

## News Release

For release: 22 May 2017

### **Update on the impact of the Australian Government's proposed bank tax**

ANZ today commented on the estimated financial implications of the proposed tax on bank liabilities. The proposed enabling legislation has not yet been finalised.

The tax is expected to be paid on a quarterly basis, with the first payment to be made for the September quarter 2017. We expect that this will be deductible for tax purposes in Australia.

Based on the current draft legislation and ANZ's 31 March 2017 Balance Sheet, we estimate that the annual financial impact of the tax would have been approximately \$345 million on a before tax basis, and approximately \$240 million after tax.

We note that at this stage the financial impact can only be an estimate. ANZ's balance sheet is also undergoing change due to our strategic initiatives that will impact the size of the tax paid.

The net financial impact, including the Bank's ability to maintain its current fully franked ordinary dividend, will be dependent upon business performance and decisions we make in response to the tax.

ANZ will continue to update the market as the legislation is finalised and further analysis is completed.

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