



Media Release

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ANZ New Zealand maintains momentum

Australia and New Zealand Banking Group Limited (ANZ) 2013 half year results were released today, showing a lift in performance for ANZ New Zealand¹ with statutory profit of NZ\$655 million, up 1% on the preceding half.

Cash profit² was NZ\$699 million, up 4 per cent from \$673 million, reflecting a reduction in restructuring costs, productivity gains from simplifying the business, growth in lending and a reduction in provisions for bad and doubtful debts.

ANZ New Zealand Chief Executive Officer David Hisco said: "This is a solid result which maintains our momentum in the first half of 2013 following a series of significant, carefully managed changes to our business. The initial phase of our brand integration including the move to one core banking system has gone smoothly and, importantly, with minimal disruption to customers.

"We are growing market share in target segments and have maintained high levels of customer satisfaction. While the revenue environment is still subdued, our simplification programme has helped us lift productivity and reduce costs and has positioned us to better leverage our scale to support future earnings growth."

"Lending volumes rose in a low-growth credit environment, driven primarily by above-market growth in mortgages, though margins have trended down from their 2012 peak.

Key points²

- Statutory profit of \$655 million, up 1% on the preceding half
- Cash profit of \$699 million, up 4% compared with the preceding half
- Profit before credit impairment up 4%
- Significant cost reductions as the NZ Simplification programme winds down and productivity gains are realised
- Lending growth driven by above-market increase in home lending
- Lower credit impairment provision charges and further decrease in impaired assets
- Growth of 5% in customer deposits

"With demand growing in the housing market we have continued our focus on being the No 1 home loan provider to New Zealanders by launching a number of initiatives aimed at making the process of taking out a mortgage easier for customers.

"To help support New Zealand business start-ups, we have also launched a \$500 million package to support the creation of new small and medium-sized enterprises that will generate jobs and boost economic growth," Mr Hisco said.

¹ ANZ New Zealand represents all of ANZ's operations in New Zealand, including ANZ Bank New Zealand Limited, its parent company ANZ Holdings (New Zealand) Limited and the New Zealand branch of ANZ.

² Statutory profit has been adjusted to exclude items that introduce inter-period volatility and/or distortions to ANZ's performance that are unrelated to ongoing operations to arrive at cash profit. All comparisons in Key Points are on a cash profit basis and relate to the preceding half unless otherwise stated. Refer to Summary of Key Financial Information for details of reconciling items between cash profit and statutory profit.

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