



ASX Announcement

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AMP to repurchase up to A\$700 million in offshore bonds

AMP Limited today announced plans to repurchase up to A\$700 million of offshore bonds through a reverse tender.

AMP currently has around A\$2.1 billion worth of offshore debt, denominated in sterling and deutschemarks, issued through subsidiaries AMP Group Finance Services Limited and AMP (UK) Finance Services plc.

AMP Chief Executive Officer Andrew Mohl said the tender was the latest step in AMP's accelerated debt reduction program, announced in February this year.

Mr Mohl said that offshore bond holders will be invited to offer all or part of their holdings to AMP for repurchase. Depending on the prices tendered, AMP can choose to accept or reject these offers.

"If we believe the tender pricing is reasonable, we will repurchase A\$700 million worth of offshore bonds. If, however, the tender pricing is not reasonable, we will reduce this figure and assess alternative options," Mr Mohl said.

The invitation to submit tenders opens today and will close at midday on Friday 18 June 2004 (UK time). The outcome of the tender process will be announced on Wednesday 23 June 2004 (UK time), with settlement on Friday 25 June 2004 (UK time).

At the time of the demerger from its UK operations in December 2003, AMP had around A\$4.3 billion in debt. Since then, over A\$2.1 billion in debt has been repaid – A\$1.15 billion through the redemption of the Reset Preferred Securities, and A\$975 million through the buy back of AMP Income Securities.

“Our post demerger plans were to rebuild and revitalise AMP as a strong and profitable company and restore our single A credit rating. The acceleration of our debt repayment plans puts us well on the path to achieve these outcomes,” Mr Mohl said.

AMP is being advised in this transaction by ABN AMRO. ABN AMRO and JP Morgan are acting as dealer managers.

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