



ANZ Investor Day Auckland, New Zealand

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED

Thursday, 4 June 2015

Retail, Business Banking and
Wealth Presentation

Fred Ohlsson
MANAGING DIRECTOR, RETAIL AND BUSINESS BANKING

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Strategic priorities to deliver Growth and Service

To be the best Retail and Business Bank in New Zealand by helping Kiwis achieve more

2 Goals

- #1 in Service
- #1 in Growth

6 Priorities

- Attract, develop and retain NZ's Best Bankers
- Customers feel valued
- Win three key segments
- Right place, Right time
- Customer insight that delivers value
- Simplification



Fred Ohlsson
Managing Director
Retail & Business Banking

Andrew Webster, David Graham, Charlie Howe, Rodney King
GMs – Auckland, Northern, Central, Southern

Wayne Percival
Head of Specialist Distribution

Campbell Wright
GM Contact Centre & Merchant Services

Liz Maguire
Head of Digital Channels & Transformation

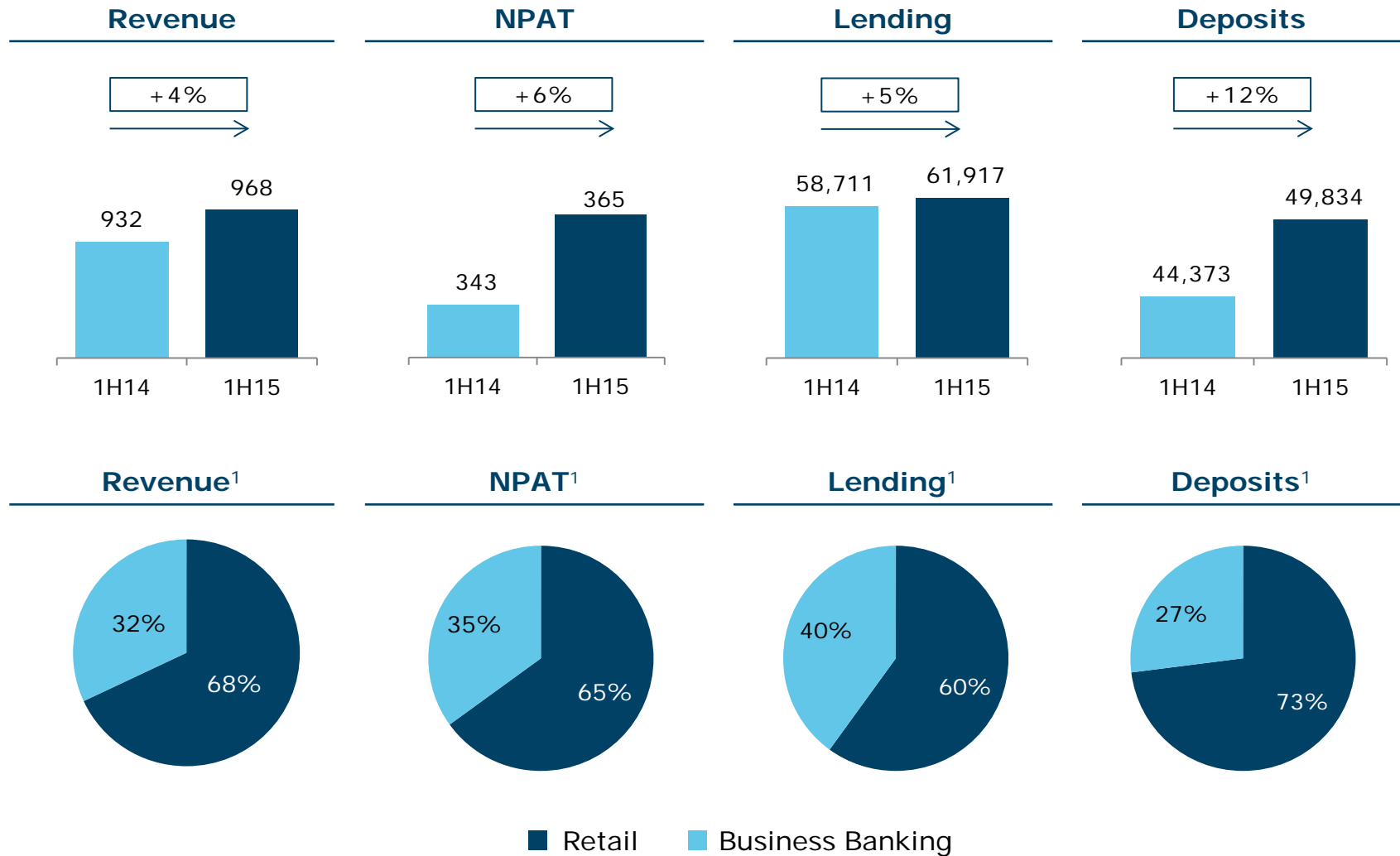
Brendan Thawley
Head of Sales & Service Performance

Andrew MacFarlane
Head of Products

Hennie Burger
Head of Business Risk & Support

Tina Maclean
Head of Customer Insight & Analytics

Retail & Business Banking – performing well

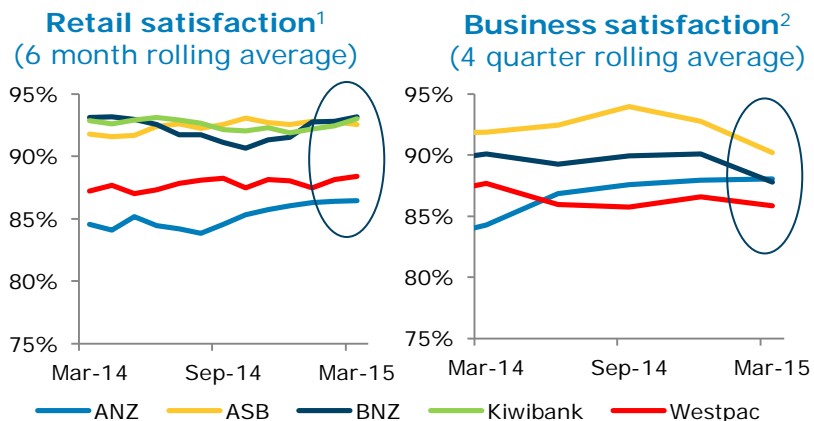


1. As at 31 March 2015

Note: All values in NZD (\$m), Lending is Net Loans & Advances, Deposits are Customer Deposits

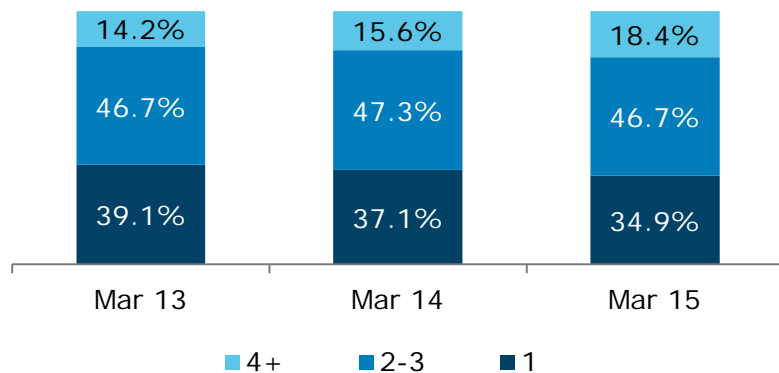
Delivering value to customers, progressing towards #1 Service

Closing our gap to achieve #1 in Service



Products per retail customer

% of Retail customers



Delivering growth in 'Tight five'

Mortgages

- Captured 36% of market growth in Mortgage FUM in 1H15

Credit Cards

- Captured 30% of market growth in Credit Card balances in 1H15

Deposits

- Captured 44% of market growth in Household deposit FUM in 1H15

Life Insurance

- Captured 35% of the banks' market growth of new life insurance business in 1H15

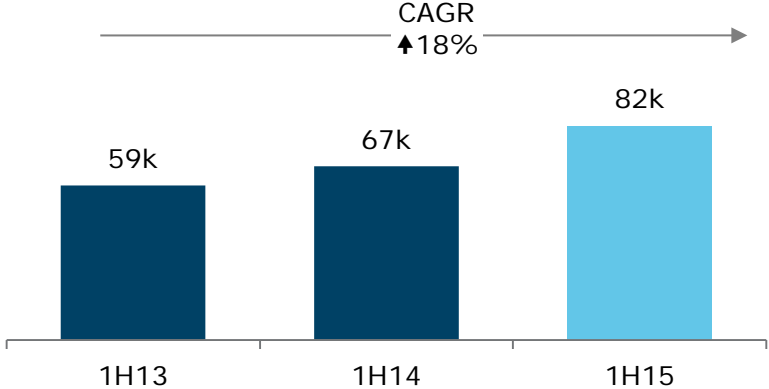
KiwiSaver

- Captured 30% share of all new KiwiSaver members in 1H15

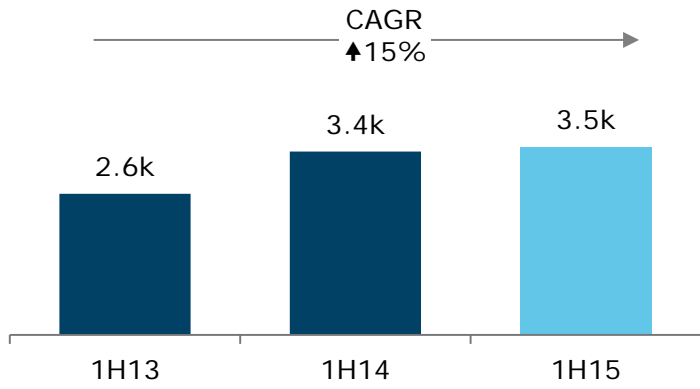
1. Camorra Retail Market Monitor (RMM)
2. TNS Business Finance Monitor

Delivering growth

Retail customer acquisition

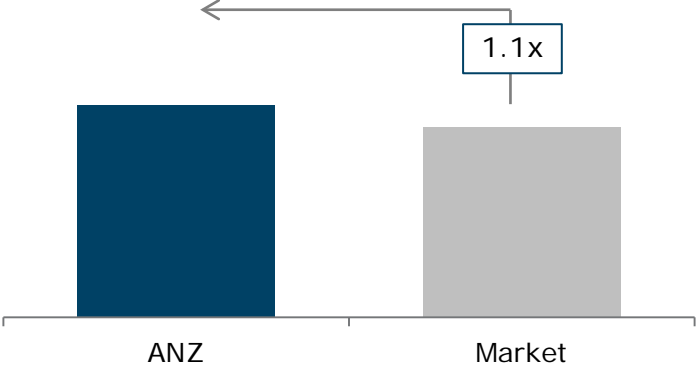


Business Banking customer acquisition



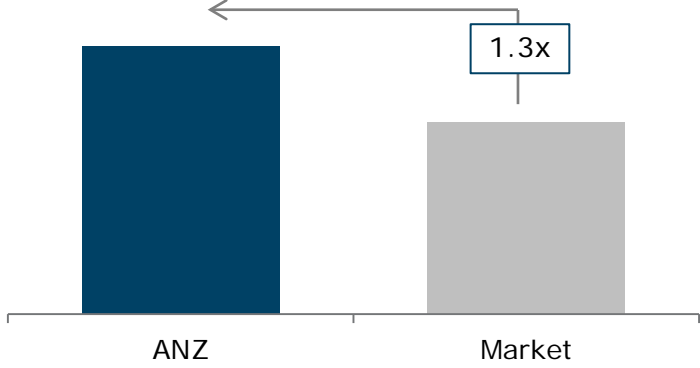
Mortgage growth¹

Mortgage FUM growth Mar 14 to Mar 15



Household Deposits growth¹

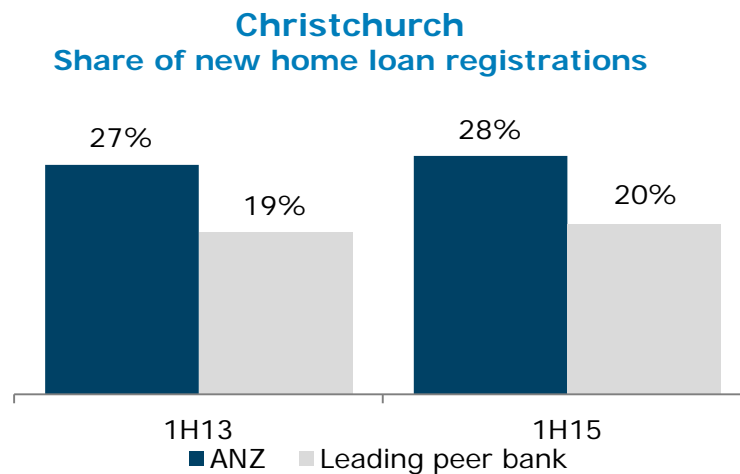
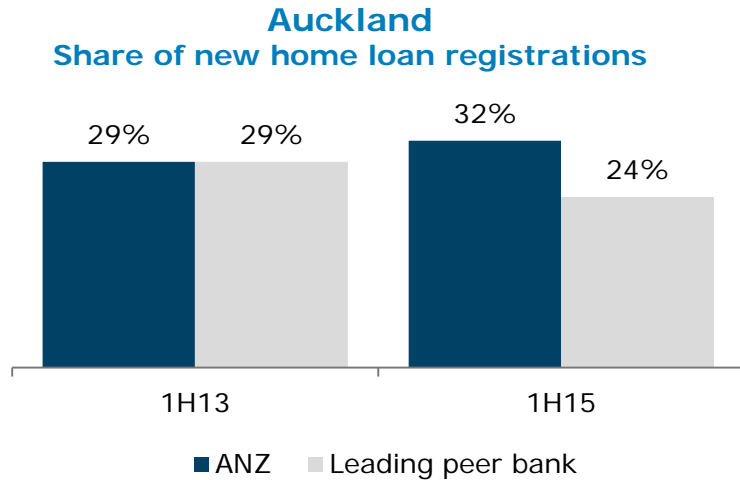
Household Deposits FUM growth Mar 14 to Mar 15



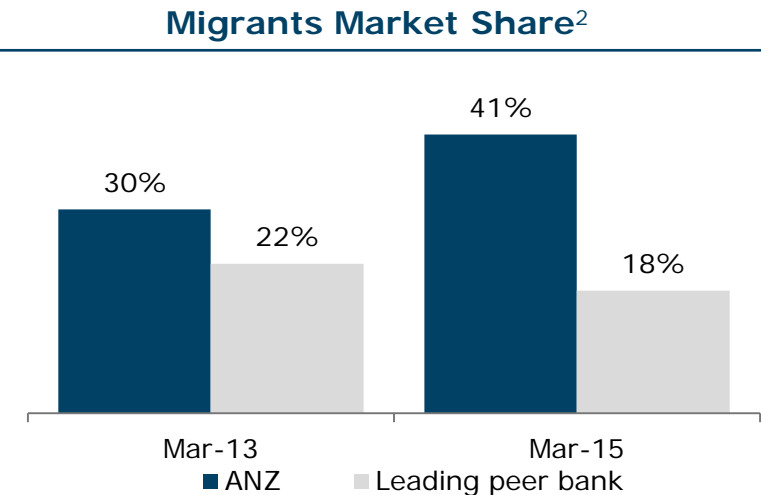
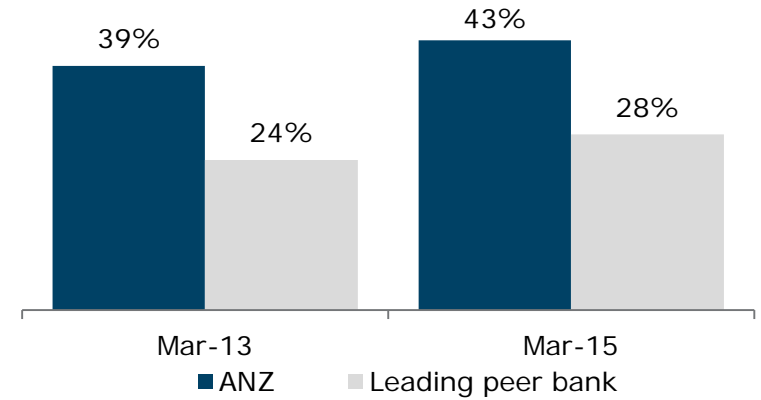
1. Market growth sourced from RBNZ for both banks and non-banks

Growing in priority segments

#1 in Auckland and Christchurch¹



Small Business customer share³



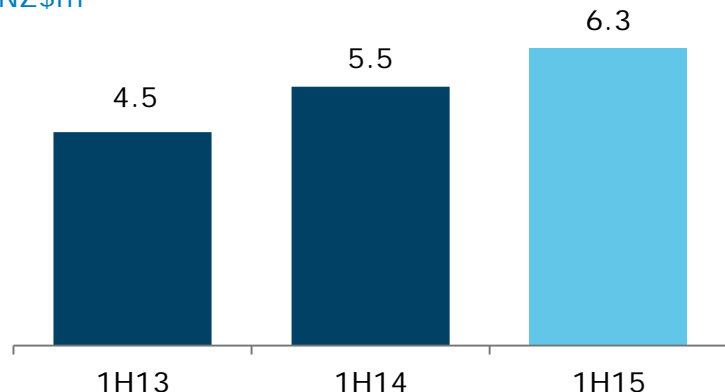
1. Core Logic. Leading peer bank Auckland – ASB, Christchurch – Westpac
2. Camorra Retail Market Monitor rolling 12 months share of Main Bank for Migrant (Immigrated within the past 5 years) customers
3. Customer share is defined as businesses with lending or deposits and excludes leasing and trade finance

Leveraging scale to optimise the business

Optimising channels

Improving revenue per branch¹

NZ\$m



Increasing sales capability

86%

Frontline sales staff with authority to make credit decisions



Increased frontline staff training hours; now on track to world's best practice of 1 week of learning per annum

100%

Mobile Sales force with iPad capability to enable better customer interactions on the go

Simplifying the business

300k

Number of Card PINs set digitally by customers within nine months of launch



Customers can now roll-over their home loan fixed rates through Internet Banking

30k

Sales and service hours freed up for staff through process improvements in 1H15

99%

goMoney satisfaction score for April-15 and ranked #1 for 5 months in 1H15



New systems providing staff the ability to better manage and action customer feedback

20%

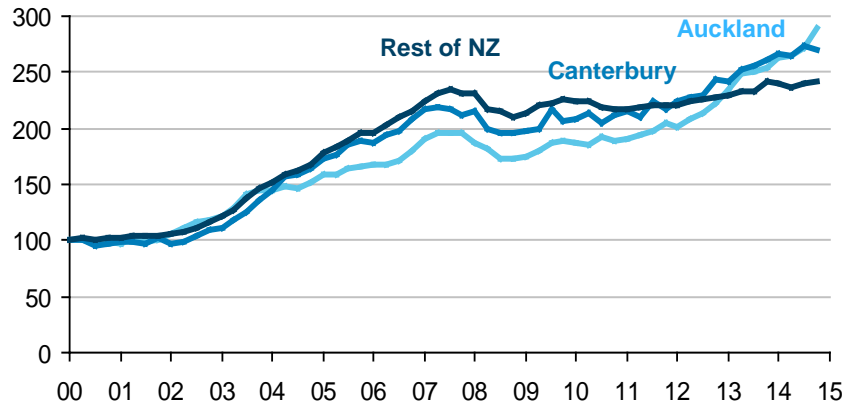
Drop in the average number of problems reported by customers from FY14

1. Based on NZ Division

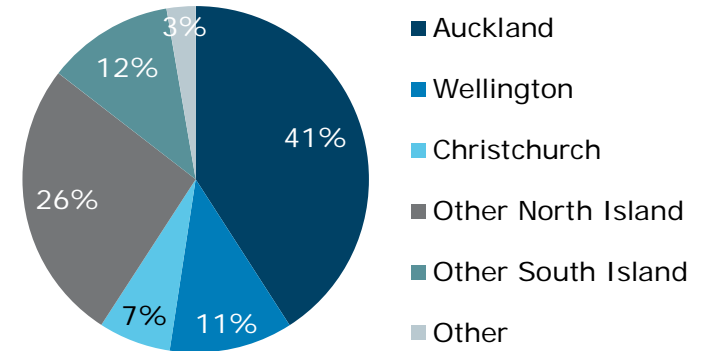
2. McCulley Research Limited (first choice or seriously considered) – Mar 2015

Well managed growth

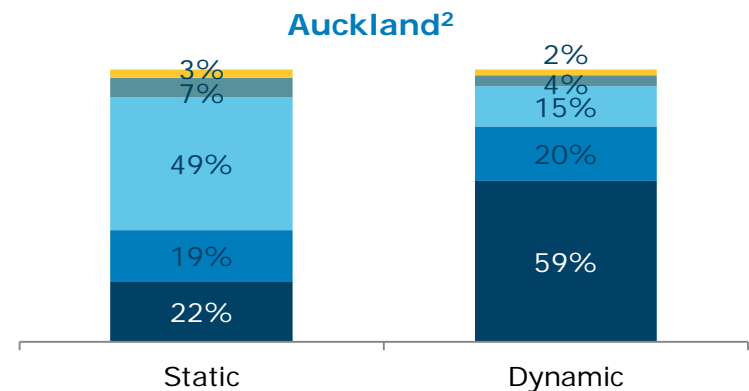
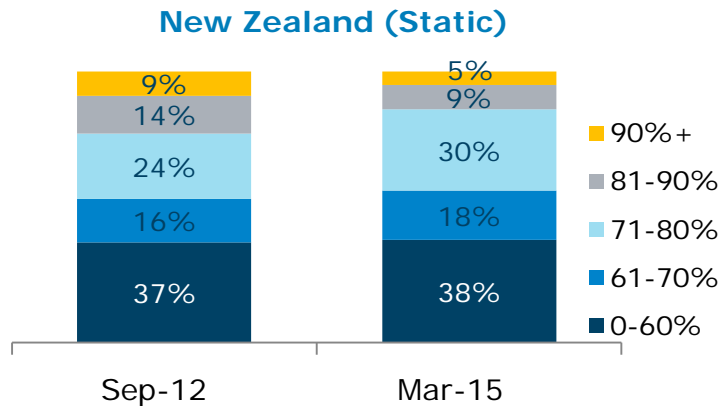
New Zealand house price indices¹



ANZ mortgage portfolio well diversified



Mortgage Portfolio Loan to Valuation (LVR)



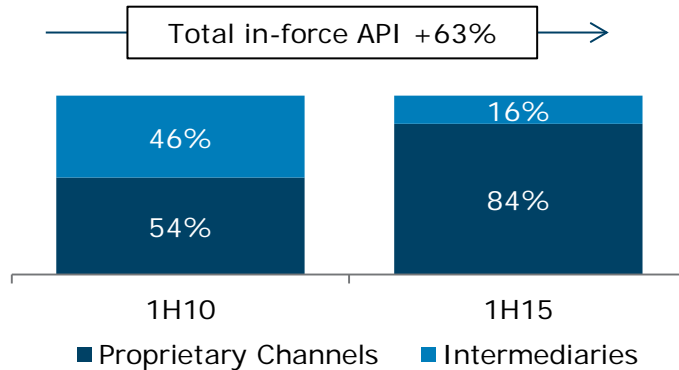
1. Sourced from REINZ
 2. As at March 2015

Improving Wealth sales via distribution network – Life Insurance

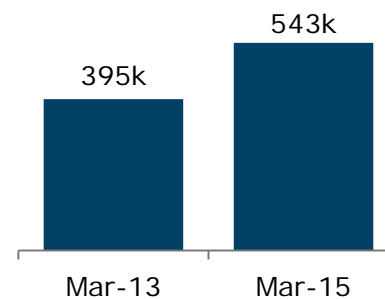
We're focusing our distribution efforts in channels we own and control...

...resulting in more ANZ customers having a Wealth Solution...

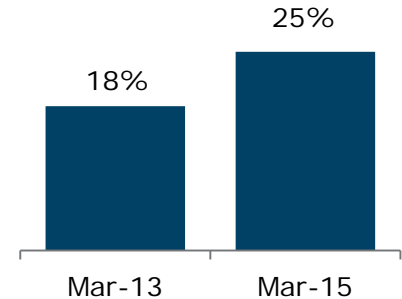
Sales channel mix for new life insurance business



Number of ANZ customers with a Wealth solution¹

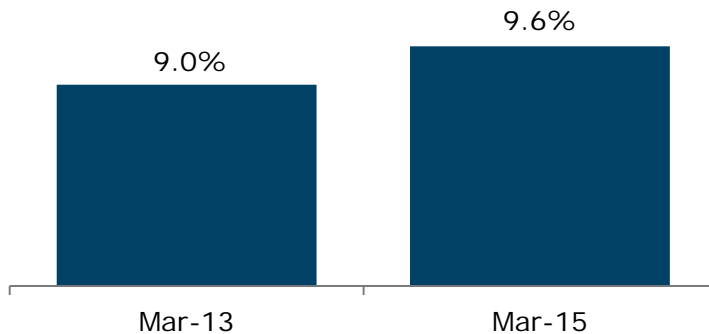


Customer penetration for Wealth products¹



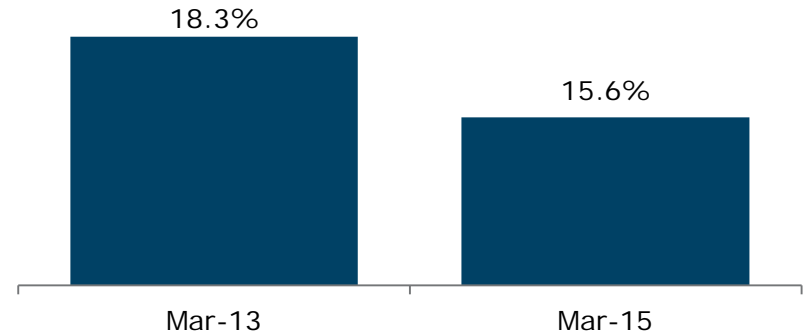
...increasing our market share...

Life insurance share²



...and our customer retention

Life insurance lapse rates³

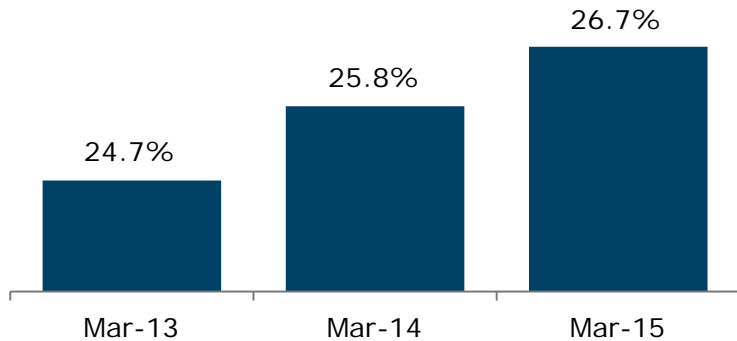


1. Includes customers with Kiwisaver and ANZ branded Life Insurance only
 2. Sourced from Financial Services Council (FSC), In-force Market Share of all providers
 3. Rolling 12 months lapse rate for consolidated Life Insurance book

Improving Wealth sales via distribution network – Kiwisaver

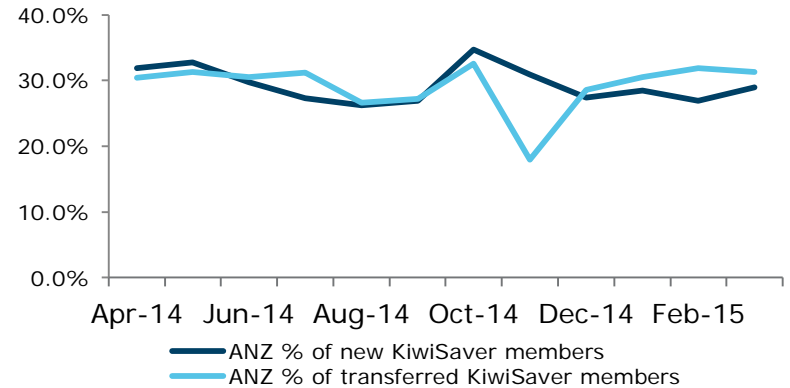
Holding 1 in 4 KiwiSaver retirement funds, totalling more than \$7b in FUM

Kiwisaver members ANZ market share¹



Capturing the largest share of KiwiSaver members

ANZ Share of Kiwisaver members¹



Building trust as the largest and most awarded fund manager in New Zealand



Fund Manager of the Year

Fund Manager of the Year
Intl Equity

Fund Manager of the Year
NZ property

KiwiSaver Manager of the Year



Fund Manager of the Year

KiwiSaver Category

International Equities Category

'Silver' rated funds



Platinum rating for KiwiSaver

Annual Reporting of the Year

Investment Statement of the Year

Excellence in communications

1. Sourced from IRD

Summary

Clear strategy

- A clear strategy that is working for us
- Leveraging scale and efficiency
- A sizeable opportunity for further growth

Delivering to strategy

- Strong revenue and NPAT performance
- Leading our competitors in both lending and deposits
- Growing above market and continuing to extend our lead

Key focus areas that will continue to enable our growth

- Service
- Priority segments
- Simplification

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