



Media Release

For Release: 22 June 2010

ANZ and ING (NZ) reach settlement with NZ Commerce Commission and NZ Securities Commission

ANZ National Bank Limited and ING (NZ) today announced that they had reached a settlement with the New Zealand Commerce Commission and the New Zealand Securities Commission in relation to the marketing and promotion of the ING Diversified Yield Fund and ING Regular Income Fund.

As part of the settlement an additional NZ\$45 million will be paid to eligible investors in the two funds. This is in addition to more than NZ\$500 million that has already been made available to investors by ANZ National Bank Limited and ING (NZ).

The Commerce Commission has raised a number of issues about the funds but acknowledges that ANZ National Bank Limited and ING (NZ) have not had the opportunity to test, or defend, these from a legal perspective.

ANZ National Bank Limited Acting Chief Executive, Steven Fyfe said: "We apologise for the performance of these funds. While we do not agree with all of the Commission's views we do agree that it is in the best interests of investors to avoid a lengthy court process.

"We apologise to those investors who felt we had misinformed them. Our priority has always been to assist investors, which is why we made available more than \$500 million before this settlement. Investments for many New Zealanders have been affected by the global financial crisis but few financial institutions have stood by their customers to this extent," Mr Fyfe said.

The method of payment will be determined by the Commerce Commission and payment will be made as soon as possible to investors after that decision is made.

The Securities Commission has considered the Commerce Commission settlement and is of the view that it achieves an appropriate outcome for investors in the funds. The Commerce Commission and the Securities Commission will not take any action against ANZ National Bank Limited and ING (NZ).

"It has been a very difficult time for investors in the funds. The impact of the global financial crisis was far greater than we and others in the financial sector could have predicted. I am pleased however that we have brought this matter to a conclusion for investors," Mr Fyfe said.

ING (NZ) has undertaken to complete a review of its relevant processes and procedures. ANZ National Bank Limited is adequately provisioned for the settlement payment.

For media enquiries only contact Gita Parsot, Senior Manager External Communications on 04-4366760 or 027 277 3139

23 June 2010

Dear investor

Settlement over the ING Diversified Yield (DYF) and ING Regular Income (RIF) Funds

When we made the Offer to DYF and RIF investors in 2009, we indicated that the Commerce Commission was investigating the marketing and promotion of these funds.

We are pleased to announce that we have now reached a settlement with the Commerce Commission with regard to its investigation into alleged breaches of the Fair Trading Act. As part of this settlement we have agreed to pay a further \$45 million to eligible investors who were in the two funds at the time of suspension. This is in addition to the more than NZ\$500 million that has already been made available to investors.

The Commerce Commission has publicly stated that it believes that some of the representations made were likely to be misleading. However, the Commission has acknowledged that the issues remain untested from a legal perspective. While ING and ANZ New Zealand do not agree with all of the Commission's views, we agree that it is in the best interests of investors to avoid a lengthy court process, with an uncertain outcome for all.

We apologise to those investors who felt we had misinformed them. Our priority has always been to assist investors, which is why we made available more than \$500 million before this settlement. Investments for many New Zealanders have been affected by the global financial crisis but few financial institutions have stood by their customers to this extent.

The Commerce Commission will now determine the method of payment for settlement and payment will be made as soon as possible after that decision is made. A further payment may not be made to all investors.

The Securities Commission has also considered the Commerce Commission settlement and is of the view that it delivers an appropriate outcome for investors. Both the Commerce Commission and the Securities Commission have stated that they will not take any further action.

I am pleased that we have finally brought this matter to a conclusion.

We will write to you again when the Commerce Commission determines the details of the payment process. In the meantime, if you have any questions please talk to your adviser or call our Client Services team on 0800 737 575.

Yours sincerely



Helen Troup
Chief Executive Officer, ING (NZ) Limited