



Supplementary Prospectus Dated 22 February 2019

Australia and New Zealand Banking Group Limited

Australian Business Number 11 005 357 522
(incorporated with limited liability in Australia and registered in the State of Victoria)
as Issuer

ANZ Bank New Zealand Limited

(incorporated with limited liability in New Zealand)
as Issuer and Guarantor of Notes issued by ANZ New Zealand (Int'l) Limited

ANZ New Zealand (Int'l) Limited

(incorporated with limited liability in New Zealand)
as Issuer

US\$60,000,000,000

Euro Medium Term Note Programme

This supplement (the "**Supplement**") to the base prospectus of ANZ Bank New Zealand Limited ("**ANZ New Zealand**") and ANZ New Zealand (Int'l) Limited ("**ANZNIL**") dated 17 May 2018 (as supplemented by the supplementary prospectuses dated 25 July 2018, 30 November 2018 and 19 February 2019, the "**Base Prospectus**") constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000, as amended, and is prepared in connection with the US\$60,000,000,000 Euro Medium Term Note Programme established by Australia and New Zealand Banking Group Limited ("**ANZBGL**") (as Issuer), ANZ New Zealand (as Issuer and Guarantor of Notes issued by ANZNIL) and ANZNIL (as Issuer). For the avoidance of doubt, this Supplement is not a supplement to the ANZBGL Base Prospectus and shall not update or amend the information contained therein.

The purpose of this Supplement is to update the section entitled "Recent Developments" in Section 7 of the Base Prospectus (Description of ANZ Bank New Zealand Limited), with information regarding a consultation paper published by the Reserve Bank of New Zealand ("**RBNZ**") seeking feedback on proposed reforms to the amount of regulatory capital required to be held by locally incorporated banks.

Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed together with, the Base Prospectus.

Each of ANZ New Zealand and ANZNIL accepts responsibility for the information contained in this Supplement and to the best of the knowledge of each of ANZ New Zealand and ANZNIL (which have taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

RBNZ publish further capital adequacy consultation paper

On 14 December 2018, the RBNZ released a further consultation paper as part of its ongoing review of the capital adequacy framework for registered banks in New Zealand. The consultation paper seeks public views on a proposal to materially increase the minimum level of regulatory capital required to be held by banks locally incorporated in New Zealand. In summary, the RBNZ proposes to:

- limit the extent to which capital requirements differ between the Internal Ratings Based Approach ("**IRB approach**") and the Basel Standardised Measurement Approach ("**Standardised approach**"), by re-calibrating the IRB approach and applying a floor linked to the Standardised approach outcomes;

- raise risk-weighted assets ("**RWA**") for the four IRB approach-accredited banks (including ANZ New Zealand) to approximately 90 percent of what would be calculated under the Standardised approach;
- set a Tier 1 capital requirement (consisting of a minimum requirement of 6 percent and prudential capital buffer of 9-10 percent) equal to 16 percent of RWA for banks deemed systemically important (including ANZ New Zealand), and 15 percent for all other banks;
- assign 1.5 percentage points of the proposed prudential capital buffer requirements to a countercyclical component, which could be temporarily reduced to 0 percent during periods of exceptional stress;
- assign 1 percentage point of the proposed prudential capital buffer requirement to a domestic systematically important bank buffer, to be applied to banks deemed to be systemically important;
- retain the current Tier 2 capital treatment, but raise the question of whether Tier 2 should remain in the capital framework; and
- implement a staged transition of the different components of the revised framework over a number of years.

An update to this consultation paper, which contained clarifications and minor wording changes and extended the end of the consultation period to 3 May 2019, was published on 25 January 2019. The RBNZ's final decision is expected by July 2019.

As at the date of this Supplement, it is uncertain what impact the RBNZ's proposed reforms may have on the ANZ New Zealand Group.

A copy of this Supplement has been filed with the National Storage Mechanism and will be available for inspection at www.morningstar.co.uk/uk/nsm.

To the extent that there is any inconsistency between any statement contained in this Supplement or in any information or document incorporated by reference into, and forming part of, this Supplement and any other statement contained in the Base Prospectus or in any information or document incorporated by reference into, and forming part of, the Base Prospectus, the statements contained in this Supplement or in any information or document incorporated by reference into, and forming part of, this Supplement will prevail.

Save as disclosed in this Supplement or in any document incorporated by reference into, and forming part of, this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.