

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Output summary - ratios ⁽¹⁾⁽²⁾

Key indicators	Year to		Half Year to	
	Sep 17	Sep 16	Sep 17	Mar 17
	\$m	\$m	\$m	\$m
Basic statutory earnings per ordinary share - cents	194.7	8.8	100.8	93.9
Basic statutory earnings per ordinary share - cents (continuing operations)	228.2	242.4	122.5	105.6
Net profit attributable to owners of NAB	5,285	352	2,740	2,545
Less: Distributions on other equity instruments (statutory basis)	(98)	(124)	(49)	(49)
Net profit attributable to owners of NAB (adjusted)	5,187	228	2,691	2,496
Net profit attributable to owners of NAB (adjusted from continuing operations)	6,080	6,296	3,272	2,808
Net (loss) attributable to owners of NAB (adjusted from discontinued operations)	(893)	(6,068)	(581)	(312)
Add: Interest expense on convertible notes	126	75	63	63
Add: Interest expense on convertible preference shares	119	130	60	59
Adjusted earnings (diluted)	5,432	433	2,814	2,618
Adjusted earnings (diluted - continuing operations)	6,325	6,501	3,395	2,930
Weighted average ordinary shares (no. '000) (statutory basis)	2,664,511	2,596,957	2,670,722	2,658,228
Diluted weighted average ordinary shares (no. '000) (statutory basis)	2,873,073	2,793,686	2,879,030	2,856,375
Diluted statutory earnings per ordinary share - cents	189.1	15.5	97.7	91.7
Diluted statutory earnings per ordinary share - cents (continuing operations)	220.1	232.7	117.9	102.6
Basic cash earnings per ordinary share - cents	249.3	245.1	125.4	123.9
Adjusted cash earnings (basic)	6,642	6,483	3,348	3,294
Add: Interest expense on convertible notes	126	75	63	63
Add: Interest expense on convertible preference shares	119	130	60	59
Adjusted cash earnings (diluted)	6,887	6,688	3,471	3,416
Weighted average ordinary shares (no. '000) (cash earnings basis)	2,664,511	2,645,573	2,670,722	2,658,228
Diluted weighted average ordinary shares (no. '000) (cash earnings basis)	2,873,073	2,842,302	2,879,030	2,856,375
Diluted cash earnings per share - cents	239.7	235.3	120.6	119.6
Statutory profit on average equity (Statutory return on equity)	10.9%	0.5%	11.2%	10.6%
Net profit attributable to owners of NAB (adjusted)	5,187	228	2,691	2,496
Cash earnings on average equity (Cash return on equity)	14.0%	14.3%	13.9%	14.0%
Cash earnings	6,642	6,483	3,348	3,294
Average equity	50,474	47,649	50,806	50,280
Less: Average non-controlling interest in controlled entities	(16)	(24)	(9)	(23)
Less: Average Trust Preferred Securities	(975)	(975)	(975)	(975)
Less: Average National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: Average National Capital Instruments	(3)	(397)	-	(7)
Adjusted average equity for earnings on average equity calculation (statutory basis)	47,535	44,308	47,877	47,330
Add: Average Treasury shares	-	1,148	-	-
Adjusted average equity for cash earnings on average equity calculation (cash earnings basis)	47,535	45,456	47,877	47,330
Profitability, performance and efficiency measures				
Dividend payout ratio	79.4%	80.8%	78.9%	79.9%
Dividend per share (cents)	198	198	99	99
Basic cash earnings per ordinary share - cents	249.3	245.1	125.4	123.9
Cash earnings on average assets	0.83%	0.76%	0.83%	0.83%
Cash earnings	6,642	6,483	3,348	3,294
Average assets	798,774	855,808	802,380	795,151
Cash earnings on average risk-weighted assets	1.73%	1.77%	1.76%	1.72%
Cash earnings	6,642	6,483	3,348	3,294
Risk-weighted assets	382,114	388,445	382,114	374,487
Risk-weighted assets (prior quarter)	383,945	363,550	383,945	388,351
Risk-weighted assets (prior half year)	374,487	361,433	374,487	388,445
Risk-weighted assets (prior first quarter)	388,351	362,479	n/a	n/a
Risk-weighted assets (prior year)	388,445	351,178	n/a	n/a
Cash earnings per average FTE (\$'000)	197	188	200	194
Cash earnings	6,642	6,483	3,348	3,294
Full Time Equivalent Employees (FTE) (average)	33,746	34,567	33,464	34,001
Group 'Jaws' ratio	0.1%	0.3%	0.1%	(1.1%)
Cost to income ratio	42.7%	42.7%	42.7%	42.7%
Group operating expenses	(7,635)	(7,438)	(3,850)	(3,785)
Group net operating income	17,895	17,433	9,026	8,869
Net tangible assets (NTA) per share (\$)	15.93	16.06	15.93	15.90
Total equity / net assets	51,317	51,315	51,317	50,856
Less: non-controlling interest in controlled entities	(11)	(23)	(11)	(11)
Less: National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: Trust Preferred Securities	(975)	(975)	(975)	(975)
Less: National Capital Instruments	-	(397)	-	-
Less: Goodwill and other intangible assets	(5,601)	(5,302)	(5,601)	(5,393)
Net tangible assets (NTA)	42,785	42,673	42,785	42,532
Ordinary shares - Including partly paid (no. '000)	2,685,512	2,657,025	2,685,512	2,675,469

⁽¹⁾ All key performance measures and Group performance indicators are calculated on a cash earnings basis unless otherwise stated. A Glossary of Terms is included in Section 7 of the Results Announcement.

⁽²⁾ Information is presented on a continuing operations basis including prior period restatements.

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Input Schedule ⁽¹⁾

	Year to	
	Sep 17	Sep 16
	\$m	\$m
Group Cash Earnings		
Net interest income	13,166	12,930
Other operating income	4,729	4,503
Net operating income	17,895	17,433
Operating expenses	(7,635)	(7,438)
Underlying profit	10,260	9,995
Charge to provide for bad and doubtful debts	(810)	(800)
Cash earnings before tax and distributions	9,450	9,195
Income tax expense	(2,710)	(2,588)
Cash earnings before distributions	6,740	6,607
Distributions	(98)	(124)
Cash earnings	6,642	6,483
Non-cash earnings items (after-tax):		
Distributions	98	124
Treasury shares	-	61
Fair value and hedge ineffectiveness	(500)	(126)
Life insurance 20% share of profit	-	(39)
Amortisation of acquired intangible assets	(62)	(83)
Net profit from continuing operations	6,178	6,420
Net (loss) after tax from discontinued operations	(893)	(6,068)
Net profit attributable to owners of the Company	5,285	352

Half Year to		Sep 17
Sep 17	Mar 17	Results
\$m	\$m	Announcement
6,773	6,393	Page 3
2,253	2,476	Page 3
9,026	8,869	Page 3
(3,850)	(3,785)	Page 3
5,176	5,084	Page 3
(416)	(394)	Page 3
4,760	4,690	Page 3
(1,363)	(1,347)	Page 3
3,397	3,343	Page 3
(49)	(49)	Page 3
3,348	3,294	Page 3
49	49	Page 3
-	-	Page 3
(47)	(453)	Page 3
-	-	Page 3
(29)	(33)	Page 3
3,321	2,857	Page 3
(581)	(312)	Page 3
2,740	2,545	Page 3

	Year to	
	Sep 17	Sep 16
	\$m	\$m
Average equity data		
Average interest-earning assets	711,265	689,526
Average assets	798,774	855,808
Average equity	50,474	47,649
Average non-controlling interest in controlled entities	16	24
Average Trust Preferred Securities	975	975
Average National Income Securities	1,945	1,945
Average National Capital Instruments	3	397
Average Treasury shares	-	1,148

Half Year to		Sep 17
Sep 17	Mar 17	Results
\$m	\$m	Announcement
718,167	704,330	Page 89 & 93
802,380	795,151	Page 90 & 94
50,806	50,280	Page 92 & 96
9	23	Page 92 & 96
975	975	
1,945	1,945	
-	7	
-	-	

Statutory earnings per share data		
Basic weighted average ordinary shares (no. '000)	2,664,511	2,596,957
Diluted weighted average ordinary shares (no. '000)	2,873,073	2,793,686
Distributions on other equity instruments	(98)	(124)
Interest expense on convertible notes	126	75
Interest expense on convertible preference shares	119	130

2,670,722	2,658,228	Page 99
2,879,030	2,856,375	Page 99
(49)	(49)	Page 99
63	63	Page 99
60	59	Page 99

Cash Earnings per share data		
Basic weighted average ordinary shares (no. '000)	2,664,511	2,645,573
Diluted weighted average ordinary shares (no. '000)	2,873,073	2,842,302
Interest expense on convertible notes	126	75
Interest expense on convertible preference shares	119	130

2,670,722	2,658,228	Page 100
2,879,030	2,856,375	Page 100
63	63	Page 100
60	59	Page 100

Risk-weighted assets data		
Risk-weighted assets	382,114	388,445
Risk-weighted assets (prior quarter)	383,945	363,550
Risk-weighted assets (prior half year)	374,487	361,433
Risk-weighted assets (prior first quarter)	388,351	362,479
Risk-weighted assets (prior year end)	388,445	351,178

382,114	374,487	Page 98
383,945	388,351	
374,487	388,445	
n/a	n/a	
n/a	n/a	

Average Full Time Equivalent Employees (FTE)	33,746	34,567
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33,464	34,001	Page 11
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Dividend per share (cents)	198	198
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99	99	Page 10
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Cost to income ratio data		
Group operating expenses	(7,635)	(7,438)
Group net operating income	17,895	17,433

(3,850)	(3,785)	Page 3
9,026	8,869	Page 3

Net tangible assets per share data		
Ordinary shares - Fully paid (no. '000)	2,685,469	2,656,976
Ordinary shares - Partly paid (no. '000)	43	49
Total equity / net assets	51,317	51,315
Non-controlling interest in controlled entities	11	23
National Income Securities	1,945	1,945
Trust Preferred Securities	975	975
National Capital Instruments	-	397
Goodwill and other intangible assets	5,601	5,302

2,685,469	2,675,424	Page 102
43	45	Page 102
51,317	50,856	Page 58
11	11	Page 58
1,945	1,945	Page 76
975	975	Page 76
-	-	Page 76
5,601	5,393	Page 58

⁽¹⁾ Information is presented on a continuing operations basis including prior period restatements.