AUSTRALIA & NEW ZEALAND BANKING GROUP LTD
Form 6-K
October 07, 2004

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

Australia and New Zealand Banking Group Limited

(Translation of registrant s name into English)

Level 6, 100 Queen Street Melbourne Victoria Australia

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ý Form 40-F o

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No ý

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Australia and New Zealand
Banking Group Limited
(Registrant)

By: /s/ John Priestley
Company Secretary
(Signature)*

Date 06 October 2004

* Print the name and title of the signing officer under his signature.

Company Secretary s Office
Level 6, 100 Queen Street
Melbourne VIC 3000
Phone 03 9273 6141
Fax 03 9273 6142
www.anz.com

ANZ StEPS quarterly distribution

On 15 September 2004 ANZ paid the quarterly distribution on its ANZ Stapled Exchangeable Preferred Securities (ANZ StEPS) and set the Distribution Rate for the payment due on 15 December 2004.

The distribution paid for the quarter ended 15 September 2004 for each ANZ StEPS was based on a Distribution Rate of 6.53% p.a. as announced on 16 June 2004.

The Distribution Rate for the quarter ending 15 December 2004 has been set in accordance with clause 3.1 of the Note Terms set out in the Prospectus dated 14 August 2003. The Distribution Rate was calculated as follows:

Market Rate (90 day bank bill rate as at 15 September 2004)	5.4100% p.a.
Plus the initial margin	1.0000% p.a.
Distribution Rate	6.4100% p.a.

This distribution of $1.5981 for each ANZ StEPS will be paid on 15 December 2004 with the record date being 30 November 2004.

John Priestley
Company Secretary
Australia and New Zealand Banking Group Limited

for and on behalf of
Australia and New Zealand Banking Group Limited and
ANZ Holdings (New Zealand) Limited
17 September 2004

Level 12
170-186 Featherston Street
P O Box 1791, Wellington
New Zealand
Tel: 64 4 802 2000
Fax: 64 4 802 3000

Media Release

For Release: 1 October 2004

New Zealand Inland Revenue tax notices

ANZ National Bank Limited today announced it had received Notices of Proposed Adjustment from the New Zealand Inland Revenue Department (IRD) in respect of a structured finance transaction undertaken by ANZ New Zealand in the year ended 30 September 2000.

Based on the independent tax and legal advice obtained, the Bank is confident the tax treatment it has adopted for this transaction and all similar transactions is correct and does not currently expect to raise additional provisions for any tax liability relating to this matter.

Summary of Potential Financial Impact

IRD proposed adjustments cover the 2000 to 2003 tax years and imply a maximum potential liability of NZ$54 million (NZ$62 million with interest tax effected).

Maximum potential tax liability on all similar transactions is partially offset by tax indemnities given by Lloyds TSB Bank plc relating to The National Bank of New Zealand.

Net potential liability on all similar transactions of NZ$200 million (NZ$232 million with interest tax effected) up to 30 September 2004.

The tax adjustments proposed by the IRD for the transaction cover the 2000 to 2003 tax years and imply a maximum potential liability of NZ$54 million (NZ$62 million with interest tax effected). If applied to the 2004 tax year, an additional liability of NZ$10 million is implied (NZ$15 million with interest tax effected).

The IRD is also investigating other transactions undertaken by ANZ New Zealand and The National Bank of New Zealand, which have been subject to the same tax treatment. Should the same position be taken on all transactions, including those that the Notices cover, the maximum potential tax liability would be approximately NZ$299 million (NZ$348 million with interest tax effected) for the period to 30 September 2004.

Of that maximum potential tax liability in dispute, it has been calculated that approximately NZ$99 million is subject to tax indemnities given by Lloyds TSB Bank plc under the agreement by which ANZ acquired The National Bank of New Zealand, and which relate to transactions undertaken by The National Bank of New Zealand before December 2003. This leaves a net potential liability of NZ$200 million (NZ$232 million with interest tax effected).

The Notices have been issued as part of an industry-wide review by the IRD of structured finance transactions in New Zealand. A Notice of Proposed Adjustment is a formal advice that the IRD is proposing to amend tax assessments. The Notice is not a tax assessment and does not establish a tax liability. It is the first step in a formal disputes process.

ANZ National Bank Limited, with the rest of the banking industry, is working in cooperation with the Government on tax law changes that would affect transactions of this type in the future. ANZ has not entered into similar transactions for some time and many of those being reviewed have already matured. Legislative changes could involve the remaining transactions being terminated within the next 12 months.

For media enquiries in New Zealand, contact:

Craig Howie
Senior Manager Corporate Affairs
Tel: +64-4-463 9414 or +64-27-490 9424
Email: howiec@anz.com

In Australia:

Kate Gore
Media Relations Manager
Tel: +61-3-9273 6190 or +61-409-655 551
Email: gorek@anz.com

For analyst enquiries, contact:

Simon Fraser
Head of Investor Relations
Tel: +61-3-9273 4185 or +61-412-823721
Email: frasers@anz.com

Rule 3.19A.1

Appendix 3X

Initial Director s Interest Notice

Name of entity	Australia and New Zealand Banking Group Limited (ANZ)
ABN	11 005 357 522

ANZ give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Mr John Powell Morschel
Date of appointment	01/10/2004

Part 1 Director s relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Number & class of security
4,000 ordinary fully paid shares

Part 2 Director s relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	**Number & Class of Securities**
Not Applicable	Not Applicable

Part 3 Director s interests in contracts Nil.

John Priestley
Company Secretary
Australia and New Zealand Banking Group Limited

Name of entity Australia and New Zealand Banking Group Limited (ANZ)
ABN 11 005 357 522

ANZ give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director Mr David Edward Meiklejohn
Date of appointment 01/10/2004

Part 1 Director s relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Number & class of security

Part 2 Director s relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	**Number & Class of Securities**
Invia Custodian Pty Limited <The Meiklejohn Super FD A/C>	2,656 Ordinary Fully Paid Shares

Part 3 Director s interests in contracts Nil.

John Priestley
Company Secretary
Australia and New Zealand Banking Group Limited

Corporate Affairs
Level 22, 100 Queen Street
Melbourne Vic 3000
Facsimile 03 9273 4899
www.anz.com

For Release: 5 October 2004

2004 Final Dividend Record and Ex-Dividend Dates

ANZ today advised changes to the previously announced Record Date and Ex-Dividend Date for its 2004 Final Dividend.

The Record Date will be Friday, 12 November 2004 (previously Wednesday, 10 November).

The Ex-Dividend Date will be Monday, 8 November 2004 (previously Thursday, 4 November).

For media enquiries contact:

Paul Edwards
Head of Group Media Relations
Tel: 03-9273 6955 or 0409-655 550
Email: paul.edwards@anz.com

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Link to searchable text of slide shown above

Searchable text section of graphics shown above

[GRAPHIC]

Personal Division Market Update

September 2004

Overview

Brian Hartzer

[LOGO]

ANZ has transformed Personal into a successful growth business

Strong momentum evident in underlying performance

[GRAPHIC]

Asset growth ($b)

[CHART]

Deposit growth ($b)

[CHART]

NPAT growth ($m)*

[CHART]

** adjusted for 1H03 under-accrual and NZ and International Cards operations*

[LOGO]

A proven management team

Brian Hartzer
Personal

Greg Camm
Personal & Wealth Distribution

Chris Cooper
Mortgages

Jenny Fagg
Credit Cards Australia

Mike Guerin
Rural Banking

John Harries
Banking & Transaction Products

David Hisco
Merchant Services

Shane Buggle
CFO

Michael Liley
Strategy & Marketing

Sonya Clancy
People Capital

Personal business update: addressing some of your issues

Presentation focus		Market issues
Brian Hartzer - Overview		
ANZ Personal Banking journey and current business momentum Future priorities	[GRAPHIC]	Personal Banking has not been a traditional strength for ANZ how are we addressing this?
Greg Camm Personal & Wealth Distribution		
Retail franchise journey and current business momentum Restoring Customer Faith program	[GRAPHIC]	What happened to Restoring Customer Faith? Performance of our branch network Branch network cross sell of ING products
Chris Cooper Mortgages		
Business momentum and portfolio credit quality Net interest margin dynamics Growth strategies Mortgage broker strategy	[GRAPHIC]	Use of mortgage brokers Sectoral net interest margin pressures Earnings growth in slowing housing market
Brian Hartzer Consumer Finance		
Business momentum and portfolio credit quality Credit Cards response to interchange reform Merchant acquiring repositioning strategy	[GRAPHIC]	Impact of interchange reform on Consumer Finance business

We have built a strong retail business . block by block

Our goal is to become Australia s fastest growing most respected major retail bank

ANZ NOW

IMPROVED CUSTOMER SATISFACTION

[GRAPHIC]

ENGAGED WORKFORCE

Personal Banking not a traditional strength for ANZ

MARKET LEADING PRODUCTS

SPECIALIST PRODUCT BUSINESS UNITS

Pre-1997 **1997** **2004**

Specialisation and deep research helped us design the best products

Transaction Account of the Year

2003, 2002, 2001 (Personal Investor)

Best Transaction Accounts

2004 (Money Magazine)

Savings Institution of the Year

2003, 2002, 2001, 2000, 1998, 1997

ANZ s dominance of the awards shows an incredible consistency: products with excellent features and lower fees.

Personal Investor Magazine, 2002

Home Lender of the Year

2004, oops! , 2002, 2001, 2000

Cannex Mortgage Star Ratings

March 2004

[CHART]

Personal Investor

Bank of the Year
2000 - 2004

[GRAPHIC] Now bank of the century.

6

Breakout has built an engaged, productive workforce

Staff Satisfaction - am I satisfied working at the ANZ?

[CHART]

Staff Advocacy I would recommend ANZ as a place to work

[CHART]

[GRAPHIC]

Staff are critical to retail success:

Sense of ownership and accountability

5000 staff trained in sales and compliance since 2002

Staff initiatives include:

State based training schools

ANZ Talent and Emerging Leaders Program

More women in senior roles

New life balance policies for female and mature age staff

Alliance with ABC Learning Centres (childcare)

pcs@home

Restoring Customer Faith was the critical next step

RCF turns the Bank inside out		**What does it achieve?**
Acknowledgement that we got it wrong in the 90 s		Sense of ownership and commitment
Local CEO model		Engaged staff
Freedom with accountability		Higher customer satisfaction
Community orientation	[GRAPHIC]	Higher sales and market share
Detailed MIS and sales disciplines		Talent pool of future leaders
Customer Charter service guarantee		Stronger community bonds
Independent risk and compliance checking		Strong risk and compliance focus

RCF has taken time but the results are now clear

RCF has dramatically improved customer satisfaction

Customer Satisfaction[#] with Main Financial Institution

[CHART]

**Source: Roy Morgan Research Main Financial Institution Satisfaction*

#% Satisfied (very or fairly satisfied), 6 monthly moving average

Bottom line: real momentum, growing market share, more upside

Market share of traditional banking financial services increasing*

[CHART]

**Source: Roy Morgan Research*

Traditional banking includes deposit & transaction accounts, cards, mortgages and personal/other loans

Upside case study: deepening the relationships

Untapped high growth Private & Premier Customers

(all products*)

Est. share of market EVA™

[CHART]

[GRAPHIC]

Clear opportunity to increase share of wallet

Challenge is to create an integrated proposition

Execution is the key

Source: FMCG Analytics

**includes transaction accounts, mortgages, cards and managed investment products*

What we are doing now:

Priority		**Enabler (examples)**
Accelerate the momentum in specialist businesses	⇒	Share best practices Segment marketing capability
Grow deposit share	⇒	Strong brand Targeted customer acquisition strategies
Deepen relationships	⇒	Easy to do business with Single customer view
Move costs from back to front	⇒	Strong branch network Streamlined process costs
Strengthen the lead on people and culture	⇒	Engage our people Breakout for all the front line

Summary

The strategy is paying off:

Profit is growing

Market share is growing

Customer satisfaction is growing

Staff engagement is growing

Retail takes time but we now have the momentum

[GRAPHIC]

Personal Division Market Update

September 2004

Distribution

Greg Camm

[LOGO]

Strong distribution network: Underweight share

[CHART]

** Source: Roy Morgan Research traditional banking includes deposit & transaction account products, cards, mortgages and personal/other loans. Market share figures based on 12 months to June 2004*

[LOGO]

ANZ Now

Building a distinctive culture

Strengthening our Retail network

Building our customer experience leadership

Improving our sales capability

[LOGO]

We are building a distinctive culture

What we ve been doing

Upgraded performance management
20 new Branch Managers from retailing/outside ANZ
New recruitment process
Established training schools
Stronger communications
New, transparent reporting down to branch level
Strong incentive to think like a customer and act like an owner

What our people are saying

[GRAPHIC]

Advocacy

More than 4/5 would recommend ANZ as a place to work

Satisfaction

Satisfaction score now higher than the ANZ average
16% uplift in 2 years

Absenteeism

Down 36% in 18 months

Staff Advocacy

[CHART]

Staff Satisfaction

[CHART]

Absenteeism

days per FTE pa

[CHART]

17

Strengthening our Retail network

Our Goals	Our Objectives	Our Achievements so Far
Lift the quality of branches	**A better and safer environment for Customers and Staff**	**103 branches refurbished since 2002 (additional 89 in Rural)**
Open new branches		**292 branches re-branded and re-signed (additional 274 in Rural)**
	A better customer experience	**New Telling platform rolled out in 2004**

Building on our customer experience leadership

Our Goals	Our Objectives	Our Achievements so Far
Restore Customer Faith	**Rebuild relationship**	**Customer Charter the foundation**
	Improve	**Mystery shopping metrics strong**
Provide a distinctive customer experience	**Loyalty** **Advocacy** **Share of wallet**	**Leading queue management**
		Strong complaint resolution process
Improve operational efficiency and sales capability	**Increase staff engagement**	**40 Local Markets created and managed by Local CEO s**
	Move decision making closer to our customers	**Performance Management reorientated around Local Market profitability**
		All front line sales staff trained in Oneway sales process

Customer Charter the foundation for Restoring Customer Faith

Our promises

1. **Simple accounts, fees and charges**

2. **Simple, fast account opening**

3. **Quick, convenient branch banking**

4. **24 hour, 7 day accessibility**

5. **Fast, efficient phone service**

6. **Respect for personal information and privacy**

7. **Helping you understand our communications**

8. **Swift resolution of complaints - if we make a mistake, we will put it right**

9. **Building relationships with the community**

10. **Accountability through an independent review**

[GRAPHIC]

We had to rebuild the relationship

Taking Specialisation to the Frontline

[CHART] [GRAPHIC]

Local Market -based small businesses led by Local CEO

Responsible for all customers

Find great people to lead them

Manage to a 4 pillar contract Financial Results, Customer, Staff, and Compliance

Ownership culture Think like a customer, act like an owner

Autonomy to set local strategies

Real rewards for success

Rural Banking has been transformed with its own local market model

Our people

[GRAPHIC]

Someone local to turn to

Our customers

[GRAPHIC] [GRAPHIC]

Meet their needs every time

Our Service

[GRAPHIC]

Easy to do business with

Increasing rural share

We are improving our sales effectiveness

CRM is lifting sales effectiveness

Our products are more customer friendly

Referrals and more planners are improving Wealth product sales

[GRAPHIC]

Customer satisfaction is up ⇑

Network sales efficiency growing, helped by CRM

Sales events per effective sales FTE increasing

(number per month)

[CHART]

MySales customers contacted

(quarterly)

[CHART]

Cross Sales Average number of general insurance sales per loan sold

[CHART]

New Accounts opened by contacted customers

(quarterly)

[CHART]

and market leading products

New accounts have improved acquisition, reduced attrition

Net New Access Accounts

[CHART]

Leading to good growth in the number of accounts

Total access accounts

[CHART]

Referrals and expanded Planner force driving growth in Wealth

Network Referrals

[CHART]

Managed Investments - Gross Flows

[CHART]

Planner Numbers

[CHART]

Insurance Annual Premiums Written

[CHART]

Our face to face performance has improved significantly

Contact Centre calls answered within 1 minute

[CHART]

Branch wait times have shortened

(% customers served within 5 minutes)

[CHART]

Call handling in our Contact Centre has also improved

(% first point contact resolution)

[CHART]

Branch Mystery Shopping results are strong

[CHART]

Customers are responding very positively

Group complaints are down

[CHART]

Customer Satisfaction is up*

(score out of 10)

[CHART]

and are being resolved faster

(avg days to resolve)

[CHART]

and risk of defection is falling*

(customers moved or seriously considering moving)

[CHART]

We are building on this momentum

Strategic Goal	Initiatives	Targeted Outcomes
Build a compelling retail banking brand	**Continue to enhance our customer proposition around our Customer Charter**	**Be recognised as providing the best service proposition of the majors**
Further improve operational efficiency and sales capability	**Strengthen Outbound Calling capability**	**Double the number of outbound sales calls**
	Simplify and align remuneration and incentives to customer value creation	**Align employee rewards to shareholder value creation**
	Fine tune sales training and sales management	**Further gains in sales productivity**
	Selectively leverage technology to simplify Branch processes	**Free up capacity from within existing fixed cost base for additional revenue generation**
Extend Sales footprint	**Continue to upgrade our Branches**	**Refurbish a further 78 Branches in 2005 (plus 59 in Rural)** **Complete re-signage of network**
	Strengthen our presence in growth corridors	**A sustainable Branch expansion program**

Summary

We have strong momentum and great upside:

Leading customer experience

Higher sales effectiveness

[GRAPHIC] **We are unlocking the value in our retail network**

Growing market share

Record Staff satisfaction

[GRAPHIC]

Personal Division Market Update

September 2004

Mortgages

Chris Cooper

[LOGO]

Leveraging product expertise with improved distribution

A strong track record in an attractive market

High quality portfolio

Brokers remain fundamentally attractive

Diversifying distribution and process automation

[GRAPHIC]

[LOGO]

Mortgage market is attractive and expected to deliver reasonable growth

Australian Mortgage Lending

[CHART]

Source: ANZ Economics; RBA, Annual reports, (includes Equity lines)

Mortgages Market Share as at Mar 04

[CHART]

Source: RBA, Annual reports, includes Equity Lines

ANZ Market Share

[CHART]

* Mortgages Retail represents ANZ branded mortgages sourced from our own distribution network and brokers. Total Mortgages includes white-labelled mortgages written through our Origin subsidiary

A strong track record, but recent performance impacted by margins

NPAT ($m)

[CHART]

FUM ($b)

[CHART]

CTI (%)

[CHART]

Margins (%)

[CHART]

Cyclical funding costs the key driver of margin contraction

Mortgages Average Margin

[CHART]

Cash / 30 Day Bill Spread

[CHART]

Margins also impacted by product mix and loan size

Product Mix

[CHART]

Loan Size

[CHART]

** Based on half to date.*

***Std Variable includes Equity Loans*

Portfolio continues to be very high quality

Delinquency Trends (>60 days arrears)

ANZ Network and Brokers

[CHART]

ANZ Portfolio by LVR Australia

As at June 2004

[CHART]

Delinquency Trends (>60 days arrears)

(Owner Occupied, Investment, Equity Manager)

[CHART]

Inner City Delinquencies

>60 days as at Jul 04

[CHART]

Sales still strong; Mortgage Solutions to drive further growth

Monthly Sales remain strong

(ANZ Retail)

[CHART]

Mortgages Direct Referrals Growing

Numbers and Volumes (weekly)

[CHART]

Lower Monthly Prepayment Rates support FUM growth

(Payment in advance of schedule)

[CHART]

Forecast rollout of ANZ

Mortgage Solutions Franchises

[CHART]

ANZ Mortgage Solutions will drive growth and diversify distribution

[GRAPHIC]

Will fill a gap in our distribution model with an innovative solution

Offers customer choice and convenience

With 12% of the Australian mortgage market, tremendous opportunity from remaining 88%

Specialist sales forces achieve rapid growth through mobility and flexibility

Lower origination costs than broker channel

27 franchises already on the road

Our aim is to have

1/3 of sales from our branch network

1/3 of sales from brokers

1/3 of sales from Specialist channels

Broker channel remains financially and strategically attractive

Broker channel EVA positive

Detailed review of Broker channel performed this half in conjunction with Trowbridge Deloitte

Broker Channel ROE comfortably above Group ROE

Distribution costs fully variable

Delivers larger new loan size

Loan Size*

[CHART]

** Based on drawn amount; Sup Loans refer to Supplementary Loans, which are written through the branch network and tend to be smaller in size*

Delivers significant opportunity for cross sell

Additional products sold

[CHART]

Valuable source of new customer acquisition for overall Group

Expands distribution footprint

Clearly defined strategy focuses on distribution and business improvement

	2003 Objectives	2004 Objectives	2005 Objectives
Distribution	**Establish own distribution channels**	**Transform existing distribution channels**	**Grow proprietary channels**
Business Improvement	**Improve back office**	**Deliver the first stage of process automation**	**Automation into the operational areas**

Mortgages is building a platform for future growth

[GRAPHIC]

Personal Division Market Update

September 2004

Consumer Finance

Brian Hartzer

[LOGO]

Successfully dealing with the challenges

Consumer Finance has a strong track record

Portfolio remains healthy

Focus on the customer and understanding of the business has delivered a good post-interchange outcome for our Issuing business

Acquiring business transformed, growing share

[LOGO]

Delivering strong performance

Strong NPAT growth ($m)*

[CHART]

Cost Income Ratio %*

[CHART]

** adjusted for 1H03 under-accrual and NZ and International Cards operations*

Steady FUM growth ($b)

[CHART]

Source of Revenue

As at March 2004

[CHART]

Credit quality in good shape

Credit Card 30 Day + delinquencies

[CHART]

Credit Card write-offs

[CHART]

Personal Loan write-offs

[CHART]

Fraud Losses reducing

(% of turnover bps)

[CHART]

Successfully repositioning our cards portfolio post interchange reforms

Understanding our Customers

Customer Research: 1,200 existing AFFV customers surveyed to understand the perceived impact of different product changes

Key Findings:

Increased **Annual Fees** found to be the greatest attrition catalyst

Points: Flat reduction in earn rate would result in a significant negative impact on perceived value and affect our most valuable customers

Understanding our Business

ANZ FF Visa Card Impact of Interchange Response

[CHART]

Customer attrition minimised via segment specific tactics

Proactive Retention

Proactive strategy implemented via **letters**

Offers that improve the value of the product

Primary purpose: **prevent closure requests,** particularly from high value customers

[GRAPHIC]

Reactive Retention

Reactive strategy implemented by an **inbound Retention team**

Purpose: **intercept closure requests and save** the account

Segmentation Approach: ANZ FF Visa Example

[CHART]

The Role of Diners Club...

[CHART]

Diners product offers a good solution to off-set Visa product changes

A Strong Outcome:

Attrition well below budget

The Annualised Attrition rate of our highest value segment decreased by 15%

We have made a conscious market share trade-off

A lower share of spend ..

Market Share of Spend
(3 Month Moving Avg Adj for DC Spend)

[CHART]

but significantly more attractive profile

% Change in Spend Per Account
Jun 03 Jun 04

[CHART]

to achieve a more attractive portfolio

Change in Outstandings Earning Interest%
(3 Month Moving Avg.)

[CHART]

Issuing strategy sustain growth through adjacent segments

Repeatable Formula

Build Brand

Get More Customers

Increase Profit of Existing Customers

Retain Profitable Customers

Extend into New Segments

Drive Scale Efficiencies

Adjacent Customer/Product Segments

New Products Low Rate MasterCard		New Customer Segments Interest rate sensitive
New Businesses White Label Capability Diners	**Current Business**	New Channels Internet : 60 sec application
New Value Chain Steps Loyalty Management System		New Geographies Indonesia & Philippines

We have transformed our Merchant Acquiring business

1999		2004
16 different terminal types from multiple vendors; Software changes require physical visit	⇒	Terminal fleet streamlined to MultiPOS; Remote software download capability
Minimal fraud detection systems	⇒	Neural network fraud system
Portfolio skewed to small number of large customers	⇒	Strong focus on small business; >20% year-on-year growth
Low penetration of ANZ banking customer base	⇒	Cross-sell win back campaigns >90% immediate success; now institutionalised
Low staff satisfaction at around 70%	⇒	>90% staff satisfaction (since 2002)
96% cost-income ratio	⇒	49% cost-income ratio
Declining customer numbers	⇒	Growing SME market share

[GRAPHIC]

delivering strong growth with clear plans going forward

Strong growth in Merchant Outlets

Number of Merchant Outlets

[CHART]

with opportunities ahead

Do more Acquiring **focus on targeted profit pools/segments**

Expand into new segments

Develop Adjacent Opportunities

Summary

Market remains attractive

A strong track record of growth

Strong focus on the customer delivers successful interchange outcome

Acquiring business has been transformed and is delivering strong growth

Well positioned to compete successfully against traditional and new competitors

[GRAPHIC]

Personal Division Market Update

September 2004

Summary

Brian Hartzer

[LOGO]

A solid foundation for growth

Experienced and Proven Management Team

Leading Products

Engaged Workforce

Increasingly Satisfied Customers

[GRAPHIC]

Our goal is to become

Australia s fastest growing most respected major retail bank

[LOGO]

[GRAPHIC]

Personal Division Market Update

September 2004

[LOGO]

Brian Hartzer

Brian Hartzer is Group Managing Director of Personal Banking.

This division primarily serves ANZ s retail customers in Australia. It includes the following businesses: Personal and Wealth Distribution, Mortgages, Credit Cards, Merchant Services, Banking Products and Rural Banking.

Brian was previously Managing Director of ANZ s Consumer Finance business where he was responsible for credit cards, merchant acquiring and personal loans.

Prior to this, Brian was Managing Director of ANZ s Cards and ePayments business.

Before joining ANZ, Brian was Vice President and head of the San Francisco office of First Manhattan Consulting Group, a leading strategic consulting firm to the financial services industry. During 10 years with First Manhattan, he consulted to major banks, credit card companies and brokerage firms.

As a consultant, Brian was seconded to ANZ from 1994 to 1997 in a number of roles, including Head of Consumer Marketing and Head of Database Marketing. He also worked on a variety of Group-level strategic projects including retail distribution strategy, retail and commercial market segmentation, and the introduction of Economic Value Added (EVA)-based management accounting principles.

Brian holds a Bachelor of European History (highest honours) from Princeton University and is also a Chartered Financial Analyst.

[GRAPHIC]

Key Dates

May 2004

Appointed Group Managing Director,
Personal Banking

April 2002

Appointed Managing Director,
Consumer Finance

September 1999

Joined ANZ as Managing Director
Global Cards

December 1996

Appointed Head of

Consumer Marketing (Acting)

July 1996

Appointed Head of Database Marketing

and Market Research (Acting)

June 1994

Appointed Consultant to ANZ

[LOGO]

Greg Camm

Greg Camm is Managing Director, Personal and Wealth Distribution.

This includes the teams in ANZ s metropolitan branch network, the contact centre, and our network of financial planners.

Greg was previously Managing Director, New Zealand, and before that was Managing Director, Mortgages.

From March 1996, Greg was General Manager Retail Marketing. Before this, he was General Manager of Retail Banking in New Zealand. He previously held the position of General Manager of the Chief Executive s Office.

Greg joined ANZ in April 1989 as General Manager Investor Relations.

Before joining ANZ, Greg was General Manager at National Mortgage Market Corporation Ltd. Prior to that, he was the Manager of Victoria and Tasmania for mortgage insurer MGICA Ltd, having joined them from the credit union industry.

Greg holds a Bachelor of Business, majoring in accounting and finance and a Master of Business Administration.

He serves on the Appeal Board of the Australia and New Zealand Intensive Care Foundation, and is a Trustee of the Australian Cancer Research Foundation.

[GRAPHIC]

Key Dates

May 2004

Appointed Managing Director,

Personal and Wealth Distribution

December 2002

Appointed Managing Director,

New Zealand

February 1998

Appointed Managing Director Mortgages,

Personal Financial Services

March 1996

Appointed General Manager

Retail Marketing

July 1993

Appointed General Manager

Retail Banking (New Zealand)

June 1992

Appointed General Manager

Chief Executive s Office

April 1989

Joined ANZ as General Manager

Investor Relations

Chris Cooper

Chris Cooper is Managing Director, Mortgages.

He is responsible for all residential mortgage security lending activities. He oversees the management of all aspects of mortgages including marketing, product development, operations and securities.

Chris was previously ANZ s Global Head of Foreign Exchange and before this he worked with ANZ in the FX area from 1978 to 1994.

He has served in many senior positions covering ANZ businesses in Melbourne, London, New York and New Zealand.

During his period outside ANZ, Chris was Australian Treasurer for Standard Chartered Bank.

[GRAPHIC]

Key Dates

December 2002

Appointed Managing Director,

Mortgages

November 1994

Appointed Global Head of

Foreign Exchange ANZ

January 1994

Australian Treasurer

Standard Chartered

January 1992

New Zealand Treasurer ANZ

April 1984

Executive Vice President,

FX Americas ANZ

Jenny Fagg

Jenny Fagg is Managing Director, Credit Cards Australia.

She is responsible for the business that provides consumer and commercial credit cards to ANZ s customers.

Jenny joined ANZ in 2000 as General Manager, Consumer Finance Risk Management and Personal Loans.

She was appointed Managing Director, Credit Cards Australia, in October 2002.

Before joining ANZ, Jenny worked at KPMG where she developed a retail risk management practice.

She was previously at Citibank where she had a number of general manager positions in credit cards and risk management, along with business ownership of mortgages, small business and share finance.

Jenny has a Bachelor of Economics and Psychology and a PhD in Risk Management.

[GRAPHIC]

Key Dates

October 2002

Appointed Managing Director,

Credit Cards Australia

January 2000

Appointed General Manager,

Consumer Finance

Risk Management and
Personal Loans, ANZ

1998

Director and Retail Lending
Specialist, KPMG

1996

General Manager,
Customer Finance Marketing

1993

General Manager,
Consumer Credit

David Hisco

David Hisco is Managing Director, Merchant Services.

This business includes the merchant acquiring businesses in Australia and New Zealand, as well as the smart card development unit.

Prior to this, David was General Manager Merchant Acquiring in Australia.

Before joining the merchant business in ANZ, David was General Manager of UDC Finance, New Zealand s largest finance company and part of ANZ s asset finance business.

David has previously had six years in Corporate Banking management roles, and five years in senior management at Esanda.

David is a Director of Eftpos New Zealand Ltd (a wholly owned subsidiary of ANZ), and Mondex Australia. He holds a Bachelor of Business (Accounting) from Deakin University, a Graduate Diploma in Business Administration from Monash University, and an Executive Masters of Business Administration from Monash University (Mt Eliza).

He is a Fellow of the Australian Institute of Banking and Finance and an Associate of the Australian Society of Accountants.

[GRAPHIC]

Key Dates

October 2002

Appointed Managing Director,
Merchant Payment Solutions,
now Merchant Services

February 2000

Appointed General Manager,
Merchant Acquiring and
Smartcards

January 1998

Appointed General Manager,
UDC Finance, New Zealand

September 1996

Appointed National Manager,
Specialised Leasing, Esanda

Mike Guerin

Mike Guerin is Head of Rural Banking Australia.

He is responsible for ANZ s Australian Rural Banking network, which includes more than 280 branches and more than 60 agencies.

Mike s role is to provide the vision and framework to build a stronger and more sustainable business in regional and rural Australia for ANZ.

Mike joined ANZ in 1989 and has held a variety of roles, including Regional Manager Auckland, National Manager of Small to Medium Business New Zealand and General Manager of UDC Finance. He was appointed Head of Rural Banking Australia in April 2002.

Mike holds an MBA, a Bachelor of Commerce and a Diploma of Banking.

[GRAPHIC]

Key Dates

April 2002

Appointed Head of Rural Banking
Australia

May 2000

Appointed General Manager UDC
Finance

June 1998

Appointed National Manager,
Small to Medium Business,
New Zealand

1989

Joined ANZ

John Harries

John is the acting Managing Director, Bankings Products. He is responsible for ANZ s consumer deposit products as well as ANZ s wealth products V2+, Trustees, margin lending and ANZ s E*TRADE relationship.

John was previously General Manager, Retail Mortgages Australia, where he developed a leading mortgage product range. He oversaw record growth and sales in the last year for ANZ s Australian mortgage products.

Before this, he was Head of Marketing for Mortgages and National Manager, Consumer Marketing.

John was previously Head of Marketing from 1988 to 1996 with Town & Country Building Society in Western Australia and acting General Manager in 1996. This integrated financial services and property business was acquired by ANZ in 1990 and ran independently until full integration in 1999.

From 1982 to 1988, John held a number of senior positions with Perth Building Society/Challenge Bank Group. During this time, he was responsible for managing the conversion of Perth Building Society, Hotham Building Society, Trade Credits Ltd and National Permanent Finance Corporation into Challenge Bank.

John holds a Bachelor of Commerce from the University of Western Australia and is on the Council of Chatham Primary School and leads the Education and Heritage Committee.

[GRAPHIC]

Key Dates

July 2004

Appointed Managing Director
Banking Products (acting)

June 2002

Appointed Head of Retail
Mortgages Australia

February 1998

Appointed Head of Marketing for
Mortgages

April 1997

National Manager Consumer
Marketing

July 1990

Joined ANZ

Shane Buggle

Shane is Chief Financial Officer Personal Division.

Shane has over 20 years experience in banking and finance.

Shane rejoined ANZ in 2003 as CFO for the Consumer Finance business, before moving to his current role, having previously worked for ANZ between 1993 -1999 in the Group Finance area. In between ANZ engagements, Shane held the position of CFO for Zurich Financial Services Ireland, based in Ireland, and CFO for CPA Australia.

Prior to joining ANZ in 1993, Shane was a senior manager with PricewaterhouseCoopers in Corporate Finance and before that in Audit and Assurance.

[GRAPHIC]

Key Dates

August 2004

Appointed Chief Financial Officer,
Personal Division

May 2003

Appointed Chief Financial Officer.
Consumer Finance

September 2002

Appointed Chief Financial Officer,
CPA Australia

October 1999

Appointed Chief Financial Officer,
Zurich Financial Services, Ireland

August 1993

Joined ANZ

Michael Liley

Michael is Head of Strategy and Marketing..

Before joining ANZ in July 2004, Michael was a partner in a boutique venture capital firm during which time amongst other things he managed one of the major investments, an international technology company in the UK, for most of 2003.

Previously he was a member of National Australia Bank s senior executive group where, amongst other roles he was General Manager, Global Retailing and Channel Development responsible for modernising the bank s channels globally, as well as running the retail banks globally. Immediately prior to his leaving the Bank in mid 2001, he was responsible for the establishment of a new division focused on developing new businesses of the future, especially as they related to online and new economy activities.

Michael joined NAB in 1988 to head up Consumer Marketing. In 1992 he moved to London with NAB to oversee the marketing activities of its European Operations. In 1995 he moved to Hong Kong to run the banks Asian division, covering 12 countries. Michael oversaw an acceleration in the growth of the bank s Asia wholesaling banking business as well as introducing selected retail banking activities.

[GRAPHIC]

Key Dates

July 2004

Appointed Head of Strategy and
Marketing, ANZ Personal Division

2003

Partner, Venture Capital, UK

1995

Appointed Head of NAB Asia

1992

Appointed NAB Europe, Head of Marketing

1998

Joined National Australia Bank, Head of Consumer Marketing

Sonya Clancy

Sonya Clancy is Head of People Capital, Personal Banking Division.

Sonya works closely with the leadership team and focuses on strategic People Capital issues, opportunities and priorities facing the Division and ANZ.

Joining ANZ in 1998, Sonya has held various senior people capital roles including Head of People Capital for the Operations, Technology and Shared Services Division, Head of People Capital, Metro & Regional Banking and Head of People Capital Shared Services.

Sonya has a Bachelor of Arts Degree and brings over 15 years executive experience in corporate strategic Human Resource issues in financial services and pharmaceutical industries.

[GRAPHIC]

Key Dates

September 2004

Appointed Head People Capital,
ANZ Personal Division

March 2002

Appointed Head People Capital,
OTSS

April 2001

Appointed Head People Capital,
Metro & Regional Banking

August 1999

Appointed Head People Capital,
Shared Services

September 1998

Joined ANZ

The material in this presentation is general background information about the Bank s activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

For further information visit

www.anz.com

or contact

Simon Fraser

Head of Investor Relations

ph: (613) 9273 4185 fax: (613) 9273 4091 e-mail: simon.fraser@anz.com