

News Release

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ANZ to increase share buy-back by \$1.5 billion to \$3 billion

ANZ today announced it will increase its current on-market share buy-back, commenced on 15 January 2018, by a further \$1.5 billion to a total of \$3 billion.¹

This follows an announcement on 8 May 2018 that ANZ had received around \$1 billion of reinsurance proceeds as part of the first tranche of the sale of its Australian Life Insurance Business and was considering capital management options.

ANZ Chief Financial Officer Michelle Jablko said: "The progress of our transformation means we are able to return this surplus capital to shareholders while retaining appropriate flexibility to invest in our business and maintain unquestionably strong capital levels."

ANZ's reported Level 2 Common Equity Tier 1 capital (CET1) ratio as at 31 March 2018 was 11.04%. This would increase by ~56bp on a pro forma basis after adjusting for completion of the buy-back, receipt of the reinsurance proceeds and completion of announced asset sales.

ANZ's summarised pro forma Level 2 CET1 capital as at 31 March 2018

30 Sep 2017 reported CET1 ratio	10.57
Share Buy-Back completed in 1H18 (~\$1.1b)	-0.29
Other CET1 movements ²	0.76
31 March 2018 reported CET1 ratio	11.04
Buy-Back completed in May & June 2018 (~\$0.3b)	-0.08
Remaining Share Buy-Back (~\$1.6b)	-0.39
Wealth reinsurance proceeds received (~\$1.0b)	0.26
Announced asset sales to be completed ³	0.77
31 March 2018 Pro-forma CET1 ratio	11.60

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¹ ANZ announced a \$1.5 billion on-market share buy-back on 18 December 2017 following completion of the sale of its 20% stake in Shanghai Rural Commercial Bank. The buy-back commenced on 15 January 2018, with ~\$1,132 million completed by 31 March 2018 and a further ~\$308 million completed in May and June 2018.

² A breakdown of other CET1 movements is set out on p.38 of ANZ's 2018 Half Year Consolidated Financial Report & Dividend Announcement.

³ Includes expected remaining ~55bp CET1 benefit from Wealth Australia divestments, ~15bp CET1 benefit from the sale of OnePath Life NZ, ~5bp CET1 benefit from the sale of the remaining 20% stake in Metrobank Card Corporation and ~2bp benefit from the sale of the 55% shareholding in ANZ Royal Bank in Cambodia, subject to regulatory approvals.