

ANZ 2003 Results
NBNZ Acquisition Highlights

Results Overview

John McFarlane

Chief Executive Officer

Another Solid Result for ANZ, up 8.3%

v Sep 02

• NPAT	\$2,348m	↑	1.1%
• EPS	148.3 cents	↑	0.7%

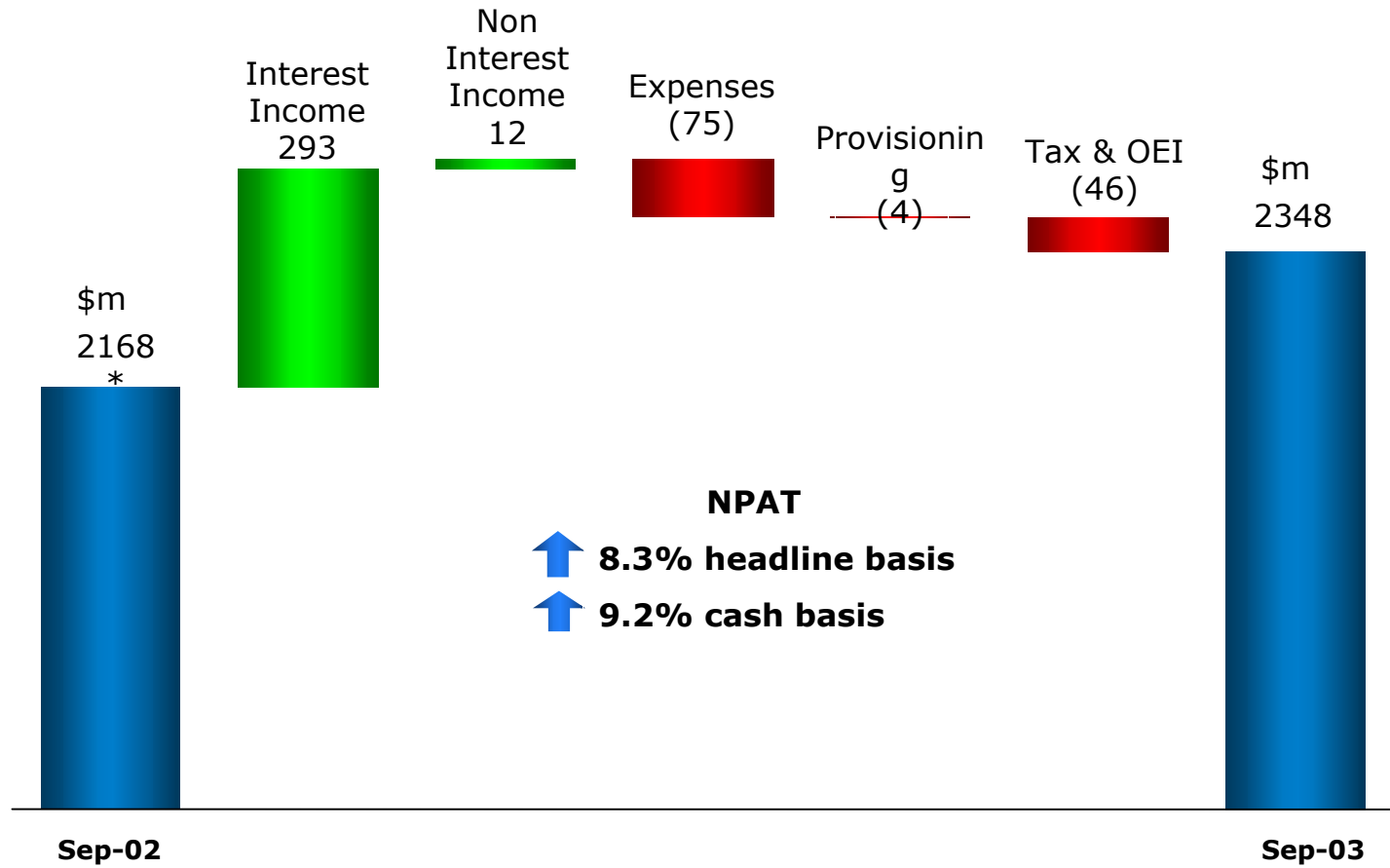
Before Significant Items

• NPAT	\$2,348m	↑	8.3%
• EPS	148.3 cents	↑	8.2%
• Cash EPS	152.4 cents	↑	9.2%
• Dividend	95 cents	↑	11.8%
• Net Specific Provisions	\$527m	↓	(27.6%)

Results Review

Peter Marriott
Chief Financial Officer

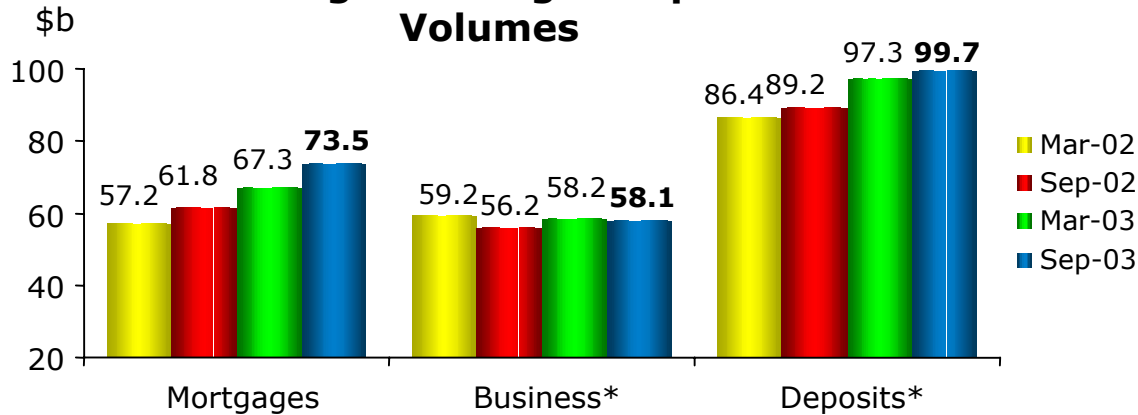
Full year result driven by asset and deposit growth



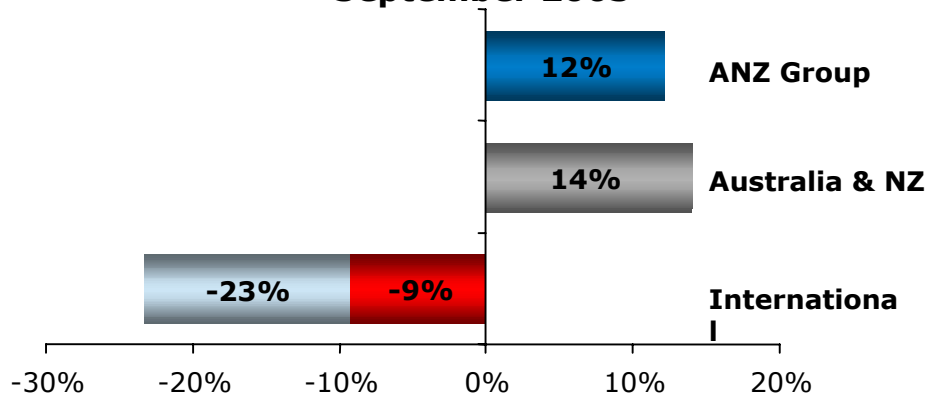
* Sep-02 excludes significant items

Higher interest income, driven by strong mortgage and deposit growth

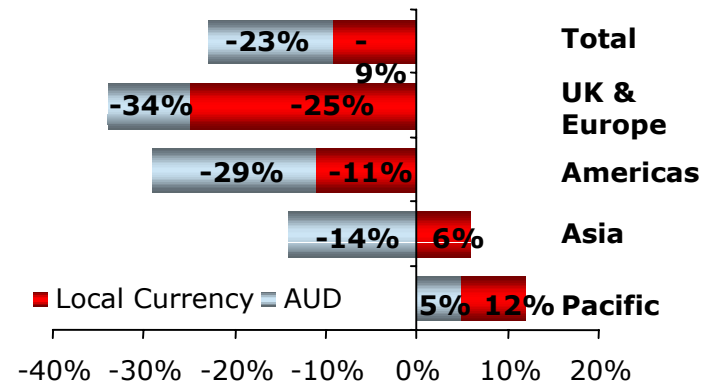
Average Lending & Deposit Volumes



Lending Asset Growth for the year to September 2003



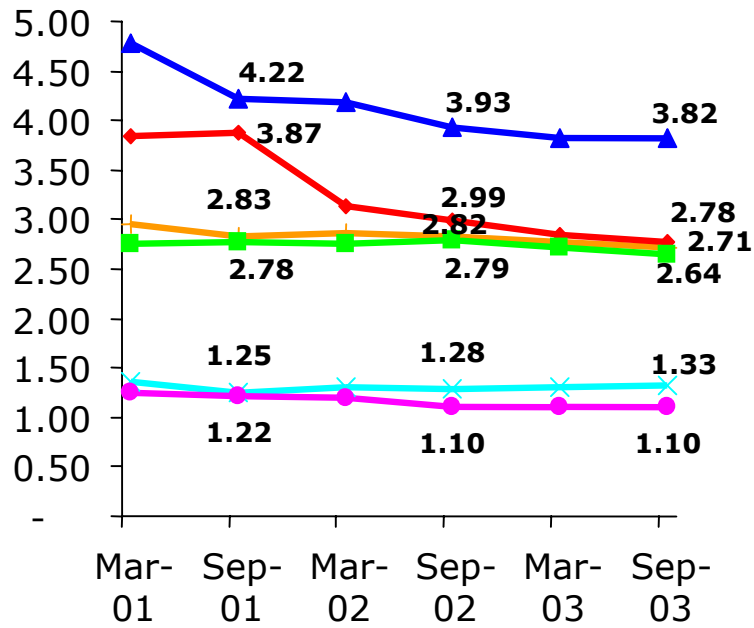
Trends in international exposure



*Business Lending includes Corporate & Small Business, and Institutional Segments. Deposits includes Esanda retail debentures

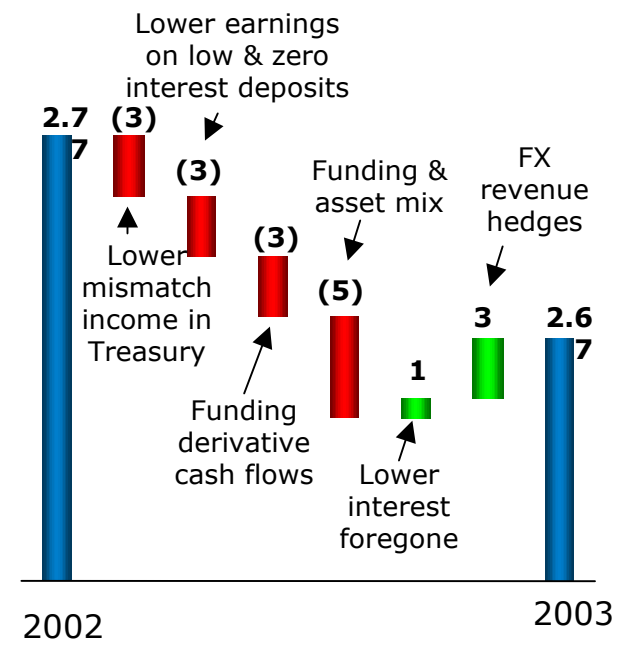
Margins down, primarily due to yield curve and mix effect

Interest Margins

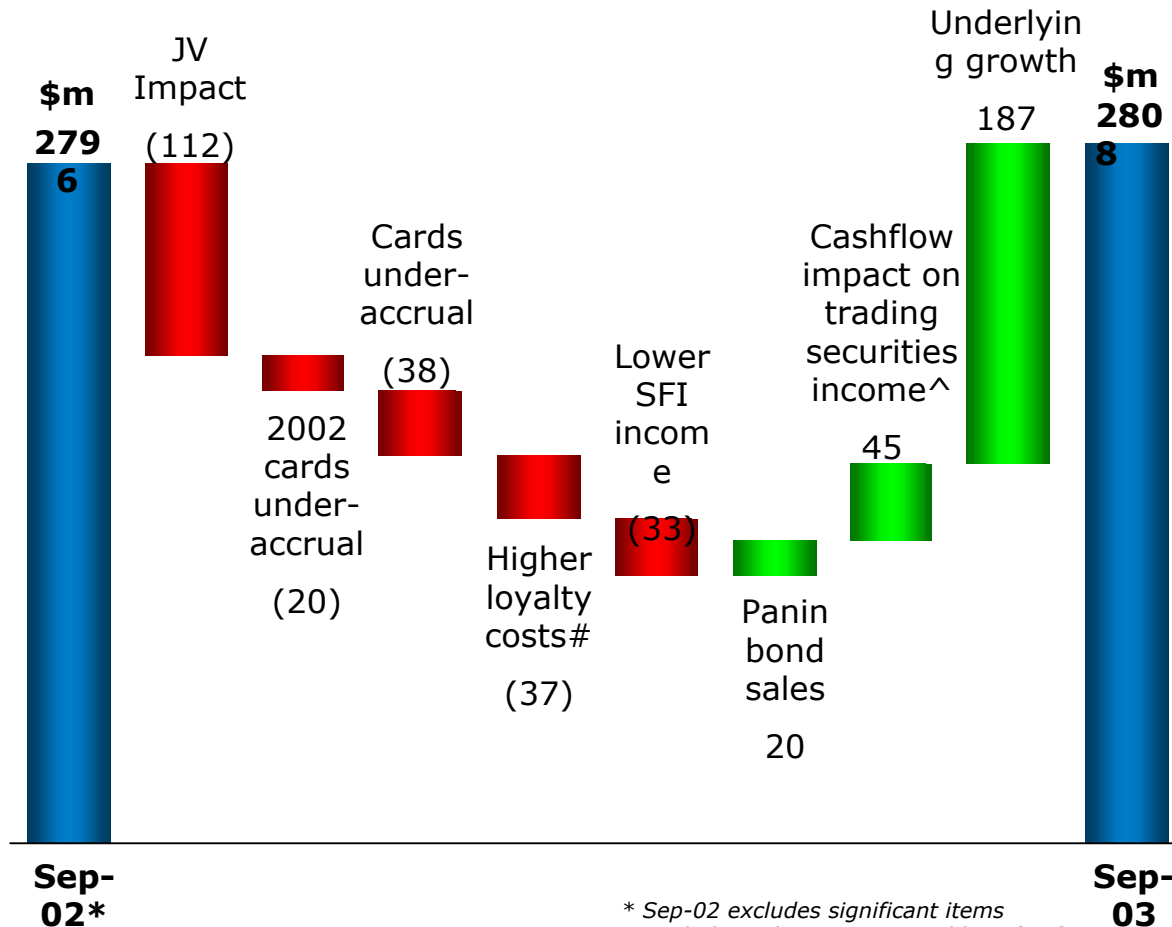


- ▲ Corp & Small Bus
- Mortgages
- ◆ Personal
- ✕ IB
- ✚ Asset Fin
- Group

Margin Drivers

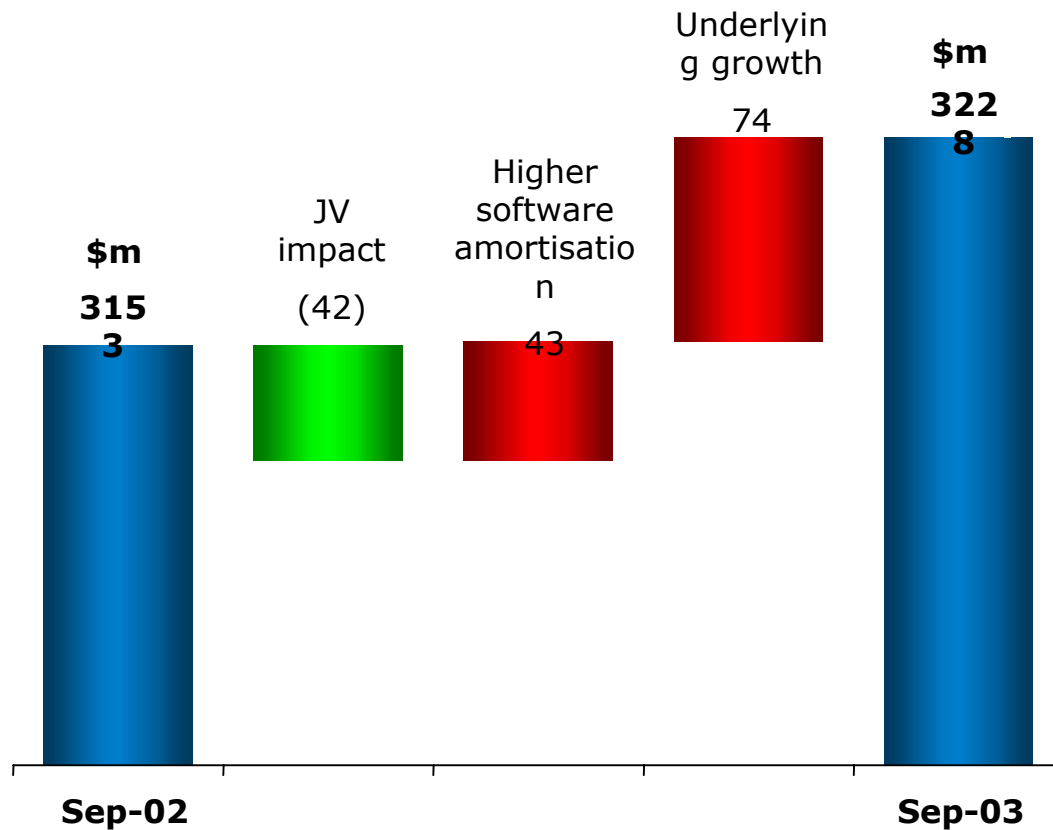


Non interest income impacted by Cards under-accrual and loyalty costs, underlying growth strong

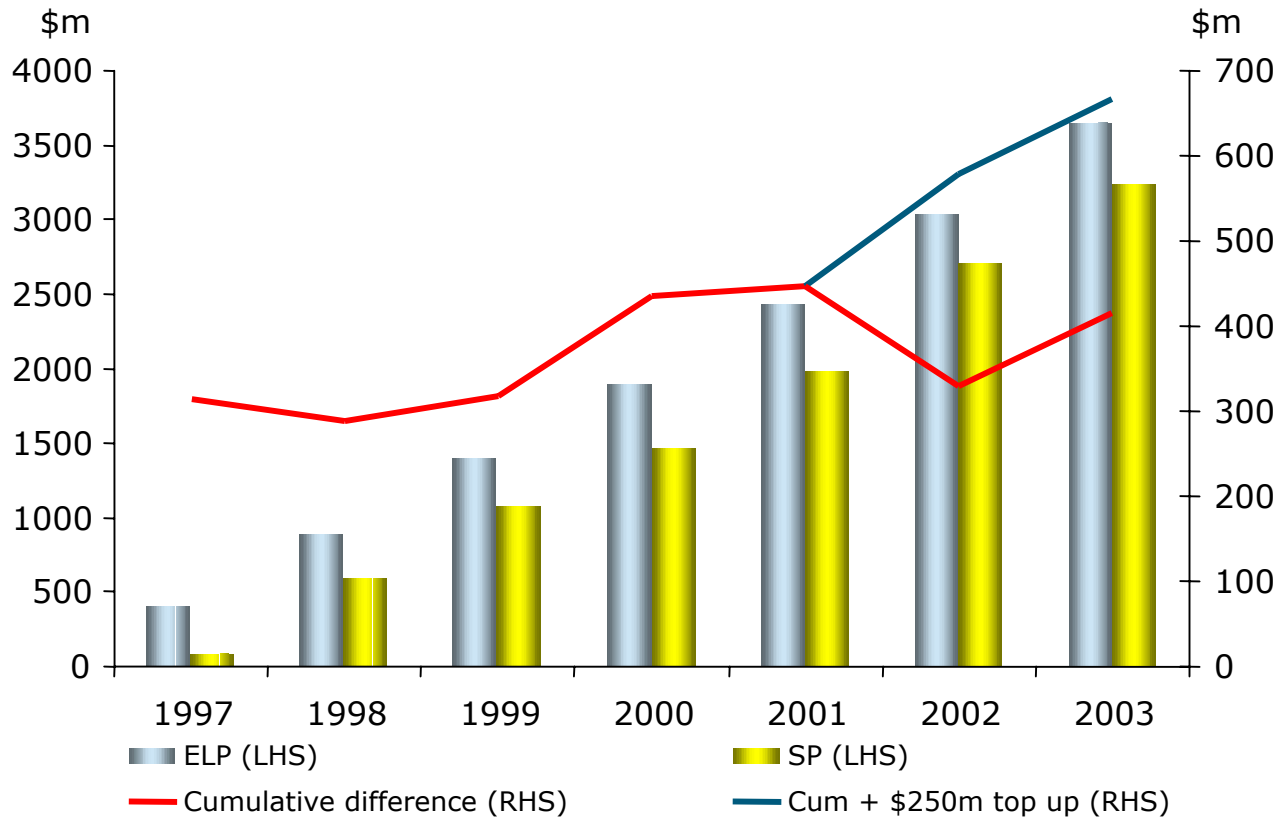


* Sep-02 excludes significant items
 # excludes volume impact and benefits from repricing
 ^ refer also Margin Drivers (p8)

Expense growth well controlled



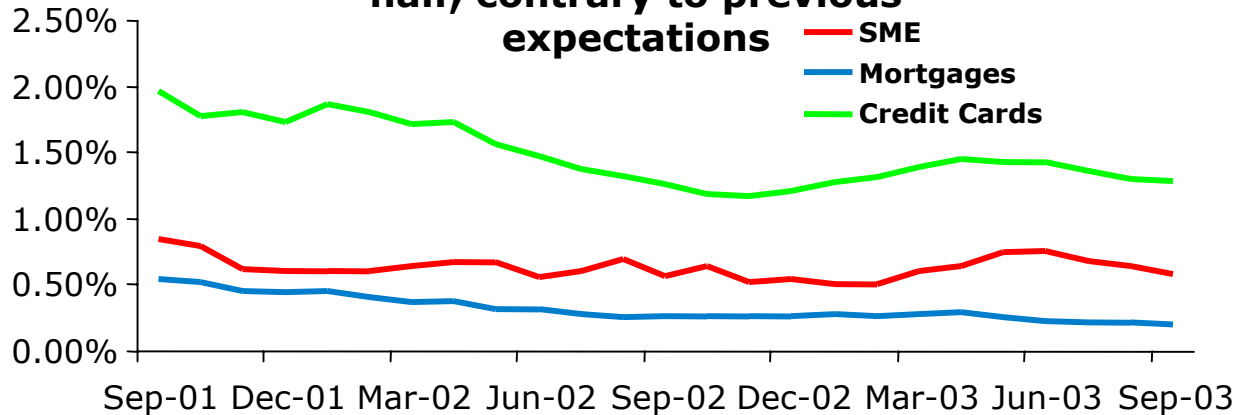
Cumulative ELP balance is well above the specific provision balance



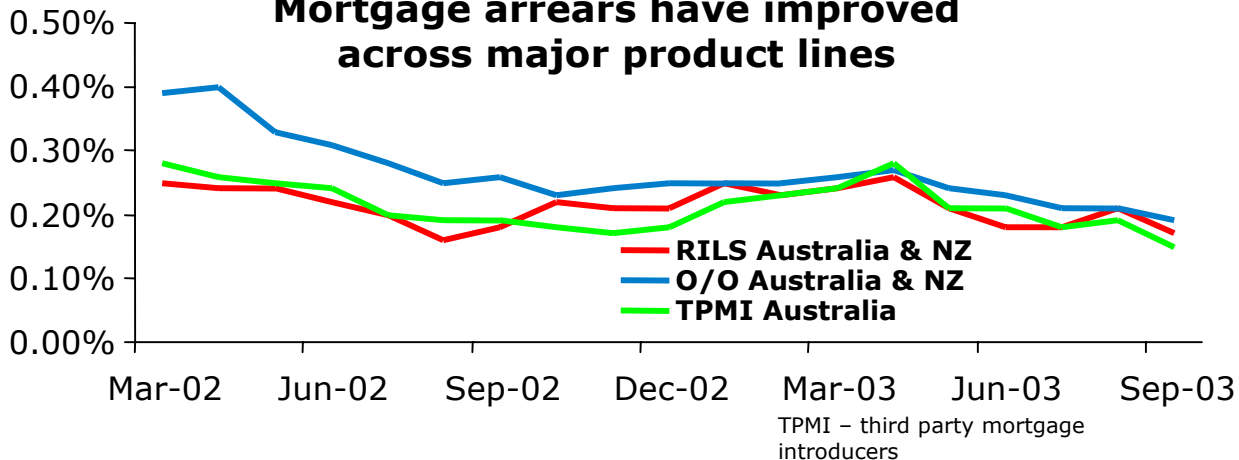
Credit Quality

Consumer & SME portfolios in good shape

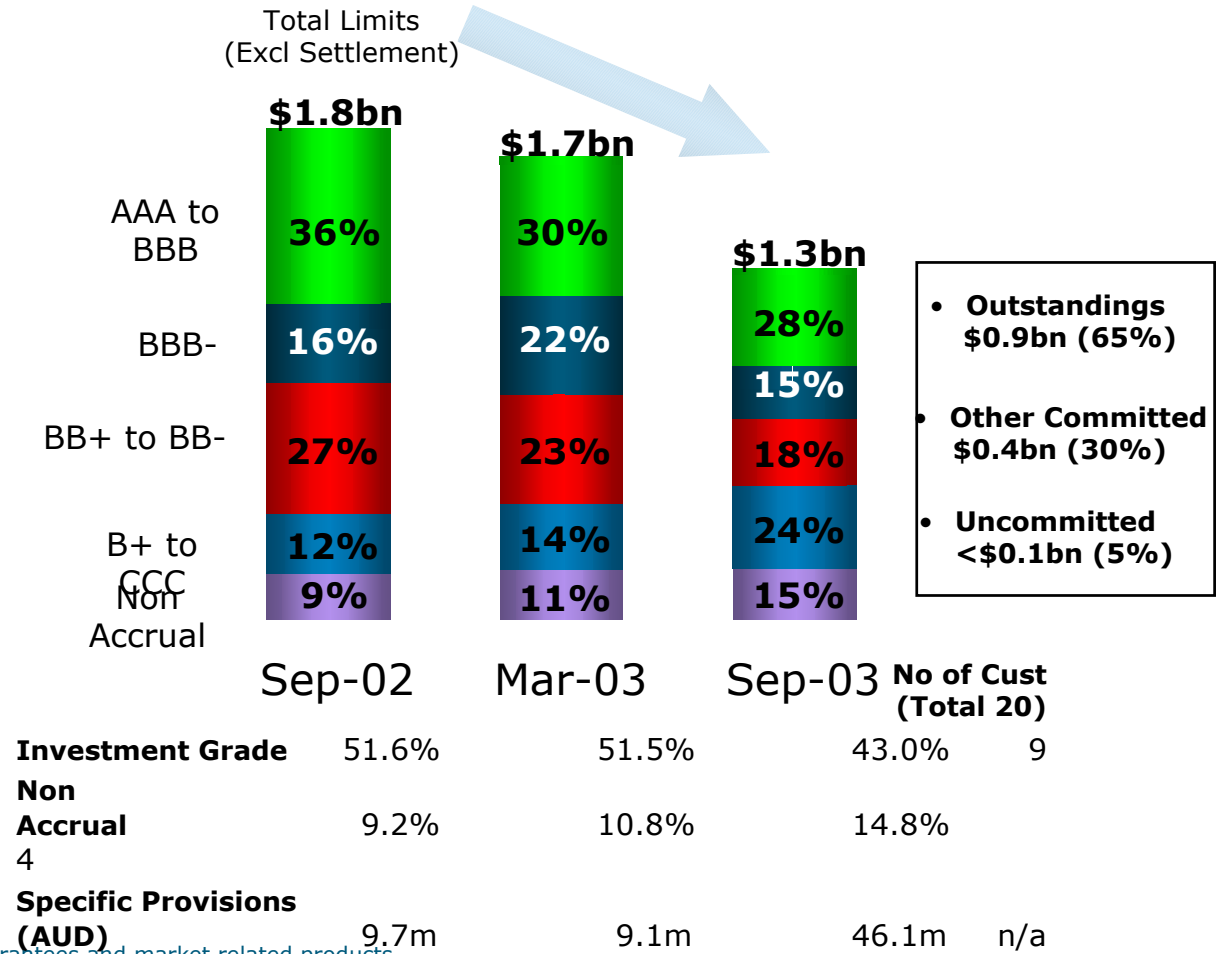
Arrears have decreased over the half, contrary to previous expectations



Mortgage arrears have improved across major product lines



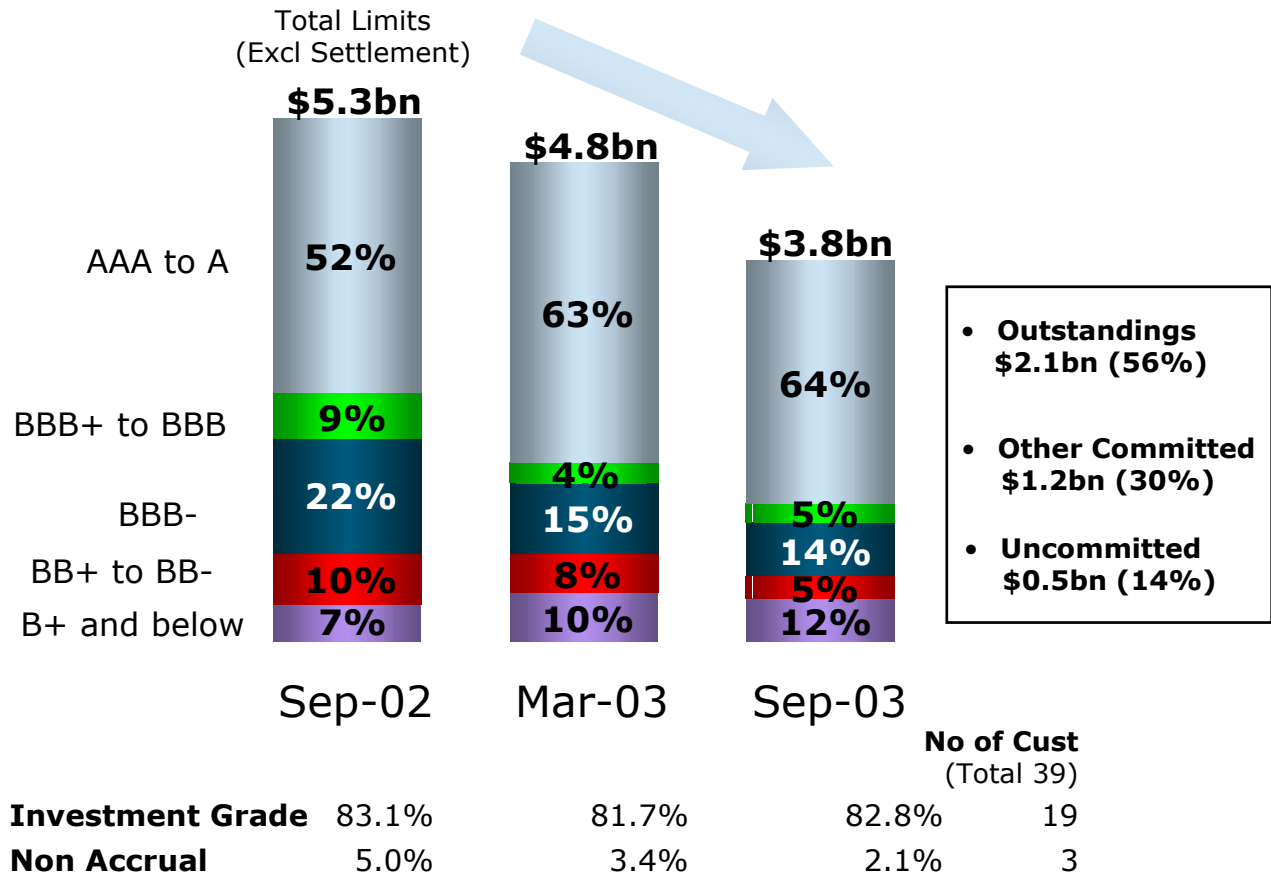
US Energy Portfolio – issues remain, but exposure continues to reduce



Note:

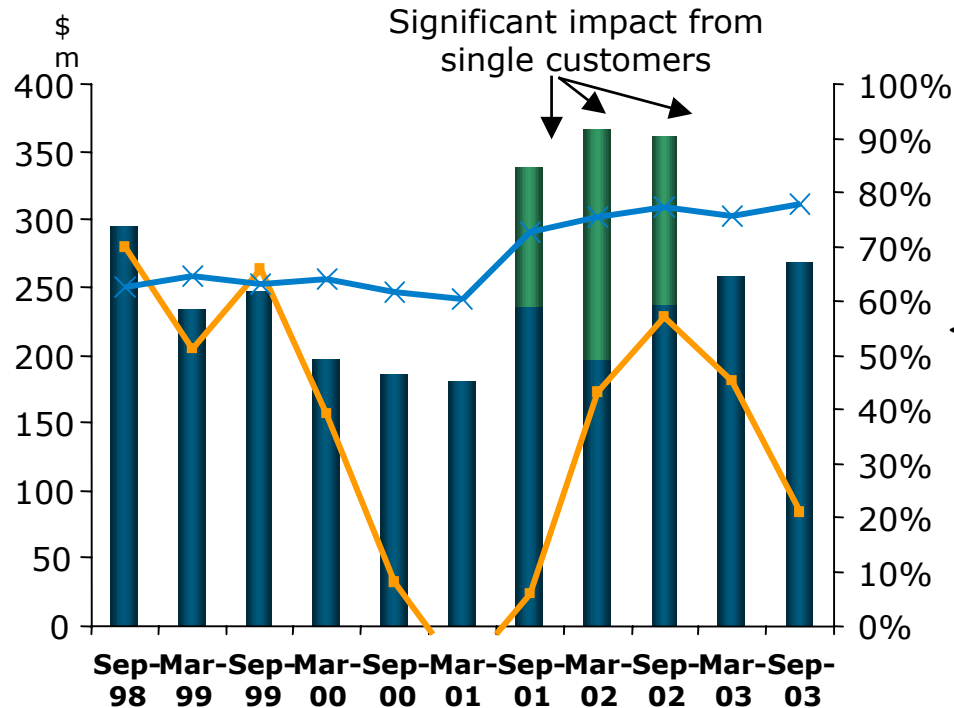
1. Includes utilised guarantees and market related products
2. Includes US domiciled exposures only (Excludes Mexico)

Quality of Group Telco lending book has also improved



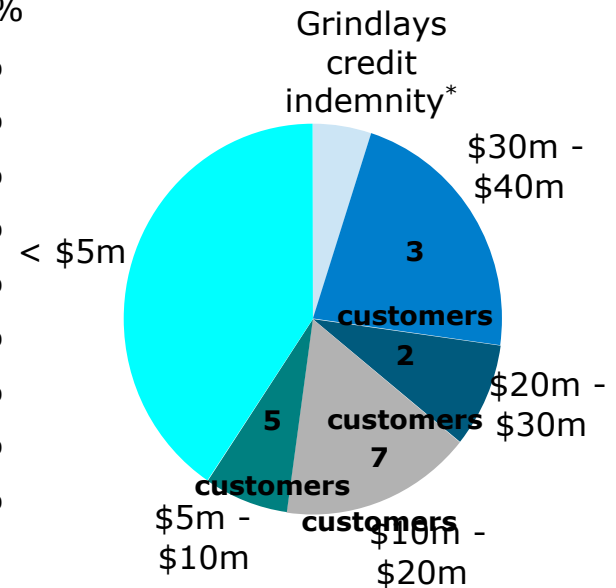
Specific provisions down 28% on 2002– no large single provisions

Specific Provisions

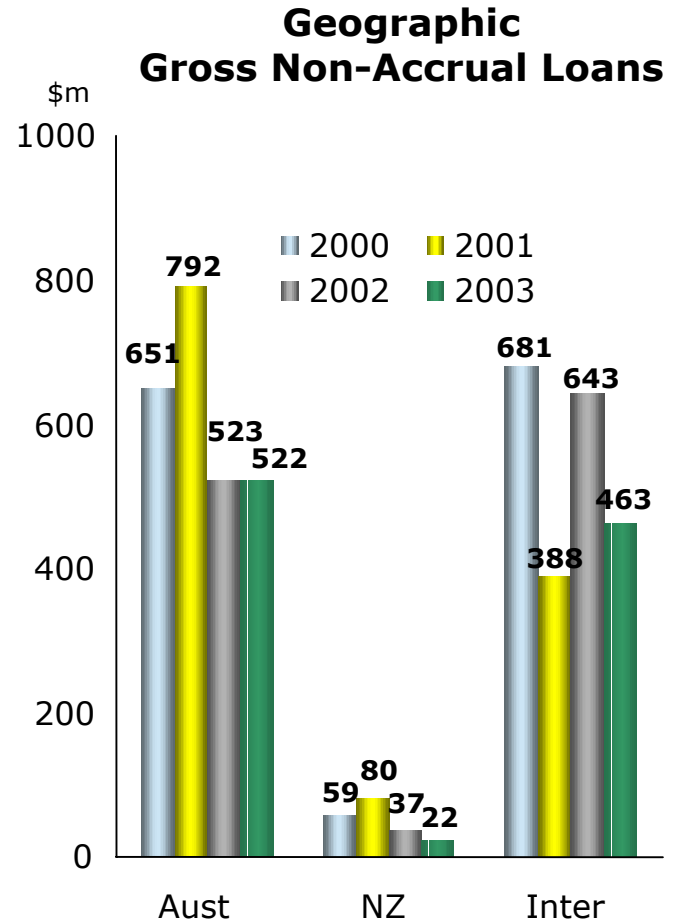
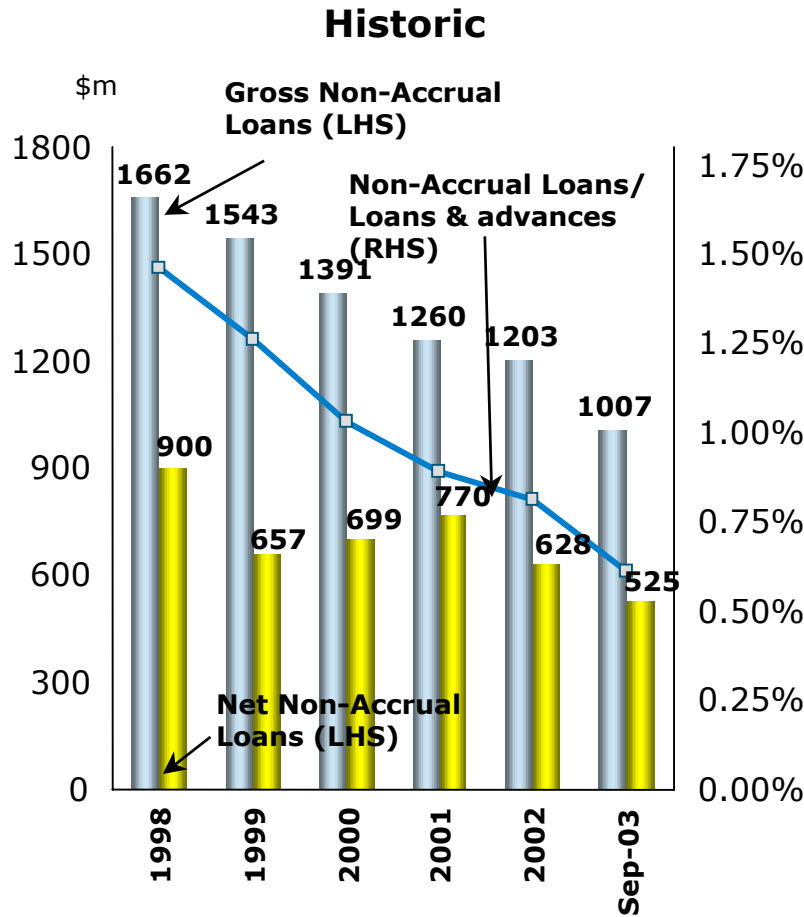


- Net specific provisions - \$m (LHS)
- % International SPs (RHS)
- ELP charge - \$m (LHS)

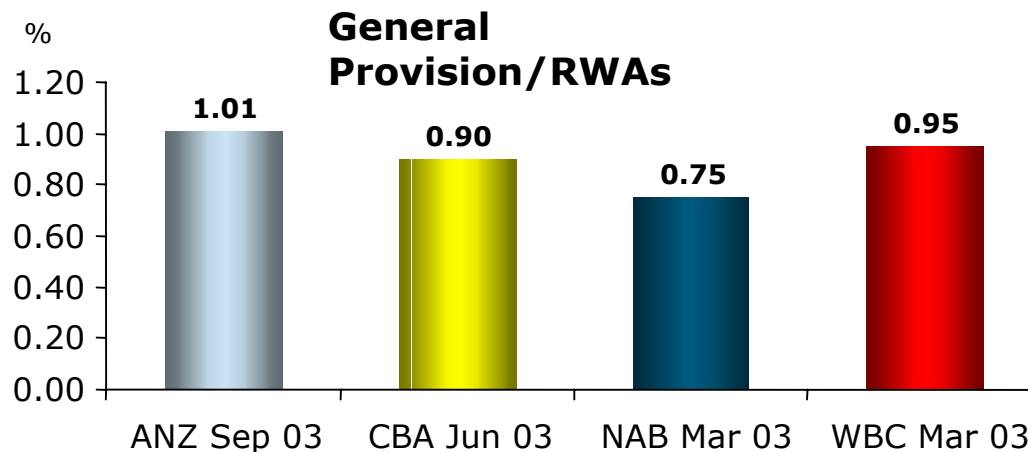
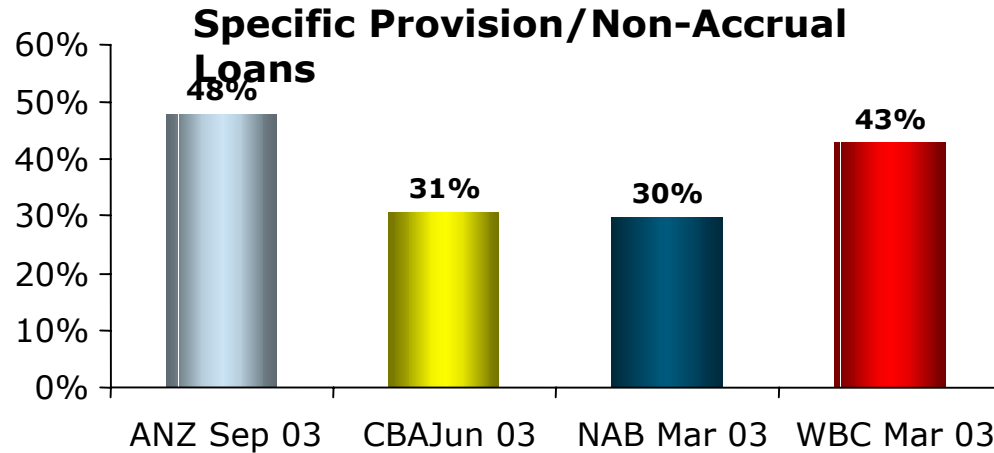
Full Year Specific Provisions by size



Non-accrual loans continue to fall



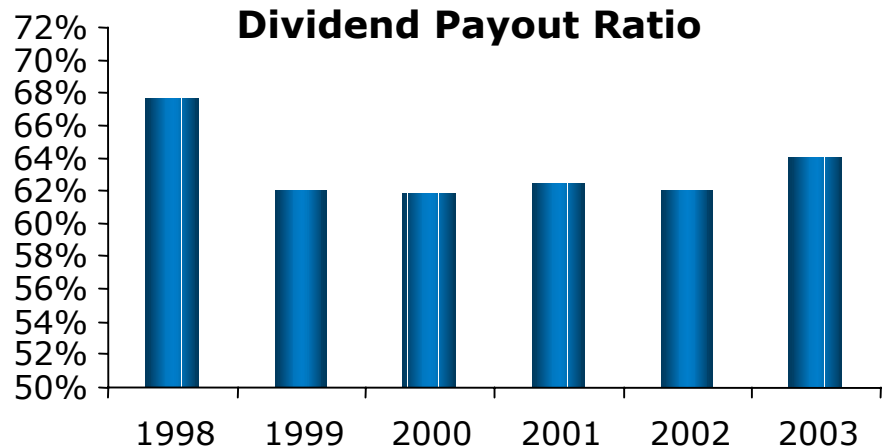
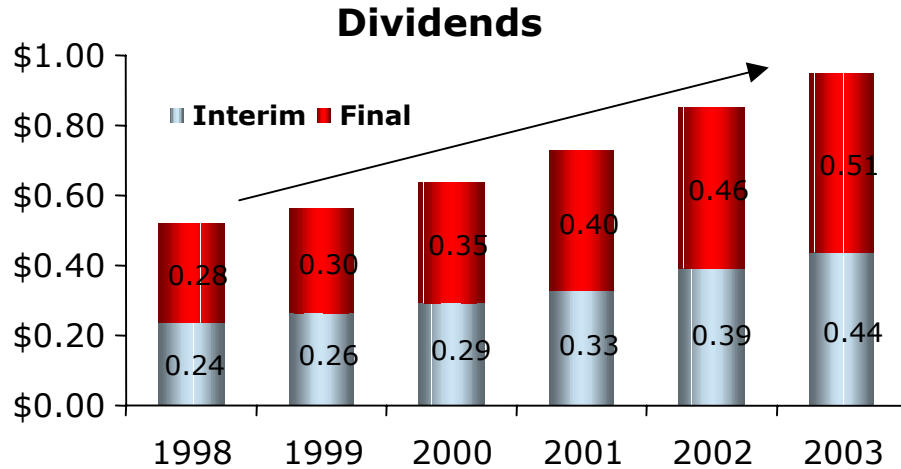
Existing and future problem loans are well provided for



Note:

1. As per most recent company financial reports for CBA, NAB and WBC

Healthy dividend growth underlines our commitment towards increasing the payout ratio



Outlook

- We expect ANZ will continue to perform well in a tougher industry environment in 2004
- Growth in net profit after tax for existing ANZ and NBNZ will be moderately below ANZ's growth in 2003 (excluding significant items) based on current economic conditions
- Negative impact on EPS from bonus element of rights issue and integration of NBNZ in 2004
- Adjusting for bonus element of rights issue, in 2004 we expect moderate EPS growth (excluding goodwill, amortization and significant transactions)
- ANZ expects to maintain a dividend of at least 95 cents per share in 2004
- 2004 dividend policy to be fully franked, despite an increasing proportion of the Group's earnings being derived from New Zealand

ANZ 2003 Results