

News Release

For Release: 29 April 2022

Update on large/notable items in 1H22 results

ANZ today announced its first half 2022 Statutory and Cash Profit will be impacted by a number of large/notable items with a net after tax charge of \$43 million (minimal impact on CET1 capital):

- Net after tax gain of \$205 million relating to divestments and business closures during the period primarily driven by the gain on sale of the Merchant Acquiring Business in exchange for a 49% interest in a new ANZ Worldline Payment Solutions partnership¹.
- Tax charge of \$126 million relating to withholding tax on a dividend payment from ANZ Papua New Guinea. A capital injection was made into ANZ Papua New Guinea equivalent to the dividend, net of withholding tax. This was to rebalance capital positions within the Group in response to APRA's changes in the capital requirements for subsidiaries².
- After tax charge of \$123 million in respect of customer remediation, covering increased program costs and revised estimates to customer remediation predominantly in the Australia Retail and Commercial division.
- Net after tax gain of \$1 million comprised of restructuring charges, divested business results and a litigation settlement.

The relevant large/notable items (continuing operations) templates, reflecting the tables that will be shown in ANZ's First Half 2022 Consolidated Financial Report & Dividend Announcement, are included on the following pages.

ANZ's First Half 2022 result will be announced on Wednesday 4 May 2022.

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Approved for distribution by ANZ's Continuous Disclosure Committee

¹ See ANZ announcements of 15 December 2020 "ANZ enters joint venture with Worldline" and of 1 April 2022 "ANZ commences joint venture with Worldline".

² See ANZ announcement of 15 October 2019 "APRA – subsidiary capital investment treatment update"

Large/Notable items - continuing operations

The Group has recognised some large/notable items within cash profit from continuing operations. These items are shown in the tables below.

	March 2022 Half Year							March 2021 Half Year						
	Large/notable items included in continuing cash profit							Large/notable items included in continuing cash profit						
	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Withholding tax \$M	Total \$M	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Asian associate items \$M	Total \$M
Cash Profit														
Net interest income	-	-	(3)	-	-	-	(3)	-	-	(56)	-	-	-	(56)
Other operating income	193	87	(22)	-	-	-	258	(238)	103	(18)	-	-	(347)	(500)
Operating income	193	87	(25)	-	-	-	255	(238)	103	(74)	-	-	(347)	(556)
Operating expenses	(19)	(29)	(148)	(10)	(30)	-	(236)	-	(29)	(92)	(69)	(105)	-	(295)
Profit before credit impairment and income tax	174	58	(173)	(10)	(30)	-	19	(238)	74	(166)	(69)	(105)	(347)	(851)
Credit impairment (charge)/ release	(6)	2	-	-	-	-	(4)	-	3	-	-	-	-	3
Profit before income tax	168	60	(173)	(10)	(30)	-	15	(238)	77	(166)	(69)	(105)	(347)	(848)
Income tax benefit/(expense) and non-controlling interests	37	(18)	50	-	(1)	(126)	(58)	-	(23)	58	21	29	-	85
Cash profit/(loss) from continuing operations	205	42	(123)	(10)	(31)	(126)	(43)	(238)	54	(108)	(48)	(76)	(347)	(763)

	March 2022 Half Year							September 2021 Half Year						
	Large/notable items included in continuing cash profit							Large/notable items included in continuing cash profit						
	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Withholding tax \$M	Total \$M	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Asian associate items \$M	Total \$M
Cash Profit														
Net interest income	-	-	(3)	-	-	-	(3)	-	-	(30)	-	-	-	(30)
Other operating income	193	87	(22)	-	-	-	258	-	77	(38)	-	-	-	39
Operating income	193	87	(25)	-	-	-	255	-	77	(68)	-	-	-	9
Operating expenses	(19)	(29)	(148)	(10)	(30)	-	(236)	-	(31)	(93)	-	(22)	-	(146)
Profit before credit impairment and income tax	174	58	(173)	(10)	(30)	-	19	-	46	(161)	-	(22)	-	(137)
Credit impairment (charge)/ release	(6)	2	-	-	-	-	(4)	-	-	-	-	-	-	-
Profit before income tax	168	60	(173)	(10)	(30)	-	15	-	46	(161)	-	(22)	-	(137)
Income tax benefit/(expense) and non-controlling interests	37	(18)	50	-	(1)	(126)	(58)	-	(14)	48	-	6	-	40
Cash profit/(loss) from continuing operations	205	42	(123)	(10)	(31)	(126)	(43)	-	32	(113)	-	(16)	-	(97)

Large/Notable items - continuing operations

The Group has recognised some large/notable items within cash profit from continuing operations. The impact of these items on the divisional results are shown in the tables below.

	March 2022 Half Year							March 2021 Half Year						
	Large/notable items included in continuing cash profit							Large/notable items included in continuing cash profit						
	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Withholding tax \$M	Total \$M	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Asian associate items \$M	Total \$M
Profit before income tax														
Australia Retail and Commercial	238	53	(167)	-	(14)	-	110	(251)	59	(191)	-	(40)	-	(423)
Institutional	-	7	(6)	(10)	(4)	-	(13)	-	18	25	(69)	(16)	-	(42)
New Zealand	-	-	-	-	(6)	-	(6)	13	-	-	-	(10)	-	3
Pacific	(18)	-	-	-	-	-	(18)	-	-	-	-	(1)	-	(1)
Group Centre	(52)	-	-	-	(6)	-	(58)	-	-	-	-	(38)	(347)	(385)
Profit before income tax	168	60	(173)	(10)	(30)	-	15	(238)	77	(166)	(69)	(105)	(347)	(848)
Income tax benefit/(expense) and non-controlling interests	37	(18)	50	-	(1)	(126)	(58)	-	(23)	58	21	29	-	85
Cash profit/(loss) from continuing operations	205	42	(123)	(10)	(31)	(126)	(43)	(238)	54	(108)	(48)	(76)	(347)	(763)

	March 2022 Half Year							September 2021 Half Year						
	Large/notable items included in continuing cash profit							Large/notable items included in continuing cash profit						
	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Withholding tax \$M	Total \$M	Gain/(Loss) from divestments /closures \$M	Divested business results \$M	Customer remediation \$M	Litigation settlements \$M	Restructuring \$M	Asian associate items \$M	Total \$M
Profit before income tax														
Australia Retail and Commercial	238	53	(167)	-	(14)	-	110	-	48	(146)	-	(12)	-	(110)
Institutional	-	7	(6)	(10)	(4)	-	(13)	-	(2)	3	-	(8)	-	(7)
New Zealand	-	-	-	-	(6)	-	(6)	-	-	(16)	-	1	-	(15)
Pacific	(18)	-	-	-	-	-	(18)	-	-	(2)	-	-	-	(2)
Group Centre	(52)	-	-	-	(6)	-	(58)	-	-	-	-	(3)	-	(3)
Profit before income tax	168	60	(173)	(10)	(30)	-	15	-	46	(161)	-	(22)	-	(137)
Income tax benefit/(expense) and non-controlling interests	37	(18)	50	-	(1)	(126)	(58)	-	(14)	48	-	6	-	40
Cash profit/(loss) from continuing operations	205	42	(123)	(10)	(31)	(126)	(43)	-	32	(113)	-	(16)	-	(97)