

05

*GOING LOCAL...
ANZ's Partnership Approach*

Elmer Funke Kupper
Group MD, Asia Pacific

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Overview

- ❑ **Two growth strategies in Asia**
 - ANZ's Network in 12 markets, serving customers that trade and invest across the region
 - Retail banking partnerships with local banks

- ❑ **Rationale to work together is strong**
 - Deep local franchise and relationships
 - International experience in Risk Management and Retail Banking

- ❑ **ANZ has developed a unique partnership approach**
 - True partnership: pull, not push
 - Share the upside: target 30-49% investment
 - Four partnerships in place, with others on the way

Profile of ANZ



- Established in 1835
- Strong market position in chosen markets
 - *Australian “Bank of the Year” six years in a row*
 - *New Zealand’s largest bank*
 - *Leading bank in the South Pacific*
 - *Leading Australian bank in Asia*
- Over 5 million customers, across 28 countries
- 31,500 employees; 1,190 branches
- Strong performance
 - *1H05 annual profit A\$3.0b*
 - *Return on equity 18.1%*
 - *Cost/Income ratio 45.8%*
 - *Market capitalisation A\$43b*
- Rated AA-

Dedicated focus on Asia Pacific

Group Leadership

Chief Executive Officer

Chief Financial Officer

Chief Operating Officer

Strategic Development

Customer-focused Businesses

Personal Banking

Institutional Banking

Corporate & Business Bank

New Zealand

Asia Pacific

Esanda (Finance Co.)

Supporting Functions

Risk

People Capital

Corporate Affairs

Operations Technology and Shared Services

Growth in Asia is fuelling global interest



The REGIONAL trade and investment opportunity

 MAINLAND CHINA

since 1986 • Shanghai
• Beijing

 HONG KONG

since 1970 • Central

 TAIWAN


since 1980 • Taipei

 SOUTH KOREA

since 1978 • Seoul


 THE PHILIPPINES

since 1990 • Manila

 INDIA

Since 1984¹ • Mumbai



JAPAN 

Since 1969 • Tokyo
• Osaka

VIETNAM 

since 1993 • Hanoi
• Ho Chi Minh

INDONESIA 

since 1973 • Jakarta

MALAYSIA 

since 1971 • Kuala Lumpur

THAILAND 

since 1985 • Bangkok

SINGAPORE 

since 1974 • Singapore

Delivering institutional skills to network customers

Recognised Skills¹

Capital Markets

#1 Asia Pacific Mandated Arranger

Foreign Exchange

Best AUD Bank Globally

Project Finance

Best Asian Loan of the Year

Asia Pacific Project Bond Deal of the Year

M&A and Advisory

#8 Advisor in Asia (exc Japan)

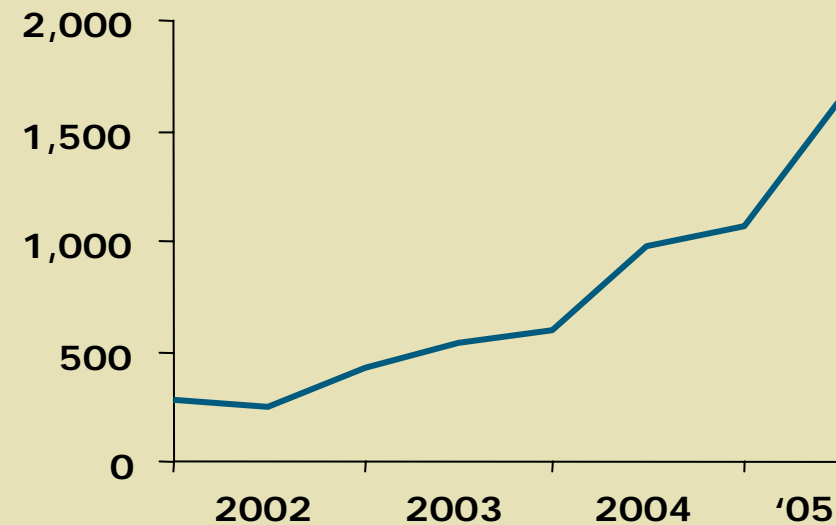
#1 Advisor in Singapore

Commodity and Trade

#1 Trade Bank in East Asia

Network Business

ANZ Trade with China (US\$m)

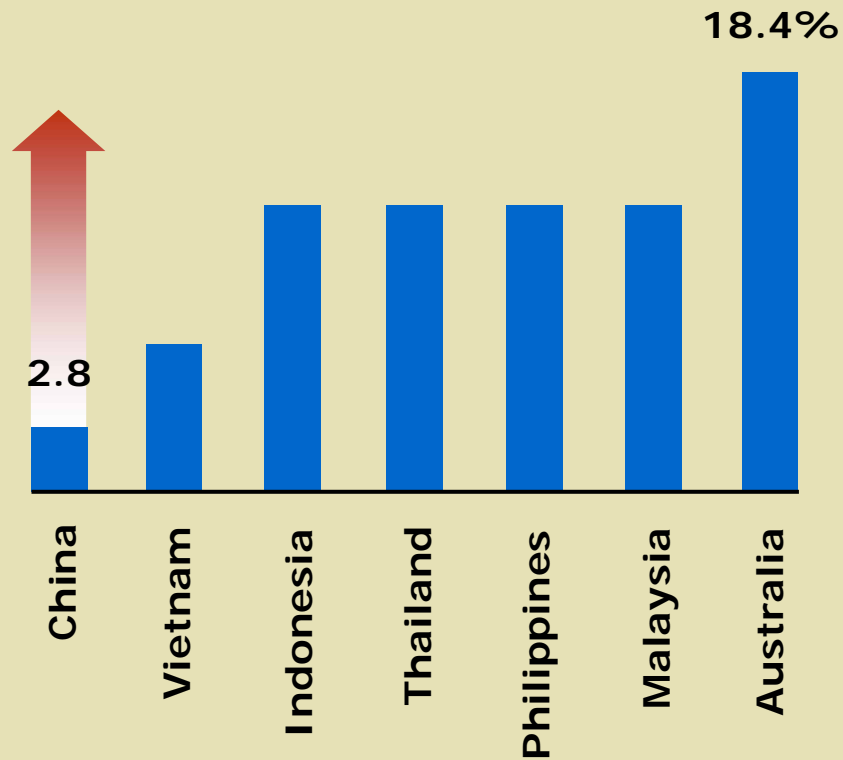


¹ Sourced from or awarded by Basispoint, Asiamoney, Euromoney, Thomson League Tables, Bloomberg, Trade and Forfeiting Review, Dealogic, Insto. Details in appendix

The LOCAL banking opportunity

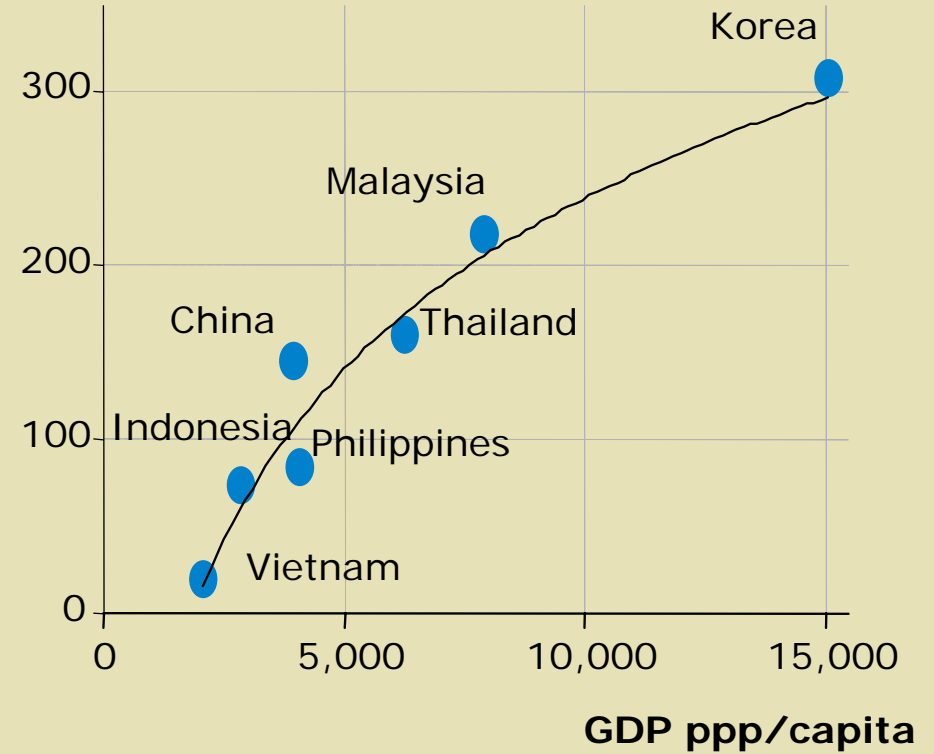
Product Opportunity

Consumer Debt (% of consumption)



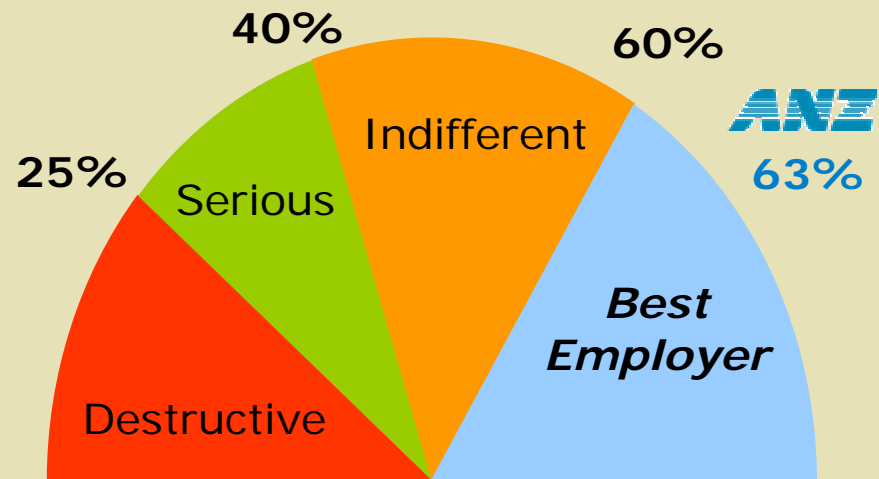
Distribution Opportunity

Branches per million people

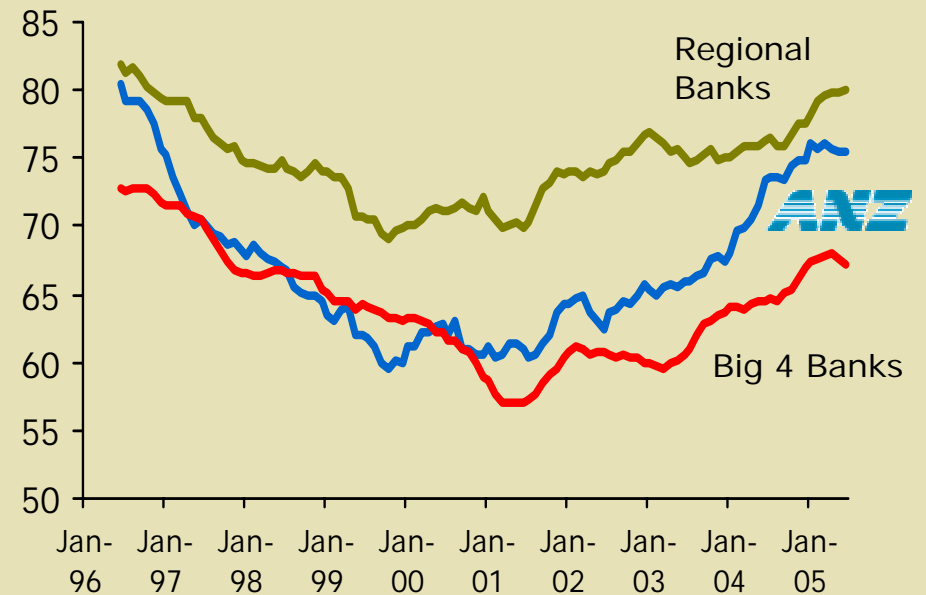


Offering our experience to local markets

Staff engagement (%)



Customer satisfaction (%)



A practical partnership approach


Partnership Model



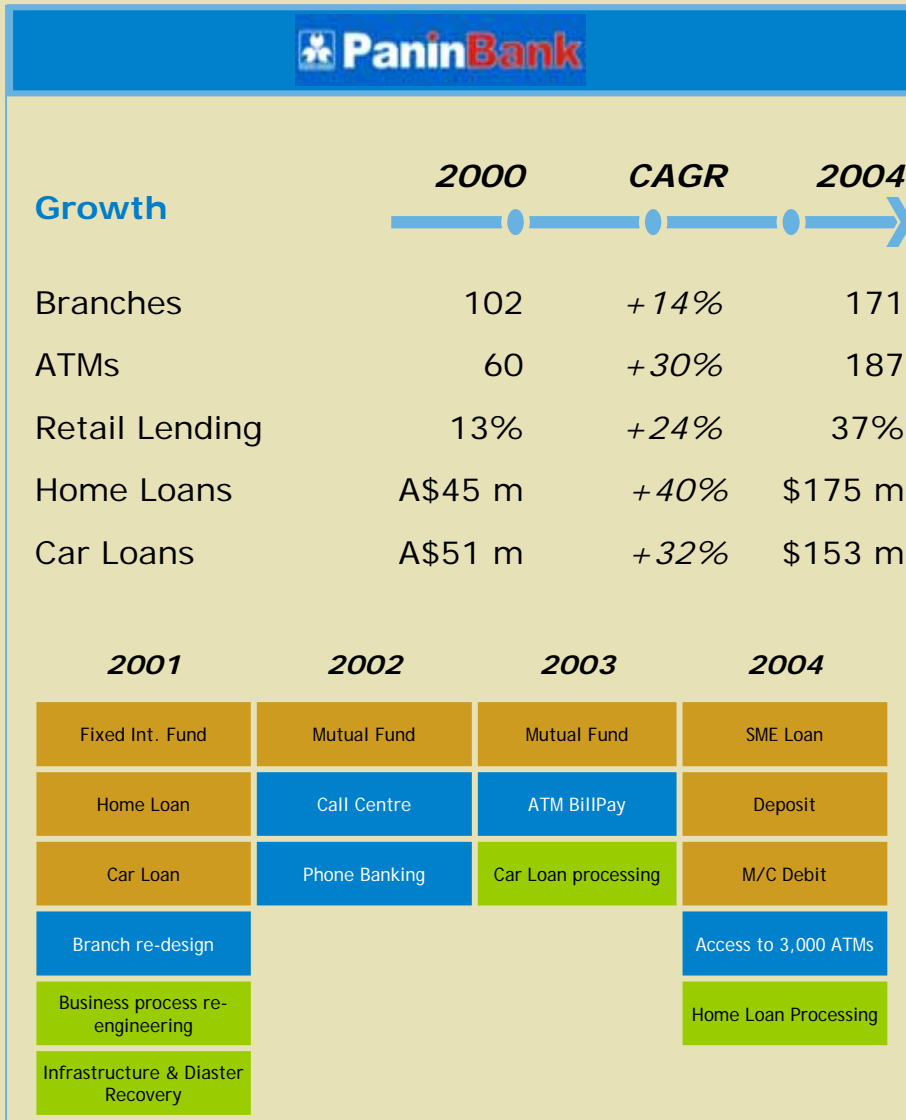
Practical Approach

Agreed outcomes	<ul style="list-style-type: none"> • Agreed business strategy • ANZ expertise (pull not push)
Practical governance	<ul style="list-style-type: none"> • Trust in relationship • Agreed participation in governance
Sharing the upside	<ul style="list-style-type: none"> • Alignment of decisions and consequences • Target medium term 30-49% equity position

Four partnerships in place; others under way

	Indonesia	Philippines	Cambodia	Vietnam
				
ANZ entered country	1992	1990	2004	1993
Partnership began	1999	2003	2004	2005
Investment size	A\$174m	A\$14m	A\$16m	A\$35m
Stake	29%	40%	55%	10%

Working together for better results



■ Systems/Ops
 ■ Product
 ■ Distribution

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ANZ