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18 September 2007

The Manager
Company Announcements
Australian Securities Exchange
Level 10, 20 Bond Street
Sydney NSW 2000

**ANZ HOLDINGS (NEW ZEALAND) LIMITED CAPITAL RESTRUCTURE**

In relation to the Notes issued by ANZ Holdings (New Zealand) Limited (the "*Company*"), which are stapled to preference shares issued by Australia and New Zealand Banking Group Limited ("*ANZ*") to form ANZ StEPS, we advise that the directors of the Company have resolved to:

1. issue 2,002,000,000 redeemable preference shares of AUD1 each (the "*New RPS*") to ANZ Funds Pty Ltd ("*ANZ Funds*") in its capacity as a partner in a partnership controlled by ANZ; and
2. use the proceeds from the issue of the New RPS to redeem 2,002,000 redeemable preference shares of AUD1,000 each that were issued by the Company to ANZ Funds in 2005.

ANZ Funds is a wholly owned subsidiary within the ANZ group of companies. The impact of these transactions on profit and franking capacity at a group level is not expected to be material.

Yours faithfully

John Priestley
Company Secretary