

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Output summary - ratios

Key Indicators	Year to		Half Year to	
	Sep 14	Sep 13	Sep 14	Mar 14
	\$m	\$m	\$m	\$m
Basic statutory earnings per ordinary share - cents	222.1	225.9	101.8	120.4
Net profit attributable to owners of the Company	5,295	5,355	2,439	2,856
Less: Distributions on other equity instruments (statutory basis)	(192)	(215)	(94)	(98)
Net profit attributable to owners of the Company (adjusted)	5,103	5,140	2,345	2,758
Add: Interest expense on convertible notes	-	6	-	-
Add: Interest expense on convertible preference shares	124	36	70	54
Adjusted earnings (diluted)	5,227	5,182	2,415	2,812
Weighted average ordinary shares (no. '000) (statutory basis)	2,297,139	2,275,030	2,303,383	2,290,451
Diluted weighted average ordinary shares (no. '000) (statutory basis)	2,394,270	2,313,568	2,410,841	2,374,642
Diluted statutory earnings per ordinary share - cents	218.3	224.0	100.2	118.4
Basic cash earnings per ordinary share - cents	219.7	244.9	86.0	133.7
Cash earnings	5,184	5,747	2,034	3,150
Less: Distributions on other equity instruments (cash earnings basis)	(12)	(27)	(4)	(8)
Adjusted cash earnings (basic)	5,172	5,720	2,030	3,142
Add: Interest expense on convertible notes	-	6	-	-
Add: Interest expense on convertible preference shares	124	36	70	54
Adjusted cash earnings (diluted)	5,296	5,762	2,100	3,196
Weighted average ordinary shares (no. '000) (cash earnings basis)	2,354,470	2,335,903	2,359,336	2,349,304
Diluted weighted average ordinary shares (no. '000) (cash earnings basis)	2,451,601	2,374,441	2,466,794	2,433,495
Diluted cash earnings per share - cents	216.0	242.7	85.1	131.3
Statutory profit on average equity (Statutory return on equity)	12.1%	13.0%	10.9%	13.3%
Net profit attributable to owners of the Company (adjusted)	5,103	5,140	2,345	2,758
Cash earnings on average equity (Cash return on equity)	11.8%	14.1%	9.1%	14.6%
Cash earnings	5,184	5,747	2,034	3,150
Average equity	46,819	44,266	47,457	46,290
Less: Average non-controlling interest in controlled entities	(18)	(51)	(18)	(18)
Less: Average Trust Preferred Securities	(975)	(975)	(975)	(975)
Less: Average Trust Preferred Securities II	(1,014)	(1,014)	(1,014)	(1,014)
Less: Average National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: Average National Capital Instruments	(397)	(397)	(397)	(397)
Less: Average BNZ Income Securities	-	(162)	-	-
Less: Average BNZ Income Securities 2	(136)	(203)	(68)	(203)
Adjusted average equity for earnings on average equity calculation (statutory basis)	42,334	39,519	43,040	41,738
Add: Average Treasury shares	1,594	1,306	1,542	1,669
Adjusted average equity for cash earnings on average equity calculation (cash earnings basis)	43,928	40,825	44,582	43,407
Profitability, performance and efficiency measures				
Dividend payout ratio	90.1%	77.6%	115.1%	74.0%
Dividend per share (cents)	198	190	99	99
Basic cash earnings per ordinary share - cents	219.7	244.9	86.0	133.7
Cash earnings on average assets	0.60%	0.72%	0.47%	0.74%
Cash earnings	5,184	5,747	2,034	3,150
Average assets	861,984	802,519	869,923	853,997
Cash earnings on average risk-weighted assets	1.41%	1.64%	1.10%	1.72%
Cash earnings	5,184	5,747	2,034	3,150
Risk-weighted assets	367,652	362,078	367,652	n/a
Risk-weighted assets (prior third quarter)	370,012	366,189	370,012	n/a
Risk-weighted assets (prior half year)	367,224	351,391	367,224	367,224
Risk-weighted assets (prior first quarter)	370,402	339,661	n/a	370,402
Risk-weighted assets (prior year)	362,078	331,336	n/a	362,078
Cash earnings per average FTE (\$'000)	122	134	94	150
Cash earnings	5,184	5,747	2,034	3,150
Full Time Equivalent Employees (FTE) (average)	42,602	42,783	42,987	42,234
Banking cost to Income ratio	53.0%	43.7%	60.6%	45.4%
Group operating expenses	10,180	8,410	5,724	4,456
Less: NAB Wealth Operating expenses	(950)	(949)	(459)	(491)
Add: Eliminations	59	101	29	30
Banking operating expenses	9,289	7,562	5,294	3,995
Group net operating income	18,913	18,563	9,426	9,487
Less: NAB Wealth net operating income	(1,440)	(1,370)	(717)	(723)
Add: Eliminations	59	101	29	30
Banking net operating income	17,532	17,294	8,738	8,794
Net tangible assets (NTA) per share (\$)	15.15	14.53	15.15	14.91
Total equity / net assets	47,908	46,376	47,908	47,478
Less: non-controlling interest in controlled entities	(17)	(59)	(17)	(18)
Less: Trust Preferred Securities	(975)	(975)	(975)	(975)
Less: Trust Preferred Securities II	(1,014)	(1,014)	(1,014)	(1,014)
Less: National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: National Capital Instruments	(397)	(397)	(397)	(397)
Less: BNZ Income Securities 2	-	(203)	-	(203)
Less: Goodwill and other intangible assets	(7,720)	(7,641)	(7,720)	(7,830)
Net tangible assets (NTA)	35,840	34,142	35,840	35,096
Ordinary shares - Including partly paid (no. '000)	2,365,860	2,348,992	2,365,860	2,353,841

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Input Schedule

	Year to		Half Year to		Sep 14 Results Announcement
	Sep 14	Sep 13	Sep 14	Mar 14	
Group Cash Earnings	\$m	\$m	\$m	\$m	
Net interest income	13,775	13,407	6,932	6,843	Page 3
Other operating income	5,104	5,125	2,475	2,629	Page 3
IoRE	34	31	19	15	Page 3
Net operating income	18,913	18,563	9,426	9,487	Page 3
Operating expenses	(10,180)	(8,410)	(5,724)	(4,456)	Page 3
Underlying profit	8,733	10,153	3,702	5,031	Page 3
Charge to provide for bad and doubtful debts	(877)	(1,934)	(349)	(528)	Page 3
Cash earnings before tax and distributions	7,856	8,219	3,353	4,503	Page 3
Income tax expense	(2,492)	(2,284)	(1,229)	(1,263)	Page 3
Cash earnings before distributions	5,364	5,935	2,124	3,240	Page 3
Distributions	(180)	(188)	(90)	(90)	Page 3
Cash earnings	5,184	5,747	2,034	3,150	Page 3

Non-cash earnings items (after-tax):

Distributions	180	188	90	90	Page 3
Treasury shares	(43)	(413)	70	(113)	Page 3
Fair value and hedge ineffectiveness	83	(151)	311	(228)	Page 3
DAC discount rate variation	(20)	22	(21)	1	Page 3
Litigation expense	-	39	-	-	Page 3
Amortisation of acquired intangible assets	(89)	(77)	(45)	(44)	Page 3
Net profit attributable to owners of the Company	5,295	5,355	2,439	2,856	Page 3

	Year to		Half Year to		Sep 14 Results Announcement
	Sep 14	Sep 13	Sep 14	Mar 14	
Average equity data	\$m	\$m	\$m	\$m	
Average interest-earnings assets	711,594	661,625	715,993	707,170	Pages 103 & 106
Average assets	861,984	802,519	869,923	853,997	Pages 103 & 106
Average equity	46,819	44,266	47,457	46,290	Pages 105 & 108
Average non-controlling interest in controlled entities	18	51	18	18	Pages 105 & 108
Average Trust Preferred Securities	975	975	975	975	
Average Trust Preferred Securities II	1,014	1,014	1,014	1,014	
Average National Income Securities	1,945	1,945	1,945	1,945	
Average National Capital Instruments	397	397	397	397	
Average BNZ Income Securities	-	162	-	-	
Average BNZ Income Securities 2	136	203	68	203	
Average Treasury shares	1,594	1,306	1,542	1,669	

Statutory earnings per share data

Basic weighted average ordinary shares (no. '000)	2,297,139	2,275,030	2,303,383	2,290,451	Page 111
Diluted weighted average ordinary shares (no. '000)	2,394,270	2,313,568	2,410,841	2,374,642	Page 111
Distributions on other equity instruments	192	215	94	98	Page 111
Interest expense on convertible notes	-	6	-	-	Page 111
Interest expense on convertible preference shares	124	36	70	54	Page 111

Cash Earnings per share data

Basic weighted average ordinary shares (no. '000)	2,354,470	2,335,903	2,359,336	2,349,304	Page 112
Diluted weighted average ordinary shares (no. '000)	2,451,601	2,374,441	2,466,794	2,433,495	Page 112
Distributions on other equity instruments	12	27	4	8	Page 112
Interest expense on convertible notes	-	6	-	-	Page 112
Interest expense on convertible preference shares	124	36	70	54	Page 112

Risk-weighted assets data

Risk-weighted assets	367,652	362,078	367,652	n/a	Page 109
Risk-weighted assets (prior third quarter)	370,012	366,189	370,012	n/a	
Risk-weighted assets (prior half year)	367,224	351,391	367,224	367,224	
Risk-weighted assets (prior first quarter)	370,402	339,661	n/a	370,402	
Risk-weighted assets (prior year)	362,078	331,336	n/a	362,078	

Full Time Equivalent Employees (FTE) (average)

	42,602	42,783	42,987	42,234	Page 10
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Dividend per share (cents)

	198	190	99	99	Page 10
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Banking cost to income ratio data

Group operating expenses	10,180	8,410	5,724	4,456	Page 3
NAB Wealth operating expenses	950	949	459	491	Page 54
Operating expenses / Net operating income eliminations	59	101	29	30	Pages 40-43
Group net operating income	18,913	18,563	9,426	9,487	Page 3
NAB Wealth net operating income	1,440	1,370	717	723	Page 54

Net tangible assets per share data

Ordinary shares - Fully paid (no. '000)	2,365,791	2,348,903	2,365,791	2,353,772	Page 114
Ordinary shares - Partly paid (no. '000)	69	89	69	69	Page 114
Total equity / net assets	47,908	46,376	47,908	47,478	Page 72
Non-controlling interest in controlled entities	17	59	17	18	Page 72
Trust Preferred Securities	975	975	975	975	Page 91
Trust Preferred Securities II	1,014	1,014	1,014	1,014	Page 91
National Income Securities	1,945	1,945	1,945	1,945	Page 91
National Capital Instruments	397	397	397	397	Page 91
BNZ Income Securities 2	-	203	-	203	Page 91
Goodwill and other intangible assets	7,720	7,641	7,720	7,830	Page 72