

News Release

For Release: 21 October 2022

Update on large/notable items in Second Half FY22 results

ANZ today announced its Second Half 2022 Statutory and Cash Profit will be impacted by a number of large/notable items with a net after tax charge of \$113 million, equivalent to ~2 basis points of CET1 capital at level 2.

- Customer remediation charge of \$43 million (after tax). While the remediation program is approaching completion, the charge in the half related to revisions to a small number of customer remediation provisions and remediation program costs.
- Restructuring charge of \$37 million (after tax).
- Net after tax charge of \$33 million comprised of the impact of business divestments or closures during the period; a net charge relating to a lease modification and merger and acquisition related costs.

The relevant large/notable items (continuing operations) templates, reflecting the tables that will be shown in ANZ's Second Half 2022 Consolidated Financial Report & Dividend Announcement, are included on the following pages.

ANZ's Second Half FY22 result will be announced on Thursday 27 October 2022.

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Approved for distribution by ANZ's Continuous Disclosure Committee

Large/Notable items

The Group has recognised some large/notable items within cash profit from continuing operations. These items are shown in the tables below.

	September 2022 Full Year								September 2021 Full Year					
	Large/notable items included in continuing cash profit								Large/notable items included in continuing cash profit					
	Business divestments/ closures \$M	M&A related costs \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Withholding tax \$M	Lease modifi- cation \$M	Total \$M	Business divestments/ closures \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Asian associate items \$M	Total \$M
Cash Profit														
Net interest income	-	-	-	-	-	-	-	-	-	(86)	-	-	-	(86)
Other operating income	298	-	(34)	-	-	-	23	287	(28)	(56)	-	-	(347)	(431)
Operating income	298	-	(34)	-	-	-	23	287	(28)	(142)	-	-	(347)	(517)
Operating expenses	(69)	(12)	(190)	(10)	(81)	-	(47)	(409)	(81)	(185)	(69)	(127)	-	(462)
Profit before credit impairment and income tax	229	(12)	(224)	(10)	(81)	-	(24)	(122)	(109)	(327)	(69)	(127)	(347)	(979)
Credit impairment (charge)/ release	(4)	-	-	-	-	-	-	(4)	3	-	-	-	-	3
Profit before income tax	225	(12)	(224)	(10)	(81)	-	(24)	(126)	(106)	(327)	(69)	(127)	(347)	(976)
Income tax benefit/(expense)	18	2	58	-	13	(126)	7	(28)	(40)	106	21	35	-	122
Cash profit/(loss) from continuing operations	243	(10)	(166)	(10)	(68)	(126)	(17)	(154)	(146)	(221)	(48)	(92)	(347)	(854)

	September 2022 Half Year								March 2022 Half Year					
	Large/notable items included in continuing cash profit								Large/notable items included in continuing cash profit					
	Business divestments/ closures \$M	M&A related costs \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Withholding tax \$M	Lease modifi- cation \$M	Total \$M	Business divestments/ closures \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Withholding tax \$M	Total \$M
Cash Profit														
Net interest income	-	-	3	-	-	-	-	3	-	(3)	-	-	-	(3)
Other operating income	4	-	(12)	-	-	-	23	15	294	(22)	-	-	-	272
Operating income	4	-	(9)	-	-	-	23	18	294	(25)	-	-	-	269
Operating expenses	(10)	(12)	(42)	-	(51)	-	(47)	(162)	(59)	(148)	(10)	(30)	-	(247)
Profit before credit impairment and income tax	(6)	(12)	(51)	-	(51)	-	(24)	(144)	235	(173)	(10)	(30)	-	22
Credit impairment (charge)/ release	-	-	-	-	-	-	-	-	(4)	-	-	-	-	(4)
Profit before income tax	(6)	(12)	(51)	-	(51)	-	(24)	(144)	231	(173)	(10)	(30)	-	18
Income tax benefit/(expense)	-	2	8	-	14	-	7	31	18	50	-	(1)	(126)	(59)
Cash profit/(loss) from continuing operations	(6)	(10)	(43)	-	(37)	-	(17)	(113)	249	(123)	(10)	(31)	(126)	(41)

Large/Notable items

The Group has recognised some large/notable items within cash profit from continuing operations. The impact of these items on the divisional results are shown in the tables below.

	September 2022 Full Year								September 2021 Full Year					
	Large/notable items included in continuing cash profit								Large/notable items included in continuing cash profit					
	Business divestments/ closures \$M	M&A related costs \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Withholding tax \$M	Lease modifi- cation \$M	Total \$M	Business divestments/ closures \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Asian associate items \$M	Total \$M
Profit before income tax														
Australia Retail	(3)	-	(219)	-	(32)	-	-	(254)	(255)	(275)	-	(47)	-	(577)
Australia Commercial	298	-	5	-	2	-	-	305	120	(62)	-	(5)	-	53
Institutional	8	-	2	(10)	(21)	-	-	(21)	16	28	(69)	(24)	-	(49)
New Zealand	-	-	25	-	(12)	-	-	13	13	(16)	-	(9)	-	(12)
Pacific	(26)	-	(1)	-	-	-	-	(27)	-	(2)	-	(1)	-	(3)
Group Centre	(52)	(12)	(36)	-	(18)	-	(24)	(142)	-	-	-	(41)	(347)	(388)
Profit before income tax	225	(12)	(224)	(10)	(81)	-	(24)	(126)	(106)	(327)	(69)	(127)	(347)	(976)
Income tax benefit/(expense)	18	2	58	-	13	(126)	7	(28)	(40)	106	21	35	-	122
Cash profit/(loss) from continuing operations	243	(10)	(166)	(10)	(68)	(126)	(17)	(154)	(146)	(221)	(48)	(92)	(347)	(854)

	September 2022 Half Year								March 2022 Half Year					
	Large/notable items included in continuing cash profit								Large/notable items included in continuing cash profit					
	Business divestments/ closures \$M	M&A related costs \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Withholding tax \$M	Lease modifi- cation \$M	Total \$M	Business divestments/ closures \$M	Customer remediation \$M	Litigation settlements \$M	Restruc- turing \$M	Withholding tax \$M	Total \$M
Profit before income tax														
Australia Retail	-	-	(53)	-	(19)	-	-	(72)	(3)	(166)	-	(13)	-	(182)
Australia Commercial	1	-	6	-	3	-	-	10	297	(1)	-	(1)	-	295
Institutional	1	-	8	-	(17)	-	-	(8)	7	(6)	(10)	(4)	-	(13)
New Zealand	-	-	25	-	(6)	-	-	19	-	-	-	(6)	-	(6)
Pacific	(8)	-	(1)	-	-	-	-	(9)	(18)	-	-	-	-	(18)
Group Centre	-	(12)	(36)	-	(12)	-	(24)	(84)	(52)	-	-	(6)	-	(58)
Profit before income tax	(6)	(12)	(51)	-	(51)	-	(24)	(144)	231	(173)	(10)	(30)	-	18
Income tax benefit/(expense)	-	2	8	-	14	-	7	31	18	50	-	(1)	(126)	(59)
Cash profit/(loss) from continuing operations	(6)	(10)	(43)	-	(37)	-	(17)	(113)	249	(123)	(10)	(31)	(126)	(41)