

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Output summary - ratios⁽¹⁾

	Year to		Half Year to	
	Sep 19	Sep 18	Sep 19	Mar 19
Key indicators	\$m	\$m	\$m	\$m
Basic statutory earnings per ordinary share (cents)	168.6	201.3	73.0	95.9
Basic statutory earnings per ordinary share (cents) from continuing operations	178.9	215.6	75.8	103.5
Net profit attributable to owners of NAB	4,798	5,554	2,104	2,694
Less: Distributions on other equity instruments (statutory basis)	(83)	(100)	(31)	(52)
Net profit attributable to owners of NAB (adjusted)	4,715	5,454	2,073	2,642
Net profit attributable to owners of NAB from continuing operations (adjusted)	5,004	5,842	2,152	2,852
Net loss attributable to owners of NAB from discontinued operations	(289)	(388)	(79)	(210)
Add: Interest expense on convertible notes	165	128	98	67
Add: Interest expense on convertible preference shares	90	122	30	60
Adjusted earnings - diluted	4,970	5,704	2,201	2,769
Adjusted earnings from continuing operations - diluted	5,259	6,092	2,280	2,979
Weighted average number of ordinary shares (millions)	2,797	2,709	2,838	2,756
Weighted average number of ordinary shares (millions) - diluted	3,024	2,940	3,066	3,007
Statutory earnings per ordinary share (cents) - diluted	164.4	194.0	71.8	92.1
Statutory earnings per ordinary share (cents) from continuing operations - diluted	173.9	207.2	74.4	99.1
Basic cash earnings per ordinary share (cents)	182.2	210.4	75.5	107.2
Cash earnings	5,097	5,702	2,143	2,954
Add: Interest expense on convertible notes	165	128	98	67
Add: Interest expense on convertible preference shares	90	122	30	60
Adjusted cash earnings – diluted	5,352	5,952	2,271	3,081
Weighted average number of ordinary shares (millions)	2,797	2,709	2,838	2,756
Weighted average number of ordinary shares (millions) - diluted	3,024	2,940	3,066	3,007
Cash earnings per share (cents) - diluted	177.0	202.4	74.1	102.5
Statutory profit on average equity (Statutory return on equity)	9.1%	11.2%	7.8%	10.5%
Net profit attributable to owners of NAB (adjusted)	4,715	5,454	2,073	2,642
Cash earnings on average equity (Cash return on equity)	9.9%	11.7%	8.1%	11.7%
Cash earnings	5,097	5,702	2,143	2,954
Average equity	53,724	51,636	54,727	52,910
Less: Average non-controlling interest in controlled entities	(9)	(11)	(8)	(10)
Less: Average Trust Preferred Securities	(208)	(975)	-	(412)
Less: Average National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Average equity (adjusted)	51,562	48,705	52,774	50,543
Profitability, performance and efficiency measures				
Dividend payout ratio	91.1%	94.1%	109.9%	77.4%
Dividend per share (cents)	166	198	83	83
Basic cash earnings per ordinary share (cents)	182.2	210.4	75.5	107.2
Cash earnings on average assets	0.61%	0.71%	0.51%	0.71%
Cash earnings	5,097	5,702	2,143	2,954
Average assets	835,862	807,037	839,934	829,149
Cash earnings on average risk-weighted assets	1.26%	1.48%	1.05%	1.49%
Cash earnings	5,097	5,702	2,143	2,954
Risk-weighted assets	415,771	389,684	415,771	403,205
Risk-weighted assets (prior quarter)	404,635	395,053	404,635	402,353
Risk-weighted assets (prior half year)	403,205	387,415	403,205	389,684
Cash earnings per average FTE (\$'000)	150	169	125	176
Cash earnings	5,097	5,702	2,143	2,954
Full-time equivalent employees (FTE) (average)	33,950	33,747	34,258	33,620
Group 'Jaws' ratio	(4.4%)	(17.3%)	(21.8%)	1.6%
Cost to income ratio	52.3%	50.0%	58.0%	47.0%
Group operating expenses ⁽²⁾	(9,013)	(8,992)	(4,838)	(4,175)
Group net operating income ⁽²⁾	17,221	17,977	8,347	8,874
Net tangible assets (NTA) per share (\$)	16.68	16.09	16.68	16.46
Total equity / net assets	55,604	52,712	55,604	54,091
Less: Non-controlling interest in controlled entities	(8)	(11)	(8)	(7)
Less: National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: Trust Preferred Securities	-	(975)	-	-
Less: Goodwill and other intangible assets	(5,576)	(5,787)	(5,576)	(5,872)
Net tangible assets (NTA)	48,075	43,994	48,075	46,267
Ordinary shares - Including partly paid (no. '000)	2,883,038	2,734,144	2,883,038	2,811,336

⁽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 6 of the 2019 Full Year Results document.

⁽²⁾ Includes large notable items. Refer to Section 2 Large notable items in the 2019 Full Year Results document for further information.

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Input Schedule

	Year to		Half Year to		Sep 19 Results Announcement
	Sep 19	Sep 18	Sep 19	Mar 19	
Group Cash Earnings	\$m	\$m	\$m	\$m	
Net interest income ⁽¹⁾	13,542	13,467	6,808	6,734	Page 3
Other operating income ⁽¹⁾	3,679	4,510	1,539	2,140	Page 3
Net operating income	17,221	17,977	8,347	8,874	Page 3
Operating expenses ⁽¹⁾	(9,013)	(8,992)	(4,838)	(4,175)	Page 3
Underlying profit	8,208	8,985	3,509	4,699	Page 3
Credit impairment charge	(919)	(779)	(470)	(449)	Page 3
Cash earnings before tax and distributions	7,289	8,206	3,039	4,250	Page 3
Income tax expense	(2,109)	(2,404)	(865)	(1,244)	Page 3
Cash earnings before distributions	5,180	5,802	2,174	3,006	Page 3
Distributions	(83)	(100)	(31)	(52)	Page 3
Cash earnings	5,097	5,702	2,143	2,954	Page 3
Cash earnings (excluding large notable items)	6,545	6,493	3,266	3,279	Page 10
Non-cash earnings items (after-tax):					
Distributions	83	100	31	52	Page 3
Fair value and hedge ineffectiveness	(23)	182	46	(69)	Page 3
Amortisation of acquired intangible assets	(18)	(30)	(4)	(14)	Page 3
MLC Wealth divestment transaction costs	(52)	(12)	(33)	(19)	Page 3
Net profit from continuing operations	5,087	5,942	2,183	2,904	Page 3
Net loss after tax from discontinued operations ⁽¹⁾	(289)	(388)	(79)	(210)	Page 3
Net profit attributable to owners of NAB	4,798	5,554	2,104	2,694	Page 3

	Year to		Half Year to		Sep 19 Results Announcement
	Sep 19	Sep 18	Sep 19	Mar 19	
Average Balance Sheet data	\$m	\$m	\$m	\$m	
Average interest earning assets	758,836	726,657	763,383	754,261	Page 84
Average assets	835,862	807,037	839,934	829,149	Page 85
Average equity	53,724	51,636	54,727	52,910	Page 87
Average non-controlling interest in controlled entities	9	11	8	10	Page 87
Average Trust Preferred Securities	208	975	-	412	
Average National Income Securities	1,945	1,945	1,945	1,945	

Statutory earnings per share data					
Weighted average number of ordinary shares (millions) (net of treasury shares)	2,797	2,709	2,838	2,756	Page 94
Weighted average number of ordinary shares (millions) (net of treasury shares) - diluted	3,024	2,940	3,066	3,007	Page 94
Distributions on other equity instruments	(83)	(100)	(31)	(52)	Page 94
Interest expense on convertible notes	165	128	98	67	Page 94
Interest expense on convertible preference shares	90	122	30	60	Page 94

Cash earnings per share data					
Weighted average number of ordinary shares (millions) (net of treasury shares)	2,797	2,709	2,838	2,756	Page 95
Weighted average number of ordinary shares (millions) (net of treasury shares) - diluted	3,024	2,940	3,066	3,007	Page 95
Interest expense on convertible notes	165	128	98	67	Page 95
Interest expense on convertible preference shares	90	122	30	60	Page 95

Risk-weighted assets data					
Risk-weighted assets	415,771	389,684	415,771	403,205	Page 92
Risk-weighted assets (prior quarter)	404,635	395,053	404,635	402,353	
Risk-weighted assets (prior half year)	403,205	387,415	403,205	389,684	

Full-time equivalent employees (FTE) (Average)	33,950	33,747	34,258	33,620	Page 14
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Dividend per share (cents)	166	198	83	83	Page 13
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Cost to income ratio data					
Group operating expenses ⁽¹⁾	(9,013)	(8,992)	(4,838)	(4,175)	Page 3
Group net operating income ⁽¹⁾	17,221	17,977	8,347	8,874	Page 3

Net tangible assets per share data					
Total ordinary shares, fully paid (no. '000)	2,883,019	2,734,119	2,883,019	2,811,315	Page 97
Total ordinary shares, partly paid (no. '000)	19	25	19	21	Page 97
Total equity / net assets	55,604	52,712	55,604	54,091	Page 52
Non-controlling interest in controlled entities	8	11	8	7	Page 52
National Income Securities	1,945	1,945	1,945	1,945	Page 71
Trust Preferred Securities	-	975	-	-	Page 71
Goodwill and other intangible assets	5,576	5,787	5,576	5,872	Page 52

⁽¹⁾ Includes large notable items. Refer to Section 2 Large notable items in the 2019 Full Year Results document for further information.