

News Release

For release: 18 December 2017

ANZ completes sale of 20% stake in Shanghai Rural Commercial Bank - ANZ to buy-back \$1.5bn shares as part of capital management plan -

ANZ today announced it has completed the sale of its 20% stake in Shanghai Rural Commercial Bank (SRCB), originally announced in January 2017.

As part of the Group's broader capital management plan, ANZ now intends to buy-back up to \$1.5 billion of shares on-market.

ANZ Chief Financial Officer Michelle Jablko said: "ANZ's strong capital position combined with the progress made in simplifying our business means we are now in a position to commence returning surplus capital to shareholders while still complying with APRA's unquestionably strong capital requirements."

ANZ's CET1 capital ratios as at 30 September 2017 will remain broadly unchanged on a pro forma basis with the ~40 basis point benefit from the completion of SRCB offsetting the impact of the on-market share buy-back.

ANZ has already purchased ~\$500 million shares on-market to neutralise the effect of the dividend reinvestment program for both the interim and final 2017 dividends as well as the impact of ANZ's share-based employee compensation plans.

The divestment of non-core businesses, including the sale of our Australian life insurance business last week, should provide ANZ with flexibility to consider further capital management initiatives in the future.

ANZ will continue to manage its capital prudently. Further capital management initiatives will only be undertaken while ensuring sufficient capital is available to support growth as well as being subject to business conditions and regulatory approval after the actual receipt of the relevant sale proceeds.

In order to comply with regulatory requirements, the purchase of shares will likely begin in January 2018, subject to market conditions.

Retail shareholders can contact Computershare for further information on 1800 11 33 99 or +613 9415 4010.

For media enquiries contact:

Stephen Ries, +61 409 655 551

For analyst enquiries contact:

Cameron Davis, +61 421 613 819