

News Release

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ANZ to focus on Institutional and Large Corporate Banking in PNG

- Kina to acquire Retail, Commercial and SME businesses-

ANZ today announced it had entered into an agreement to sell its Retail, Commercial and Small-Medium Sized Enterprise (SME) banking businesses in Papua New Guinea to Kina Bank, to focus solely on Institutional and Large Corporate banking in the market.

The decision is in line with ANZ's simplification strategy, while also supporting customers with trade and capital flows in the region.

Kina Bank is a wholly-owned subsidiary of Kina Securities Limited, a PNG company listed on the Australian and Port Moresby securities exchanges.

ANZ Managing Director, Institutional Australia, Graham Turley said: "We remain committed to running a world-class Institutional and Large Corporate banking business in PNG, where we see great opportunities for growth. ANZ has been in this market uninterrupted for more than a century and we continue to have a positive outlook for the PNG economy.

"Our retail, commercial and SME operations in PNG are strong, successful businesses that will benefit from Kina Bank's focus on retail banking. ANZ will continue to service multinational corporations and large corporates operating in PNG," Mr Turley said.

The sale includes all 15 ANZ branches with ongoing roles for all relevant staff in PNG.

The businesses being sold serve 85,000 retail and 6,000 Commercial and SME customers, and includes ~AUD\$150 million in lending assets and ~AUD\$450 million in deposits. The sale is not material to ANZ.

Subject to regulatory approval, the sale transfer is expected to be complete by late 2019.

ANZ will also continue to support economic growth and sustainable development in PNG through its financial literacy program MoneyMinded, which has trained more than 12,000 people since 2010.

ANZ has previously announced the sales of its retail and wealth businesses in Singapore, Hong Kong, China, Taiwan, Indonesia and Vietnam.

Its Institutional Bank has a presence in 15 markets in Asia and was ranked as a top four corporate bank in the region by Greenwich Associates in 2017.^[1]

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¹ Greenwich Associates 2017 Asian Large Corporate Banking Study, ANZ ranked =No.4 in 2016 & 2017