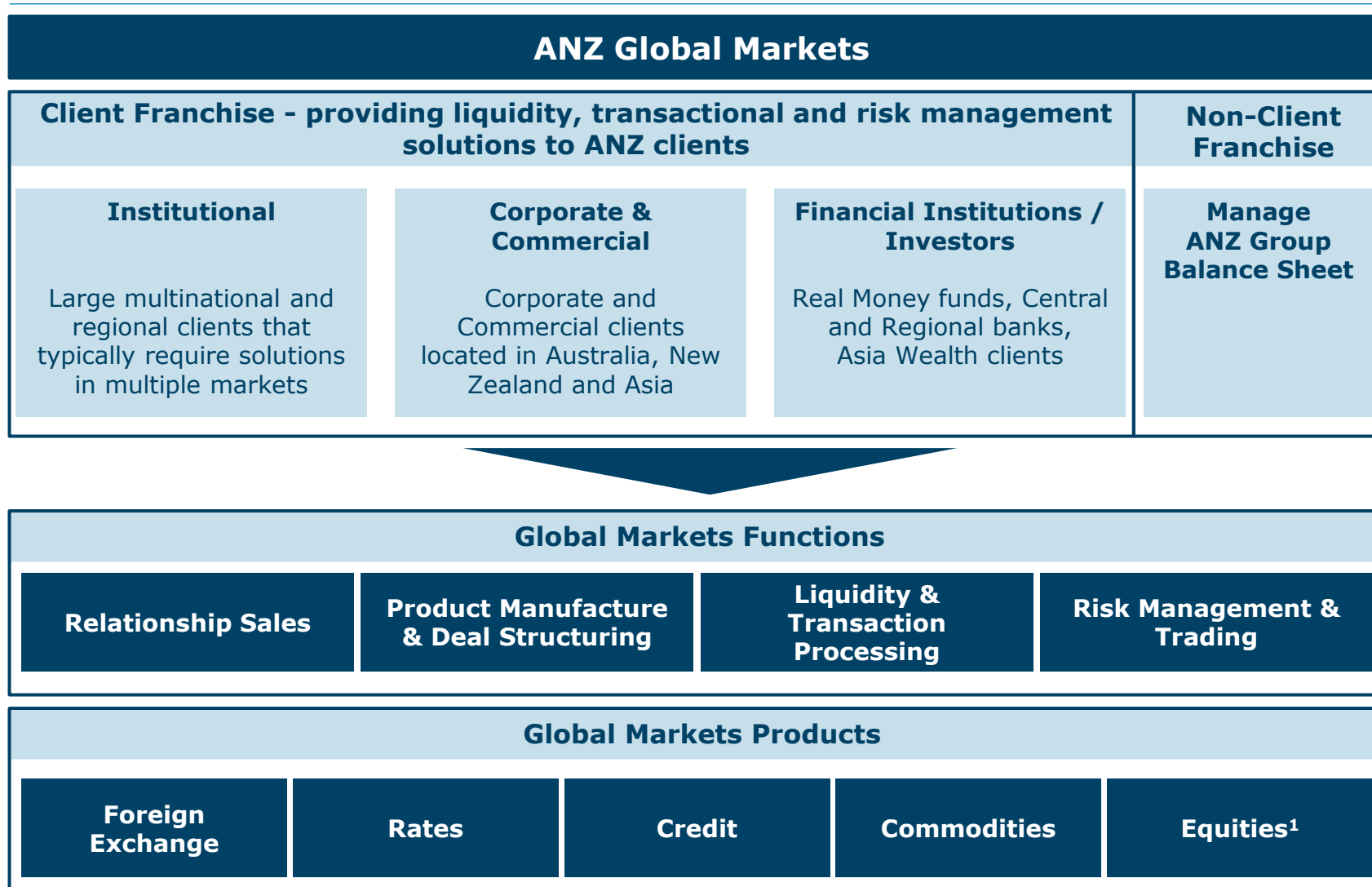
In Asia the FICC wallet has been relatively flat

Asian FICC Revenue
2009-12, US\$b



Source: Wholesale Banking Outlook, 2013, Oliver Wyman; 'Day of Reckoning' McKinsey Quarterly, September 2011

ANZ Global Markets structure



¹ ANZ Global Markets Equities offering includes Equity Derivative sales and trading and Equity Capital Markets

The business model is built around supporting the needs of ANZ clients

Global Markets income is generated through three principal sources

Sales

- Direct client business on core products such as Fixed Income, Foreign Exchange, Commodities and Debt Capital Markets
- Focussed on increasing the mix of sales income through greater penetration and client acquisition

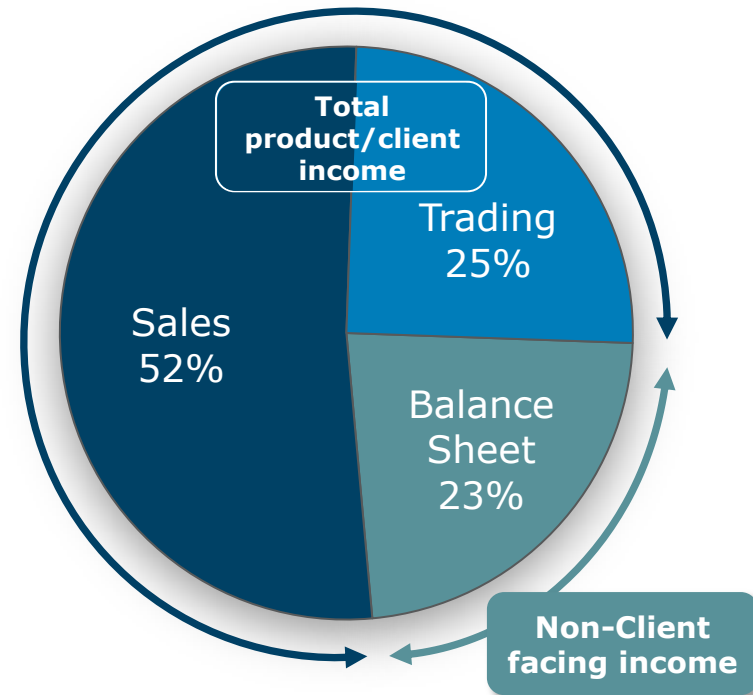
Trading

- Trading represents management of positions taken as part of direct client sales flow and strategic positions
- Trading in the rates and credit product, in line with balance sheet trading

Balance Sheet

- Management of interest rate risk for the loan and deposit books
- Management of the bank's liquidity position

ANZ Global Markets Income 1H13



A suite of products core to the liquidity, transactional and risk management needs of clients across ANZ

Foreign Exchange

- Foreign exchange risk management advice and products for clients
 - Global market execution with 24-hour capability through trading hubs in Singapore, Hong Kong, London, Sydney and Wellington
 - Onshore and offshore RMB trade and investment capabilities
-

Rates

- Interest rate risk hedging for clients
 - Pricing and risk management of credit instruments
 - Principal market execution, risk transfer, information sourcing, idea generation, product tailoring
-

Credit

- Origination and distribution of credit products
 - Corporate and Financial Institutions sourced listed, unlisted bonds, syndicated loans & securitisation
 - Management of the bank's liquidity portfolios and trading of position risk
-

Commodities

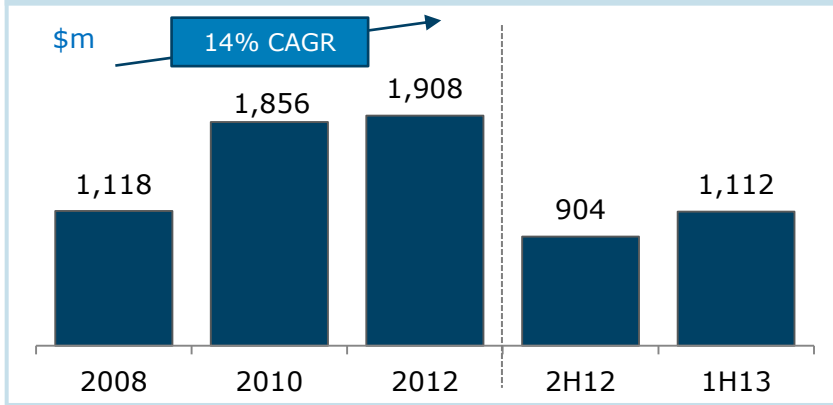
- Commodity price risk advice and management
 - Commodity derivatives (e.g. gold, soft commodities and energy)
 - Products include: spots and forwards, swaps, options, collars and structured deals
-

Equities

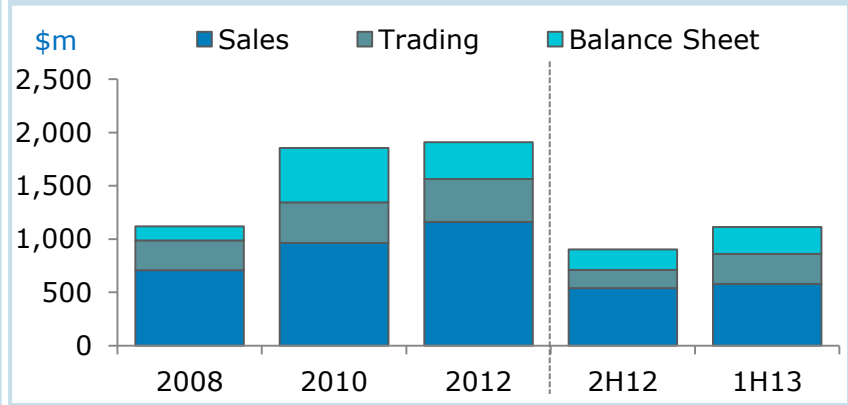
- Offers products based on equity derivatives to our Private Bank, Wealth and Institutional Clients
 - The offering addresses market access, portfolio hedging, capital preservation, income generation and asset allocation requirements
 - Products range from vanilla equity options to structured notes
-

Achieved growth through a focused build out of capabilities and strong client acquisition

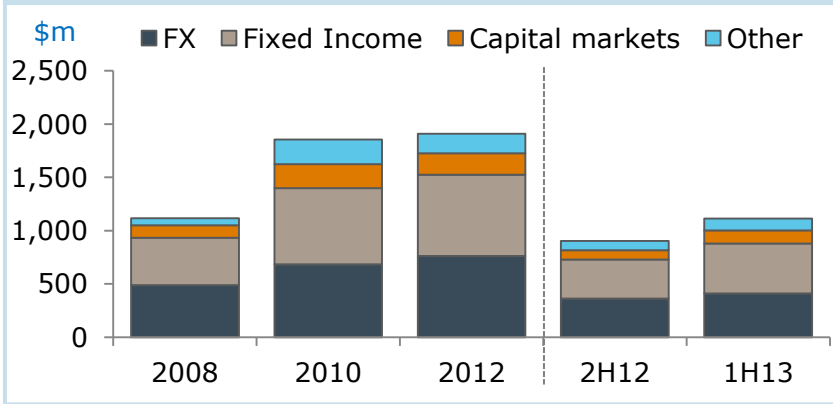
Global Markets Income



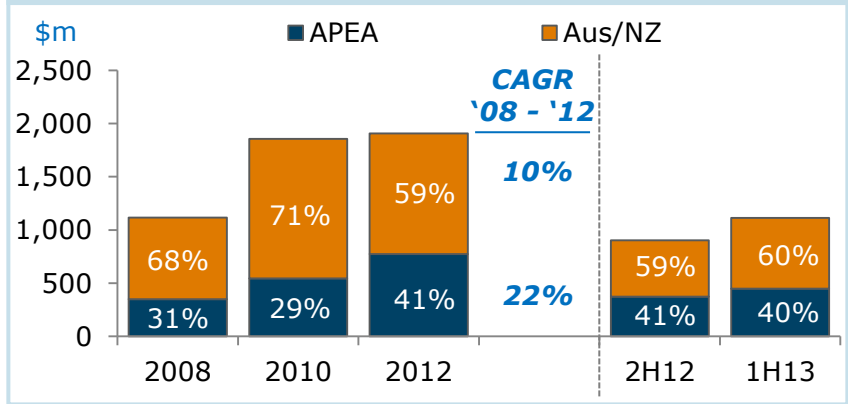
Global Markets Income by Type



Global Markets Income by Product



Global Markets Income by Geography



A strong risk framework underpins the Global Markets operating model and is central to our culture

- A focus on servicing ANZ clients through an 'originate to distribute' model
- Driven much greater diversification by income, product and geography within business
- People & culture
 - An entrenched, continuous Risk Culture Review process is in place
 - Risk management is a key criteria within executive objectives
- A clear execution framework in place which articulates what business we are prepared to do and not do – this is aligned to the performance plans and risk processes
- A strong focus on operational risk
 - Using scalable platforms and consistent processes
 - Digital capabilities allow greater standardisation of processes in addition to improving cost to serve
- The regulatory environment has evolved significantly over the past few years and we continue to monitor requirements closely and manage efficiently.

An improved risk profile

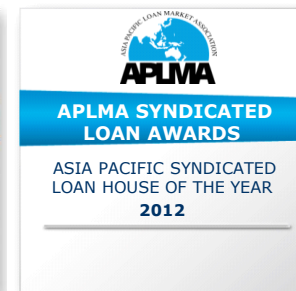
Income/\$ VAR \$m



¹ Represents annualised 1H13 Income/\$Var

Global Markets is integral to ANZ's super regional strategy and a key growth business

Recognised as a leading markets business



Achieved growth and diversification by product, client and geography

- Expanded product range, in particular FX capabilities
- Expanded Asia footprint and increased connectivity across region
- Increased bench strength of Markets team
- Grown and diversified client base
- Enhanced risk systems framework

Continued focus on growth and diversification

- Continue to grow and diversify client base
- Deepen penetration of existing client relationships and win greater share of wallet
- Build out Investor/FIG franchise
- Maintain strong risk management framework and culture

ANZ Global Markets
Morgan Stanley Financials Forum

Steve Bellotti
Managing Director
ANZ Global Markets and Loans

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

Appendix



Global Markets Leadership Team



Steve Bellotti
Managing Director
Global Markets

- Over 25 years experience across all asset classes
- Transformed and led large capital markets operations for global banks
- Prior leadership roles with Merrill Lynch and Dresdner Kleinwort in London, New York, Sydney, Hong Kong and Singapore

Global Loans



Eddie Listorti
Co-head of Fixed
Income, Currency,
Commodities
Regional Head SEA
& Pacific

- Over 18 years experience managing a range of global businesses within Markets
- Previously held senior roles at Dresdner Kleinwort based in London for 6 years and in Asia for 9 years running the Dresdner Asia and FX business for Bankers' Trust



Richard Huston
Co-head of Fixed
Income, Currency,
Commodities
Regional Head NEA,
Europe & America

- International career with over 25 years experience
- Prior roles include Co Head of Macro Risk at Dresdner Kleinwort, Asia Pacific MD roles with Merrill Lynch and has run his own private equity and investment ventures in London



Richard Kimber
GM & COO Global
Markets & Loans

- Global career leading start up businesses, companies in growth phases and large organisations
- Former Global CEO of Friendster, Regional MD Google, CEO FirstDirect Bank UK, and senior international roles with HSBC and Macquarie Bank

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

This presentation may contain forward-looking statements including statements regarding our intent, belief or current expectations with respect to ANZ's business and operations, market conditions, results of operations and financial condition, capital adequacy, specific provisions and risk management practices. When used in this presentation, the words "estimate", "project", "intend", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to ANZ and its management, are intended to identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Such statements constitute "forward-looking statements" for the purposes of the United States Private Securities Litigation Reform Act of 1995. ANZ does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

For further information visit

www.anz.com

or contact

Jill Craig

Group General Manager Investor Relations

ph: (613) 8654 7749 fax: (613) 8654 9977 e-mail: jill.craig@anz.com