

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Output summary - ratios⁽¹⁾

Key indicators	Year to		Half Year to	
	Sep 20	Sep 19	Sep 20	Mar 20
	\$m	\$m	\$m	\$m
Statutory earnings per ordinary share (cents) - basic	82.1	168.6	38.2	44.2
Statutory earnings per ordinary share (cents) from continuing operations - basic	112.7	208.2	60.3	52.0
Net profit attributable to owners of NAB	2,559	4,798	1,246	1,313
Less: Distributions on other equity instruments (statutory basis)	(39)	(83)	(17)	(22)
Net profit attributable to owners of NAB (adjusted)	2,520	4,715	1,229	1,291
Net profit attributable to owners of NAB from continuing operations (adjusted)	3,459	5,822	1,940	1,519
Net loss attributable to owners of NAB from discontinued operations	(939)	(1,107)	(711)	(228)
Add: Interest expense on convertible notes	162	165	70	92
Add: Interest expense on convertible preference shares ⁽²⁾	-	90	-	27
Adjusted earnings - diluted	2,682	4,970	1,299	1,410
Adjusted earnings from continuing operations - diluted	3,621	6,077	2,010	1,638
Weighted average number of ordinary shares (millions) - basic	3,068	2,797	3,217	2,919
Weighted average number of ordinary shares (millions) - diluted ⁽²⁾	3,333	3,024	3,459	3,306
Statutory earnings per ordinary share (cents) - diluted	80.5	164.4	37.6	42.6
Statutory earnings per ordinary share (cents) from continuing operations - diluted	108.6	201.0	58.1	49.5
Cash earnings per ordinary share (cents) - basic	120.9	209.3	62.0	58.8
Cash earnings	3,710	5,853	1,994	1,716
Add: Interest expense on convertible notes	162	165	70	92
Add: Interest expense on convertible preference shares ⁽²⁾	-	90	-	27
Adjusted cash earnings - diluted	3,872	6,108	2,064	1,835
Weighted average number of ordinary shares (millions) - basic	3,068	2,797	3,217	2,919
Weighted average number of ordinary shares (millions) - diluted ⁽²⁾	3,333	3,024	3,459	3,306
Cash earnings per share (cents) - diluted	116.2	202.0	59.7	55.5
Statutory profit on average equity (Statutory return on equity)	4.4%	9.1%	4.2%	4.7%
Net profit attributable to owners of NAB (adjusted)	2,520	4,715	1,229	1,291
Cash earnings on average equity (Cash return on equity)	6.5%	11.4%	6.8%	6.3%
Cash earnings	3,710	5,853	1,994	1,716
Average equity	58,657	53,724	60,823	56,579
Less: Average non-controlling interest in controlled entities	(2)	(9)	(2)	(2)
Less: Average Trust Preferred Securities	-	(208)	-	-
Less: Average National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Average equity (adjusted)	56,710	51,562	58,876	54,632
Profitability, performance and efficiency measures				
Dividend payout ratio	49.6%	79.3%	48.4%	51.0%
Dividend per share (cents)	60	166	30	30
Cash earnings per ordinary share (cents) - basic	120.9	209.3	62.0	58.8
Cash earnings on average assets	0.42%	0.70%	0.45%	0.40%
Cash earnings	3,710	5,853	1,994	1,716
Average assets	876,984	835,862	892,086	861,880
Cash earnings on average risk-weighted assets	0.88%	1.45%	0.93%	0.81%
Cash earnings	3,710	5,853	1,994	1,716
Risk-weighted assets	425,147	415,771	425,147	432,666
Risk-weighted assets (prior quarter)	427,252	404,635	427,252	415,137
Risk-weighted assets (prior half year)	432,666	403,205	432,666	415,771
Cash earnings per average FTE (\$'000)	119	192	127	110
Cash earnings	3,710	5,853	1,994	1,716
Group - Continuing operations (average)	31,204	30,532	31,282	31,176
Cost to income ratio	52.4%	46.7%	48.2%	56.8%
Operating expenses ⁽³⁾	(9,007)	(8,140)	(4,260)	(4,747)
Net operating income ⁽³⁾	17,190	17,434	8,835	8,355
Net tangible assets (NTA) per ordinary share (\$⁽⁴⁾)	16.88	16.68	16.88	17.34
Total equity / net assets	61,293	55,604	61,293	58,378
Less: Non-controlling interest in controlled entities	(1)	(8)	(1)	(1)
Less: National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: Goodwill and other intangible assets	(3,809)	(5,576)	(3,809)	(4,696)
Net tangible assets (NTA)	55,538	48,075	55,538	51,736
Ordinary shares - Including partly paid (no. '000)	3,290,112	2,883,038	3,290,112	2,984,168

⁽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 Full Year Results document. Information is presented on a continuing operations basis, unless otherwise stated. Prior periods have been restated for the presentation of MLC Wealth as a discontinued operation.

⁽²⁾ Convertible preference shares have been excluded from the calculation of diluted earnings per share in the current period as the conversion conditions have not been met as at 30 September 2020.

⁽³⁾ Includes large notable items. Refer to Section 1 Large notable items in the 2020 Full Year Results document for further information.

⁽⁴⁾ Represents net assets excluding intangible assets, non-controlling interests, preference shares and other equity instruments divided by ordinary shares on issue at the end of the period.

