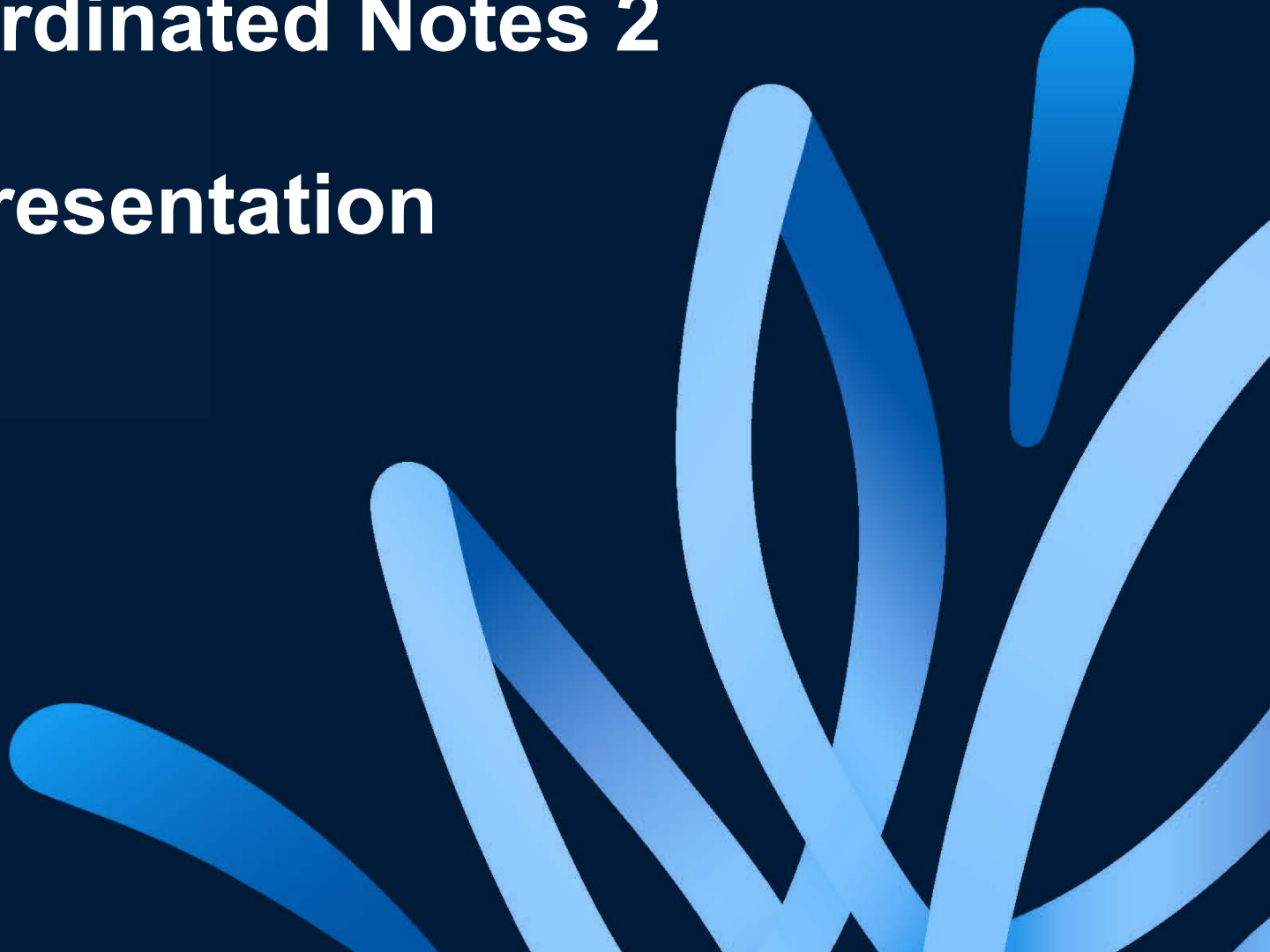




AMP Subordinated Notes 2

Investor presentation



Disclaimer

The information contained in this document (collectively, 'Information') has been prepared by AMP Limited (ABN 49 079 354 519) ('AMP') in connection with a proposed offer of AMP Subordinated Notes 2 ('AMP Notes 2') ('Offer'). The Offer is being made under a prospectus which was lodged with the Australian Securities and Investments Commission ('ASIC') on 6 November 2013 ('prospectus') and a replacement prospectus, which will include the Margin and Application Form, expected to be lodged with ASIC on 14 November 2013.

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This Information, unless otherwise specified, is current at the date of publication and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after that date.

AMP Notes 2 are unsecured and subordinated and may be either Converted into Ordinary Shares in AMP or Written-off if a Non-Viability Trigger Event occurs. AMP Notes 2 are not deposits or policy liabilities of AMP, AMP Bank Limited, AMP Life Limited, The National Mutual Life Association of Australasia Limited or any other member of the AMP group, protected accounts for the purposes of the depositor protection provisions of the Banking Act or of the financial claims scheme established under the Banking Act, or guaranteed or insured by any government.

You should consider and read the prospectus in full before deciding whether to invest in AMP Notes 2. A copy of the prospectus is available at ampnotes2.com.au. Applications for AMP Notes 2 can only be made in the relevant Application Form in or accompanying the replacement prospectus, or as otherwise described in the replacement prospectus.

Capitalised terms used in this presentation but not otherwise defined have the meanings given in the prospectus.



AMP today

Section 1

About the AMP group

The AMP group has significant operations in investment management, financial advice, wealth protection and wealth management including a small banking operation

We provide...

- financial advice
- superannuation, retirement income and other investment products for individuals
- superannuation services for businesses
- administration, banking and investment services for self-managed super funds
- income protection, disability and life insurance
- selected retail banking products, and
- investments including shares and fixed income

... to a range of customers

- over five million retail customers in Australia and New Zealand
- investment management business, AMP Capital, also services clients in Asia, Europe, the Middle East and North America

Utilising our team and assets under management

- around 5,700 employees and 4,300 aligned and employed advisers and planners
- assets under management (AUM) of A\$179 billion

And we are

- the leading provider of financial advice, superannuation, and personal insurance in Australia¹
- the leading provider of corporate super and retail managed funds in New Zealand and one of the largest KiwiSaver Scheme and life insurance providers in that market²

1. 'Financial advice' – Money Management (July 2013), 'superannuation' and 'personal insurance' – Plan for Life (March 2013)
2. 'Corporate Super' – Eriksens Master Trust Survey June 2013; 'retail managed funds' and 'KiwiSaver Scheme' – FundSource Trends & Market Composition Report June 2013; 'life insurance' – Financial Services Council Market Share Reporting June 2013

AMP group business lines

AMP group currently has two primary business units

AMP Financial Services ¹	Wealth Management (WM)	<ul style="list-style-type: none"> - Financial planning (through aligned and owned businesses) - Platform administration (including self-managed super fund administration) - Unit linked superannuation (superannuation products include personal and employer sponsored plans) - Retirement income - Managed investment products
	AMP Bank (currently part of WM)	<ul style="list-style-type: none"> - Retail banking services with a focus on high quality residential lending - Approximately 100,000 customers - Mortgage book of A\$12.8 billion and a deposit book of A\$8.1 billion (30 June 2013) - Distributes via direct and third party channels, leveraging the AMP group's substantial network of financial advisers
	Wealth Protection	<ul style="list-style-type: none"> - Personal and group term, disability and income protection insurance products - Can be bundled with a superannuation product or held independently of superannuation
	Mature	<ul style="list-style-type: none"> - Largest closed life insurance business in Australia - Products include whole-of-life, endowment, investment linked, investment accounts, retirement savings account, eligible rollover funds (ERF), annuities, insurance bonds, personal superannuation and guaranteed savings accounts
	New Zealand (AFS NZ)	<ul style="list-style-type: none"> - Tailored financial products and solutions to New Zealanders through the largest network of accredited financial advisers in New Zealand - Comprises a risk insurance business (both contemporary and mature) and growing wealth management business, driven by KiwiSaver
AMP Capital	AMP Capital	<ul style="list-style-type: none"> - One of Asia Pacific's largest diversified investment managers, managing A\$131 billion in assets for domestic and international investors - Also provides commercial, industrial and retail property management services - Established operations in Australia and New Zealand and growing international presence - In March 2012, formed a strategic business and capital alliance with a leading Japanese bank, Mitsubishi UFJ Trust and Banking Corporation

1. With effect from 1 January 2014, AFS will cease to be a business unit in its own right. After this time the business lines making up AFS (Wealth Management, Wealth Protection, Mature and New Zealand) will continue to be reported separately and AMP Bank will be split out of Wealth Management

AMP group strategy

AMP group is capitalising on its strengthened competitive position following the merger with the Australian and New Zealand business of AXA Asia Pacific Holdings

The group's strategic priorities are to continue investment in...

Reshaping the Australian business

- Integration of AXA largely complete
- AMP group increasing the scale and pace of change in its Australian business
- More customer centric while also driving improved cost efficiencies
- New three-year efficiency program to redirect investment to where customers value it most
- One-off costs for efficiency program funded through combination of future retained earnings, capital surplus and the dividend reinvestment program

Domestic growth opportunities

- AMP group continues to invest in areas it sees profitable growth, such as self-managed superannuation funds (SMSF)
- After a year in operation, AMP is one of the leaders in the Australian SMSF administration market
- AMP Horizons Academy continues to successfully recruit, train and educate new advisers
- Continues to upgrade its popular North platform during 1H13, with its cash flows almost tripling over 1H12 to \$1.9 billion

Targeted international expansion through AMP Capital

- AMP Capital's key priorities are to generate revenue growth through a range of initiatives
- At 1H13, 7 per cent of AMP Capital's assets under management was sourced from international investors
- AMP continues to explore opportunities internationally through acquisitions and alliances
- In addition to its business alliance in Japan with MUTB, AMP has a particular focus on opportunities to partner in investment management and pensions in China
- In September 2013, AMP Capital announced a China funds management joint venture with China Life Asset Management Company

Regulation

As a provider of banking, life insurance and superannuation products, the AMP group is subject to ongoing oversight by financial services regulators in the markets in which it operates

Regulation of AMP group

- The principal regulators that supervise and regulate the activities of the AMP group and the activities of the businesses and funds that members of the AMP group manage are APRA, RBA, ASIC, ASX, ACCC and AUSTRAC

Australia

- APRA regulates companies operating in the Australian financial services industry. APRA has established prudential standards for all general insurers, banks and life insurance companies and, as at the date of the prospectus, is in the process of developing standards for conglomerate groups (due for implementation in January 2015)
- From 1 January 2013, the AMP group was required to comply with the Basel III framework (for Australian authorised deposit-taking institutions) and APRA's revised capital standards for regulated general insurers and life insurers, known as LAGIC
- The Basel III reforms included stricter eligibility criteria for capital instruments, and the introduction of capital conservation and counter-cyclical buffers
- The LAGIC reforms are aimed at improving the risk sensitivity of capital standards

New Zealand

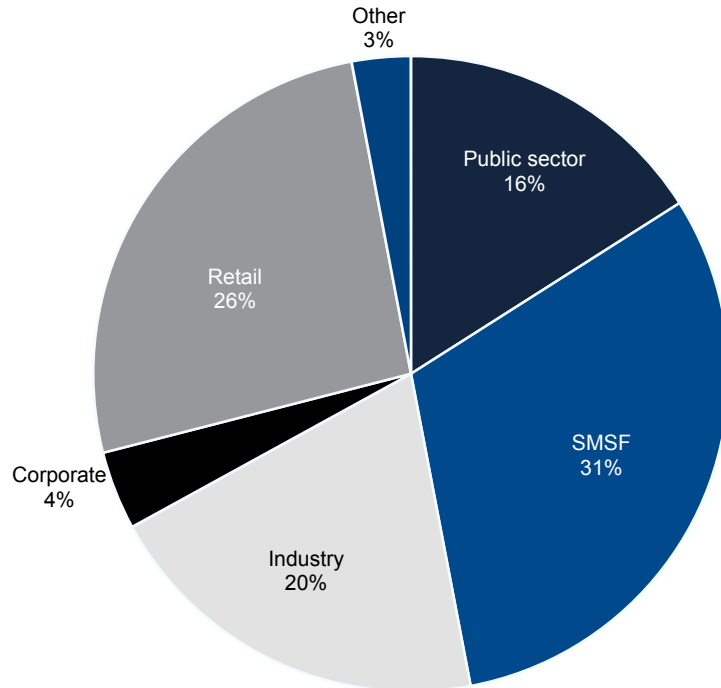
- The Reserve Bank of New Zealand regulates the AMP group's life insurance businesses in New Zealand. Regulations in relation to these businesses have been significantly revised in recent years, including new licensing requirements, required capital methodologies and reinsurance purchase requirements (up to a 1-in-1,000 year event)
- The new regulatory regime is expected to have a limited impact on the AMP group's New Zealand business as existing governance frameworks have been adopted for consistency with the new regulatory requirements in effect



Key markets

Section 2

Australian superannuation and pension market (A\$1.6 trillion)¹

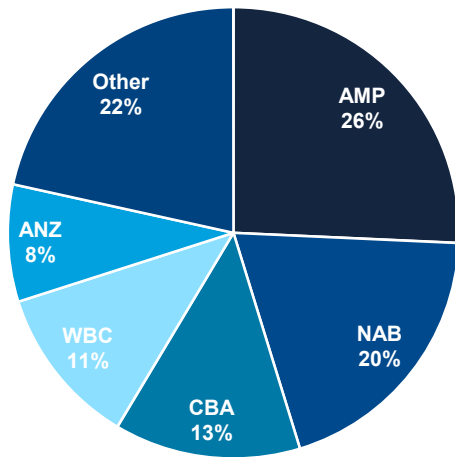


- Australia is the 4th largest global pension market² with A\$1.6 trillion in assets
- Australian wealth management sector remains highly attractive with the market projected to double by 2022³
- Over the past decade, Australia’s pension market has increased at a CAGR of 11% (USD 18%) (global pension market CAGR of 8%, USD 7%)²
- Australia’s pension market is dominated by defined contribution, accounting for 81% of total assets²
- Government mandated employer contributions set to rise from 9.25% to 12% of wages as a stepped increase by 2021

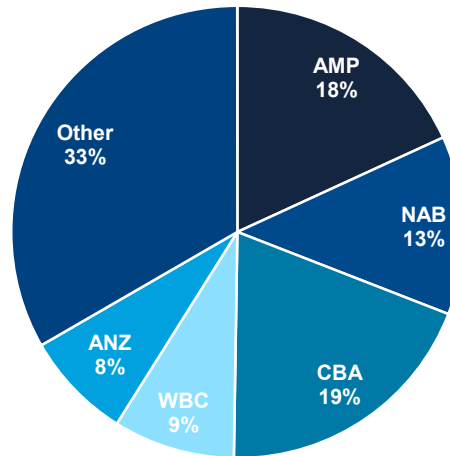
1. Australian Prudential Regulation Authority – June 2013
 2. Towers Watson – Global Pension Assets Study 2013
 3. DEXX&R 13 May 2013

AMP – ranked 1st or 2nd in key market segments

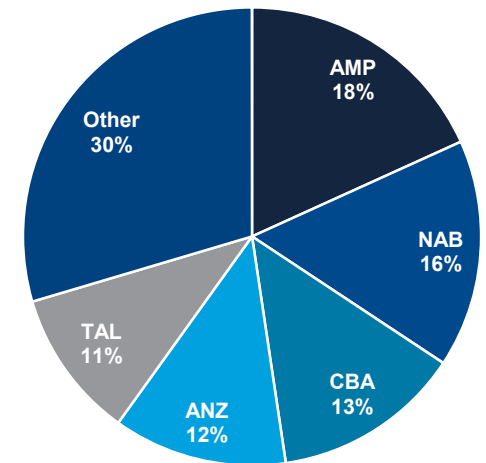
Superannuation¹



Pensions¹

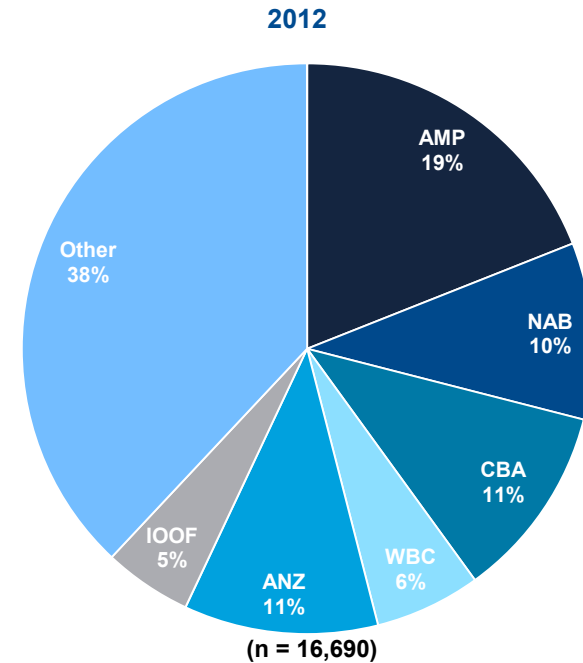
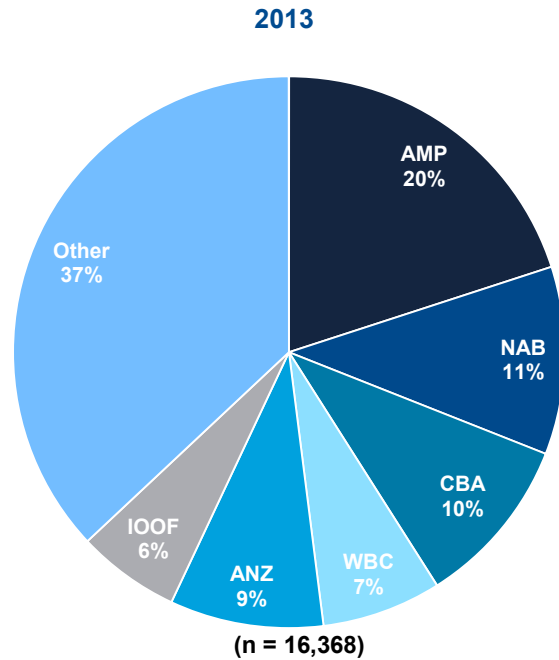


Individual risk insurance¹



1. Plan for Life – June 2013

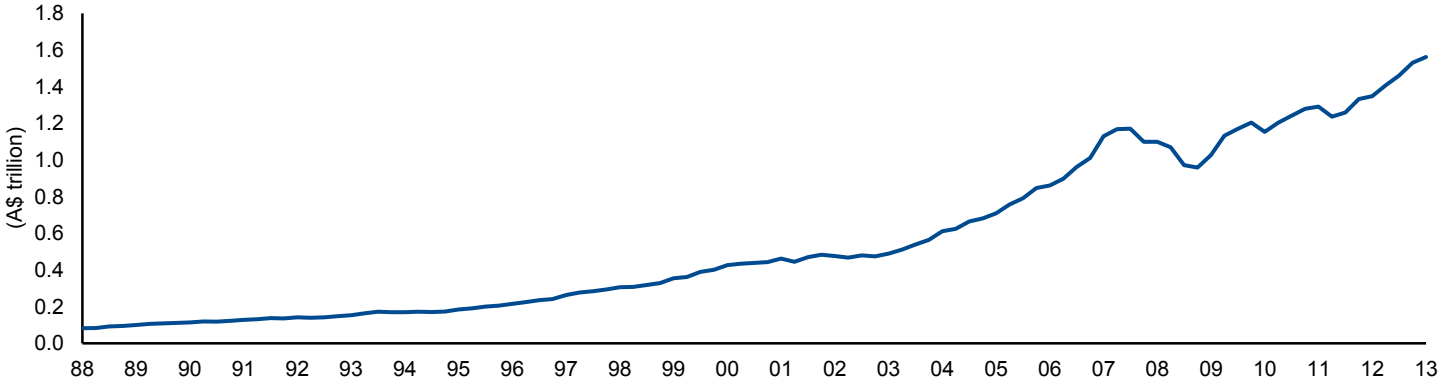
Australian financial planners¹



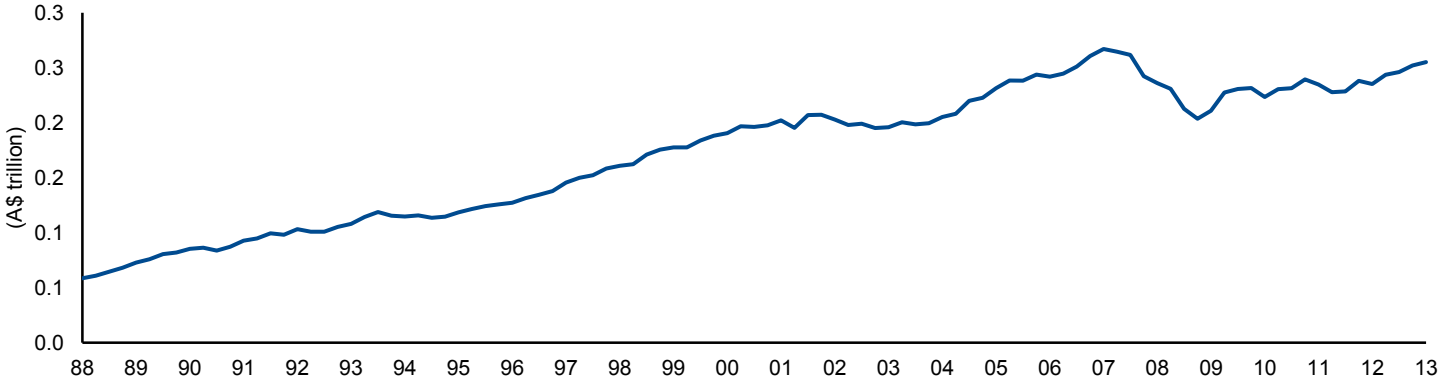
- Total Australian financial planner numbers declined by 2% in 2013, compared to growth in AMP planners of 2%
- Of the top 100 dealer groups, AMP has the largest overall planner footprint representing 20% up from 19% in 2012
- Baby boomers nearing retirement is driving increased demand for advice
- AMP financial planners are ready for the new regulatory environment, with commissions already removed from superannuation and pension products

The Australian wealth management market has seen strong growth

Total Australian superannuation assets



Total Australian life insurance assets



Source: Australian Bureau of Statistics, 5655.0 Managed Funds



Financial overview

Section 3

Historical reconciliation of segment profit after tax

This section provides summary actual historical financial and capital information and summary pro forma financial and capital information for AMP and the AMP group

The AMP Subordinated Notes 2 prospectus contains additional financial information

A\$m	Restated ¹ 12 months to 31 Dec 2011	Restated ¹ 12 months to 31 Dec 2012	6 months to 30 Jun 2013
Reconciliation of segment profit after tax			
Australian Wealth Management	322	347	196
Australian Wealth Protection	215	190	64
Australian Mature	153	167	85
AMP Financial Services New Zealand	76	73	46
AMP Financial Services	766	777	391
AMP Capital	83	99	51
Business unit operating earnings	849	876	442
Group office costs	(59)	(66)	(32)
Total operating earnings	790	810	410
Underlying investment income	183	226	66
Interest expense on corporate debt	(82)	(86)	(36)
AMP Limited tax loss recognition	16	–	–
Underlying Profit	907	950	440
Other items	16	21	(5)
AXA integration costs	(105)	(128)	(31)
Amortisation of AXA acquired intangible assets	(75)	(99)	(47)
Profit before market adjustments and accounting mismatches	743	744	357
Market adjustment – investment income	(50)	(12)	3
Market adjustment – annuity fair value	13	(9)	10
Market adjustment – risk products	53	(4)	5
Accounting mismatches	–	(30)	18
Profit attributable to shareholders of AMP Limited	759	689	393

1. Prior periods have been restated retrospectively for changes in Accounting Standards adopted in 2013:

- As a result of adopting AASB 10 Consolidated Financial Statements, several entities previously not consolidated are now assessed to be controlled by the AMP group and have been consolidated into the results of the AMP group from 1 January 2013, with retrospective adjustments for 2012 and 2011. In accordance with the transition requirements of AASB 10, a number of entities have been treated as acquired on 31 December 2011, which resulted in a gain on acquisition of \$81m after tax
- AASB 119 Employee Benefits requires investment income of defined benefit plans to be allocated between Profit or loss and Other comprehensive income. From 1 January 2013, with retrospective adjustments for 2012 and 2011, the revised AASB119 has changed the method in which investment income is allocated between Profit or loss and Other comprehensive income but does not change Total comprehensive income

Recent cashflows, AUM and Wealth Protection update

On 25 October 2013, AMP reported its third quarter cashflows and provided an update on its Wealth Protection business for the third quarter to 30 September 2013

Summary of recent announcement

- AMP reported experience losses for Q313 of \$24 million compared with Q312 experience losses of \$37 million
- AMP has brought forward its year-end review of experience for those product areas that have the potential to impact the FY13 operating results. While this review is yet to be completed, AMP expects to revise its incurred but not reported reserves for the group insurance business and its best estimate lapse assumptions for the NMLA income protection book, which are expected to have a negative impact on both the Q4 and the FY13 operating results
- The trend in lapse experience in the NMLA income protection book has continued to worsen in Q313 and as a result AMP will strengthen its lapse assumptions as part of its year-end review
- In total, these two adjustments are expected to result in \$55 – \$65 million reduction in AMP's operating results for Q413, in addition to any further experience outcomes in the fourth quarter
- Further changes in assumptions across the life insurance portfolio are likely at 31 December 2013 which could lead to adjustments to the embedded value of the business but are not expected to impact the FY13 operating results
- AMP regards improving the performance of the Wealth Protection business as one of its highest priorities and continues to implement short and medium term actions to improve claims and lapse experience

Financial overview – capital management

The AMP group holds capital to protect customers, creditors and shareholders against unexpected losses

A\$m	Pro forma LAGIC ¹ as at 31 Dec 2012	As at 30 Jun 2013	Adjustment ⁷	Pro forma as at 30 Jun 2013
AMP shareholder equity ²	7,744	7,955	–	7,955
Allowable hybrid Tier 1 instruments	–	–	–	–
Less goodwill and other intangibles ³	(3,808)	(3,807)	(6)	(3,813)
Less other deductions ⁴	(1,867)	(1,858)	–	(1,858)
Common Equity Tier 1 capital	2,069	2,290	(6)	2,284
AMP Notes ⁵	296	296	(40)	256
AMP Notes 2	–	–	200	200
Other subordinated debt	583	683	–	683
Term subordinated debt	879	979	160	1,139
AMP Notes 2 (not eligible as regulatory capital at AMP group) ⁶	–	–	(160)	(160)
Total regulatory capital	2,948	3,269	(6)	3,263

- 31 December 2012 capital position shown after allowing for the impact of LAGIC, for illustrative purposes, which applied from 1 January 2013 and reduced surplus capital by \$272 million
- Shown after accounting mismatches, cash flow hedges reserves, and other adjustments
- Intangibles include transaction costs
- Other deductions include LAGIC regulatory adjustments and AMP Bank securitisation deductions
- Participation in the Reinvestment Offer is estimated at \$40 million, being 20% of the face value of the A\$ AMP Notes. The actual rate of participation may be higher or lower than this assumption. Assuming a \$200 million Offer, if the participation rate is higher than 20% the adjustment will be lower, and if it is lower than 20% the adjustment will be higher
- To the extent the AMP Notes 2 are not used to fund the refinancing of the AMP Notes, they will not count towards AMP group's regulatory capital base
- Assuming a \$200 million Offer of AMP Notes 2 and participation in the Reinvestment Offer is estimated at 20% of the face value of the A\$ AMP Notes, less fees

Financial overview – capital management (continued)

AMP's businesses and the AMP group maintain capital targets (target surplus), reflecting their material risks (including financial risk, insurance and product risk and operational risk) and AMP group's risk appetite

A\$m	Pro forma LAGIC ¹ as at 31 Dec 2012	As at 30 Jun 2013	Adjustment ³	Pro forma as at 30 Jun 2013
Total capital resources	9,323	9,634	160	9,794
Intangibles	(3,808)	(3,807)	(6)	(3,813)
Tangible capital resources	5,515	5,827	154	5,981
Senior debt	(700)	(700)	–	(700)
AMP Notes 2 (not eligible as regulatory capital at AMP group)	–	–	(160)	(160)
Other deductions ²	(1,867)	(1,858)	–	(1,858)
Regulatory capital resources	2,948	3,269	(6)	3,263
Shareholder minimum regulatory capital requirements (MRR)	1,576	1,566	–	1,566
Shareholder regulatory capital resources above MRR	1,372	1,703	(6)	1,697

As at 30 June 2013 the shareholder regulatory capital resources above MRR were \$1,703 million (pro forma LAGIC 31 December 2012: \$1,372 million)

- Shareholder regulatory capital resources above MRR will vary throughout the year primarily due to various factors including investment market movements, dividend payments and the retention of profits.

Adjustment for AMP Notes 2

- APRA has confirmed that, given the proposed changes to the supervision of the conglomerate groups, AMP Notes 2 will not constitute Tier 2 Capital of the AMP group but that it does not object to the AMP group using the proceeds of their issue to fund Tier 2 Capital of one or more regulated entities within the AMP group
- Under APRA transitional arrangements, AMP Notes 2 proceeds used to refinance the existing A\$ AMP Notes will be treated as eligible regulatory capital for a period (see slide 21)

1. 31 December 2012 capital position shown after allowing for the impact of LAGIC, for illustrative purposes, which applied from 1 January 2013 and reduced surplus capital by \$272 million
2. Other deductions include LAGIC regulatory adjustments and AMP Bank securitisation deductions
3. Assuming a \$200 million Offer of AMP Notes 2 and participation in the Reinvestment Offer is estimated at 20% of the face value of the A\$ AMP Notes, less fees. Transitional treatment in respect of AMP Notes 2 that are used to refinance A\$ AMP Notes



About AMP Subordinated Notes 2

Section 4

Summary of AMP Subordinated Notes 2 offer

Issuer	– AMP Limited ABN 49 079 354 519 (AMP) (the non-operating holding company of the AMP group)
Offer size	– A\$200 million with the ability to raise a higher or lower amount
AMP Subordinated Notes 2	<ul style="list-style-type: none"> – Face Value of A\$100 each – Fully paid, unsecured, subordinated and redeemable debt obligations of AMP – Interest payments are not deferrable or discretionary, are cumulative and pay a floating rate of Interest quarterly in arrear. See ‘Solvency Condition’ (slide 21) for an explanation of the conditions which apply to payments of Interest – Are subordinated in a winding-up of AMP to claims of Senior Creditors, including all liabilities preferred by law, bonds, notes and trade and general creditors – Are not guaranteed by, nor are they deposit liabilities, protected accounts or policy liabilities of, or investments in any superannuation or other fund managed by, any member of the AMP group – May be converted into AMP Ordinary Shares if a Non-Viability Trigger Event occurs. See summary of Non-Viability Trigger Event and Conversion (or Write-off) on slide 20
Use of proceeds	– A substantial part of the proceeds from the Offer is expected to be used to fund Tier 2 Capital of one or more Regulated Entities within the AMP group. The remaining proceeds from the Offer will be used for general corporate, funding and capital management purposes, including refinancing AMP Notes issued by AMPGFS ¹
Term	<ul style="list-style-type: none"> – Maturity Date: 18 December 2023 – Early Redemption from 18 December 2018 (see slide 20) – Must be redeemed by AMP on the Maturity Date (so long as the Solvency Condition is satisfied and AMP Notes 2 are still on issue at the time and have not been redeemed earlier or, on account of a Non-Viability Trigger Event, Converted or Written-off)
Quotation	– AMP will apply to ASX for AMP Notes 2 to be quoted on ASX (expected to trade under ASX code ‘AMPHA’)
Offer structure	<ul style="list-style-type: none"> – Reinvestment Offer, Securityholder Offer, Broker Firm Offer, General Offer, and Institutional Offer – The Reinvestment Offer provides Eligible A\$ AMP Notes holders the opportunity to reinvest in AMP Notes 2
Joint lead managers	– Commonwealth Bank, J.P. Morgan, UBS (Structuring Adviser)

1. AMP Group Finance Services Limited (ABN 95 084 247 914)

AMP Subordinated Notes 2 key terms

Early Redemption	<ul style="list-style-type: none"> – May be redeemed prior to the Maturity Date at AMP's option on 18 December 2018 (or any subsequent Interest Payment Date) or if a Tax Event or Regulatory Event occurs – Subject to the prior written approval of APRA – Holders have no right to request AMP to redeem AMP Notes 2 and AMP has no obligation to redeem AMP Notes 2
Non-Viability Trigger Event	<ul style="list-style-type: none"> – A Non-Viability Trigger Event occurs when APRA provides a written determination to AMP that the conversion or write-off of some or all Relevant Subordinated Instruments¹ (which includes AMP Notes 2) is necessary because without the conversion or write-off, or without a public sector injection of capital into, or equivalent capital support with respect to, AMP, APRA considers that AMP would become non-viable
Conversion (or Write-off)	<ul style="list-style-type: none"> – If a Non-Viability Trigger Event occurs, AMP must convert or write-off all Relevant Subordinated Instruments (including AMP Notes 2) or an amount of Relevant Subordinated Instruments if APRA is satisfied that conversion or write-off of that amount will be sufficient to ensure that AMP does not become non-viable – If AMP is unable for any reason to Convert AMP Notes 2 which are required to be Converted, those AMP Notes 2 will be immediately and irrevocably Written-off and rights attaching to those AMP Notes 2 (including to payments of Interest and repayment of the Face Value) will be terminated. – If only an amount of Relevant Subordinated Instruments is required to be converted, AMP will first convert or write-off all Relevant Perpetual Subordinated Instruments, and if that is not sufficient to satisfy APRA that AMP would not become non-viable, AMP will Convert some or all of AMP Notes 2 and will convert or write-off other Relevant Term Subordinated Instruments in an amount which, when added to the amount of Relevant Perpetual Subordinated Instruments converted or written-off, will satisfy APRA that AMP would not become non-viable
Interest rate	<ul style="list-style-type: none"> – Interest Rate = Market Rate + Margin – Market Rate is the 90 day Bank Bill Swap Rate set on the first Business Day of each Interest Period – Margin to be determined under the Bookbuild, expected to be in the range of 2.65 per cent to 2.85 per cent per annum


1. Relevant Subordinated Instruments include Relevant Term Subordinated Instruments (including AMP Notes 2) and Relevant Perpetual Subordinated Instruments of the AMP group (to which AMP is a party) that, in accordance with their terms or by operation of law, are capable of being converted or written-off where APRA determines that a Non-Viability Trigger Event has occurred

AMP Subordinated Notes 2 key terms (continued)

Interest	<ul style="list-style-type: none"> – Pay Interest quarterly in arrear and made wholly in cash (no franking credits) – The Interest Payment Dates are 18 March, 18 June, 18 September and 18 December in each year, commencing on 18 March 2014¹ until the Maturity Date or the date on which AMP Notes are redeemed earlier
Solvency Condition	<ul style="list-style-type: none"> – Interest payments are not deferrable or discretionary. However, Interest payments are subject to satisfaction of the Solvency Condition and will only be made if AMP Notes 2 are still on issue at the time and have not been redeemed earlier or, on account of a Non-Viability Trigger Event, Converted or Written-off
Ranking	<ul style="list-style-type: none"> – Senior to AMP Ordinary Shares and perpetual subordinated instruments if issued by AMP in the future – Equally with other term subordinated debt if issued in the future – Behind all Senior Creditors of AMP
Regulatory treatment	<ul style="list-style-type: none"> – APRA has confirmed that, given the proposed changes to the supervision of conglomerate groups, AMP Notes 2 will not constitute Tier 2 Capital of the AMP group but APRA does not object to the AMP group using the proceeds of their issue to fund Tier 2 Capital of one or more regulated entities within the AMP group – AMP intends to use a substantial part of the proceeds of issue for that purpose and the remaining proceeds will be used for general corporate, funding and capital management purposes, including refinancing AMP Notes – To the extent that the AMP Notes 2 are not used to fund Tier 2 Capital of regulated entities within the AMP group, but used to refinance the existing AMP Notes issued by AMP Group Finance Services Limited (AMPGFS), this amount will be subject to the transition arrangements approved by APRA on the existing AMP Notes, being: <ul style="list-style-type: none"> – 100 per cent recognition as eligible regulatory capital of the AMP group up to 30 April 2014, and – 50 per cent recognition as eligible regulatory capital of the AMP group up to 30 April 2015, with zero recognition after this date – AMP does not expect the implementation of the changes to the supervision of conglomerate groups in the form proposed by APRA at the issue date will mean that the AMP group will not be able to use the proceeds of the issue of AMP Notes 2 to fund one or more regulated entities within the AMP group

1. Assumes issue date is 18 December 2013

Ranking of AMP Subordinated Notes 2

	Type	Illustrative examples ¹
Higher ranking	Preferred and secured debt	Liabilities preferred by law including employee entitlements and secured creditors
	Unsubordinated and unsecured debt	Bonds and notes, trade and general creditors
	Relevant Term Subordinated Instruments	AMP Notes 2 (where not Converted or Written-off on account of a Non-Viability Trigger Event) and other term subordinated debt ranking equally with AMP Notes 2
	Relevant Perpetual Subordinated Instruments	Preference shares if issued by AMP in the future and other instruments ranking equally with preference shares that may be issued
Lower ranking	Ordinary Shares	AMP Ordinary Shares (including holders of AMP Notes 2 where AMP Notes 2 are Converted on account of Non-Viability Trigger Event)

1. This diagram and the descriptions are simplified and illustrative only, and do not include every type of security or obligation that may be issued or entered into by AMP, or every potential claim against AMP in a winding-up of AMP. AMP will from time to time issue additional securities or incur other obligations that rank ahead of, equally with, or behind, the AMP Notes 2

Key investment risks associated with AMP Subordinated Notes 2

The investment risks listed below are a summary only. You should refer to section 5 'Investment risks' of the AMP Subordinated Notes 2 prospectus before making a decision on whether or not to invest in AMP Subordinated Notes 2

- AMP Notes 2 rank for payment on a winding-up of AMP behind Senior Creditors, so, on a winding-up of AMP, Holders will lose the money invested in AMP Notes 2 and any Interest due and unpaid at that time if there are insufficient assets to satisfy Senior Creditors.
- AMP is not required to make any payment in respect of AMP Notes 2 if it would not be solvent both at the time that payment is due and immediately after making the payment.
- The market price of AMP Notes 2 may fluctuate due to various factors including investor perceptions, Australian and international economic conditions, changes in interest rates, credit margins, foreign exchange rates, credit ratings and capital markets, and factors that may affect the AMP group's financial and capital position. The occurrence of a Non-Viability Trigger Event is also likely to cause the market price of AMP Notes 2 to decline.
- The market for AMP Notes 2 may be volatile and less liquid than the market for AMP Ordinary Shares.
- The Interest Rate will increase or decrease over time with movements in the Market Rate.
- If a Non-Viability Trigger Event occurs, AMP may be required to immediately Convert AMP Notes 2 into AMP Ordinary Shares. This could be at any time and may occur on dates not previously contemplated by Holders, which may be disadvantageous.
- If AMP is unable for any reason to Convert AMP Notes 2, those AMP Notes 2 will be immediately and irrevocably Written-off and the rights of Holders under those AMP Notes 2 will be terminated.
- If AMP Notes 2 have been Converted or Written-off on account of a Non-Viability Trigger Event, AMP's accrued and future obligations to make payments in respect of those AMP Notes 2 will cease and Holders will have no rights to recover any unpaid amounts.
- Redemption, or Conversion or Write-off on account of a Non-Viability Trigger Event may occur prior to the Maturity Date which may be disadvantageous in light of market conditions or the individual circumstances of Holders.
- The price used to calculate the number of AMP Ordinary Shares to be issued on Conversion may be different to the market price of AMP Ordinary Shares at the time of Conversion.
- If Conversion occurs on account of a Non-Viability Trigger Event, Holders will receive AMP Ordinary Shares that may be worth significantly less than the Face Value of AMP Notes 2.
- Subject to APRA's prior written approval and to satisfaction of the Solvency Condition, AMP may redeem AMP Notes 2 early on 18 December 2018 or any subsequent Interest Payment Date, or on the occurrence of a Tax Event or a Regulatory Event.
- Holders have no right to request or require redemption or accelerate repayment of their AMP Notes 2 prior to the Maturity Date.
- If AMP fails to pay Face Value, Interest or other amounts, the remedies of Holders are limited.
- AMP may raise further debt and may issue securities that rank equally with or ahead of AMP Notes 2. This may affect a Holder's ability to be repaid on a winding-up of AMP.
- Risks associated with AMP's business are set out in section 5.2 of the prospectus.



Offer process

Section 5

Offer summary

Offer size	<ul style="list-style-type: none">– The Offer is for the issue of AMP Notes 2 to raise \$200 million with the ability to raise a higher or lower amount– The Offer includes the Reinvestment Offer, under which Eligible AMP Notes holders may fund their subscription for AMP Notes 2 by selling to AMP some or all of their A\$ AMP Notes– If the Offer proceeds, Eligible AMP Notes holders who participate in the Reinvestment Offer will receive an allocation in priority over Securityholder Applicants and General Applicants for each A\$ AMP Note sold to AMP
Structure	<ul style="list-style-type: none">– The Offer comprises:<ul style="list-style-type: none">▪ a Reinvestment Offer made to Eligible AMP Notes holders▪ a Securityholder Offer made to Eligible Securityholders▪ a Broker Firm Offer made to Australian resident retail and high net worth clients of Syndicate brokers▪ a General Offer made to members of the public, and▪ an Institutional Offer to certain Institutional Investors
Reinvestment Offer	<ul style="list-style-type: none">– Australian residents holding A\$ AMP Notes on the Reinvestment Record Date, being 7.00pm (Sydney time) on 4 November 2013 may be eligible to participate in the Reinvestment Offer. See the prospectus for further details about eligibility– NZ\$ AMP Notes are not eligible for sale to AMP under the Reinvestment Offer– The Reinvestment Offer is not a simple rollover into a similar investment. AMP Notes and AMP Notes 2, while having a number of similar features, have different benefits and risks, which you should consider– It is important to note that participation in the Reinvestment Offer may not be appropriate or economically advantageous for Eligible AMP Notes holders

Offer summary (continued)

Current intention with respect to AMP Notes	<ul style="list-style-type: none">– Under APRA transition arrangements, the AMP Notes and other term subordinated debt currently held at the AMP group level by AMP, will continue to be 100 per cent recognised as eligible capital under the revised standards, until the earlier of the relevant instruments first call date or March 2016– AMP Notes issued in 2009 can be redeemed for cash on 15 May 2014 (Step-Up Date) subject to APRA’s prior written approval (which is in its discretion and may not be given)– The current intention of AMPGFS is that both A\$ AMP Notes not sold to AMP under the Reinvestment Offer and the NZ\$ AMP Notes will, subject to APRA’s prior written approval (which is in its discretion, and may not be given) be redeemed on the Step-Up Date– If redemption occurs on the Step-Up Date, AMP Notes holders will receive the applicable face value plus any accrued and unpaid interest to that date per AMP Note
Bookbuild	<ul style="list-style-type: none">– Certain Institutional Investors and Syndicate brokers are invited by the Joint lead managers to bid for AMP Notes 2 in the Bookbuild to be conducted on 13 November 2013– The Margin for AMP Notes 2 will be determined under the Bookbuild, and is expected to be in the range of 2.65 per cent to 2.85 per cent– On the basis of those bids, the Joint lead managers and AMP will determine the Margin and the firm allocations to Bookbuild participants, being Syndicate brokers and certain Institutional Investors
Applicants	<ul style="list-style-type: none">– Applications from Securityholder Applicants and General Applicants are subject to scale back at the discretion of AMP and the Joint lead managers. Eligible AMP Notes holders who participate in the Reinvestment Offer will receive an allocation in priority over Securityholder Applicants and General Applicants– Applications must be for a minimum of 50 AMP Notes 2 (\$5,000), and in multiples of 10 AMP Notes 2 (\$1,000) after that (these requirements do not apply to Eligible AMP Notes holders, although other minimum requirements as set out in the prospectus do apply)

Key dates

Key dates for the Offer

	Date
Record date for determining Eligible Securityholders (7.00pm Sydney time)	4 November 2013
Lodgement of the prospectus with ASIC	6 November 2013
Bookbuild	13 November 2013
Announcement of the Margin	13 November 2013
Lodgement of the replacement prospectus with ASIC	14 November 2013
Opening Date for the Offer	14 November 2013
Closing Date for the Offer (5.00pm Sydney time)	9 December 2013
Issue Date of AMP Notes 2	18 December 2013
AMP Notes 2 commence trading on ASX (deferred settlement basis)	19 December 2013
Holding statements for AMP Notes 2 dispatched by	24 December 2013
AMP Notes 2 commence trading on ASX (normal settlement basis)	27 December 2013

Key dates for AMP Notes 2

	Date
Record Date for first Interest payment	10 March 2014
First Interest Payment Date ¹	18 March 2014
First date on which AMP may redeem the AMP Notes 2 (at its discretion) ²	18 December 2018
Maturity Date ³	18 December 2023

Key dates for Eligible AMP Notes holders

	Date
Reinvestment Record Date for determining Eligible AMP Notes holders for Reinvestment Offer (7.00pm Sydney time)	4 November 2013
Opening Date for the Reinvestment Offer	14 November 2013
Closing Date for the Reinvestment Offer (5.00pm Sydney time)	9 December 2013
Reinvestment Date and payment date for Accrued Interest Amount	18 December 2013
Step-Up (AMP Notes)	15 May 2014
Maturity date (AMP Notes)	1 April 2019

These dates are indicative only and may change without notice

AMP and the Joint lead managers may agree to vary the timetable, including extending any Closing Date, closing the Offer early without notice or accepting late applications, whether generally or in particular cases, or withdrawing the Offer at any time before AMP Notes 2 are issued, at their discretion.

- Interest is payable quarterly in arrear, subject to satisfaction of the Solvency Condition and provided that AMP Notes 2 are still on issue at the time and have not been redeemed earlier or, on account of a Non-Viability Trigger Event, Converted or Written-off
- APRA must provide its prior written approval for any such redemption. There can be no certainty that APRA will provide its approval
- The Face Value is repayable subject to satisfaction of the Solvency Condition and provided that AMP Notes 2 are still on issue at the time and have not been redeemed earlier or, on account of a Non-Viability Trigger Event, Converted or Written-off

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