

News Release

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Update on Shanghai Rural Commercial Bank

ANZ today announced that under a revised arrangement Baoshan Iron & Steel Co., Ltd. (Bao) will join China COSCO Shipping Corporation Limited (COSCO) to acquire ANZ's 20% stake in Shanghai Rural Commercial Bank (SRCB).

Under a new sale agreement, Bao will acquire a 10% stake in SRCB instead of Shanghai SinoPoland Enterprise Management Development Corporation Limited. COSCO will acquire the other 10% as previously announced by ANZ on 3 January 2017.

The key financial terms of the revised sale agreement are unchanged from the transaction announced previously.

Based in Shanghai and listed on the Shanghai Stock Exchange, Bao is majority owned by China Baowu Steel Group Corporation Limited (Bao Group), one of the leading State Owned Enterprises in China with existing investments in financial services companies.

ANZ Deputy Chief Executive Officer Graham Hodges said: "There are no material changes to the financial terms of the sale for ANZ. This is a positive outcome for SRCB and its customers given Bao Group is a leading State Owned Enterprise with a strong track record investing in financial services."

The sale remains subject to customary closing conditions and regulatory approvals. As previously announced, the completion of the sale will see ANZ's APRA CET1 capital ratio increase by ~40 basis points.

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