Media Release

For Release: 27 April 2012

ANZ announces buy-back of ₤450 million UK hybrid securities

Following the buy-back approval given at the December 2011 Annual General Meeting of shareholders, ANZ has given irrevocable notice that it will acquire, via a wholly-owned subsidiary, ANZ Capital No. 1 Pty Ltd, all of the issued ₤450 UK hybrid securities on 15 June 2012 in accordance with the terms of that instrument. The UK hybrid securities will then be bought back and cancelled. Attached is the form of the transfer notice.

For media enquiries contact:

Stephen Ries
Senior Manager Media Relations
Tel: +61-3-8654 3659 or 0409-655 551
Email: stephen.ries@anz.com

David Goode
Debt Investor Relations Manager
Tel: +61-3-8654 5357
Email: david.goode@anz.com

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Transfer Notice in relation to the purchase of £450,000,000 Units each comprising a £50,000 perpetual subordinated note issued by the New York Branch of, and a preference share, liquidation preference £50,000 issued by Australia and New Zealand Banking Group Limited

1 Definitions

In this Transfer Notice:

"ANZ" means Australia and New Zealand Banking Group Limited (ABN 11 005 357 522).

"APRA" means the Australian Prudential Regulation Authority (ABN 79 635 582 658) or any successor body responsible for prudential regulation of ANZ.

"Assignment Event" has the meaning given in clause 4.1 of the Preference Share Terms.

"Book-Entry Interest" means a beneficial interest in a Global Security registered in the name of a Clearing Agency or its nominee, ownership and transfers of which shall be maintained and made through book entries by Deutsche Bank AG, London Branch as common depositary for and on behalf of Euroclear and Clearstream, Luxembourg as described in Section 3.10(a) of the Indenture.

"Business Day" means any day that is a business day within the meaning of the listing rules of ASX, other than a Saturday or Sunday, that is not a day on which banking institutions are authorized or required by law or executive order to be closed in New York, United States of America, London, United Kingdom or Melbourne, Australia.

"Clearstream, Luxembourg" means Clearstream Banking, *société anonyme.*

"Euroclear" means Euroclear Bank S.A./N.V.

"Holder" means a person whose name is for the time being registered in the register (maintained by or on behalf of ANZ) as the holder of a fully paid preference share in the share capital of ANZ, in accordance with the Preference Share Terms.

"Indenture" means the Indenture dated 15 June 2007 between Australia and New Zealand Banking Group Limited New York Branch, ANZ and Deutsche Trustee Company Limited.

"Nominated Party" means ANZ Capital No. 1 Pty Ltd (ACN 157 741 056).

"Notes" means fully paid, perpetual, unsecured, Sterling denominated subordinated notes issued by ANZ NY Branch pursuant to the Indenture and entitled "Perpetual Fixed to Floating Rate Subordinated Notes Due", which, prior to the occurrence of an Assignment Event with respect thereto, will be components of Units.

"Preference Share" means a fully paid preference share in the share capital of ANZ, the terms of which are set out in the Preference Share Terms.

"Preference Share Terms" means the Preference Share Terms attached at Annex B of the Indenture.

"Units" means the £450,000,000 Units each comprising a £50,000 perpetual subordinated note issued by the New York Branch of, and a preference share, liquidation preference £50,000 issued by ANZ under the Indenture and Preference Share Terms.

2 Notice of Proposed Transfer

Pursuant to clause 7.6(a) of the Preference Share Terms, ANZ hereby gives notice that all Units or, following the occurrence of an Assignment Event where Preference Shares remain outstanding, Preference Shares then outstanding (or, where the Preference Shares are Global Registered Preference Shares, the Beneficial Interest in such Preference Shares and, where such Preference Shares form part of the Units, the corresponding Book-Entry Interest in the Notes) will be acquired by the Nominated Party. Such acquisition will occur on 15 June 2012, at a purchase price per Unit or Preference Share, as the case may be, of £50,000.

3 Nominated Party

3.1 Controlled Entity

The Nominated Party is a controlled entity of ANZ. In accordance with the requirements of clause 7.6(a) of the Preference Share Terms, APRA has given its approval for the Nominated Party to be a controlled entity of ANZ.

3.2 Required Credit Rating

The Nominated Party has a long term counterparty credit rating from Standard & Poor's of not less than "AA-" and a long term senior issuer rating from Moody's of not less than "Aa3". These credit ratings satisfy the requirements for a Nominated Party under clause 7.6(a) of the Preference Share Terms.

The Nominated Party has undertaken in the Transfer Undertaking to make the acquisition described in paragraph 2.

ANZ has executed a Guarantee dated 20 April 2012, guaranteeing the Nominated Party's obligations under the Transfer Undertaking.

3.3 Other Matters

Following settlement of the transfer, unless an Assignment Event has already occurred, an Assignment Event will occur. ANZ will make a buy-back offer for the Preference Shares and following acceptance of the offer by the Nominated Party the Preference Shares will be bought back and cancelled.

4 Settlement

Payment of the purchase price of £50,000 per Unit (where the Preference Shares form part of the Units), or per Preference Share, if an Assignment Event has occurred before 15 June 2012, will be made on 15 June 2012 immediately following the payment of the interest on the Notes scheduled to be paid on 15 June 2012 or, if an Assignment Event has occurred before 15 June 2012, the dividend scheduled to be paid on the Preference Shares on that date.

So long as the Preference Shares are Registered Global Preference Shares, payment will be made by or on behalf of the Nominated Party to the Holders of the Beneficial Interest in the Preference Shares (and, where the Preference Shares form part of the Units, the corresponding Book Entry Interest in the Notes) as at the close of business on the 14 June 2012, which is the Business Day before 15 June 2012, to the relevant accounts held at Clearstream, Luxembourg and/or Euroclear.

Following such payment, the Holders of the Registered Global Preference Share will be deemed to have transferred their entitlement, and execute and deliver to, or as directed by, the Nominated Party an instrument of transfer in respect of the Preference Shares and, where the Preference Shares form part of the Units, the Notes and surrender the Registered Global Preference Share Certificate and the Global Security certificate in respect of the note prior to any cancellation effected by the Clearing Agent.

If the Preference Shares have been exchanged for Registered Definitive Preference Shares, payment will be made to the registered holder of such Preference Shares against delivery of a duly executed transfer form and surrender of the Registered Definitive Preference Share (occurring at the offices of the Transfer Agent on 15 June 2012).

5 Void

If the Nominated Party does not pay the aggregate purchase price in full on the 15 June 2012 the Transfer Notice will be void and the Holder will continue to hold the Units or Preference Shares, as the case may be.

SIGNED by Rick Moscati as attorney for **Australia and New Zealand Banking Group Limited** under power of attorney dated 18 November 2002 in the presence of:	)	
Sean Mitchell .... Signature of witness	)	RMoscati .... By executing this agreement the attorney states that the attorney has received no notice of revocation of the power of attorney
.... Name of witness (block letters)	)	

Sean Mitchell
of 833 Collins St,
Docklands, Victoria 3008
An Australian Legal Practitioner
within the meaning of the
Legal Profession Act 2004