



Media Release

Corporate Communications

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ANZ cuts variable mortgage rates by 0.58%pa

ANZ today announced it will lower interest rates for variable rate mortgages by 0.58%pa following the Reserve Bank of Australia's decision to reduce the Cash Rate.

ANZ Chief Executive Officer, Australia, Brian Hartzler said: "ANZ understands the current economic environment is placing a strain on many households and we are pleased to be able to pass on a 0.58%pa reduction to our variable rate home loan customers. This equates to a reduction of \$77.00 each month on repayments for an average \$200,000, 25 year home loan."

Effective Friday, 14 November 2008, the interest rate on ANZ's standard variable rate home loan will decrease by 0.58%pa to 7.74%pa (7.84%pa Comparison Rate) for new and existing customers. There will also be a 0.58%pa reduction in the Simplicity PLUS interest rate to 7.04%pa and Equity Manager will also be cut by 0.58%pa to 7.74%pa.

Interest rates for credit cards and personal loans will be reduced by up to 0.75%pa, effective 14 November 2008.

Deposit rates and rates for business lending including agri-business are under review.

"As market conditions allow, we will continue to pass on further reductions in funding costs to our customers," Mr Hartzler said.

For those customers experiencing hardship, a number of assistance options are available to help manage repayments including extending loan terms to maintain existing repayment levels or short-term repayment 'holidays'. Other options include switching to a fixed rate loan to provide greater certainty on future repayments or to a home loan with fewer features at a lower interest rate.

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