

BUILDING A BETTER BANK

2018 FIRST HALF FINANCIAL RESULTS

FOUR STRATEGIC PRIORITIES



Create a simpler, better capitalised, better balanced and more agile bank



Focus our efforts on areas where we can carve out a winning position



Drive a purpose and values-led transformation of the bank



Build a superior everyday experience for our customers and our people to compete in the digital age

KEY FINANCIAL MEASURES



\$3.49b

Cash Profit
+4%

119.4c

Cash Earnings per Share
+4%

80c

Interim Dividend per Share
Fully Franked

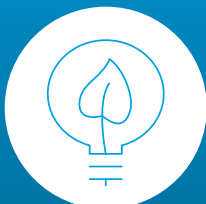
11.0%

CET1 Capital Ratio
+91bps

11.9%

Cash Return on Equity
+32bps

SHAPING A WORLD WHERE PEOPLE AND COMMUNITIES THRIVE



Funded and facilitated **\$8.3b** in low carbon and sustainable solutions¹



More than **2000 people** recruited to our Saver Plus matched savings program²



Group-wide representation of **Women in Leadership** has increased to **31.9%**³



Australian Retail NPS (Net Promoter Score) ranking increased to **3rd**⁴

1. This includes green buildings, low emissions transport, green bonds, renewable energy, efficient irrigation and low emissions gas power generation, since 2015.

2. Since 2004 more than 36,000 people have participated in the Saver Plus program.

3. Up from 31.1% as of 2017. Employee headcount is used for the basis of this disclosure. Includes all employees regardless of leave status excluding contractors (which are included in FTE).

4. Up from 4th at end of 2017. Roy Morgan single source. Base: Australian population aged 14+, main financial institution, six month rolling average to March 2018. Ranking based on the four major Australian banks.

All financial figures within this document are presented on a Cash Profit Continuing Basis in Australian Dollars except for New Zealand figures (in NZD). New Zealand figures are representative of New Zealand Division.

Growth rate and basis point (bps) movements compare First Half 2018 to First Half 2017 unless otherwise stated.

AUSTRALIA

\$1.9b

Cash Profit
+9%

\$204b

Customer Deposits
+\$7b / +3%

\$4.9b

Revenue
+5%

\$339b

Customer Lending
+\$14b / +4%

\$1.8b

Expenses
+9%



5.7m retail customers bank with us



3.4m of our customers are digitally active, up 3% from 2017



24% of all retail sales are completed via digital channels, up from 21% in 2017



84% of value transactions are completed via digital channels

NEW ZEALAND

\$0.8b

Cash Profit
+11%

\$84b

Customer Deposits
+\$3b / +4%

\$1.8b

Revenue
+6%

\$119b

Customer Lending
+\$4b / +3%

\$0.6b

Expenses
+1%



30,000 in net customer growth



1.4m digitally active customers



83% of value transactions are completed via digital channels



#1 in mobile banking¹

INSTITUTIONAL [HALF-ON-HALF PERFORMANCE¹]



45% of our revenue is sourced from customers who transact with us in four or more countries



29% of Australia and 28% of New Zealand revenue sourced from our international network

\$2.0b

Customer Revenue
+1%²



Top 4 Corporate Bank in Asia for the 6th consecutive year and #1 for overall quality³



#1 in Australia and New Zealand for overall market and lead bank penetration and the quality of service⁴

\$1.4b

Expenses
-2%⁵



Risk adjusted Net Interest Margin is 2.21%⁶, up 8bps



Strong portfolio quality with loss rates at 7bps

\$0.8b

Cash Profit
-8%

1. Half-on-half comparisons presented due to significant risk weight reductions over the course of Full Year 2017, and significant Global Markets performance in First Half 2017.

2. +2% excluding bank tax.

3. (Equal) No. 4 Corporate Bank in Asia – 2018 Greenwich Associates Large Corporate Banking study.

4. No. 1 rank for overall market and lead bank penetration as well as overall relationship strength in the 2017 Peter Lee Associates Large Corporate and Institutional Relationship Banking Surveys, Australia and New Zealand.

5. Fourth consecutive half year of absolute cost reduction.

6. Excluding bank tax, risk adjusted Net Interest Margin is 2.29%, up 13bps.

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Growth rate and basis point (bps) movements compare First Half 2018 to Second Half 2017.