

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Output summary - ratios⁽¹⁾

Key indicators	Half Year to		
	Mar 20	Sep 19	Mar 19
	\$m	\$m	\$m
Statutory earnings per ordinary share (cents) - basic	44.2	73.0	95.9
Statutory earnings per ordinary share (cents) from continuing operations - basic	40.6	75.8	103.5
Net profit attributable to owners of NAB	1,313	2,104	2,694
Less: Distributions on other equity instruments (statutory basis)	(22)	(31)	(52)
Net profit attributable to owners of NAB (adjusted)	1,291	2,073	2,642
Net profit attributable to owners of NAB from continuing operations (adjusted)	1,186	2,152	2,852
Net profit / (loss) attributable to owners of NAB from discontinued operations	105	(79)	(210)
Add: Interest expense on convertible notes	92	98	67
Add: Interest expense on convertible preference shares	27	30	60
Adjusted earnings - diluted	1,410	2,201	2,769
Adjusted earnings from continuing operations - diluted	1,305	2,280	2,979
Weighted average number of ordinary shares (millions) - basic	2,919	2,838	2,756
Weighted average number of ordinary shares (millions) - diluted	3,306	3,066	3,007
Statutory earnings per ordinary share (cents) - diluted	42.6	71.8	92.1
Statutory earnings per ordinary share (cents) from continuing operations - diluted	39.5	74.4	99.1
Cash earnings per ordinary share (cents) - basic	49.2	75.5	107.2
Cash earnings	1,436	2,143	2,954
Add: Interest expense on convertible notes	92	98	67
Add: Interest expense on convertible preference shares	27	30	60
Adjusted cash earnings - diluted	1,555	2,271	3,081
Weighted average number of ordinary shares (millions) - basic	2,919	2,838	2,756
Weighted average number of ordinary shares (millions) - diluted	3,306	3,066	3,007
Cash earnings per share (cents) - diluted	47.0	74.1	102.5
Statutory profit on average equity (Statutory return on equity)	4.7%	7.8%	10.5%
Net profit attributable to owners of NAB (adjusted)	1,291	2,073	2,642
Cash earnings on average equity (Cash return on equity)	5.3%	8.1%	11.7%
Cash earnings	1,436	2,143	2,954
Average equity	56,579	54,727	52,910
Less: Average non-controlling interest in controlled entities	(2)	(8)	(10)
Less: Average Trust Preferred Securities	-	-	(412)
Less: Average National Income Securities	(1,945)	(1,945)	(1,945)
Average equity (adjusted)	54,632	52,774	50,543
Profitability, performance and efficiency measures			
Dividend payout ratio	61.0%	109.9%	77.4%
Dividend per share (cents)	30	83	83
Cash earnings per ordinary share (cents) - basic	49.2	75.5	107.2
Cash earnings on average assets	0.33%	0.51%	0.71%
Cash earnings	1,436	2,143	2,954
Average assets	861,880	839,934	829,149
Cash earnings on average risk-weighted assets	0.68%	1.05%	1.49%
Cash earnings	1,436	2,143	2,954
Risk-weighted assets	432,666	415,771	403,205
Risk-weighted assets (prior quarter)	415,137	404,635	402,353
Risk-weighted assets (prior half year)	415,771	403,205	389,684
Cash earnings per average FTE (\$'000)	82	125	176
Cash earnings	1,436	2,143	2,954
Full-time equivalent employees (FTE) (average)	34,841	34,258	33,620
Group			
Jaws	(7.9%)	(21.8%)	1.6%
Cost to income ratio	62.4%	58.0%	47.0%
Operating expenses ⁽²⁾	(5,350)	(4,838)	(4,175)
Net operating income ⁽²⁾	8,573	8,347	8,874
Net tangible assets (NTA) per share (\$)	17.34	16.68	16.46
Total equity / net assets	58,378	55,604	54,091
Less: Non-controlling interest in controlled entities	(1)	(8)	(7)
Less: National Income Securities	(1,945)	(1,945)	(1,945)
Less: Goodwill and other intangible assets	(4,696)	(5,576)	(5,872)
Net tangible assets (NTA)	51,736	48,075	46,267
Ordinary shares - Including partly paid (no. '000)	2,984,168	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 5 of the 2020 Half Year Results document.

(2) Includes large notable items. Refer to Section 1 Large notable items in the 2020 Half Year Results document for further information.

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Input Schedule

	Half Year to			Mar 20
	Mar 20	Sep 19	Mar 19	Results
Group Cash Earnings	\$m	\$m	\$m	Announcement
Net interest income ⁽¹⁾	6,886	6,808	6,734	Page 5
Other operating income ⁽¹⁾	1,687	1,539	2,140	Page 5
Net operating income	8,573	8,347	8,874	Page 5
Operating expenses ⁽¹⁾	(5,350)	(4,838)	(4,175)	Page 5
Underlying profit	3,223	3,509	4,699	Page 5
Credit impairment charge	(1,161)	(470)	(449)	Page 5
Cash earnings before tax and distributions	2,062	3,039	4,250	Page 5
Income tax expense	(604)	(865)	(1,244)	Page 5
Cash earnings before distributions	1,458	2,174	3,006	Page 5
Distributions	(22)	(31)	(52)	Page 5
Cash earnings	1,436	2,143	2,954	Page 5
Cash earnings (excluding large notable items)⁽¹⁾	2,471	3,266	3,279	Page 5
<i>Non-cash earnings items (after tax):</i>				
Distributions	22	31	52	Page 3
Fair value and hedge ineffectiveness	8	46	(69)	Page 3
Amortisation and impairment of acquired intangible assets	(221)	(4)	(14)	Page 3
MLC Wealth divestment separation costs	(37)	(33)	(19)	Page 3
Net profit from continuing operations	1,208	2,183	2,904	Page 3
Net profit / (loss) after tax from discontinued operations	105	(79)	(210)	Page 3
Net profit attributable to owners of NAB	1,313	2,104	2,694	Page 3

	Half Year to			Mar 20
	Mar 20	Sep 19	Mar 19	Results
Average Balance Sheet data	\$m	\$m	\$m	Announcement
Average interest earning assets	773,466	763,383	754,261	Page 89
Average assets	861,880	839,934	829,149	Page 90
Average equity	56,579	54,727	52,910	Page 92
Average non-controlling interest in controlled entities	2	8	10	Page 92
Average Trust Preferred Securities	-	-	412	
Average National Income Securities	1,945	1,945	1,945	Page 73

Statutory earnings per share data				
Weighted average number of ordinary shares (millions) (net of treasury shares) - basic	2,919	2,838	2,756	Page 96
Weighted average number of ordinary shares (millions) (net of treasury shares) - diluted	3,306	3,066	3,007	Page 96
Distributions on other equity instruments	(22)	(31)	(52)	Page 96
Interest expense on convertible notes	92	98	67	Page 96
Interest expense on convertible preference shares	27	30	60	Page 96

Cash earnings per share data				
Weighted average number of ordinary shares (millions) (net of treasury shares) - basic	2,919	2,838	2,756	Page 96
Weighted average number of ordinary shares (millions) (net of treasury shares) - diluted	3,306	3,066	3,007	Page 96
Interest expense on convertible notes	92	98	67	Page 96
Interest expense on convertible preference shares	27	30	60	Page 96

Risk-weighted assets data				
Risk-weighted assets	432,666	415,771	403,205	Page 95
Risk-weighted assets (prior quarter)	415,137	404,635	402,353	
Risk-weighted assets (prior half year)	415,771	403,205	389,684	

Full-time equivalent employees (FTE) (Average)	34,841	34,258	33,620	Page 7
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Dividend per share (cents)	30	83	83	Page 6
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Cost to income ratio data				
Operating expenses ⁽¹⁾	(5,350)	(4,838)	(4,175)	Page 5
Net operating income ⁽¹⁾	8,573	8,347	8,874	Page 5

Net tangible assets per share data				
Total ordinary shares, fully paid (no. '000)	2,984,149	2,883,019	2,811,315	Page 98
Total ordinary shares, partly paid (no. '000)	19	19	21	Page 98
Total equity / net assets	58,378	55,604	54,091	Page 53
Non-controlling interest in controlled entities	1	8	7	Page 53
National Income Securities	1,945	1,945	1,945	Page 73
Goodwill and other intangible assets	4,696	5,576	5,872	Page 53

⁽¹⁾ Includes large notable items. Refer to Section 1 Large notable items in the 2020 Half Year Results document for further information.