

Media Release



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Changes to ANZ home lending rates

ANZ today announced it would increase interest rates for a range of home and residential investment loans by 0.25%pa, following the Reserve Bank of Australia's recent decision to increase the Official Cash Rate.

Effective 12 December 2003, the interest rate on ANZ's standard variable home loan will increase by 0.25%pa, from 6.82%pa to 7.07%pa (7.12%pa Comparison Rate^{*}) for new and existing customers.

The increase in the standard variable rate will increase repayments on an average \$150,000, 25-year loan by \$23.89 per month. ANZ customers with standard variable rate loans will continue to benefit from features such as no monthly fees and 100% offset facility.

ANZ's other variable rate mortgage products will also increase by 0.25%pa. The new rates are as follows:

- Money Saver – 6.47%pa
- Equity Manager – 7.07%pa
- Home Equity – 7.57%pa

ANZ fixed rate home and residential loans for new customers will also increase for new loans effective 8 December 2003. New rates are 1 Year – 6.75%pa; 2 Year – 6.95%pa; 3 Year – 7.15%pa; 4 Year – 7.30%pa; 5 Year – 7.40%pa.

ANZ Managing Director Mortgages Mr Chris Cooper said: "Although we have now moved into a rising interest rate environment, the indications are most customers are managing repayments relatively comfortably at present. Around 65% of our customers are in front with their repayments and home loan arrears were at a new record low in October."

Interest rates for credit cards and small business lending are currently under review.

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^{*} Comparison Rate calculated on a loan amount of \$150,000 over a term of 25 years with monthly repayments.