



Consumer Finance

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Consumer Finance Overview

Consumer cards

- FUM +\$6b
- 20% market share

Personal Loans

- FUM +\$1.5b
- 8% market share

Merchant Services

- Credit Turnover +\$29b pa
- 16% market share

Commercial Cards

- Spend +\$3b
- 13% market share

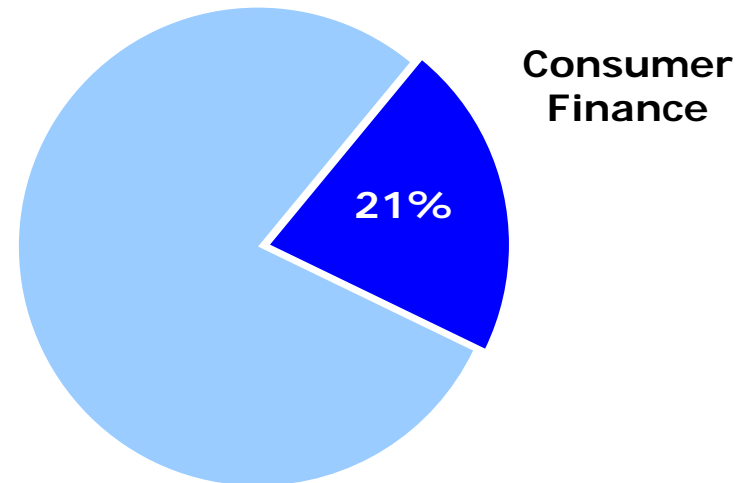
ATMs

- >400 increase in ATMs in F07 to 2215

Australian Call Centre

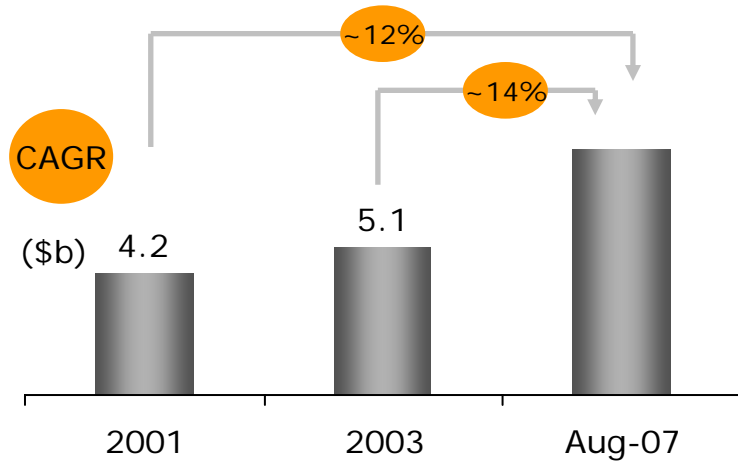
- Best Australian call centre 3 years in a row(1)
- Over 40 million contacts, 11 million consultant calls per year

Contribution to Personal Division NPAT (1H07)

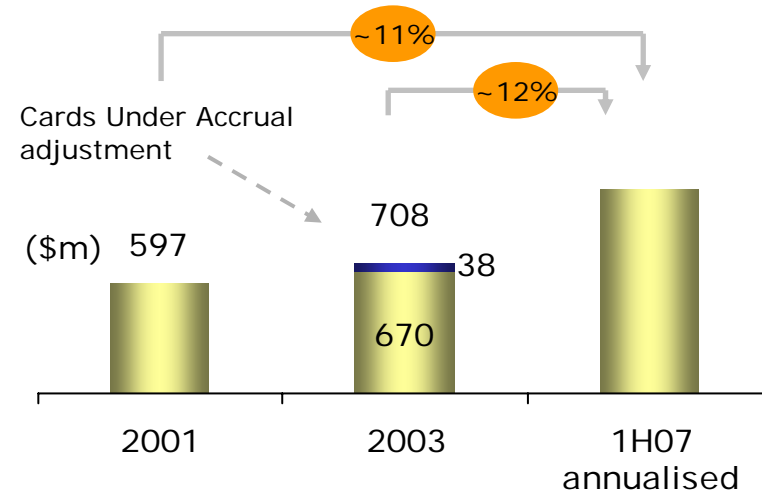


Consumer Finance has consistently been one of the Group's best performing businesses ...

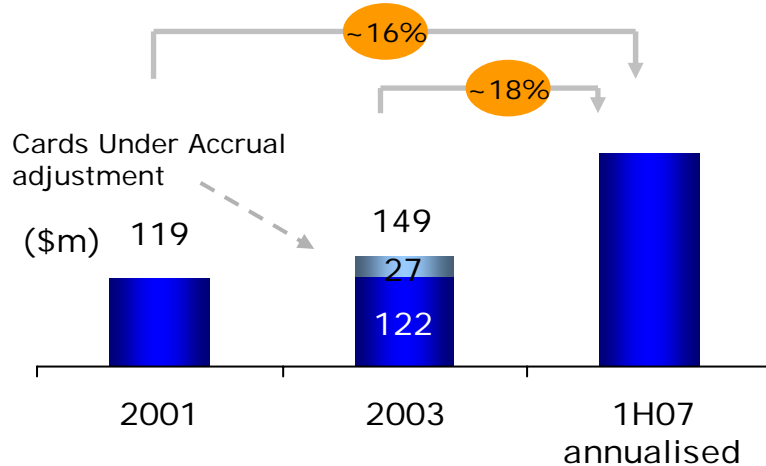
Solid FUM growth...



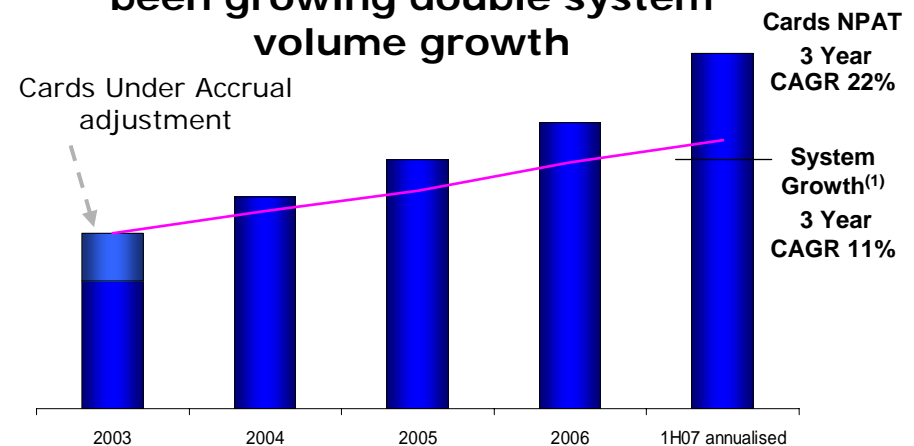
...with strong growth in revenue...



...and consistently strong profit growth (NPAT)



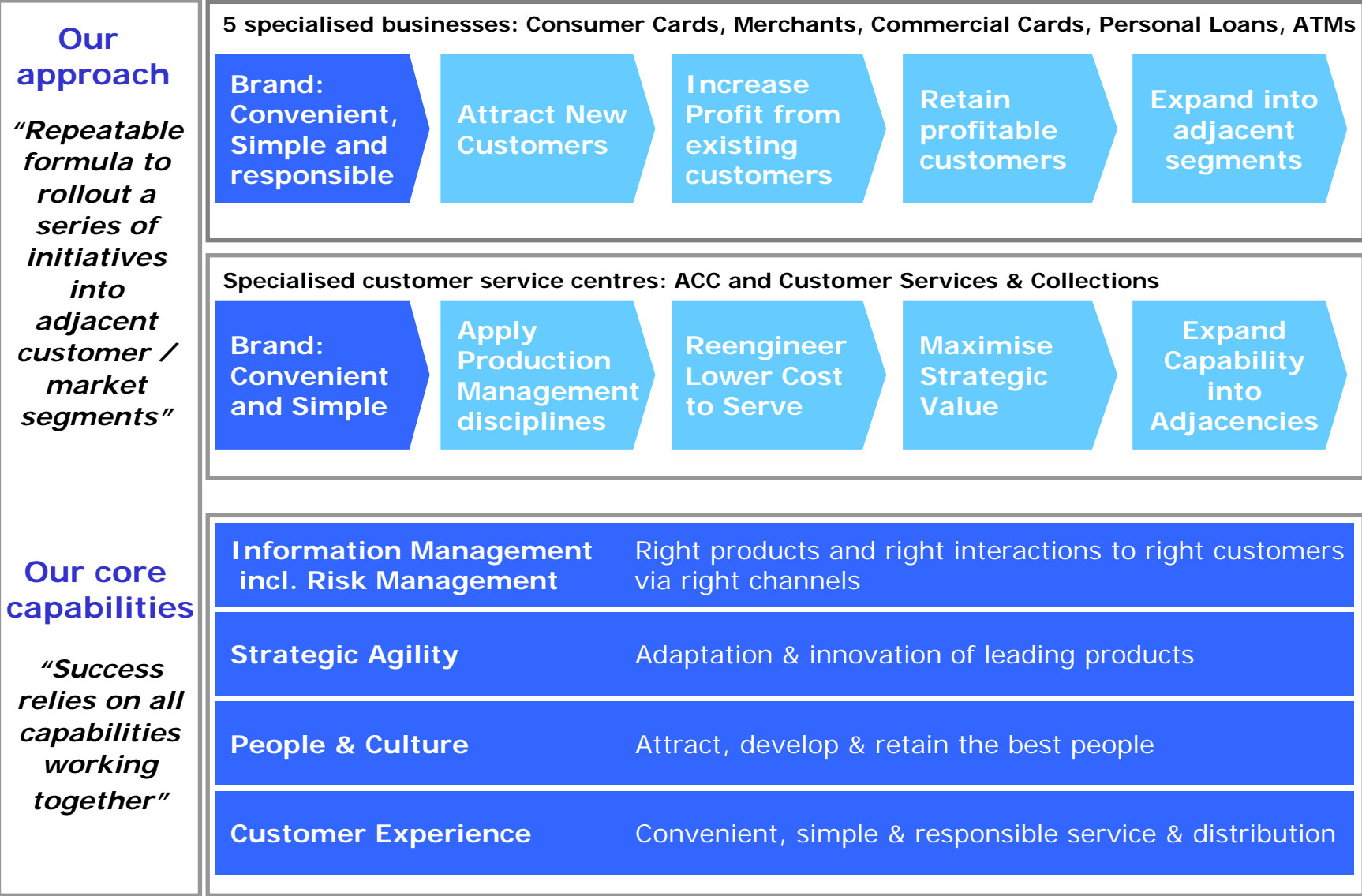
Consumer Credit Cards NPAT has been growing double system volume growth



Our goals have been consistent since 2004

2004 commitments	Achieved	Objectives
Grow profit at 20% or double system volume growth	✓✓	Grow revenue Micro-manage the credit risk/reward trade-off
Lead in our chosen markets and servicing segments	✓	Lead with innovative and convenient product / service / channel delivery for key segments
Highest customer satisfaction of the majors	✓✓	Highest customer satisfaction Exceptional and simple service Strong retention of profitable customers Best in class Call Centre
Recognised as the employer of choice	✓✓	Best people in the business High staff engagement
Respected by the community	✓✓	Lead the industry in responsible lending and financial literacy Give back to the community eg. volunteering days

The strategic approach is consistent: A repeatable formula & core capabilities



How do we win on strategy



Our brand position seeks to differentiate on what is important to customers:



- Simple, convenient and responsible banking
- Innovative products
- Exceptional service at key moments of truth

ANZ Cards

Whatever It Takes...



Low Rate

Help you take control of card debt



Premium

Enhance your lifestyle



Rewards

Real value from every day spending



Visa Debit

24/7 access to your own money



Security



+

Service



Low Fee

Let you enjoy the now



Platinum

The exclusivity you deserve



Frequent Flyer

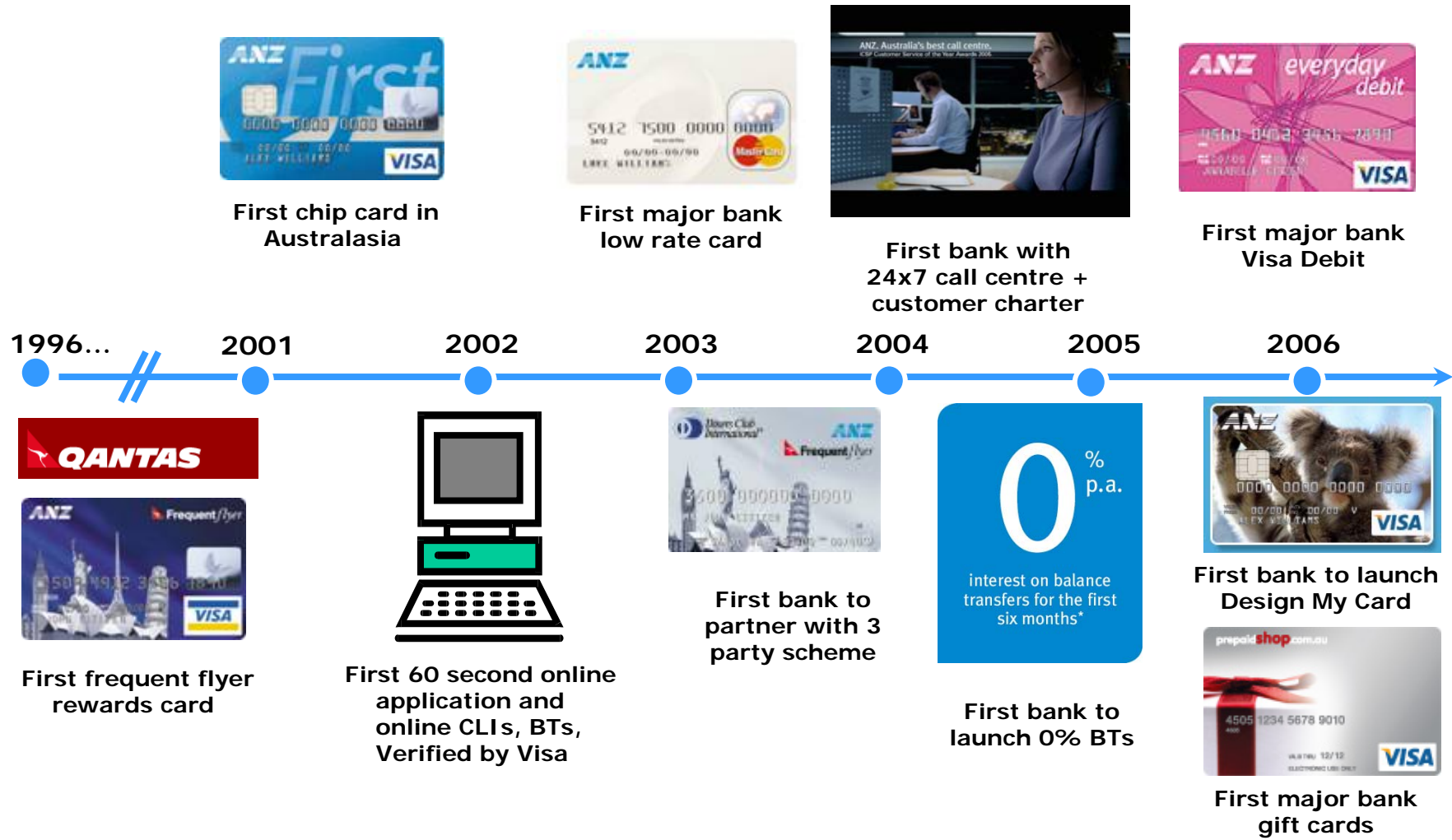
Reward you with more life experiences



Prepaid

Reward friends and family

Innovation combined with first mover advantage has driven success ...

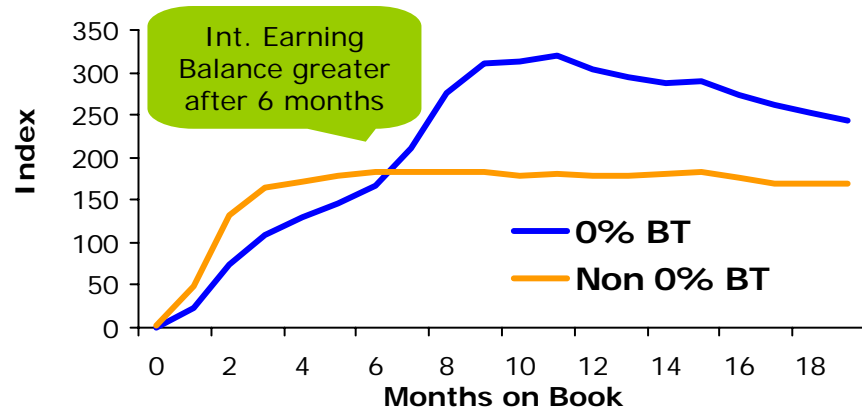


Low Rate products and Balance Transfers contribute to growth

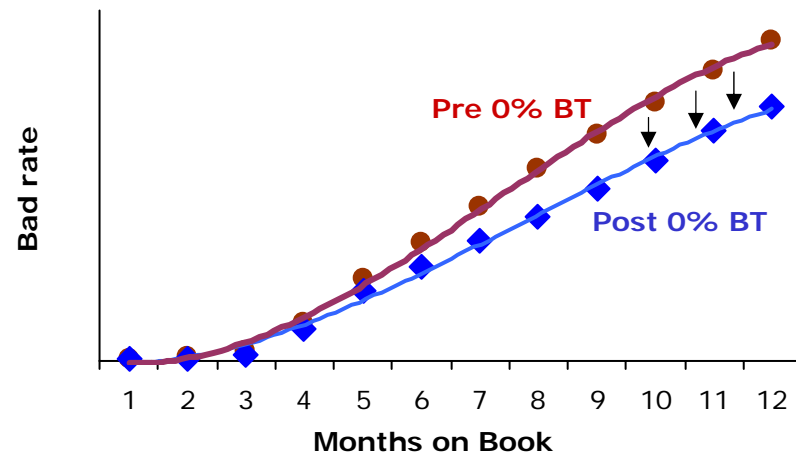


- Low rate products are profitable and trending up
- 12 months of testing led to targeted marketing and BT offers
- 1st mover advantage in BT market while rate of growth in non profitable segment continues to increase
- BT is not permanently embedded in card products - used as a strategic marketing offering

0% BT offers enable ANZ to capture larger interest-earning balances
(Interest Earning Balance per Account)



Low rate customer credit quality improved
(Bad customers* as % of total accounts)



Strategic agility supported by smart analytics

- Significant investment in customer data management & market research:

1. Qualitative Research

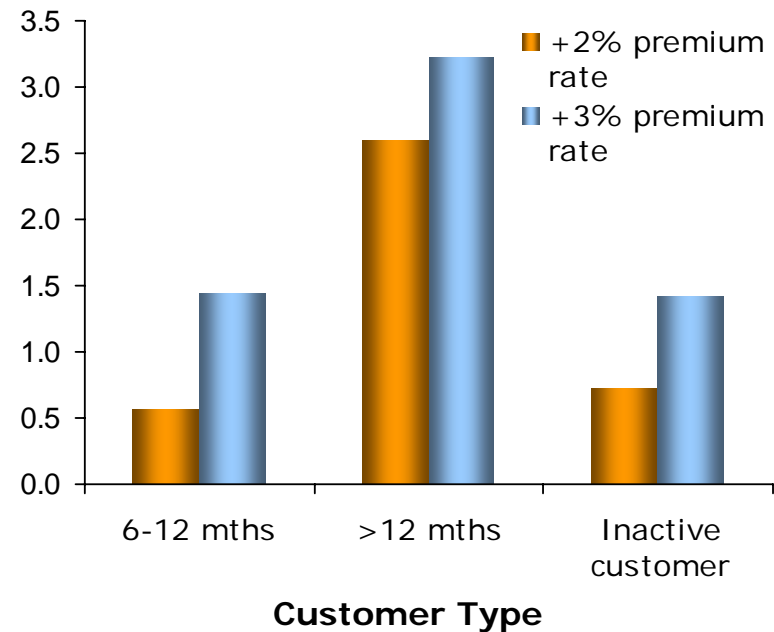
- Significant resource allocated to development & maintenance of customer information tools
- Comprehensive modeling and analysis of expected and actual campaign and portfolio performance

2. Testing

- Extensive market research undertaken to understand customer attitudes/behaviors
- Extensive active research, typically below the line offers

Case Study: A recent product launch supports the notion that price is not the only lever

Take up rate %



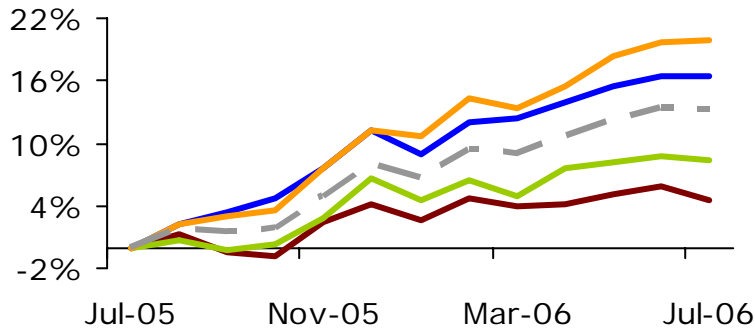
Outcome: Higher rate product had higher take up rate. All other features comparable

Controlled growth in unsecured portfolios has delivered expected risk outcomes

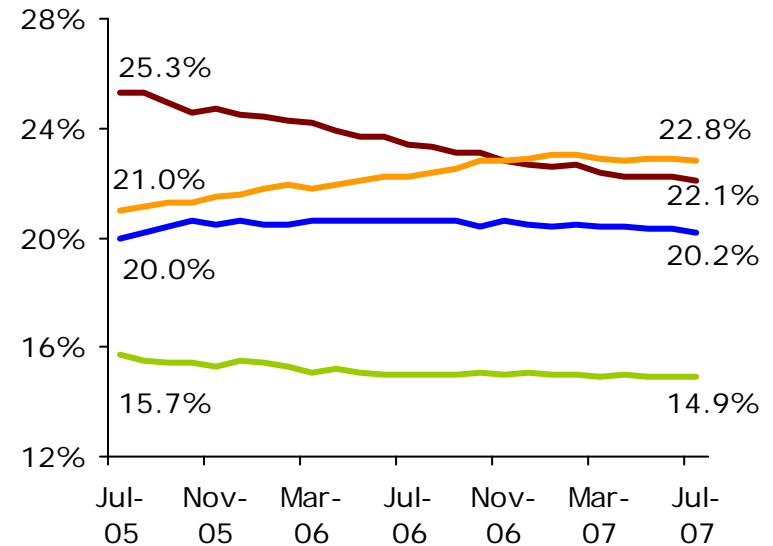


Credit Cards growth moving in line with system

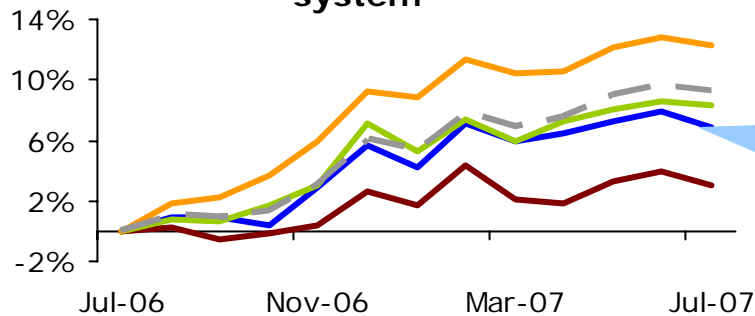
Pre-06 – lending growth well above system, with positive credit environment*



Market share continues to track at ~ 20%*



Last 12 months - pre-emptive steps slowing credit growth to around system*



ANZ credit growth influenced by current outlook, selective Credit Policy tightening and marketing investment

— ANZ — Peer 1 — Peer 2 — Peer 3 - - System



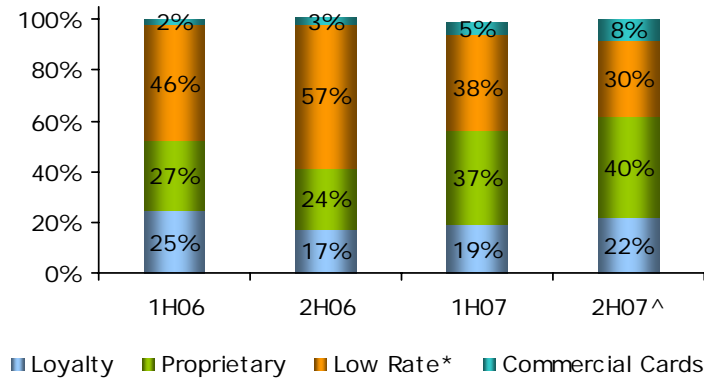
* Source: APRA monthly data, 12 month growth

Cards and Personal Loans: Credit quality and losses in line with expectations



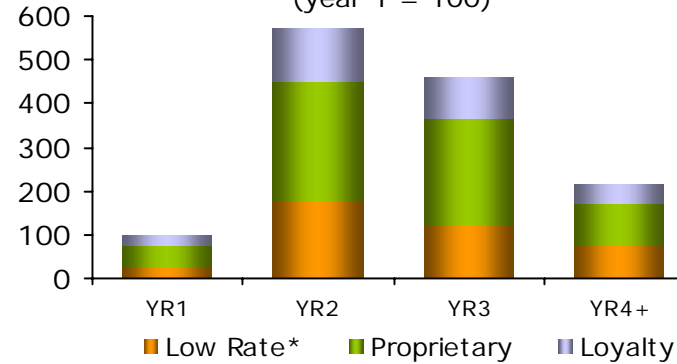
Greater acquisition of proprietary cards

% Acquisition growth by cards product

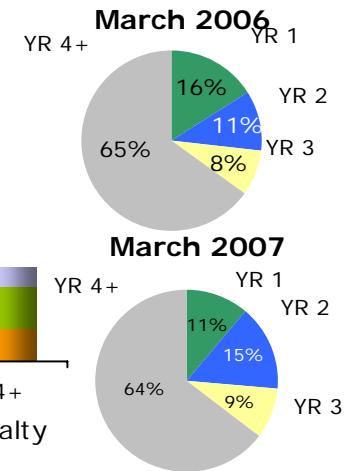


With credit card loss rates increasing as low rate balances 'season'

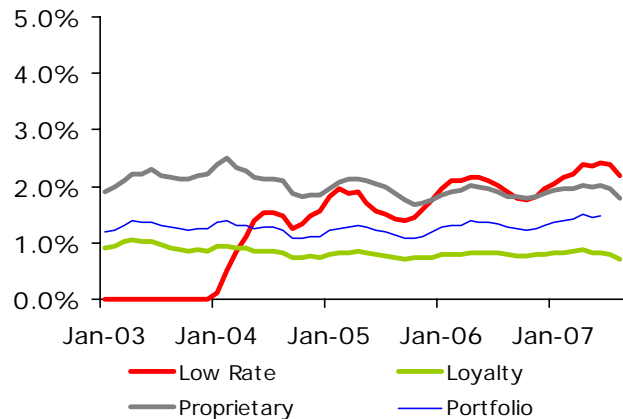
Loss rates by vintage (year 1 = 100)



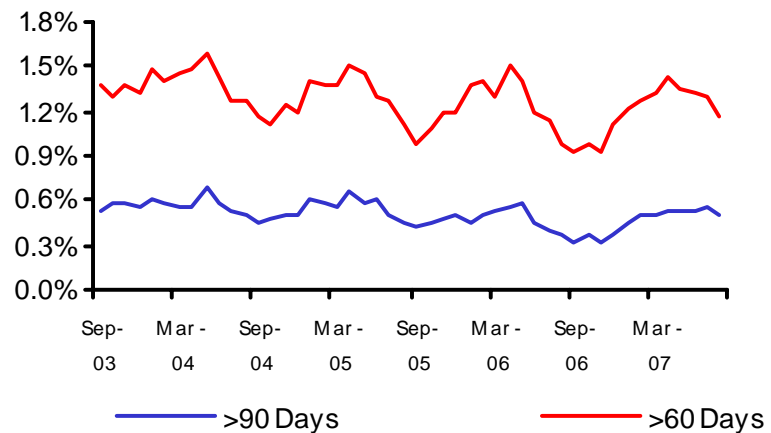
Portfolio by Vintage



No material adverse trends in underlying arrears rates (>60 day arrears to outstandings)



Personal Loans Australia arrears still in good shape



Low Rate includes White Label **includes Annual Fees

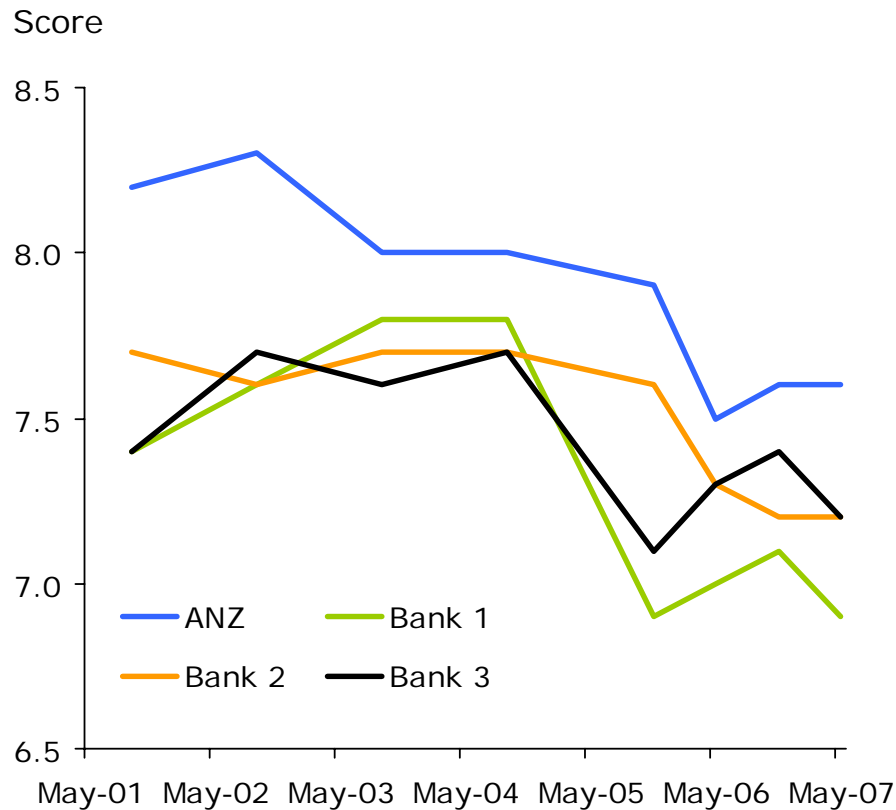
^ as at end August 2007

Continually delivering above peers on product and service excellence is key



ANZ Consumer Cards remains at top of other majors in customer satisfaction

Award winning customer service capabilities



ANZ. Best Call Centre in Australia, 3 years in a row. And we're here to stay.

Thanks to all the dedicated staff at our local call centres, ANZ has once again been awarded the best call centre in Australia. And Australia is where we plan to stay. ANZ call centres are conveniently open 24 hours a day, seven days a week. To switch call 13 13 14 anytime. That's ANZ now.



Source: Intuitive Solutions

Source: International Customer Professionals Association awards



At the forefront of Responsible Lending and committed to Financial Literacy



Customer Charter

- Public benchmark for service to our customers

Responsible Lending

- First to introduce Responsible Lending Charter
- Better at credit assessment and at identifying and assisting customers in difficulty
- Giving customers tools to manage money better

Financial Literacy and Inclusion

- We continue to invest in community programs and work with community partners aimed at improving the financial literacy of Australians



- Independent adult financial education program delivered by financial counsellors and community educators



- A financial inclusion program for Indigenous communities
- Aims to build financial literacy, budgeting, bill paying and savings skills
- Delivered by trained local Indigenous people

Progress Loans

- Tailored to the needs of people on low incomes currently using 'payday lenders' and other fringe credit providers

A strong emphasis on people, lead by a highly engaged management team

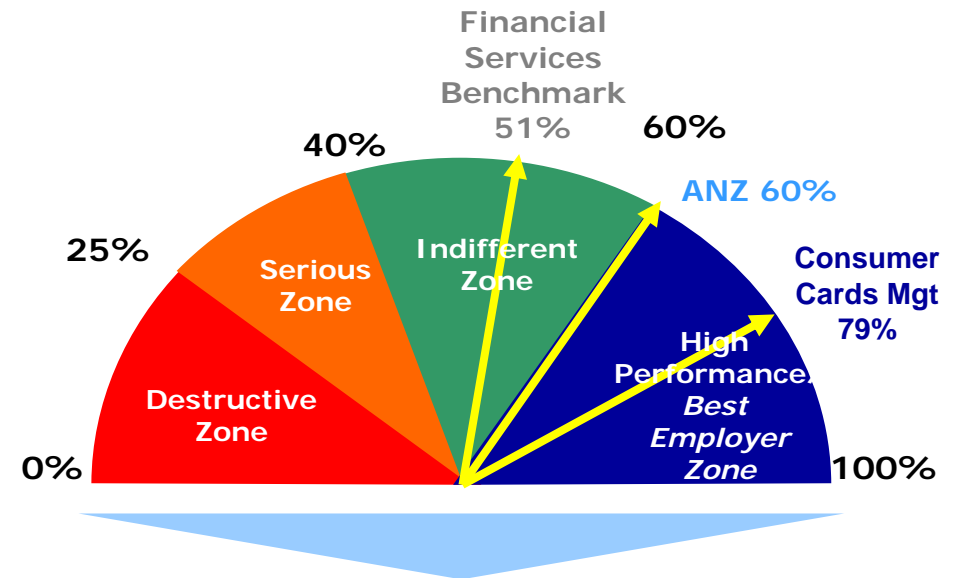


**ANZ Consumer Finance
employee value proposition**



**Most engaged workforce of major
Australian companies**

2006 ANZ Staff engagement results



- Measures: Clear industry leadership in:
- Staff engagement
 - Customer satisfaction – best of the majors
 - Community initiatives - responsible lending, financial literacy