

**Corporate Affairs**

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Media Release

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ANZ comments on Feltex receivership

ANZ today confirmed that it has appointed receivers to Feltex Carpets Limited. The appointment will secure the company's position – and that of its staff in New Zealand and Australia.

ANZ has, over many months, provided the opportunity to Feltex to discuss the future of the company and to develop a solution to its financial difficulties. During this time, ANZ has devoted considerable resources to considering a number of financial proposals developed by the company and other parties.

ANZ National Bank Chief Executive Officer, Mr Graham Hodges said: "ANZ has at all times carefully considered solutions developed by the company to address its precarious financial position in the interests of all stakeholders including employees, creditors, customers and shareholders. However a proposal could not be finalised.

"During this time, ANZ has also been ready to support a transaction to recapitalise the company. However, despite lengthy discussions this has not been successful and there has been no choice but to appoint receivers.

"ANZ has appointed Colin Nicol and colleagues from specialist firm McGrath Nicol as receivers to both the Australian and New Zealand operations. This will ensure Feltex continues to trade with the bank's support and that the statutory entitlements of all employees are protected.

"We expect McGrath Nicol will bring about a speedy resolution to a sale process that best preserves the business's value for the benefit of Feltex, its stakeholders and the bank," Mr Hodges said.

Although ANZ does not normally comment on customer relationships, the bank has made these comments given the developments today and the announcement from Feltex.

ANZ's exposure to Feltex is in the region of A\$120 million and the exposure has already been adequately provided for.

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