



WESTPAC 2014 **ANNUAL GENERAL MEETING**

12 DECEMBER 2014

Westpac

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**Bank of
Melbourne**

RAMS

BT Financial Group

WESTPAC BANKING CORPORATION

ABN 33 007 457 141



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ANNUAL GENERAL MEETING

LINDSAY MAXSTED
CHAIRMAN

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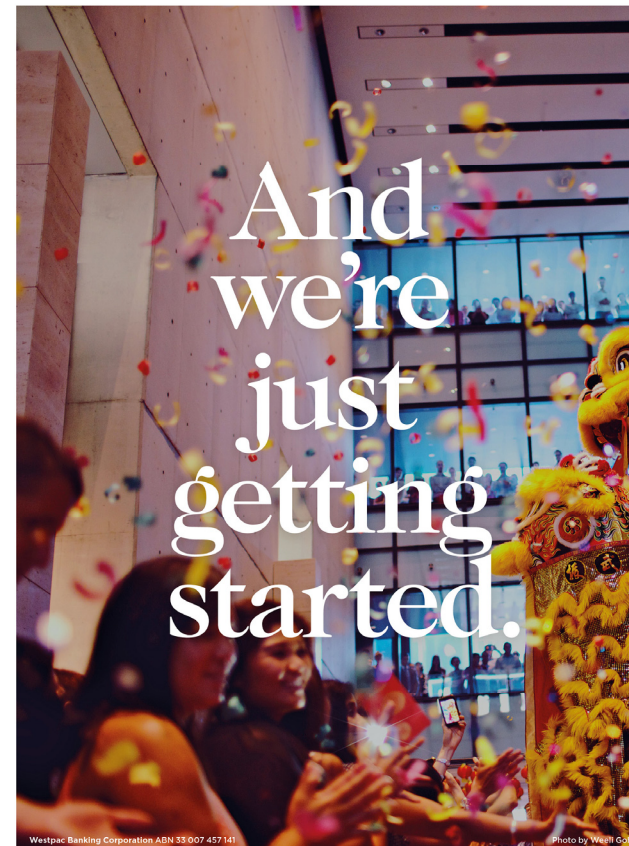
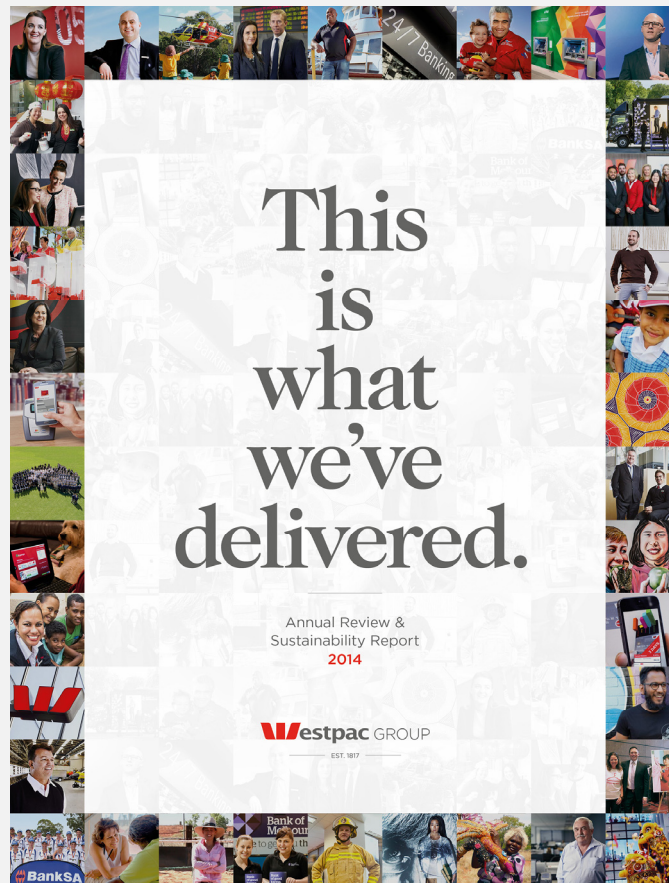
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Annual Review and Sustainability Report



7 years of strength, growth, return & productivity

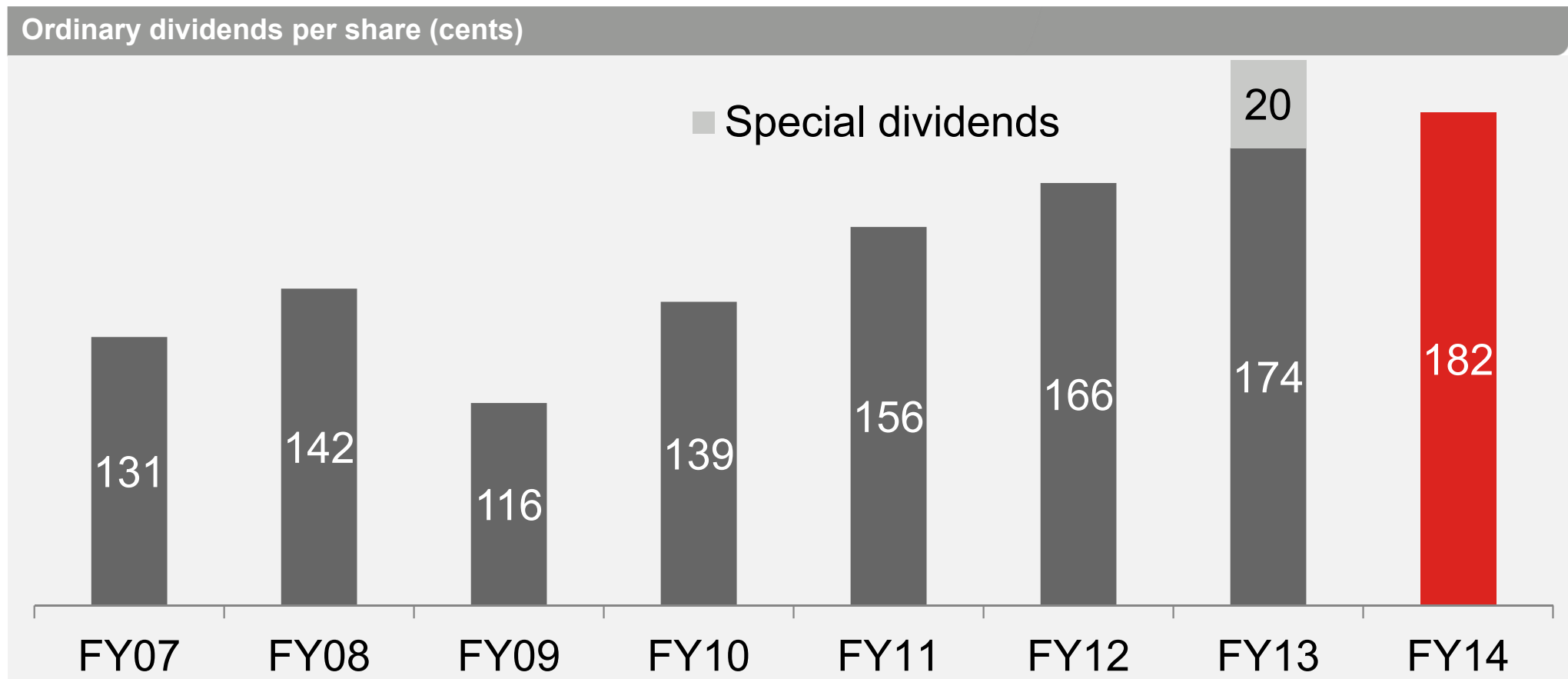
	2007	2014	Movement
Cash earnings (\$m)	3,507	7,628	118%
Dividends per share (cents)	131	182	39%
Market capitalisation (\$bn)	50	105	110%
Lending (\$bn)	273	580	112%
Housing market share (%)	13	23	10 ppts

Sustainable result for shareholders

	FY14	Change FY14 - FY13
Reported NPAT (\$m)	\$7,561	12%
Cash earnings (\$m)	\$7,628	8%
Cash EPS ¹ (cents)	245.4	8%
Impairment charge to average gross loans (basis points)	12	(4bps)
Return on equity ² (%)	16.4	48bps
Common equity tier 1 ratio (%)	9.0	(13bps)

¹ EPS is cash earnings per share. ² Return on equity is cash earnings divided by average ordinary equity.

Dividends per share



Delivered for all stakeholders



Shareholders

Customers

Employees

Community

Supporting the **next generation** of leaders



\$100m fund

100
scholarships
per year
forever



Financial System Inquiry

- ▶ Final report released on 7 December 2014
- ▶ Report focused on security and stability of Australia's financial system
- ▶ 44 recommendations
- ▶ We will continue to assess recommendations and actively participate in the consultation process



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GAIL KELLY
CHIEF EXECUTIVE OFFICER

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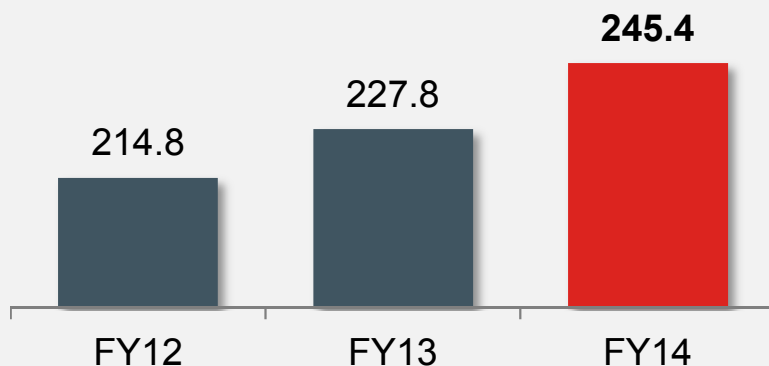
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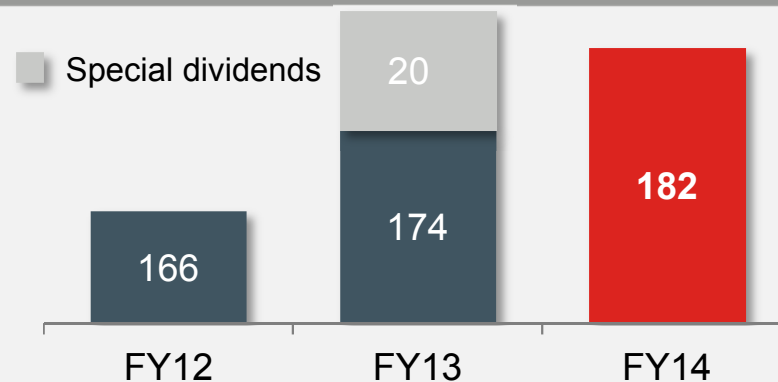
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Shareholders benefiting from strong returns

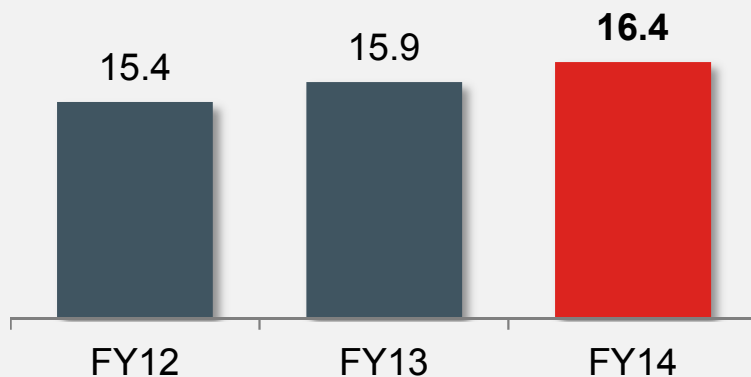
Earnings per share (cents)



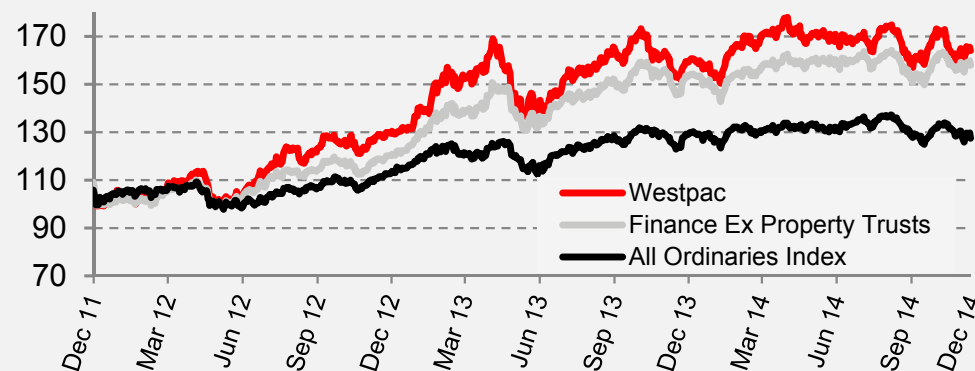
Dividends per share (cents)



Return on equity (%)

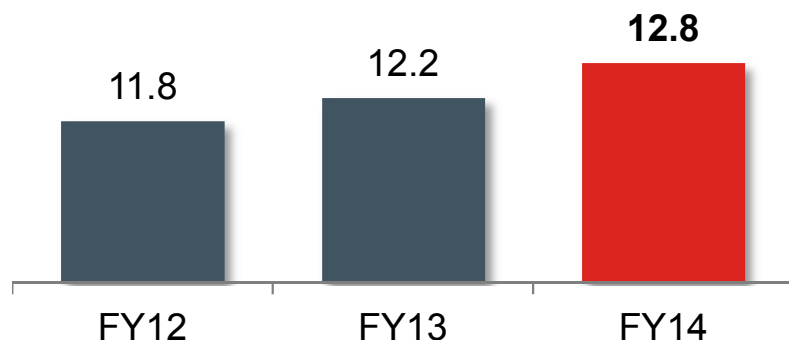


Westpac share price indexed (Dec 2011 = 100)

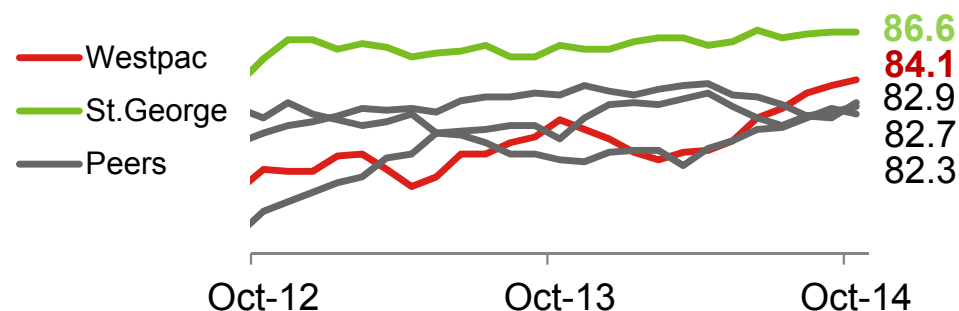


Customers are telling us they are more satisfied

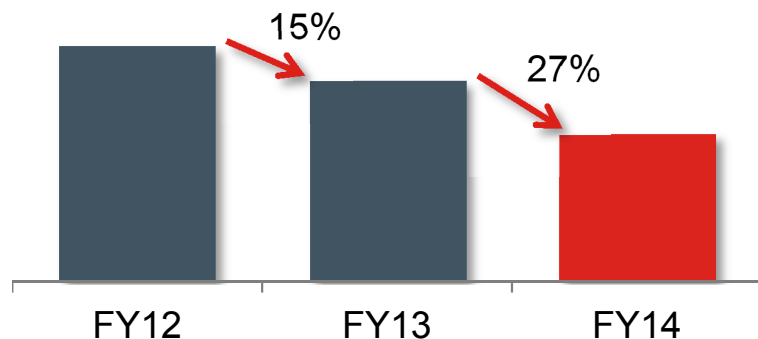
Customer numbers (m)



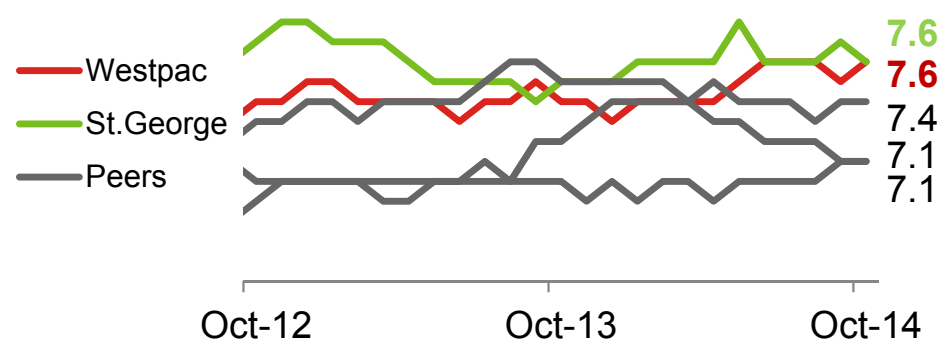
Total consumer satisfaction¹ (%)



AFS customer complaints (#)



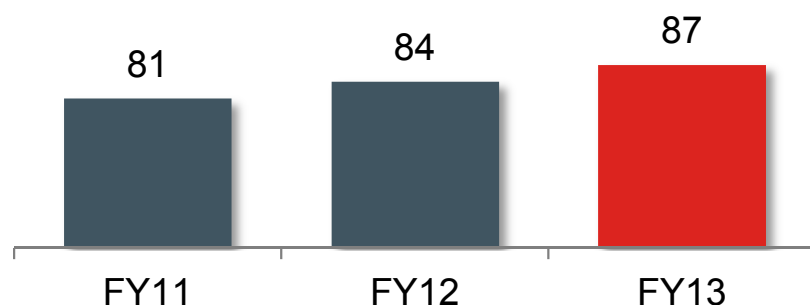
Total business satisfaction² (mean)



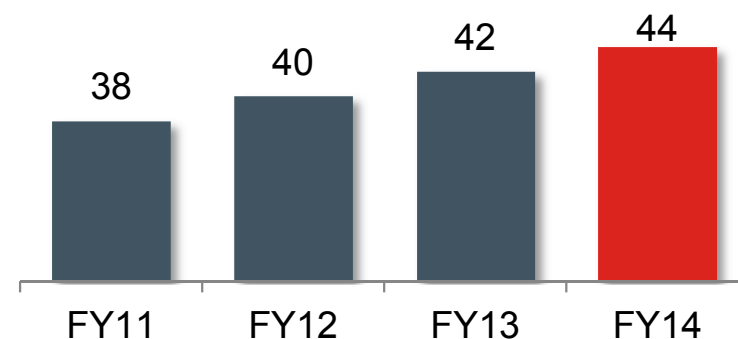
¹ Source: Roy Morgan Research, October 2012-2014, 6MMA. Main Financial Institution (as defined by the customer) Satisfaction ratings are based on the relationship with the financial institution. Customers must have at least a Deposit/Transaction account relationship with the institution and are aged 14 or over. Satisfaction is the per cent of customers who answered 'Very' or 'Fairly satisfied' with their overall relationship with their MFI. ² Source: DBM Consultants Business Financial Services Monitor, October 2012-2014, 6MMA. MFI customers, all businesses. The Customer Satisfaction score is an average of customer satisfaction ratings of the customer's main financial institution for business banking on a scale of 0 to 10 (0 means 'extremely dissatisfied' and 10 means 'extremely satisfied').

High performing, inclusive workforce

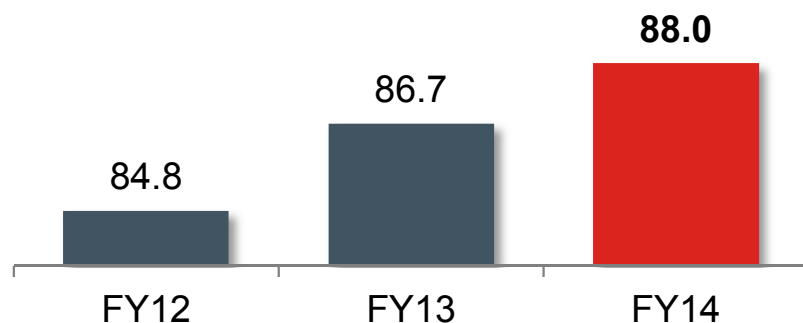
Employee engagement¹ (%)



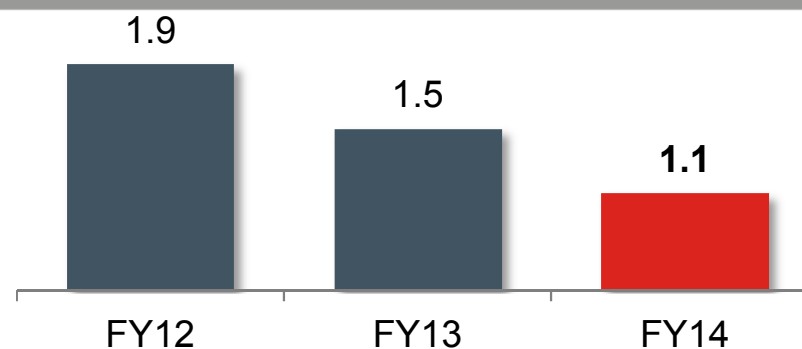
Women in leadership (%)



New starter retention (%)



Lost time injury frequency rate



¹ Employee engagement survey was not conducted during FY14. 2011 figures excludes Westpac Pacific.

Building stronger and more prosperous communities

Community investment

\$1 billion

Invested over seven years

Most ambitious Reconciliation Action Plan



Social and affordable housing sector lending

\$820m

Up 26% from 2013

Westpac Bicentennial Foundation

**Bicentennial
Foundation**



100 scholarships a year, forever

Global recognition: **delivering** for all stakeholders

Rated World's Most Sustainable Corporation¹

Ranked #1



Rated global bank sector leader

Ranked top global bank

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM 

1. Corporate Knights Global 100 Most Sustainable Corporations in the World

Stepped up our customer-centric strategy

Transform

2008-2012

Build and strengthen

- St. George merger
- Westpac Local
- Technology renewal
- Materially strengthened balance sheet
- Productivity focus

Balance

2012-2013

Strength/return/productivity

- 15% ROE line in sand
- Productivity expanded
- Selective growth
 - Deposits
 - Wealth
 - Asia
 - Bank of Melbourne
- Established AFS, AFS/WIB partnership

Service revolution

2014-2017+

Sustainable growth

- Reinventing the customer experience
- Transforming distribution
- Simplifying the business
- Revolutionising the way we work
- Accelerating the pace of change

Service Revolution: reinventing the customer experience



**Personalised
service**

**Customers in
control**

**Innovate and
simplify**

Deliver simple, emotionally satisfying experiences for customers

The customer service revolution is well underway



In great shape heading towards our third century





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All amounts are in Australian dollars unless otherwise indicated.

Unless otherwise noted, financial information in this presentation is presented on a cash earnings basis. Cash earnings is a non-GAAP measure. Refer to Westpac Full Year 2014 Results (incorporating the requirements of Appendix 4E) for the full year ended 30 September 2014 available at www.westpac.com.au for details of the basis of preparation of cash earnings. Refer to slides 37 for an explanation of cash earnings and Appendix 1 slide 145 for a reconciliation of reported net profit to cash earnings.

This presentation contains statements that constitute “forward-looking statements” within the meaning of Section 21E of the US Securities Exchange Act of 1934.

Forward-looking statements are statements about matters that are not historical facts. Forward-looking statements appear in a number of places in this presentation and include statements regarding our intent, belief or current expectations with respect to our business and operations, market conditions, results of operations and financial condition, including, without limitation, future loan loss provisions, financial support to certain borrowers, indicative drivers, forecasted economic indicators and performance metric outcomes.

We use words such as ‘will’, ‘may’, ‘expect’, ‘indicative’, ‘intend’, ‘seek’, ‘would’, ‘should’, ‘could’, ‘continue’, ‘plan’, ‘probability’, ‘risk’, ‘forecast’, ‘likely’, ‘estimate’, ‘anticipate’, ‘believe’, or similar words to identify forward-looking statements. These forward-looking statements reflect our current views with respect to future events and are subject to change, certain risks, uncertainties and assumptions which are, in many instances, beyond our control, and have been made based upon management’s expectations and beliefs concerning future developments and their potential effect upon us. There can be no assurance that future developments will be in accordance with our expectations or that the effect of future developments on us will be those anticipated. Actual results could differ materially from those which we expect, depending on the outcome of various factors. Factors that may impact on the forward-looking statements made include, but are not limited to, those described in the section titled ‘Risk factors’ in Westpac’s Financial Report for the full year ended 30 September 2014 available at www.westpac.com.au. When relying on forward-looking statements to make decisions with respect to us, investors and others should carefully consider such factors and other uncertainties and events. We are under no obligation to update any forward-looking statements contained in this presentation, where as a result of new information, future events or otherwise, after the date of this presentation.