ASX Announcement

23 February 2006

Manager
Company Announcements Office
Australian Stock Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Manager
Market Information Services Section
New Zealand Stock Exchange
Level 9, ASB Tower, 2 Hunter Street
Wellington New Zealand

Announcement No: 07/06

Please find attached a letter from AMP Chairman Peter Mason to all shareholders, as well as a brochure outlining the new AMP Shareholder Benefits Package. These documents are being sent to shareholders in the next week.

23 February 2006

Dear shareholder

I am writing to warn you about unsolicited offers to buy your AMP shares and tell you about AMP's 2005 full year financial results, released last week.

Be wary of unsolicited share offers

Some AMP shareholders have recently received unsolicited offers to buy their AMP shares at prices significantly below their market value. Companies making this offer are associated with Mr David Tweed and may include National Share Purchasing Corporation, Direct Share Purchasing Corporation and National Exchange.

Your board wants to assure you that AMP is in no way involved or associated with these offers and strongly objects to them.

We urge shareholders not to accept these offers as they are significantly below the current market value for AMP shares.

We strongly recommend the following if you are considering any offer:

- check the terms and conditions of the offer
- check the current market price of AMP's shares – you can find the share price listed in the business section of most major Australian daily newspapers
- seek independent advice from a qualified professional adviser.

2005 full year results

On 16 February, we announced our financial results for the year to 31 December 2005.

I'm pleased to report that profits, as measured by underlying contribution, increased by 24 per cent to $801 million, while group costs fell another three per cent, continuing a trend evident over the past four years.

You'll receive a final dividend for 2005 of 18 cents a share, on 26 April 2006. With the interim dividend of 14 cents a share, the total dividend for 2005 is 32 cents a share (up 5 cents on the 2004 dividend).

Along with our results, we also announced a proposed capital return of 40 cents a share in 2006, subject to approval by shareholders and the Australian Taxation Office. Your board will seek approval from you for this capital return at the annual general meeting (AGM) on 18 May 2006. If approved, this payment will be made in June.

You will receive details about the capital return in mid April in your Notice of Meeting for the AGM.

If you have any questions or concerns about your shareholding, please contact the AMP Securities Registry on 1300 654 442.

Yours sincerely

Peter Mason

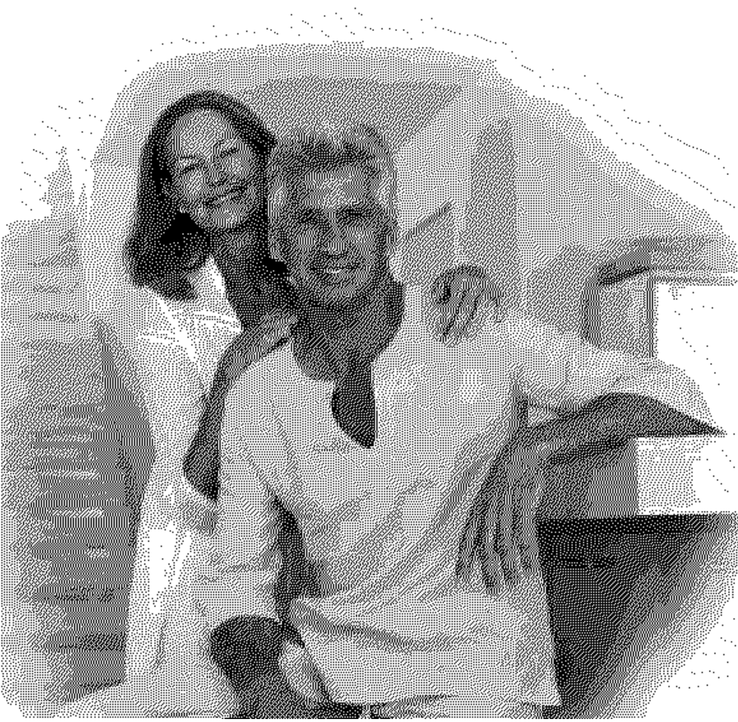
Peter Mason
AMP Chairman

Your AMP shares now offer **extra benefits**

To thank you for being a shareholder of AMP, we have developed the AMP Shareholder Benefits Package, which offers many financial benefits:

- The AMP Benefits Home Loan[1] for shareholders. Discounts on your home loan rate and fee waivers.
- The Cash Management Account – Select Option. A flexible, high-interest savings account, with a 3 month introductory bonus interest rate of 0.75% p.a[6].
- The AMP Amex Credit Card[5]. A special balance transfer rate, rewards program and more.

To take advantage of any one or all of these products just call your AMP financial planner or a member of the AMP Banking Team[4] on **13 30 30** 8am to 8pm AEST, Monday to Friday.



Take advantage of your shareholder benefits today.

Call your AMP financial planner or a member of the AMP Banking Team[4] on **13 30 30** 8am to 8pm AEST, Monday to Friday.

Website **www.amp.com.au/shareholderbenefits**

Please have your Shareholder Reference Number (SRN) or Holder Information Number (HIN) when you call.

Conditions for home loans

1. Offer only available to all current AMP Shareholders as of 31 January 2006. Switch fees apply to requests to switch existing variable loans into the AMP Shareholder Benefits Package. Additional penalties may be payable for breaking and switching fixed rate loans. Package benefits, including fee waivers and interest rate discounts are taken from AMP Banking's Classic Club variable interest rates and standard fixed rates and are current as at 1 February 2006. They are subject to change by AMP Banking at any time. Available only for loans greater than $100,000, other fees and charges apply. Available only to current AMP Shareholders via the AMP Banking team. Approval is subject to AMP Banking guidelines. The credit provider is AMP Bank Limited ABN 15 081 596 009, AFSL No 234517, trading as AMP Banking.

2. Calculations are approximate. Savings figures correct at 1 February 2006 and calculated on a 0.75% p.a. discount on the AMP Banking Classic Club Variable Rate, 30 year loan term. Calculations do not take into account other fees and charges that may be payable. Interest rates assumed not to change over five years.

3. Break costs and fees may apply if this limit is exceeded.

4. Please note that in person appointments are not available in all areas.

Conditions for deposits

6. Rates subject to change and current at 1 February 2006. Fees and charges may apply. The product issuer is AMP Bank Limited ABN 15 081 596 009. A Product Disclosure Statement (PDS) is available by calling 13 30 30 or online at amp.com.au/banking. Any advice given does not take into account your objectives, financial situation or needs. You should consider the appropriateness of this advice to you and read the relevant PDS before making a decision whether to acquire or continue to hold this product. Maximum Opening Deposit AUD 1 million. Ongoing maximum balance of AUD 1 million per customer (excluding interest payments). Available to new customers who have not previously opened an introductory rate Cash Management Account. After the 3 month introductory rate period expires, interest rates will revert to 5.00%p.a. for balances less than $20,000, 5.00%p.a. for balances between $20,000 and $1m and 5.00%p.a. for balances greater than $1m. These rates are variable and effective 1 February 2006 and are subject to change.

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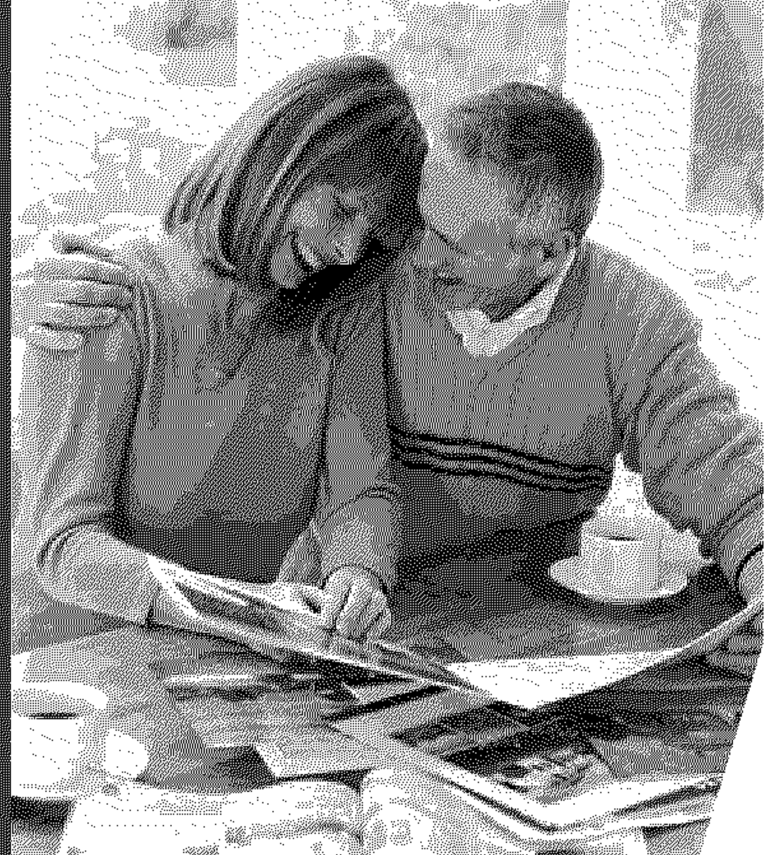
Significant **financial benefits** at every step, from your **mortgage** to **your savings**



Introducing the AMP Shareholder Benefits Package

AMP SELECT HOME LOAN FOR SHAREHOLDERS

You could **save** up to **$14,094** in five years[2] on a $350,000 home loan

The AMP Select Home Loan for shareholders is a highly competitive mortgage that you can use to refinance a current loan, invest in property or buy a home for the first time. As you can see, the savings[2] are substantial:

Loan amount	$350,000	$500,000	$700,000	$1,000,000
Average monthly interest savings over first 5 years	$235	$336	$470	$671
Total interest savings in 1st year	$2,804	$4,006	$5,609	$8,013
Total interest savings over first 5 years	$14,094	$20,134	$28,187	$40,268
Total interest savings over 30 years	$67,469	$96,384	$134,938	$192,768

Loan amount	Variable Rate	Line of Credit	Fixed Rate
$100,000 and above	0.75%p.a. discount[1]	0.75%p.a. discount[1]	0.10%p.a. discount[1]

Extra shareholder benefits:

- Save $350 – standard establishment fee waived
- Save $349 – annual package fee for the first year waived
- Save $350 – settlement fee waived (offer available until 30 June 2006)
- Unlimited free deposits and withdrawals in Australia and on all Variable Rate Loans and Lines of Credit
- Full access via ATM, EFTPOS, BankNet, BankPhone and BPAY®
- No monthly account management fees to pay on Variable Rate Loans and Lines of Credit
- No penalties if you make extra payments of up to $10,000 per year on fixed rate loans[3]
- PLUS all the benefits of the Master Limit for a small one off fee of $100

Master Limit

A Master Limit is an overall limit—up to the maximum amount you can borrow—which is approved when you first apply for your loan. It's a 'stand-by pre-approval' for up to ten years, allowing you to draw upon it for future investments, property purchases, home improvements and even share investments, without the hassle of complex paperwork or additional fees. Your Master Limit can be split into different loan types or sub-accounts to help you manage your assets better and achieve your goals.

CASH MANAGEMENT ACCOUNT – SELECT OPTION

A high interest, full service account[6]

All the benefits of a transaction account, including a cheque book, access card and/or phone and internet banking, plus a competitive interest rate. You can use it as a savings or investment account, or even package it with your home loan and credit card.

PLUS:

- $0 minimum opening balance, if your salary is credited, or if dividend payments and/or automatic payments are established
- 3 month introductory bonus interest rate of 0.75%p.a. – that's 5.75%p.a. for three months for new customers who have not previously opened an introductory Cash Management Account[5]

AMP AMEX CREDIT CARD[5]

An exceptional credit card

Thanks to AMP's strong relationship with American Express, you can take advantage of an exceptional deal on a Blue or Gold American Express credit card:

- No ongoing annual fee if you spend at least $5,000 p.a. on your Blue card, or $9,500 p.a. on your Gold card
- Low balance transfer of 9.99% on the Blue card and 8.99% on the Gold card
- Access to the American Express Membership Rewards program, recipient of Money magazine's 'Best of the Best' award two years running
- Online account access

Combine your home loan with your AMP Credit Card and watch your savings and rewards multiply. Simply make all your purchases from your credit card and pay the balance each month within the interest-free period directly from your loan account, for maximum rewards.

5 Credit provider is American Express Australia Limited. The AMP Amex Credit Card and the American Express Membership Rewards program are subject to terms and conditions and credit approval from American Express Australia Limited. Fees and charges apply.

AMP

To arrange a **no-obligation consultation** and take advantage of these special AMP Shareholder benefits please call your AMP financial planner or call **13 30 30.** OR complete and mail this coupon. *(No stamp required)*

My AMP Shareholder (SRN) number is: ____________________

First Name: ____________________

Surname: ____________________

Street Address: ____________________

Suburb: ____________________

State: ____________________

Postcode: ____________________

Home: (__) ____________________

Work: (__) ____________________

Mobile: ____________________

Email: ____________________

I am interested in:

☐ Home Loan ☐ Home Loan plus Master Limit

☐ Cash Management Account ☐ Credit Card

☐ All of the above

The most convenient way to contact me is by my:

☐ Home phone ☐ Work phone ☐ Mobile ☐ Email

The AMP Banking team will contact you between 9am-5pm AEST, Monday to Friday. When coupon is completed, mail it to: *(No stamp required.)*

AMP Banking/Shareholder Benefits
Reply Paid 79702
PARRAMATTA NSW 2124

AMP is collecting your personal information for contacting you in regards to financial and loan products offered by AMP Banking. You may access personal information about you held by us and you may let us know if any of it is inaccurate, incomplete or out of date. Further information regarding our privacy policies is contained in the AMP Privacy Policy Statement. Visit www.amp.com.au/privacy or contact us.