Supplementary Prospectus
Dated 17 October 2018

Australia and New Zealand Banking Group Limited

Australian Business Number 11 005 357 522
(Incorporated with limited liability in Australia and registered in the State of Victoria)
as Issuer

ANZ Bank New Zealand Limited

(incorporated with limited liability in New Zealand)
as Issuer and Guarantor of Notes issued by ANZ New Zealand (Int'l) Limited

ANZ New Zealand (Int'l) Limited

(incorporated with limited liability in New Zealand)
as Issuer

US$60,000,000,000

Euro Medium Term Note Programme

This supplement (the **"Supplement"**) to the base prospectus of Australia and New Zealand Banking Group Limited (**"ANZBGL"** or **"ANZ"**) dated 17 May 2018, as supplemented by the supplementary prospectuses dated 4 June 2018, 26 June 2018, 15 August 2018 and 18 September 2018 (the **"Base Prospectus"**), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000, as amended, (the **"FSMA"**) and is prepared in connection with the US$60,000,000,000 Euro Medium Term Note Programme established by ANZBGL (as Issuer), ANZ Bank New Zealand Limited (as Issuer and Guarantor of Notes issued by ANZ New Zealand (Int'l) Limited (**"ANZNIL"**)) and ANZNIL (as Issuer).

The purpose of this Supplement is to update the section entitled "Recent Developments" in Section 5 (Description of Australia and New Zealand Banking Group Limited and its Subsidiaries) of the Base Prospectus with information regarding an announcement by ANZBGL in respect of certain impacts on its cash profit for the financial year ended 30 September 2018.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed together with, the Base Prospectus.

ANZBGL accepts responsibility for the information contained in this Supplement and to the best of the knowledge of ANZBGL (which has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Update on Customer Compensation and Software Amortisation

On 8 October 2018 ANZ announced that the Group's full year 2018 cash profit will be impacted by additional charges for customer compensation, accelerated amortisation of software and other notable items.

Customer compensation

Charges of A$374 million[1] have been recognised in the second half of the 2018 financial year ("2H18") for refunds to customers and related remediation costs.[2] These charges relate to issues that have been identified from reviews to date. These reviews remain ongoing.

Approximately 57% of the charges relate to customer refunds impacting revenue, with the balance relating to remediation costs recorded as an expense. The total remediation charge is split approximately 66% and 34% between Continuing and Discontinued operations, respectively.

Key items of customer remediation include:

- Compensating customers for issues arising from product reviews in the Australia Division.
- Compensating customers for receiving inappropriate advice or for services not provided within the Group's former aligned dealer groups[3].

Software amortisation

The Group has accelerated the amortisation of certain software assets, predominantly relating to its International business. This follows a recent review of the International business along with a number of divestments announced or completed this year. Accelerated amortisation expense of A$206 million[1] will be recorded in 2H18.

Other notable items

Along with announced divestments and the matters above, the following notable items will be highlighted in the Group's financial results for the full year ended 30 September 2018:

- Restructuring charges of A$104 million[1] in 2H18, largely relating to the previously announced move of the Australia and Technology Divisions to agile ways of working.
- External legal costs associated with responding to the Royal Commission which will total A$55 million[1] (pre-tax) for the full year 2018.

The impact of these additional charges on the Group's Common Equity Tier 1 capital position compared to the first half of the 2018 financial year is expected to be less than 10 basis points.
The following tables are provided to illustrate the impacts of the above items.

Estimated Impact to Continuing Operations profit after tax (versus prior comparable period):

Item	Full Year 2018 (A$m)	Full Year 2017 (A$m)	Movement (A$m)
Customer Remediation	294	109	185
Accelerated software amortisation	206	-	206
Restructuring	159	43	116
Royal Commission legal costs	38	-	38
Total Continuing	**697**	**152**	**545**

[1] All items are approximates on an unaudited after tax basis (in the applicable tax jurisdiction) unless otherwise stated.
[2] A$374 million expense charge (after tax) for 2H18 for both Continuing and Discontinued operations.
[3] The Group completed the sale of its aligned dealer groups to IOOF on 1 October 2018.

Item	2H 2018 (A$m)	1H 2018 (A$m)	Movement (A$m)
Customer Remediation	247	48	199
Accelerated software amortisation	206	-	206
Restructuring	104	55	49
Royal Commission legal costs	27	11	16
Total Continuing	**584**	**114**	**470**

Estimated Impact to Discontinued Operations profit after tax (versus prior comparable period):

Item	Full Year 2018 (A$m)	Full Year 2017 (A$m)	Movement (A$m)
Customer Remediation	127	-	127

Item	2H 2018 (A$m)	1H 2018 (A$m)	Movement (A$m)
Customer Remediation	127	-	127

A copy of this Supplement has been filed with the National Storage Mechanism and will be available for inspection at www.morningstar.co.uk/uk/nsm.

To the extent that there is any inconsistency between any statement contained in this Supplement or in any information or document incorporated by reference into, and forming part of, this Supplement and any other statement contained in the Base Prospectus or in any information or document incorporated by reference into, and forming part of, the Base Prospectus, the statements contained in this Supplement or in any information or document incorporated by reference into, and forming part of, this Supplement will prevail.

Save as disclosed in this Supplement or in any document incorporated by reference into, and forming part of, this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.