23 September 2019

Kina Bank successfully completes transformative acquisition of ANZ PNG's Retail, Commercial and SME business

Pursuant to the NZX Listing Rules, please find attached an announcement released by a third party, Kina Securities Limited (KSL), on ASX and cross-released under ANZ's ASX ticker code.

Yours faithfully

Simon Pordage
Company Secretary
Australia and New Zealand Banking Group Limited

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Kina Securities Limited (ASX:KSL PNGX:KSL) (**Kina Group**, **Group**, the **Company**) is pleased to announce that its wholly-owned subsidiary, Kina Bank Limited **(Kina Bank**), has achieved Practical Completion of its transformative acquisition of Australia and New Zealand Banking Group Limited's (**ASX:ANZ**) Retail, Commercial and Small to Medium Enterprise (**SME**) business in Papua New Guinea (**ANZ PNG**).

Kina Group's CEO, Greg Pawson, said "the acquisition is a significant development for the Group and for Kina Bank".

"Completing the acquisition is a milestone for the Company and it represents a key component of our five-year strategic plan. It supports our objectives to deliver greater value to our customers and develop a more resilient and sustainable Group. It further strengthens our market position in retail, commercial and SME banking as we become the second largest retail bank in Papua New Guinea. The acquisition also provides scale to invest in new banking capabilities and improve the value of our product offering to new and existing customers through a national network of branches, ATMs and EFTPOS terminals."

Kina Bank entered into a binding Sale and Purchase Agreement (**SPA**) with ANZ PNG in June 2018. The acquisition includes:

1. Retail customer deposits and loans (including credit cards);
2. Commercial/SME customer loans and deposits;
3. ANZ PNG's 15 retail branch premises;
4. Relevant employees; and
5. 72 ATMs and over 1,800 EFTPOS terminals (both in branch and standalone) used by ANZ PNG.

The financial metrics of the acquisition remain in line with the Company's announcement to the market on 25 June 2018. Under the SPA, the Financial Settlement will be completed on 6 November 2019. The Total Capital ratio post the acquisition will be 18%.

Kina Group remains confident with the previous earnings estimates from the ANZ business.

For more information:

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