

Acquisition of ING's 51% interest in the Australian and New Zealand wealth management joint ventures

Investor Briefing

Mike Smith, Chief Executive Officer, ANZ

Many thanks Jill and good morning to everyone.

I assume by now you all have a copy of the slide pack and I'll step you through this as we go along.

This morning I'll give you a brief overview of how the move to full ownership of ING Australia and ING New Zealand fits with our overall strategy.

Then Graham will take you through the transaction in a little bit more the detail. After that we'll open up for questions.

<slide 1>

OK, turning to slide one: in our trading update three weeks ago I said that we are now making really meaningful progress in doing what the ANZ team are here to do – build a successful Super Regional bank.

I also said that we're bullish on Australia and would continue to look for growth opportunities within our Retail, Commercial and Wealth businesses.

Today's announcement, that we have signed an agreement with ING to acquire its 51% shareholding in the ANZ-ING joint ventures is another step in achieving our objective.

It brings certainty to our wealth management position through full ownership of what is an established specialist wealth management and protection business with a 120-year history in Australia.

In the medium term, it also gives us the flexibility to pursue further growth opportunities without the constraints of a joint venture structure.

Naturally, the transaction is subject to the normal Australian and New Zealand regulatory approvals.

The total purchase price is \$1.76 billion. It will be cash earnings accretive in 2010 before some significant revenue and cost synergies.

We believe we have made the acquisition at a good price and the value proposition is compelling.

Like the recent RBS Asia acquisition, we've been able to take advantage of the global financial crisis and ANZ's strong balance sheet to advance our strategy.

Before I pass you to Graham let me take you through our strategic thinking in wealth management.

<slide 2>

Turning to slide two. When I outlined our Super Regional objective in late 2007, I said one of the four priorities was moving from a product-based approach to becoming customer-centric - that is, putting the customer at the centre of everything we do.

I said one outcome would be that we'd continue to grow customer numbers particularly in the missing piece of the jigsaw - wealth management.

You all know we have been underweight in this sector.

Basically this acquisition gives us critical mass in Australia and New Zealand.

- Number 5 in retail funds management and number 3 in life insurance in Australia.
- A strong distribution channel with the largest aligned adviser force in Australia.

- And a leading position in wealth management and life insurance in New Zealand.

From a transaction risk point of view we have had a close working relationship with ING for seven years, so we know the business well and we know it has a great team of talented people in Australia and in New Zealand.

For them, it will be very much a growth opportunity right now and for ANZ, this investment is all about building a new platform.

- A platform to grow in the fast growing wealth segment.
- A platform to deepen relationships with our customers and distributors.
- And importantly, it provides value creating opportunities for our shareholders.

Many thanks. Let me now pass you to Graham.