WESTPAC BANKING CORPORATION
ABN 33 007 457 141

FULL YEAR 2013 FINANCIAL RESULT

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH | RETURN | GROWTH | PRODUCTIVITY

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WESTPAC BANKING CORPORATION
ABN 33 007 457 141

FULL YEAR 2013 FINANCIAL RESULT

GAIL KELLY
CHIEF EXECUTIVE OFFICER

STRENGTH RETURN GROWTH PRODUCTIVITY

A strong, consistent performance

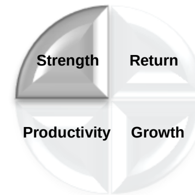
	FY13	Change FY12 – FY13
Reported NPAT	$6,816m	14%
Cash Earnings	$7,097m	8%
Cash EPS[1]	228.9c	6%
Return on equity[2]	16.0%	51bps
Common equity tier 1 ratio	9.1%	94bps[3]
Full year ordinary fully franked dividends	174c	5%
Total special fully franked dividends	20c	na

1 EPS is earnings per share. 2 Cash Earnings basis. 3 Comparisons on a pro forma Basel III basis.

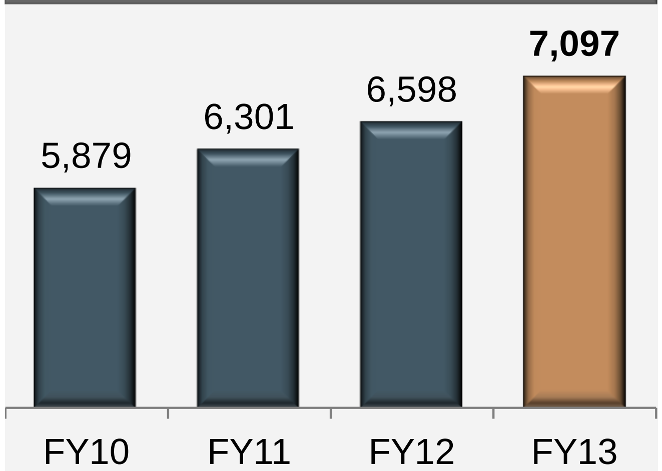
Executing well on strategic priorities and achieving balanced outcomes

1. Remain strong
2. Targeted growth
3. Customer relationships
4. Materially simplify
5. One team

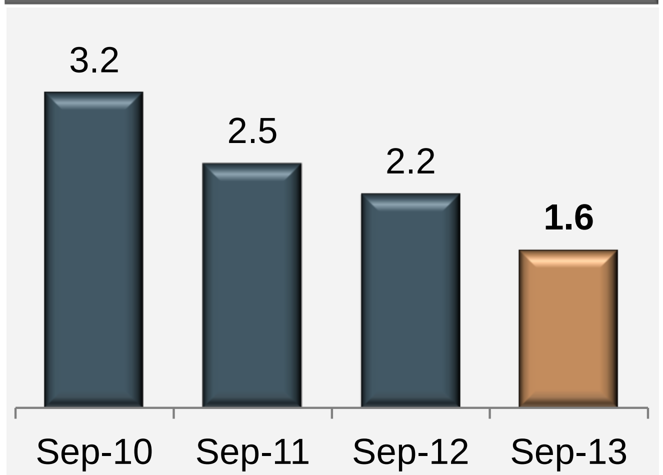
A strong company



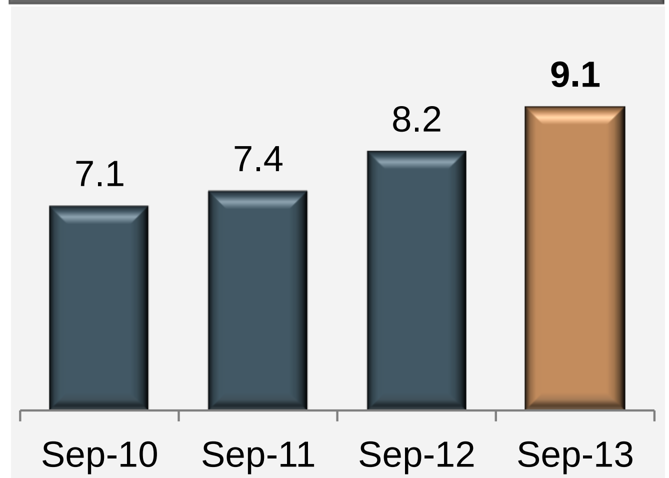
Cash Earnings ($m)



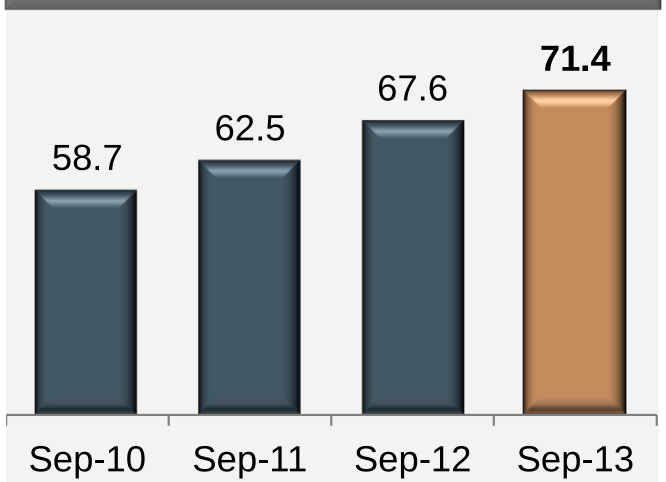
Stressed assets to TCE[1] (%)



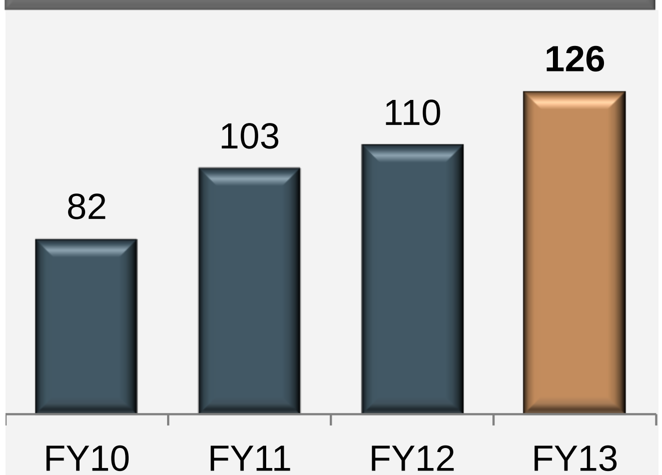
Common equity tier 1 ratio[2] (%)



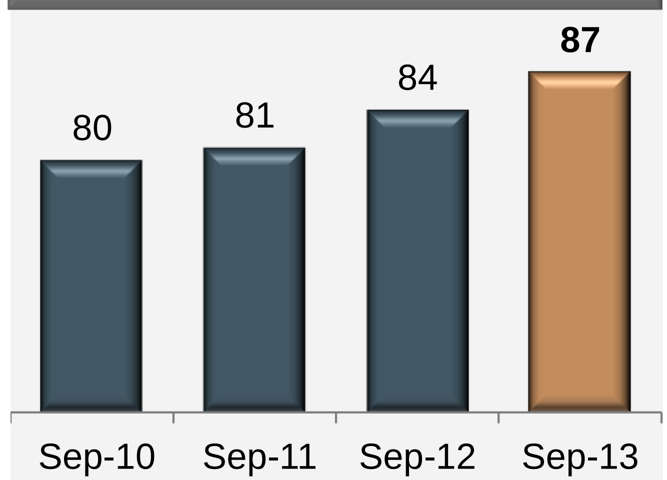
Customer deposit to loan ratio (%)



Liquid assets ($bn)



Employee engagement (%)



1 TCE is Total Committed Exposures. 2 Figures prior to Sep-13 are pro forma Basel III estimates, based on APRA definition.

Strong earnings performance across all operating divisions

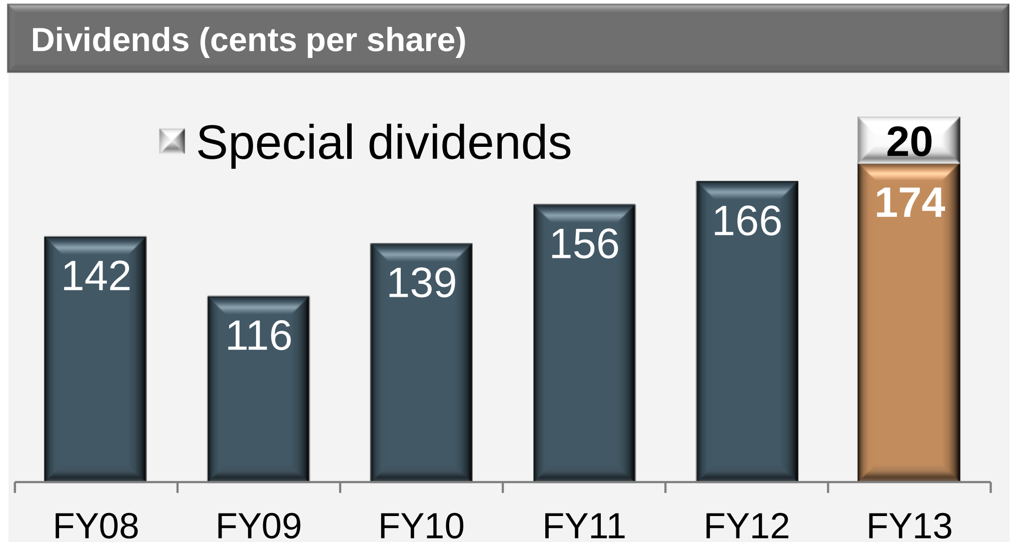
	Cash Earnings FY13 ($m)	Core earnings % change FY12-FY13	Cash Earnings % change FY12-FY13
Australian Financial Services	4,478	10	12
Westpac RBB	*2,300*	*11*	*9*
St.George	*1,441*	*7*	*17*
BT Financial Group	*737*	*13*	*13*
Westpac Institutional Bank	1,635	1	11
Westpac New Zealand[1]	634	8	16
Westpac Pacific	143	5	34
Group Businesses	207	(Large)	(Large)

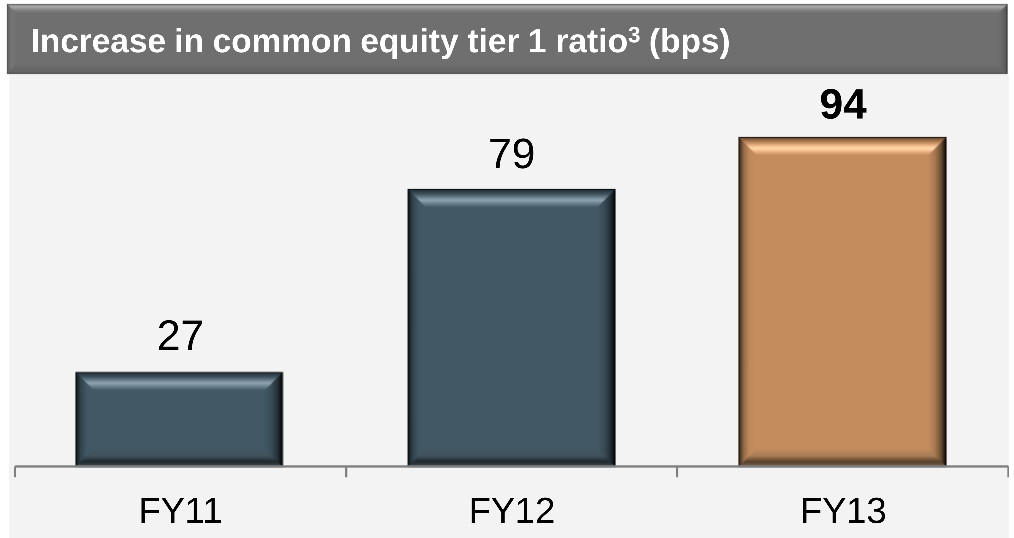
1 In $A. In $NZ Cash Earnings were NZ$770m, up 9% with core earnings up 1%.

Capital levels support special dividend

Strength Return Productivity Growth

- Common equity tier 1 ratio up 94bps to 9.1% remains above preferred range
- Ratio up 200bps in last three years
- Consistent dividend path with dividends for Full Year 2013 up 8 cents per share (cps)
  - 2H13 dividend up 2c to 88cps
- Special dividends of 20cps (2H13 special dividend 10cps)
- Plan to neutralise DRP[1] for final dividend
- Franking surplus $585m after dividends
- Capital surplus facilitates acquisition[2] of Lloyds Australian businesses





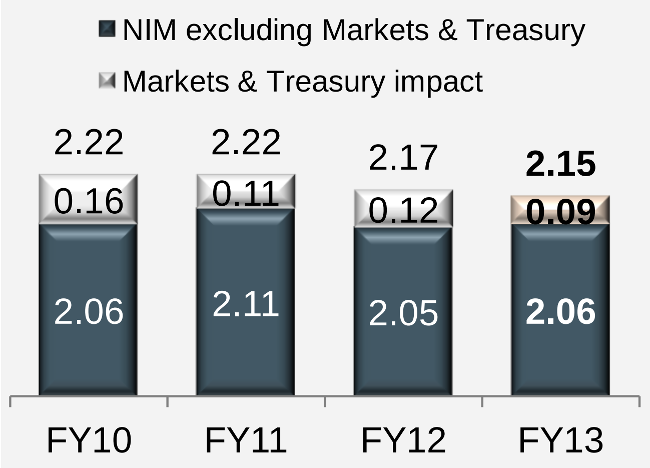
1 DRP is dividend reinvestment plan. 2 Agreement to acquire Lloyds Business in Australia due for completion December 2013 and is expected to utilise 38bps of capital. 3 Common equity tier 1 ratio based on Basel III standards. Comparative numbers used to determine increases (prior to Sept-13) have been restated for Basel III on a pro forma basis.

Westpac GROUP

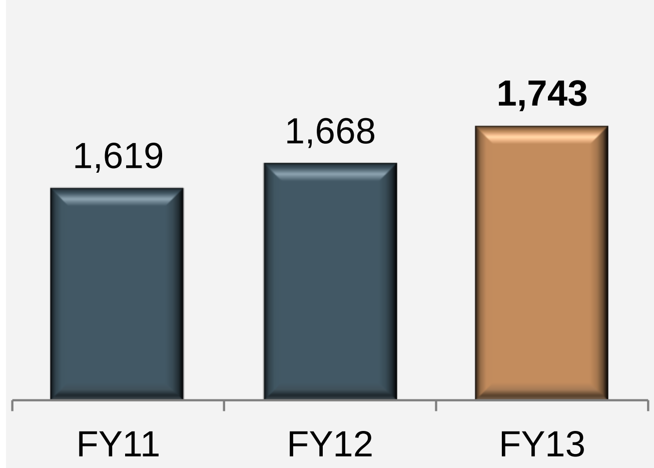
Actively managing returns

Strength Return Productivity Growth

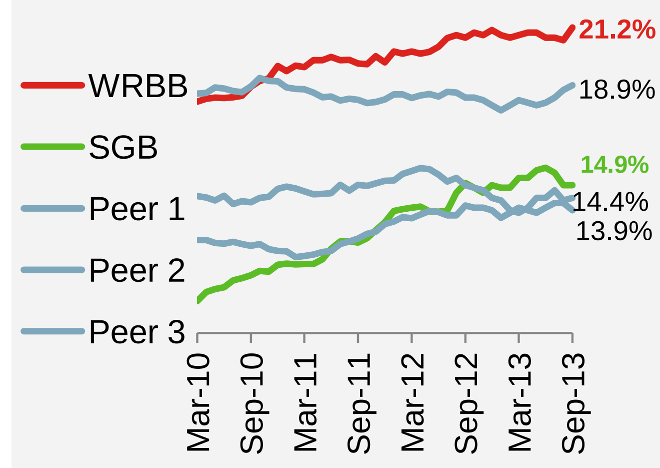
Net interest margin (%)



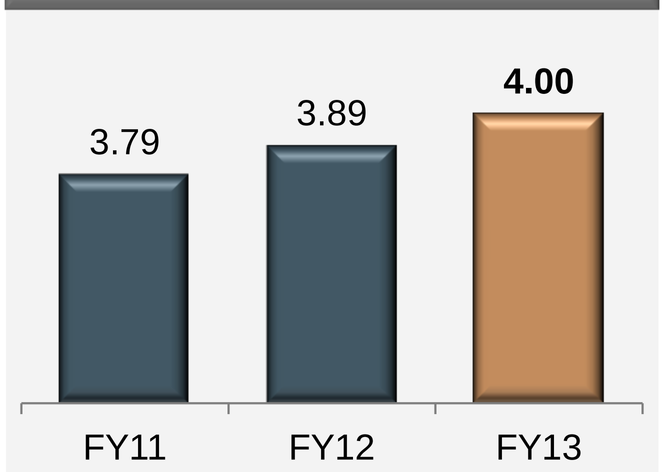
AFS MyBank[1] customers ('000)



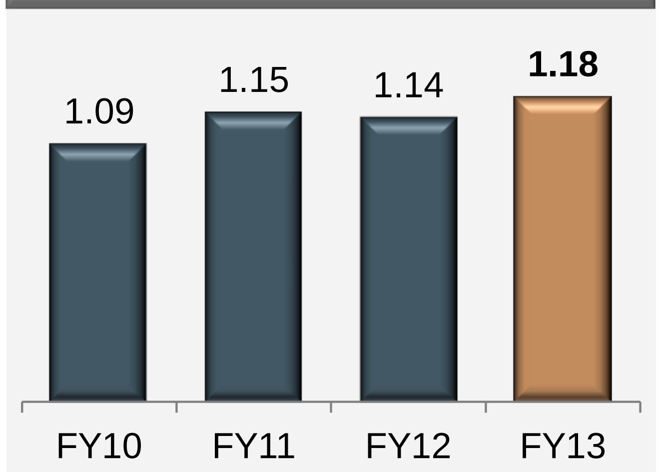
Wealth penetration[2] (%)



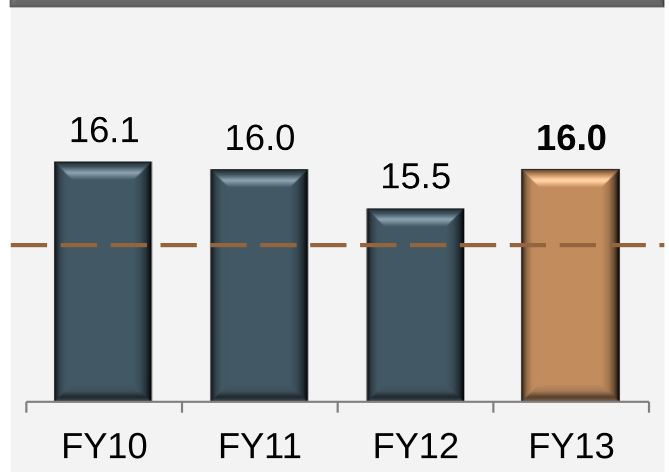
Customer return on Credit RWA[3] (%)



Return on assets[4] (%)



Return on equity[5] (%)

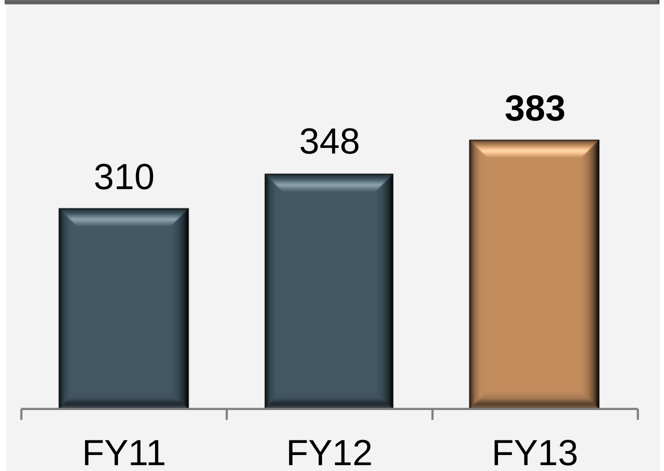


1 MyBank customers defined on page 145. 2 Wealth penetration metrics defined on page 144. 3 Customer return is core earnings (less Treasury and Markets non-customer income) divided by average credit RWA. Credit RWA for FY11 and FY12 calculated on a Basel III pro forma basis. 4 Return on assets is Cash Earnings divided by average interest-earning assets. 5 Return on equity is Cash Earnings divided by average ordinary equity.

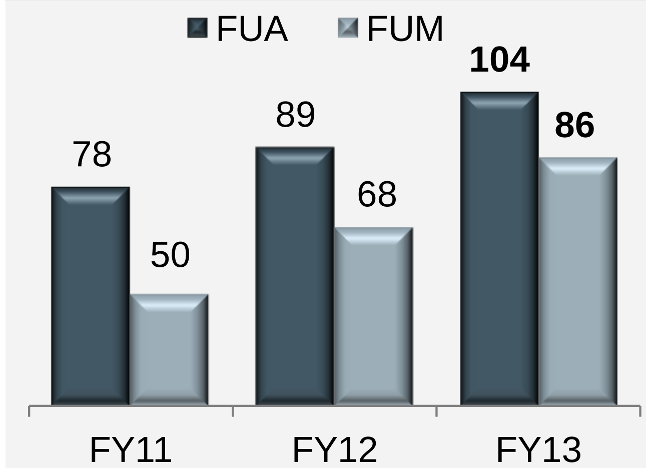
Growth in targeted areas

Strength Return Productivity Growth

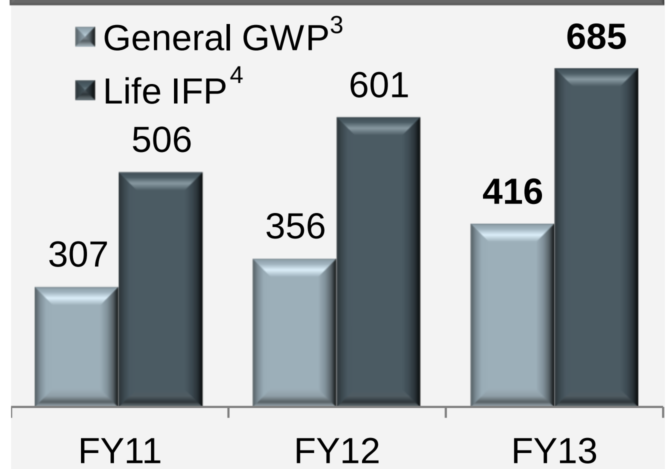
Customer deposits ($bn)



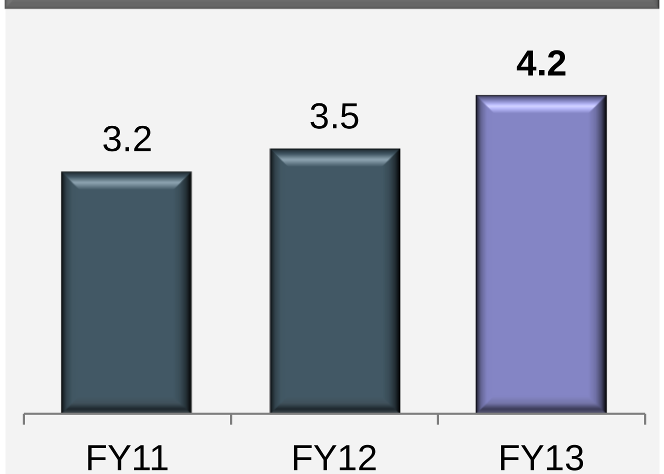
FUM[1] and FUA[2] ($bn)



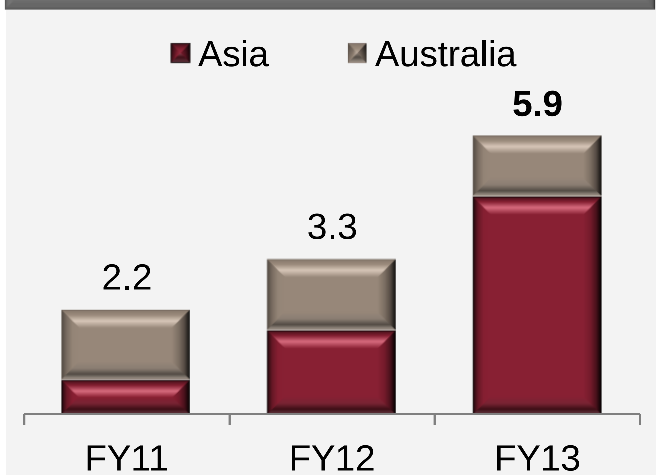
Insurance premiums ($m)



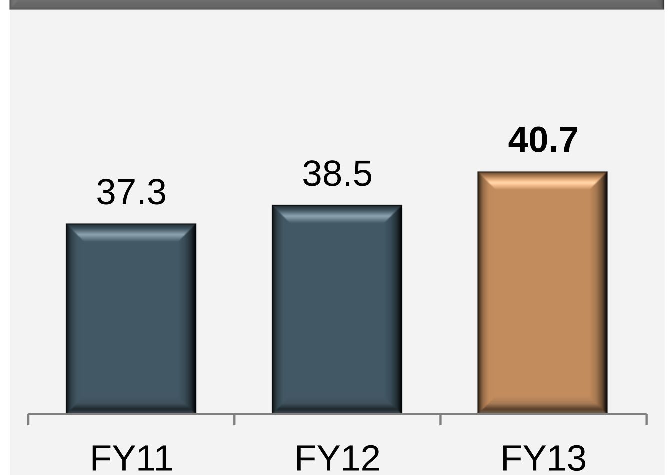
Bank of Melbourne market share[5] (%)



WIB trade volumes ($bn)



Active digital customers (% of total)

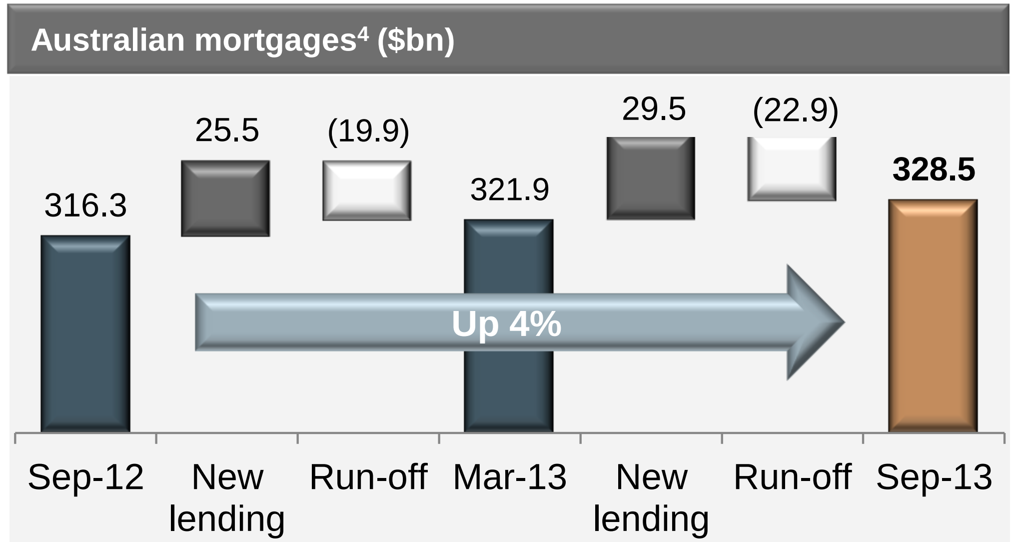


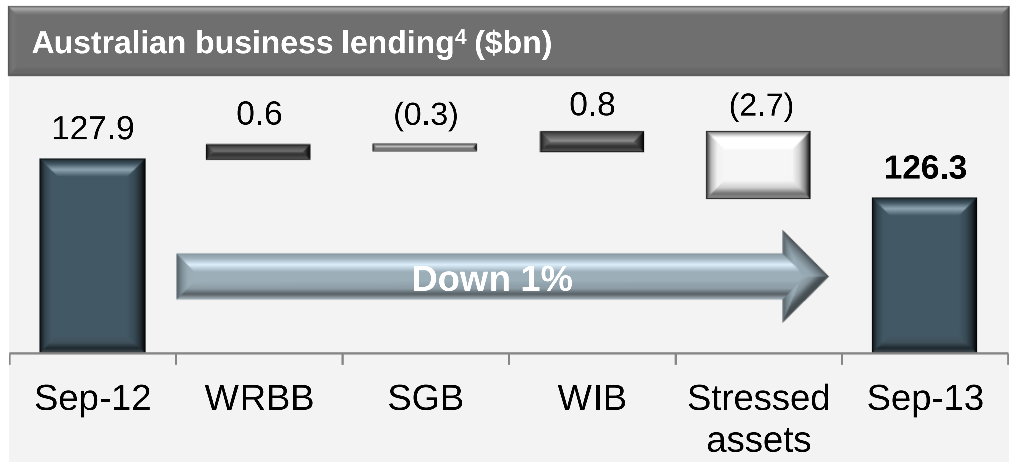
1 Funds under management. 2 Funds under administration. 3 General insurance gross written premiums. 4 Life insurance in-force premiums. 5 Bank of Melbourne share of Victorian market, by household footings (calculated as household deposits plus housing loan balances). Sources RBA, APRA, ABS and internal analysis.

Westpac GROUP

Total loan growth 4%, Australian mortgages up 4%

- Credit growth remains subdued with Australian system credit growth of 3.3[1]% and NZ system credit growth of 4.4[2]%
- Australian mortgage growth 0.8x system[1] in FY13 with improving momentum through 2H13
  - Higher flows offset by higher repayments
- NZ mortgages, focused on loans < 80% LVR[3]
- Australian business lending has been subdued and stressed assets continue to run-down. Early signs of improving confidence





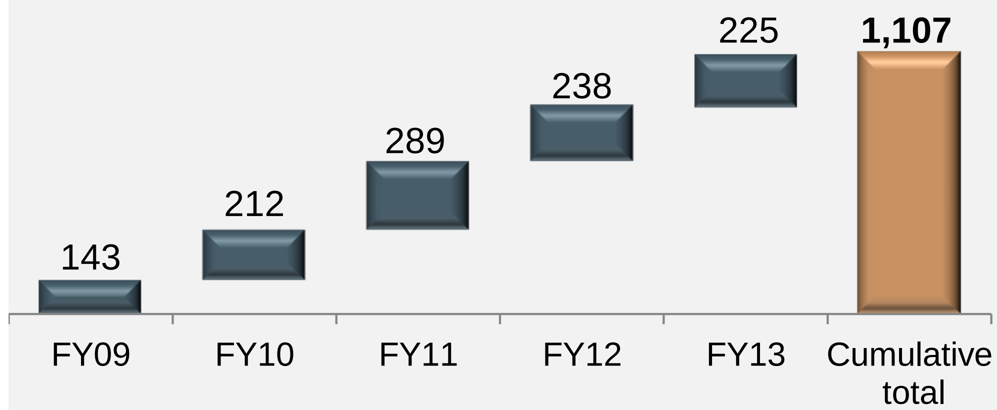
1 RBA Financial Aggregates September 2013. 2 RBNZ September 2013. 3 LVR is loan to value ratio. 4 Balances are gross loans before provisions.

Productivity a core competency

- In 2009 we identified the need to ensure productivity was a core competency
- Established a series of programs to drive both efficiency and revenue
- Culture of continuous productivity improvement is now well entrenched
- Cost to income ratio 40.9%, lowest of peers

Year commenced	Program	Savings over program ($m)
2009	SIPs	$189
2010	Post merger productivity program	$289
2011	Supplier program	$72
2012	AFS/Group Services restructure	$170
2013	Australia/NZ simplification	Early gains, more to come

$1.1bn saved in efficiency programs ($m)



2013 simplification examples

- 14% of 'for sale' products removed from AFS
- 60% of St.George home loans approved at first interview, up from 5%
- 56% increase in number of business applications that are 'right first time' (no rework)
- 60 seconds to open a BT Super For Life account
- 5ppts increase in ratio of interview to sales for planners
- 18% fall in time to process life insurance applications
- 15% reduction in AFS customer complaints

A significant change for customers is underway

Online/ Mobile
- New platform with unique features for customers

Branches
- Providing financial services advice, Bank Now (WRBB), Fresh Start (SGB)

In 2013 59m pro-active service messages

KNOW ME

Customer information
- Proactive targeting and direct customer communication

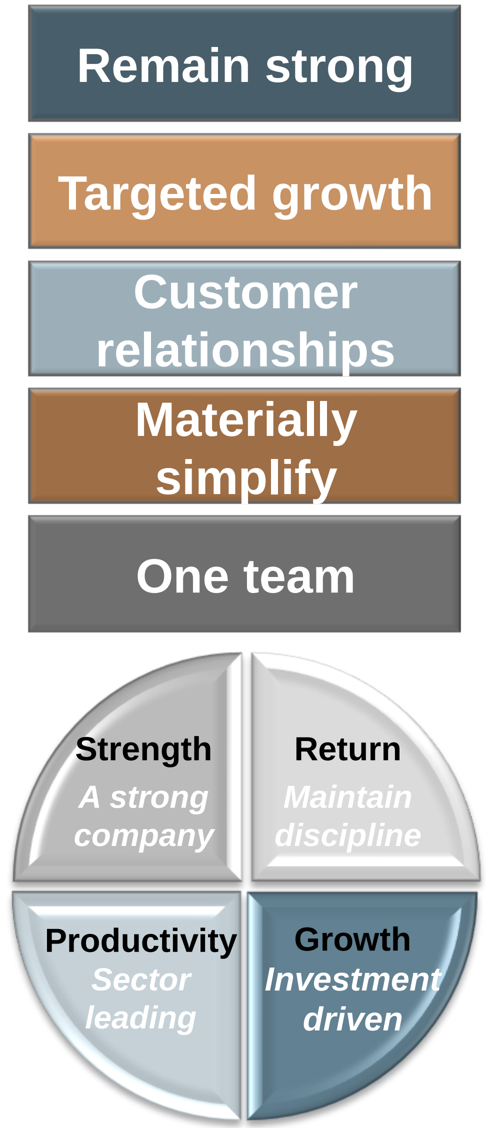
Business CONNECT st.george

SME
- Advice via video conferencing
- New WRBB GM small business

Wealth
- First release, integrated cash management 'BT Cash'

Strong, high quality and consistent performance

- Successful execution of strategy is delivering a consistent high performance
- All divisions and brands contributing to growth
- A strong and balanced result
- Best in class balance sheet with strong capital generation
- Well positioned for FY14, with good momentum across all divisions



Westpac GROUP

FULL YEAR 2013 FINANCIAL RESULT

PHILIP COFFEY
CHIEF FINANCIAL OFFICER

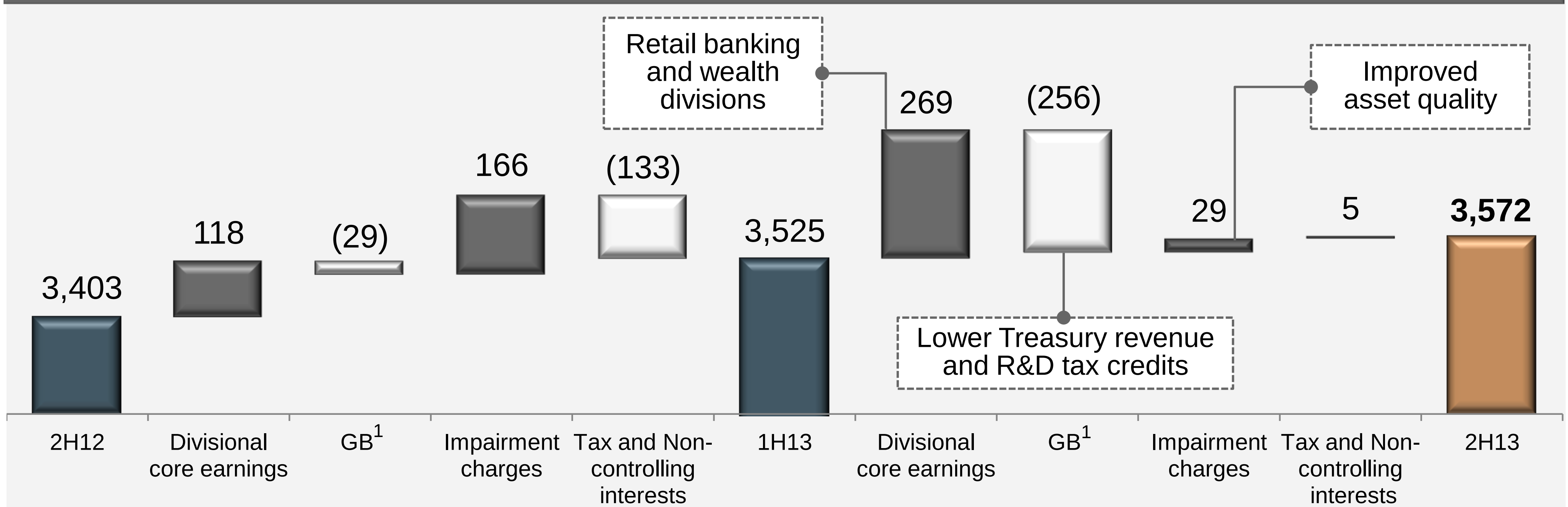
COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH | RETURN | GROWTH | PRODUCTIVITY

2H13 driven by strong AFS

- 2H13 result built on strong prior halves. Result supported by
  - Core earnings growth across AFS, up 6%
  - Offset fall in Group Businesses, including Treasury revenue down $175m, R&D tax credits down $32m, and $25m from realised losses on NZ hedging
  - Improved asset quality with lower impairment charges

Composition of Cash Earnings ($m)

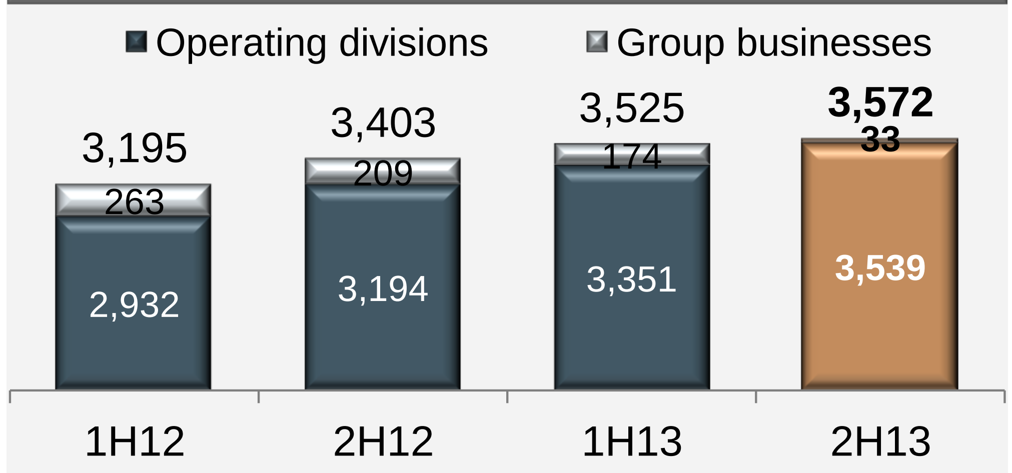


1 GB is Group Businesses and includes Treasury.

A high quality 2H13 performance

- Straightforward result with no material unusual items or restatements
- Operating divisions up 6%
- Markets risk activity and Treasury down $160m (31%)
- Little change to economic overlay (down $2m) and GRCL[1] (unchanged)

Contribution to Cash Earnings ($m)



Markets related income ($m)

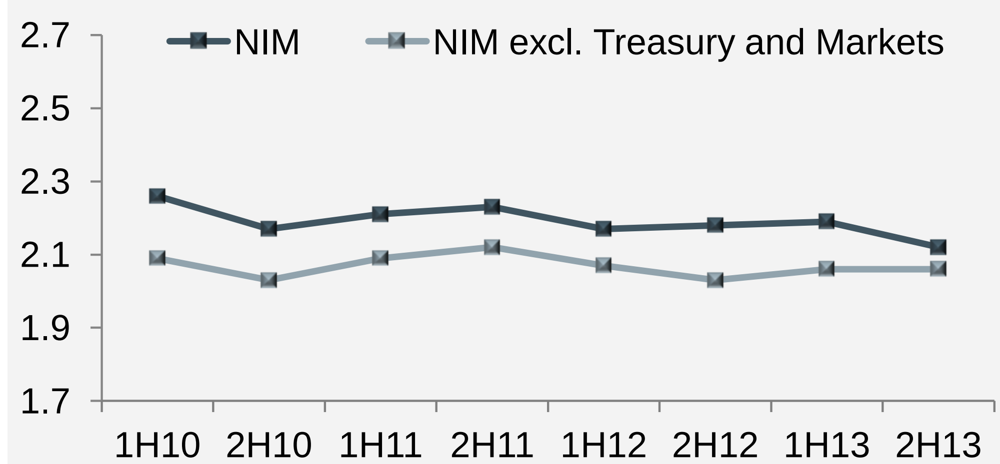
	2H13 ($m)	% change FY12–FY13	% change 1H13–2H13
Reported profit	3,512	14	6
Cash Earnings	3,572	8	1

1 General reserve for credit losses adjustment.

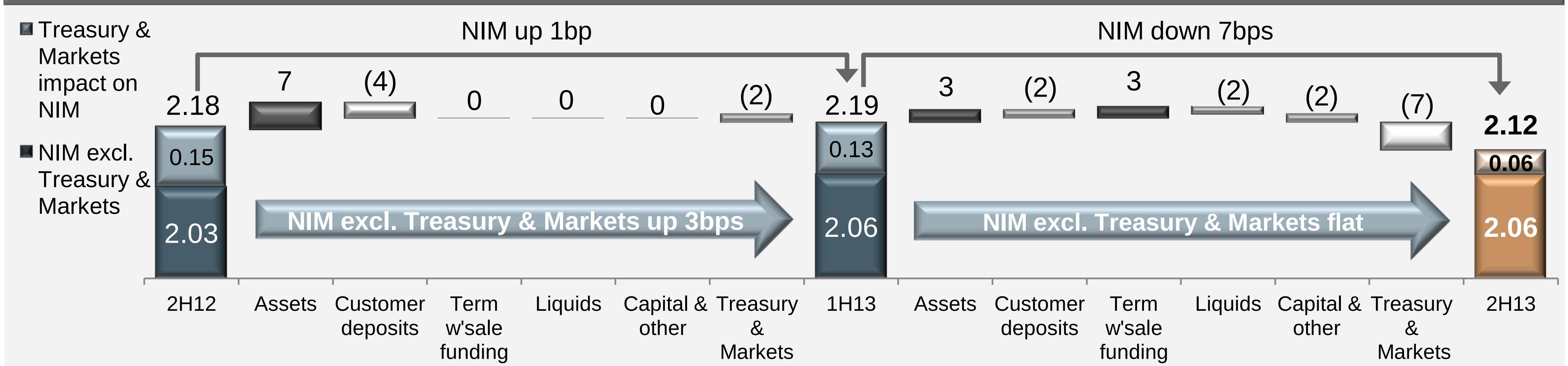
Stable margins

- Margins excluding Treasury & Markets flat at 2.06% in 2H13
  - Higher loan spreads offsetting higher deposit costs
  - Term wholesale funding impact positive
  - Lower interest rates negatively impacted returns on capital
- Total margins down 7bps to 2.12%

Net interest margin (NIM) (%)

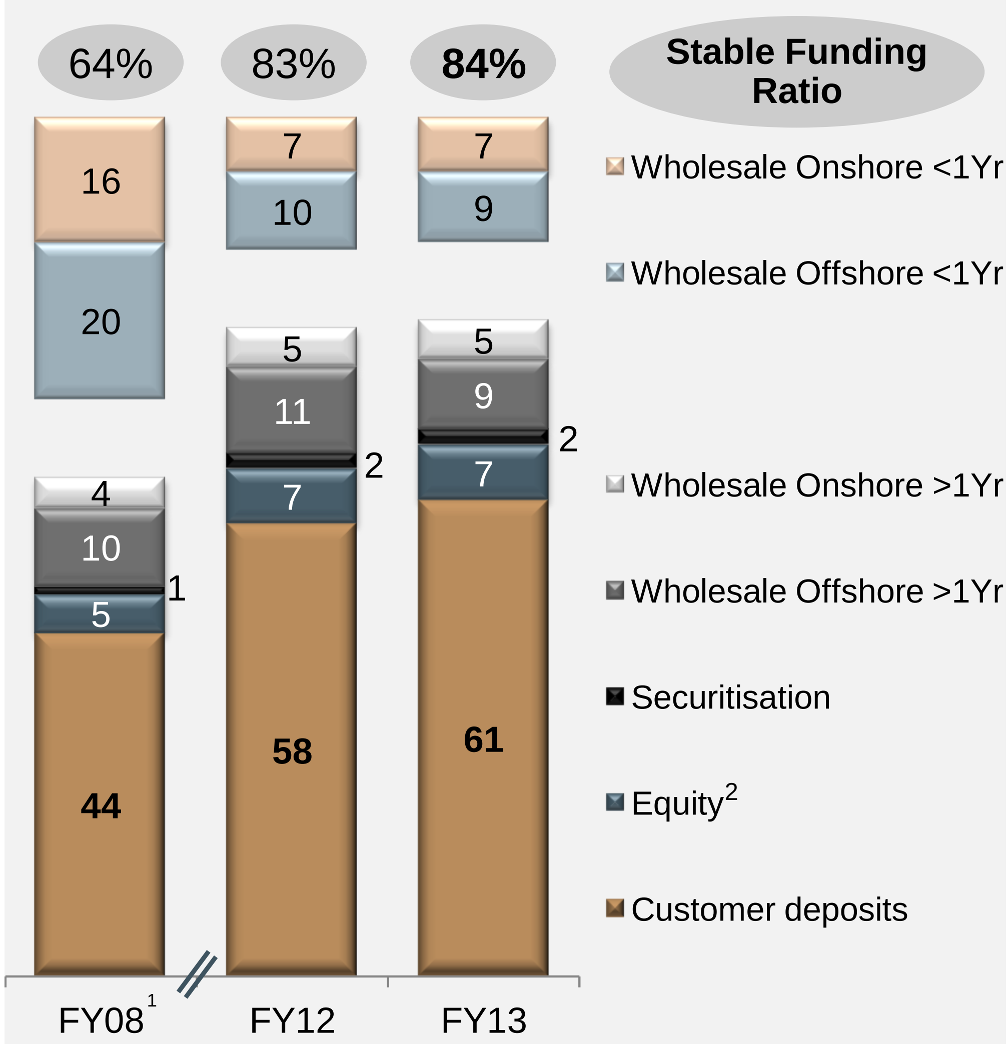


NIM movement (% & bps)

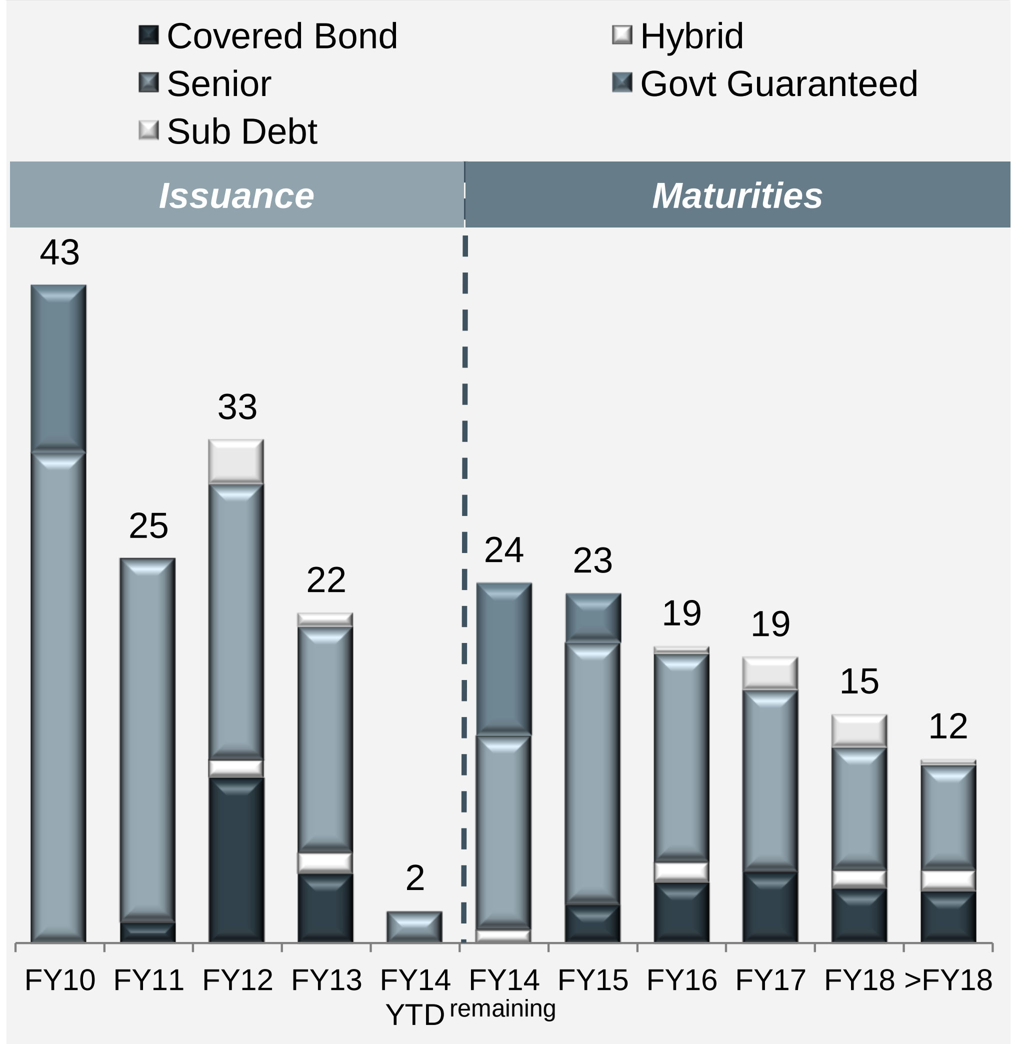


Further improved funding

Funding composition by residual maturity (%)



Term debt issuance and maturity profile[3] ($bn)



1 2008 does not include St.George. 2 Equity excludes FX translation, available for sale securities and cash flow hedging reserves. 3 Based on residual maturity and FX spot currency translation. Includes all debt with contractual maturity greater than 13 months, excludes US CP. Maturity date for hybrids and callable subordinated instruments is the first conversion date or call date. Perpetual sub-debt included in >FY18 maturity. Excludes securitisation amortisation.

Continuing to actively manage returns

- Good ROA[1] uplift given higher AIEA including $5bn rise in funded liquid assets
- Strong returns considering improved risk and strengthening of balance sheet
- Non-interest income a major contributor including from an uplift in wealth
- Group has materially lifted its focus on return across the organisation including active management of ROTE[2] across divisions

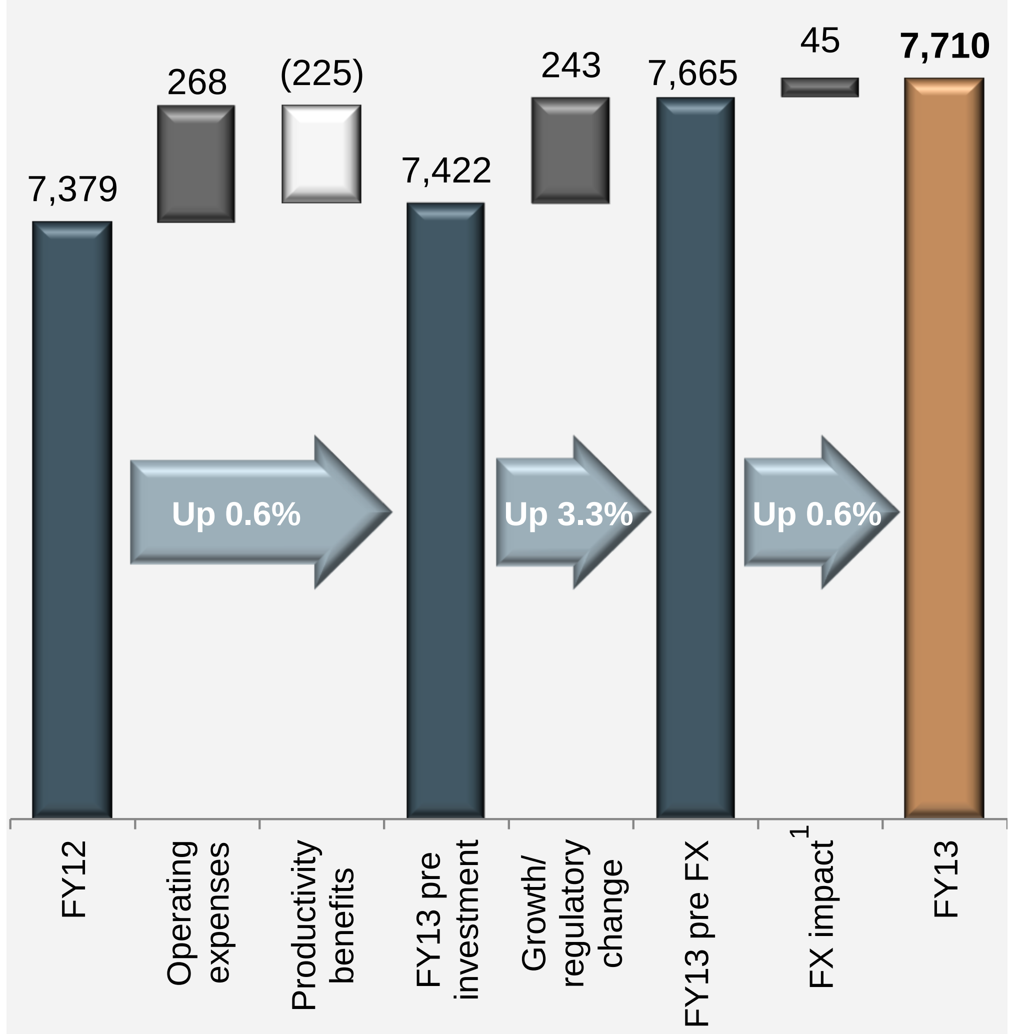
Return on average interest-earning assets (AIEA) (%)	2012	2013
Interest income (margin)	2.17	2.15
Non-interest income	0.95	0.99
Operating expenses	(1.28)	(1.29)
Impairment charges	(0.21)	(0.14)
Tax & non-controlling interests	(0.50)	(0.53)
Cash Earnings (ROA)	**1.14**	**1.18**
Leverage (AIEA/AOE[3])	**13.56x**	**13.53x**
Return on average ordinary equity (ROE)	**15.5**	**16.0**

1 Return on average interest-earning assets. 2 Return on tangible equity. 3 Average ordinary equity.

Expense growth driven by investment

- Expenses well managed over year up 4.5% (FX translation added 0.6%)
- Rise in operating expenses largely offset by productivity benefits
- Most expense growth due to higher investment related costs (3.3%)
  - $145m growth and productivity, including Asian expansion, Bank of Melbourne and wealth investment
  - $60m amortisation and depreciation
  - $35m in one-time regulatory costs

Components of expense movements ($m)

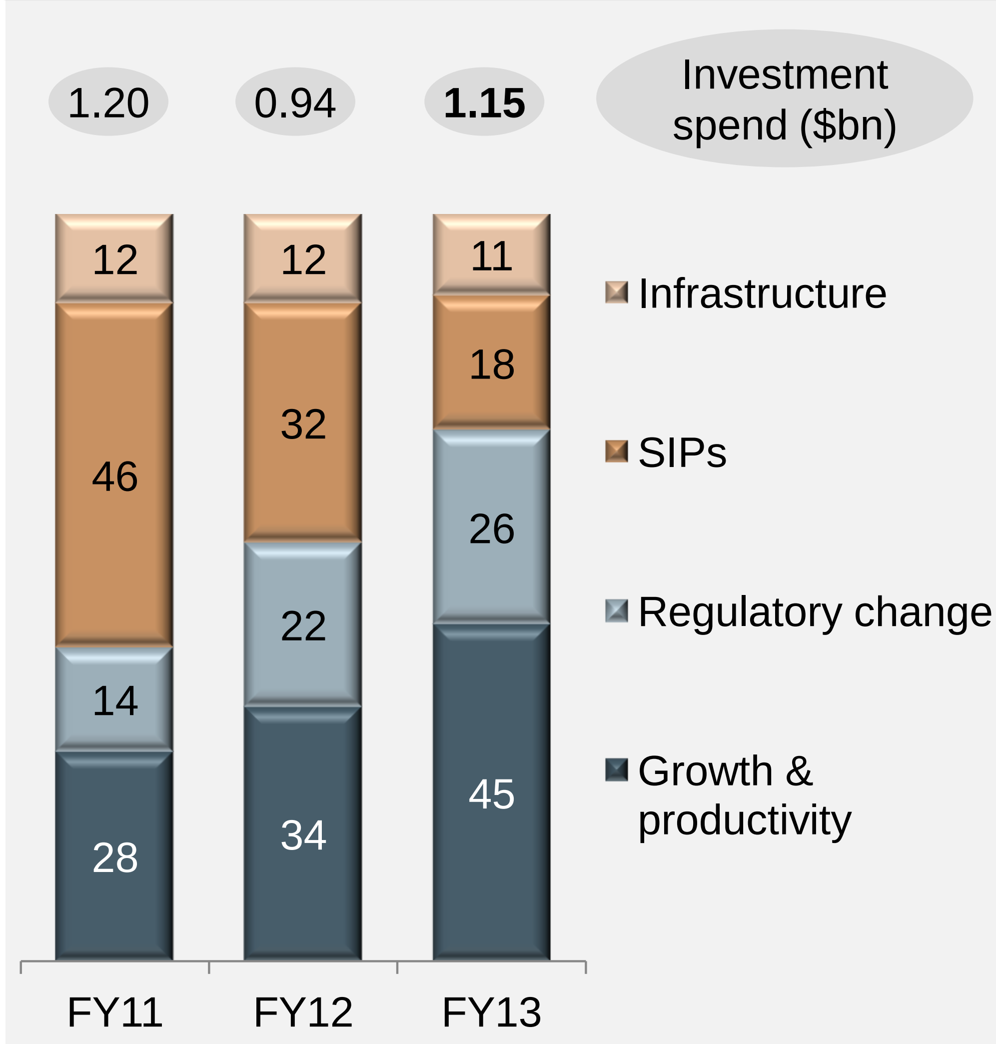


1 FX impacts are for both WIB and New Zealand.

Investment supporting growth

- Changes in investment reflect
  - SIPs projects coming to an end
  - Regulatory change increasing with key milestones achieved in 2013
  - Increased orientation to growth
- Growth initiatives include
  - New business bank distribution including 'Business Connect' in SGB
  - Asia investment including enhanced infrastructure and presence
  - Bank of Melbourne roll-out
  - Developing new wealth platform

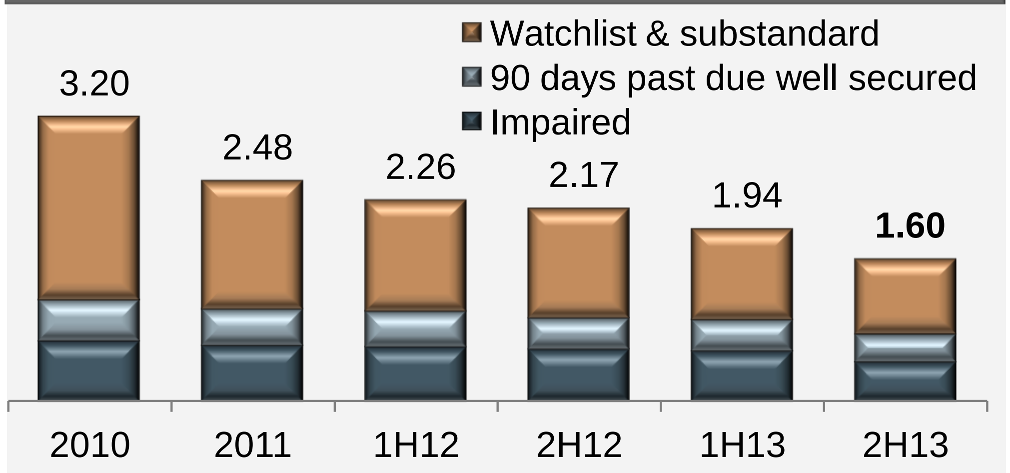
Composition of investment spending (%)



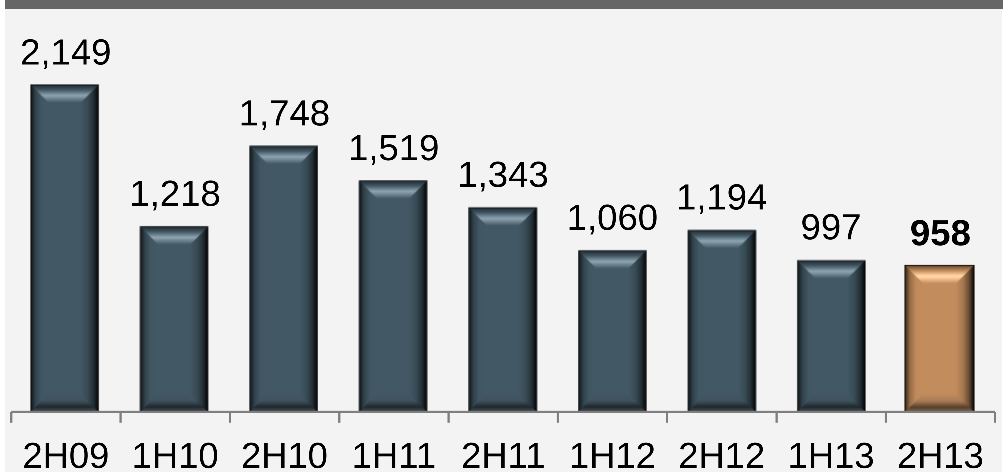
Westpac GROUP

Asset quality continues to improve

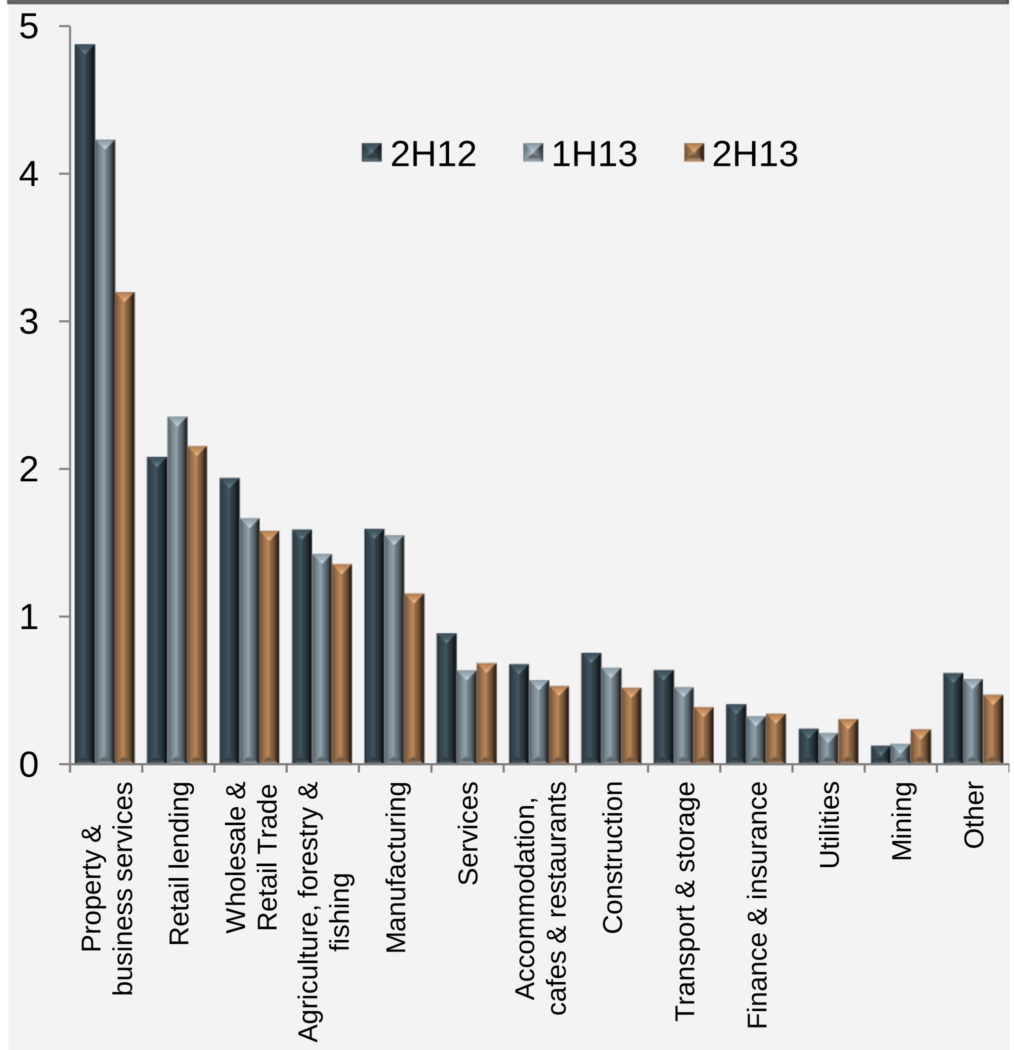
Stressed exposures as a % of TCE



New and increased gross impaired assets ($m)

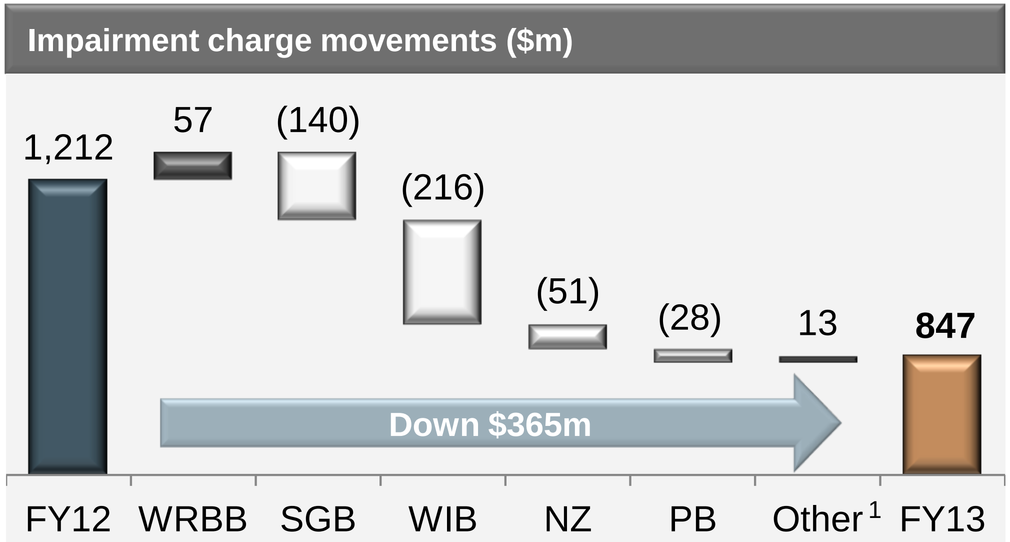


Stressed exposures by sector ($bn)

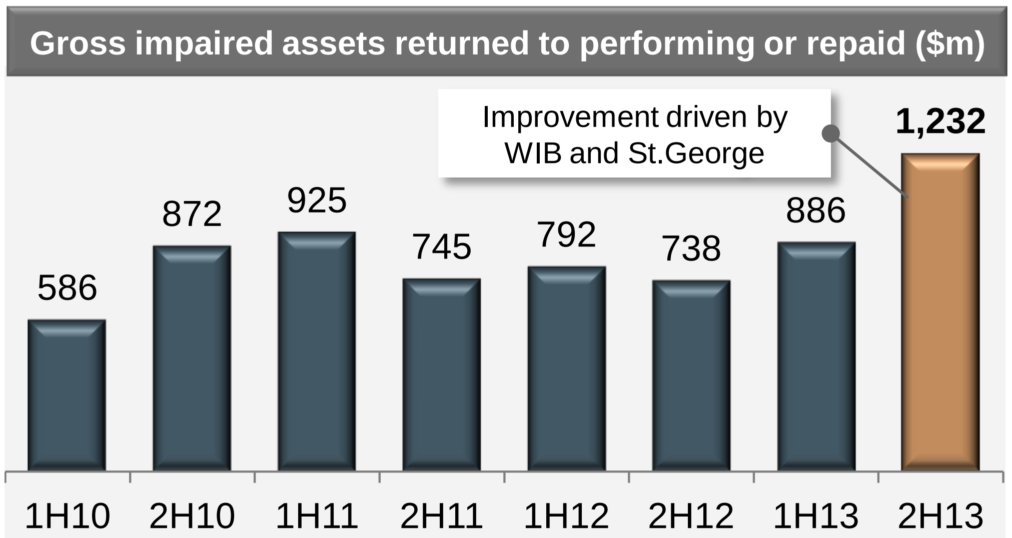


Westpac GROUP

Benefitting from lower impairment charges



Impairment charge reconciliation	FY12	FY13
Individually assessed provisions	1,442	**1,112**
Less Write-backs	(468)	**(479)**
Less Recoveries	(104)	**(76)**
Collectively assessed provisions	342	**290**
Impairment charge	1,212	**847**

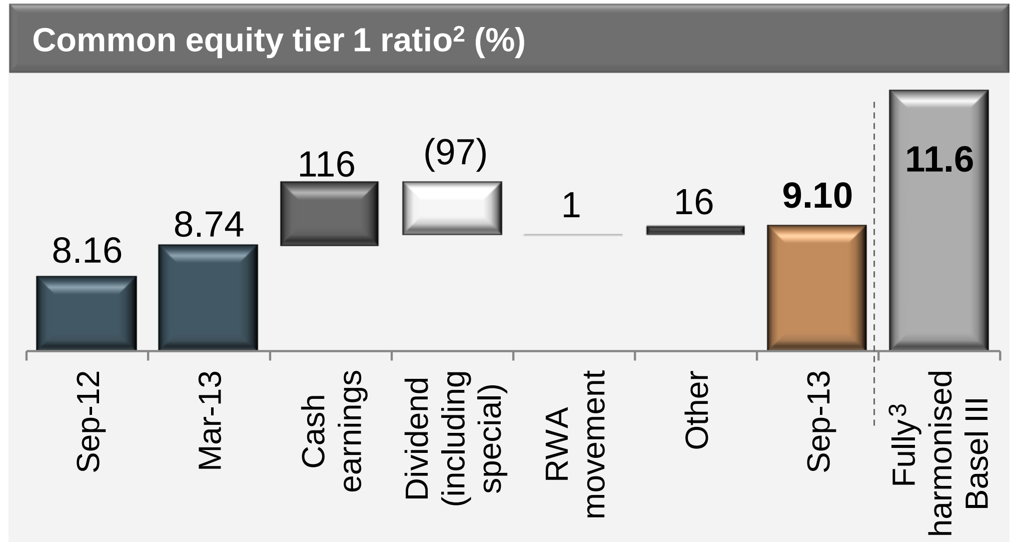


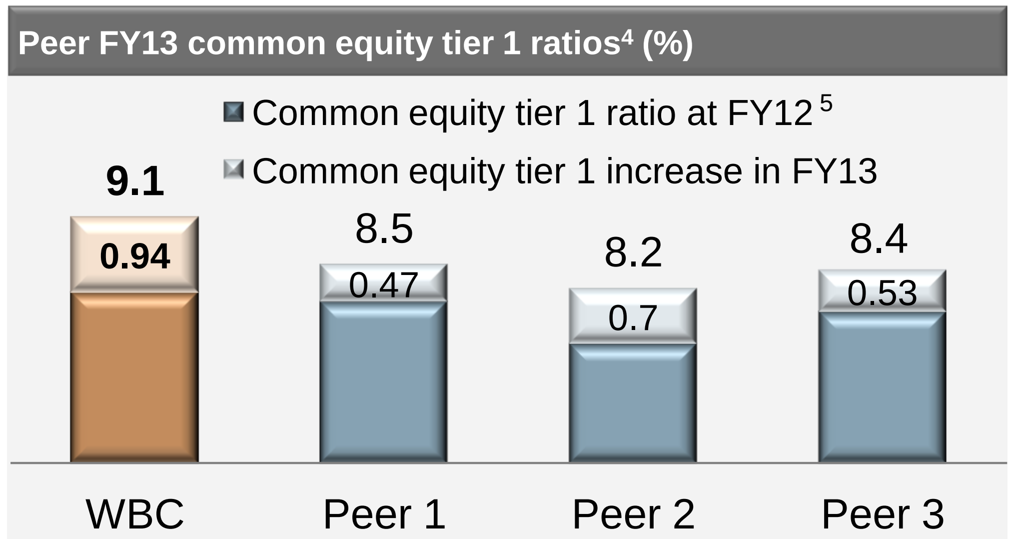
Provisioning cover	Sep-12	Mar-13	Sep-13
Impairment provisions to impaired assets (%)	37	40	**43**
Collectively assessed provisions to credit RWA[2,3] (bps)	108	106	**99**
Economic overlay ($m)	363	391	**389**

1 Other includes BTFG and Group businesses. 2 September 2012 credit RWA restated for a pro forma Basel III basis. 3 RWA is risk weighted assets.

Strong capital generation

- Sound ROE combined with modest RWA growth generated excess capital
- High level of capital and strongest capital increase relative to peers
- Relative capital strength even higher should conglomerate position be applied consistently
- Strong capital position enables continued capital management
  - Minimal capital issued over half
  - 2H13 DRP[1] to be neutralised





1 DRP is dividend reinvestment plan. 2 All figures prior to Mar-13 are pro forma estimates. 3 Common equity tier 1 ratio on a Basel Committee on Banking Supervision fully harmonised Basel III basis. 4 Peer data based on latest full year reported numbers. 5 FY12 numbers on a Basel III pro forma basis.

Considerations for FY14

- Lending growth trending higher
- Margin disciplines to remain
- Challenging WIB environment
- Investment funded by further productivity benefits
- Leading asset quality picture expected to remain
- Strong capital generation expected to continue
- All divisions positioned well with good momentum

FULL YEAR 2013
INVESTOR DISCUSSION PACK

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH RETURN GROWTH PRODUCTIVITY

FULL YEAR 2013 OVERVIEW

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH | RETURN | GROWTH | PRODUCTIVITY

Westpac Group at a glance

- Australia's first bank and first company, opened in 1817
- Australia's 2nd largest bank, and 11th largest bank in the world, ranked by market capitalisation[1]
- Strategy focused on supporting customers and markets connected to Australia, New Zealand and the near Pacific
- Portfolio of brands providing retail, business, institutional banking and wealth management services, with excellent positioning in key markets
- Efficiency leader of Australian peers and one of the most efficient banks globally[2]
- Rated AA- / Aa2 / AA-, with stable outlook[3]
- Strong capital, funding, liquidity and provisioning
- Solid earnings profile over time
- Leader in sustainability[4]

Australian Financial Services (AFS)			WIB	Westpac NZ
Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group	Westpac Institutional Bank	Westpac New Zealand
Westpac	St.George, BankSA, Bank of Melbourne, RAMS	BT, Advance, Asgard, Securitor, Licensee Select, Ascalon Capital Managers		

Key statistics for FY13	
Customers	**12m**
Australian household deposit market share[5]	**23%**
Australian housing market share[6]	**23%**
Australian business market share[6]	**18%**
New Zealand household deposit market share[7]	**21%**
New Zealand consumer lending market share[7]	**20%**
Australian wealth platforms market share[8]	**20%**

Key financial data for FY13 (30 September 2013)	
Reported profit	**$6,816m**
Cash Earnings	**$7,097m**
Cash Earnings per share	**228.9c**
Common equity tier 1 ratio	**9.1%**
Return on equity (Cash Earnings basis)	**16.0%**
Total assets	**$697bn**
Market capitalisation[1]	**$102bn**

1 As at 30 September 2013. Source: IRESS, CapitalIQ and www.xe.com based in US Dollars. 2 Data sourced from Credit Suisse analysis of cost to income ratio of world's largest banks September 2013. 3 Source: Standard and Poor's, Moody's Investors Service, Fitch Ratings. 4 WBC rated 10th (highest ranked bank globally and highest ranked Australian company) at the 2013 World Economic Forum, Global 100 most sustainable companies. 5 APRA Banking Statistics, September 2013. 6 RBA Financial Aggregates, September 2013. 7 RBNZ September 2013. 8 Plan for Life, June 2013, All Master Funds Admin.

FY13 financial snapshot

	FY13	change[1] 1H13– 2H13	change[1] FY12 – FY13
Earnings[2]			
Cash Earnings ($m)	**7,097**	1%	8%
EPS[3] (cents)	**228.9**	1%	6%
Core earnings ($m)	**11,123**	-	4%
Return on equity (%)	**16.00**	(25bps)	51bps
Dividends per share (cents)	**174**	2%	5%
Special dividends per share (cents)	**20**	-	n/a
Expense to income ratio (%)	**40.9**	63bps	12bps
Net interest margin (%)	**2.15**	(7bps)	(2bps)
Funding and liquidity			
Customer deposit to loan ratio (%)	**71.4**	236bps	377bps
Stable funding ratio[4] (%)	**84**	69bps	99bps
Short term funding[5] ($bn)	**102**	(1%)	(1%)
Total liquid assets ($bn)	**126**	15bn	15bn

	FY13	change[1] 1H13 – 2H13	change[1] FY12 – FY13
Balance sheet			
Total assets ($bn)	**697**	3%	3%
Common equity tier 1 ratio[6] (%)	**9.1**	36bps	94bps
Risk weighted assets[7] ($bn)	**307**	0%	0%
Loans ($bn)	**536**	3%	4%
Customer deposits ($bn)	**383**	6%	10%
NTA[8] per share ($)	**11.1**	36cps	60cps
Asset quality			
Impairment charges to average gross loans (bps)	**16**	(2bps)	(8bps)
Impaired assets to gross loans (bps)	**67**	(15bps)	(18bps)
Impaired provisions to impaired assets (%)	**43**	292bps	575bps
Collectively assessed provisions to credit RWA (bps)[7]	**99**	(7bps)	(9bps)

1 For profitability metrics the change represents results for FY13 versus FY12 and 2H13 versus 1H13, the actual results for 2H13 and 1H13 are not represented here. 2 All measures on a Cash Earnings basis. 3 EPS is Cash Earnings Per Share. 4 Stable funding ratio calculated on the basis of customer deposits + wholesale funding with residual maturity greater than 12 months + equity + securitisation, as a proportion of total funding. 5 Includes long term wholesale funding with a residual maturity less than 1 year. 6 Common equity is Basel III basis, with comparison FY12 on pro forma numbers (impacted -22bps for FY12). 7 FY12 restated for introduction of Basel III. 8 NTA is Net Tangible Assets.

Reconciliation between Cash Earnings and Reported profit

Cash Earnings policy[1]

- Westpac Group uses a measure of performance referred to as Cash Earnings to assess financial performance
- This measure has been used in the Australian banking market for over a decade and management believes it is the most effective way to assess performance for the current period against prior periods and to compare performance across divisions and across peer companies
- To calculate Cash Earnings, reported results are adjusted for
  - Material items that key decision makers at the Westpac Group believe do not reflect ongoing operations
  - Items that are not considered when dividends are recommended, such as the amortisation of intangibles, impact of Treasury shares and economic hedging impacts
  - Accounting reclassifications between individual line items that do not impact reported results

Cash Earnings appropriate measure of profit

- Cash Earnings is used as the primary method of management reporting for both the Group and operating divisions
- Adjustments to Cash Earnings have had little net impact on aggregate earnings over recent years
- FY13 Cash Earnings growth of 8% is below reported profit growth of 14%

	FY13	% change 1H13-2H13	% change FY12-FY13
Cash Earnings	**7,097**	1	8
Reported profit	**6,816**	6	14

Reported profit and Cash Earnings[2] adjustments ($m)

	1H13	2H13
Reported profit	3,304	**3,512**
TPS revaluations	8	**1**
Treasury Shares	29	**13**
Ineffective hedges	(23)	**3**
Fair value gain on economic hedges and own credit	57	**(67)**
Buyback of government guaranteed debt	43	**-**
Amortisation of intangible assets	75	**75**
Fair value amortisation of financial instruments	32	**35**
Cash Earnings	3,525	**3,572**

1 Cash Earnings is not a measure of cash flow or net profit determined on a cash accounting basis, as it includes non-cash items reflected in net profit determined in accordance with A-IFRS. The specific adjustments outlined include both cash and non-cash items. 2 Cash Earnings is reported profit adjusted for material items to ensure they appropriately reflect profits normally available to ordinary shareholders. All adjustments shown are after tax. Refer to slide 143 for a summary of the Westpac Group Full Year 2013 Results.

Managing for a balanced performance

Strategic priorities

1. A strong company
2. Re-orient to higher growth / higher return sectors and segments
3. Continue building deeper customer relationships
4. Materially simplify products and processes
5. One team approach

Continuing to manage the business in a balanced way across the dimensions of growth, return, productivity and strength

STRENGTH Strong company
- Capital within preferred range of 8.0% - 8.5%
- Target stable funding ratio > 75%

RETURN Maintain discipline
- Maintaining strong ROE
  - Maintain dividend path

PRODUCTIVITY Sector leading
- Maintain expense to income ratio below peers

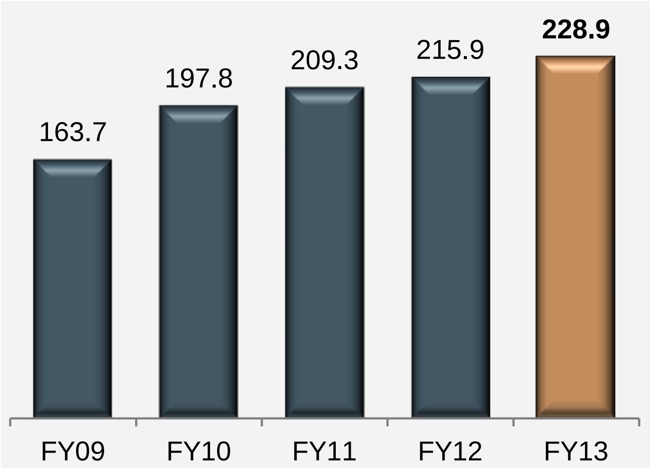
GROWTH Investment driven
- Higher growth in target segments, including deposits, Asia, SME, trade and natural resources

Priorities	FY13 outcomes
Remain strong	• Common equity tier 1 ratio up 94bps, to 9.1[1]% • Customer deposit to loan ratio up 377bps, to 71.4% • Stressed assets to TCE down 57bps, to 1.60% • Impairment charge to average gross loans down 8bps to 16bps • Ranked 10th in Corporate Knights 2013 Global 100 Most Sustainable Corporations (highest ranked bank globally and highest ranked Australian company)
Targeted growth	• Above system growth in deposits[2] and wealth[3] • Bank of Melbourne delivering with 15 more branches, market share up 70bps, to 4.2%[4], strong deposit growth (up 25%), mortgage growth (up 15%) and customers (up 10%) • BT Super for Life retail customers up 26% and FUM up 60% • General insurance gross written premiums and Life Insurance in-force premiums up 17% and 14% respectively • Trade finance volumes up 91%, strengthened capabilities • Asian revenue up 33% (USD), expanded capabilities
Customer relationships	• Higher insurance and wealth penetration[5], up 28bps to 18.7%, and increased MyBank customers across all brands • Improved customer return on credit RWA[1], up 11bps to 4.0% • Customer numbers up 3%
Materially simplify	• Expense to income ratio up 12bps, to 40.9%, 370bps below average of major bank peers • $225m in productivity savings • Revenue per FTE up 6% • Commenced roll-out of new online/mobile platform
One team	• Women in leadership roles increased from 40% to 42% • People Leader Index 89%, up 2 percentage points, and Employee Engagement 87%, up 3 percentage points. Both are ahead of global high performing norm[6]

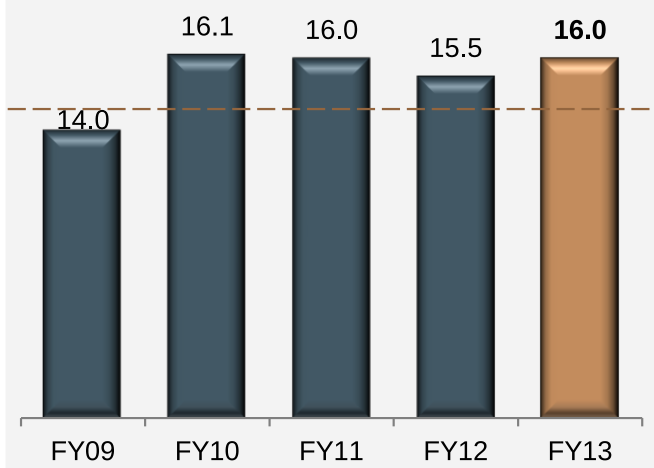
1 FY12 is pro forma on Basel III basis. 2 APRA Banking Statistics, September 2013. 3 Plan for Life, June 2013, All Master Funds Admin. 4 Market share defined as footings (calculated as household deposits + housing loan balances). 5 Refer to slide 144 for wealth penetration metrics provider details. 6 Towers Watson high performing norm for People Leaders Index.

Market valuation metrics improving

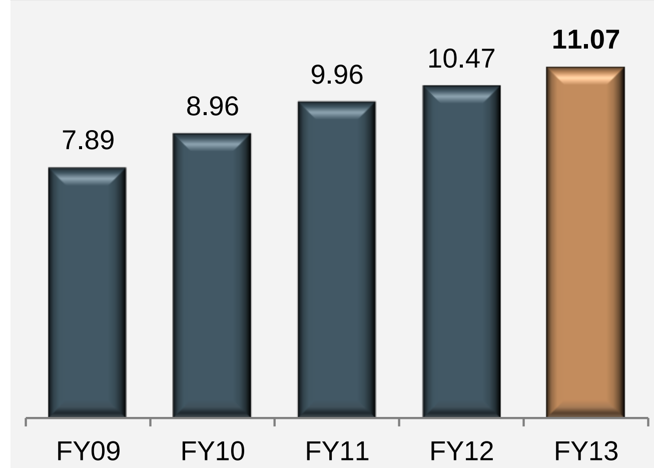
Cash Earnings (cents per share)



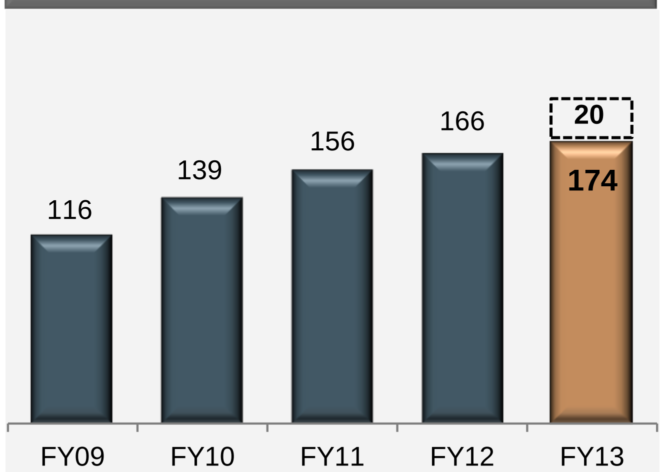
Return on equity (%)



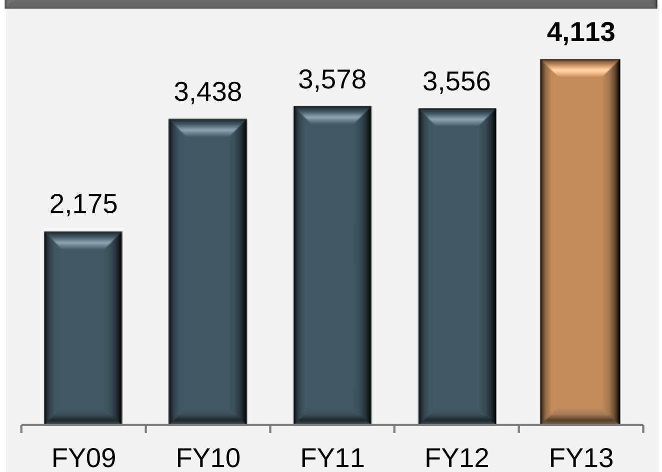
Net tangible assets/share ($)



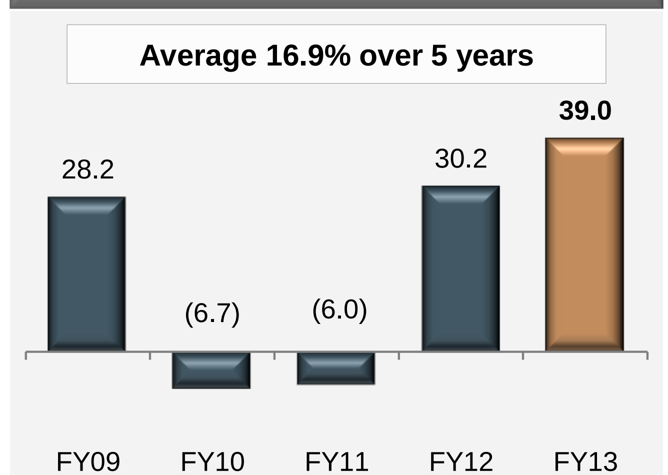
Dividends per share[1] (cents)



Economic profit[2] ($m)



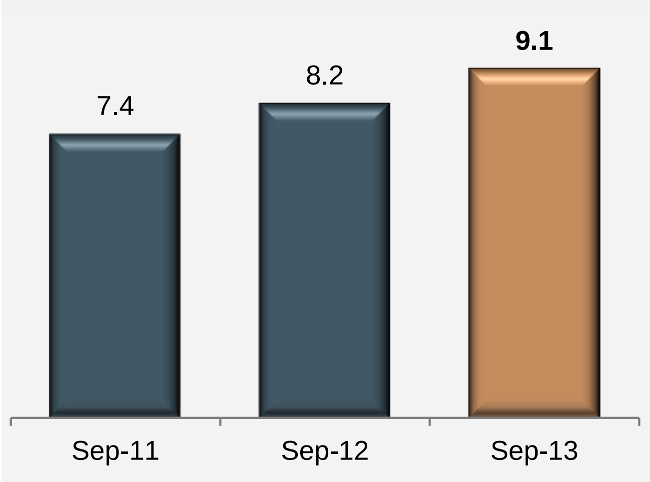
Total shareholder return per annum[3] (%)



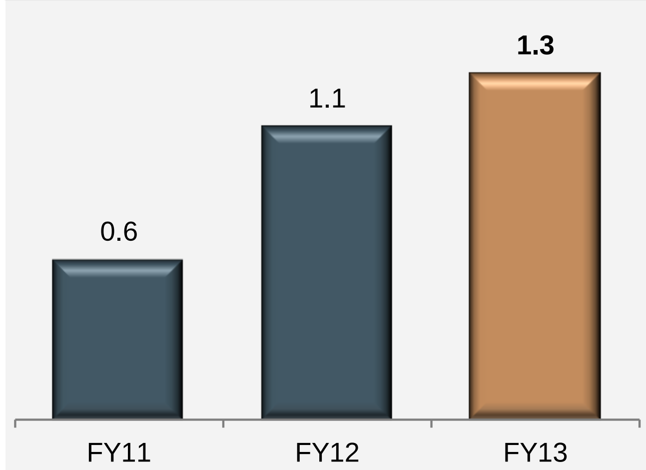
1 FY13 includes ordinary dividends per share 174 cents and special dividends per share 20 cents. 2 Economic profit is Cash Earnings plus a franking benefit equivalent of 70% of the value of Australian tax paid less a capital charge calculated at 11% of average ordinary equity. 3 Total shareholder return incorporates share price movements and total dividends paid over each year ending September 30.

Delivering against key strategic priorities

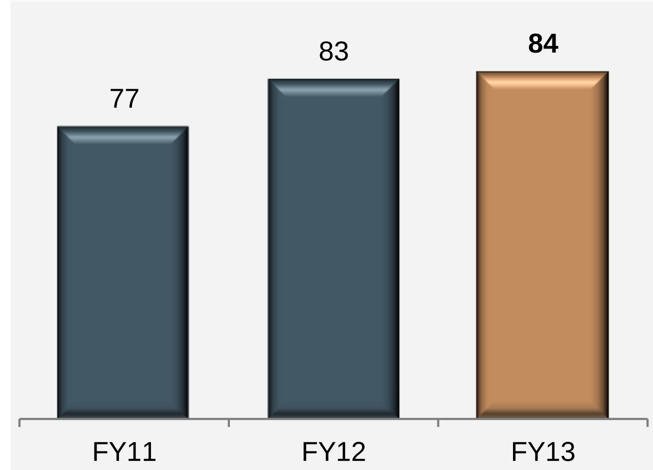
Common equity tier 1 ratio[1] above preferred range of 8.0-8.5% (%)



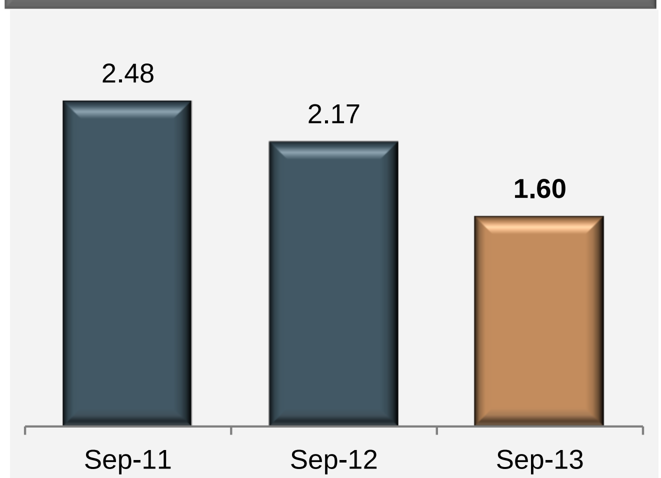
Household deposit growth versus system (multiple)[2] improving



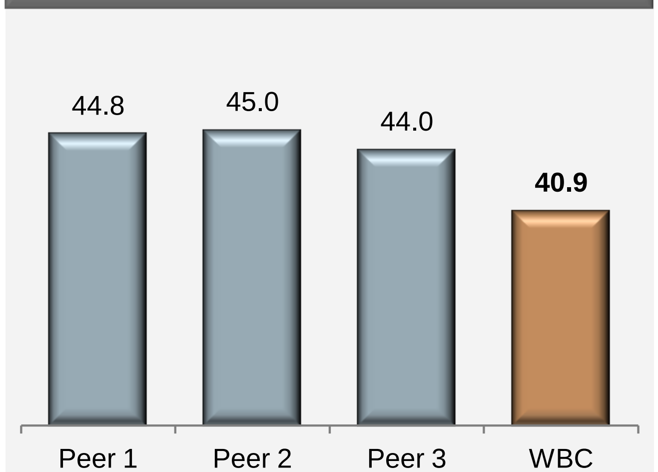
Stable funding ratio above 75% (%)



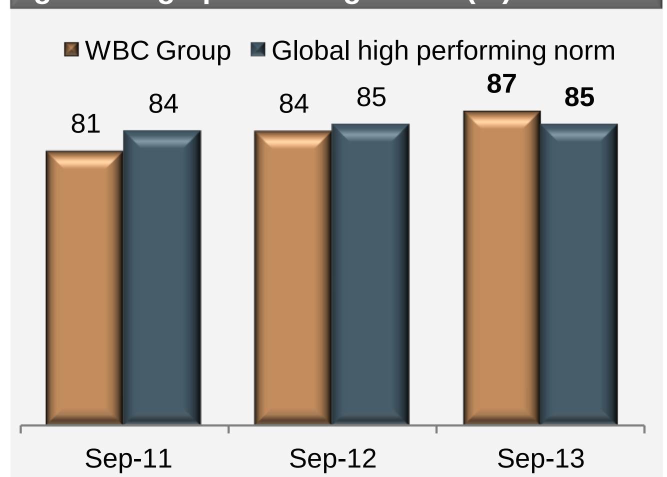
Stressed Assets to TCE (%) reducing



Lowest expense to income of peers[3] (%)



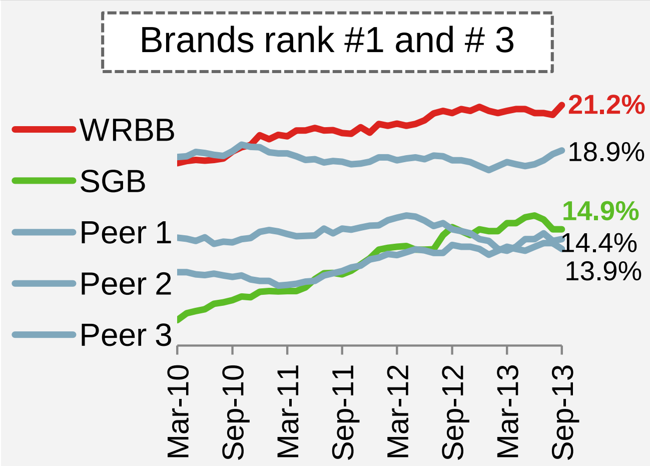
Employee engagement up and above global high performing norm[4] (%)



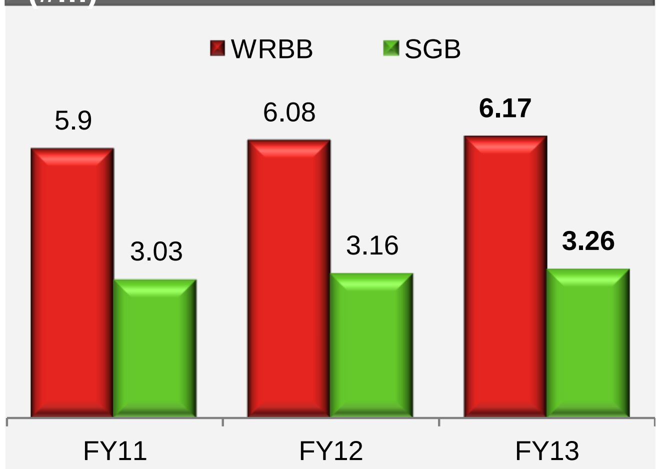
1 Numbers prior to Sep13 are on a pro forma Basel III basis. 2 APRA banking statistics, September 2013. 3 Expense to income on a Cash Earnings basis with Peers 1 and 3 for 12 months to 30 September 2013; Peer 2 for 12 months to 30 June 2013. 4 Tower Watsons global high performing norm.

Improving franchise quality

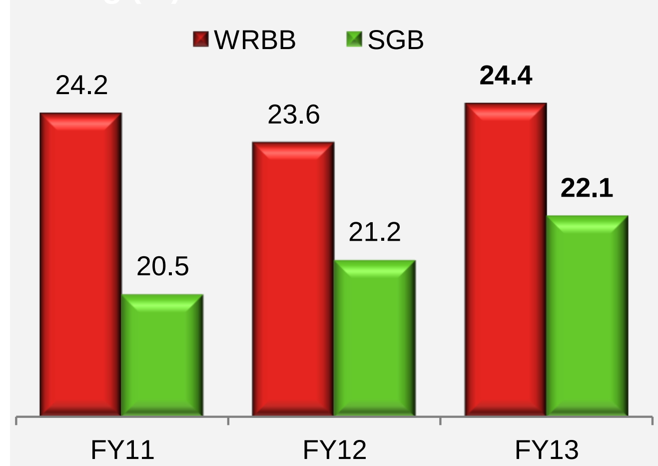
Wealth penetration[1] (%)



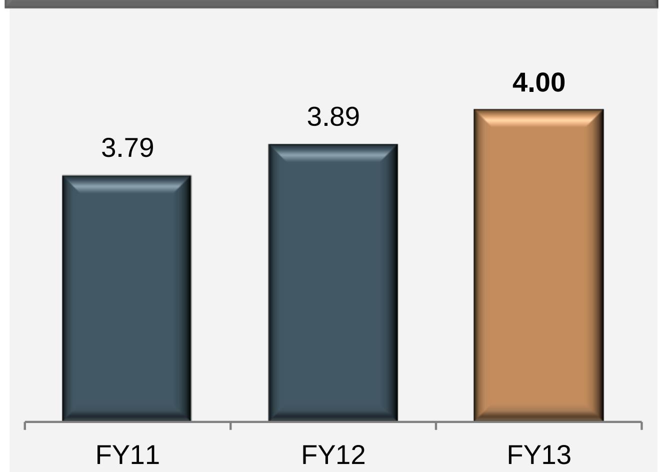
Customer numbers up across brands (#m)



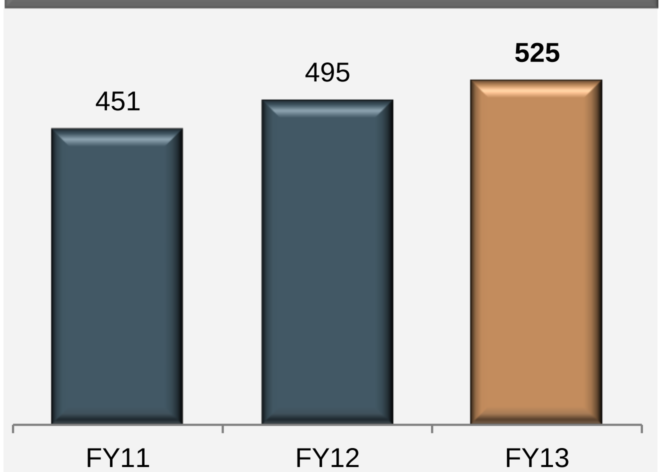
Proportion of MyBank customers rising (%)



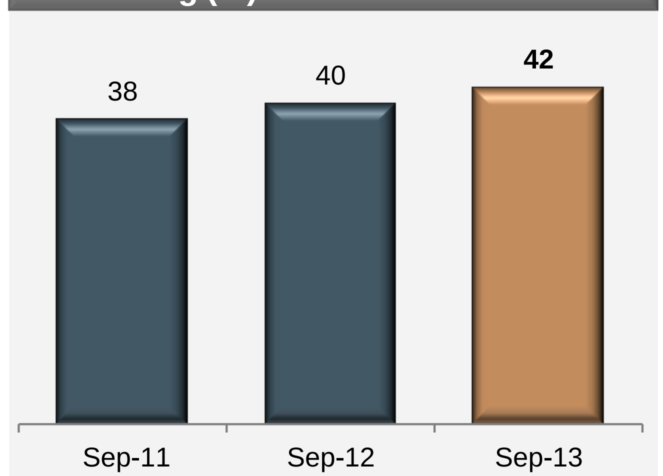
Customer return improving (%)



Revenue per FTE improving ($'000)



Women in senior leadership positions increasing (%)



1 Refer to slide 144 for wealth penetration metrics provider details.

Entered agreement to acquire Lloyds Banking Group's Australian businesses

- On 11 October 2013 Westpac entered into an agreement to acquire Lloyds Banking Group's Australian business for $1.45bn
- $8.4bn asset base, risk weighted assets of $9.1bn
- Assets represent 1.2% of Westpac's asset base, lifting Westpac Group's Australian business portfolio by around 7%
- Given strong capital and funding position, the transaction will be financed from internal resources and within existing funding plans (expected $8bn)
- Expected completion 31 December 2013 (no impact on FY13 results)

Transaction is value enhancing to Westpac

- Price of $1.45bn includes approximately $260m of goodwill
- Price to NTA 1.22x
- Including synergies, businesses are expected to add at least $100m to Westpac's FY15 Cash Earnings
- Businesses (including goodwill) expected to generate an ROE ahead of the Group's 11% cost of capital and so adds to shareholder value
- EPS positive by the end of FY14

Excellent strategic fit

- Assets clearly aligned to target segments of SME and Corporate
- Grows customer base and enhances ability to deepen existing relationships through expanded operating lease capability
- Asset quality considered to be in line with similar Westpac assets
- Strong cultural alignment between Lloyds and WIB/ St.George teams
- Clear integration plan already in place

Summary of businesses to be acquired

Equipment finance	• $2.9bn in lease receivables – $1.9bn SME (to be managed within St.George) – $1.0bn corporate (will be managed within WIB) • 62,000 corporate/business customers • Low risk motor vehicle and machinery assets associated with waste management, mining and transport industries • Adds operating lease capability to WIB
Motor Vehicle Finance	• $3.9bn in assets – $0.7bn dealer finance – $3.2bn personal car finance • 343 motor dealer franchises • 151,000 consumer customers • Complementary to existing St.George auto finance portfolio, providing geographic diversity across regional areas
Corporate loan portfolio	• $1.6bn in high quality corporate loans. Additional $1.1bn in undrawn facilities • 28 high quality corporates, with stressed assets previously sold • Potential for transfer of up to $0.9bn of deposits • Assets to be transferred to WIB, with Westpac having a relationship with approximately 80% of customers • Portfolio expected to run-down over next 3 years

Westpac sustainability agenda 2013-2017

- Sustainability is embedded in Westpac Group's strategy, values, culture and processes
- Many aspects of sustainability are already an integral part of our operations (e.g. sustainable sourcing, and responsible lending and investment)
- Our strategic focus is now on longer-term emerging issues. We aim to have a positive societal impact on these issues while pursuing the opportunities they present us
- Three initial priorities
  - Help improve the way people work and live, as our society changes
  - Help find solutions to environmental challenges
  - Help customers to have a better relationship with money, for a better life

Leading track record

- Ranked 10th in Corporate Knights 2013 Global 100 Most Sustainable for Corporations in the World (highest ranked bank globally and highest ranked Australian company)
- Score of 92% in 2013 Dow Jones Sustainability Index, ranking us in the 99th percentile globally
- Named as one of the World's Most Ethical Companies from 2008-2013 by Ethisphere Institute

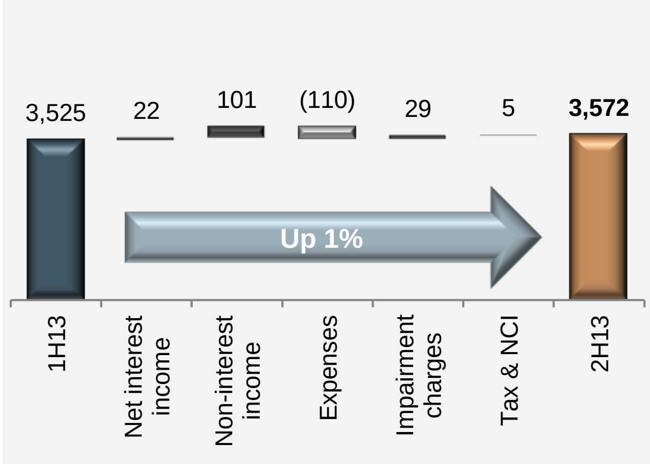
Shaping the future landscape – progress on our 10 sustainability objectives

OBJECTIVES	FY13 ACHIEVEMENTS
Help improve the way people work and live, as our society changes	
• Ensure our workforce is representative of the community	• Increased women in leadership by 2 percentage points to 42% • Diversity survey completed with focus on flexible work practices (survey indicated staff working flexibly increased to 62%)
• Extend length and quality of working lives	• Completed an employee wellbeing survey across AFS • Established baseline for mean retirement age of 60.6
• Anticipate the future product and service needs of aging and culturally diverse customers	• Launched a contact centre for customers over 50 • Launched BT campaign – Prepare for the Best
Help find solutions to environmental challenges	
• Provide products and services to help customers adapt to environmental challenges	• Energy efficiency education program for SMEs • Solar product for dairy farmers in NZ
• Increase lending and investment in CleanTech and environmental services	• $3.6 billion lent to this sector as at 30 September 2013
• Continue to reduce our environmental footprint	• Achieved carbon neutrality and met all environmental performance targets
Help customers to have a better relationship with money, for a better life	
• Ensure customers have access to the right advice to achieve a secure retirement	• Launched role-relevant wealth accreditation program • Launched Single Topic Personal Advice
• Help customers meet their financial goals in retirement	• Launched Wrap Capital Protection & BT Equity Income Series
• Increase access to financial services in the Pacific Island nations	• 147,000 new customers to basic banking accounts • 179 in-stores open across Pacific countries, up from 30
• Help people gain access to social and affordable housing	• $0.65 billion lent to the social and affordable housing sector as at 30 September 2013 • Social and Affordable Housing Forum held in Nov 2012

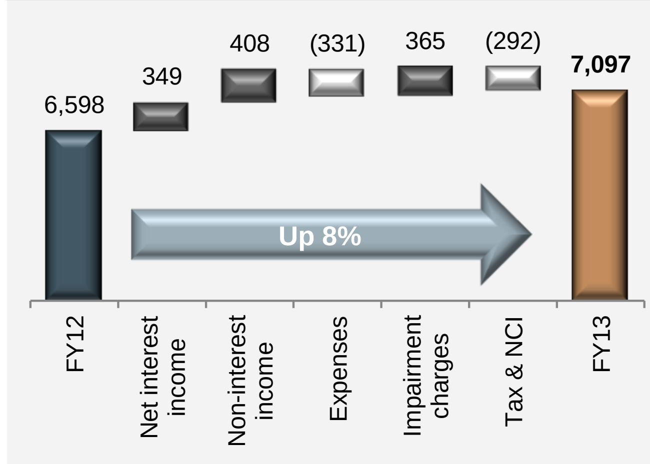
FY13 Cash Earnings up 8%

Cash Earnings	FY13 ($m)	% change[1] 1H13-2H13	% change[1] FY12-FY13
Net interest income	**12,912**	-	3
Non-interest income	**5,921**	3	7
Expenses	**7,710**	3	4
Core earnings	**11,123**	-	4
Impairment charges	**847**	(7)	(30)
Cash Earnings	**7,097**	1	8
Reported profit	**6,816**	6	14

Cash Earnings 1H13 – 2H13 ($m)



Cash Earnings FY12 – FY13 ($m)



Cash Earnings features of 1H13-2H13

- All operating divisions performing well. AFS up 6%: with BTFG the stand-out (up 14%); a continued strong performance from WRBB (up 6%); and, St.George sustaining strong gains in 1H13, up a further 2%. WIB earnings were up 1% in line with strong 1H13; while Westpac NZ delivered a strong result, up 13%
- Cash Earnings up 1% overall, impacted by Group Businesses down 81% primarily due to lower Treasury earnings and reduced research and development tax credits
- Net interest income flat, with sound balance sheet growth offset by lower margins
- Non-interest income up 3%, reflecting strong growth in Wealth management and insurance income, improved fees and commissions and higher trading income
- Expense growth 3%. Productivity initiatives delivered $104m largely offsetting higher ongoing investment in Bank of Melbourne, Wealth and Asia. Amortisation/ depreciation and compliance costs also higher
- Impairment charges down 7%, driven by WIB and Westpac NZ, and reflects continued strong asset quality across the Group

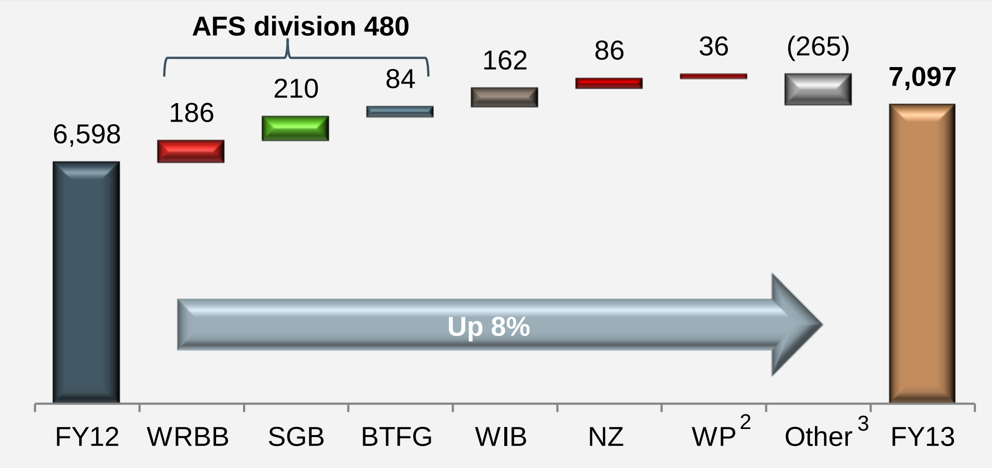
Cash Earnings features of FY12-FY13

- Most divisions delivering double digit earnings growth. AFS (up 12%), with positive contributions from all divisions: WRBB up 9%; St.George up 17%; and BTFG up 13%. Strong performance by WIB (up 11%); and Westpac NZ (up 16%)
- Cash Earnings up 8% overall notwithstanding Group Business Unit was down 56% from lower Treasury earnings and higher costs of capital instruments
- Net interest income rose 3%, with modest loan growth partly offset by a small reduction in margins
- Non-interest income up 7%, with solid growth in fees and commissions, wealth management and insurance, and a strong rise in trading income
- Expense growth well contained at 4%. Wage and property cost increases along with investment in SIPs, Bank of Melbourne, Wealth and Asia, which were partly offset by $225m of productivity savings
- Impairment charges down 30%, due to asset quality continuing to improve
- Reported profit up 14%, ahead of Cash Earnings growth of 8%

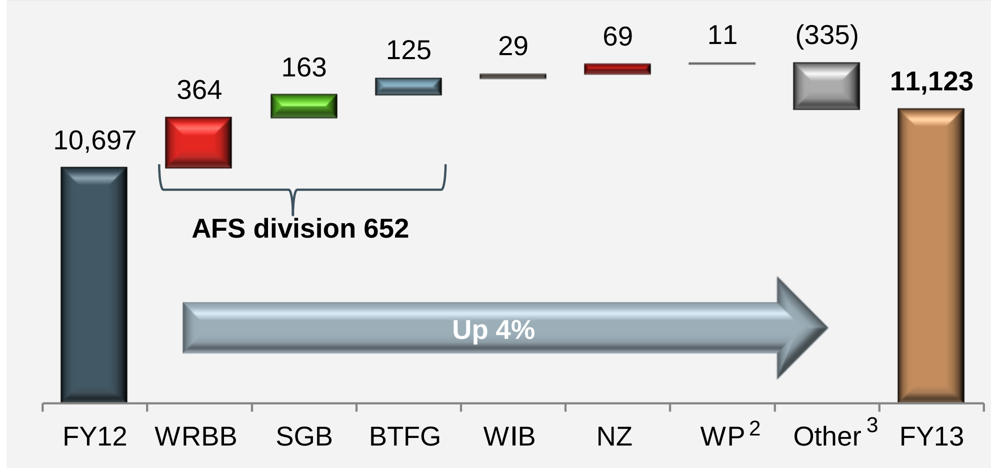
1 For profitability metrics the change represents results for FY13 versus FY12 and 2H13 versus 1H13, the actual results for 1H13 and 2H13 are not represented here.

Growth driven by all customer facing divisions

FY13 divisional contribution to Cash Earnings[1] ($m)



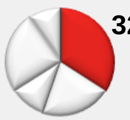
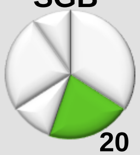
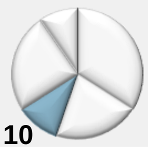
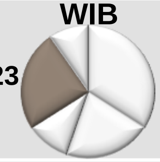
FY13 divisional contribution to core earnings[1] ($m)



FY13 ($m)	AFS	*WRBB*	*SGB*	*BTFG*	WIB	NZ	WP[2]	Other[3]	Group
Operating income	12,969	*6,927*	*3,768*	*2,274*	3,302	1,673	315	574	**18,833**
Expenses	(5,777)	*(3,154)*	*(1,415)*	*(1,208)*	(1,070)	(697)	(98)	(68)	**(7,710)**
Core earnings	7,192	*3,773*	*2,353*	*1,066*	2,232	976	217	506	**11,123**
Impairment charges	(780)	*(486)*	*(293)*	*(1)*	89	(97)	(3)	(56)	**(847)**
Tax & non-controlling interests	(1,934)	*(987)*	*(619)*	*(328)*	(686)	(245)	(71)	(243)	**(3,179)**
Cash Earnings	**4,478**	***2,300***	***1,441***	***737***	**1,635**	**634**	**143**	**207**	**7,097**

1 Refer to division definitions, slide 144. 2 WP is Westpac Pacific. 3 Other is Group Businesses.

FY13 divisional performance highlights balanced growth

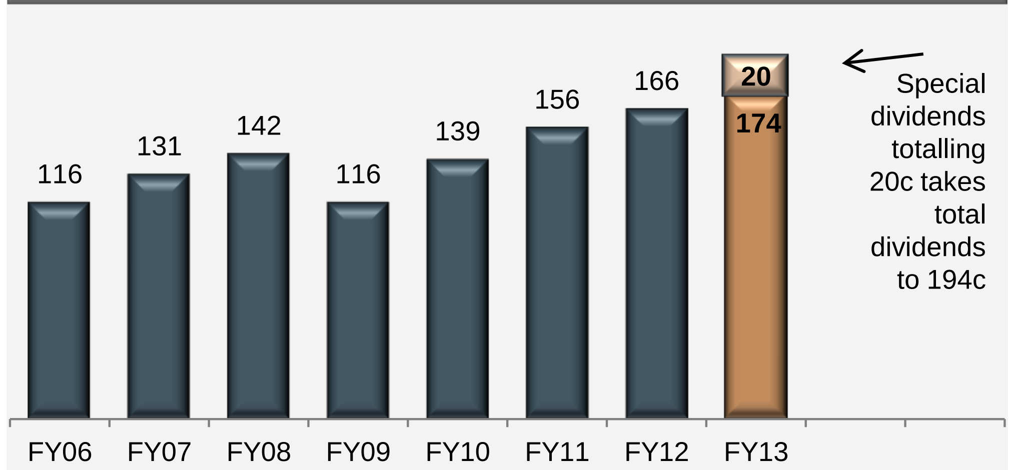
% of Group Cash Earnings[1]	FY13 Cash Earnings $m	FY13 Cash Earnings % chg on FY12	Core earnings % change on FY12	Earnings summary	Performance highlights
WRBB 	2,300	9	11	• Deposits up 8%, customer deposit to loan ratio up 321bps • Lending up 2%, home loan growth of 3% and business lending up 1% • Margins up 10bps • Expenses up 2%, expense to income down 193bps • Impairment charges up 13%	• Deposits grew above system[3] led by transaction and savings account growth • Sector leading wealth penetration[4] at 21.2% (up 38bps) • Revenue per FTE up 13% • Active mobile customers up 29% • Most satisfied customers award for major banks[5] and Roy Morgan's Major Business Bank of Year
SGB 	1,441	17	7	• Deposits up 10%, customer deposit to loan ratio up 321bps • Solid growth in mortgages up 6% and consumer finance up 9%, offset by business loans down 5% • Margins up 10bps • Expenses up 6%, expense to income down 43bps • Impairment charges down 32%	• Deposits[3] and housing[6] grew above system • Wealth penetration ranked 3rd versus majors[4], at 14.9% • Bank of Melbourne meeting high growth plans and voted 'Regional Bank of the Year'[7] • Revenue per FTE up 7% • St.George awarded Best Internet Business bank[8]
BTFG 	737	13	13	• Funds management Cash Earnings up 13%, with good flows, Advice growth and improved markets • Insurance Cash Earnings 16% higher, with strong growth in premiums across General and Life • Expenses up 7%, with strategic investments made in platform technology	• Ranked #1 on all platforms (including corporate super) with 19.5%[9] market share • BT Super for Life (retail) FUM up 60% • Asgard Infinity reached $4.9bn in FUA (up 113%) • WRBB revenue per salaried planner ($524K) leads market, post freeing up planners from back office activities
WIB 	1,635	11	1	• WIB revenue up 4% with customer revenue up 3% • Deposits up 13%, lending up 5% • Margins down 23bps • Expenses up 8%, continuing to invest in Asia • Impairment benefit of $89m	• Leading domestic transactional bank in Australia for 10 consecutive years[10] • No. 1 Lead Relationship bank in Australia[10] • Leading market positions in Debt Markets[11] and FX Markets[12]
NZ[2] 	770	9	1	• Deposits up 11%, customer deposit to loan ratio up 494bps • Lending up 4%, good growth in mortgages LVR <80% • Margins down 10bps (or 34bps after inclusion of NZ treasury assets in 1H13) • Expenses flat; expense to income down 15bps • Impairment charges down 39%	• Customers with wealth products up 146bps to 26.7% • MyBank customers up 57bps to 26.8% • Unique mobile banking customers up 24% • Awarded 'strongest balance sheet in New Zealand' by the Asian Banker

1 Group Businesses and Westpac Pacific not represented. 2 Data In NZ dollars while % of earnings based on A$. 3 APRA Banking statistics, Sept. 2013. 4 Refer to slide 144 for wealth penetration metrics provider details. 5 2013 CANSTAR award. 6 RBA Financial Aggregates, Sept. 2013. 7 Smart Investor Blue Ribbon Awards 2013. 8 Asia-Pacific Banking and Finance Best Internet Business Bank. 9 Plan for Life, June 2013, All Master Funds Admin. 10 Refer to slide 115 for Peter Lee surveys. 11 No. 1 Australian Domestic 'Bank of Choice' for Fixed Income, refer to slide 115 for Peter Lee survey. 12 No. 1 Australian bank for FX, Globally, Euromoney FX Poll 2013. Rank vs. marketplace from 16,298 industry votes.

Strong dividend growth path with another special dividend

- FY13 record ordinary dividend of 174 cents, up 5% on FY12
  - Interim dividend of 86 cents and final dividend of 88 cents
- Payout ratio at 76% for FY13 (77% for 2H13)
  - Arranging for purchase of shares to satisfy the DRP
- FY13 dividend yield[1] 5.3%
  - Equivalent to a fully franked dividend yield[1] of 7.6%
- Strong capital position has supported special dividends of 20 cents, fully franked
  - Adds 0.6% to dividend yield[2] for FY13
- Significant franking balance of $585m after allowing for final ordinary and special dividend
- Dividend CAGR significantly higher than average of Australian peer banks on 2, 5, and 10 year view

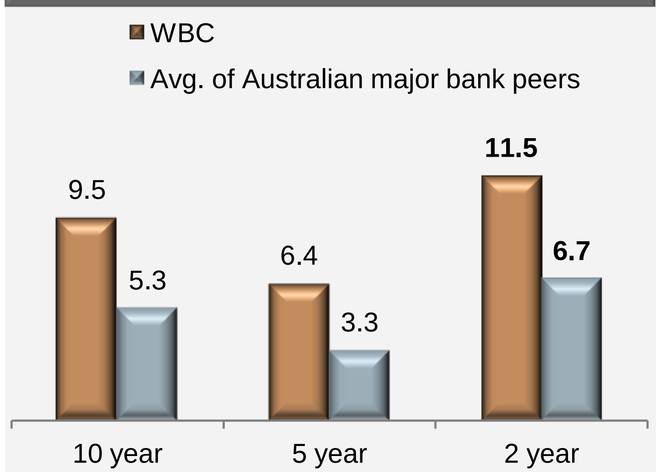
Dividends per share (cents)



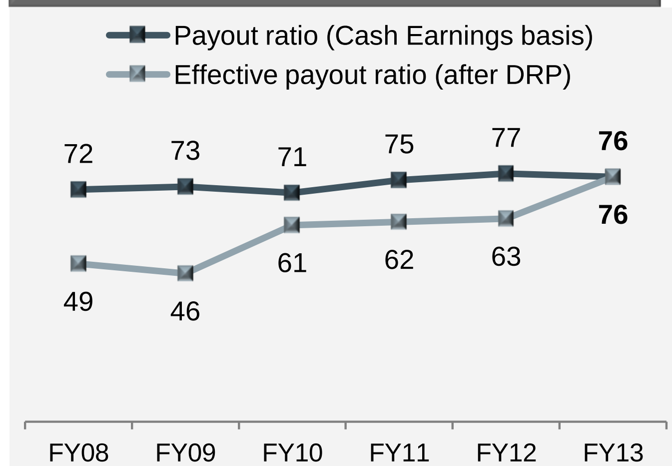
Key dividend considerations

- Seek to lift dividend cents per share each half while growing organic capital and maintaining a strong capital position to support business growth
- Pay fully franked dividends, utilising franking surplus to distribute value to shareholders
- Maintain payout ratio that is sustainable in the long term

Total dividend CAGR to FY13[3] (%)



Ordinary dividend payout ratio[4] (%)



1 Total FY13 ordinary dividends using 30 September 2013 Westpac closing share price of $32.73. 2 Total FY13 special dividends using 30 September 2013 Westpac closing share price of $32.73. 3 Data using past full year dividends for major banks up to FY13 results and includes special dividends. 4 Effective payout ratio adjusted for shares issued to satisfy DRP.

FULL YEAR 2013
FEATURES

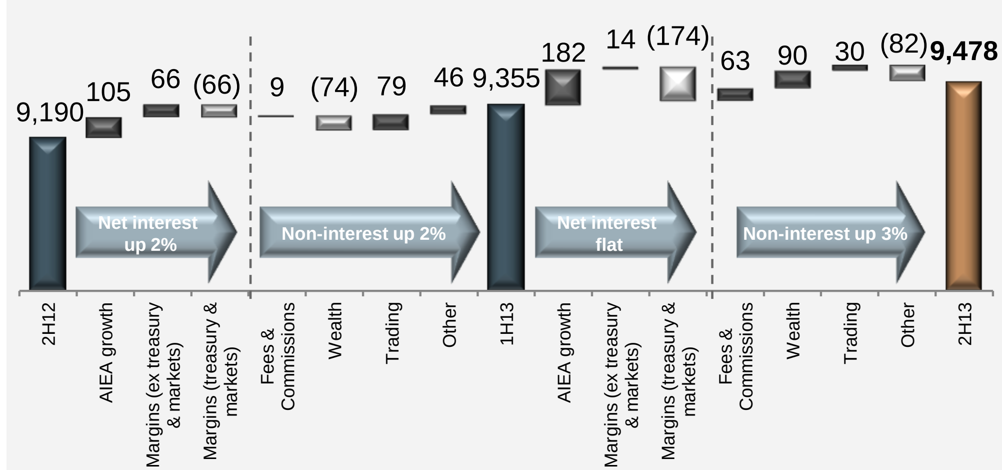
COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH | RETURN | GROWTH | PRODUCTIVITY

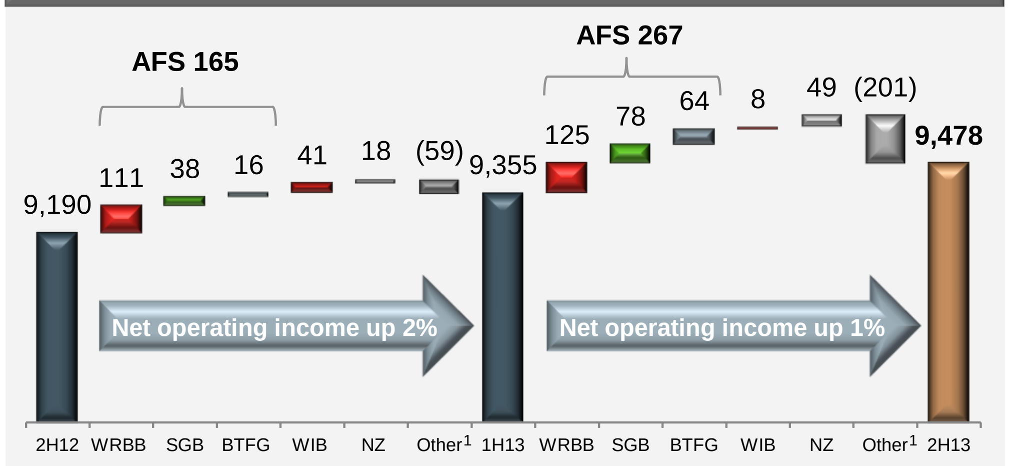
Sound net operating income

- Net operating income up 1% (up 4% FY12/FY13)
- Net interest income flat (up 3% FY12/FY13)
  - Average interest-earning asset (AIEA) growth of 3%
  - Strong customer deposit growth of 6%
  - Margins down 7bps (down 2bps FY12/FY13)
- Non-interest income up 3% (up 7% FY12/FY13)
  - Fees and commissions up 5% to $1,393m, higher business facility fees
  - Wealth and insurance up 10% to $1,024m, with strong improvement in investment markets and higher insurance income
  - Trading income, up 6% to $550m primarily due to credit valuation adjustment (CVA) benefit
  - Other income down 65%, reflecting lower technology research and development tax credits ($32m) and cost of hedging of NZ earnings

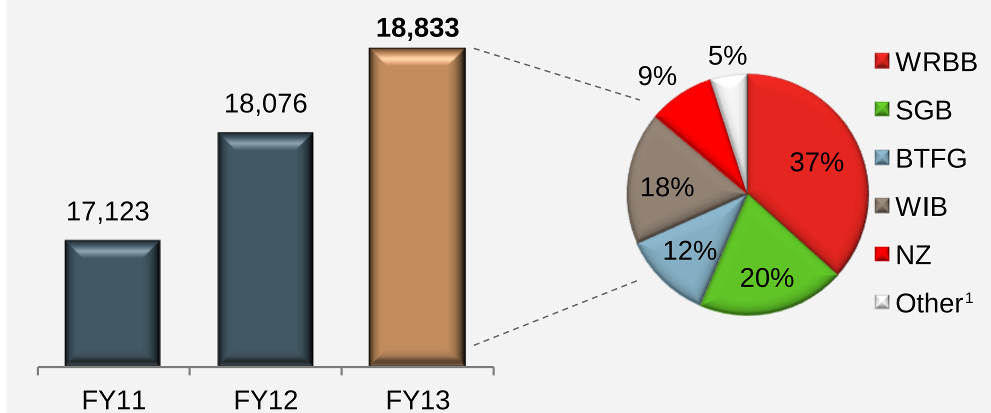
Net operating income movement half on half ($m)



Divisional contribution to net operating income ($m)



Total net operating income ($m) and divisional % contribution

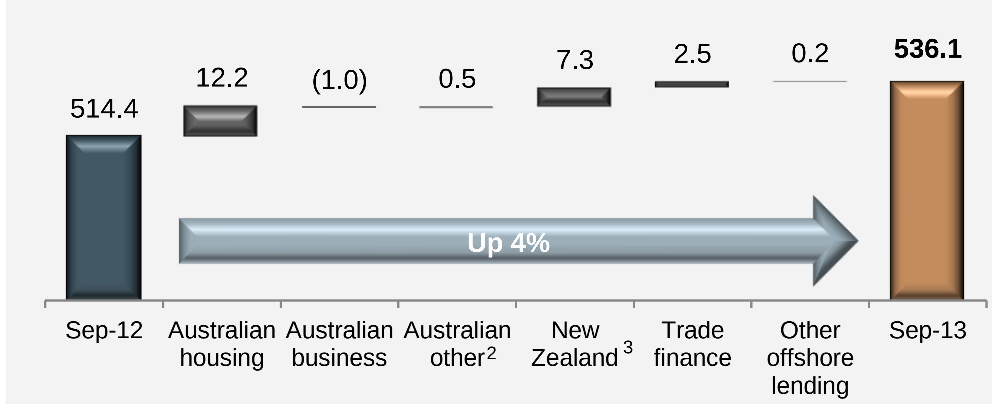


1 Other includes Westpac Pacific and Group Businesses.

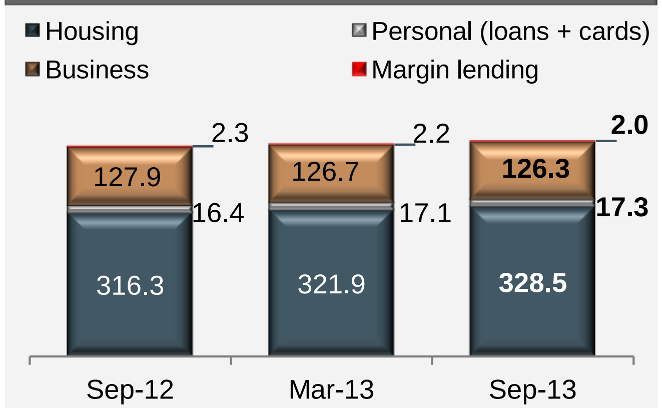
Loan growth predominantly in Australian housing

- Westpac Group loans up 3% (up 4% FY12/FY13)
- Australian housing loans up 2%
  - Growth in new lending partly offset by higher run-off as lower rates enable customers to repay faster
- Australian business lending lower
  - Reflects continued subdued business credit environment
  - Continued rundown in stressed assets
- Australian personal lending up 1%, with growth in personal loans
- New Zealand lending up 3% (in NZ$ terms) with strong growth in less than 80% LVR mortgages[1]

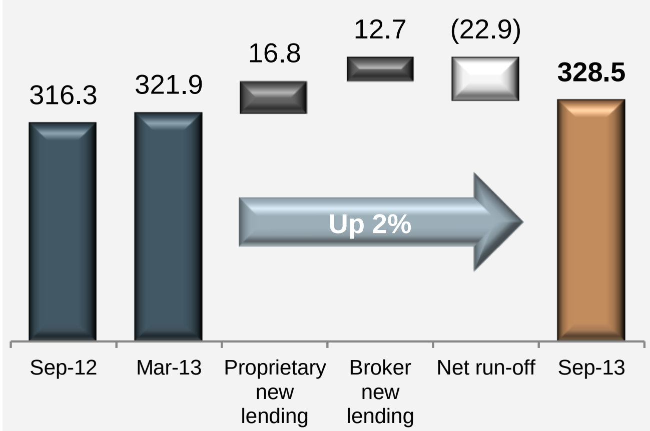
Net loans Sep12 – Sep13 ($bn)



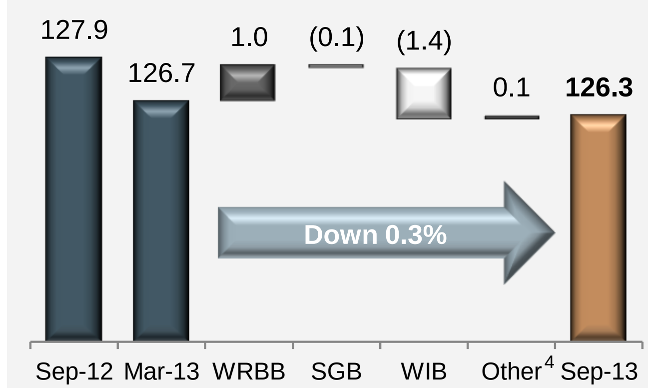
Australian gross loans ($bn)



Australian housing flow (gross loans) ($bn)



Australian business lending flow (gross loans) ($bn)



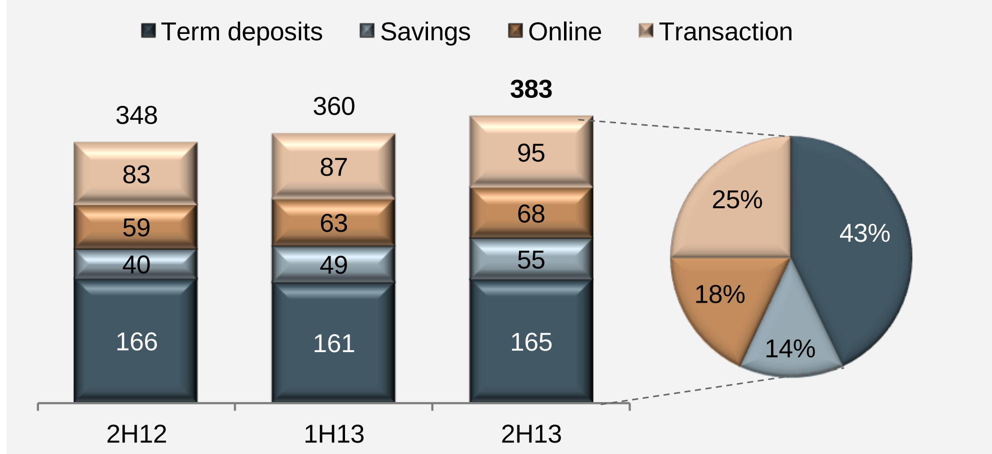
1 RBNZ, September 2013. 2 Australian margin lending, personal loans, cards and other loans. 3 New Zealand lending in Australian dollars and includes FX movement. 4 Includes BTFG and Treasury.

Westpac GROUP

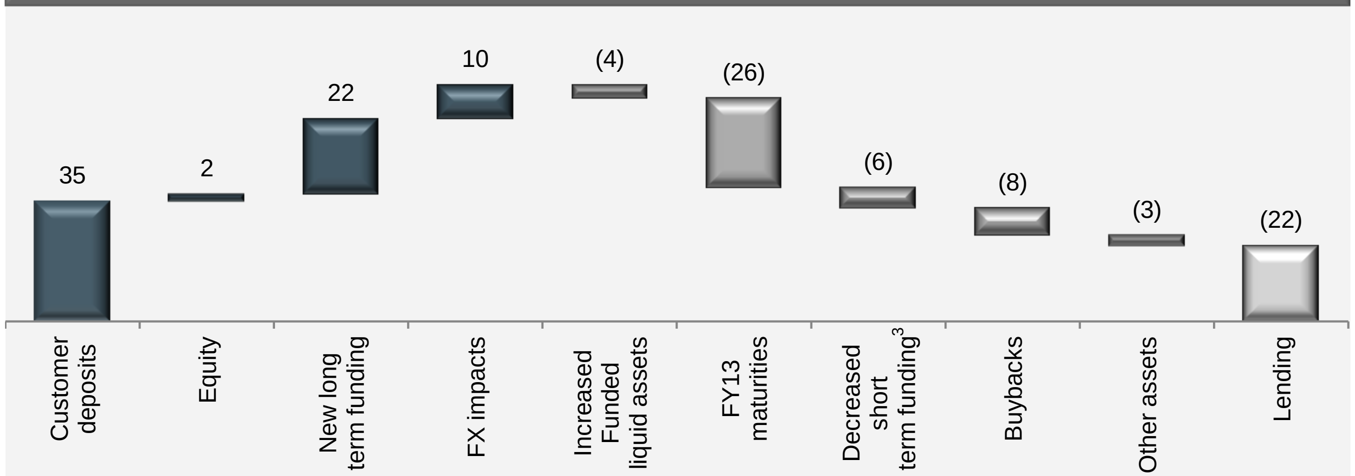
Customer deposits funding loan growth and strengthening balance sheet

- Customer deposits up $23bn or 6% (up 10% FY12/FY13)
- Customer deposit growth $8bn in excess of loan growth (deposits up $13.2bn FY12/FY13)
- Growth was higher in savings, as customers sought increased flexibility rather than locking in rates
  - Savings account balances up $6.2bn (13%), with strong growth in reward saver accounts
  - Transaction accounts were up $8.5bn (10%), with an increase in mortgage offset accounts of $2.1bn[1]
  - Online deposits up $4.5bn (7%), with RAMS new online product adding $0.7bn
  - Term deposits up $3.9bn (2%)

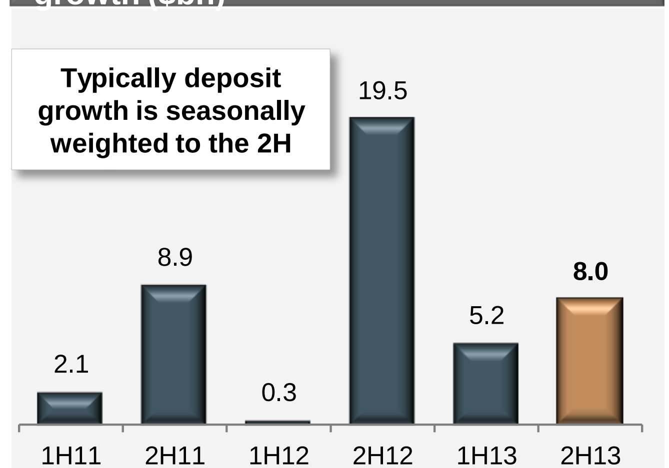
Customer deposit composition[4] ($bn and %)



FY13 sources and uses of funds[2] ($bn)



Deposit growth in excess of loan growth ($bn)



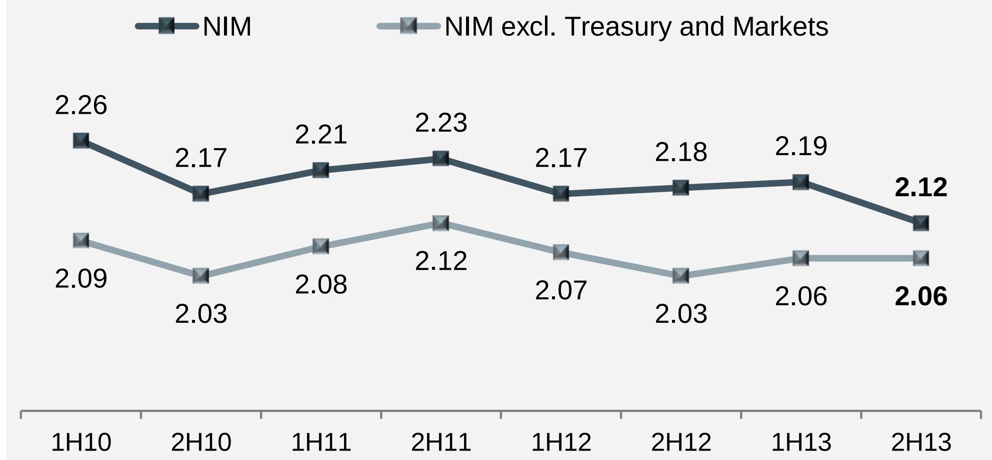
1 Excludes RAMS. 2 Movements based on funding view of balance sheet. 3 Includes change in long term funding with a residual maturity less than 1 year. 4 Mortgage offset accounts are included in transaction accounts.

Westpac GROUP

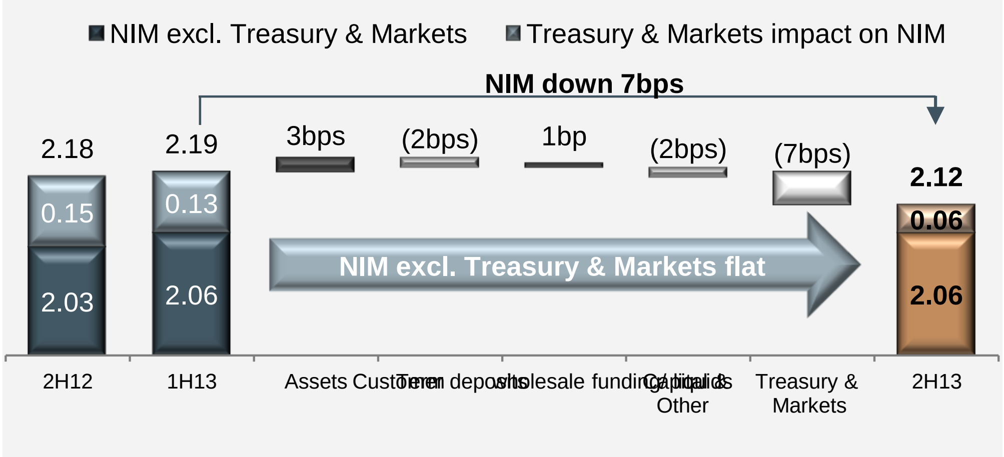
Margin excluding Treasury and Markets flat in 2H13

- Net interest margin (NIM) down 7bps to 2.12% (down 2bps FY12/FY13)
- 7bps decline from lower Treasury and Markets income
- NIM excluding Treasury and Markets flat at 2.06%
  - 3bps increase in asset spreads due to loan repricing and lower short term financing costs
  - 2bps decrease from customer deposits, reflecting lower hedging benefit on low interest deposits as well as competitive environment for saving and online products, partially offset by improved Term deposit margins
  - 1bp benefit from term wholesale funding and liquids. Wholesale funding costs lower as pricing for new term issuance fell relative to maturing deals. A $6bn increase in average funded liquid balances had a negative impact on margin
  - 2bps decline in capital and other due to lower interest rates
- Margins firmer in Australian retail banking (up 4-5bps). NZ margins down 1bp. WIB margins down 9bps with deposit spreads still under pressure

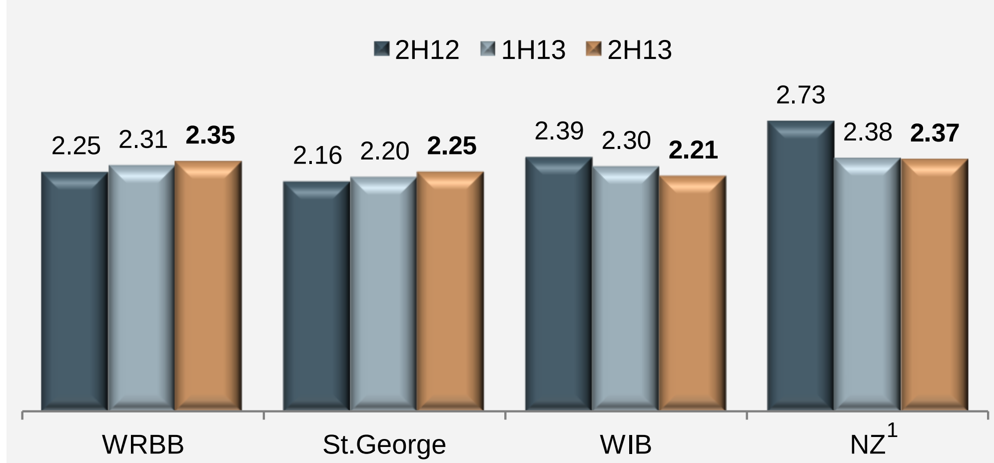
Net interest margin (%)



Net interest margin movement (%)



Net interest margin by division (%)

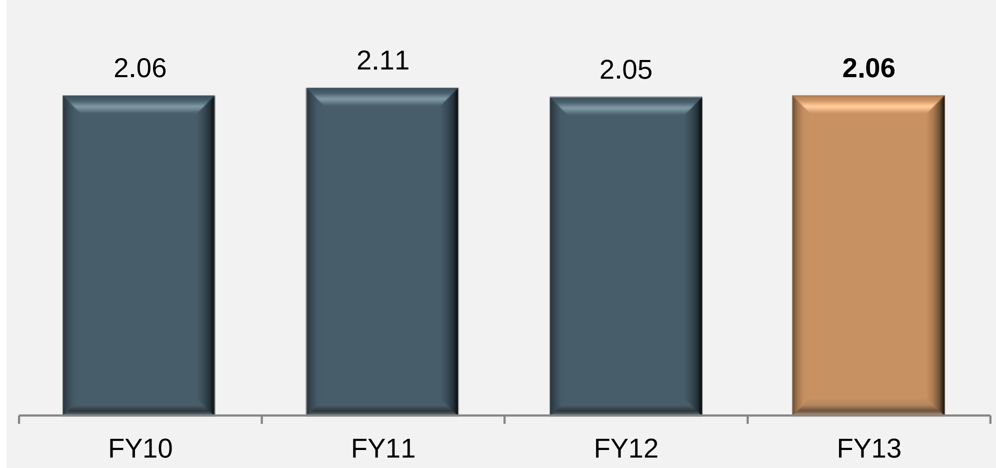


1 New Zealand margins includes transfer of NZ treasury operations and assets from Treasury to Westpac NZ in 1H13, which adversely impacted margins in 1H13 by 26bps.

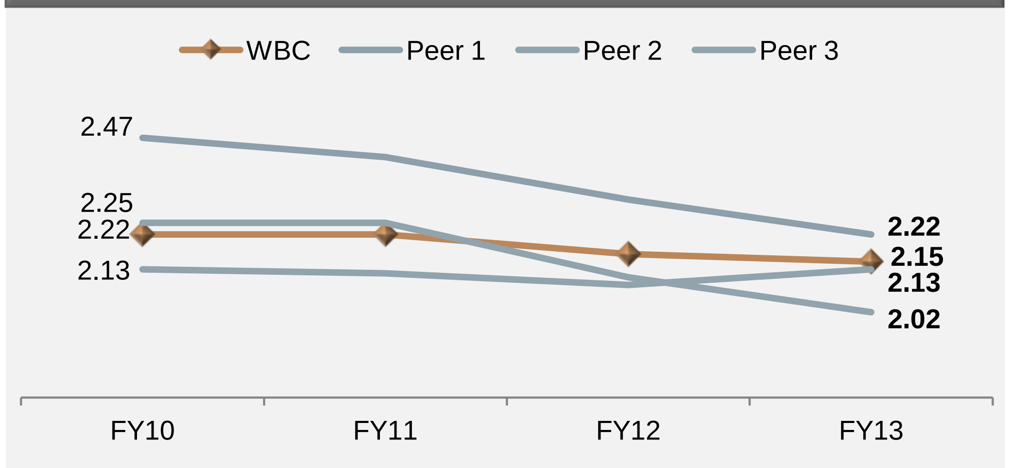
Margins managed in disciplined way

- Delivered a steady NIM (ex Markets and Treasury) over last 2 years
- Margins are managed at a Group level taking into consideration
  - Growth expectations for deposits and loans across our brands
  - Desired funding and asset risk profile
- Westpac Group’s NIM is similar to peers and has been largely stable, a good result given cost of strengthening the balance sheet while balancing return/risk trade-offs, including
  - Increasing deposit funding, lengthening term duration of book and adding to our liquids portfolio
  - Reducing higher margin/higher risk commercial property exposure and overall stressed assets to TCE
  - Holding majority of mortgage market share, post significant gains 09/10
  - More cautious on higher risk lending (ie: LVR > 80% in Australia and New Zealand)

Westpac Group NIM (excl. Treasury and Markets)



Westpac Group and peer NIM (%)



Margin management in declining interest rate environment, while strengthening balance sheet and largely holding market share

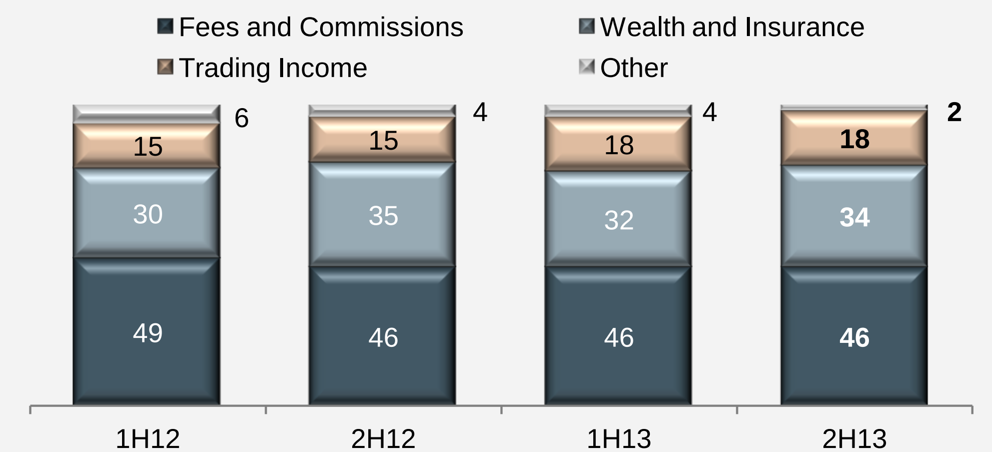
	FY10	FY13	Change over last 3 years
RBA cash rates (%)	4.50	**2.50**	(200bps)
Customer deposit to loan ratio (%)	58.7	**71.4**	1,270bps
Stable funding ratio (%)	79.7	**83.9**	415bps
Funded liquids ($bn)	47.6	**71.5**	$23.9bn
Stressed assets to TCE (%)	3.20	**1.60**	(160bps)
Mortgage lending market share[2] (%)	23.7	**23.3**	(40bps)

1 APRA Banking statistics, September 2013 2 RBA Financial Aggregates, September 2013.

Non-interest income featured strong wealth/insurance result

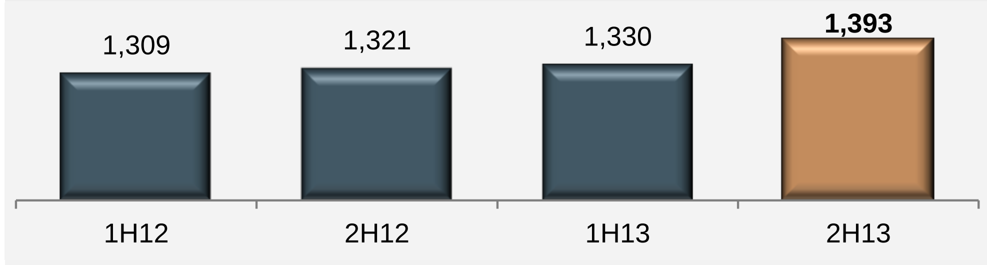
- Non-interest income up 3% (up 7% FY12/FY13)
  - Fees and commissions up 5% to $1,393m, with higher undrawn line fee income in institutional banking and higher fee income across business and commercial lending. Also higher interchange income from increased customer spending on new Westpac Black card
  - Wealth and insurance up 10% to $1,024m, with improvement in investment markets and higher insurance income from increased sales and seasonally lower insurance claims
  - Trading income up 6% to $550m, primarily due to 2H13 benefit of $67m for credit value adjustment versus $21m benefit in 1H13
  - Other income down 65% to $44m, reflecting lower technology research and development credits ($32m) and hedging of NZ earnings

Non-interest income contributors (% of total)

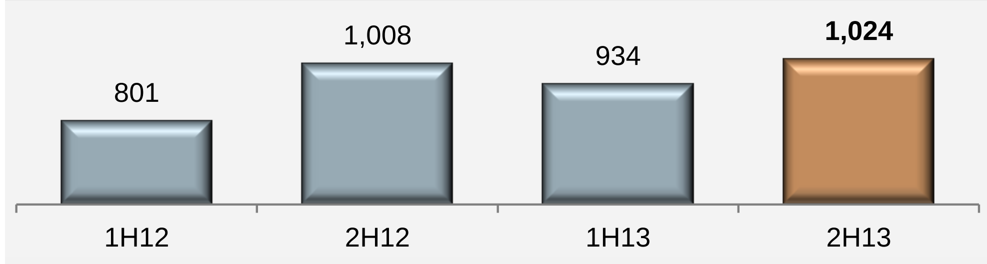


Non-interest income ($m)

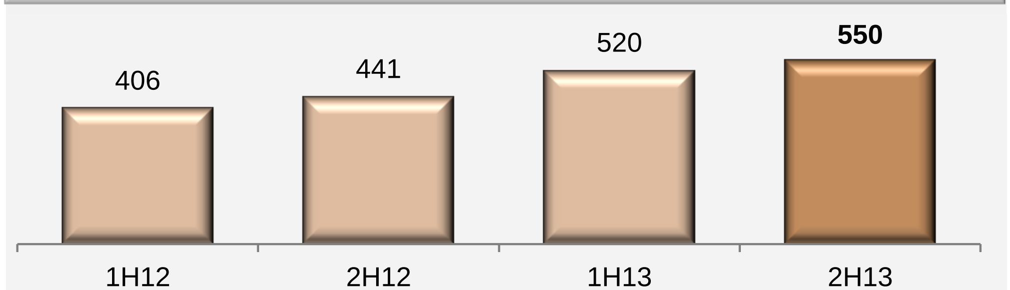
Fees and Commissions



Wealth and Insurance



Trading Income

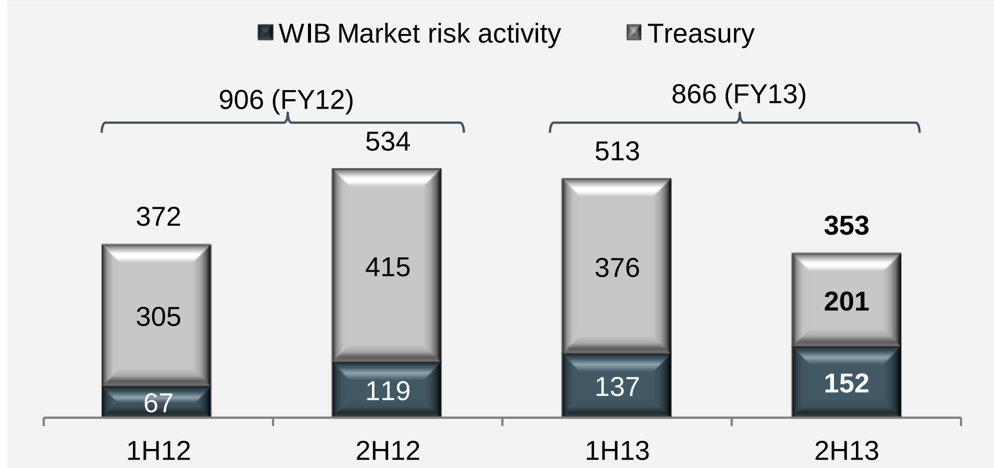


Westpac GROUP

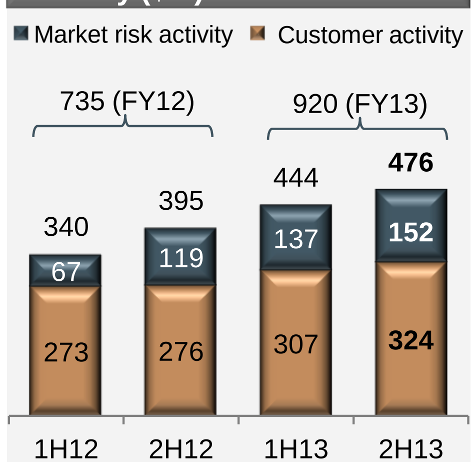
WIB Markets and Treasury income

- Overall contribution from WIB Market risk activities and Treasury lower in 2H13 but little changed over the year, with improving WIB Market risk income offset by lower Treasury income
- Strong WIB Markets income of $476m, up 7% (up 25% FY12/FY13), benefitting from high levels of customer activity
  - Income from customer activity $324m, up 6% (up 15% FY12/FY13). This was supported by strong performance in FX sales, up 23% in 2H13, as customers sought to actively manage exposures
  - Market risk income $152m, up 11% (up 55% on FY12/FY13). WIB's Debt Markets and FX businesses well positioned for rates and currency market volatility and a favourable movement on counterparty credit risk valuations
  - WIB 2H13 average daily VaR $8.6m ($5.4m for 1H13)
- Treasury income $201m, lower compared to the very strong 1H13 and 2H12 performances (down 20% FY12/FY13)
  - Treasury income lower due mainly to lower earnings on the liquid assets portfolio given more stable credit spreads in 2H13 and lower earnings from balance sheet risk management
  - Treasury 2H13 average daily VaR $17.9m ($25.5m for 1H13)

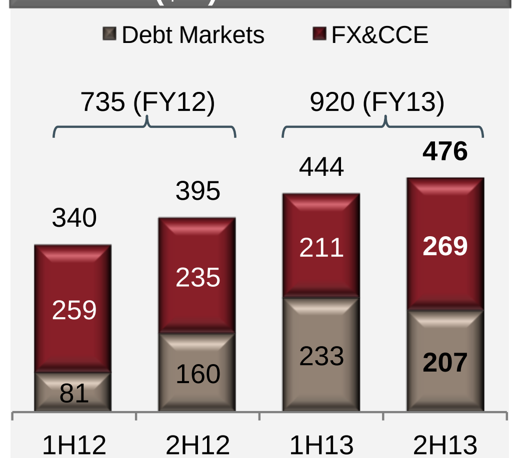
Market risk related income ($m)



WIB Markets income by activity ($m)



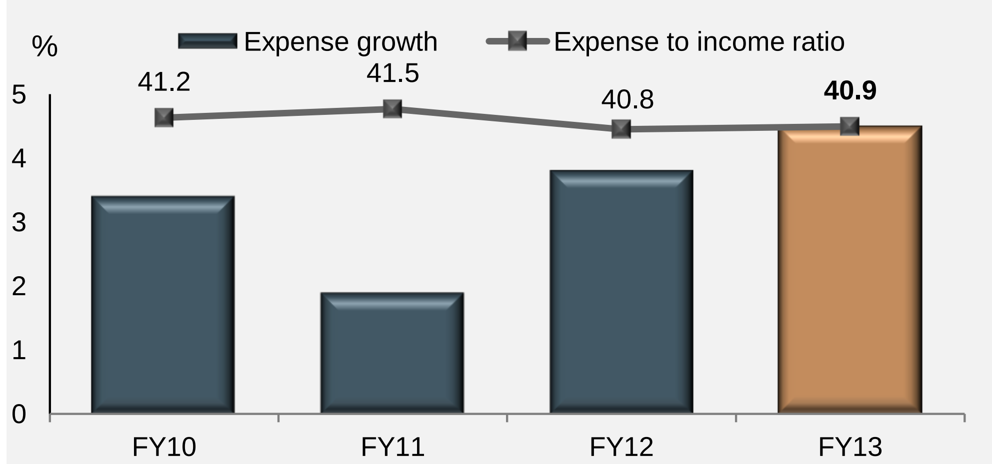
WIB Markets income by division ($m)



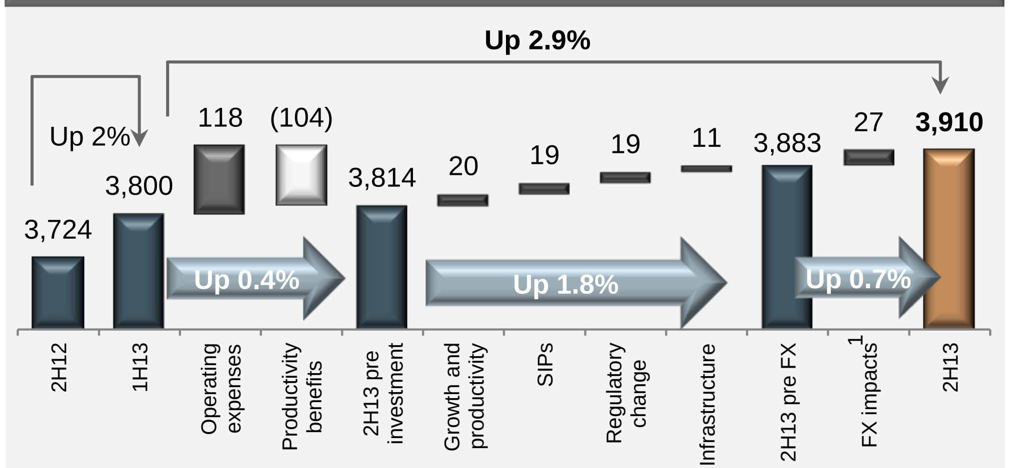
Expenses well managed while continuing to invest

- Expenses up 3% with FX impacts[1] adding 0.7% (up 4% FY12/FY13)
  - Expense to income ratio up 63bps to 41.3% (up 12bps on FY12/FY13 to 40.9%)
- Well controlled expenses pre investment (up 0.4%), with $118m increase in operating expenses largely offset by $104m of productivity initiatives delivered ($225m in FY13). These included
  - Operating model changes across the Group ($64m) most of which was AFS/Group Services $57m
  - Supplier program $26m
  - NZ 'simplification for growth' $14m
- Investment related spending up 1.8%
  - Rise in amortisation/depreciation of $37m

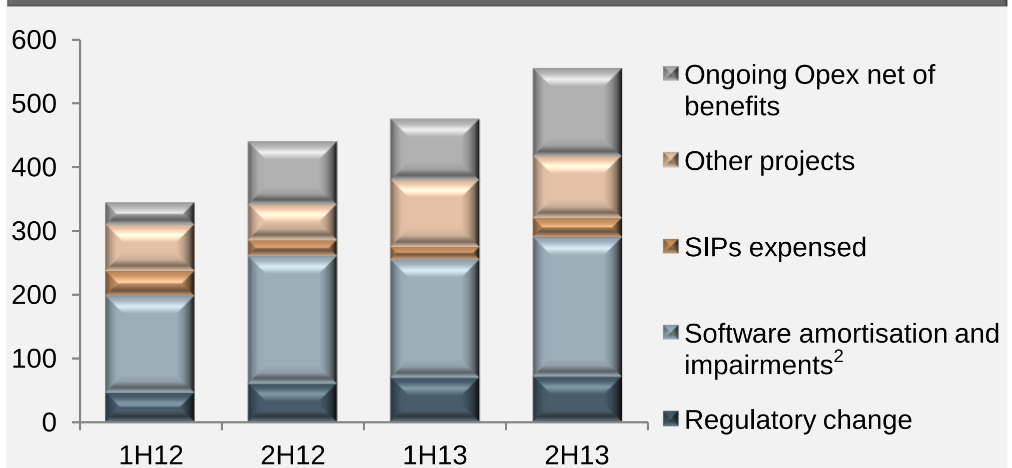
Expense growth and expense to income ratio (%)



Expense movement ($m)



Total impact on expenses from projects ($m)



1 FX impacts for both WIB and New Zealand. 2 Software amortisation and impairments excludes depreciation related to investments.

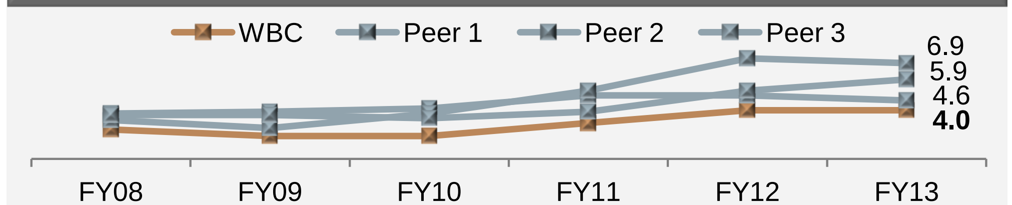
Disciplined investment spend

- Investment spend of $658m up 35% ($1,145m up 22% FY12/FY13)
- FY13 investment spend composition was growth and productivity (45%), regulatory change (26%), SIPs (18%) and infrastructure (11%). Key achievements
  - SIPs spend $112m ($203m in FY13) now a mature program in its delivery phase
  - Bank of Melbourne now has 77 branches and in-stores, up 6 (up 15 FY12/FY13)
  - Asian expansion continues. Completed technology foundations for scalable growth, including global trade platform and core banking systems in Singapore, Hong Kong and India
  - Other investment includes Wealth and the Group’s simplification program
- Capitalised software balances were $1,897m, up $246m
  - Capitalised software balance similar to peers
  - Average amortisation period more aggressive than peers reflecting conservative management practices
  - Approach has no impact on capital, as capitalised software is fully deducted

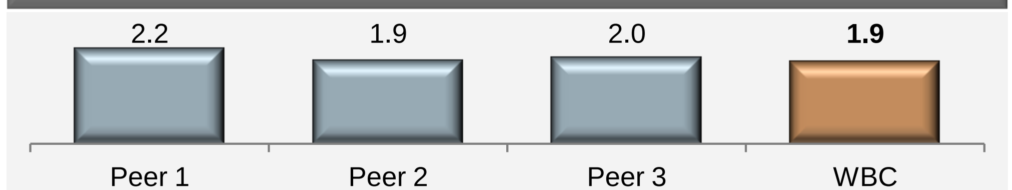
Capitalised software & deferred expenses ($m)	2H12	1H13	2H13
Capitalised software			
Opening balance	1,435	1,551	**1,651**
Additions	316	286	**452**
Amortisation	(177)	(182)	**(206)**
Write-offs, impairments and other[2]	(23)	(4)	**-**
Closing balance	1,551	1,651	**1,897**
Other deferred expenses			
Deferred acquisition costs	143	139	**126**
Other deferred expenses	17	20	**24**

Investment spend expensed ($m)	2H12	1H13	2H13
SIPs	25	20	**22**
Regulatory change and compliance	60	69	**71**
Other	56	105	**90**
Total	**141**	**194**	**183**
Investment spend capitalised ($m)	**2H12**	**1H13**	**2H13**
SIPs	91	71	**90**
Regulatory change and compliance	58	59	**101**
Other	196	163	**284**
Total[1]	**345**	**293**	**475**

Average amortisation period[3] (years)



Capitalised software balance[3] ($bn)

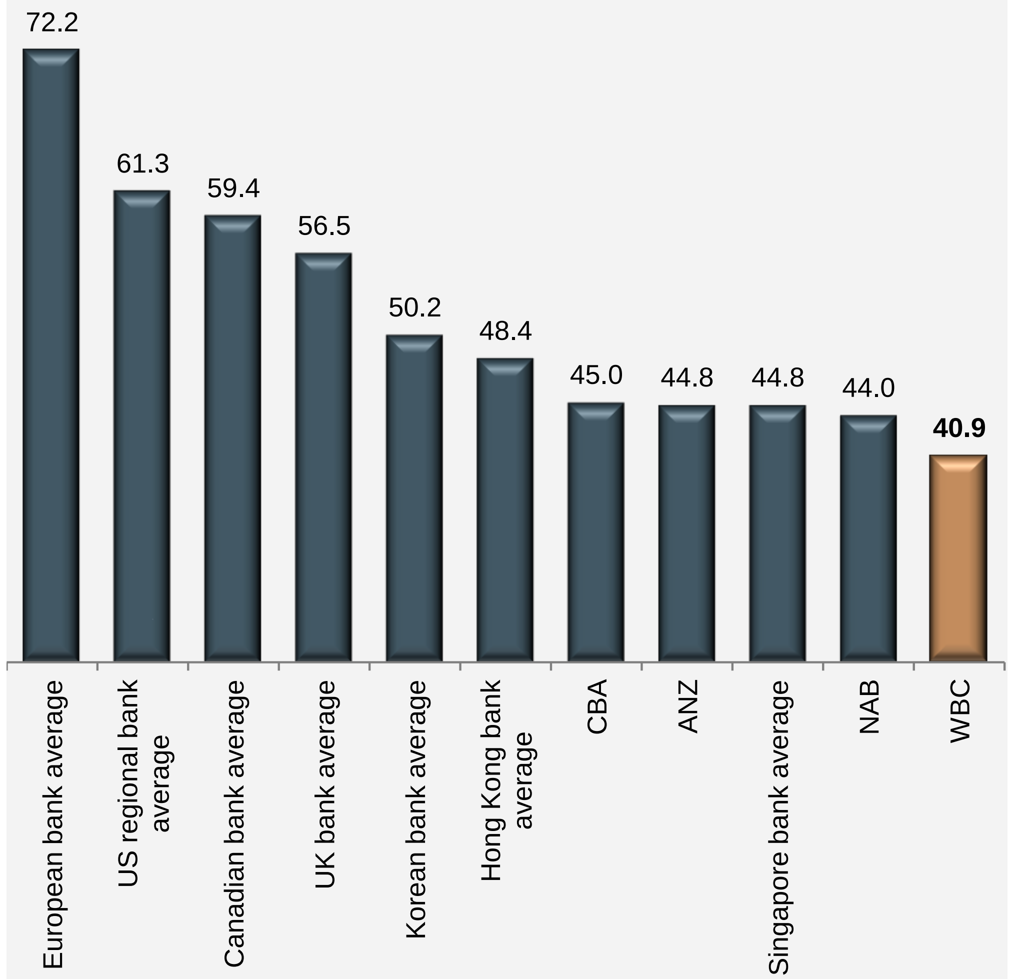


1 Investment spend capitalised also includes technology hardware equipment. 2 Includes FX revaluation of $14m offset by write-offs of $12m and $2m of other movements in 2H13. 3 Data for Westpac and peers as at FY13.

Delivered on major programs, focused on delivering returns

Program	Progress	Delivered
SIPs largely completed	• Upgraded front end systems – call centre, teller platform, and new online/mobile platform • New data centre & advanced security infrastructure • Seamless and integrated global payments platform • New Group customer database • Enterprise Service Bus – integrated applications	Delivered $189m efficiency gains and $289m revenue gains to date Materially improved systems stability: Severity 1 incidents down from 30 to less than 4 per month Process over $17tn wholesale/international payments every year Improved customer experience: data delivery up to 12x faster Improved efficiency making core platform upgrade less costly
Supplier program delivering	• Specialist providers resulting in improved capability, economies of scale and greater flexibility	Delivered $72m in savings to date Cost of delivering change reduced by one third, providing ongoing benefits
AFS/Group services	• Combining banking/wealth sharpening 'one team' and removing duplication	Delivered $170m savings over life of program
Simplification program	• 6 streams of work commenced in 2013[1]	Early savings with more to come in 2014
1st phase of wealth platform	• Commenced investment in new wealth platform to transform how customers build, manage and protect their wealth	BT cash hub being rolled out to advisors and clients in late 2013

Global peer comparison of expense to income ratios[2] (%)



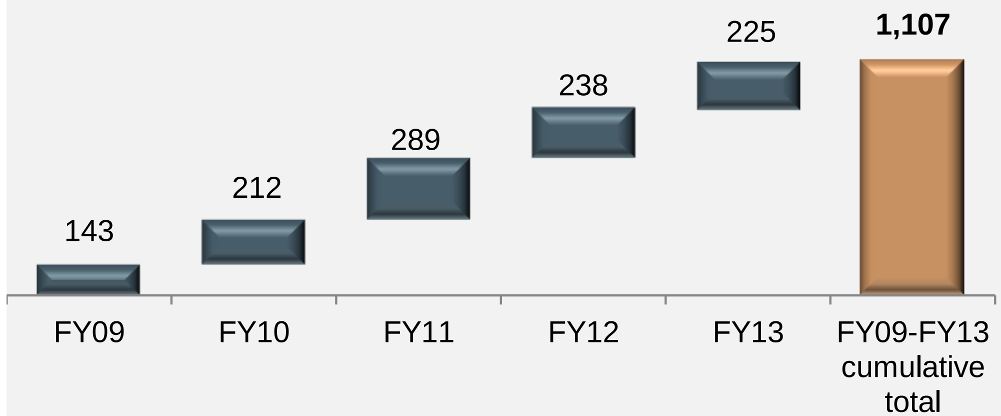
1 Refer to slide 53 for details of our simplification streams. 2 Source: Company data, Credit Suisse estimates. Expense to income ratio average for all banks other than Australian banks are based on their FY12 data. Expense to income ratios for CBA, ANZ, NAB and WBC are based on FY13 results.

Westpac GROUP

Continued focus on productivity

- Westpac Group has implemented a variety of programs since FY09 to maintain an efficiency advantage relative to peers (delivered $1.1bn savings)
- This has included synergies from the St.George merger, a broad Group productivity program, AFS and Group Services divisional restructure, changes to supplier arrangements, SIPs investment, and the simplification program
- Simplification programs to maintain the Group's efficiency advantage are focused on six main streams, which will
  - Increase self-serve and straight through processing via digital channels
  - Simplify our product set
  - Improve and standardise processes
  - Continue to simplify our IT environment
- Benefits from data centre consolidation and combining brand platforms to flow through

$1.1bn saved from efficiency programs over last 5 years ($m)



Simplification streams

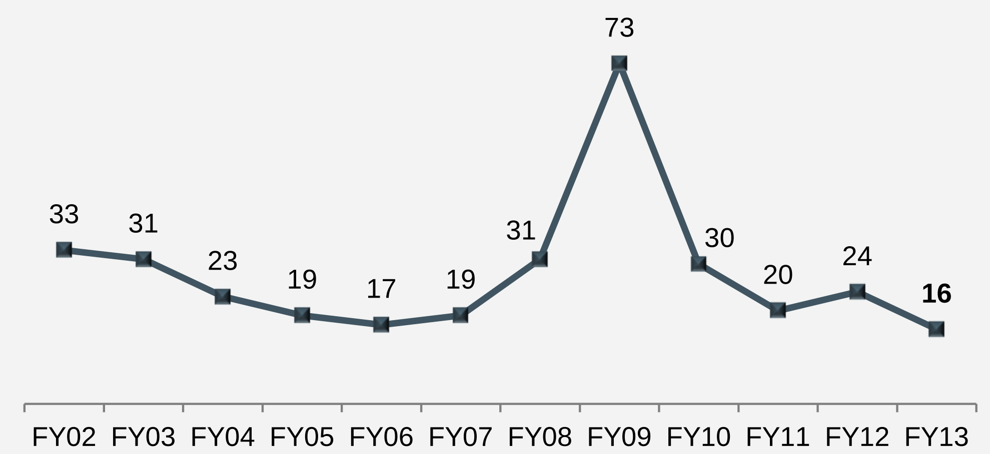
Simplify and digitally enable distribution	Simplify branch distribution
	Use digital to deepen relationships
	Simplify customer contact centres
Simplify products	
Simplify processes and standardise services	
Simplify IT	

Examples of progress over FY13

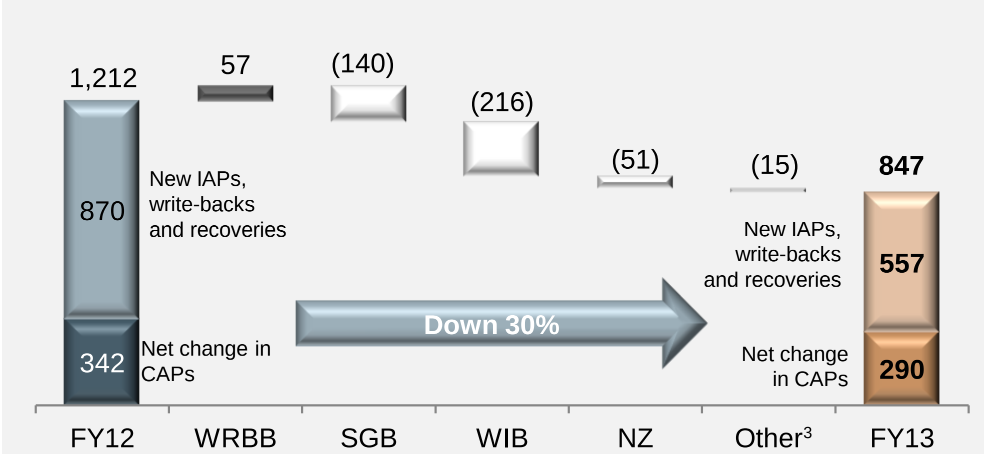
- 14% of 'for sale' products removed from AFS
- 7% improvement in 'First time right' across AFS mortgage first party channels
- 15% reduction in AFS customer complaints
- 60% of St.George home loans approved at first interview, up from 5%
- 56% increase in number of business applications that are 'right first time' (no rework)
- 60 seconds to open a BT Super For Life account
- 5ppts increase in ratio of interview to sales for planners
- 18% reduction in time to process life insurance applications
- 47% branch sales FTE / branch FTE, up 269bps
- 20 redundant IT applications removed
- 9.6% digital sales / transactions (up from 8.2% in 2H12)

Risk management a key strength
Impairment charges 16bps of average gross loans

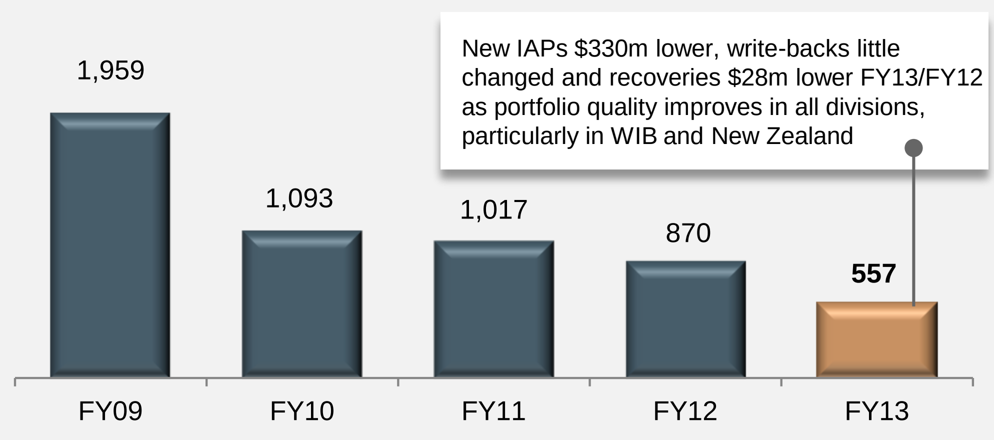
Impairment charges to average gross loans[1,2] (bps)



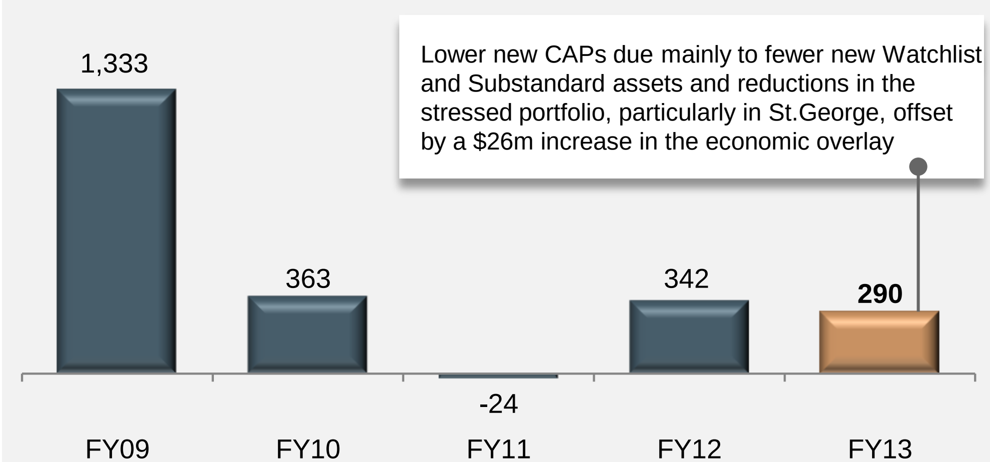
Impairment charge movements ($m)



New IAPs, write-backs and recoveries[2] ($m)



New CAPs[2] ($m)



1 2002-2005 reported under AGAAP; 2006 onwards reported on A-IFRS basis. Pre-2008 does not include St.George. 2 2008 and 2009 are pro forma including St.George for the entire period with 1H09 ASX Profit Announcement providing details of pro forma adjustments. 3 Other includes BT, Westpac Pacific and Group Businesses.

Westpac is a relatively high tax paying company, with minimal income in low tax jurisdictions

Tax and related payments reconciliation (Statutory basis)	FY12	FY13
Income tax reconciled to profit pre-tax based on 30% tax rate ($m)	2,659	**2,959**
Net amounts not deductible/assessable ($m)	167	**15**
Total income tax in the income statement ($m)	2,826	**2,974**
Effective tax rate (%)	31.9	**30.2**
Other tax/government payments Includes net GST, Payroll tax, FBT ($m)	409	**426**

- Westpac also makes a number of other government and regulatory payments including fees for Government guarantees, APRA fees and stamp duties which are not included in the above. Similarly, Westpac also collects tax on behalf of others, such as withholding tax and PAYG taxes, and these are excluded from this analysis

Location	Local tax rates (%)	Approx % of FY13 income
Australia	30	86
New Zealand	28	11
USA	46[1]	1
Rest of world[2]	Various	2

- Westpac has operations in a number of jurisdictions where the tax rate is below the tax rate in Australia. Many of these form part of the Group's normal banking operations in Asia and the Pacific. In aggregate, income through these centres is less than 0.5% of Westpac's overall income

1 Based on federal, state and city taxes. 2 Rest of world includes UK, Westpac Pacific and Asia.

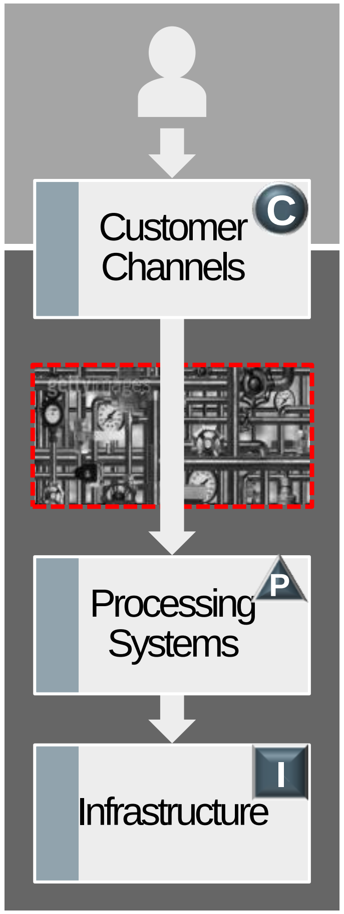
FULL YEAR 2013
TECHNOLOGY

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH RETURN GROWTH PRODUCTIVITY

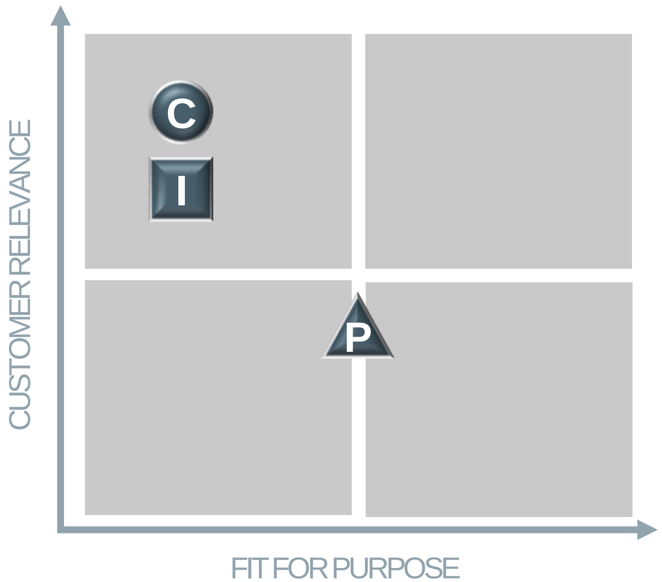
Westpac's approach to technology modernisation

2008[1]



Prioritisation framework[2]

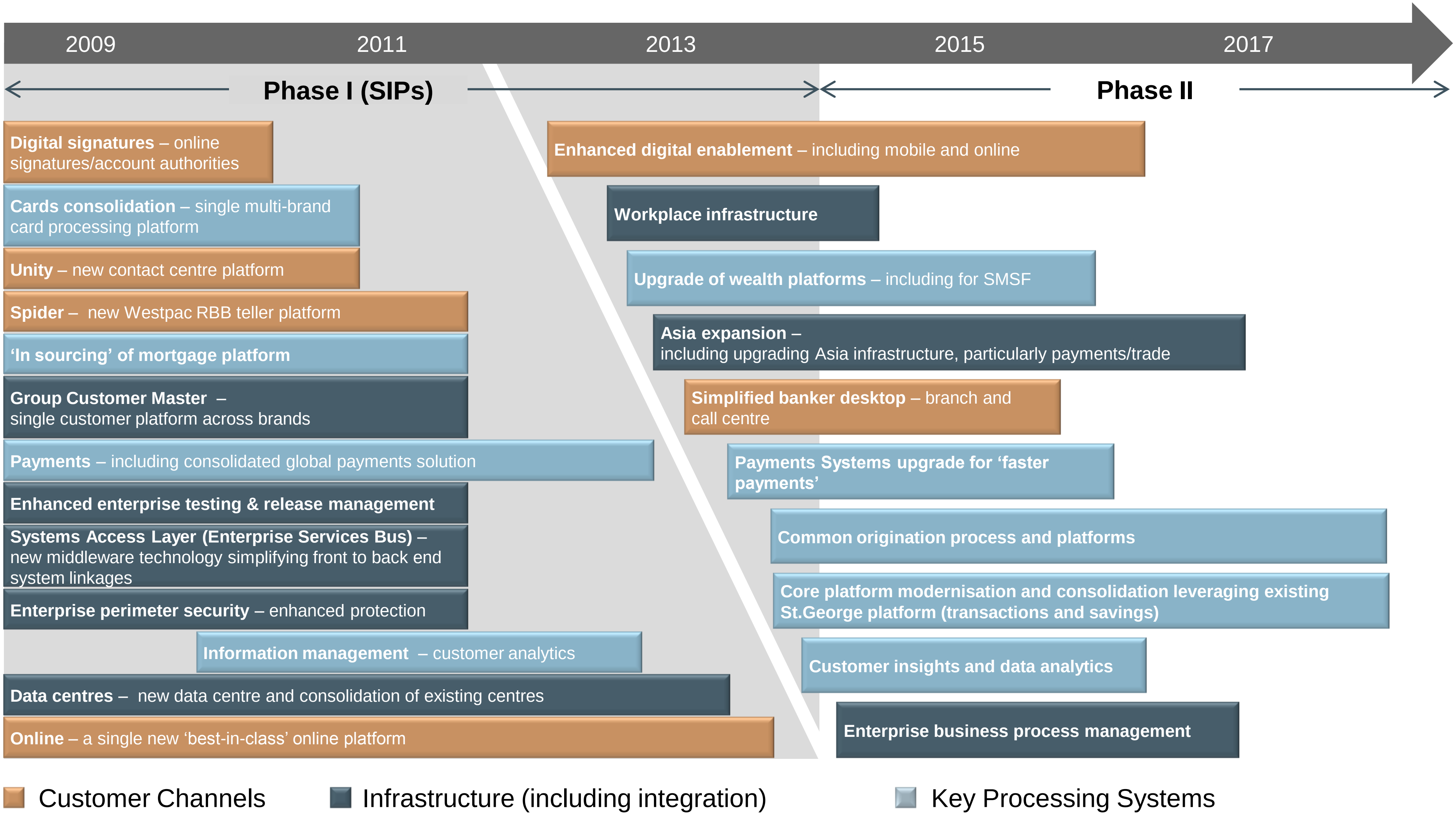
2008 baseline



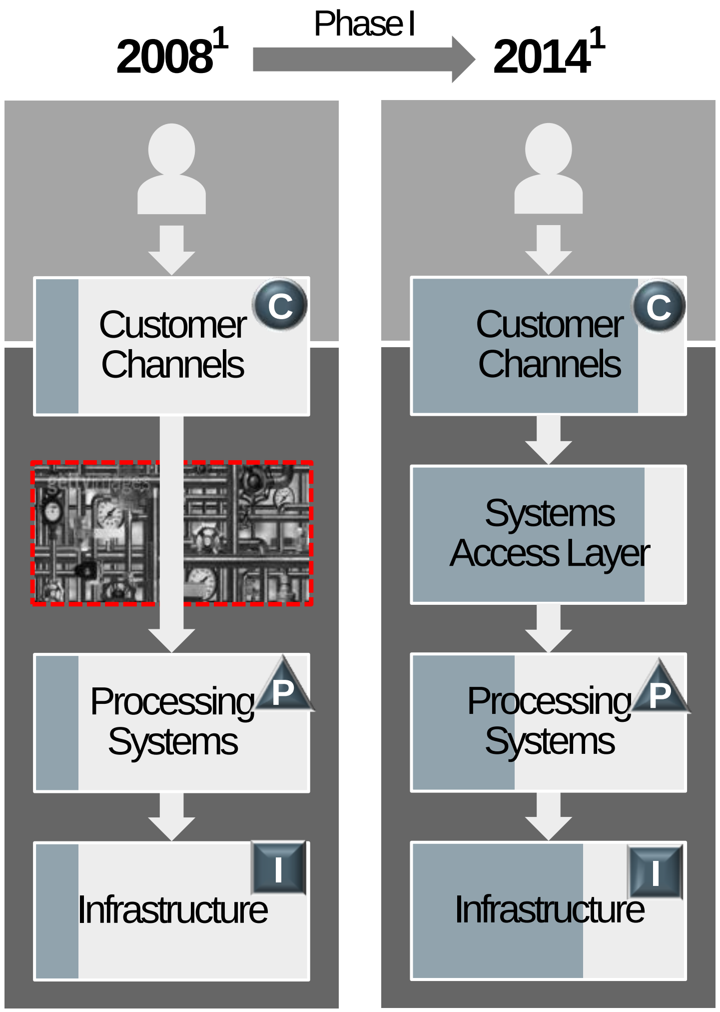
- In 2008/2009 Westpac developed a technology strategy aligned to the Group's customer centric strategy
- A technology Roadmap was also established with delivery scheduled over multiple years with a number of Phases
- The Roadmap reflected the Group's Prioritisation Framework, identifying the key projects or 'Anchors' that would be delivered in each Phase
- Prioritisation was based on importance to customers (customer relevance) and system resilience and reliability (fit for purpose)
- Phase I (2009-2014) is drawing to a close and Phase II (2014 – 2017+) is underway with work having begun on several Phase II Anchors. Planning on other Phase II Anchors is well progressed
- The investment required for Phase II is expected to be similar to that for Phase I

Notes: 1 Blue shading indicates starting point in 2008. 2 Anchors prioritised based on (a) Customer Relevance: perceived importance to customers, ease of use and availability; and (b) fitness for purpose: consideration given to robustness, resilience and reliability; stage of lifecycle (including user friendliness and customer appeal); and, ability to accommodate change.

Each Phase in the technology Roadmap is built around key Anchors



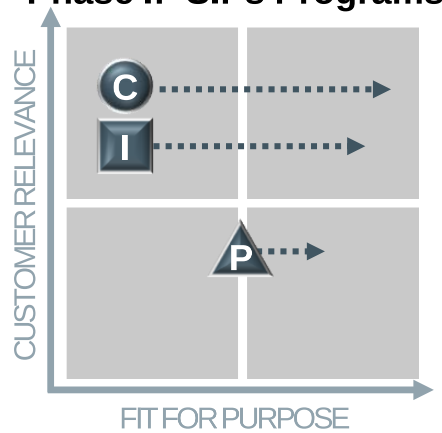
Phase I prioritised key Customer Channels and Infrastructure



Note: Blue shading indicates progress towards 2017+ target state

Prioritisation Framework

Phase I: SIPs Programs



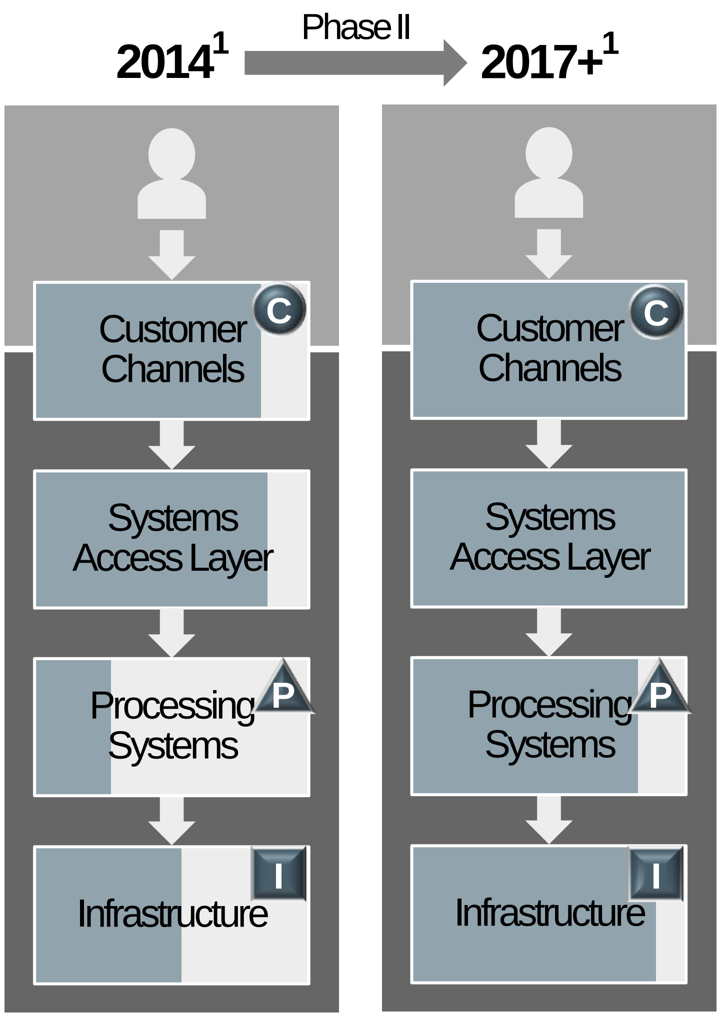
Applying the prioritisation framework led to focus on enhancing Customer Channels and Infrastructure where the greatest benefit to customers was evident

Given core processing systems were in sound shape, priority was given to systems with potential to enhance the customer experience ie. cards and payments

Key deliverables from Phase I

- Implemented new 'best in class' key Customer Channels including online, mobile, in-branch (Teller) and contact centre systems
- Created a System Access Layer to simplify front to back end system linkages, improving connectivity between customer channels and the more complex Processing Systems
- Stabilised and simplified Infrastructure. Severity one incidents have fallen, on average to less than 4 per month (from peaks of over 30 per month in 2008). Infrastructure deliverables included
  - Strong progress in infrastructure virtualisation including use of Cloud
  - New state-of-the-art data centre
  - Enhanced security infrastructure
- Commenced modernisation of Processing Systems – including global payments platform, cards, collections, Group customer master

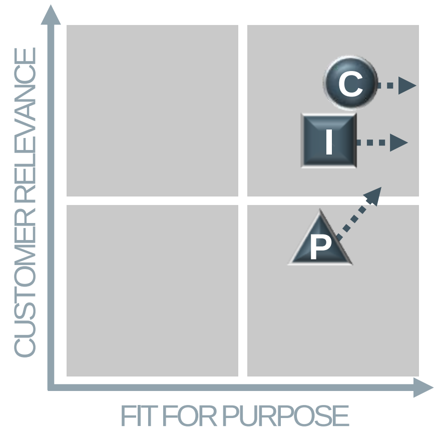
Phase II will focus on modernising key Processing Systems while continuing to enhance Customer Channels and Infrastructure



Note: Blue shading indicates progress towards 2017+ target state

Prioritisation Framework

Phase II



Phase II prioritisation focus on modernising key Processing Systems including upgrade of St.George Hogan to Celeriti, followed by Westpac migration to Celeriti

Further enhancement of Customer Channels and Infrastructure

Key deliverables from Phase II

- Enhanced digital enablement (including online and mobile)
- Upgrade to new wealth platform
- Upgrade of payments systems for 'faster payments'
- Common origination process in customer channels and platforms
- Core platform modernisation and consolidation leveraging existing St.George Hogan platform (transactions and savings)
- Technology supporting Asian expansion
- Enhancing customer insights and data analytics
- Deliver enhanced workplace infrastructure to accommodate new ways of working

Phase 1 – Customer Channels
Includes substantial uplift in online/mobile banking capability

The Group's new online/mobile platform is a step change that will transform the way customers conduct their banking and manage their finances

System will deliver four main benefits

Designed with customers at the centre	Moving from 'Check my balance' to 'Manage my finances'	Built from the ground up with mobile first	Supporting family banking relationships
• Consistent interface across all platforms • Customisable layouts • Intuitive design taking advantage of modern devices	• Improved tools for managing finances • Easy transaction searches • Email and SMS alerts	• New modern, more flexible architecture that is – Faster – Easier to update • Built with mobile in mind	• Easy access across personal/business banking • Single view of family finances

Phase 1 - Customer Channels
Leadership in mobile banking 'apps'

- Over 2 million active mobile customers
- $4bn in transactions every month
- St.George Bank mobile ranked #1 for customer satisfaction
- Over 40 apps available
- Online leadership via
  - Fastest online and mobile access of major banks
  - More comprehensive features
  - More reach across platforms and devices

Windows 8 mobile app
- Only Australian bank with Windows 8 application

Institutional customer portal
- Access to insights, research and economic forecasts

Westpac concierge app
- Supports Westpac Black card concierge service
- 3,402 downloads, 1,000+ requests

Branch kiosk app
- Supports self serve in branches
- calculators, brochures, product searches

Multi-brand SGB iPad Apps
- Covering St.George, Bank of Melbourne and BankSA

Westpac & St.George Foundation
- Charity donation system utilising NFC technology on android devices

COL Mobile
- Mobile access to Corporate Online

Westpac Banking for iPad app
- Only native iPad banking app in Aus
- Now includes account opening and estatements

WBC PayPig, BankSA LittleSavers & NZ Cash critter
- Encouraging young savers
- Linking chores to allowances

PayWay
- Mobile payments for SME customers providing same day settlement

Mobile broker applications
- Supporting mortgage broker partners
- Enhanced customer conversations

SGB android money meter widget
- First major bank widget for Android
- Check balances at a glance

Phase II – Processing Systems/Customer Channels
Increasing leadership in Wealth

BTFG is investing in a new, integrated wealth platform to transform how customers build, manage and protect their wealth

The platform will extend BT's #1 position in the platform market

Further integrate banking and wealth

- Integrated access across banking and wealth for both customers and advisors
- Single sign on, mobile access and transactional capabilities

Grow revenue

SMSF

Managed Accounts

- Will provide a market leading platform for Self Managed Super Funds and individually managed accounts
- More comprehensive offer to build deeper relationships

Drive productivity

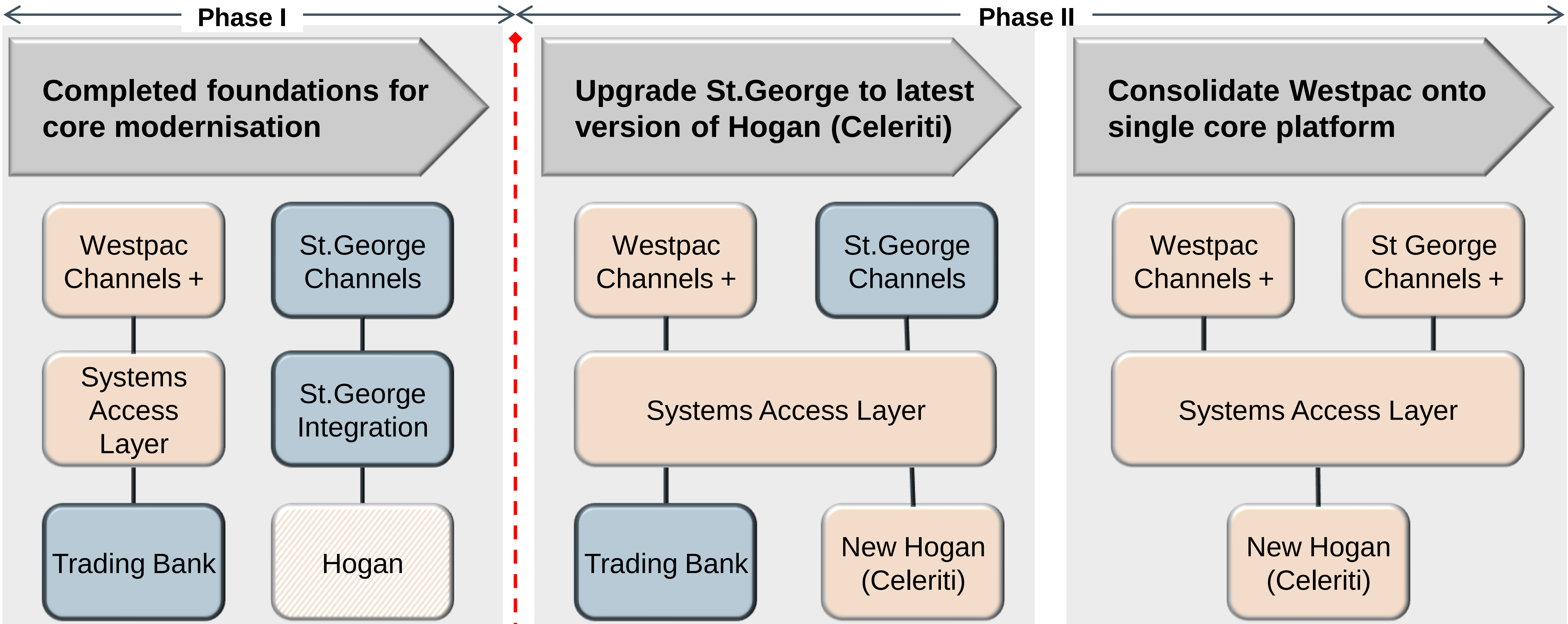
- Simplified and consolidated product set
- Rationalise existing platforms
- Straight through processing
- Modern, intuitive interface
- Built on modern infrastructure

Competitively positioned for change

- Better meet changing customer needs
- Built for new regulations and easier to respond to change
- Pay for what you use model suits a wider range of customers and advisors

The wealth platform will be delivered in stages over the coming years - the first phase of the investment platform, the release of 'BT Cash' will begin in late 2013

Phase II – Processing Systems
Core platform modernisation and consolidation



- Systems in place to support portfolio of brands
- Completed Systems Access Layer to simplify front to bank end system linkages
- Key Infrastructure completed with state of the art data centres and security

We are here

- Move St.George to enterprise integration platforms (System Access Layer)
- Modernise and consolidate core platform in St.George to latest Hogan version (Celeriti)

- Upgrade St.George to target Customer Channel systems
- Consolidate Westpac onto Celeriti platform

Completed and in target state

Westpac GROUP

FULL YEAR 2013

CAPITAL, FUNDING & LIQUIDITY

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

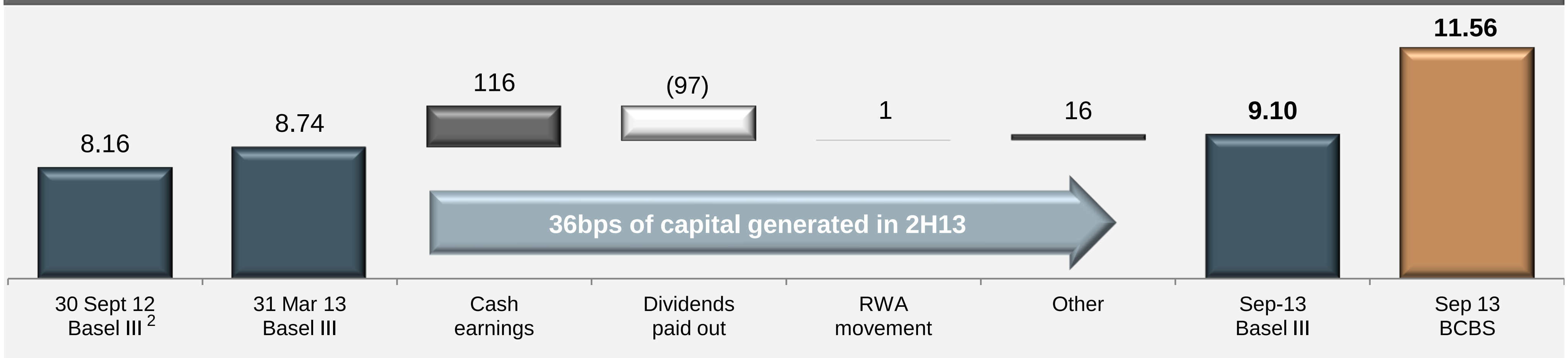
STRENGTH | RETURN | GROWTH | PRODUCTIVITY

Strong capital position, up across all measures

- Westpac's capital ratios are reported on an APRA Basel III basis
- Solid earnings growth contributed to a 36bps rise in the common equity tier 1 (CET1) ratio
- The payment of the interim and special dividends reduced CET1 ratio 97bps
- Fully harmonised BCBS[1] Basel III CET1 ratio, up 16bps to 11.56%
- The agreement to acquire Lloyds Australian businesses is estimated to reduce the CET1 ratio by around 38bps
- The redemption/conversion of TPS2003 and SPS reduced the Group's Tier 1 ratio a net 37bps

Key capital ratios[2] (%)	2H12	1H13	2H13
Common equity tier 1 ratio	8.2	8.7	**9.1**
Additional tier 1 capital	1.6	2.1	**1.6**
Tier 1 capital ratio	9.8	10.8	**10.7**
Tier 2 capital	1.7	1.7	**1.6**
Total regulatory capital ratio	11.5	12.5	**12.3**
Risk weighted assets ($bn)	309	308	**307**
Common equity tier 1 ratio (BCBS)	10.6	11.4	**11.6**

Common equity tier 1 capital ratio (% and bps)



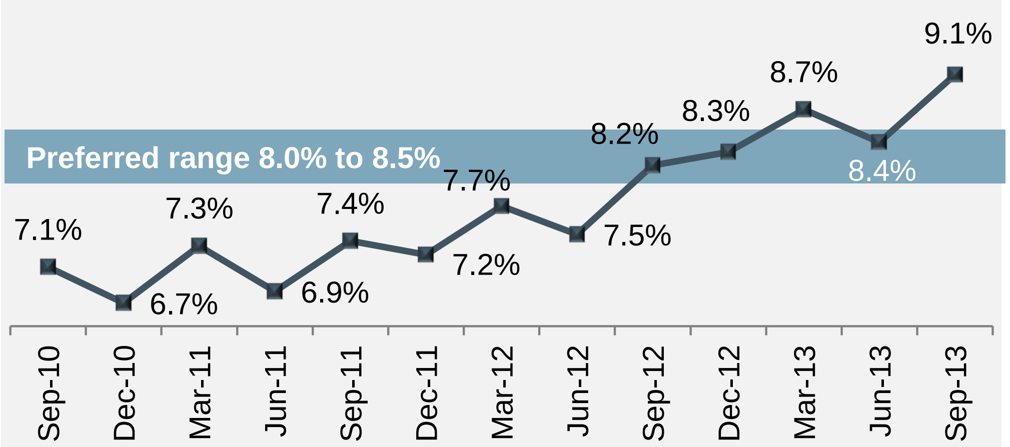
1 Basel Committee on Banking Supervision. 2 Ratios and RWA calculated on a Basel III basis with 2H12 numbers on a pro forma basis.

Clear preferred capital range

Board approved Basel III preferred capital range

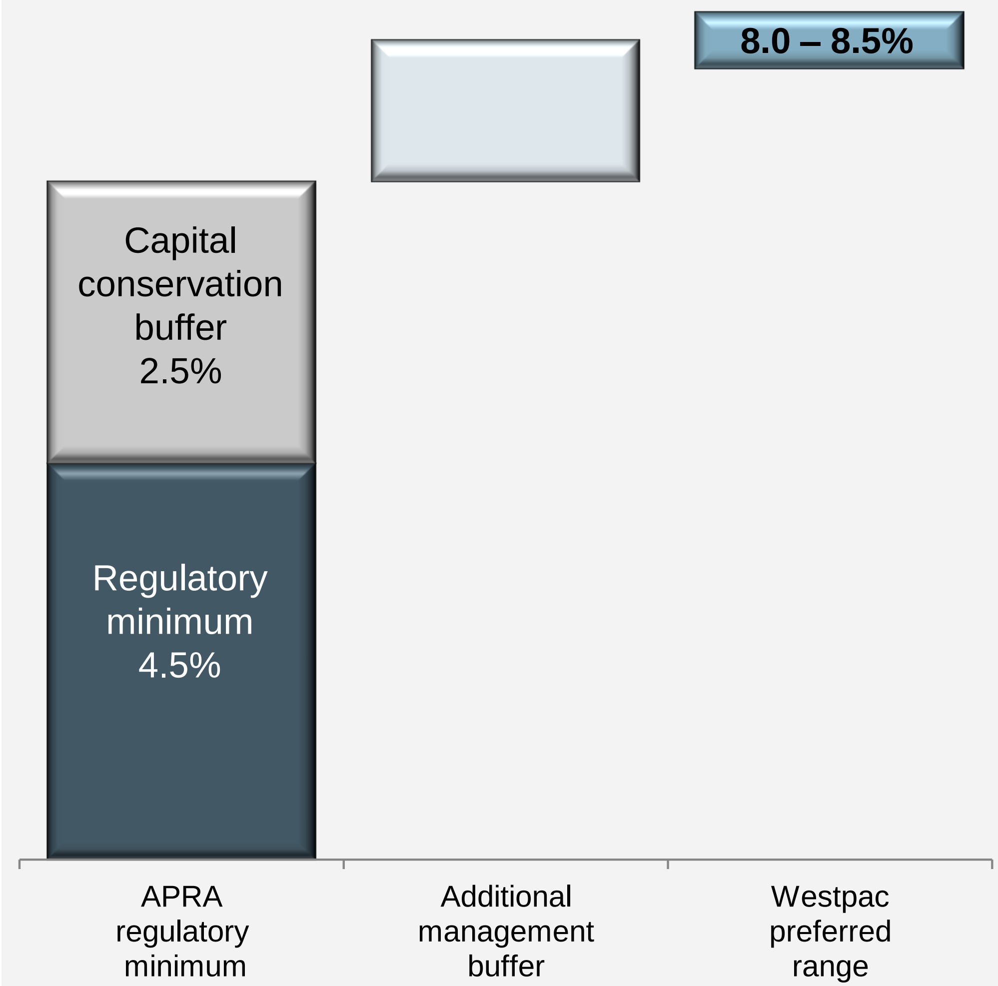
- Preferred range for CET1 ratio of 8.0% to 8.5%, comfortably above APRA minimums and capital conservation buffer
- Management buffer above regulatory minimums considers
  - Desire to remain well capitalised on both an Australian and global basis
  - Quarterly volatility in reported ratios
  - Possible reduction in capital under severe stress tests using internal modelling and regulatory scenarios
  - Flexibility should APRA's capital standards be further updated/adjusted

Common equity tier 1 ratio[1] (%)



1 All numbers prior to Mar-13 on a pro forma basis.

Common equity tier 1 ratio preferred range (%)



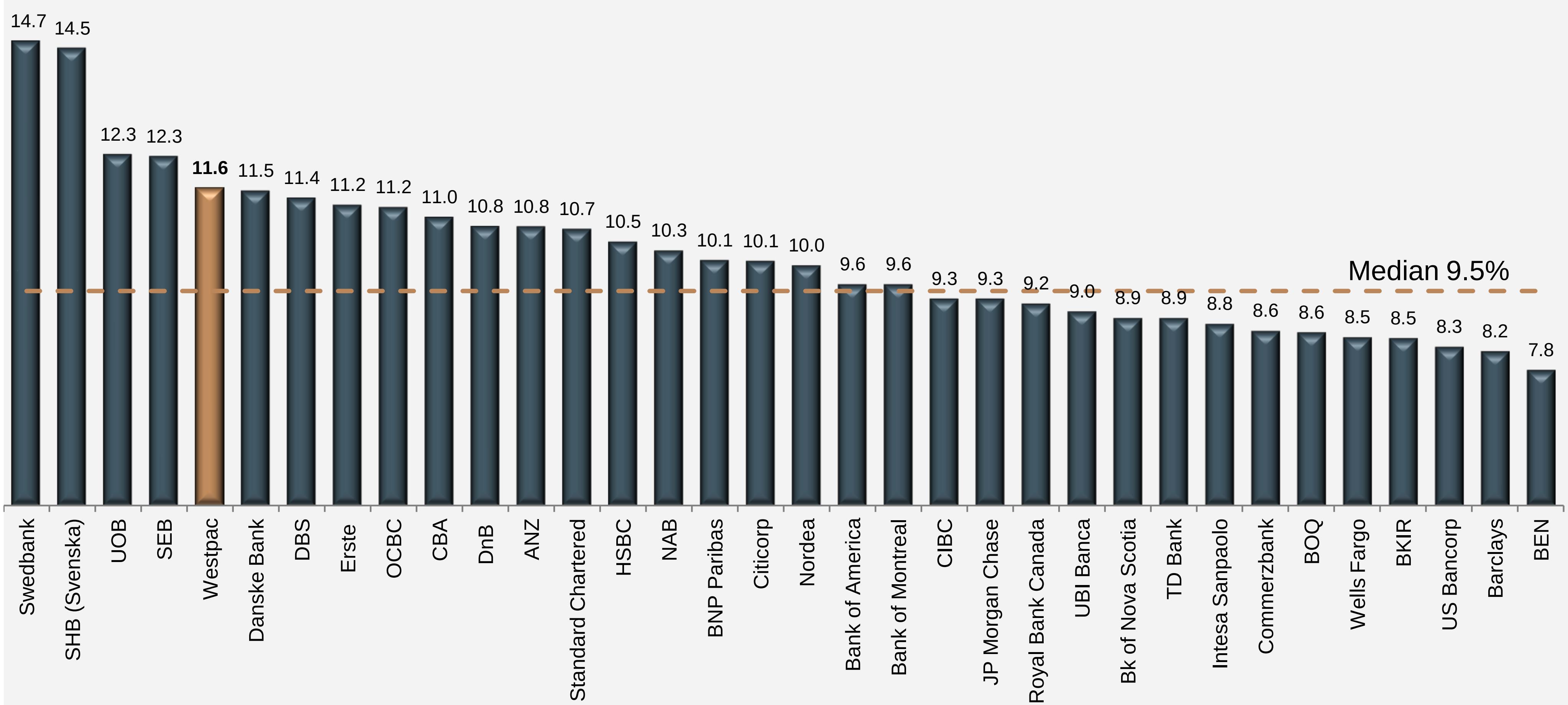
APRA to BCBS Basel III reconciliation

- APRA has maintained the conservative stance adopted under its Basel II capital standards, resulting in a significant variance between capital measured under APRA and fully harmonised Basel III
- Key differences in the calculation of CET1 ratios between APRA's Basel III and fully harmonised Basel III under BCBS are detailed below

Description	Common equity tier 1 ratio
Westpac's common equity tier 1 capital ratio under APRA Basel III	**9.10%**
Under BCBS, supervisors have the option of applying concessional thresholds when determining the capital requirements of deferred tax assets, investments in non-consolidated subsidiaries (NCS) and equity investments in commercial entities held in the banking book. Risk weighted asset treatments apply in lieu of common equity deductions if these items are individually less than 10% and together less than 15% of common equity. To the extent the amounts are greater than the concessional thresholds, common equity deductions apply APRA has chosen not to apply this concessional treatment and requires a 100% deduction from common equity for deferred tax assets, investments in non-consolidated financial institutions, NCS, equity investments, and all under-writing positions in financial and commercial institutions held for more than 5 business days Westpac's common equity tier 1 ratio would increase if APRA applied concessional thresholds	+126bps
Mortgage risk weights under APRA are based on a minimum loss given default (LGD) of 20%, whereas BCBS sets a minimum LGD of 10%. The actual LGD used must be supported by historical data but APRA's higher minimum means that Australian mortgage risk weights are typically higher than those calculated using the lower BCBS LGD minimum	+77bps
APRA applies a risk weighted asset requirement to Interest rate risk in the banking book (IRRBB). This is not currently considered under BCBS standards	+21bps
Other differences, including treatment of specialised lending	+22bps
Westpac's fully harmonised Basel III common equity tier 1 capital ratio under BCBS	**11.56%**

Fully harmonised common equity tier 1 ratio above local peers and at the upper end of global peers

Global peer comparison of Basel III pro-forma common equity tier 1 ratios (%)

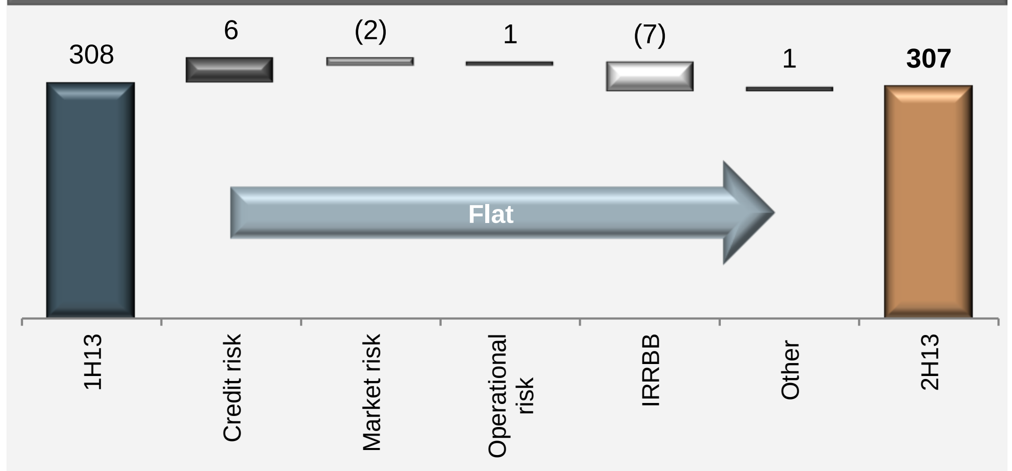


Source: Company data, Credit Suisse estimates (based on latest reporting data as at October 2013). Australian banks based on FY13 results.

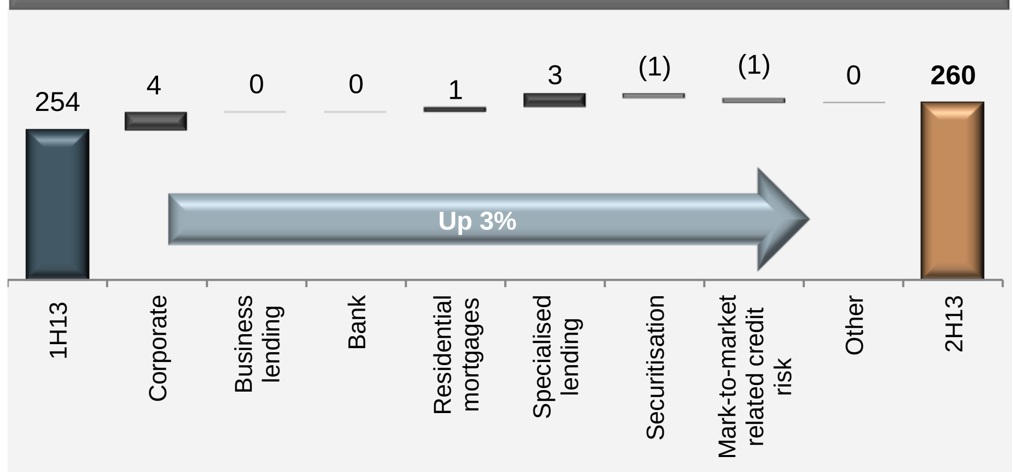
Risk weighted assets flat over half

- RWA remained relatively flat, decreasing $1bn and included
  - Credit RWA increased 3% overall or $6.5bn, from higher lending and the impact of a lower A$ on offshore assets and foreign currency commitments
  - Interest rate risk in the banking book (IRRBB) decreased $6.8bn driven by enhancements to the regulatory capital model
  - Lower market RWA of $1.5bn from a reduced exposure to interest rate risk
  - Other RWA increased $0.6bn

RWA movements ($bn)



Credit RWA movements ($bn)

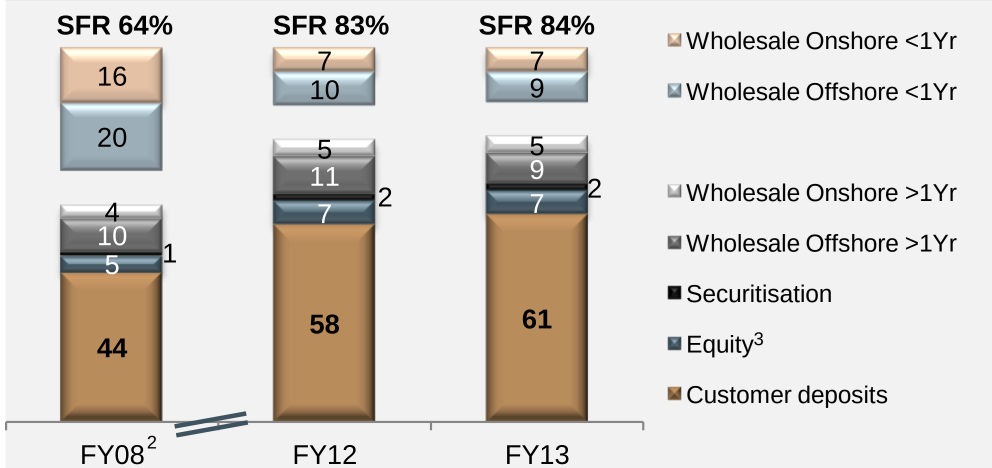


Westpac GROUP

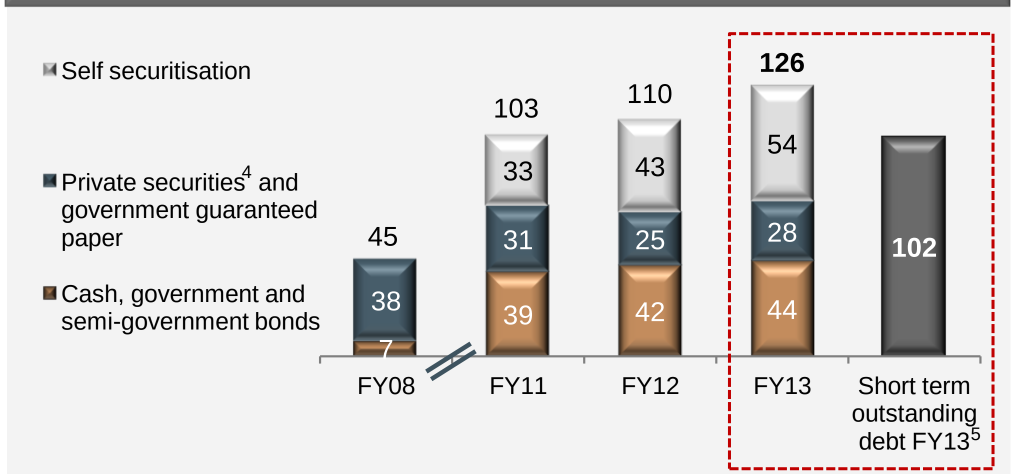
Westpac has built a strong and sustainable funding profile

- Stable funding ratio[1] (SFR) 84%, up 99bps (FY12/FY13)
- Customer deposits 61% of total funding, up 290bps (FY12/FY13)
- Continued strong growth in customer deposits, up $35bn over the year, enabled the Group to
  - Fully fund loan growth over the year – 377bps improvement in customer deposit to loan ratio to 71.4%
  - Buy back $8bn in Government-guaranteed term debt
  - Limit wholesale funding issuance
  - Increase funded liquid assets
- The Group's liquidity position has also been supported by an $11bn increase in self-securitised assets

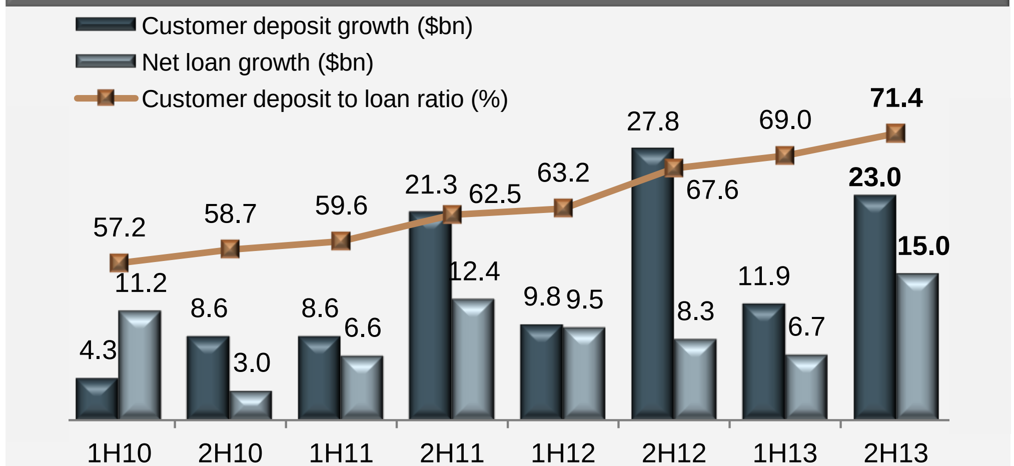
Funding composition by residual maturity (%)



Liquid assets ($bn)



Westpac deposit growth funding loan growth

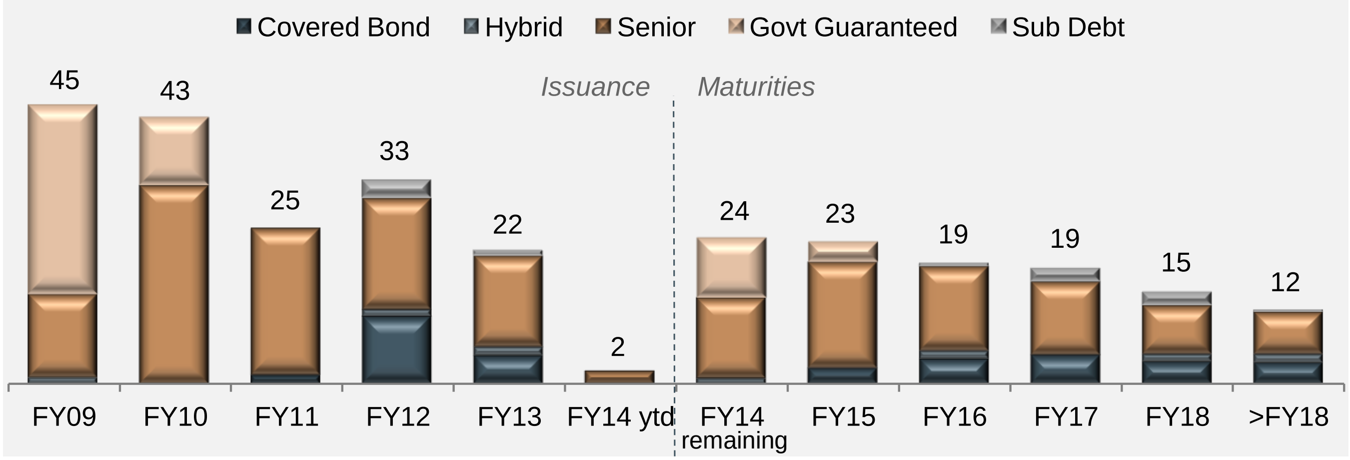


1 SFR is the stable funding ratio calculated on the basis of customer deposits + wholesale funding with residual maturity greater than 12 months + equity + securitisation, as a proportion of total funding. 2 2008 does not include St.George. 3 Equity excludes FX translation, available for sale securities and cash flow hedging reserves. 4 Private securities include bank paper, RMBS and supra-nationals. 5 Includes long term wholesale funding with a residual maturity less than 1 year.

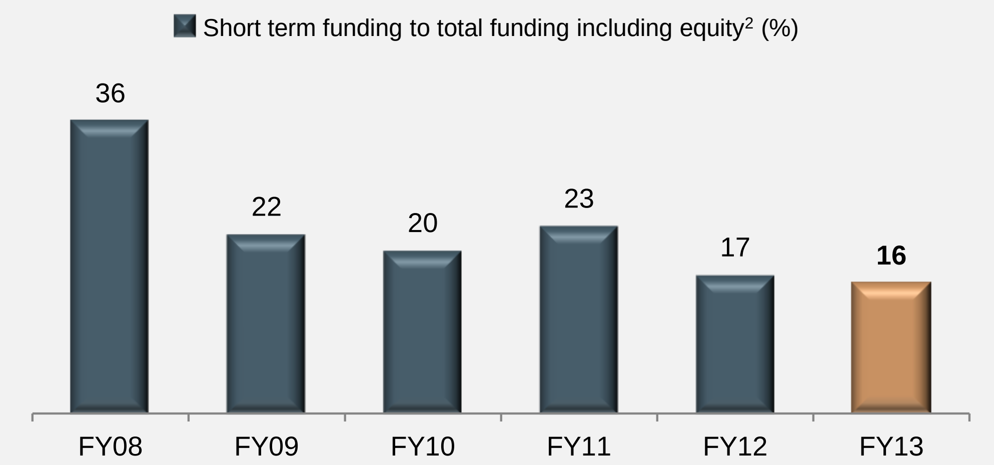
Wholesale funding significantly lower; provides capacity for growth

- $22bn term debt issued in FY13
- Includes $2.3bn in Tier 1 and Tier 2 capital securities
- Weighted average maturity of new issuance 4.8 years (4.3 years FY12)
- Well positioned for FY14
  - Maturities actively managed - $8 billion of AUD and USD Government-guaranteed debt bought back in FY13
  - Issued $2.1bn after 30 Sept 2013
  - Able to fund acquisition of Lloyds' Australian Businesses from internal resources

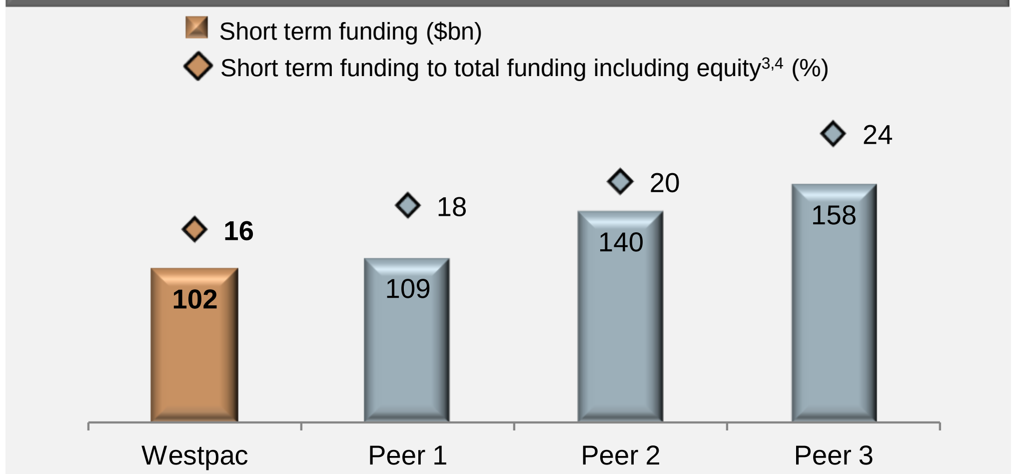
Term debt issuance and maturity profile[1] ($bn)



Less reliance on short term funding



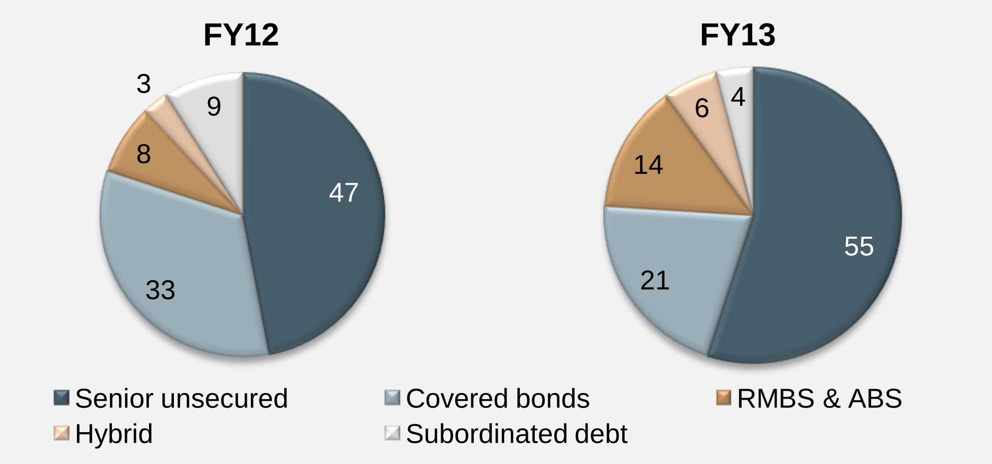
Lowest short term funding of peers



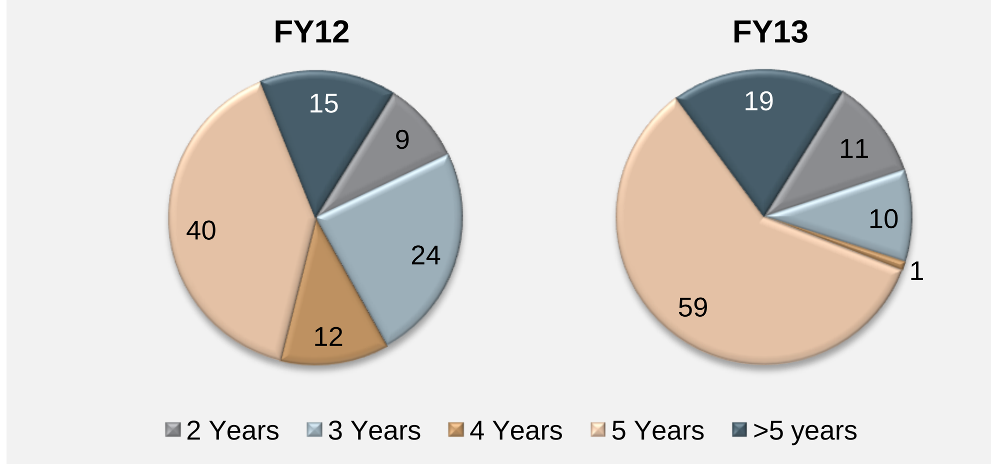
1 Based on residual maturity and FX spot currency translation. Includes all debt issuance with contractual maturity greater than 13 months, excluding US Commercial Paper. Contractual maturity date for hybrids and callable subordinated instruments is the first scheduled conversion date or call date for the purposes of this disclosure. Perpetual sub-debt has been included in >FY18 maturity bucket. Maturities exclude securitisation amortisation. 2 Includes long term wholesale funding with a residual maturity less than 1 year. 3 Short term funding includes Central Bank deposits and long term funding with a residual maturity less than 1 year. 4 Source: Westpac, Company reports. Peers as at end of FY13.

Issuance capabilities delivering diversity in new term funding

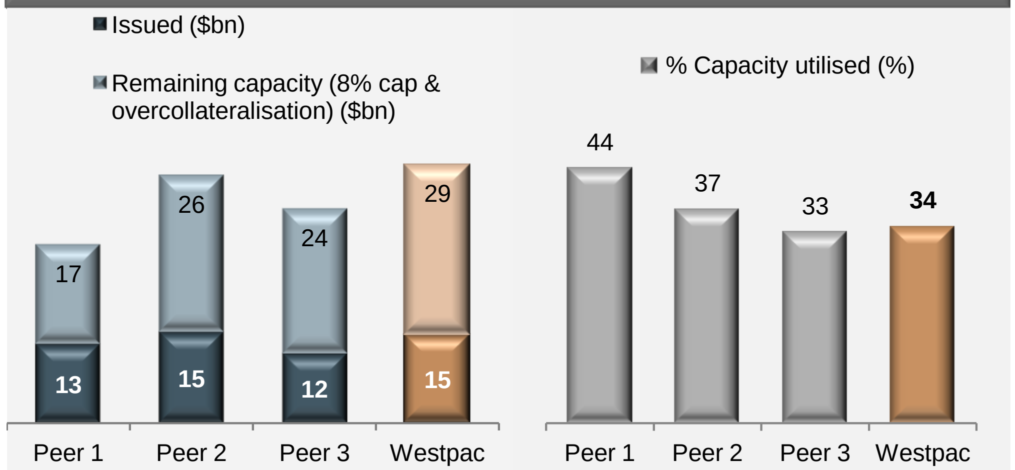
New term funding by type[1] (%)



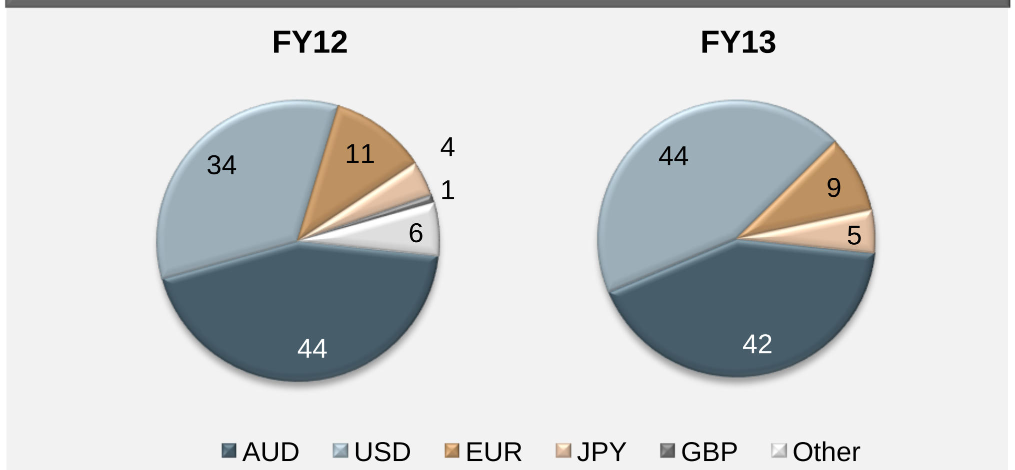
New term funding by original tenor[1,2] (%)



Australian covered bond issuance[3]



New term funding by currency[1] (%)



1 Based on residual maturity and FX spot currency translation. Includes all debt issuance with contractual maturity greater than 13 months, excluding US Commercial Paper. Contractual maturity date for hybrids and callable subordinated instruments is the first scheduled conversion date or call date for the purposes of this disclosure. 2 Excludes securitisation. 3 Sources: Westpac, APRA Banking Statistics September 2013.

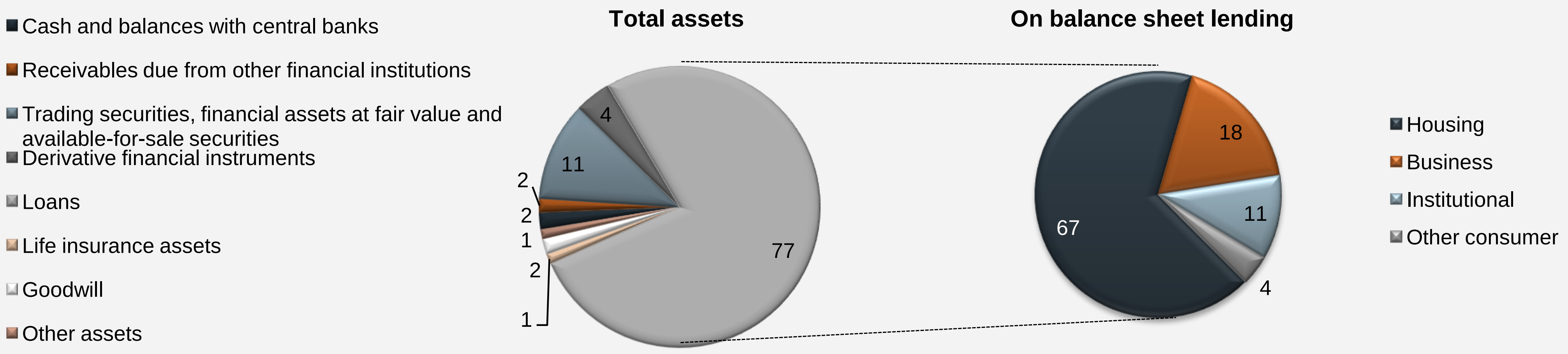
FULL YEAR 2013
ASSET QUALITY

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH | RETURN | GROWTH | PRODUCTIVITY

High quality portfolio with bias to secured consumer lending

Asset composition as at 30 September 2013 (%)



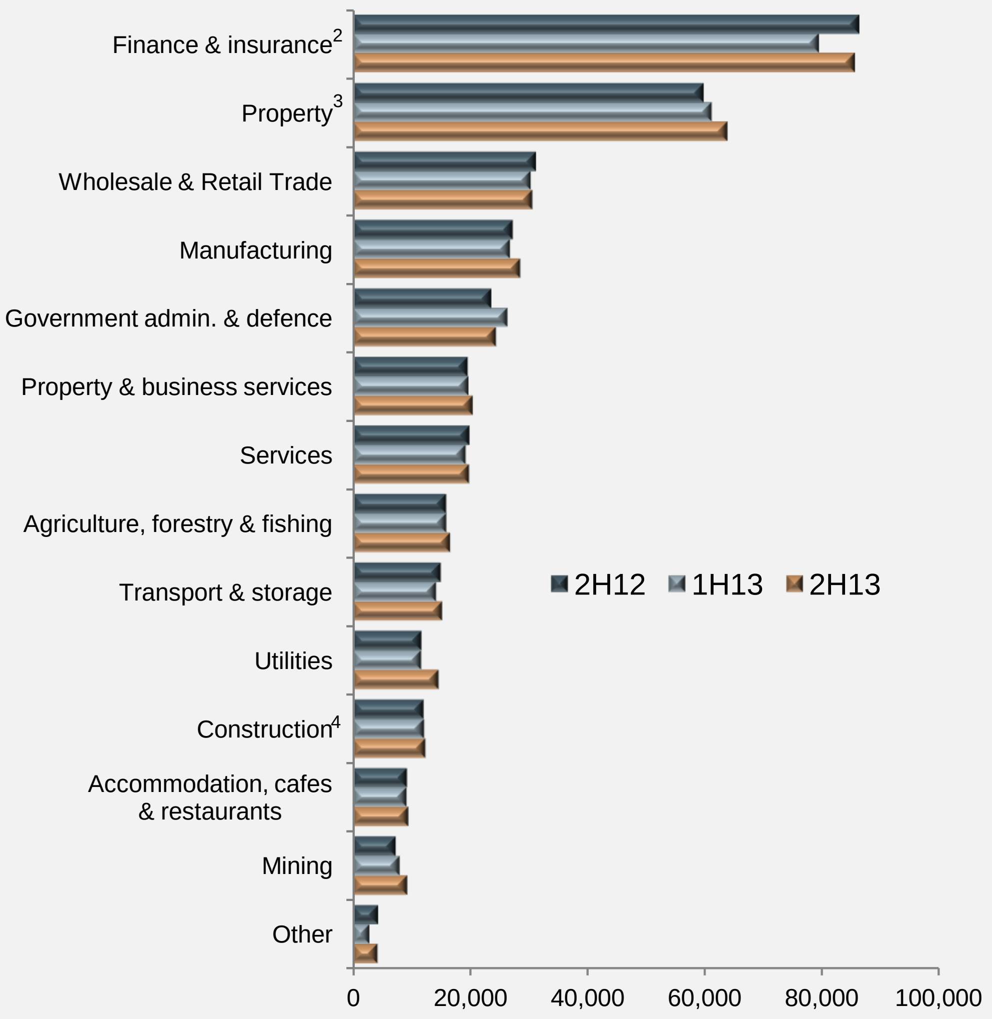
Exposure by risk grade as at 30 September 2013 ($m)

Standard and Poor's risk grade	Australia	NZ / Pacific	Americas	Europe	Asia	Group	% of Total
AAA to AA-	76,929	7,405	7,738	858	1,176	**94,106**	12%
A+ to A-	35,828	4,742	2,129	1,464	2,297	**46,460**	6%
BBB+ to BBB-	50,624	7,650	1,021	1,459	5,237	**65,991**	8%
BB+ to BB	57,678	7,907	351	142	1,112	**67,190**	8%
BB- to B+	56,150	8,386	42	-	-	**64,578**	8%
<B+	8,547	1,987	39	137	-	**10,710**	1%
Secured consumer	376,013	39,963	-	-	511	**416,487**	52%
Unsecured consumer	39,384	4,367	-	-	33	**43,784**	5%
Total Committed Exposures	**701,153**	**82,407**	**11,320**	**4,060**	**10,366**	**809,306**	
Exposure by region[1] (%)	**87%**	**10%**	**1%**	**<1%**	**1%**		**100%**

1 Exposure by booking office.

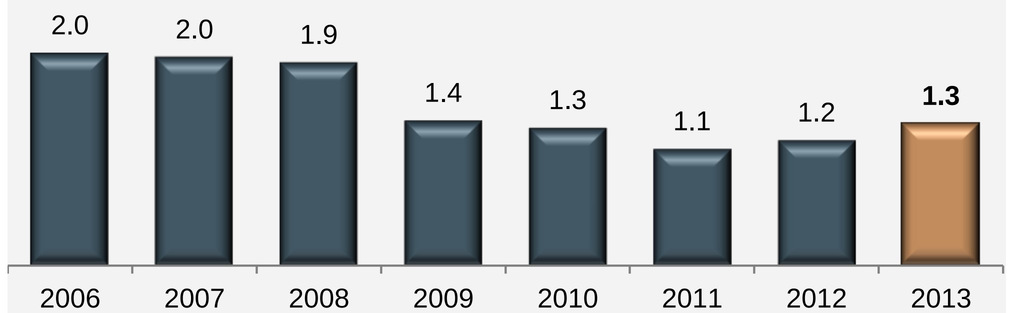
Diversification across industries and large exposures

Exposures at default[1] by sector ($m)

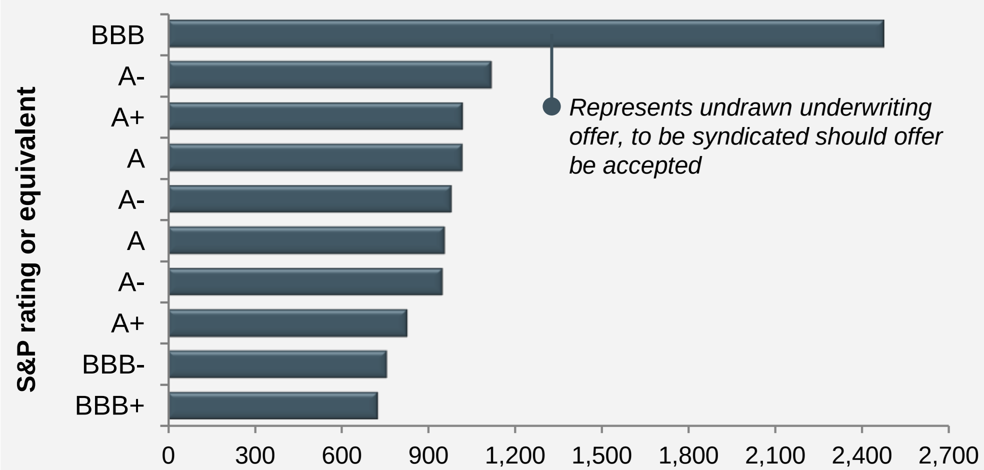


Top 10 exposures to corporations and NBFIs[6] as a % of TCE[5] (%)

- Top 10 single name exposures to corporations and non-bank financial institutions (NBFIs) continues to be below 2% of TCE
- Largest corporation/NBFI single name exposure represents 0.3% of TCE



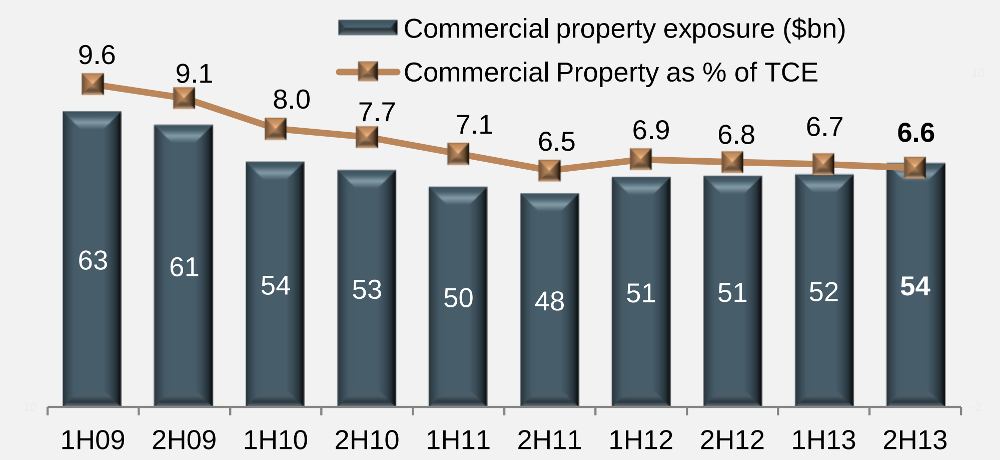
Top 10 exposures to corporations & NBFIs[6] as at 30 Sept 2013 ($m)



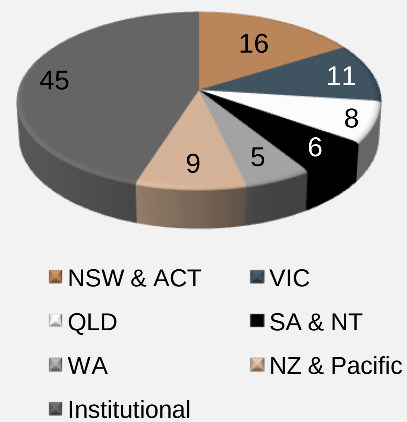
1 Exposures at default represents an estimate of the amount of committed exposure expected to be drawn by the customer at the time of default and excludes consumer lending. 2 Finance and insurance includes banks, non-banks, insurance companies and other firms providing services to the finance and insurance sectors. 3 Property includes both residential and non-residential property investors and developers, and excludes real estate agents. 4 Construction includes building and non-building construction, and industries serving the construction sector. 5 Includes St.George from 2009 onwards. 6 Non-Bank Financial Institutions.

Commercial property portfolio comfortably within appetite

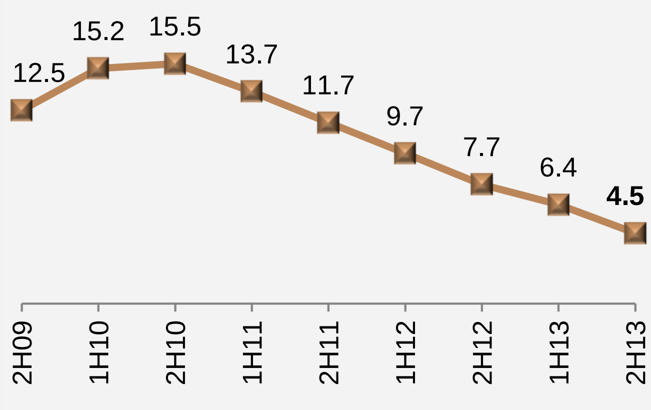
Commercial property exposures size ($bn) and % of TCE



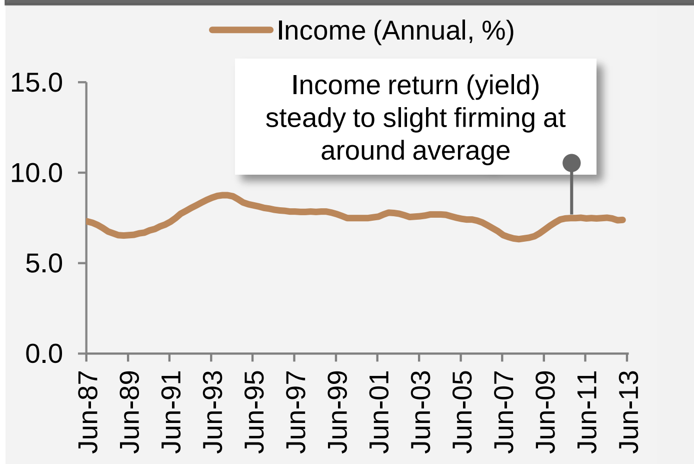
Commercial property portfolio by sector and region (%)

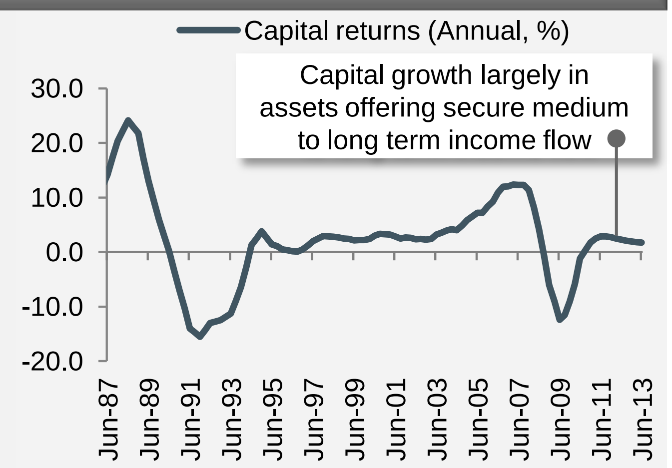


Commercial property portfolio TCE classified as stressed (%)



Market returns for commercial property stabilising[1]

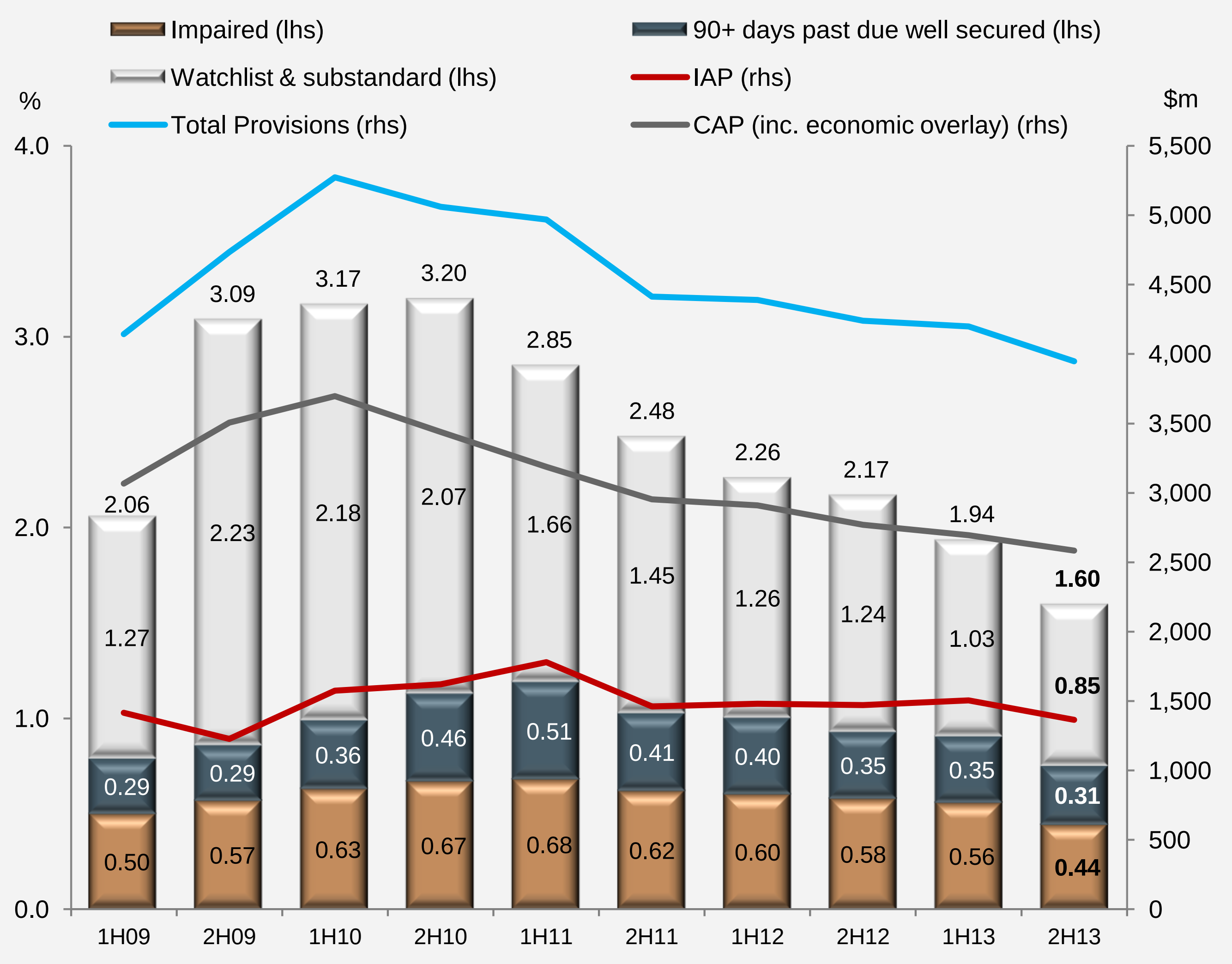




1 Source: IPD Investment performance index Q2 2013. Analysis Westpac Property.

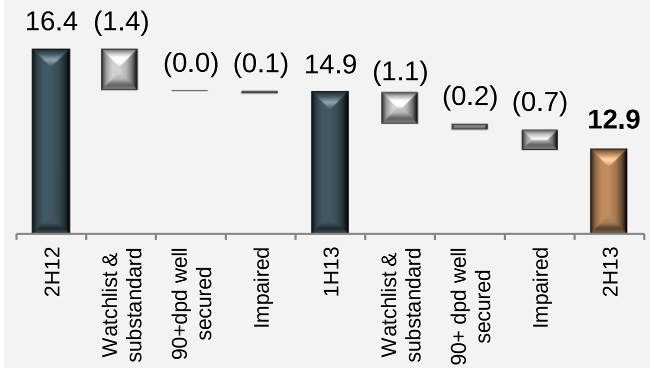
Portfolio stress halved from peak Financial Crisis levels

Stressed exposures as a % of TCE and provisions ($m)



1 Calculated based on Basel III pro forma risk weighted assets.

Movement in stressed exposures ($bn)



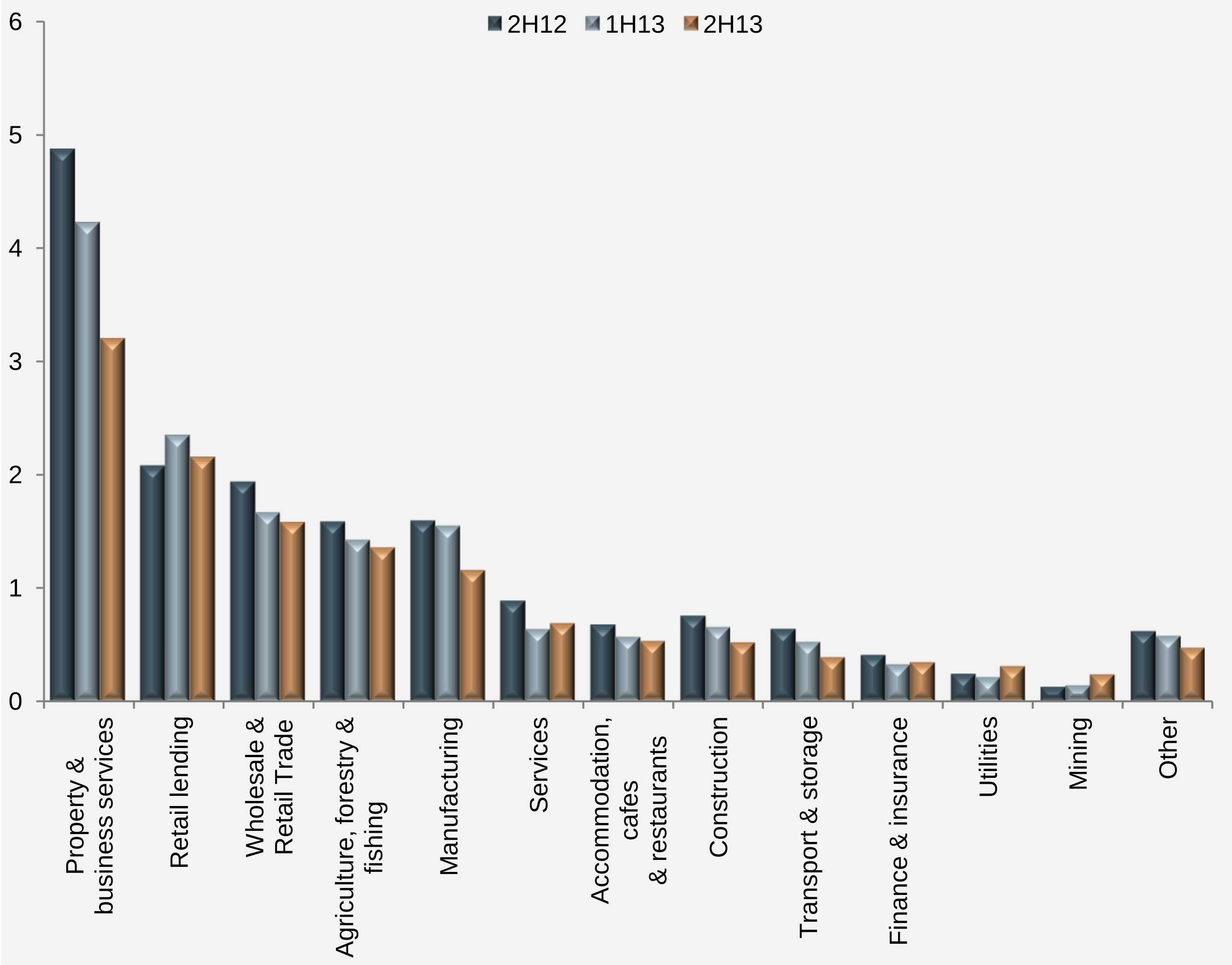
Provisioning coverage ratios

	2H12	1H13	2H13
Collectively assessed provisions to credit RWA	108bps[1]	106bps	**99bps**
Collectively assessed provisions to performing non-housing loans	155bps	151bps	**142bps**
Impairment provisions to impaired assets	37%	40%	**43%**
Total provisions to gross loans	82bps	80bps	**73bps**

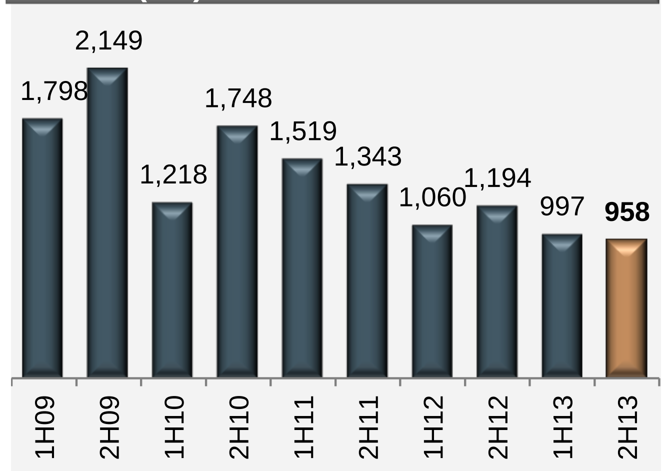
Westpac GROUP

Improvement in portfolio quality across most sectors

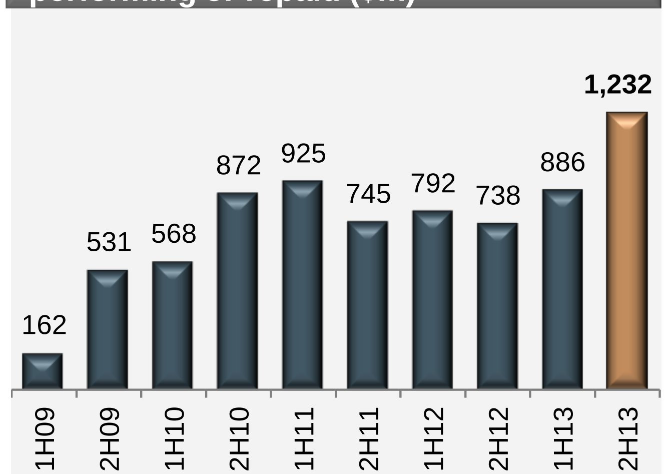
Stressed exposures by industry ($bn)



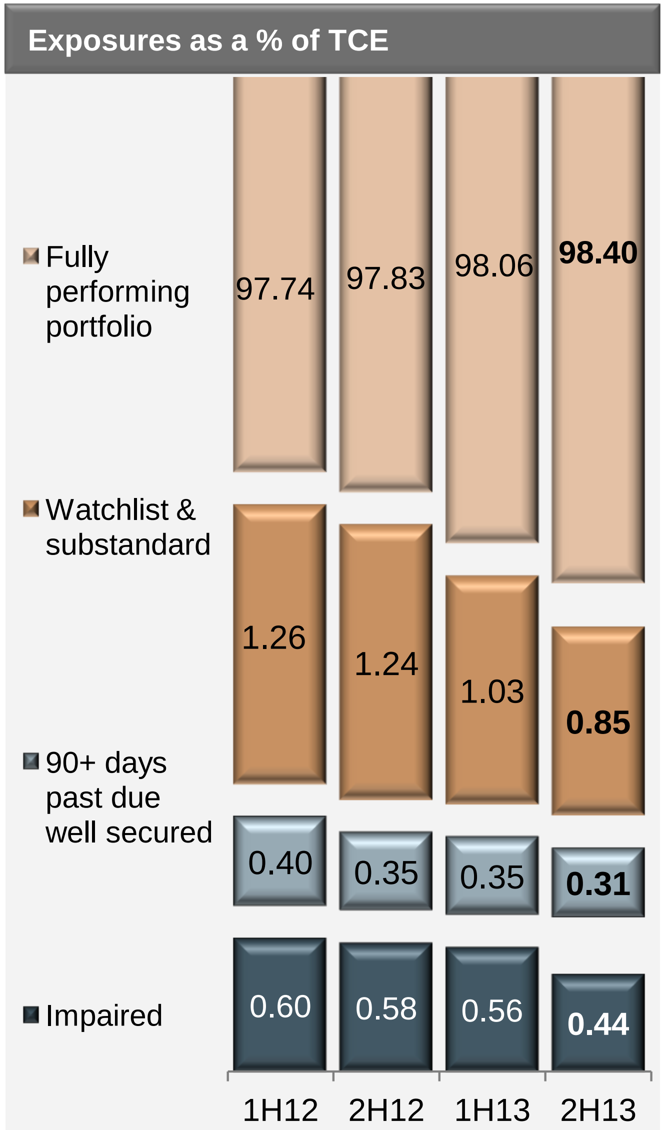
New and increased gross impaired assets ($m)



Gross impaired assets returned to performing or repaid ($m)



Provision cover by portfolio category



Provisioning to TCE (%)

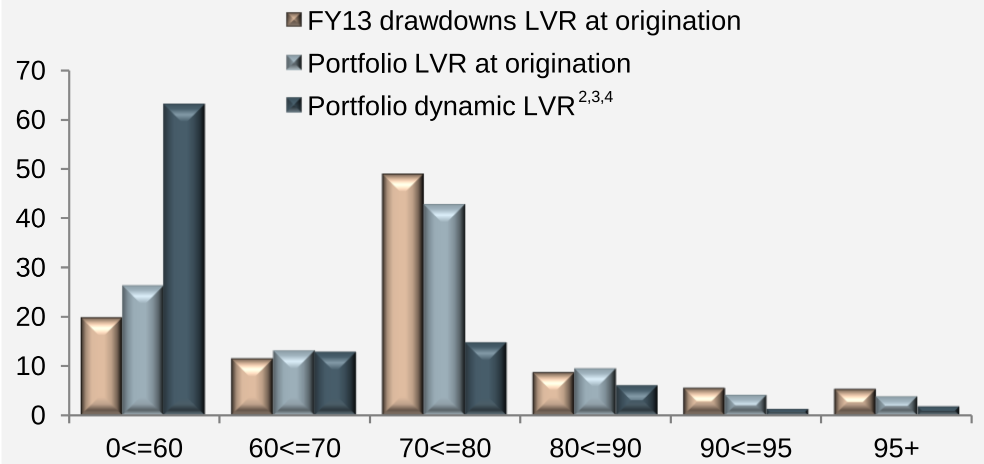
	1H12	2H12	1H13	2H13	
Fully performing portfolio					Collective provisions
• Small cover as low probability of default (PD) • Includes economic overlay	0.25	0.25	0.24	**0.23**	
Watchlist & substandard					
• Still performing but higher cover reflects elevated PD	7.86	6.69	6.74	**6.36**	
90+ days past due well secured					
• In default but strong security	5.76	5.55	5.37	**5.36**	
Impaired assets					Impaired asset provisions
• In default. High provision cover reflects expected recovery	37.84	37.42	40.24	**43.16**	

Westpac GROUP

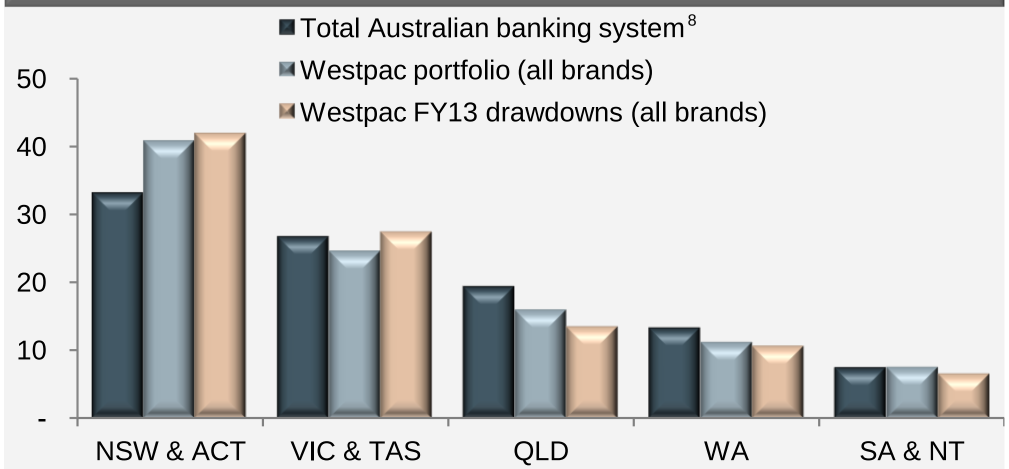
Maintaining mortgage portfolio quality

Australian housing portfolio	2H12 Balance	1H13 Balance	2H13 Balance	2H13 Flow[1]
Total portfolio ($bn)	316.3	321.9	**328.5**	**29.5**
Owner-occupied (%)	48.2	48.1	**47.9**	**48.4**
Investment property loans (%)	41.5	42.2	**43.1**	**47.8**
Portfolio loan/line of credit (%)	10.3	9.7	**9.0**	**3.8**
Variable rate / Fixed rate (%)	87 / 13	85 / 15	**81 / 19**	**71 / 29**
Low Doc (%)	5.7	5.2	**4.7**	**1.8**
Proprietary channel (%)	58.4	58.2	**58.0**	**57.0**
First Home Buyer (%)	11.8	11.7	**11.4**	**9.2**
Mortgage insured (%)	25.8	24.4	**23.3**	**16.8**
	2H12	**1H13**	**2H13**	
Average LVR at origination (%)	69	69	**69**	
Average dynamic[2,3,4] LVR (%)	48	48	**46**	
Average LVR of new loans[5] (%)	69	70	**72**	
Average loan size ($'000)	217	219	**221**	
Customers ahead on repayments, excluding offset accounts[2,6] (%)	59	56	**57**	
Actual mortgage losses (net of insurance)[7] ($m)	43	52	**43**	
Actual mortgage loss rate annualised (bps)	3	3	**3**	

Australian housing portfolio (%)



Australian housing portfolio by State (%)

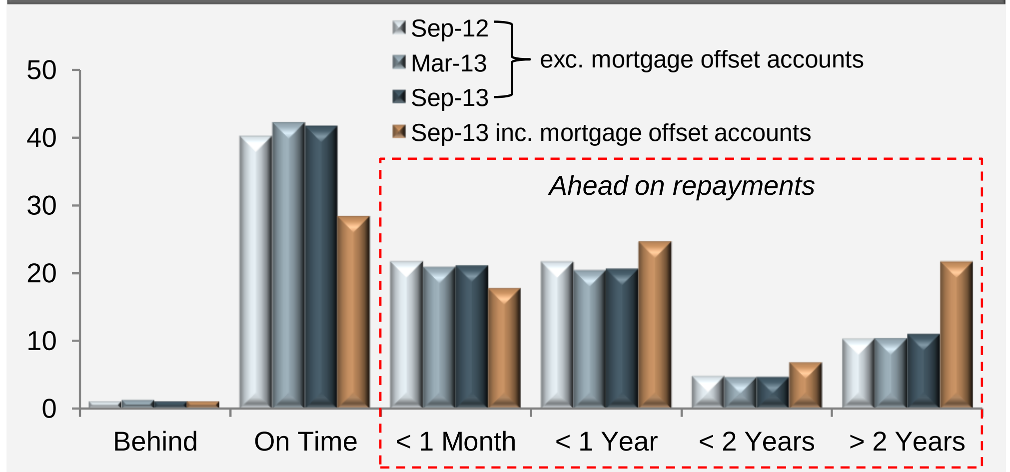


1 Flow is all new mortgage originations total settled amount originated during the 6 month period ended 30 September 2013 and includes RAMS. 2 Excludes RAMS. 3 Dynamic LVR represents the loan-to-value ratio taking into account the current outstanding loan balance, changes in security value and other loan adjustments. 4 Property valuation source Australian Property Monitors. 5 Average LVR of new loans is based on rolling 12 month window for each year end period. 6 Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled payments. 7 Mortgage insurance claims 2H13 $14m (1H13 $10m, 2H12 $17m and 1H12 $13m). 8 ABA Cannex July 2013.

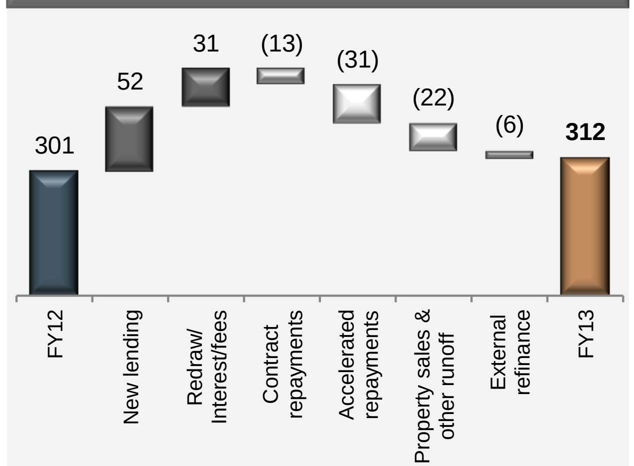
Mortgage customer behaviour remains cautious

- Australian mortgage customers continue to display a cautious approach to debt levels, taking advantage of historically low mortgage rates to pay down debt
  - Including mortgage offset account balances, 71% of customers are ahead of scheduled payments, with 22% of these being more than 2 years ahead
  - Excluding mortgage offset account balances, 57% of Australian mortgage customers are ahead of scheduled payments
  - Prepayment levels impacted by increased flows into fixed rate loans (where additional repayments are limited)
- Sound underwriting criteria underpin the Group's very low level of residential mortgage arrears and losses
- Credit policies are broadly aligned across brands and all credit decisions are made by the Westpac Group, regardless of the origination channel
- Loan serviceability assessments include an interest rate buffer, adequate surplus test and discounts to certain forms of income (e.g. dividends, bonus or rental income)
- Westpac has a minimum assessment rate, often referred to as a floor rate, currently set at 6.80% p.a. across all brands
- In the current interest rate environment, the minimum assessment rate is 181bps higher than the standard lending rate

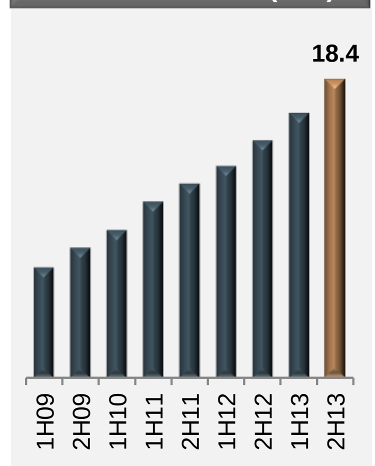
Australian home loan customers ahead on repayments[1,2] (%)



Australian mortgage[1] balance growth ($bn)



Aust.mortgage offset account balances ($bn)



1 Excludes RAMS. 2 Customer loans ahead on payments exclude equity loans/line of credit products as there is no scheduled principal payments. 'Behind' is more than 30 days past due. 'On time' includes up to 30 days past due.

Westpac GROUP

Australian housing portfolio delinquencies at low levels

Delinquencies

- Lower interest rates and a continued conservative approach to debt by borrowers have supported very strong credit quality
- 90+ days delinquencies remain low at 53bps, down 5bps (up 1bp FY12/FY13) with the impact of seasonal trends retracing in 2H13
- 30+ days delinquencies 119bps, down 22bps (unchanged FY12/FY13)

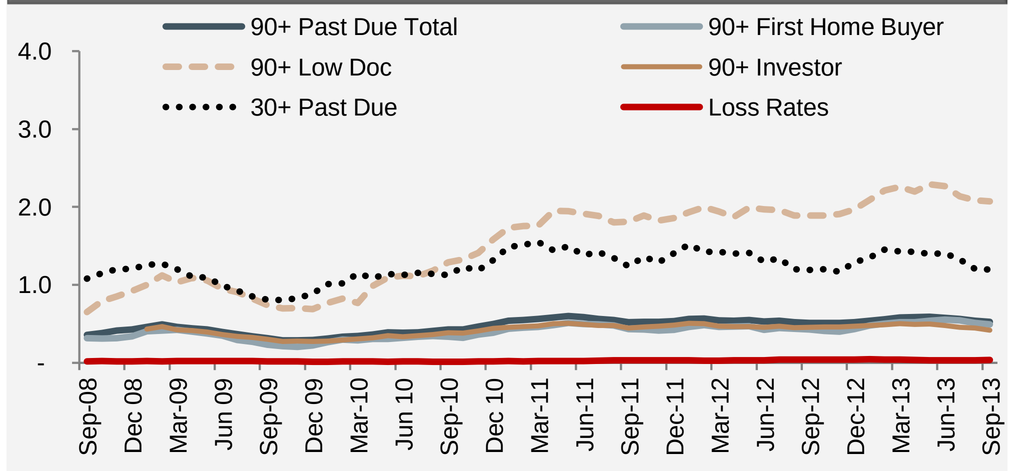
Properties in possession

- A more active approach to assisting customers in late cycle arrears has seen an increase in properties in possession to 353 at September 2013, up from 248 at March 2013 (289 at Sep 2012)

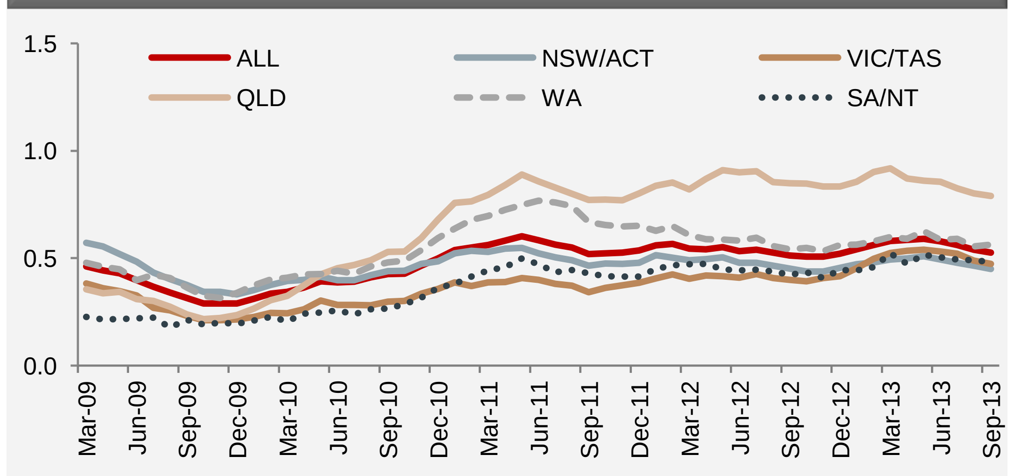
Loss rates

- Portfolio losses of $95m represent a loss rate of 3bps annualised (net of insurance claims[1]); loss rate unchanged from 1H13 (unchanged FY12/FY13)
- Loss rates remain very low by international standards – due to sound underwriting standards, high levels of borrower equity, mortgage insurance and active collections strategies

Australian mortgages delinquencies and loss rates (%)



Australian mortgage 90+ days delinquencies (%)



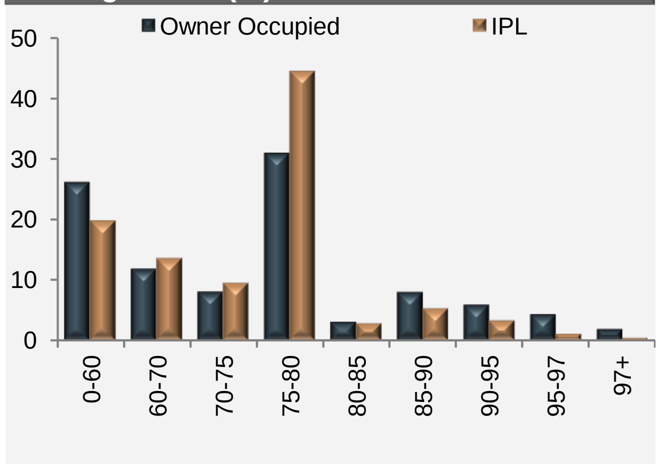
1 Mortgage insurance claims 2H13 $14m (1H13 $10m, 2H12 $17m and 1H12 $13m).

Westpac GROUP

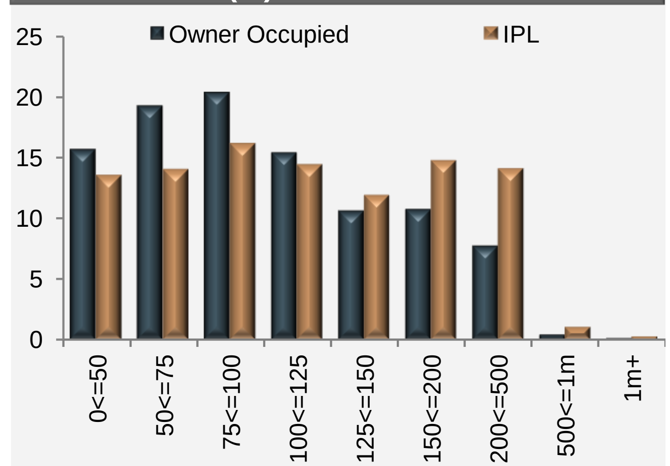
Australian investment property portfolio performing well

- Investment property loans (IPLs) make up 43.1% of Westpac's Australian mortgage portfolio
- 44% of IPL loans are originated at 75-80% LVR, to maximise tax benefits and avoid mortgage insurance costs
- While the majority of IPLs are interest-only, the realised amortisation profile closely tracks the principal and interest portfolio, with 41% of interest-only IPL customers ahead on repayments at FY13
- Compared to owner-occupied applicants, IPL applicants on average are older, have higher incomes and higher credit scores
- Specific credit policies apply to IPLs to assist risk mitigation, for example
  - Holiday apartments subject to tighter acceptance requirements
  - Additional LVR restrictions apply to single industry towns
- IPL delinquency performance has historically been better than the portfolio average
  - At FY13, IPL 90+ days delinquencies were 42bps compared to 53bps for the total portfolio
- IPL losses $44m[1] in FY13, representing 3.4bps of the total portfolio
- Self-managed Super Fund balances, mainly IPLs, a very small part of the portfolio, at <1% of Australian mortgage balances

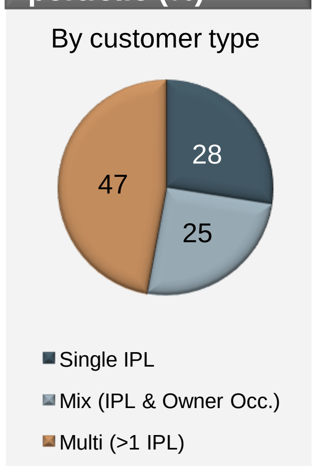
Australian mortgage[1] loan-to-value ratio at origination (%)



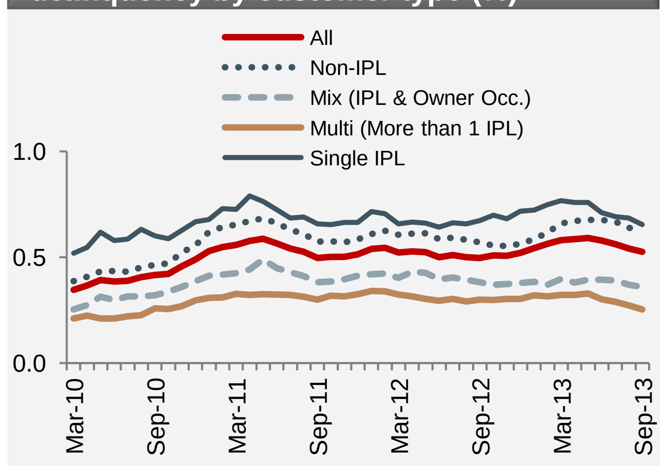
Australian mortgage[1] applicants by gross income band (%)



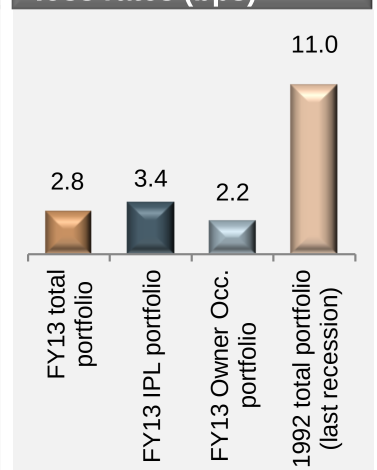
Australian IPL[1] portfolio (%)



Australian mortgage[1] 90+ days delinquency by customer type (%)



Australian mortgage[1] loss rates (bps)

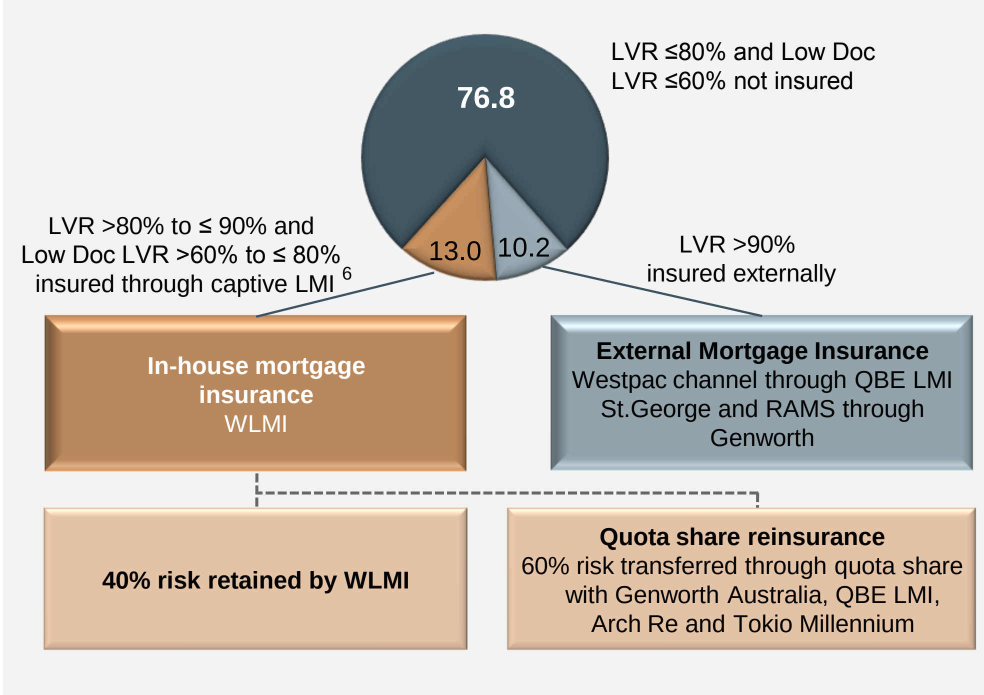


1 Excludes RAMS.

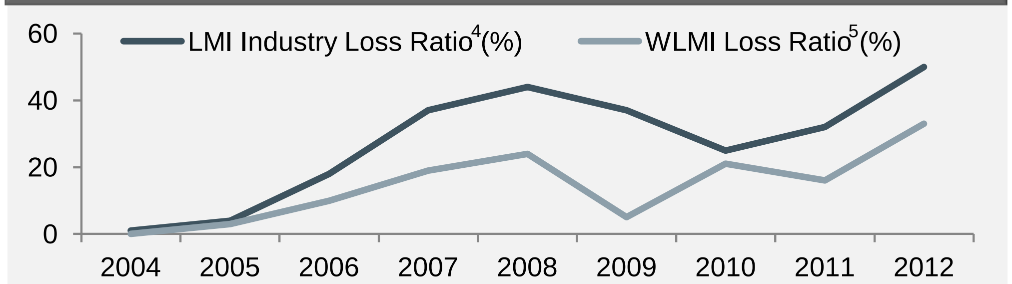
Lenders mortgage insurance managing risk transfer

- Lenders mortgage insurance provides the following benefits to the Westpac Group
  - Risk transfer / loss mitigation
  - Improvement in the quality of risk acceptance via the additional layer of independent review provided by the mortgage insurer
- New mortgages with origination LVR between 80-90% (or 60-80% for Low Doc)[1] are generally covered by Westpac Lenders Mortgage Insurance (WLMI), Westpac Group's captive lenders mortgage insurer and are subsequently reinsured
- Reinsurance arrangements through four providers further reduces risk by not relying on a single supplier
- Mortgages with origination LVR >90% are insured with third parties (prior to 2009 insured through WLMI)
- WLMI provides the Westpac Group with an increased return on the mortgages it insures through the capture of underwriting profit
- WLMI is strongly capitalised (separate from bank capital) and subject to APRA regulation. Capitalised at 1.25x PCR[2]
- Scenarios confirm sufficient capital to fund claims arising from events of severe stress – estimated losses for WLMI from a 1 in 200 year event are $267m (net of re-insurance recoveries)

Lenders mortgage insurance (LMI) structure at 30 September 2013



WLMI underwriting performance has consistently outperformed industry[3]



	1H12	2H12	1H13	2H13
Insurance claims ($m)	13	17	10	**14**
WLMI loss ratio[5] (%)	30	35	30	**38**
Gross written premiums ($m)	32	23	25	**25**

1 Waivers of the LMI requirement are provided to certain approved borrowers. Waivers are not provided to Low Doc borrowers. 2 Prudential Capital Requirement (PCR) determined by APRA. 3 2013 industry data not available at 4 November 2013. 4 Source: Westpac. 5 Loss ratio is claims over the total of earned premium plus reinsurance rebate plus exchange commission. 6 Insured coverage is net of quota share.

Mortgage portfolio stress testing outcomes

- Westpac regularly conducts a range of portfolio stress tests as part of its regulatory and risk management activities
- The Australian mortgage portfolio stress testing scenario presented represents a severe recession – significant reductions in consumer spending and business investment lead to six consecutive quarters of negative GDP growth, resulting in a material increase in unemployment and nationwide falls in property and other asset prices
- Estimated Australian housing portfolio losses under stress conditions are manageable within the Group's risk appetite and capital base
  - Yearly average losses over the stressed scenario $761m, representing 23bps of the portfolio
  - Cumulative net loss modelled over the three years is $2.3bn
  - WLMI and external LMI insurance claims would also be higher – an estimated additional $386m in total over the three years[1]
- Westpac's captive mortgage insurer, Westpac Lenders Mortgage Insurance (WLMI), separately conducts stress testing to ensure it is sufficiently capitalised to cover mortgage claims arising from a stressed mortgage environment
- Target capital ratios at the Westpac Group level also consider the combined impact on the mortgage portfolio and WLMI of severe stress scenarios to provide appropriate capital buffers

Australian mortgage portfolio stress testing as at 30 September 2013

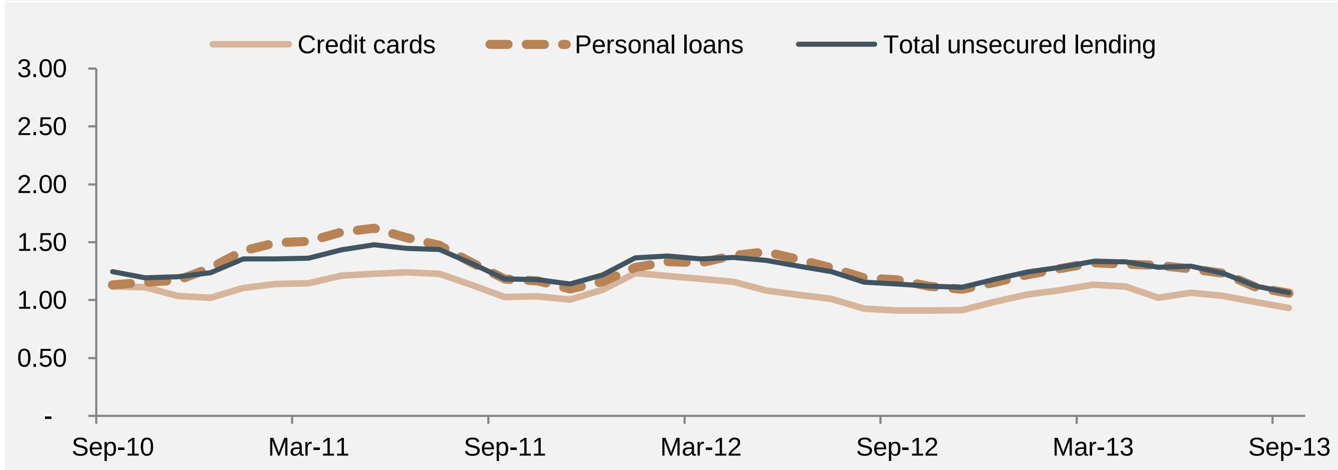
Key assumptions		Stressed scenario		
	Current	Year 1	Year 2	Year 3
Portfolio size ($bn)	335	323	318	319
Unemployment rate (%)	5.8	11.2	10.2	8.9
Interest rates (cash rate, %)	2.5	1.0	1.0	1.0
House prices (% change cumulative)	0.0	-13.0	-21.2	-23.4
Annual GDP growth (%)	2.3	-3.9	-0.2	1.7
Key outcomes[1]				
Stressed losses (net of LMI recoveries)	3bps	34bps	31bps	6bps

1 Australian mortgage stress testing model recalibrated in 2H13 to reflect a more severe loss experience in Years 1 and 2 and more conservative estimates of LMI losses over the 3 year period.

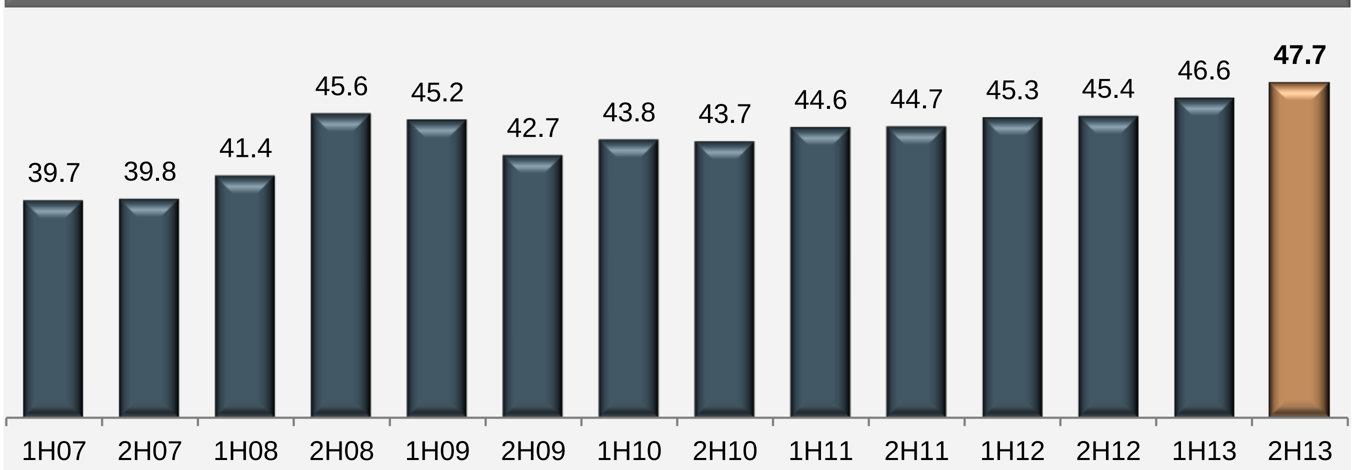
Australian unsecured lending portfolio performing well

- Unsecured consumer asset quality has remained strong, as further interest rate cuts have assisted debt serviceability and the Group maintains a sound approach to credit decisioning and underwriting
- Australian consumer unsecured delinquencies fell 26bps to 106bps (down 7bps FY12/FY13) assisted by seasonal trends and a strong focus on customer engagement
  - Australian credit card 90+ days delinquencies were down 19bps to 93bps (up 1bp FY12/FY13)
    - The average payments to balance ratio continued to trend upwards, increasing 105bps to 47.7% (up 227bps FY12/FY13), reflecting ongoing consumer caution towards debt
  - Australian personal loan 90+ days delinquencies were down 26bps to 106bps (down 12bps FY12/FY13)

Australian unsecured lending 90+ days delinquencies (%)



Australian credit card average payments to balance ratio[1] (%)



1 Cards average payments to balance ratio is calculated using the average payment received compared to the average statement balance at the end of the reporting month.

FULL YEAR 2013
BUSINESS UNITS

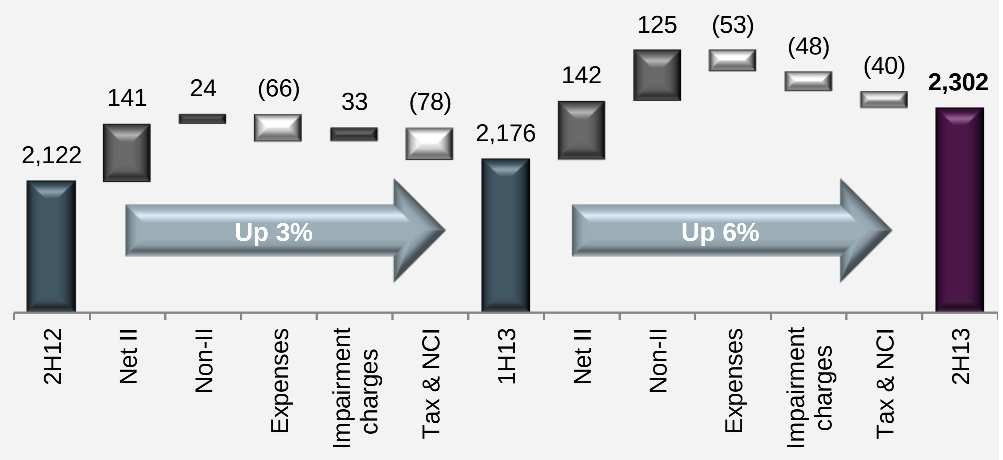
COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH | RETURN | GROWTH | PRODUCTIVITY

AFS - Cash Earnings momentum continued

AFS

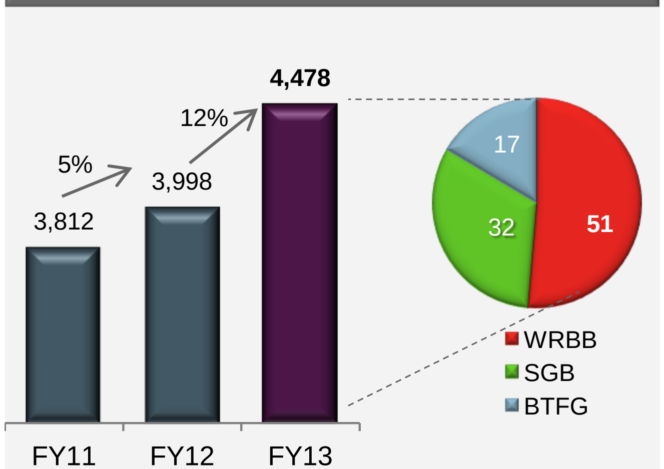
Cash Earnings movement ($m)



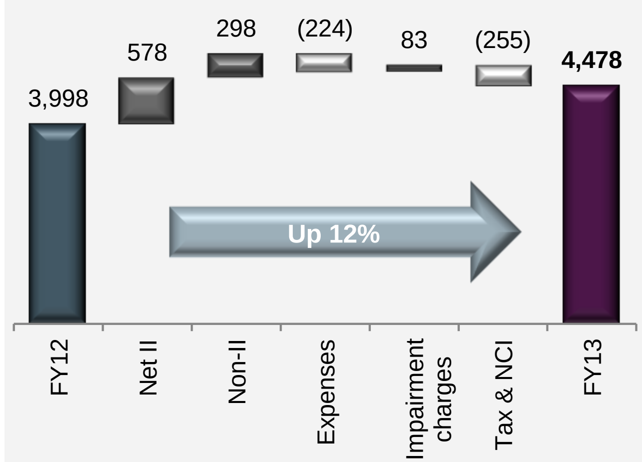
Key features of AFS in 2H13

- Cash and core earnings both up strongly by 6%
- All AFS businesses contributed to strong performance
- Net interest income up $142m (3%), with disciplined volume growth and well managed margins, up 3bps
- Non-interest income up $125m (7%) driven by strong wealth revenues
- Expenses up $53m (2%), with productivity savings partially re-invested, particularly into Bank of Melbourne and wealth platforms. Expense to income ratio down significantly by 101bps to 44.0%
- Impairment charges up $48m (up 13%). 1H13 included benefit from the large reduction in SGB business stressed assets

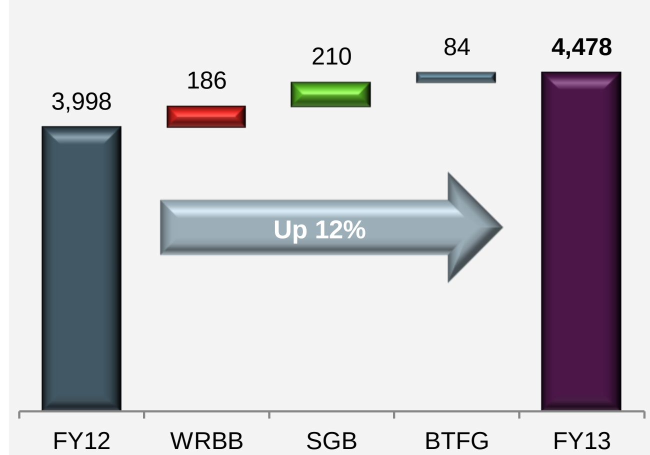
Cash Earnings ($m) and contribution (%)



Cash Earnings movement ($m)



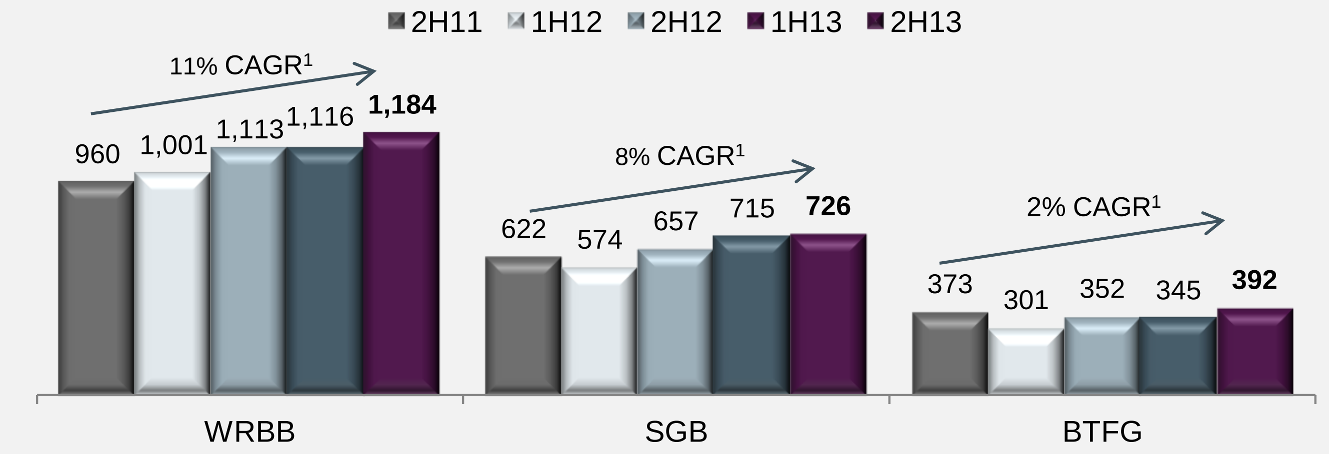
Cash Earnings contribution ($m)



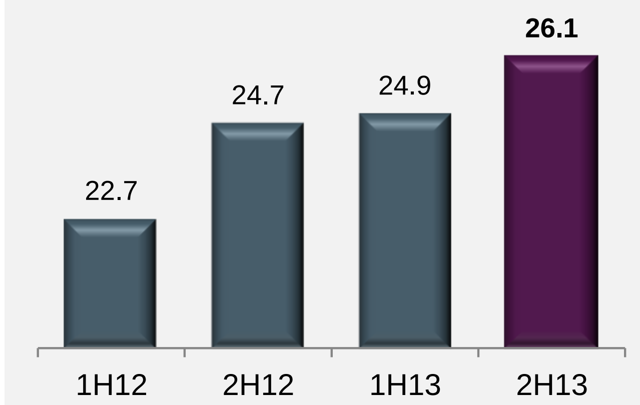
Customer focused approach driving strong financial outcomes

AFS

Improved Cash Earnings ($m) performance



Strong ROTE[2] (%)



AFS 'whole' worth more than the sum of its parts

- Clear portfolio of brands approach, including differentiated pricing, co-ordinated product strategy and cross-brand network planning in local areas
- Major brands relaunched with distinct position for target customers in WRBB, SGB and BTFG
- AFS/WIB partnership is building momentum with targets in scorecards across banking and WIB
- Renewed focus on service quality. In FY13, reduced customer complaints, down 15%, with complaints in credit cards and merchants down 21%
- Customer numbers up 2.3%
- Improving employee advocacy up 14 percentage points in FY13

Bank modernisation bringing the future forward

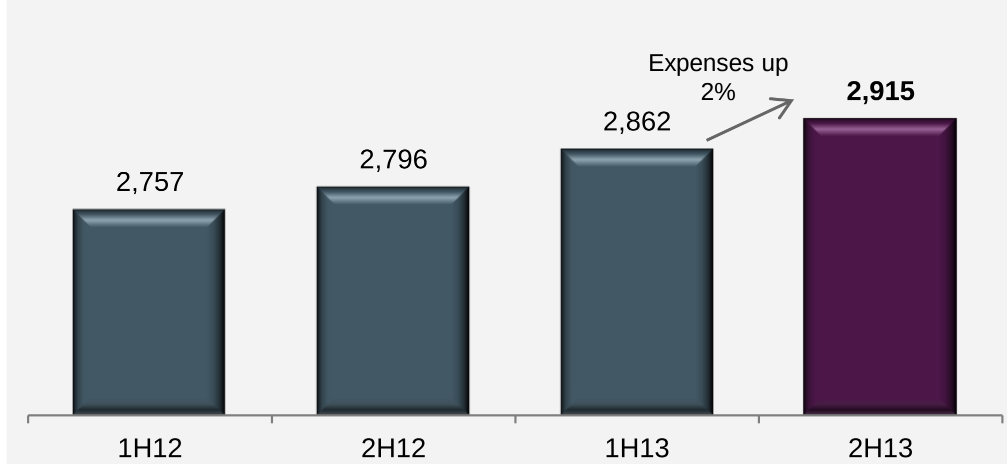
- AFS branch network refresh commenced
  - 17 'Bank Now' sites (Westpac) opened with Smart ATMs and digital technology
  - 'Fresh Start' retail transformation of SGB branches delivering strong uplift in key performance metrics
- Over 131 roaming digital ambassadors across WRBB and SGB to assist customers migrate to our digital channels
- 'Business Connect' video conferencing technology rolled out in SGB branches. Technology to be leveraged across AFS
- Continued migration of customers and transaction flows to digital channels, improving service and efficiency
- Over 59m pro-active customer alert service messages sent in FY13, plus 1.3m prompted branch/contact centre conversations

1 CAGR represents compound average growth rate from 2H11 to 2H13 (annualised). 2 ROTE is Return On Average Tangible Equity and defined on slide 144.

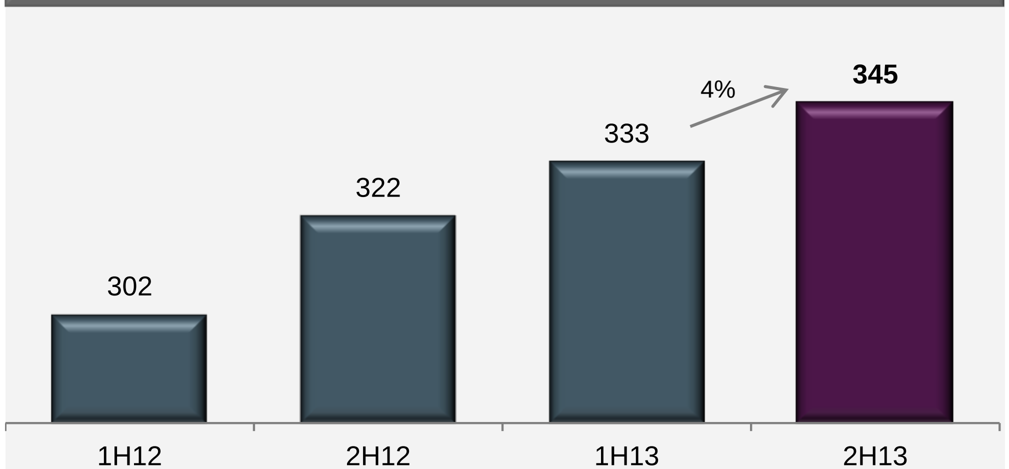
Delivering efficiency and productivity

- Continued investment in improving the customer experience while containing expense growth to 2% (4% in FY12/FY13)
  - 6 additional Bank of Melbourne branches (15 in FY12/FY13), BTFG's new wealth platform commenced and brand relaunches
- By focusing on the customer, AFS generated the following efficiencies
  - Simplifying products with 31 (14%) 'for-sale' products removed in FY13
  - Radically simplifying processes (customer complaints down 15% in FY13)
  - Increasing the flow of transactions through digital channels (mobile self serve adoption rates up 25% in 2H13)
- Expense to income ratio down 101bps to 44.0% (down 138bps FY12/FY13) with tight expense management and strong revenue growth
- Revenue per FTE up 4% (9% FY12/FY13), from a continued focus on the productivity of bankers and customer facing staff

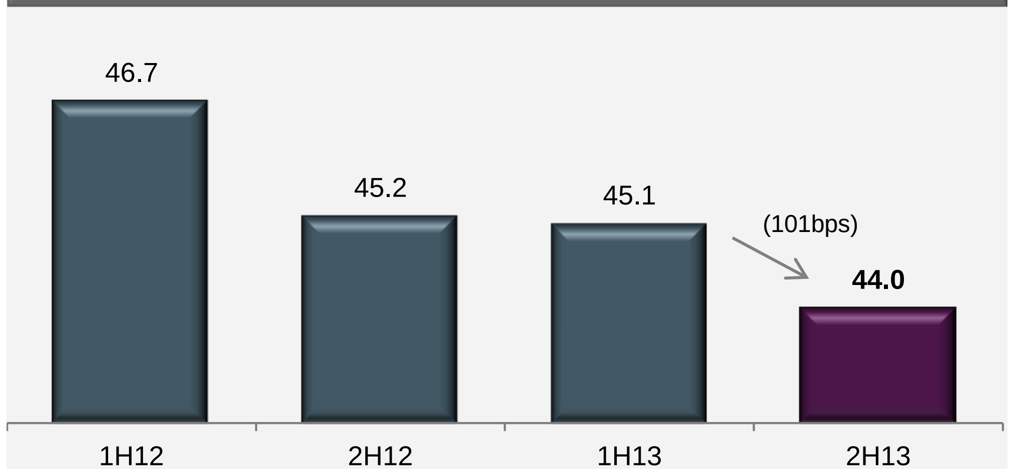
Disciplined expense management ($m)



Further improvements to revenue per FTE ($'000)



Continued reduction in expense to income ratio (%)



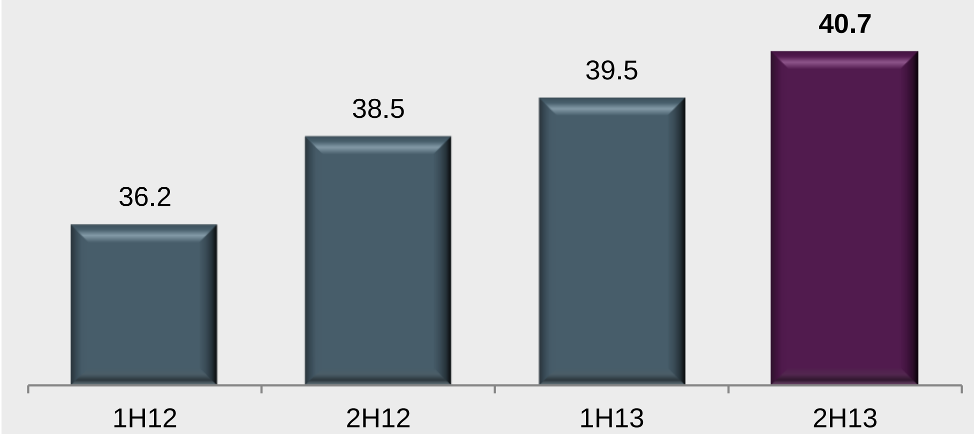
Delivering for customer online/ mobile preference

AFS

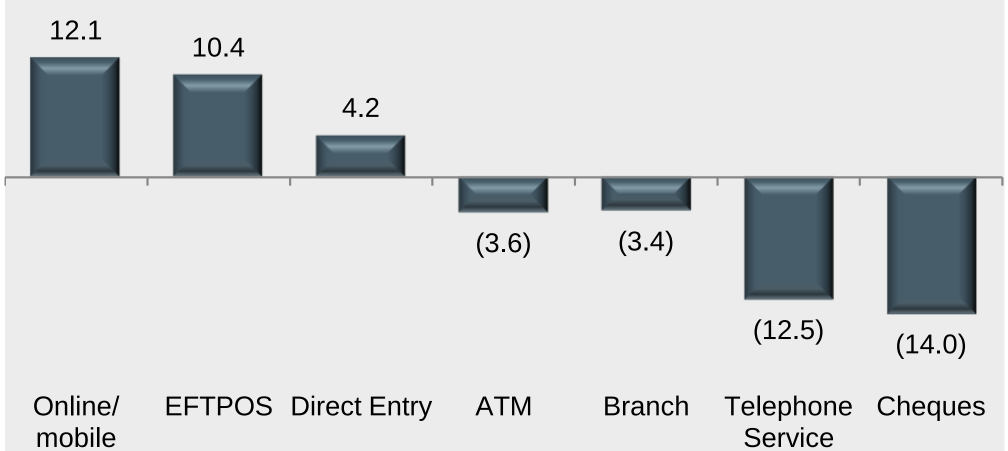
Digital growth deepening relationships and improving service

- AFS active digital customers as a percentage of total customers up 1.2 percentage points to 40.7% (up 2.2 percentage points FY12/FY13)
- Percentage of digital sessions conducted via mobile has increased strongly, up 2.6 percentage points (up 10 percentage points FY12/FY13)
- Overall payment transactions up 6.1% in FY13, with a significant shift to online/mobile and EFTPOS, while telephone service and cheques have fallen
- In FY13 digital sales accounted for 9.6% of total core retail banking sales (8.2% in 2H12)
- Number 1 ranking in mobile customer satisfaction for SGB[1] compared with the other major Australian banks
- New online/mobile platform released to 4,500 WRBB customers with full roll-out through 2014

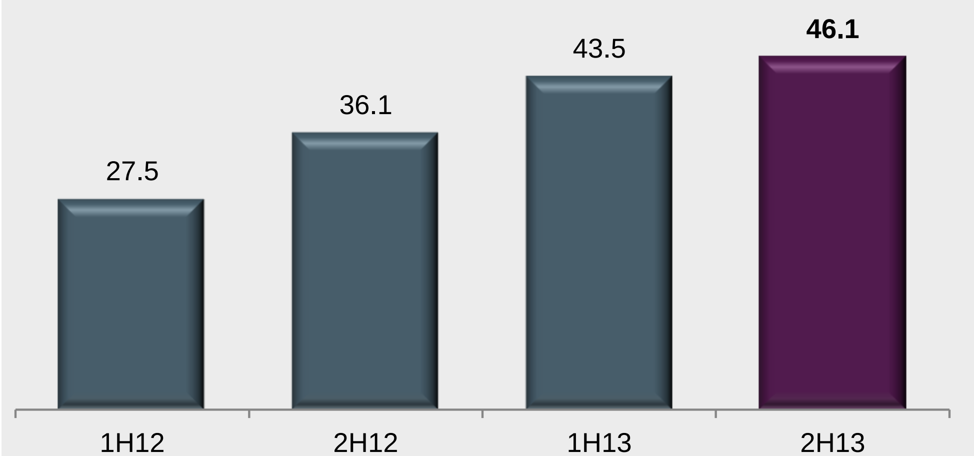
Active digital customers (% of total customer base) increasing



Shift in payment transactions (%) – FY12 v FY13



% of digital sessions conducted by mobile is increasing

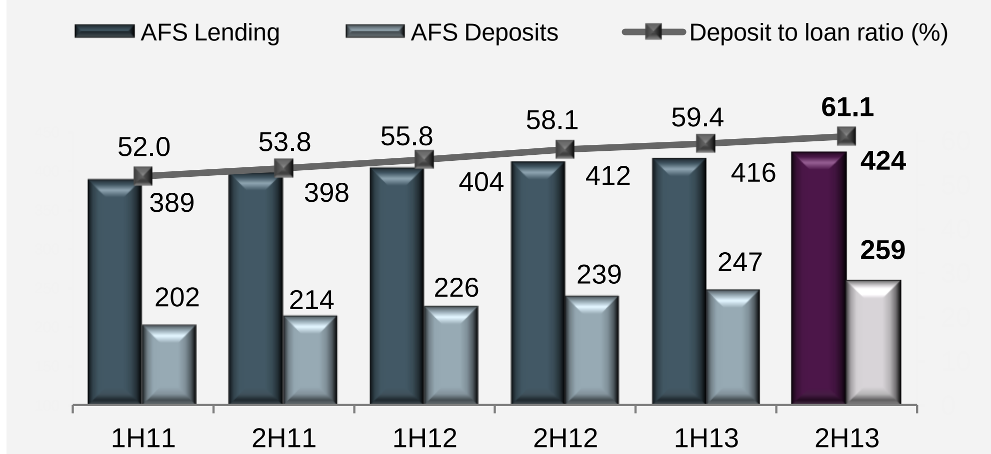


1 RFi, Australian Mobility Banking Program, July 2013 survey results.

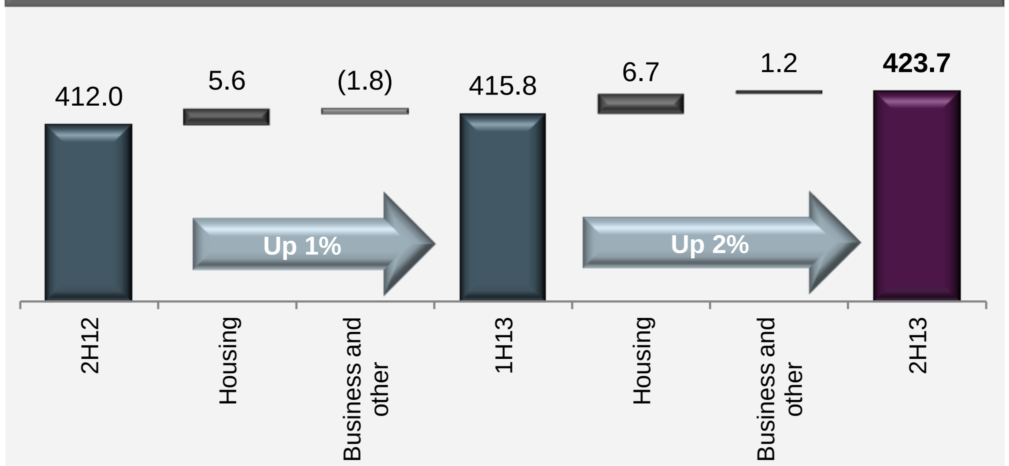
AFS further increased customer deposit to loan ratio

- Increased customer deposit to loan ratio 175bps to 61.1% (up 305bps FY12/FY13) as a result of strong deposit growth
- Deposits up $12bn or 5% (up 8% FY12/FY13)
  - Household deposits grew at 1.3x system in 2H13 (1.3x system in FY13)[1] reflecting focus on liquidity coverage ratio value of deposits
  - 30% of new deposit flows are from new to bank customers
- Lending growth is predominantly from housing with 2H13 improvement in business momentum
  - Housing loans up $6.7bn or 2% (up 4% FY12/FY13)
  - Increased new flows in 2H13 partially offset by increased repayments
  - Business and other lending up 1% (down 1% FY12/FY13)
- Lower run off of stressed assets and higher new business volumes in 2H13 contributed to business growth

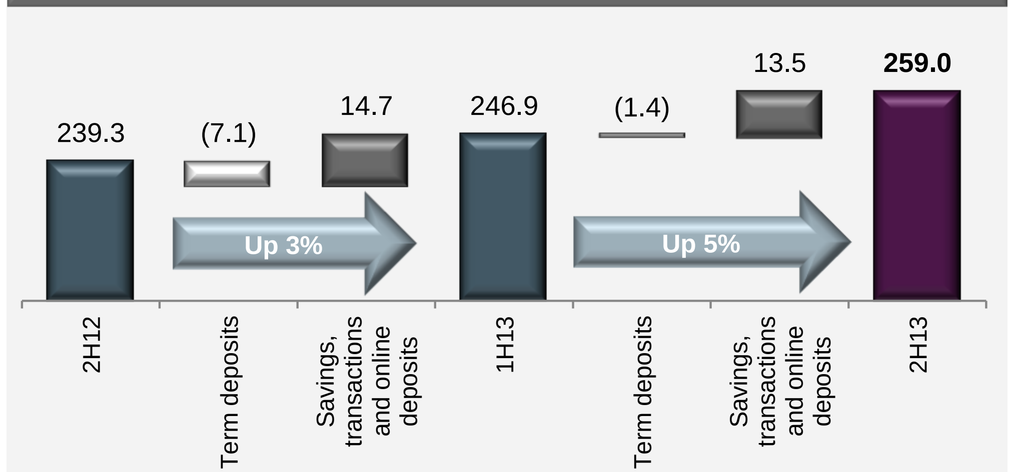
AFS lending and deposits ($bn)



AFS lending growth ($bn)



AFS deposit growth ($bn)



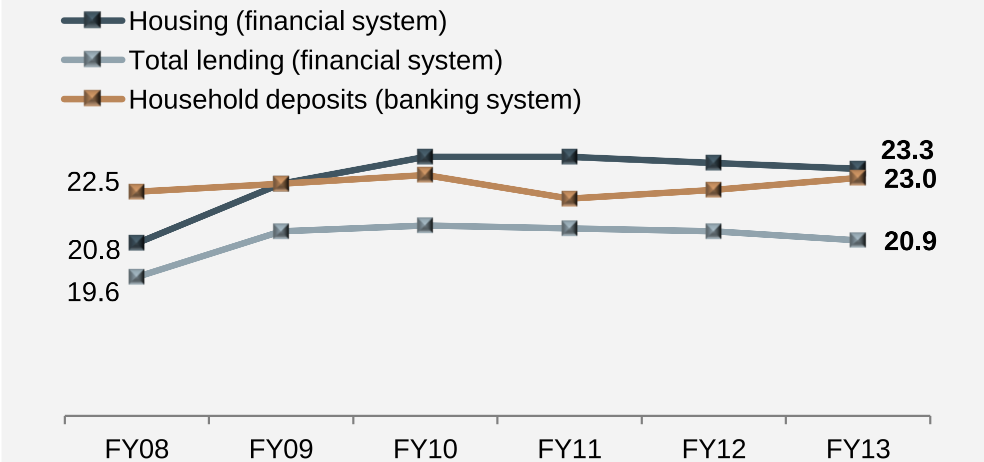
1 APRA Banking Statistics, September 2013.

AFS strong position in key markets

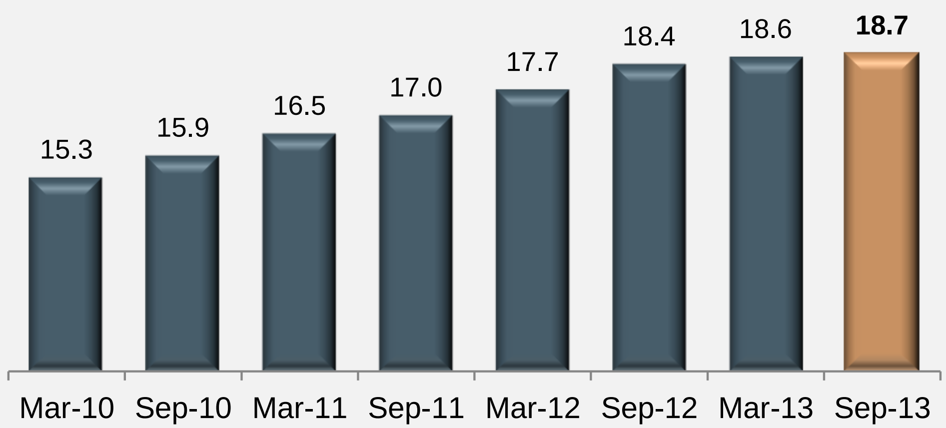
AFS significant improvement in housing/deposit/wealth share

- 18.7% customer penetration of wealth products[1]
  - Improvement in wealth penetration has exceeded average of banking peers over each of the last four years[1]
- 23.0% of household deposit market[2]
  - Market share up 50bps in FY13 versus peer average down 3bps
  - Up 50bps since FY08 (post SGB merger) versus peer average up 37bps
- 23.3% of the mortgage market[3]
  - Market share down 20bps in FY13
  - Up 250bps since FY08 (post SGB merger) versus peer average up 227bps

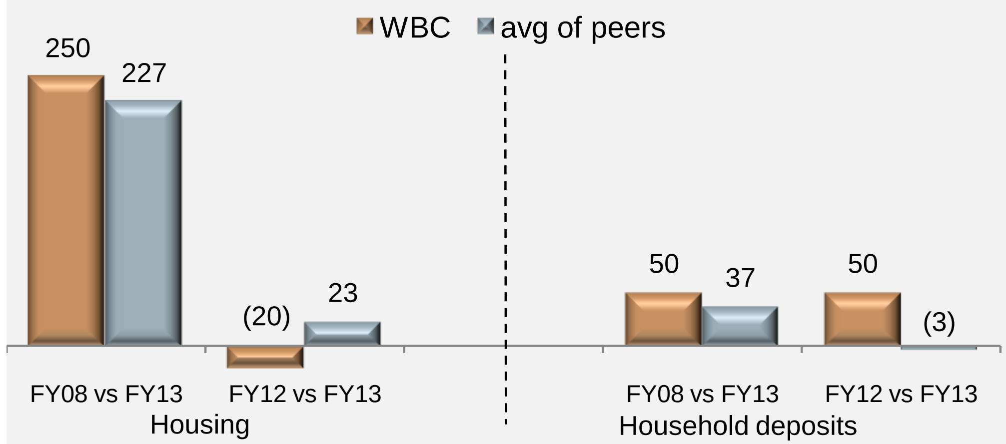
Westpac Group market share since FY08 (%)[2,3]



Westpac Group wealth penetration[1] (%)



Change in banking market share (bps)[2,3]



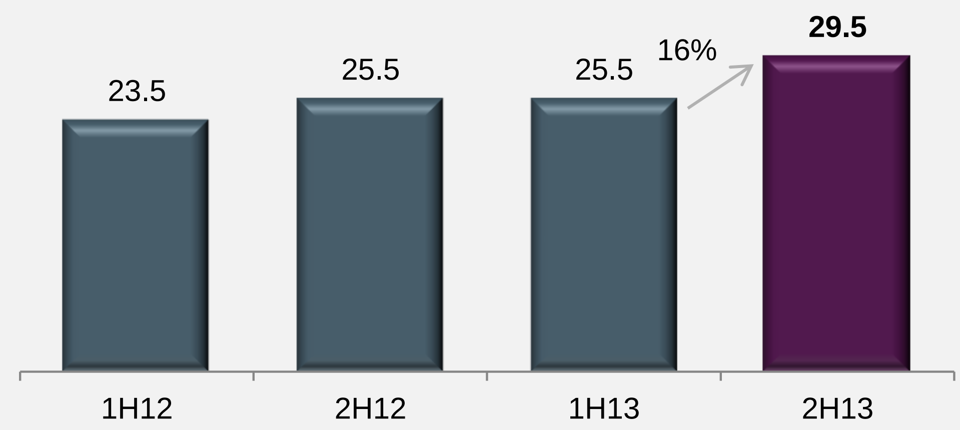
1 Refer slide 144 for wealth penetration metrics and slide 98 for details on changes in wealth penetration over last four years. 2 APRA Banking Statistics, September 2013. 3 RBA Financial Aggregates, September 2013.

Disciplined mortgage growth

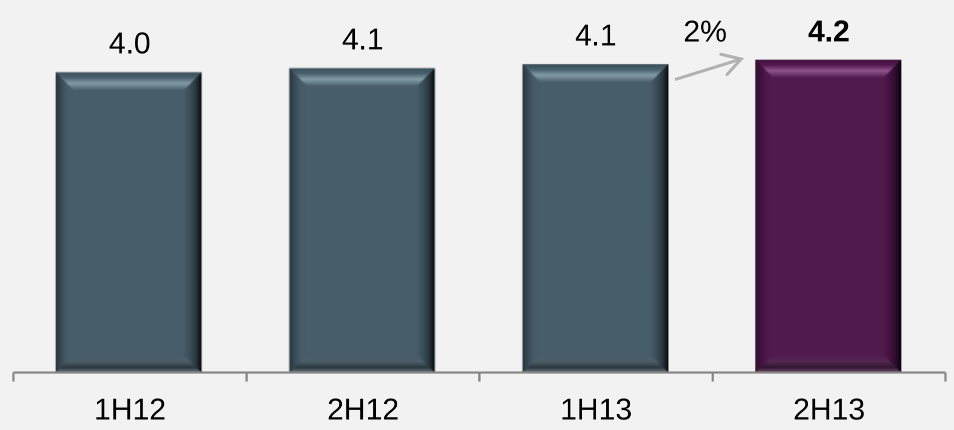
Strong share of housing market

- AFS mortgage market share[1] of 23.3%
  - 0.8x system[1] (0.8x system FY12/FY13)
- Growth in lead indicators for mortgages following 2H13 mortgage campaigns
  - 16% increase in new mortgage lending volumes
  - Grew at 0.9x system[1] in September
- Continued focus on quality in the mortgage portfolio
  - Deep customer relationships with 4.2 products per mortgage customer, up 2%
  - No material change to application scores for mortgage applicants, with average application score improving slightly over the year

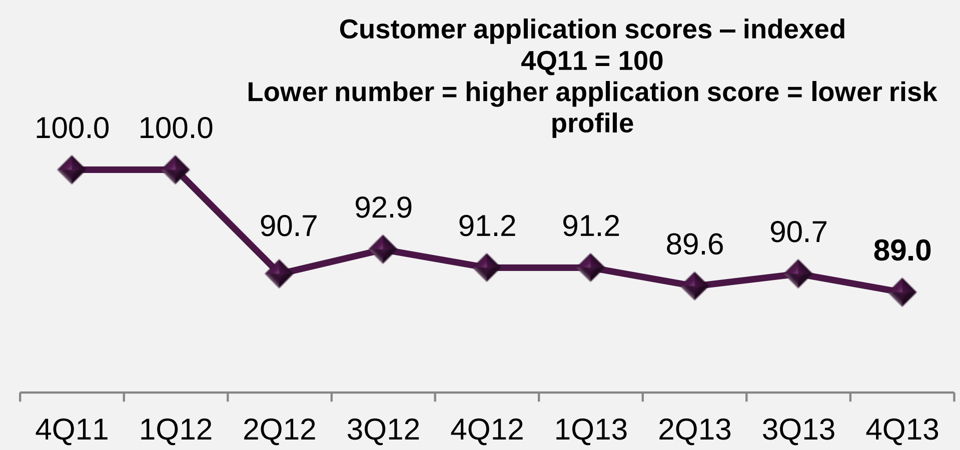
AFS new mortgage lending volumes ($bn)



AFS average product holdings per customer, with a mortgage



AFS mortgages average credit score (indexed)



1 RBA Financial Aggregates, September 2013.

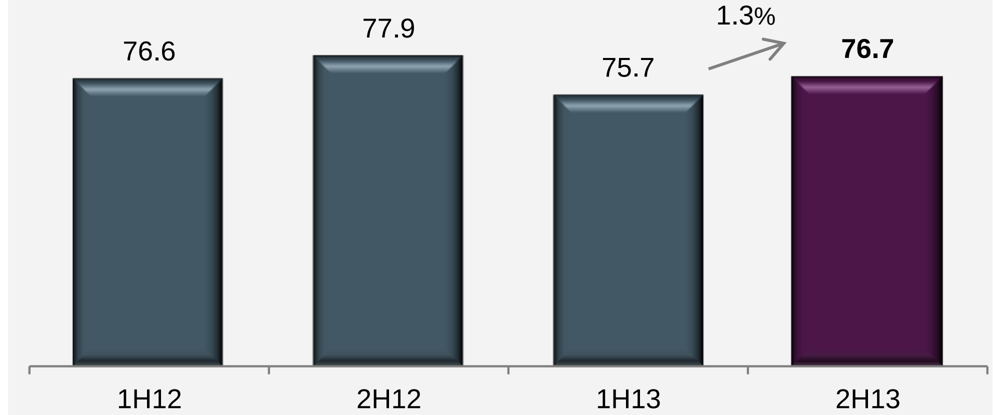
WRBB strong business franchise; St.George SME opportunity

AFS

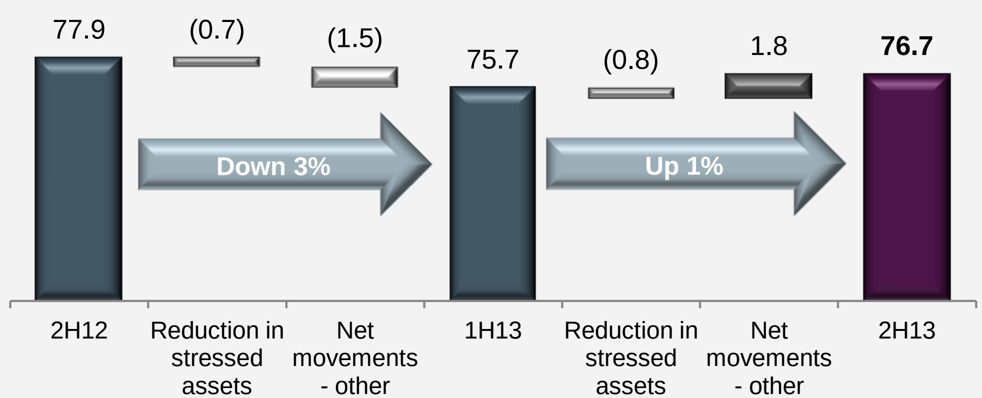
Business lending position

- AFS business lending improved in 2H13
  - Up $1.0bn (1%) versus down 2% FY12/FY13
  - Stressed business to TCE down to 6.3%
- WRBB up 2% (up 1% FY12/FY13)
  - Strength of local business banking model and accelerated target industry specialisation
  - New lending of $5.2bn up $1.1bn on 1H13
  - Business customers up 1.9% (3.4% FY12/FY13)
- SGB flat (down 5% FY12/FY13)
  - Investment in banker capability and banking franchise, with higher performance in 'Business Connect' SME distribution model
  - Reduced stressed assets by $0.7bn (reduced $1.4bn FY12/FY13)
  - New lending of $2.6bn, up $0.9bn on 1H13
  - Business customers up 3.2% (5.9% FY12/FY13)

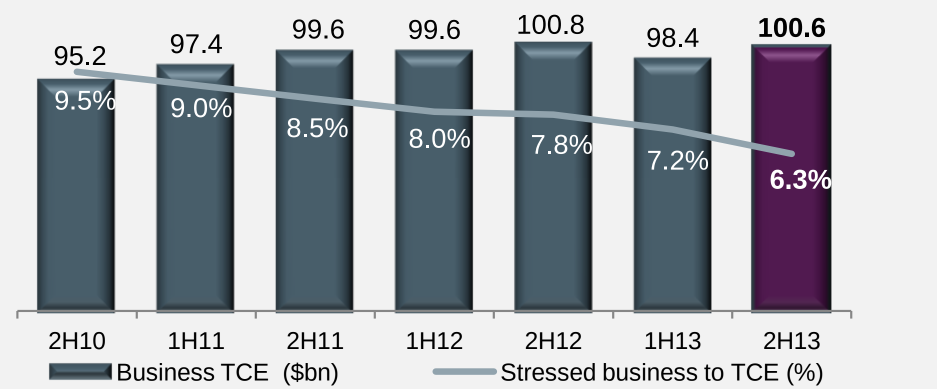
Business lending growth is improving ($bn)



Business lending[1] ($bn)



Business TCE ($bn) and stressed business to TCE (%)



1 Net loans.

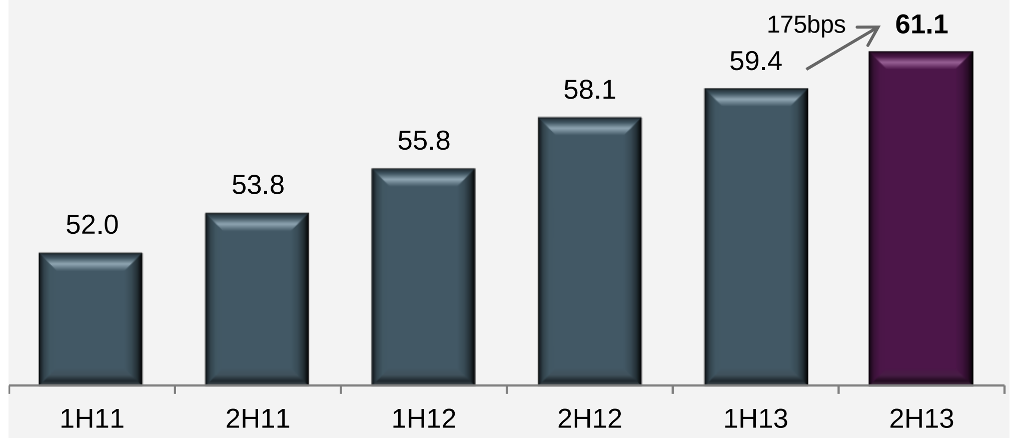
Deposit focus on growth and quality

AFS

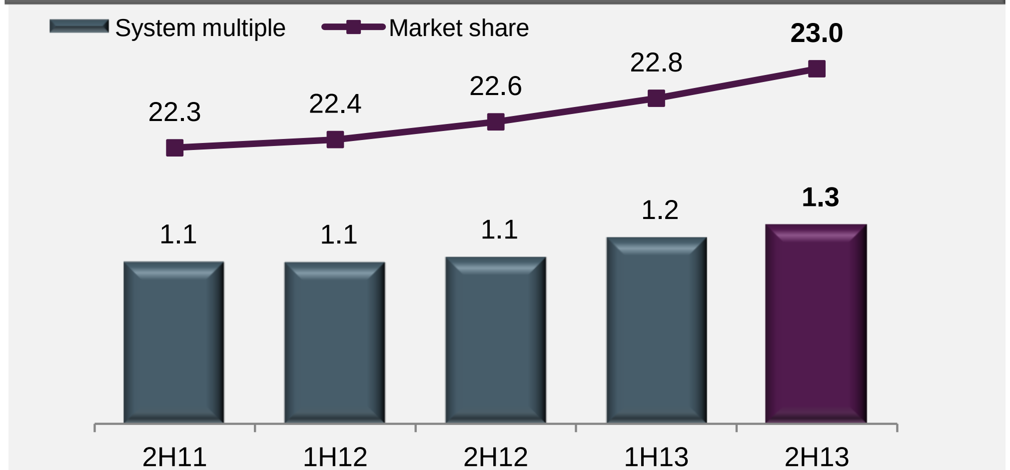
Deposit strategy has delivered strong success

- Improved customer deposit to loan ratio to 61.1% up 175bps (up 305bps FY12/FY13)
- Above system growth, particularly in household deposits
  - Improved quality in portfolio. Focus on gathering deposits with higher quality that better supports the liquidity coverage ratio
  - Increased household deposit market share to 23.0%, growing at 1.3x system[1] with above system growth each half
  - Increased customer relationships as part of MyBank by 3%
  - Increased transaction account numbers by 2.5% FY12/FY13

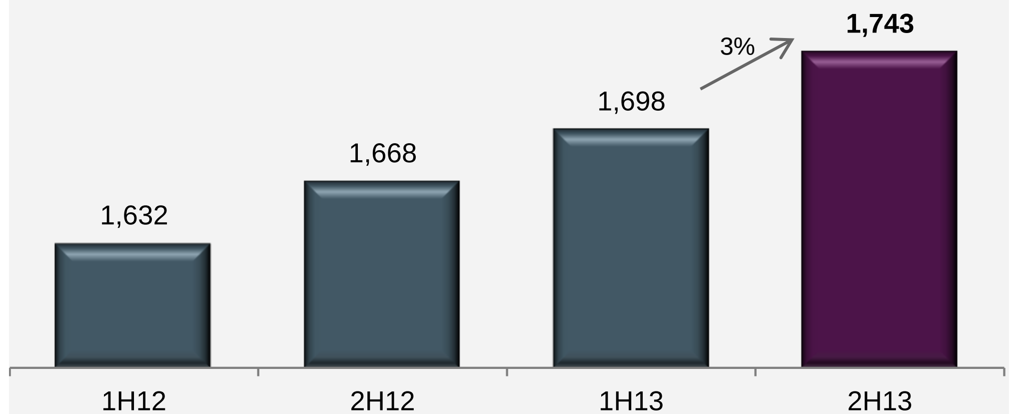
AFS customer deposit to loan ratio (%)



Household deposits[1] market share (%) and system multiple (x)



MyBank Customer numbers ('000)



1 APRA Banking Statistics, September 2013.

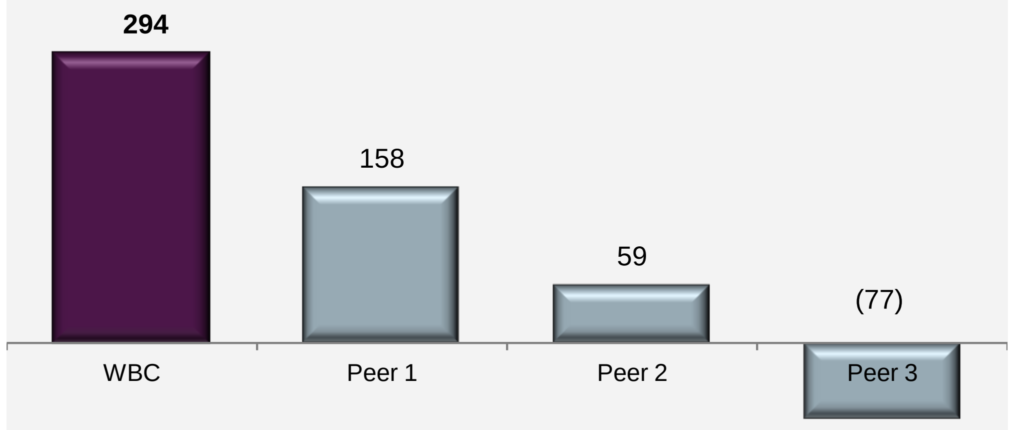
Wealth is part of our banking DNA

Westpac st.george BT

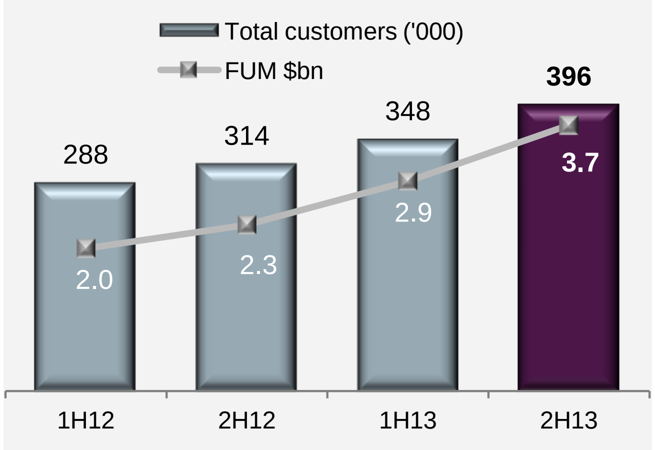
Wealth strategy delivered strong gains

- Present value of wealth products higher given growing annuity stream
- Wealth penetration of 18.7% improved 294bps over the last 4 years, well ahead of all peers[1]
- Further deepened customer relationships. Wealth penetration statistics understate our success, as measure only counts one wealth product per customer versus multiple wealth products our customers have. In FY13
  - 18.5% of WRBB customers have more than one wealth product
  - BT Super for Life (retail) customers up 26% and FUM up 60%
  - Strong growth in Life insurance with share up 151bps to 10.3%[2]
  - Home and Contents insurance penetration[1] up 22bps to 7.4%
- Individual income protection lapse rates, while up 40bps to 12%, remains significantly below peers[3]
- Investment in upgrading wealth platform underway

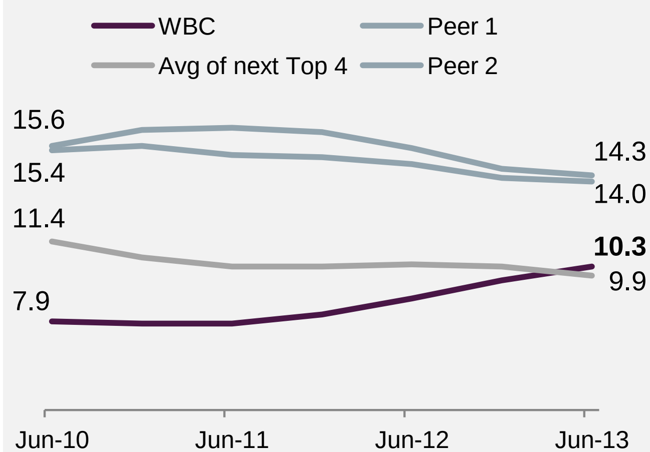
Customer wealth penetration change over last 4 years[1] (bps)



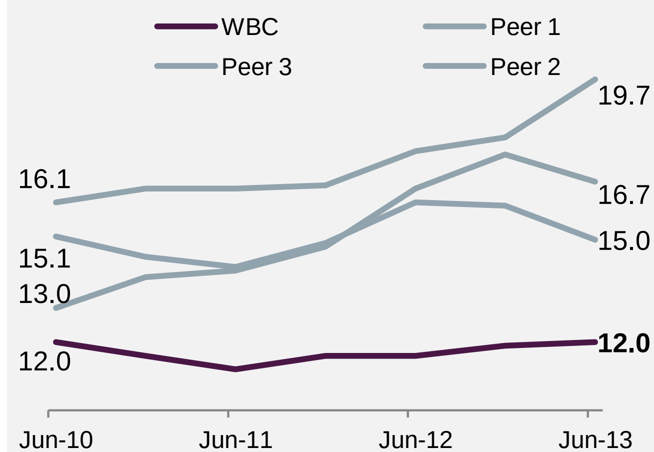
BT Super for Life (retail) customer numbers and FUM growth



Life Insurance new sales market share[2] (%)



Individual income protection lapse rates[3] (%)



1 Refer slide 144 for wealth penetration metrics. 2 Plan for Life data (new sales includes sales, premium re-rates, age and CPI indexation), June 2013. 3 Plan for Life, June 2013.

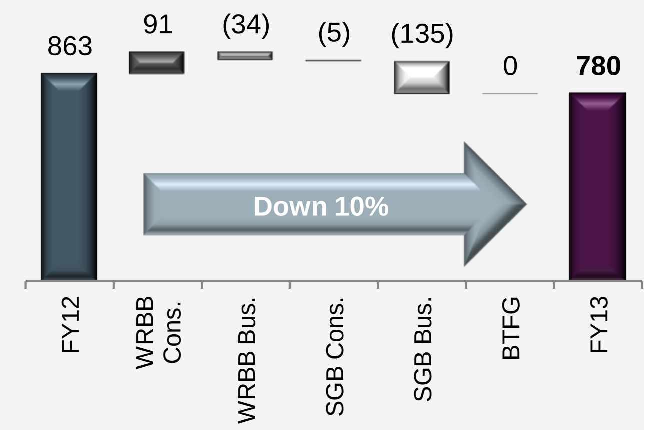
AFS high quality credit portfolio; significant improvement in business

AFS

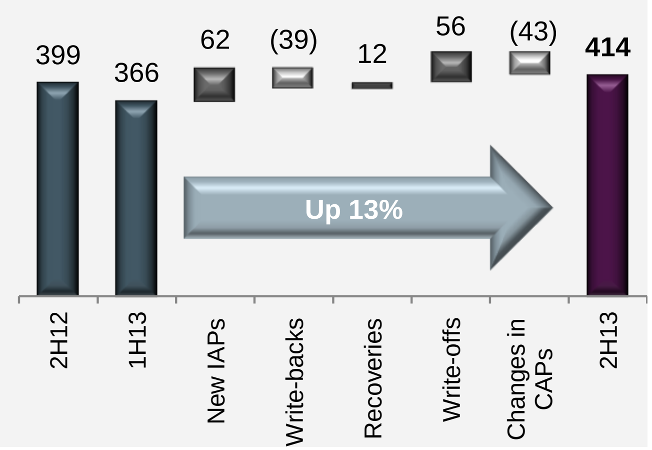
Strong risk profile

- AFS impairment charges increased 13% off a very low charge in 1H13 (down 10% FY12/FY13), with the improvement in portfolio quality continuing, although at a slower pace compared to 1H13
- AFS stressed exposures as a % of TCE reduced 23bps to 1.61% (down 37bps FY12/FY13)
- Impaired assets down 8bps to 39bps of TCE (down 8bps FY12/FY13)
- Continued improvement in business portfolio quality, with asset sales, write-offs and refinancing reducing stressed assets, including a significant reduction in stressed property exposures in SGB
- Consumer portfolio remains sound, with delinquencies down over the half, reflecting seasonal trends, improved debt serviceability due to further interest rates cuts and ongoing consumer caution towards debt
  - Mortgage 90+ days delinquencies down 5bps to 53bps (up 1bp FY12/FY13)
  - Credit card 90+ days delinquencies down 19bps to 93bps (up 1bp FY12/FY13)

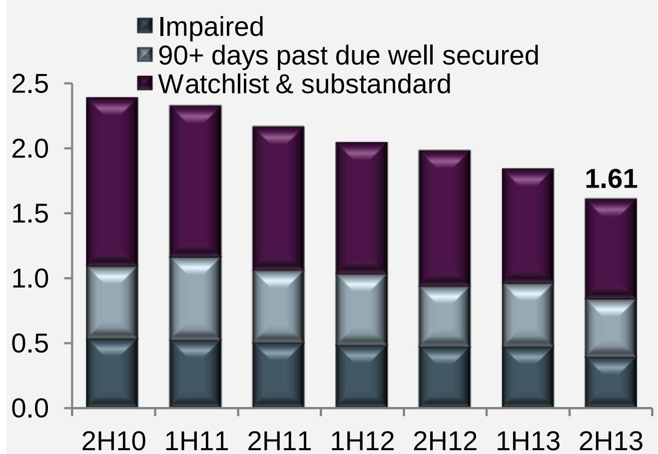
Movement in impairment charges ($m)



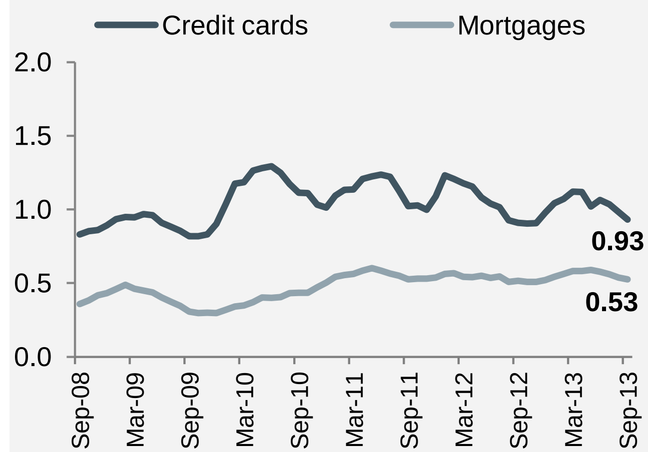
Movement in impairment charges ($m)



Stressed exposures as a % of TCE

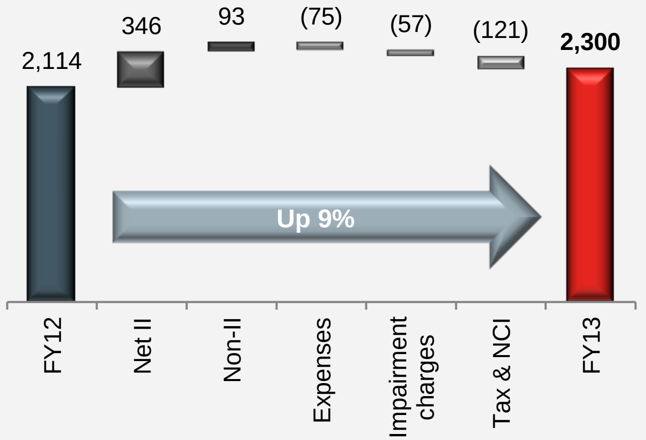


90+ days delinquencies (%)

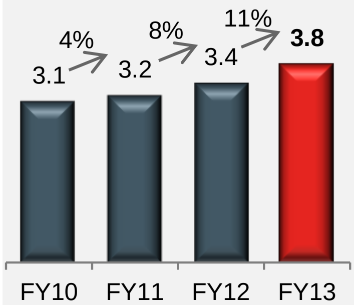


Strong franchise with earnings momentum

Cash Earnings movement ($m)



Core earnings ($bn)



Movement FY13 – FY12

Cash Earnings	↑	9%	• Up $186m to $2,300m
Core earnings	↑	11%	• Up $364m to $3,773m driven by 7% revenue growth
Net interest income	↑	7%	• Deposits up 8% and customer deposit to loan ratio improved to 58.5% (up 321bps) • Lending up 2%, with a 3% rise in mortgages and 1.3x system growth in business lending[1]
Margins	↑	10bps	• Margins up to 2.33% • Deposit spreads 14bps lower due to more competitive pricing, particularly in at-call savings accounts where most of 2H13 growth occurred • Lending spreads up 26bps from asset repricing
Non-interest income	↑	8%	• Increased business line fees mostly from repricing of commercial bill facilities • Rise in credit card income due to an increase in the use of premium rewards cards (launch of Westpac Black)
Expenses	↑	2%	• Distribution expenses down 2%, with improved productivity across frontline roles, reduced property and discretionary spend offsetting salary increases and higher marketing costs associated with the brand refresh • Higher project amortisation and regulatory costs
Impairment charges	↑	13%	• Impairment charges up $57m to $486m, as improvement in asset quality was at a slower rate in FY13 • Consumer impairment charges higher as the rate of improvement in asset quality slowed in FY13 • Business impairment charges down due to improving asset quality
Tax and NCI	↑	14%	• Effective tax rate 30.0% (up 97bps). FY12 included a one off benefit relating to leasehold deductions

Movement in key metrics

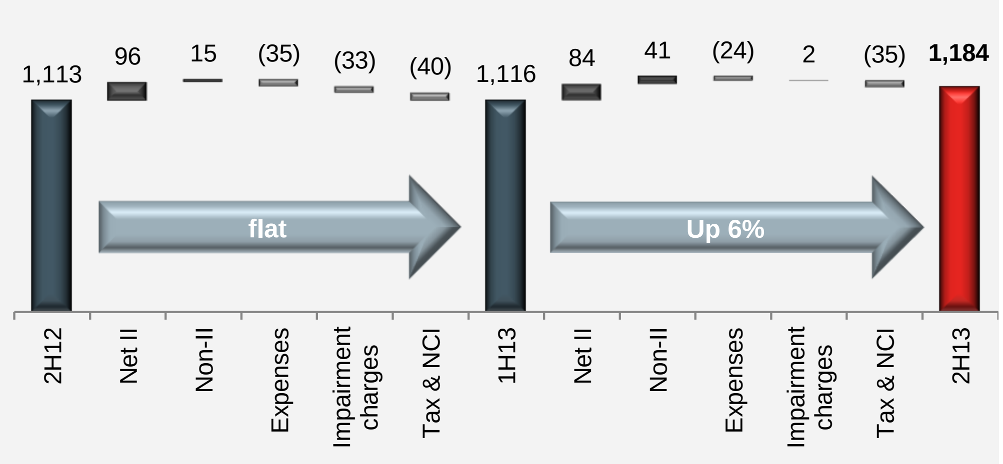
	FY12	FY13		Change on FY12
Customer deposit to loan ratio (%)	55.3	**58.5**	↑	321bps
Margins (%)	2.23	**2.33**	↑	10bps
Revenue per FTE ($'000)	617	**695**	↑	13%
Expense to income (%)	47.5	**45.5**	↓	193bps
ROTE (%)	26.4	**26.9**	↑	49bps

1 RBA Financial Aggregates, September 2013.

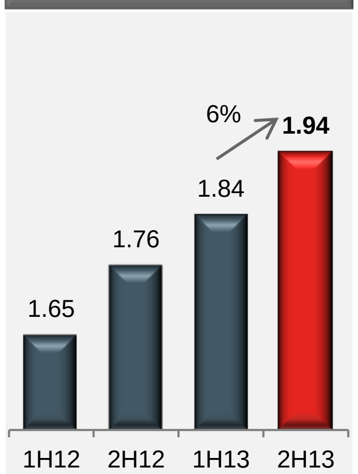
Cash Earnings up 6%, a disciplined performance

WRBB

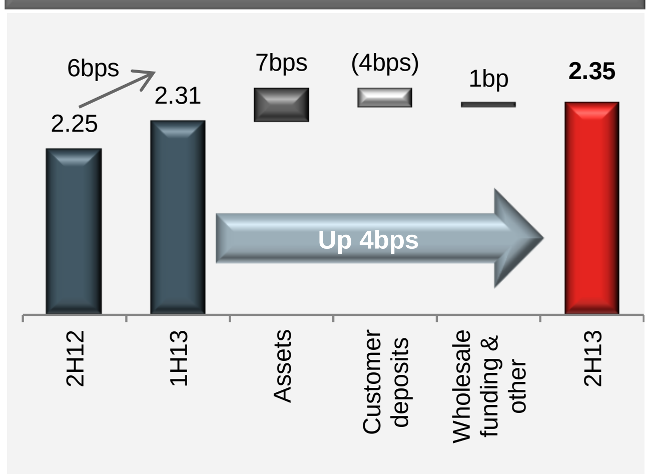
Cash Earnings movement ($m)



Core earnings ($bn)



Net interest margin (%)



Movement 2H13 – 1H13

Cash Earnings	↑	6%	• Up $68m to $1,184m
Core earnings	↑	6%	• Up $101m to $1,937m underpinned by 4% revenue growth
Net interest income	↑	3%	• Deposits up 6% and customer deposit to loan ratio improved to 58.5% (up 213bps) • Lending up 2%, with a 2% rise in mortgages and above system growth[1] in business lending, up 2%
Margins	↑	4bps	• Margins up to 2.35% • Deposit spreads 4bps lower, due to more competitive pricing, particularly in at-call savings accounts where most of 2H13 growth occurred • Lending spreads up 7bps
Non-interest income	↑	7%	• Increased business line fees • Rise in card related fees, including higher interchange
Expenses	↑	2%	• Distribution expenses increased 2%, with salary increases and higher marketing costs only partly offset by improved productivity across frontline roles and lower property costs • Higher project amortisation and regulatory costs
Impairment charges	↓	1%	• Impairment charges down $2m to $242m • Consumer impairment charges $34m lower from seasonal fall in delinquencies • Business impairment charges up $32m, reflecting higher new individually assessed provisions partially offset by higher write-backs

1 RBA Financial Aggregates, September 2013.

Leading employee engagement delivering deeper customer relationships

WRBB

Westpac

Key features of 2H13

- Westpac Local strategy has continued to perform, with disciplined margin, expenses and risk management delivering a consistently improving performance
- Further strengthened balance sheet, with 213bps increase in customer deposit to loan ratio, four percentage point uplift in employee engagement to a record of 93, and improved customer advocacy with most satisfied customers award for major banks 2013 (CANSTAR) and Roy Morgan's Major Business Bank of the Year
- Delivered 1.3x system growth in household deposits[1] (up 6%) and 1.7x system business lending[2] (up 2%)
- Customer metrics continue to improve, with customers increasing 1% to 6.2m, growth in MyBank customers and highest wealth penetration of major banks at 21.2% (up 29bps)[3]
- Leaner operating model with process efficiencies improving sales productivity, with revenue per FTE up 6% and expense to income down 95bps. Digital adoption shows continued momentum (active mobile customers up 11%). 17 Bank Now branches opened, with significantly smaller branch footprint, supplemented by Smart ATM's and digital technology, making banking easier for customers 24x7

Movement in key metrics

	2H12	1H13	2H13		Change on 1H13
Customer deposit to loan ratio (%)	55.3	56.4	**58.5**	↑	213bps
Margins (%)	2.25	2.31	**2.35**	↑	4bps
Revenue per FTE ($'000)	320	338	**357**	↑	6%
Expense to income (%)	46.5	46.0	**45.1**	↓	95bps
ROTE (%)	27.4	26.3	**27.4**	↑	107bps

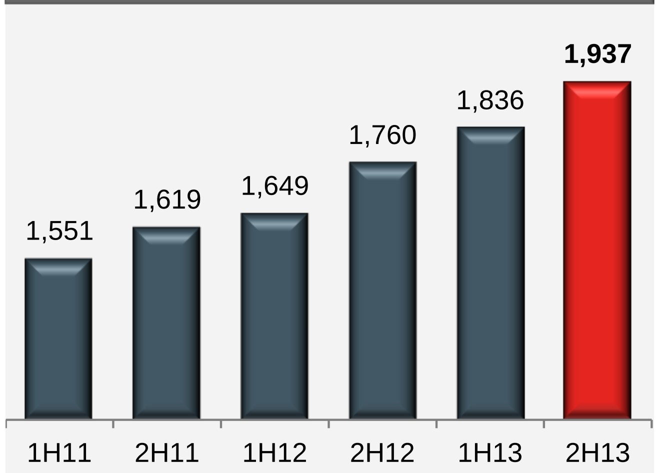
Key customer / employee metrics

	2H12	1H13	2H13		Change on 1H13
Customers (#m)	6.08	6.13	**6.17**	✓	1%
Active mobile customers (#m)	1.17	1.37	**1.51**	✓	11%
Active online customers (#m)	2.30	2.37	**2.45**	✓	3%
Service quality (complaints # '000)	40.1	35.4	**35.8**	–	1%
Proportion of MyBank customers[3] (%)	23.6	23.9	**24.4**	✓	45bps
Average products per customer[4] (#)	2.84	2.85	**3.0**	✓	5.3%
Wealth penetration[3] (%)	20.8	20.9	**21.2**	✓	29bps
BT Super for Life retail customers ('000)	246	263	**299**	✓	14%
Employee engagement (%)	89		**93**	✓	4ppts[5]
Women in senior leadership[6] (%)	45	42	**43**	✓	1ppt

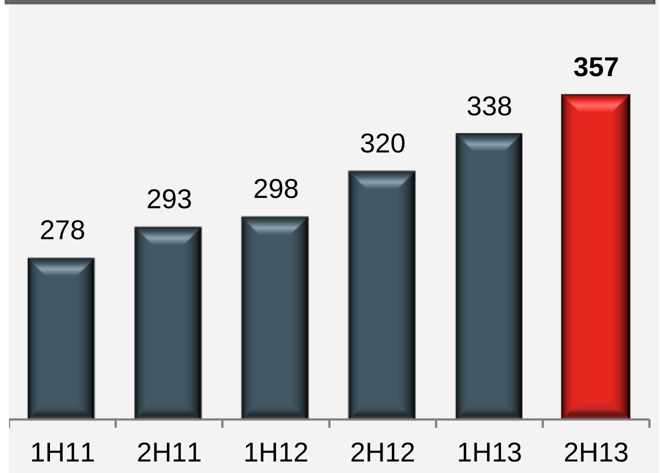
1 APRA Banking Statistics, September 2013. 2 RBA Financial Aggregates, September 2013. 3 Refer to slide 144 for wealth penetration metrics provider details. 4 Roy Morgan Research (Jun13) 6 month rolling average. Total Banking & Finance (incl. Work Based Super) customers aged 18+. 5 Change on 2H12. 6 Decline in 1H13 number due to structural realignment across WRBB.

Strategy driving a consistent performance over the long term

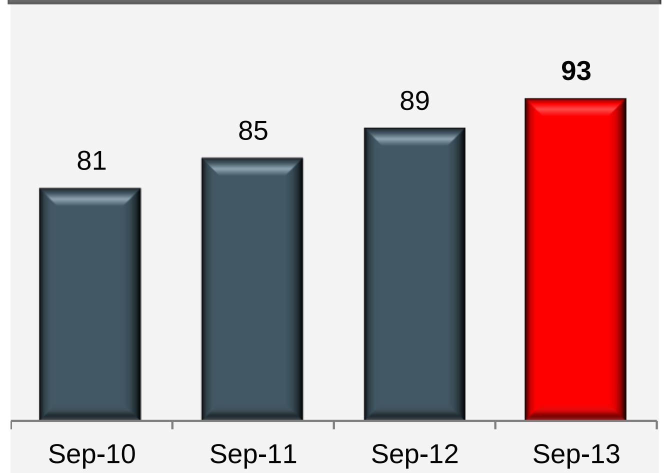
Core earnings ($m)



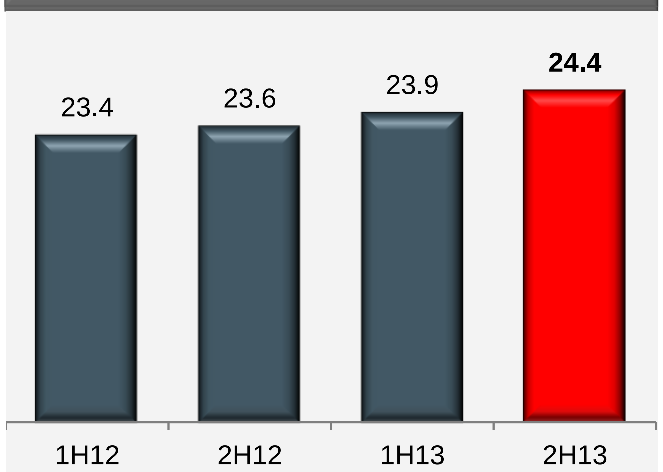
Revenue per FTE ($'000)



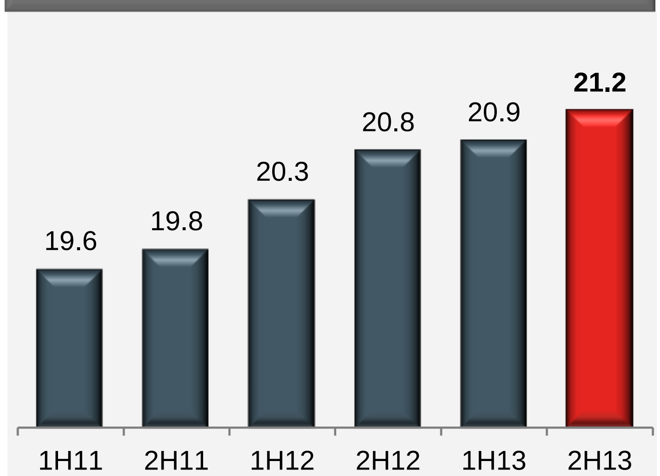
Employee engagement (%)



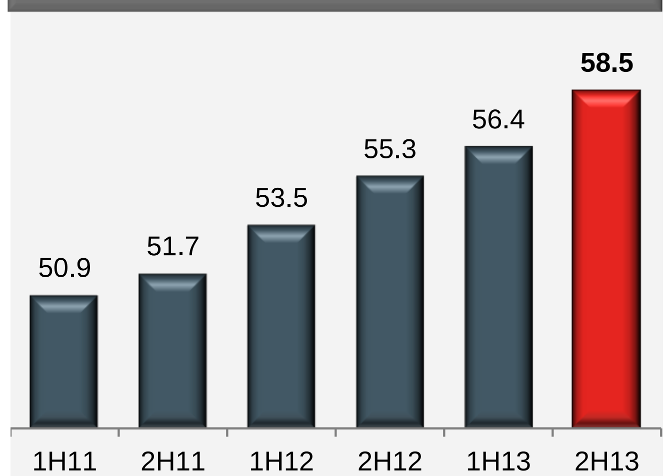
MyBank customers (%)



Customers with wealth products[1] (%)



Customer deposit to loan ratio (%)

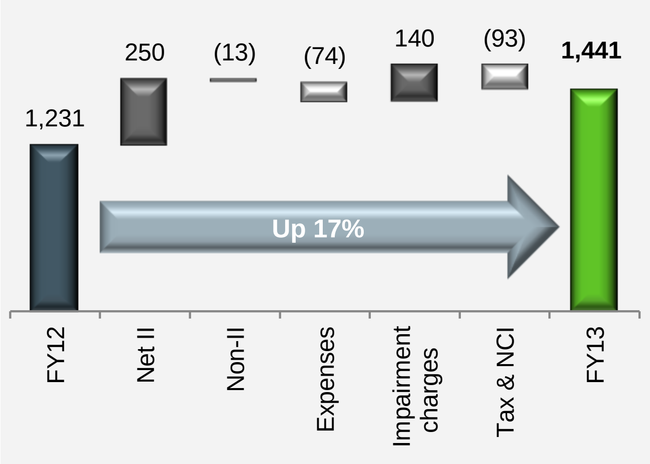


1 Refer to slide 144 for wealth penetration metrics provider details.

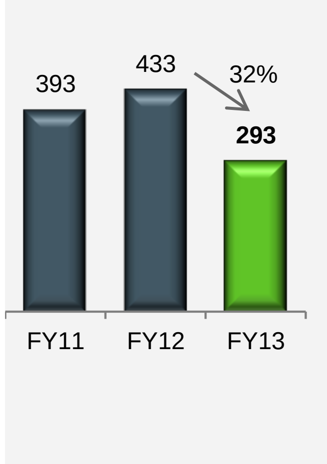
Re-invigoration of local brands driving strong core earnings momentum

st.george | BankSA | Bank of Melbourne | RAMS

Cash Earnings movement ($m)



Impairment charges ($m)



Movement in key metrics

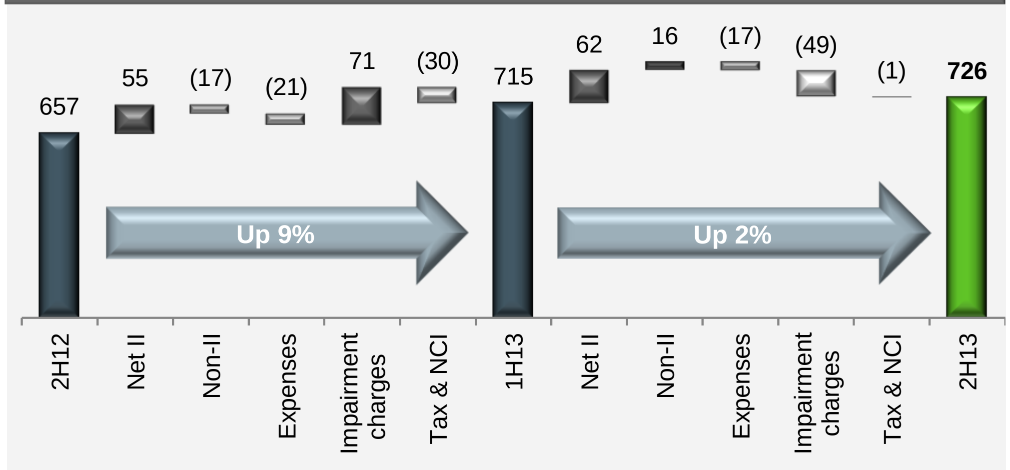
	FY12	FY13		Change on FY12
Customer deposit to loan ratio (%)	54.8	**58.0**	↑	321bps
Margins (%)	2.12	**2.22**	↑	10bps
Revenue per FTE ($'000)	691	**738**	↑	7%
Expense to income (%)	38.0	**37.6**	↓	43bps
ROTE (%)	20.8	**23.4**	↑	264bps

Movement FY13 – FY12

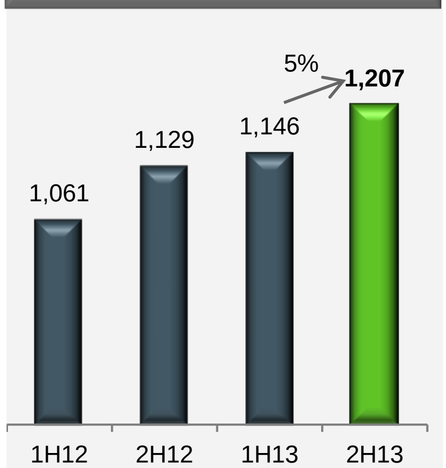
Cash Earnings	↑	17%	• Up $210m to $1,441m with all brands contributing
Core earnings	↑	7%	• Up $163m to $2,353m driven by 7% revenue growth
Net interest income	↑	8%	• Deposits up 10% and customer deposit to loan ratio improved by 321bps to 58.0% • Lending up 3%, with a 6% rise in mortgages and 9% rise in consumer finance, offsetting a 5% fall in business loans principally from run-down in stressed assets
Margins	↑	10bps	• Margins up to 2.22% • Asset spreads improved 26bps, with mortgage repricing and improved business lending spreads • Partly offset by a 16bps decline in deposit spreads, reflecting increased competition
Non-interest income	↓	2%	• Lower financial markets income in 1H13 was partially offset by a rise in business lending fees
Expenses	↑	6%	• Expansion of Bank of Melbourne ($36m), launch of new 'Business Connect' model for serving SME customers, and increased technology costs • Partly offset by productivity initiatives
Impairment charges	↓	32%	• Impairment charges down $140m to $293m • Business impairment charges down significantly (down $135m) due to a reduction in stressed assets, particularly property, through a combination of upgrades, debt reduction and refinancing • Consumer impairment charges were slightly lower (down $5m) due to a marginal improvement in unsecured consumer delinquencies

St.George momentum continuing in 2H13

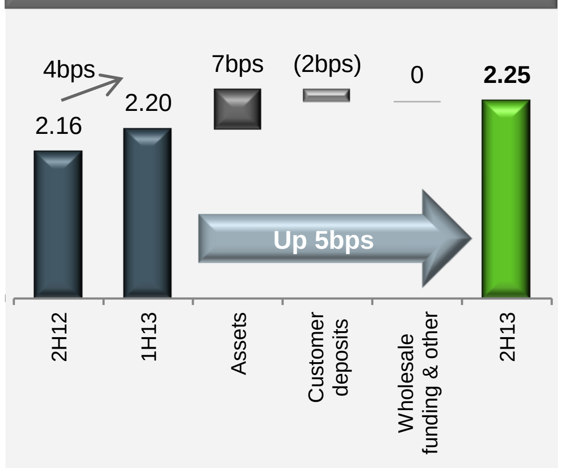
Cash Earnings movement ($m)



Core earnings ($m)



Net interest margin (%)



Movement 2H13 – 1H13

Cash Earnings	↑	2%	• Up $11m to $726m with all brands contributing
Core earnings	↑	5%	• Up $61m to $1,207m driven by 4% revenue growth
Net interest income	↑	4%	• Deposits up 5% and customer deposit to loan ratio improved by 170bps to 58.0% • Lending up 2%, with a 3% rise in mortgages and 4% rise in consumer finance, offsetting flat business lending
Margins	↑	5bps	• Margins up to 2.25% • Asset spreads improved 7bps • Offset by a 2bps decline in deposits, mostly reflecting increased competition
Non-interest income	↑	6%	• Higher financial markets income • Higher business lending fees and higher auto finance fees
Expenses	↑	2%	• Expansion of Bank of Melbourne and launch of new 'Business Connect' model for serving SME customers • Partly offset by productivity initiatives
Impairment charges	↑	40%	• Impairment charges up $49m to $171m • Collectively assessed provision benefits from reducing stress in the business portfolio were mainly in 1H13 • Consumer impairment charges down as other consumer and mortgage 90+ day delinquencies fell in line with seasonal trends

Significant improvement in key operating metrics

Key features of 2H13

- St.George has continued strong momentum in 2H13 with a reinvigorated strategy, resulting in sustainably improved share in mortgages and deposits. All brands positively contributed to core and Cash Earnings growth
- Strengthened key metrics, with customer deposit to loan ratio up 170bps, stressed assets to TCE down 51bps to 2.26% and employee engagement up 2 percentage points to 85%
- Customer numbers up 1%, with Bank of Melbourne customers up 4%. Proportion of MyBank customers up 73bps to 22.1%. Rank 3rd of majors for wealth penetration[1]
- Above system growth in housing[2] and deposits[3]. Bank of Melbourne growth well above system. St.George SME 'Business Connect' launched and now building value
- Productivity momentum with a 3% increase in revenue per FTE and a 66bps decline in expense to income ratio
- St.George Business Bank awarded Asia-Pacific Banking and Finance Best Internet Business Bank; Bank of Melbourne received Smart Investor Blue Ribbon Awards 'Regional Bank of the Year'; and, RAMS awarded Best Saver account

Movement in key metrics

	2H12	1H13	2H13		Change on 1H13
Customer deposit to loan ratio (%)	54.8	56.3	**58.0**	↑	170bps
Margins (%)	2.16	2.20	**2.25**	↑	5bps
Revenue per FTE ($'000)	354	363	**375**	↑	3%
Expense to income (%)	37.5	37.9	**37.2**	↓	66bps
ROTE (%)	21.7	23.3	**23.5**	↑	23bps

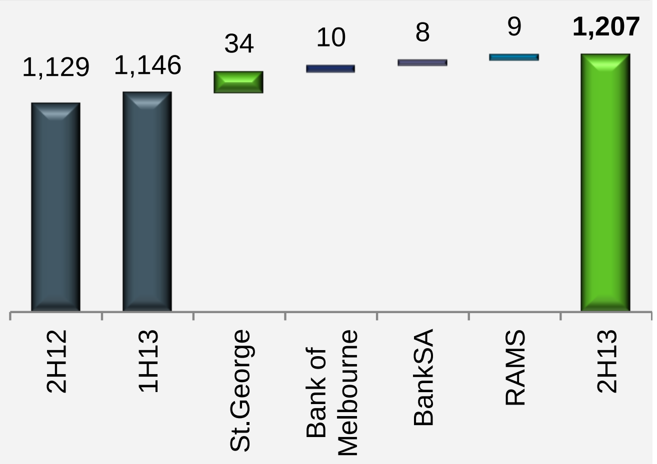
Key customer / employee metrics

	2H12	1H13	2H13		Change on 1H13
Customers (#m)	3.16	3.22	**3.26**	✓	1%
Active mobile customers (#m)	0.40	0.47	**0.52**	✓	11%
Active online customers (#m)	1.15	1.20	**1.27**	✓	6%
Proportion of MyBank customers (%)	21.2	21.4	**22.1**	✓	73bps
Avg. products per customer[4] (#)	2.58	2.61	**2.64**	✓	1%
Wealth penetration[1] (%)	15.0	15.2	**14.9**	x	(25bps)
BT Super for Life customers ('000)	68	81	**97**	✓	19%
Employee engagement (%)	83		**85**	✓	2ppts[5]
Women in senior leadership (%)	40	45	**46**	✓	1ppt

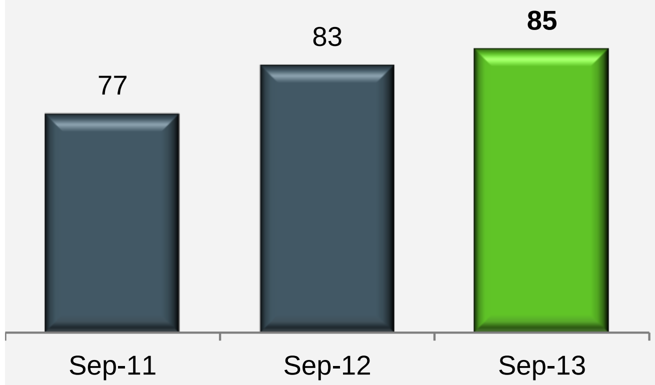
1 Refer to slide 144 for wealth penetration metrics provider details. 2 APRA Banking Statistics, September 2013. 3 RBA Financial Aggregates, September 2013. 4 St.George Banking Group retail customers. 5 Change on 2H12.

All brands contributing to earnings growth

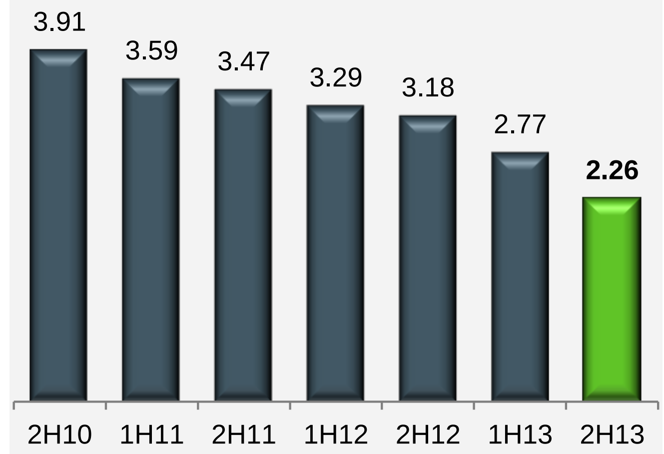
Core earnings – positive contribution across all brands ($m)



Employee engagement improving (%)



Reduced stressed assets to TCE (%)



BoM ahead of plan in FY13

- Positive Cash Earnings growth funding expansion
- 77 branches/instores (up 15)
- Market share 4.2% (up 70bps)[1]
- Household deposits 5x Victorian banking system[2] and mortgages 3x Victorian system[3]
- Deposits up 25% to $9.5bn, Mortgages up 16% to $15.1bn and total lending up 11% to $21.1bn
- 10% customer growth; 145bps lift in proportion of MyBank customers to 22.9%
- Regional Bank of the Year, Smart Investor Blue Ribbons Awards

SME 'Business Connect' launched

- Launched innovative distribution model to branches, providing efficient access to specialists using online, video and mobile
- Rolled out to 30 branches, with plans to increase to 150 branches through FY14
- Early success with
  - Strong endorsement from customers and engagement from staff
  - Increased customer facing time for business bankers from 30% to 70%
  - Since program launched, over 560 video conference customer appointments
  - 95% of video conference referrals have resulted in products per customer of 4.5

Maintaining innovation edge

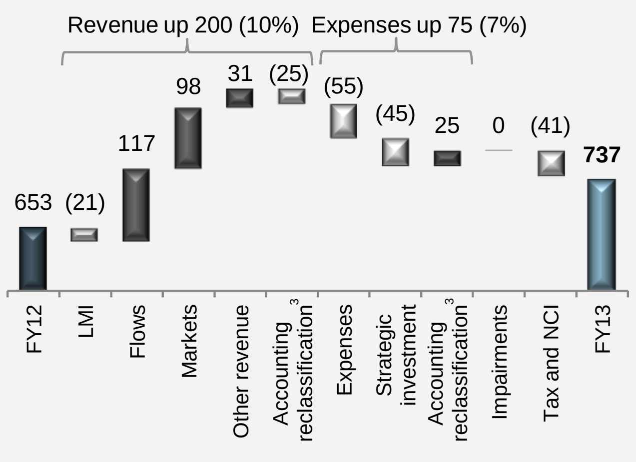
- Leverage strong heritage of online/mobile capability
  - First internet banking (1995)
  - First with same day merchant settlement (2001)
  - First to send SMS alerts (2003)
  - First savings/transaction accounts opened via mobile devices (2010)
- Provide innovative customer solutions
  - Credit and debit card application and activation via mobile (November 2012)
  - Personal loans on mobile (March 2013)
  - Ability to view and suppress eStatements via mobile (September 2013)

1 Market share as measured by footings (household deposits and housing balances). 2 Bank of Melbourne growth multiple is for the 12 months to Jul13 for Victoria and estimated based on State based ABS National Accounts data along with ABA/Cannex surveys. 3 Growth multiple is for the 12 months to Jul 13 for Victoria and estimated based on ABS new housing finance statistics, State based ABS National Accounts data along with ABA/Cannex surveys.

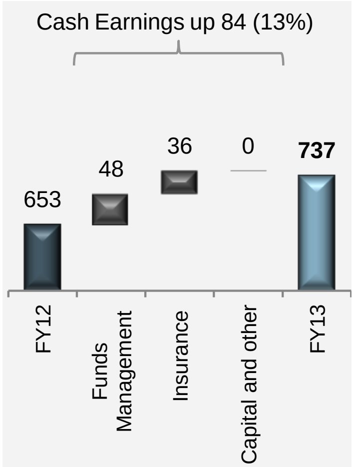
Leading wealth provider and investing for the future

BT Financial Group

Cash Earnings movement ($m)



Cash Earnings ($m)



Cash Earnings FY13 – FY12 up 13%

Funds Management	↑	13%	• Up $48m to $405m driven by – Increase in asset markets with FUM growth of 35% – 19% growth in Advice new business revenue – BTIM / JOHCM performance fee growth of $31m – Partially offset by increased strategic investment and business as usual spend
Insurance	↑	16%	• Up $36m to $256m driven by – 17% General Insurance gross written premium growth – Lower catastrophe claims of $15m – Life in-force premiums up 14%, lapse rates increased to 14.2%[2] and were below market – Partially offset by Lenders Mortgage Insurance down $15m

Movement FY13 – FY12[1]

Flows	↑	6%	• Flows revenue up $117m (6%) • All Platforms market share ranked number 1 at 19.5%[2] • Advice new business revenue up 19%, driven by improved productivity and an increase in planner footprint • Increase in asset markets with FUM growth of 35% • Life Insurance in-force premium and General Insurance gross written premium growth of 14% and 17% respectively • Average margin lending balances down 18%
Markets	↑	5%	• Asset markets higher including average ASX200 increasing 15%, positively impacting FUM and FUA related revenue across platforms, superannuation and asset management • Higher average daily broking volumes up 7%
Other revenue & accounting reclassification	↑	1%	• Increase in BTIM / JOHCM performance fees • Accounting reclassification reduced revenue by $25m[3]
Expenses	↑	7%	• Expenses up $75m (7%) • BAU expenses up $55m, driven by higher performance related fees ($17m), compliance and volume related costs • Strategic investment up $45m, focus on growing planner numbers, platform technology and business transformation • Accounting reclassification reduced expenses by $25m[3]

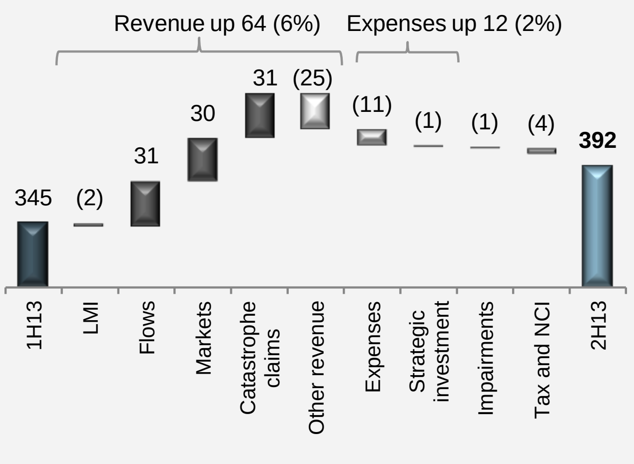
Movement in key metrics

	FY12	FY13		Change on FY12
Expense to income (%)	54.6	**53.1**	↓	151bps
ROTE (%)	22.3	**26.0**	↑	368bps
Customer deposit to loan ratio (%)	141.1	**139.0**	↓	209bps

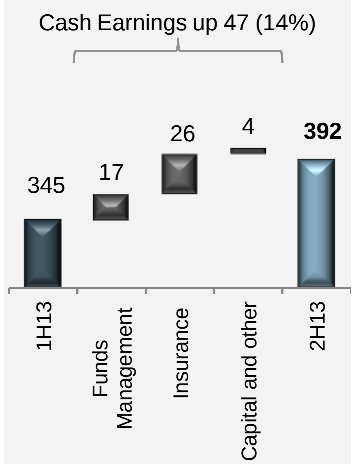
1 Movement percentage calculated over prior year total revenue or expense. 2 Plan for Life, June 2013, All Master Funds Admin. 3 One-off accounting reclassifications altered the composition of the result reducing both revenue and expenses by $25 million. The changes reflect an adjustment to how certain items are recognised and had no impact on Cash Earnings. BTFG total Cash Earnings for FY12 was not adjusted although FY12 Funds management and Insurance businesses have been restated to improve comparability with the corresponding entries processed through the Capital and other line.

Strong cash earnings growth up 14%

Cash Earnings movement ($m)



Cash Earnings ($m)



Movement 2H13 – 1H13[1]

Flows	↑	3%	• Flows revenue up $31m (3%) • Life Insurance in-force premium and General Insurance gross written premium growth of 8% and 10% respectively • Advice new business revenue up 18% driven by increased productivity • Private Wealth lending balances up 4%
Markets	↑	3%	• Asset markets stronger including average ASX200 up 7%, positively impacting FUM and FUA related revenue across platforms, superannuation and asset management
Other revenue	↓	2%	• BTIM / JOHCM performance fees lower as JOHCM performance fees are received in first half
Catastrophe claims	↑	3%	• Catastrophe claims seasonally lower by $31m
Expenses	↑	2%	• Expenses up $12m (or 2%), driven by increased volumes including end of financial year activities, partially offset by a reduction in bonuses associated with performance fees • Strategic investment expenses were broadly flat

Cash Earnings 2H13 - 1H13 up 14%

Funds management	↑	9%	• Up $17m to $211m – Increase in asset markets – BTIM / JOHCM performance fees down $23m – Increased strategic investment and business as usual spend – Impairment charges $1m higher
Insurance	↑	23%	• Up $26m to $141m – Life in-force premium growth of 8%, lapse rates increased to 14.2%[2] and were below market – General gross written premium growth of 10% – Seasonally lower catastrophe claims, down $31m – Lenders Mortgage Insurance cash earnings down $3m

Movement in key metrics

	1H13	2H13		Change on 1H13
Expense to income (%)	54.1	**52.2**	↓	194bps
ROTE (%)	24.1	**28.0**	↑	390bps
Customer deposit to loan ratio (%)	144.4	**139.0**	↓	539bps

1 Movement percentage calculated over prior period total revenue or expense. 2 Plan for Life, June 2013.

Excellent progress on key metrics reflects seamless connection with banking brands

Key features of 2H13

- BTFG's strong performance and Cash Earnings growth in FY13 reflects the seamless connection with the Group's banking brands
- Wealth penetration remains strong at 18.7%[1] (WRBB at 21.2% maintained #1 position for customers with a wealth product and St.George #3 at 14.9%)
- Maintained number 1 ranking for FUA share across all Platforms (including Corporate Super) at 19.5%[2], however, share reduced as a result of outflows and new market participants. Transformation program and investment in new technology will provide the scale to meet customer demand and help maintain the division's platform lead
- Continued investment in planner network with growth in aligned planner numbers (up 10% on 1H13 and FY12). Sector leading revenue per planner in Westpac Financial Planning and St.George Financial Planning above bank sector median
- Life Insurance in-force premiums up 8% (up 14% FY12/FY13) and General Insurance gross written premiums up 10% on 1H13 (up 17% FY12/FY13)

FUM / FUA

	Average		Period end	
	$bn	2H13 – 1H13 % mov't	$bn	FY13 – FY12 % mov't
BT Wrap/Asgard FUA	79.0	7	82.8	16
Corporate Super	15.3	9	15.9	20
Other FUA	4.0	18	4.0	21
Total FUA	**98.3**	**7**	**102.7**	**17**
Retail FUM	15.8	3	16.3	7
Institutional FUM	20.9	8	22.4	21
Wholesale FUM	34.0	23	37.5	65
Total FUM	**70.7**	**14**	**76.2**	**35**

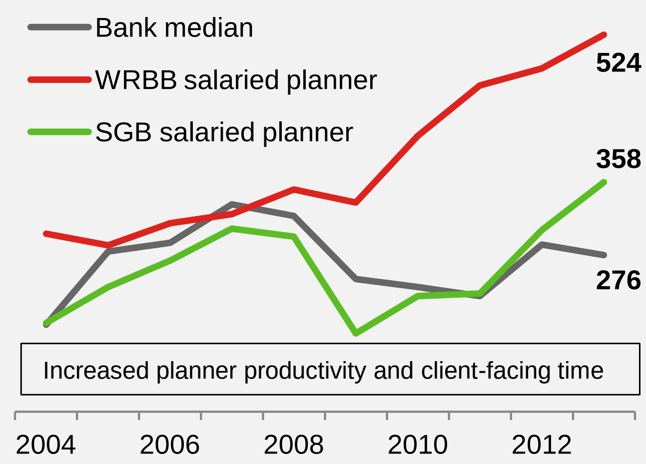
Key customer / employee metrics

	2H12	1H13	2H13		Change on 1H13
Planners (salaried & aligned) (# spot)	1,112	1,121	**1,169**	✓	4%
Revenue per planner ($'000's)[3]	120	120	**128**	✓	7%
Customers with an Insurance product (#m)[1]	1.51	1.56	**1.58**	✓	1%
BT Super for Life (retail) customers (#'000)	314	348	**396**	✓	14%
BT Super for Life (retail) FUM ($bn)	2.3	2.9	**3.7**	✓	27%
Platform market share (including Corporate Super)[2] (%)	20.8	20.4	**19.5**	x	(87bps)
Life Insurance market share (%)[4]	8.9	9.7	**10.3**	✓	64bps
Home & contents market share (%)[5]	4.2	4.9	**5.1**	✓	20bps
Employee engagement (%)	85		**86**	✓	1ppt[6]
Women in senior leadership (%)	40	41	**41**	✓	-

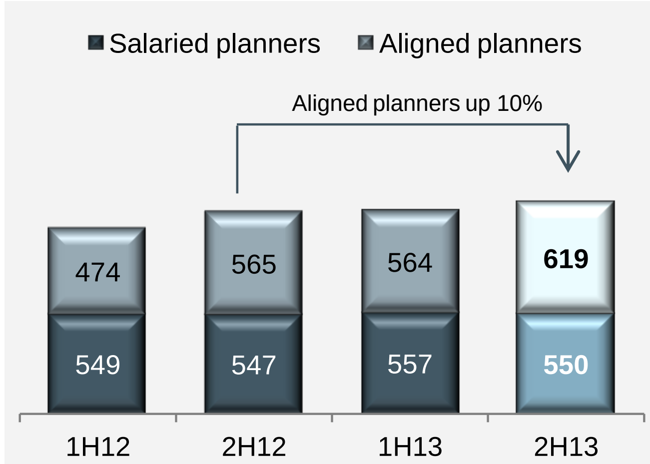
1 Refer to slide 144 for wealth penetration metrics provider details. 2 Plan for Life, June 2013, All Master Funds Admin. 3 Revenue per spot planner includes salaried and aligned. 4 Plan for Life, June 2013, life insurance market share. 5 Internally calculated from APRA quarterly general insurance performance statistics, June 2013. 6 Compared to 2H12.

Consistent growth across key business drivers

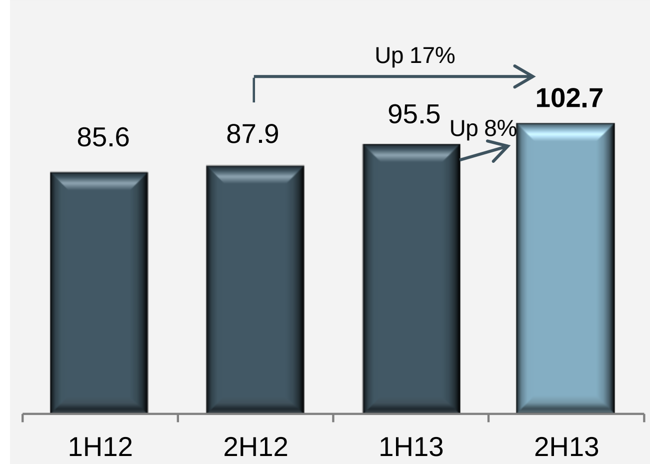
Market leading revenue per salaried planner ($000)[1,2,3]



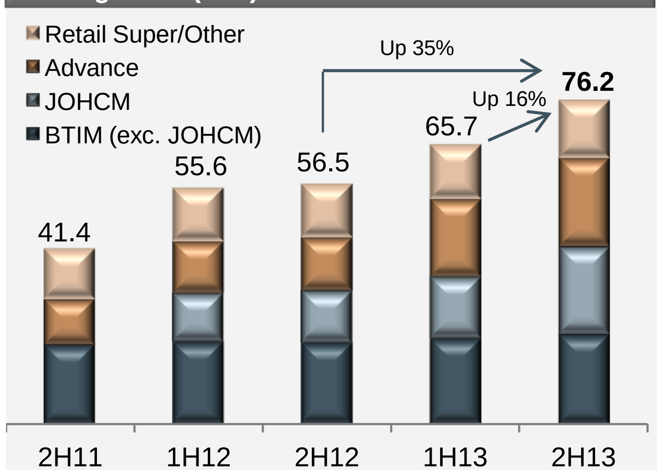
Planner number growth (#)



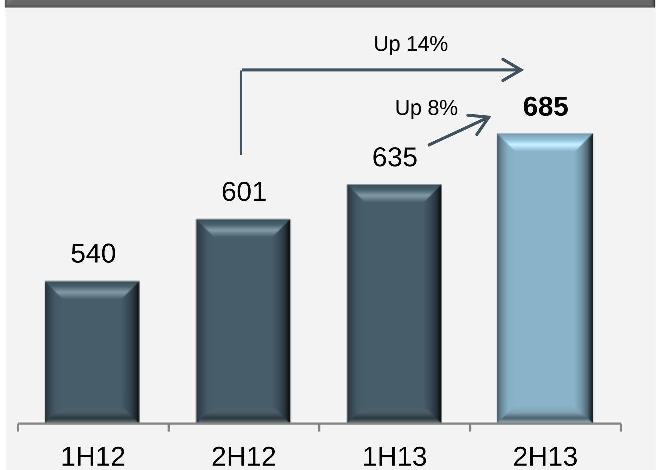
FUA growth ($bn)



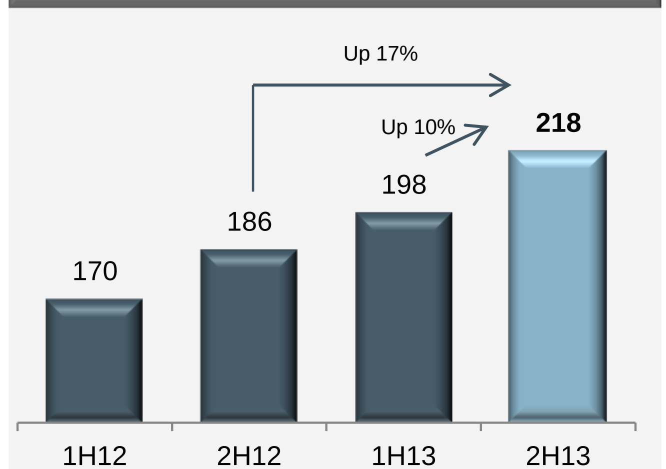
Increased flows and markets contribute to FUM growth ($bn)



Life Insurance in-force premiums ($m)



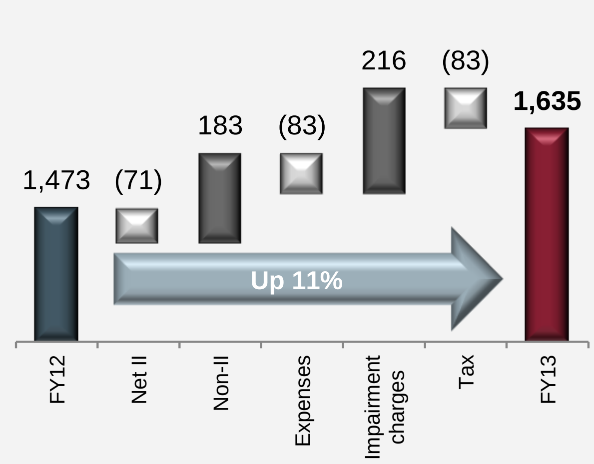
General Insurance gross written premiums ($m)



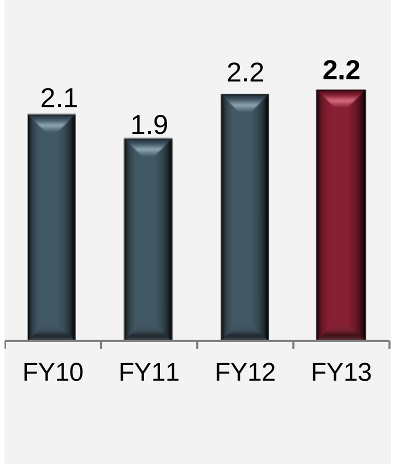
1 Comparator September 2013 data from 1 July 2004 to 30 June 2013. 2 Includes salaried planners only. 3 Comparator bank median comprises ANZ, Bankwest, CBA, NAB, HSBC, St George, Suncorp and Westpac.

WIB delivers 11% uplift in Cash Earnings

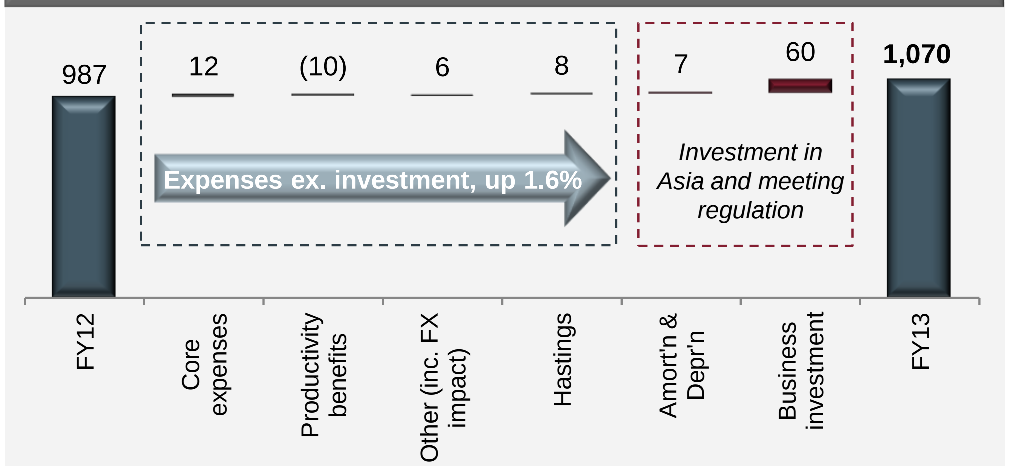
Cash Earnings movement ($m)



Core earnings ($bn)



Investing in the business – WIB expenses ($m)



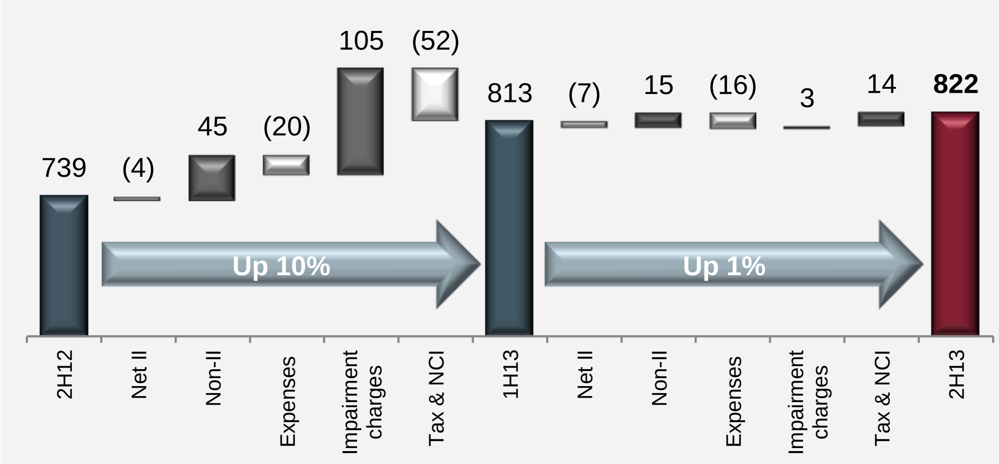
Movement FY13 – FY12

Cash earnings	↑	11%	• Strong growth, up $162m
Core earnings	↑	1%	• Increased customer sales supporting revenue • Continued investment in extending capabilities
Net interest income	↓	4%	• Sound balance sheet growth offset by margin compression on both assets and liabilities • Lending up 5%, primarily from targeted areas • Deposits up 13%, particularly strong in term deposits and transactional deposits
Margins	↓	23bps	• Competitive pressures on new lending and on transactional deposits
Non-interest income	↑	12%	• WIB well positioned to take advantage of increased flows in customer sales given market volatility • Strong growth in Markets income (ex-CVA), particularly in interest rates and FX sales • CVA benefit of $87m compared to a charge of $58m in FY12
Expenses	↑	8%	• Increased investment in product and technology capabilities, additional FTE and branch operations, mainly in Asia, added $41m to expenses; additional costs related to meeting new regulation • Includes performance-related payments associated with the strong gains from Hastings in 1H13 • Expenses excluding investment up 1.6%
Impairment charges	↓	large	• Impairment benefit of $89m reflects quality of loan book and underwriting, as well as strong risk management culture

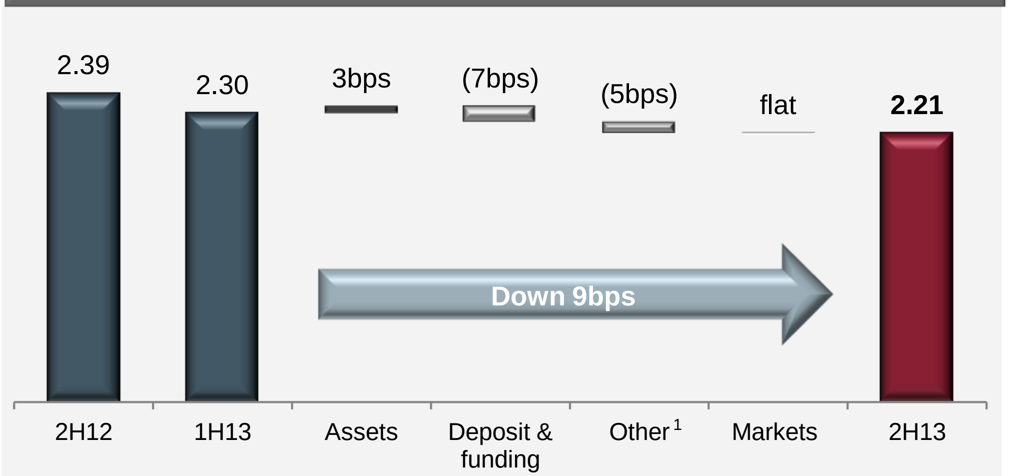
2H13 in line with strong 1H13 performance

Westpac Institutional Bank

Cash Earnings movement ($m)



Net interest margin (%)



1 Other includes earnings on capital.

Movement 2H13 – 1H13

Cash Earnings	↑	1%	• Cash Earnings up $9m to $822m • ROTE up 198bps to 22.3%
Core earnings	↓	1%	• Modestly lower following very strong 1H13
Net interest income	↓	1%	• $1.8bn increase in average interest-earning assets, mainly in trade finance in Asia • Deposits up strongly (up 10%), with increases in all key products • Customer deposit to loan ratio improved significantly, from 118.4% to 128.9% • Volume growth offset by 9 basis point decline in margin
Margins	↓	9bps	• Stabilisation in asset margins contributed 3bps to margins, although competition for lending assets remain strong • Competition for deposits saw deposit rates impact margins by 7bps - pricing for deposits remains competitive, particularly for longer-dated transactional funds, as financial institutions look to meet regulatory requirements • Some impact from lower earnings on capital due to reduction in interest rates
Non-interest income	↑	2%	• Stronger customer sales in FX • CVA provided a benefit of $67m • Increase in performance fee revenue from Hastings relating to the sale of AIX • Partially offsetting these increases was a lower contribution from Debt Markets sales and trading relative to the very strong revenue delivered in 1H13
Expenses	↑	3%	• Increased investment in targeted areas and expanding capabilities in Asia
Impairment charges	↓	7%	• Ongoing improvement in asset quality resulted in a $46m benefit in 2H13

Providing customer value through building deeper capabilities

WIB's strategy: Partner with customers, communities and our people to prosper and grow as Australasia's undisputed number one institutional bank

Delivering new capabilities and product innovation

Clevergreen
Innovation for the new era in cash management.

- Evergreen deposit product - Winner 2013 Australian Business Award for Product Innovation
- Over $1bn in deposits since launch

- Launched WIBIQ – online research and strategy portal
  - More than 6,000 visits per month

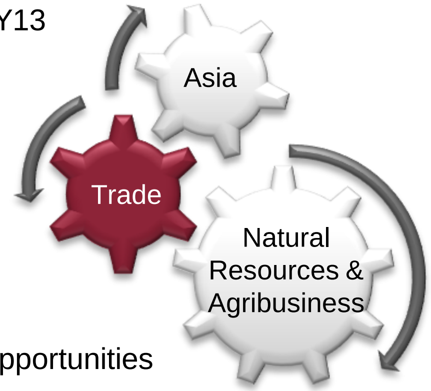
- Completed technology foundations for scalable growth in Asia, including global trade platform and core banking systems in Singapore, Hong Kong and India
- Investment in transactional banking – payments infrastructure completed as part of SIPs
- Upgrade to Debt Markets core technology platforms, including LoanIQ

- Leader in superannuation rollover services - Westpac the only bank to provide this service
- Approx. 50% market share through Quicksuper Gateway for Rollovers[1]

Increase in people capability in Asia, FTE up 45% FY12/FY13

Delivering strategic progress

- Strategy delivering good growth over FY13
  - Asia revenues up 33% (in USD)
  - Natural Resources & Agribusiness revenues up 17%
  - Trade volumes in Australia and Asia up very strongly (79%), although revenue impacted by margin compression
- WIB/AFS Partnership building growth opportunities
  - Commercial and SME version of Evergreen, Notice Saver, now available in AFS
  - Greater transactional capability in Commercial delivering improved quality of advice and greater customer satisfaction
- Market makers licence to trade AUD/CNY from April 2013 – seeing strong deal flows
- Successfully completed first RMB syndicated facility in September 2013



1 Source: APRA Superannuation Fund-level Profiles and Financial Performance June 2012 (issued Jan 2013) and ATO Fund Validation Service Version 5.0.

10 consecutive years as Number 1 Lead Domestic Transactional Bank[1]

Westpac Institutional Bank

Relationship.

No.1 Lead Relationship Bank in Australia[2]

No.1 Relationship Strength Index[2]

No.1 Overall Satisfaction[2]

Insight.

No.1 Most Useful Analysis of the Australian Economy[3]

No.1 Most Useful Interest Rate Forecasts and Trend Analysis[3]

Global Transactional Services.

No.1 Lead Transactional Bank in Australia[1]

No.1 Relationship Strength Index[1]

No.1 Overall Satisfaction[1]

Foreign Exchange.

No.1 Australian Bank for FX, Globally[4]

No.1 Australian Bank for FX Quantitative Research[4]

No.1 Australian FX Bank for Client Service in the Asian and Australasian Timezone and Geography[4]

No.1 Relationship Strength Index[5]

Debt Markets.

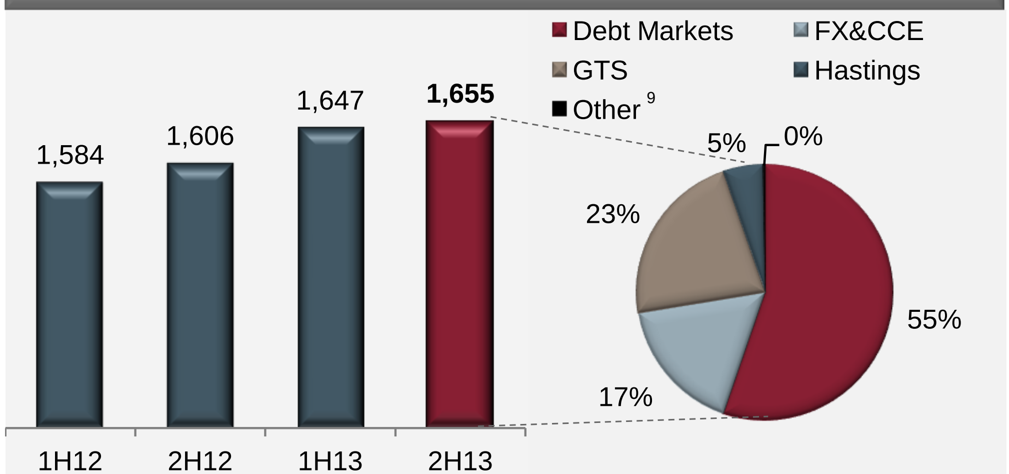
No.1 Bookrunner for A$ Fixed Income Issuance[7]

No.1 ABS/MBS Bookrunner – Australia[8]

No.1 Australian Domestic 'Bank of Choice' for Fixed Income[6]

Equal No.1 Agency Services - Overall Service Quality[2]

WIB revenue ($m)

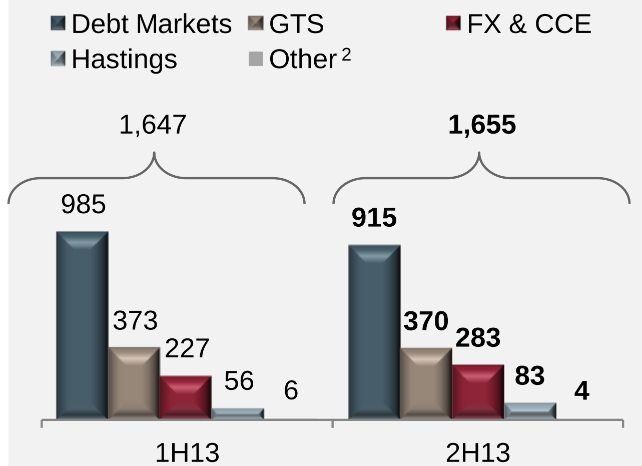


1 Peter Lee Associates Large Corporate and Institutional Transactional Banking Survey Australia 2013. Rank vs. top 4 from 590 respondents. Westpac ranks No. 1 for citations as 'lead' transactional bank from 2004-2013. Westpac ranks No. 1 in the Peter Lee Associates relationship strength index score across the total respondent base. 2 Peter Lee Associates Large Corporate and Institutional Relationship Banking Survey Australia. Rank vs. top 4. Quantitative measures from 586 votes in 2013. Westpac ranks no. 1 for citations as 'lead' relationship bank from 2012-2013. Westpac ranks no. 1 in the Peter Lee Associates relationship strength index score across the total respondent base. 3 Peter Lee Associates Interest Rate Derivatives Survey, Australia 2012. Rank vs. top 4 from 175 corporate respondents. 4 Euromoney FX Poll 2013. Rank vs. marketplace from 16,298 industry votes. 5 Peter Lee Associates Foreign Exchange Survey Australia 2012. Rank vs. top 4 from 311 corporate and financial institution respondents. 6 Peter Lee Associates Debt Securities Investors, Australia Survey for 2012 (From minimum 10 Most Active Investors). Based upon Westpac achieving a no. 1 ranking amongst the four major domestic banks for estimated market share across Commonwealth Treasury and Semi Government Bonds, Covered Bonds, Corporate Bonds, Asset Backed Bonds and CPI Linked Securities, a no. 1 ranking for Relationship Strength amongst the four major domestic banks across Commonwealth Treasury and Semi Government Bonds and Asset Backed Bonds, a no. 1 ranking for overall service quality in CPI Linked Securities and a no. 1 ranking for best service in Covered Bonds. 7 Bloomberg Underwriter League Tables YTD13. Measure of market share based on volumes excluding self-led transactions 8 Dealogic October 2013. 9 Other includes Private Bank Asia.

Leveraging market leading positions to deliver revenue

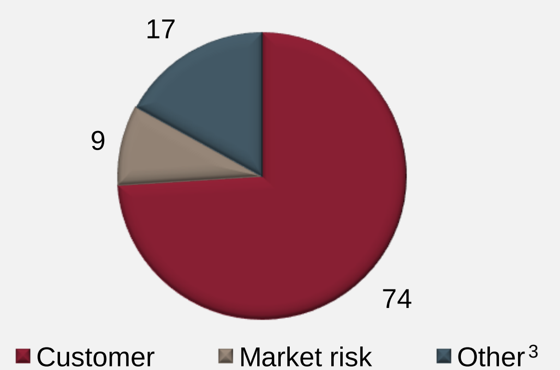
- WIB's focus on delivering value to customers through innovation and insights and leveraging leading market positions underpins revenue
  - WIB customer[1] revenue up 2% (up 3% FY12/FY13)
  - Total WIB revenue in 2H13 in line with strong 1H13 (up 4% FY12/FY13)
- Another strong performance from Debt Markets, delivering $915m revenue, although down 7% on the very strong 1H13 (up 12% FY12/FY13)
- GTS leveraging leading position in transactional banking to win and retain key banking relationships; margin contraction continues to offset volume growth half on half, with revenue down 1% (down 4% FY12/FY13)
- FX & CCE revenue up 25% (down 3% FY12/FY13), with the business well positioned to support customers seeking to manage currency exposures in 2H13
- Significant increase in Hastings revenue, up 48%, mainly due to performance fees relating to the sale of the listed fund, AIX (down 35% FY12/FY13)

2H13 in line with strong 1H13 ($m)



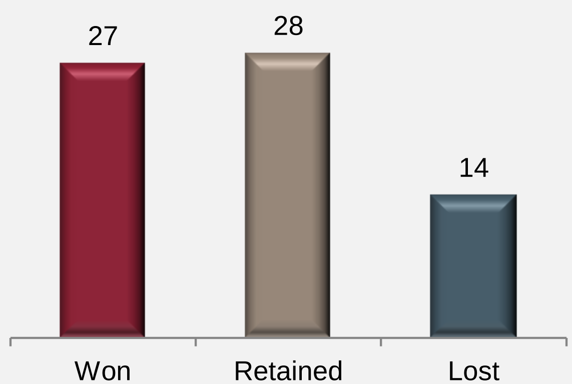
Customer activity driving revenue

2H13 revenue composition (%)



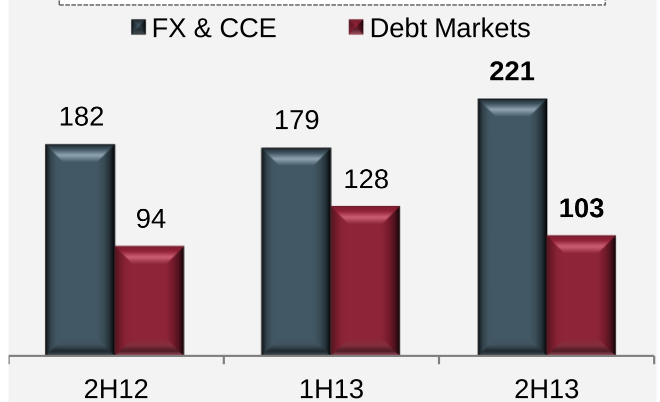
GTS focus on customer relationships

Full transactional banking deals (2013)



Strong customer sales revenue

Markets customer sales revenue ($m)



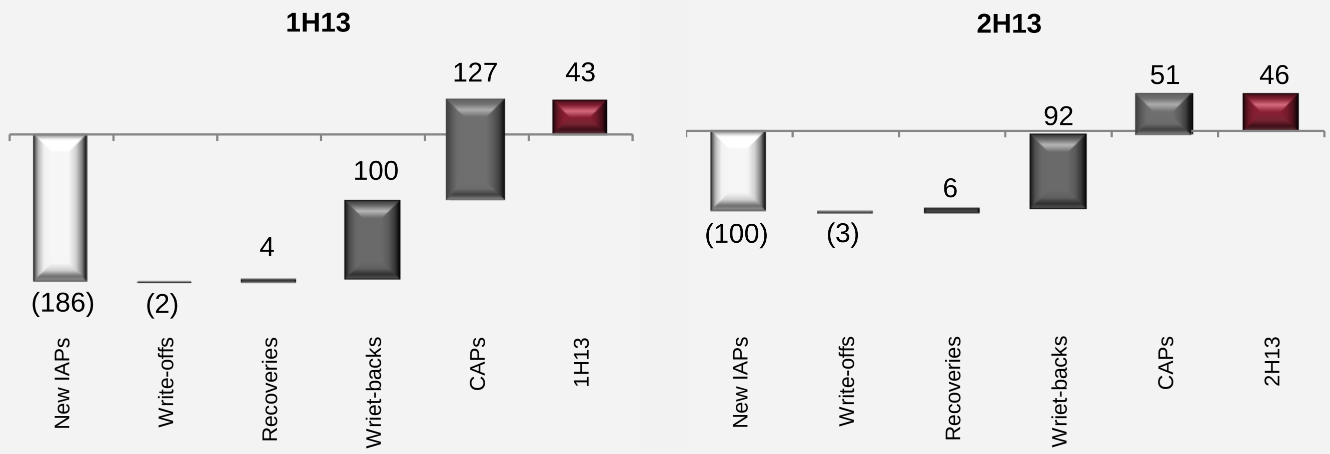
1 WIB customer revenue is lending revenue, deposit revenue, sales and fee income. Excludes trading, CVA and Hastings. 2 Other includes Private Bank Asia. 3 Other includes Hastings and capital benefit.

Risk management a competitive advantage

Asset quality remains strong

- Significant reduction in the level of stressed assets leading to a benefit from impairments of $46m ($89m benefit FY13)
  - Lower IAP charge in 2H13, due to lower new individually assessed provisions, smaller increases in existing IAPs and fewer new impaired assets
  - Lower CAP benefit in 2H13 due to improved assessment of portfolio risk in 1H13
- Asset quality remains strong, with WIB maintaining credit disciplines in a low credit growth environment

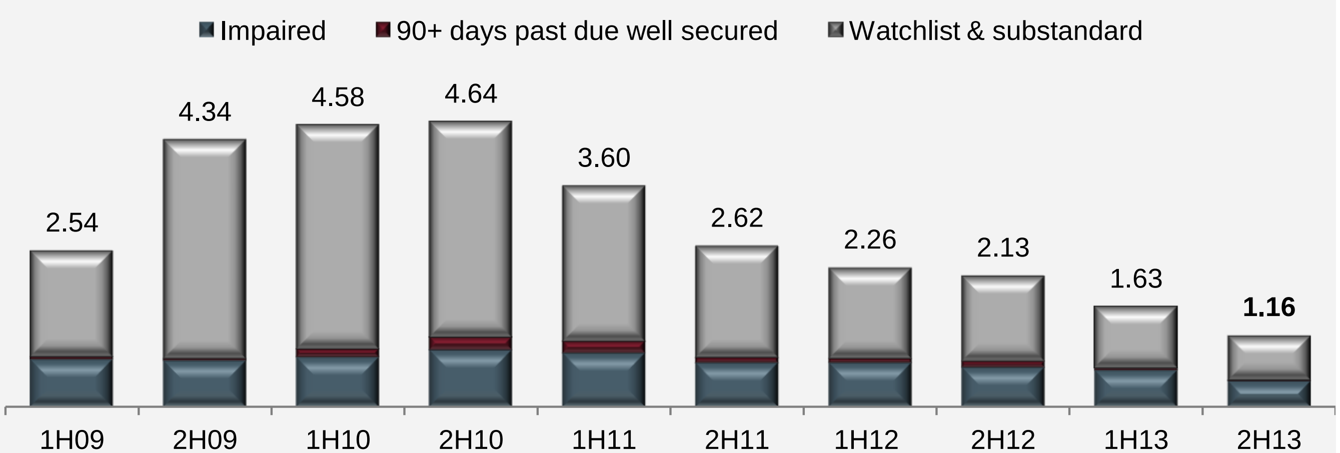
Impairments: (charges) / benefits ($m)



Decline in stressed exposures

- Stressed exposures to TCE down 47bps to 1.16% (down 97bps FY12/FY13)
- Significant reduction in all stressed categories, particularly in watchlist assets
  - Driven by repayments, asset sales, write-offs and upgrades back to performing
- Impaired assets to TCE down 17bps to 42bps (down 22bps FY12/FY13)
- Contribution of property to stressed exposures 15.2%, down from 16.4% (16.3% FY12)

Stressed exposures as a % of TCE[1]

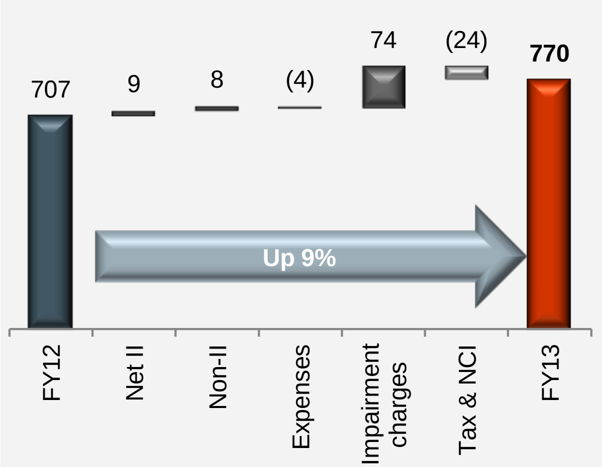


1 Includes Premium Business Group.

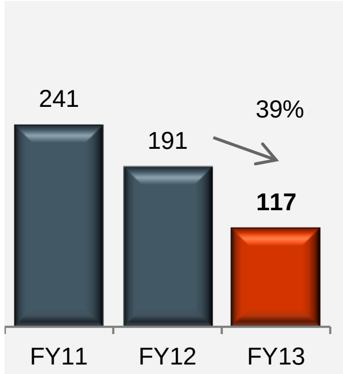
Strong Cash Earnings growth driven by disciplined cost management and continued improvement in asset quality

New Zealand

Cash Earnings movement[1] ($m)



Impairment charges[1] ($m)



Movement FY13 – FY12[1]

Cash Earnings	↑	9%	• Up $63m to $770m
Core earnings	↑	1%	• Up $13m to $1,184m
Net interest income	↑	1%	• Deposits up 11% and customer deposit to loan ratio improved to 75.6% (up 494bps). Solid growth in term, online and business transaction accounts • Lending up 4% in a low growth, competitive environment, driven by housing, with Westpac delivering strong growth in the less than 80% LVR category (up 6%) • Business lending up 2% in line with the market
Margin	↓	10bps (34bps incl. treasury assets)	• Underlying margins down 10bps • Asset spreads lower as customers switch to lower spread mortgages (fixed rate) • Reduced deposit spreads, driven by strong competition in the first half and lower returns on rate insensitive deposits • Inclusion of NZ treasury assets (liquid assets) adversely impacting NIM by 24bps
Non-interest income	↑	2%	• Increase in facility fees and wealth fees earned from strong FUM/FUA growth (balances up 21% to $5.8bn) • Helped offset one-off gain on insurance policy liability that occurred in FY12
Expenses	-	Flat	• Wage and inflationary increases, as well as continued investment in strategic priorities, offset by benefits delivered from ongoing productivity initiatives
Impairment charges	↓	39%	• Impairments down $74m to $117m • Reduction in business stressed assets saw business individually assessed provision charges net of write-backs down 81% • Partially offset by a smaller benefit in collective provisions from improving mortgage and other consumer 90+ day delinquencies, which improved at a slower rate in 2013 compared to 2012

Key metrics

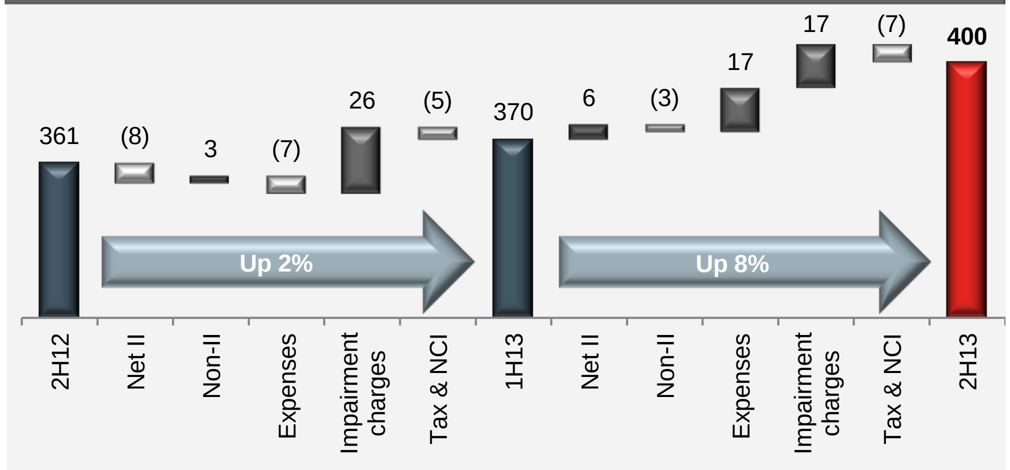
	FY12	FY13		Change on FY12
Customer deposit to loan ratio (%)	70.7	**75.6**	↑	494bps
Margins (%)	2.72	**2.38[2]**	↓	34bps
Revenue per FTE ($000)	434	**441**	↑	2%
Expense to income (%)	41.8	**41.6**	↓	15bps
ROTE (%)	19.6	**19.3[3]**	↓	31bps

1 Expressed in NZ$. 2 FY13 margins were down 10bps excluding the 24bps impact in 1H13 from the inclusion of Treasury liquid assets. 3 FY13 ROTE is impacted by higher regulatory capital loading. Excluding this, FY13 ROTE is 21.0%, up 140bps on FY12.

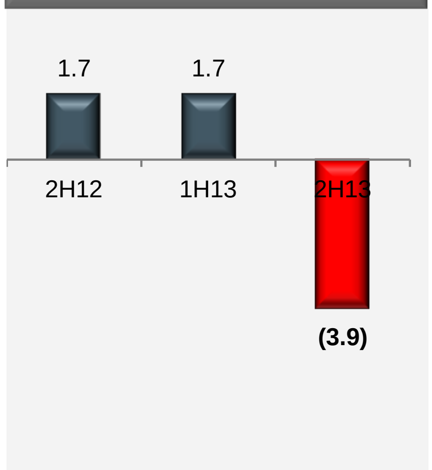
Strong all round performance in a low growth, competitive environment

New Zealand

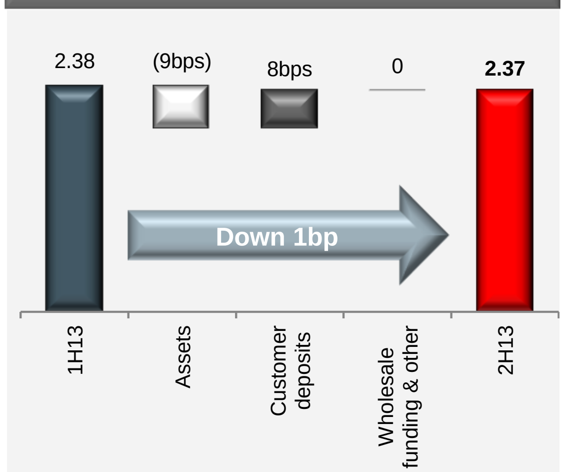
Cash Earnings movement[1] ($m)



Expense growth (%)



Net interest margin (%)



Movement 2H13 – 1H13[1]

Cash Earnings	↑	8%	• Up $30m to $400m
Core earnings	↑	3%	• Up $20m to $602m
Net interest income	↑	1%	• Deposits up 4% and customer deposit to loan ratio improved to 75.6% (up 52bps) • Lending up 3% in competitive environment, principally driven by housing, with Westpac delivering strong growth in the less than 80% LVR category (up 4%) • Business lending up 3% in line with the market
Margin	↓	1bp	• Margins down to 2.37% in the face of intense competition • Asset spreads lower as customers switch to lower spread mortgage products • Deposit spreads improved, due to a combination of margin management and targeted growth in call deposits partly offset by lower returns on rate insensitive deposits
Non-interest income	↓	1%	• Increase in facility fees and wealth fees earned from FUM/FUA growth, offset by recognition in 1H13 of Christchurch earthquake insurance receivable
Expenses	↓	4%	• Wage and inflationary increases as well as continued investment in strategic priorities more than offset by benefits delivered from productivity initiatives
Impairment charges	↓	25%	• Impairments down $17m to $50m • Asset quality has continued to improve, driven primarily by lower incidence of business IAPs • Consumer delinquencies continued to reduce through 2H13

1 Expressed in NZ$.

Westpac GROUP

Focus on strength and productivity delivering uplift in key metrics

New Zealand

Key features of 2H13

- Sound and disciplined performance strengthening the balance sheet, maintaining margin and improving return
- Return continues to improve with ROTE up 119bps to 19.8%
- Strong balance sheet, with a further 25% fall in impairment charges and a 52bps improvement in customer deposit to loan ratio to 75.6%. Awarded 'strongest bank balance sheet in NZ for 2013' by The Asian Banker
- Growth in customer metrics, with proportion of MyBank customers up 57bps to 26.8% and wealth penetration[1] up 146bps to 26.7%
- Leaner operating model, with 37 'Simplification for Growth' productivity initiatives completed, improving sales productivity with revenue per FTE up 4% and expense to income down 180bps
- Further deployment of Smart ATMs with 44 installed in half (total Smart ATMs now 115). Over 22% of physical deposits across branches now transacted through Smart ATMs and 1 in 3 of Smart ATM deposits occur outside normal banking hours

Key metrics

	2H12	1H13	2H13		Change on 1H13
Customer deposit to loan ratio (%)	70.7	75.1	**75.6**	↑	52bps
Margins (%)	2.73	2.38[2]	**2.37**	↓	1bp
Revenue per FTE ($000)	218	216	**225**	↑	4%
Expense to income (%)	41.7	42.5	**40.7**	↓	180bps
ROTE (%)	19.1	18.7	**19.8**	↑	119bps

Key customer / employee metrics

	2H12	1H13	2H13		Change on 1H13
Customers (#m)	1.27	1.29	**1.28**	x	(1%)
Unique mobile banking customers (#000)	85	177	**219**	✓	24%
Unique mobile banking customers as % of total customers	7	14	**17**	✓	324bps
Active online customers (#000)	601	617	**630**	✓	2%
Active online banking customers as % of total customers	47%	48%	**49%**	✓	116bps
Customer retention (%)	96.3	96.8	**96.5**	x	(30bps)
Proportion of MyBank customers (%)	26.0	26.3	**26.8**	✓	57bps
Customers with wealth products[1] (%)	23.4	25.2	**26.7**	✓	146bps
Total deposits on Smart ATMs (#'000)	318	590	**706**	✓	20%
Employee engagement (%)	84		**80**	x	(4ppts)[3]
Women in senior leadership (%)	42	41	**43**	✓	2ppts

1 Refer to slide 144 for wealth penetration metric provider details. 2 1H13 margins were down 10bps excluding the 24bps impact from the inclusion of Treasury liquid assets. 3 Compared to 2H12.

Strategy to drive sustainable returns

New Zealand

Five strategic imperatives

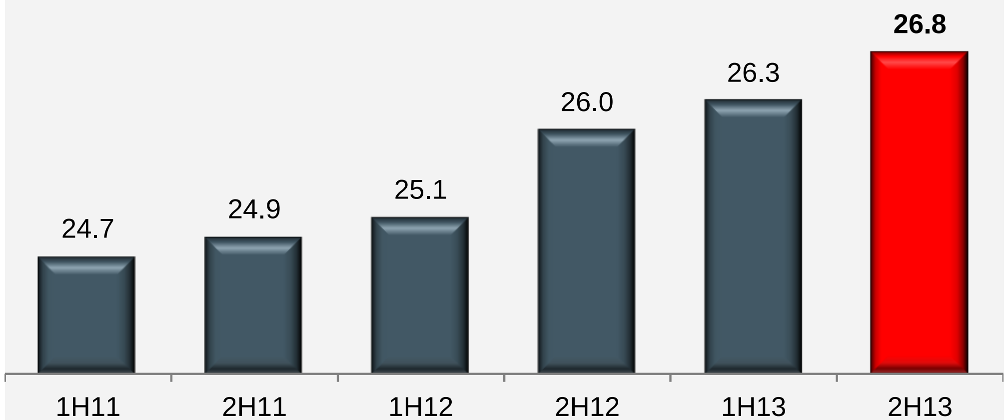
- Transition to next generation distribution
  - Available everywhere, all the time
- Build a faster moving, more responsive and flexible business
  - Responding more rapidly to change as well as customer needs
- Deepen customer relationships in target segments
  - A further focus on MyBank, with closer links to wealth and insurance offerings
  - Continued utilisation of personalised digital customer communication platform across personal and business customers
- Radical simplification to both enhance the customer experience and increase productivity
- Optimise returns by balancing the four key factors: strength, productivity, return and growth

Next generation distribution

Changing customer preferences and improved technology is leading to material changes in distribution. Areas of focus include

- Mobile innovation – first NZ bank to provide straight-through instant home loan approvals on smart phones
- New consumer online banking platform, compatible with all online and mobile devices, delivering significant competitive advantage and efficiencies
- Payments simplification and more self serve channels
- 24/7 availability with smart ATMs and coin machines – smart ATMs currently installed onsite at over 50% of branch locations
- Changing branch formats with investment in self serve capability and offering more advice
- Encouraging customers to transact as well as interact with us to build closer connections and deeper relationships

Deepen relationships – proportion of MyBank customers (%)



Deepen relationships – enhancing customer experience

A step change in customer experience through a digital-led strategy. Using a new, low cost to serve model to deliver a world-class customer experience, to better connect customers with the bank, available everywhere, all the time. Initiatives include

- Identification of best conversation for customers working across all channels
- Integrated near real time solution that can listen, learn and act on customer feedback across all channels
- Introduced products designed to address customer needs such as the launch of an Offset mortgage product

Westpac GROUP

Continuing to strengthen the New Zealand balance sheet

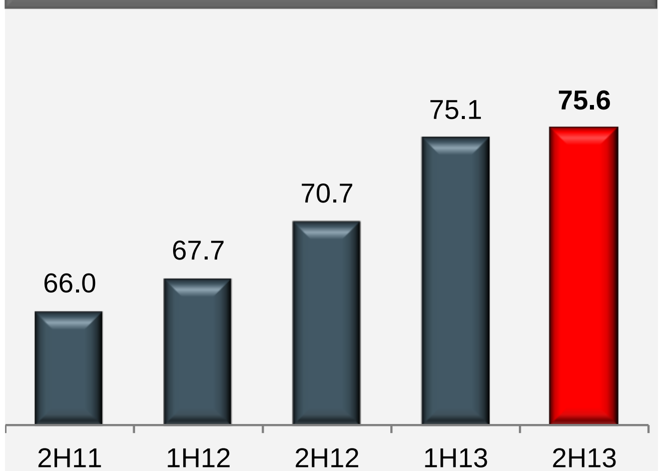
New Zealand

- Continued to strengthen the balance sheet, with customer deposit to loan ratio now 75.6% and NZ stable funding ratio up to 90.4%
- Good deposit and loan growth despite subdued NZ environment
- Housing growth of 3%
  - Good growth in the housing LVR below 80% category
  - Strategic decision not to compete aggressively in the higher growth housing segment of the market (LVR over 80%)
  - Share of market with LVR>80% new lending was less than peers
- Business and Institutional up 3% in line with the market
- Deposits up 4%, with growth in term (up 2%) and significant growth in other, including online savings products (up 5%)
- The Asian Banker award for strongest bank balance sheet in NZ in 2013

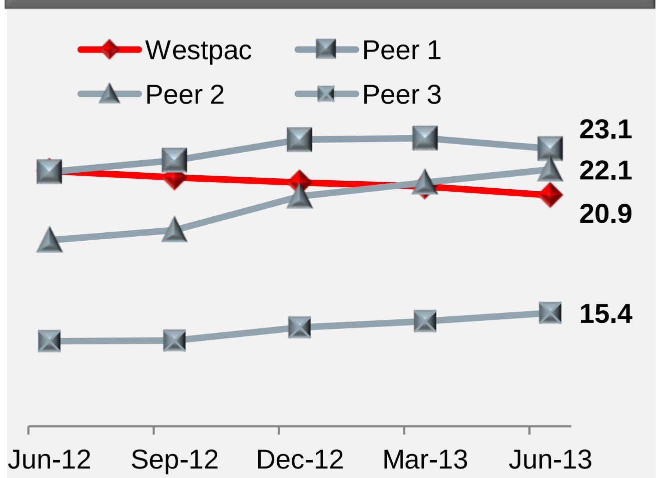
Balance sheet ($NZbn)

	2H12	1H13	2H13	Chg on 1H13 (%)	
Net loans	**59.4**	**59.9**	**61.6**	↑	**3**
Housing	35.9	36.4	37.5	↑	3
Business & Institutional	21.8	21.7	22.3	↑	3
Other	1.7	1.8	1.8	-	-
Total deposits	**42.0**	**45.0**	**46.6**	↑	**4**
Term deposits	23.1	24.3	24.9	↑	2
Other	18.9	20.7	21.7	↑	5
TCE	83.7	86.3	88.0	↑	2

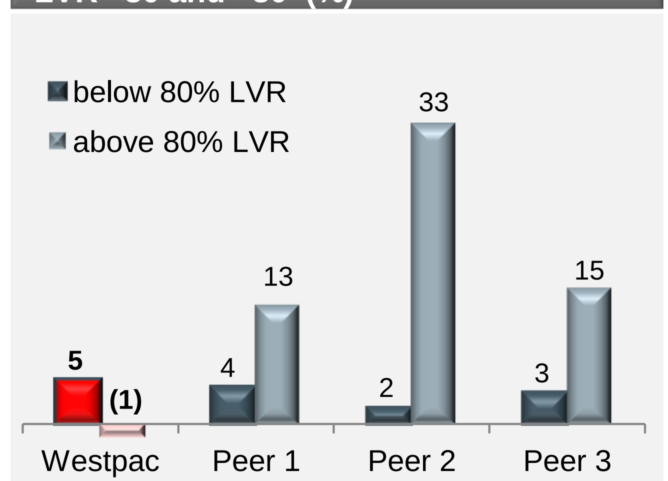
Customer deposit to loan ratio (%)



Mortgages LVR>80% (% of book[1])



Yearly mortgage growth in LVR <80 and >80[2] (%)

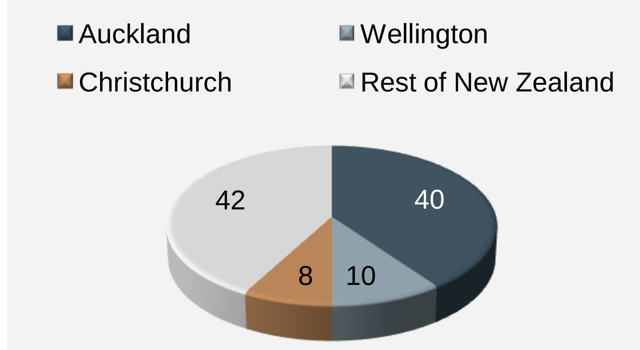


1 Source is company general disclosure statements June 2013. Represents on and off balance sheet data from disclosure statement information. 2 Source is company general disclosure statements June 2013. Represents on balance sheet data from disclosure statements.

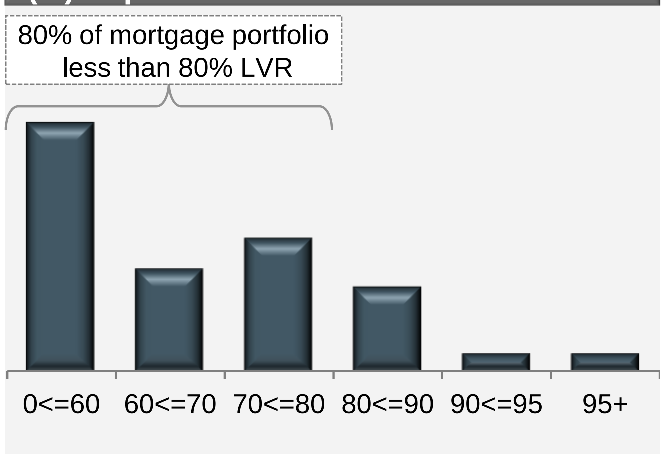
New Zealand mortgage portfolio

- Mortgage portfolio of $37.5bn, up 3% (up 4% FY12/FY13)
- The distribution of the mortgage portfolio across regions is consistent with population concentrations of New Zealand
- The proportion of variable rate mortgages reduced to 37% at 2H13 (down from 43% at 1H13)
- Loan origination through proprietary channels decreased to 74% for 2H13 (down from 77% at 1H13)
- Quality of portfolio remains high and well secured, with 80% of the portfolio having a LVR less than 80%, up 83bps (up 125bps FY12/FY13)
- Mortgage 90+ days delinquencies down 10bps to 29bps (down 11bps FY12/FY13), reflecting improved origination and stable employment levels
- Mortgage write-offs of 0.05% of the portfolio, down 1bp (down 4bps FY12/FY13)

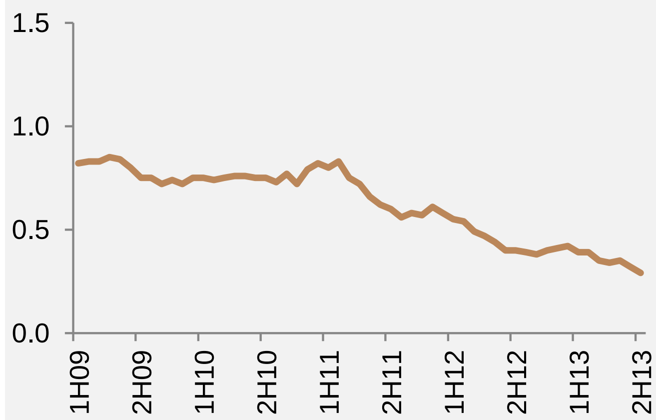
New Zealand mortgage portfolio by region (%)



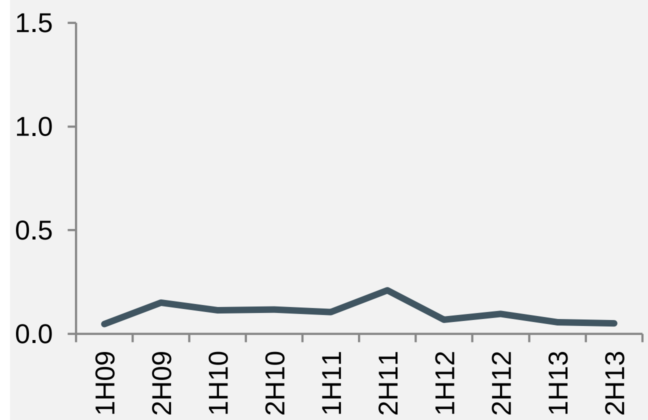
New Zealand mortgage portfolio LVR[1] (%) of portfolio



Mortgage 90+ days delinquencies (%)



Mortgage loss rates each half (%)



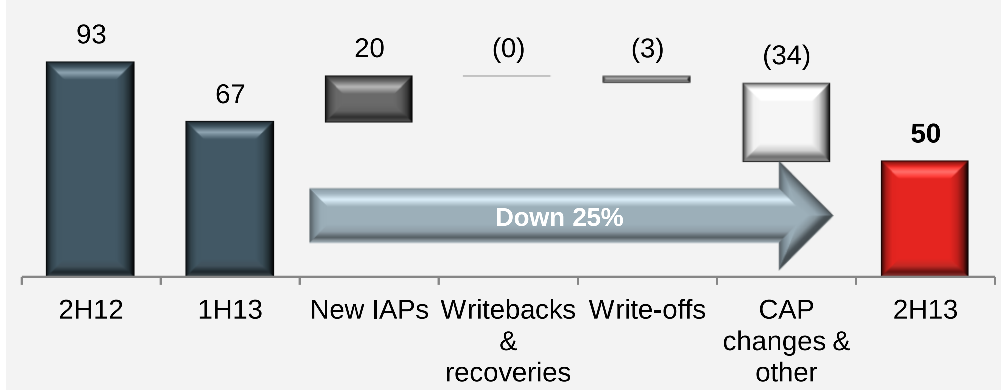
1 LVR based on current loan balance and current assessment of property value.

New Zealand

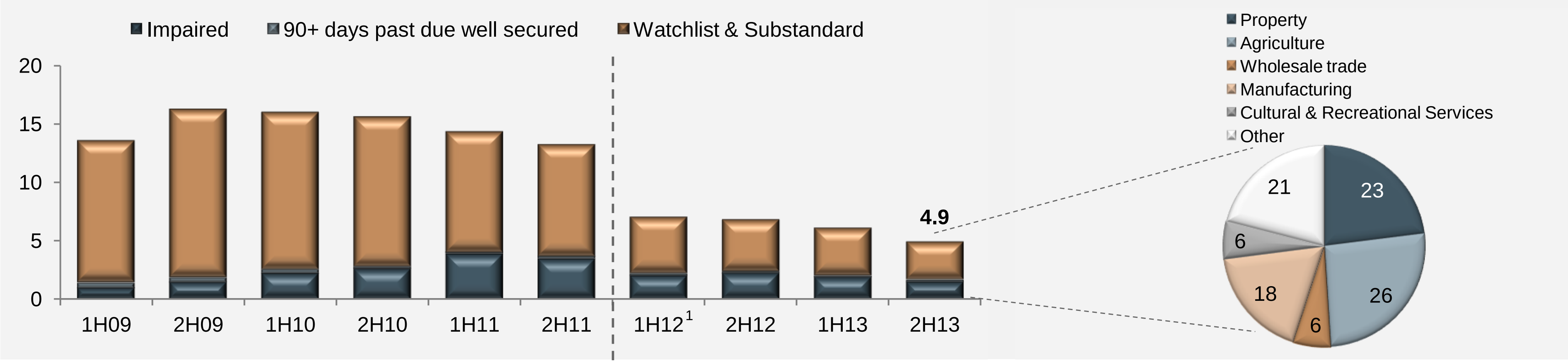
Improving asset quality in the business

- Business stressed exposures down 118bps to 4.9% of TCE (down 190bps FY12/FY13)
  - Down mostly across property, agriculture and manufacturing sectors
  - Excluding Institutional assets, business stressed exposures reduced to 7.2%, down 123bps on 1H13 (down 330bps FY12/FY13)
- Business impaired exposures 1.5% of TCE (down 41bps) driven by improvement in performance and settlement of one agri-business exposure
- Total provisions decreased $76m, largely driven by transaction managed portfolio decreasing from a $96m partial write-off in 2H13
- Impairment charges down 25% (down 39% FY12/FY13)
  - Asset quality has continued to improve, driven primarily by improvement in Institutional stressed exposures
  - Partially offset by institutional provisions for a mining exposure

Movement in impairment charges (NZ$m)



Business stressed exposures as a % of New Zealand Business TCE



1 Large reduction in stressed exposures from 2H11 to 1H12 due primarily to transfer of WIB assets during 1H12.

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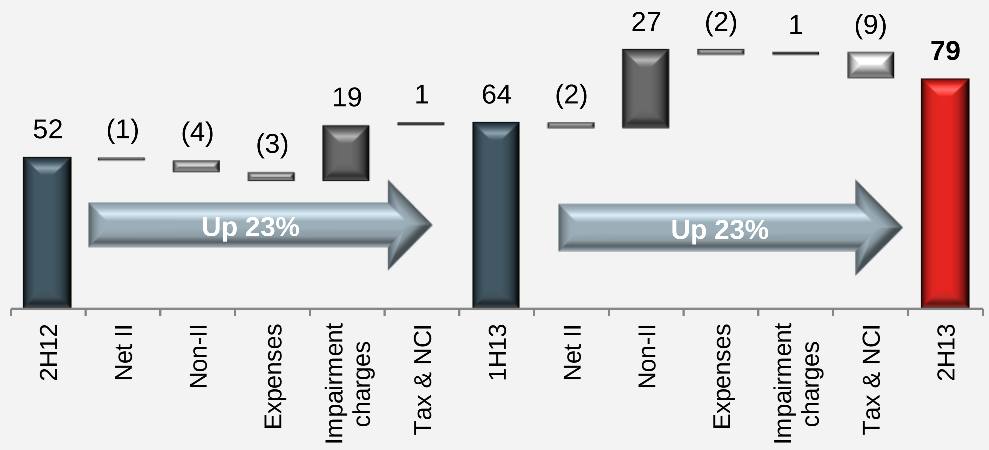
Continued strong performance in the Pacific

Westpac Pacific

Cash Earnings movement ($m)

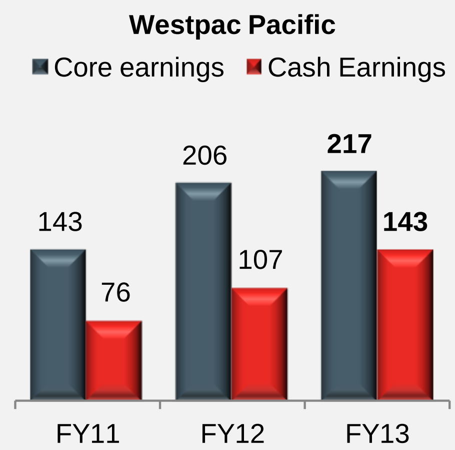


Movement 2H13 – 1H13

Cash Earnings	↑	23%	• Up $15m to $79m, with good revenue performance - exchange rates movements had little impact on Cash Earnings
Core earnings	↑	24%	• Up $23m to $120m
Net interest income	↓	3%	• Lending up 6% and deposits flat, with volume growth offset by lower margins
Non-interest income	↑	39%	• Strong FX customer sales income as importers sought to hedge currency movements
Expenses	↑	4%	• Increased investment in infrastructure and increases in salaries
Impairment charges	↓	50%	• $1 million charge in 2H13. Credit quality stable

Key highlights FY13 – FY12

- Westpac Pacific built on its strong performance in 2012, with a 34% uplift in Cash Earnings to $143m
- Core earnings increased 5%
  - Lending grew 6% over the year, largely in Fiji and PNG, and deposits grew 4%, benefiting from high levels of liquidity in the region
  - Solid balance sheet growth was largely offset by margin decline, with net interest income flat



  - Non-interest income grew 11%, mainly due to strong FX customer activity, particularly in 2H13 and increased lending fees
- Westpac Pacific has focused on growth economies in the region
  - Enhanced the region's transactional capabilities, with Corporate Online now available in PNG and Fiji
  - Rolled-out in-store and mobile banking to improve the reach and range of banking services to a broader customer base
  - Program has contributed to the number of customers in Westpac Pacific almost doubling over the past 3 years
- Expenses rose 5% from increased infrastructure spending to support customer growth and increased salary costs
- Impairment charges decreased 90%, due to more stable asset quality and a single large provision raised in FY12 not repeated
- FX translation impacts were minimal at a Cash Earnings level

Westpac GROUP

FULL YEAR 2013
ECONOMICS

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH | RETURN | GROWTH | PRODUCTIVITY

Australian and New Zealand economic forecasts

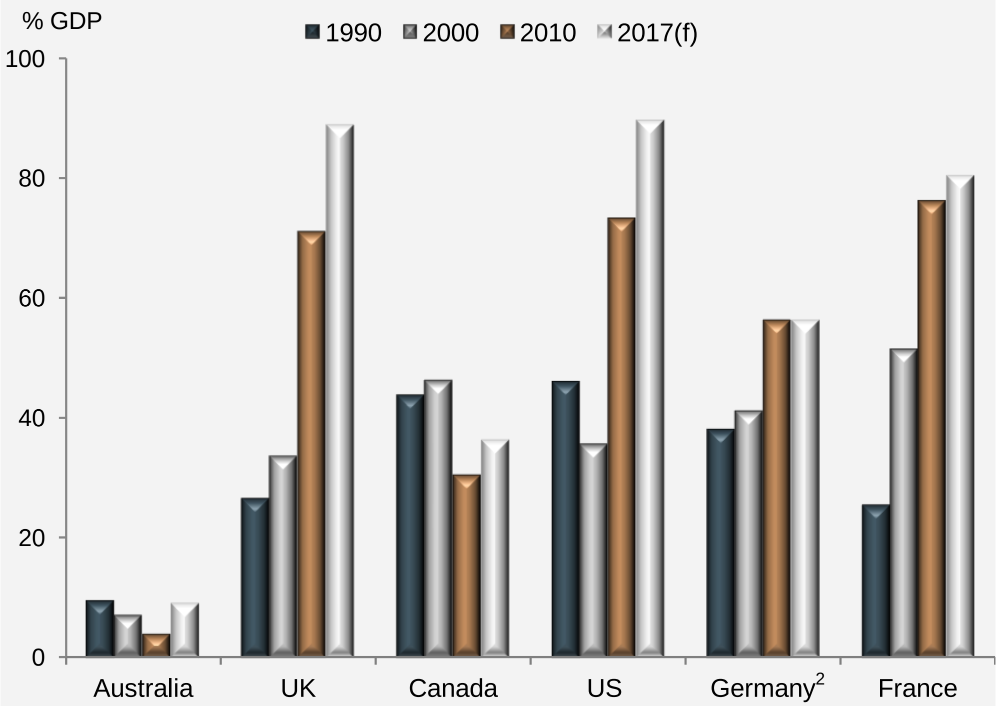
Key economic indicators[1] (%) as at October 2013		Calendar year			
		2011	2012	2013f	2014f
World	GDP	3.9	3.2	2.7	2.8
Australia	GDP	2.4	3.7	2.5	2.3
	Private consumption	3.3	3.2	2.2	2.8
	Business investment[2,3]	17.0	16.5	-3.1	-3.5
	Unemployment – end period	5.2	5.4	6.0	6.5
	CPI headline – year end	3.0	2.2	2.2	2.7
	Interest rates – cash rate	4.3	3.0	2.5	2.0
	Credit growth, Total – year end	3.5	3.6	3.7	5.0
	Credit growth, Housing – year end	5.4	4.5	5.0	5.8
	Credit growth, Business – year end	1.3	2.9	2.0	4.0
New Zealand	GDP	1.4	2.7	2.8	3.8
	Unemployment – end period	6.3	6.8	5.8	4.8
	Consumer prices	1.8	0.9	1.5	2.1
	Interest rates – official cash rate	2.5	2.5	2.5	3.5
	Credit growth – Total	0.9	3.5	4.5	5.0
	Credit growth – Housing	1.2	3.7	5.7	5.2
	Credit growth – Business	0.8	3.3	3.1	4.9

1. Source: Westpac Economics 2 GDP and component forecasts updated following the release of quarterly national accounts. 3 Business investment adjusted to exclude the effect of private sector purchases of public assets

Australia's diverse and robust economy

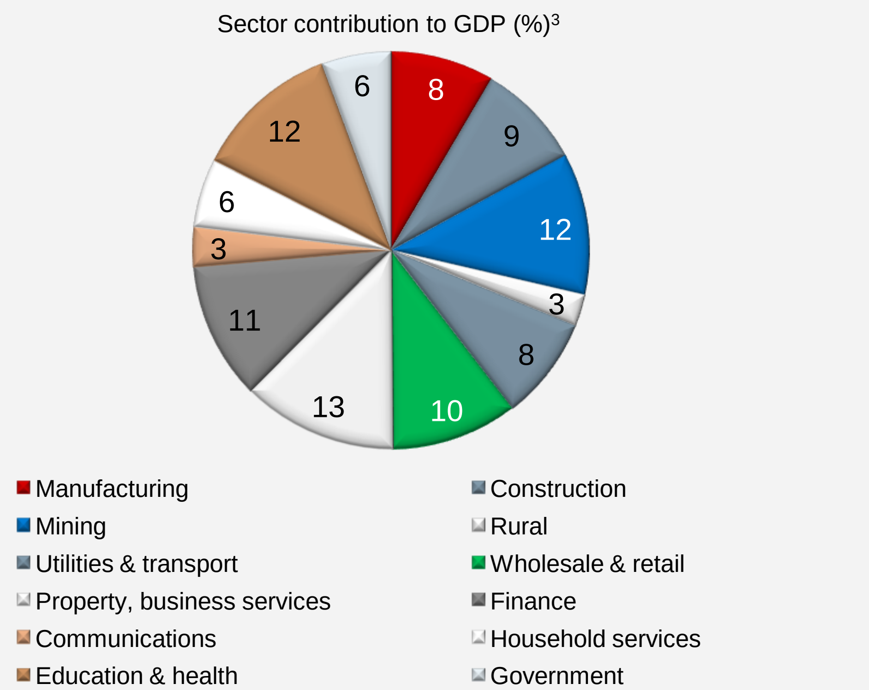
- Diverse economy that goes well beyond mining - more than 80% of the economy is services based
- 22 years of uninterrupted economic growth (1991 – 2012)
  - One of the few countries rated AAA/Aaa/AAA (S&P/Moody's/Fitch)
- Only economy to consistently rank in the world's top 5 most resilient economies since 2008[1]
- Strong fiscal position with Federal Government net public debt levels very low at 11% of GDP
  - While the Government is currently focused on fiscal consolidation there is scope for discretionary fiscal easing if needed

Net public debt levels as a % of GDP



Sources: Westpac Economics, IMF.

Australia's economy: diversified and flexible



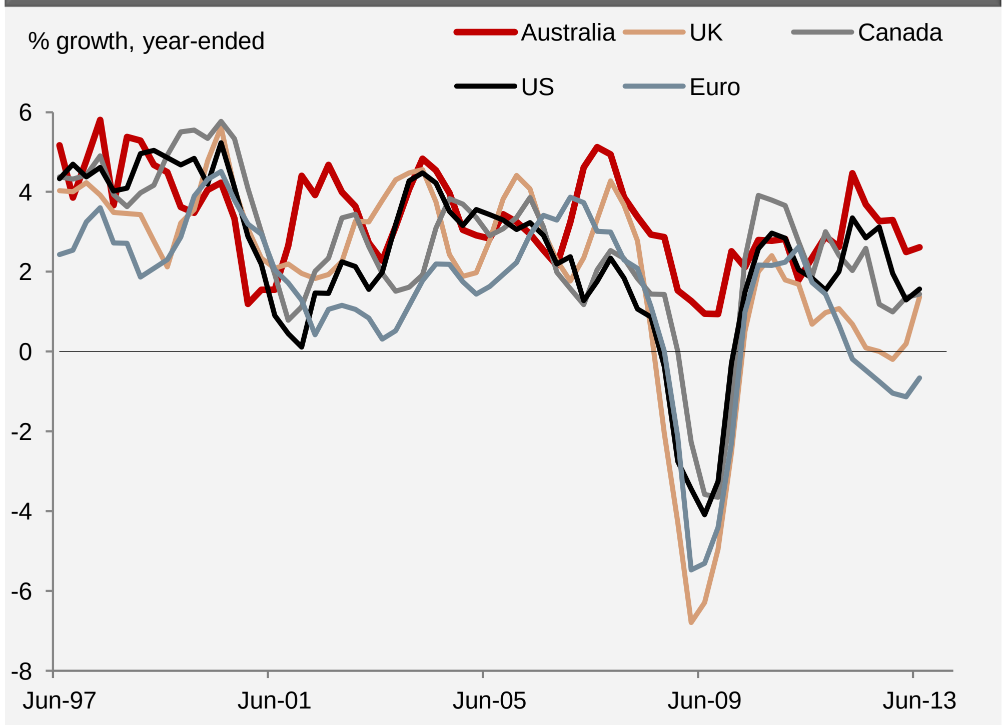
Sources: ABS, Westpac Economics.

1 Source: IMD World Competitiveness Yearbook. 2 German figure for 1990 is actually 1995 due to re-unification. 3 Excludes ownership of dwellings and taxes less subsidies.

Australia well-placed relative to developed economies

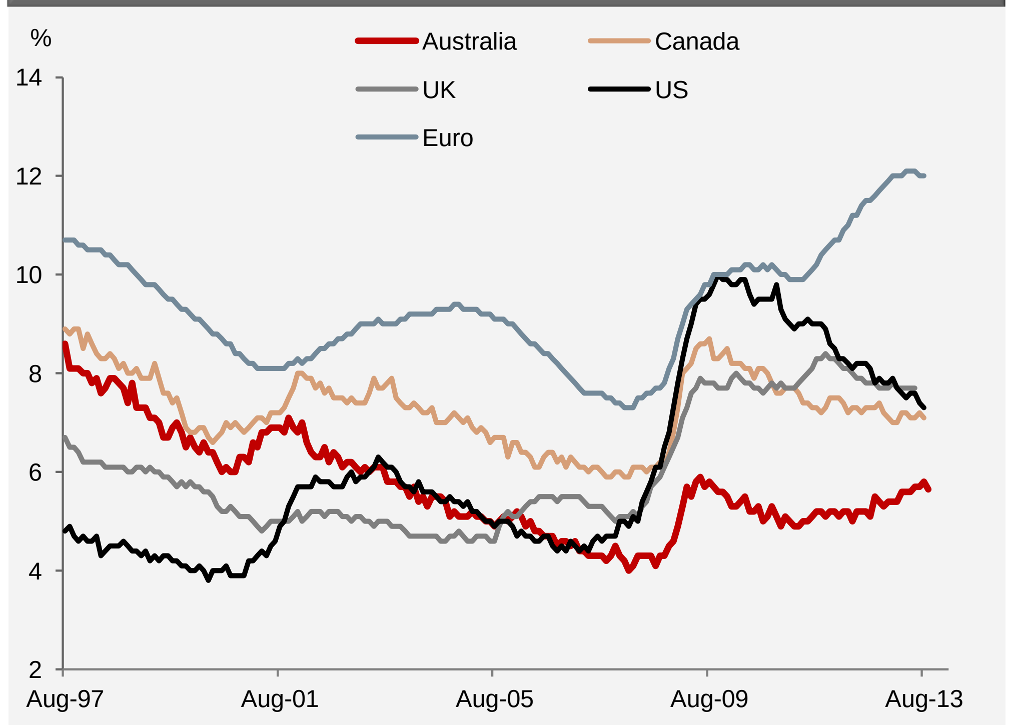
- Economy continues to perform well relative to other developed economies
- GDP is forecast to grow 2.5% in 2013 and 2.3% in 2014
  - Growth expected to be below trend as the economy adjusts to lower levels of mining investment and non-mining investment remains sluggish
  - Domestic growth is also expected to be constrained by continued weakness in the global economy
  - Below trend for Australia but above recent and forecast growth rates for the world's major advanced economies
- Unemployment rate remains low relative to other advanced economies, at 5.6% (at September 2013)
  - Employment growth is expected to be modest over the next few quarters, consistent with below-trend economic growth

Real GDP growth (%)



Sources: OECD, Westpac Economics.

Unemployment rate (%)

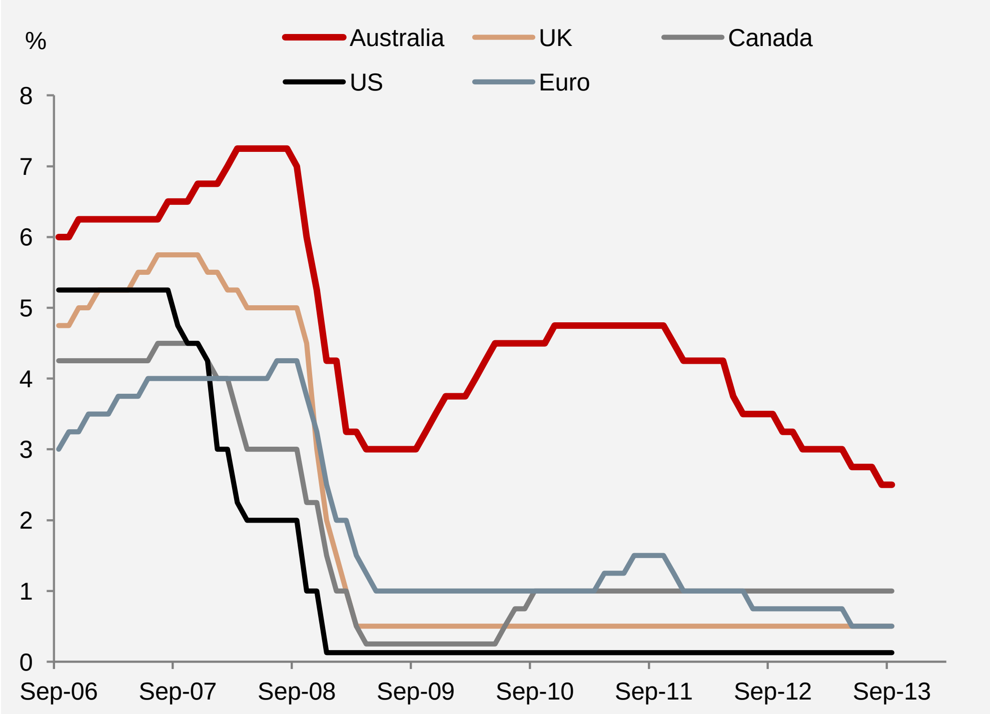


Sources: OECD, Westpac Economics.

Policy rate changes having desired effect

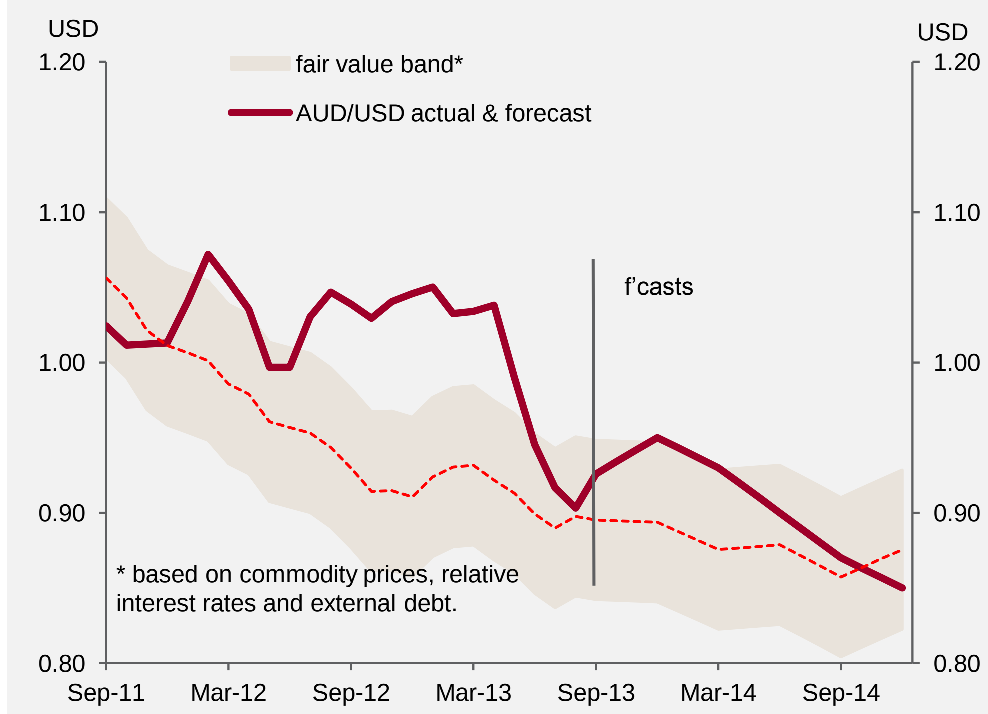
- Cash rate has been cut by 225bps since 2011
  - Currently 2.50% (October 2013)
  - Low by historical standards but still leaves scope for additional easing if required
- Policy changes are having an effect, with the clearest evidence in housing markets where a moderate housing market recovery is underway
  - Stimulus from lower interest rates to date more muted than previous easing cycles, although the full effects of the most recent rate cuts are still to be felt
- The AUD is expected to hold at US95¢ near term but ease back as the RBA moves to cut rates again, towards 85¢ by the end of 2014

Major countries' policy rates (%)



Sources: RBA, OECD, Westpac Economics.

Australian dollar (AUD/USD)

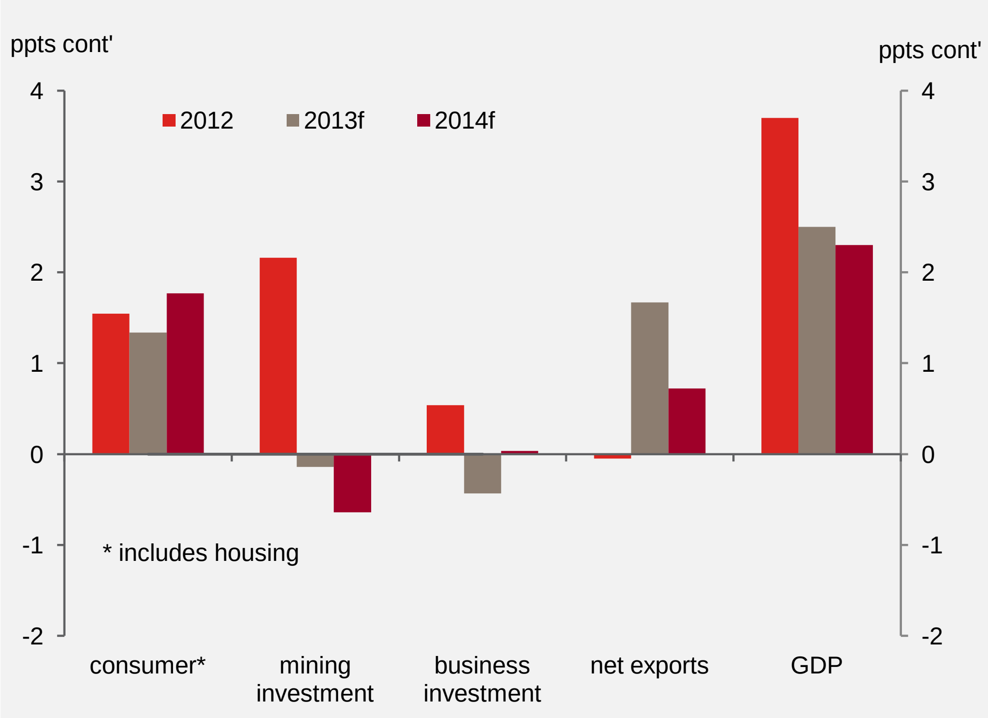


Sources: RBA, Westpac Economics.

Australia's economic transition: from mining to non-mining

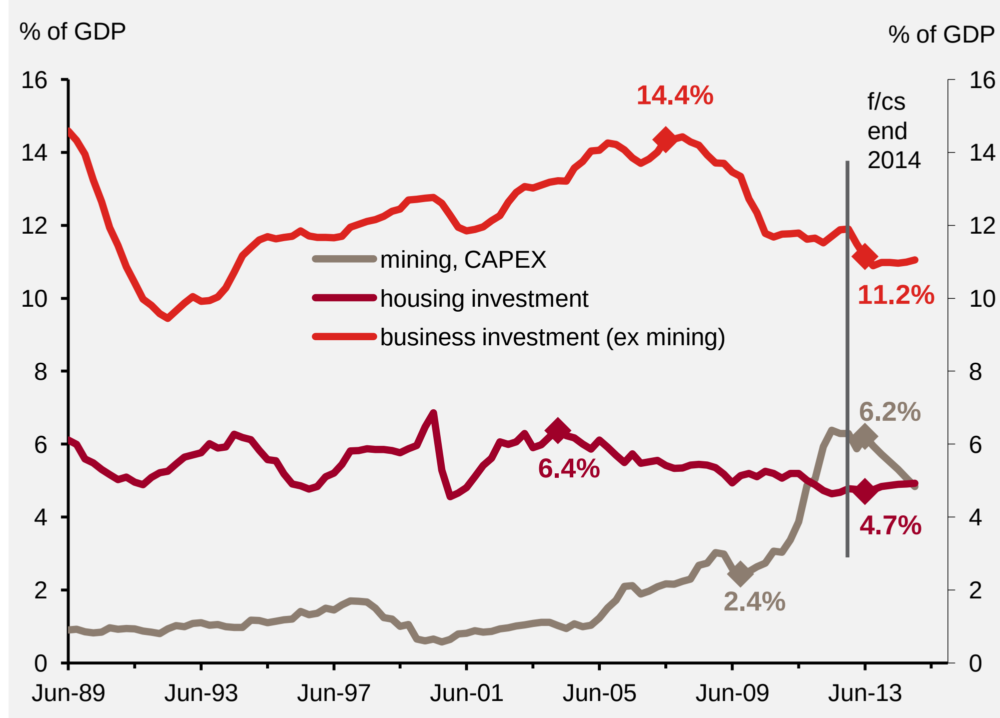
- Australia experiencing a rotation of economic growth from mining to non-mining activity
  - Mining investment is entering a sustained decline, after several years of strong rises, that will see it swing from being a significant growth driver to a drag over 2013-15
  - The mining drag will be partially offset by an improved net export contribution as resource projects become productive and capital imports decline
- A pick-up in non-mining sectors, interest rate sensitive sectors such as housing in particular, will be critical to maintaining growth
  - Complicating this transition is a soft global economy, consumer caution, a persistently high $A, and patchy business conditions
  - However, on the positive side, non-mining activity has been 'dormant' for several years, restrained by high interest rates and a high $A while the mining boom dominated. Investment in these sectors is near historical lows, providing scope for a pick-up and little risk of further declines.

Australian growth mix: Contributions to GDP growth (%)



Sources: ABS, Westpac Economics.

Investment: share of Australian economy (% of GDP)

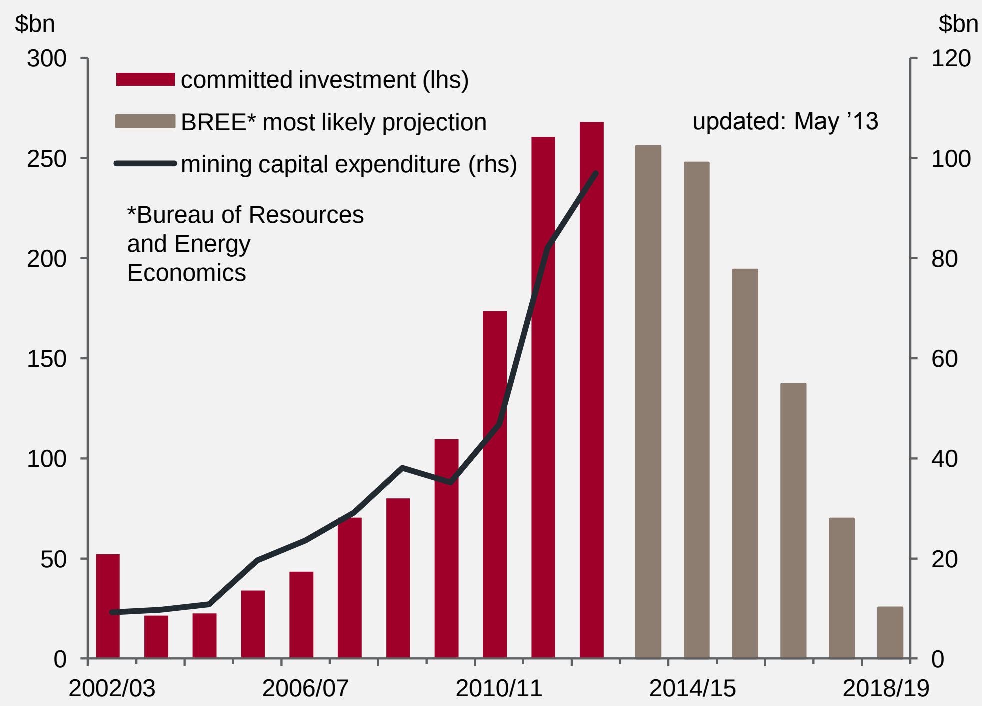


Sources: ABS, Westpac Economics.

Commodity cycle evolves

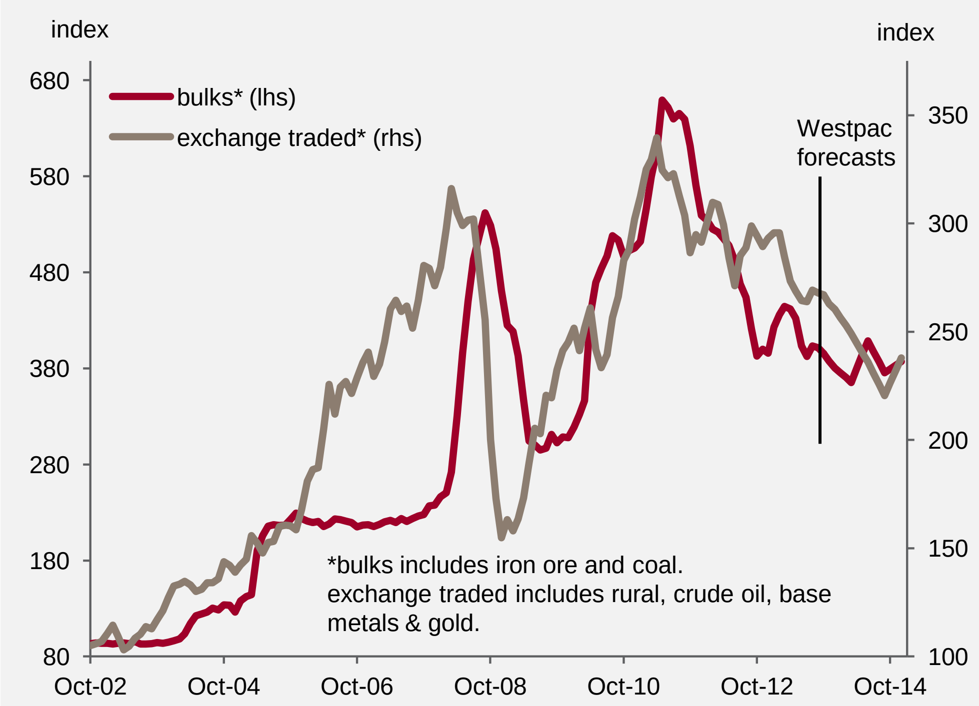
- Australia's mining boom is entering a new phase in which investment winds back from recent extreme highs but production and exports surge strongly as new projects become productive
- With commodity price declines acting as a drag on incomes near term, the mix will see mining activity as a whole detract from, rather than add to, growth nationally. The low labour requirement of the production stage compared to the investment stage also points to a significant drag on labour market conditions
- On the positive side, Chinese demand is continuing to grow, albeit more slowly, most commodity prices remain comfortably above both 'pre-boom' levels and 2008-09 lows and Australian producers also retain significant cost advantages in some areas, iron ore in particular
- On the downside, prices overall are expected to continue softening and there are unlikely to be any major new gas or coal investments in coming years

Committed projects and mining investment ($bn)



Sources: BREE, ABS, Westpac Economics.

Commodity prices (index)

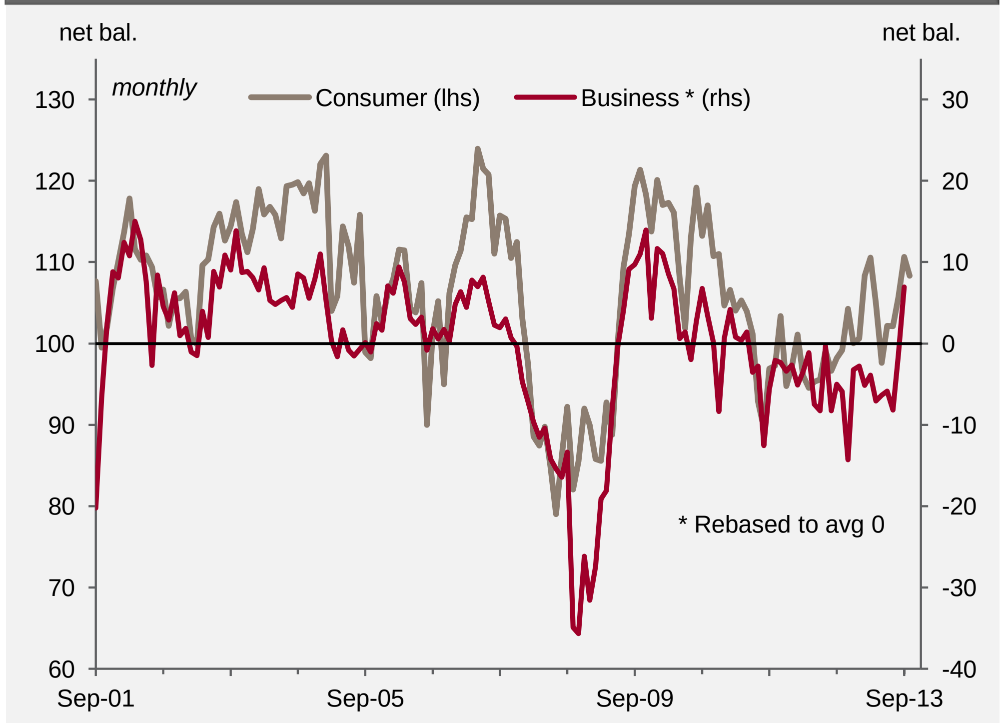


Sources: Westpac Economics, Bloomberg, ABS.

Credit growth expected to remain relatively subdued

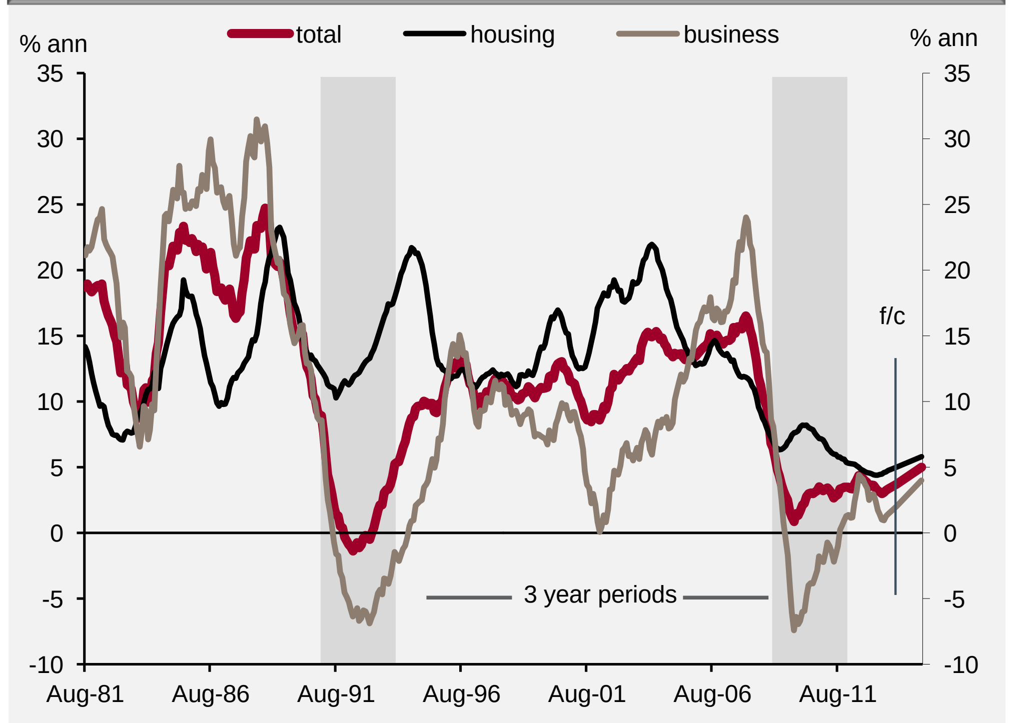
- Domestic business and household balance sheets remain in good shape
  - For businesses, pressure on incomes has been mitigated by low gearing levels
  - For households, efforts to increase savings and repayment buffers have bolstered balance sheets in recent years while interest rate reductions have seen arrears ease toward historical lows despite continued relatively high levels of gearing
- Ongoing business and consumer deleveraging has seen modest system credit growth over 2013, at around 3.5%yr, although more recently housing credit growth has edged up to 4.7%yr in response to lower interest rates, while business credit growth is around 1.4%yr
- Until recently Australian business and consumer confidence has been subdued. Despite a recent election-related improvement in confidence, weak demand and spare capacity across businesses, and elevated job loss concerns amongst consumers will restrain the upturn in borrowing

Business confidence and consumer confidence (net balance)



Sources: Westpac MI, NAB, Westpac Economics.

Australian private sector credit growth (% ann)



Sources: RBA, Westpac Economics

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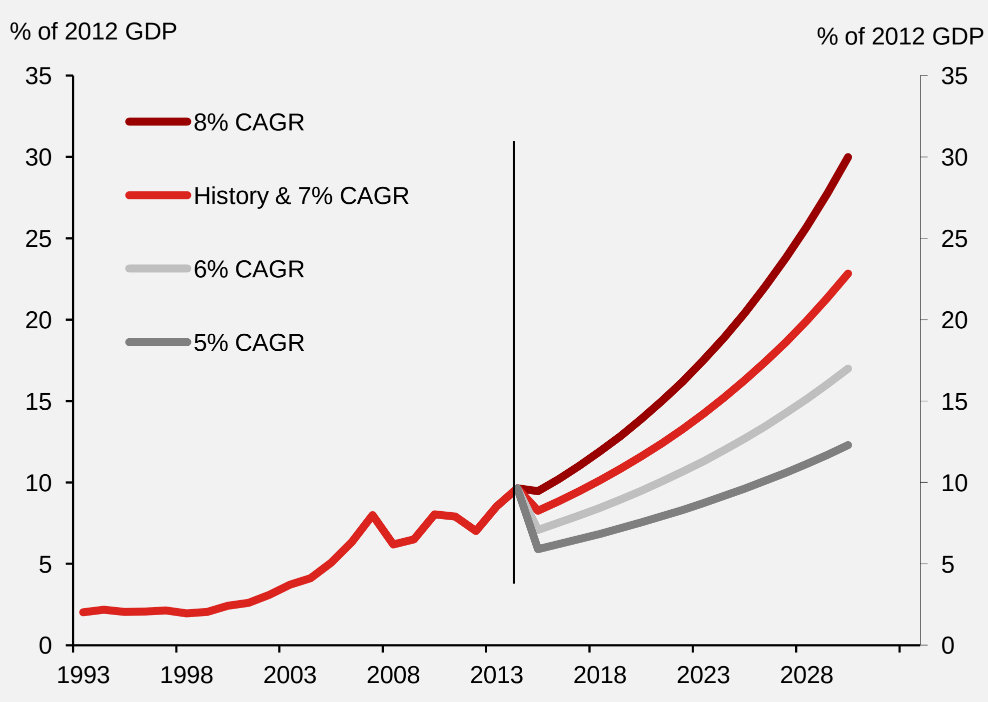
Chinese growth remains a positive for Australia

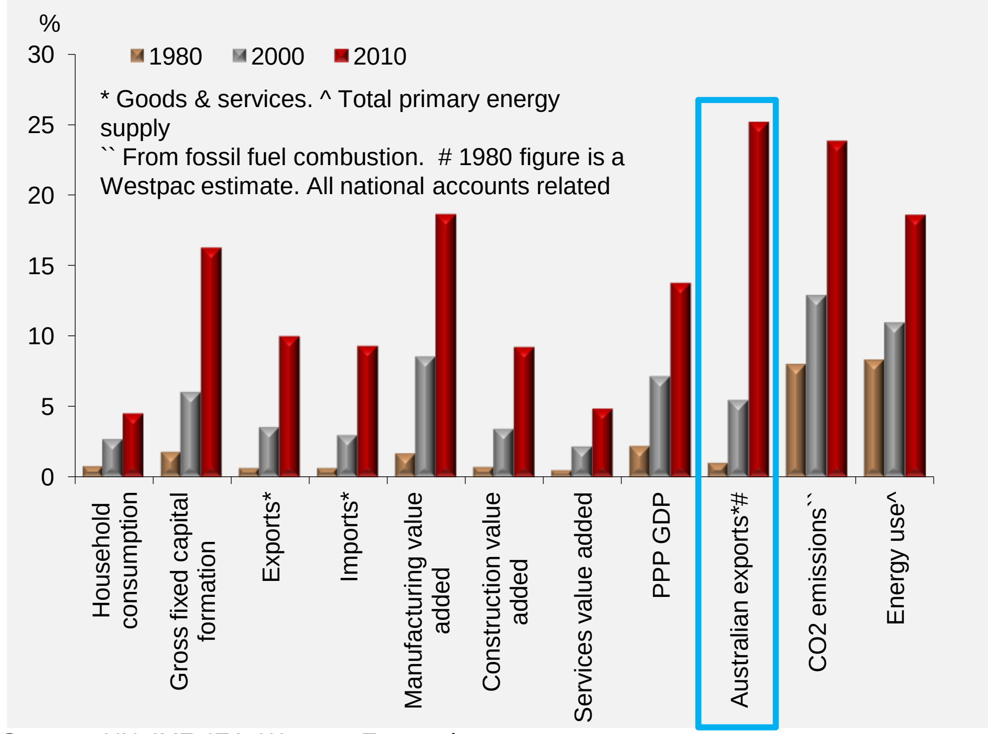
- As a $US7 trillion economy, China grew at 10%. As a $US10 trillion economy, we expect it to grow at 7%
- Represents an equivalent incremental contribution to global absorptive capacity, at higher levels of energy, protein, metal and consumer goods demand per head
- Were China to slow immediately to a 5% pace (a big downside shock that we do not envisage), it would still double its 2012 size by 2025
- Chinese authorities have shown a clear commitment to maintaining growth above 7% but will be less tolerant of strong credit driven expansions – the double digit growth rates that have featured regularly over the past 20 years are now unlikely to occur
- Australia's economic linkages with China continue to grow, led by trade
  - China now accounts for over 25% of Australia's exports
  - Investment, tourism and migration flows also significant (tourism arrivals from China are now 11% of all arrivals, up over 18% on a year ago)

Chinese real GDP increments: 4 scenarios (% of 2012 GDP)



Source: Westpac Economics.

China's share: world activity & Australian exports (%)

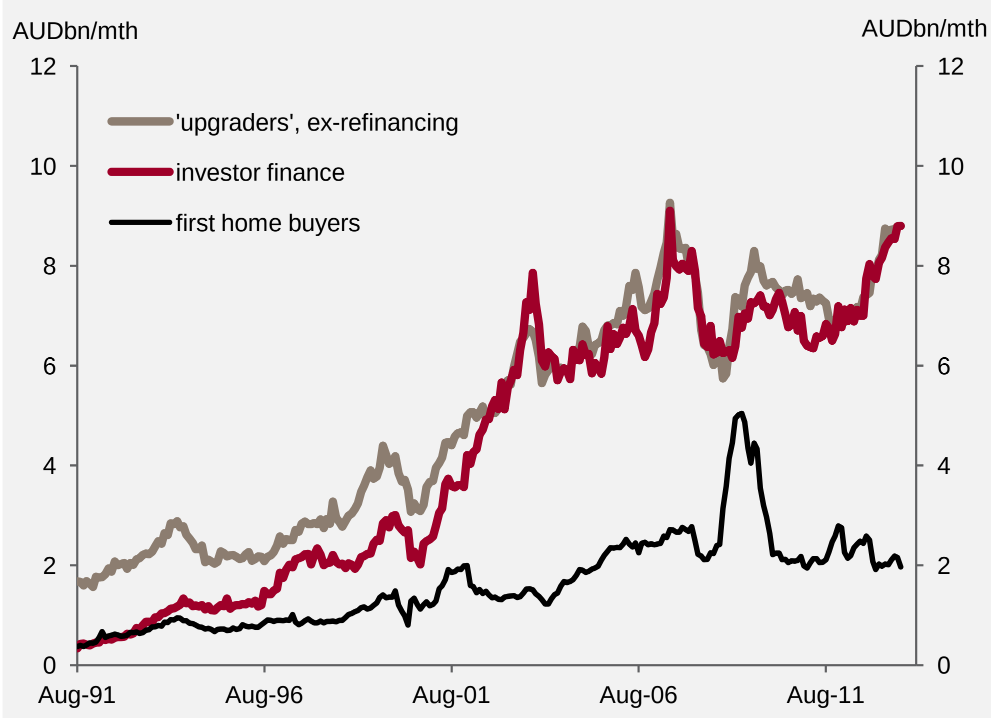


Sources: UN, IMF, IEA, Westpac Economics.

Housing activity responding to monetary policy

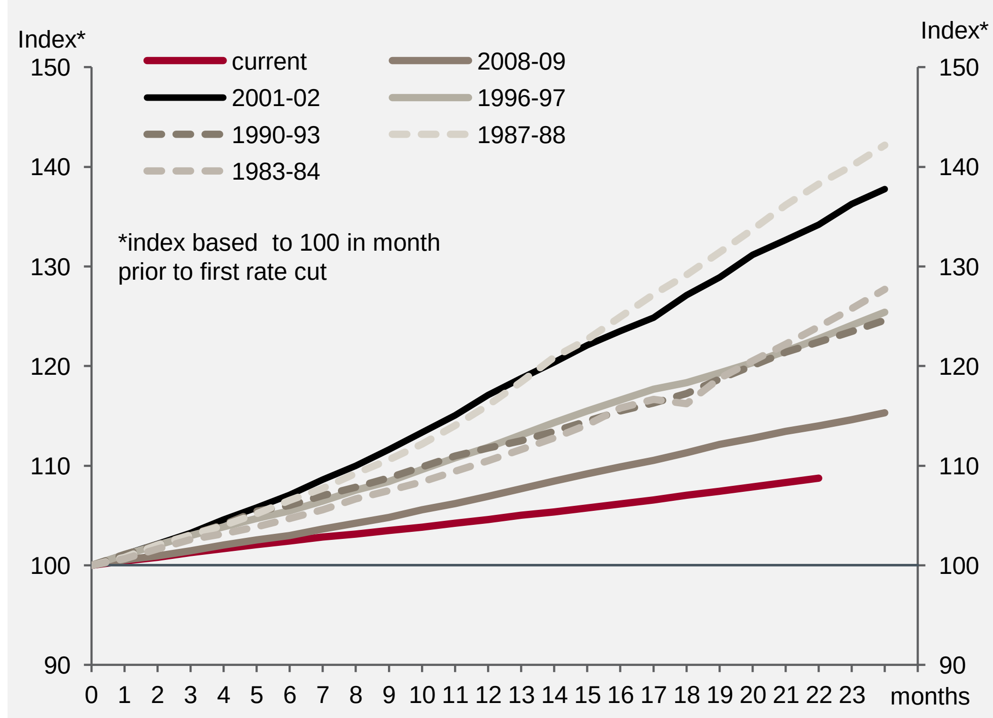
- Australia's housing sector is showing clear signs of a pick-up although the response to lower interest rates has been slower and more muted than in previous easing cycles and conditions remain uneven across segments and states
- The value of loan approvals is up 17%yr, led by strengthening investor and 'upgrader' demand but with weak first home buyer activity
  - Dwelling approvals showing similar gains
- Total number of approvals is still well below previous peaks
  - Total value of finance approvals is near its 2007 and 2009 peaks, although both prices and incomes have increased significantly since then
- By state, activity has been considerably stronger in NSW and WA, with conditions more mixed in Victoria, Queensland and SA

Housing finance approvals: value of housing finance ($bn/mth)



Sources: ABS, Westpac Economics.

Housing credit: rate cut cycles compared (index)

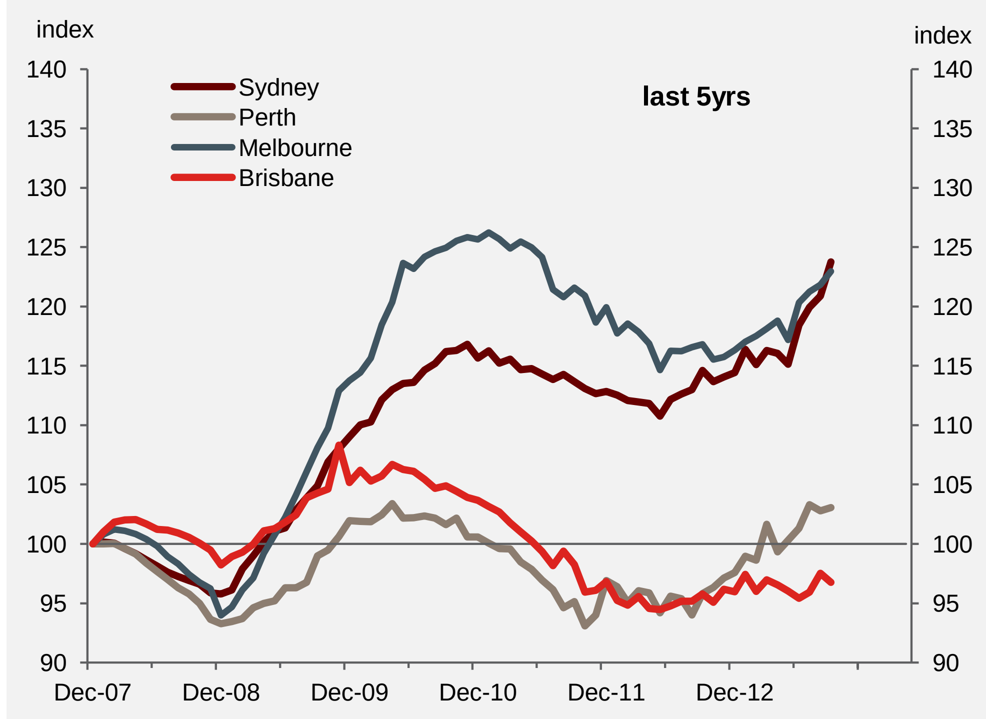


Sources: RP Data-Rismark, Westpac Economics.

Australian house prices recovering

- House prices are firming again, up 7.4% in the year to September nationally, after a moving through a mild correction in 2011-12
  - Conditions vary with gains ranging from around 8% in Sydney and Perth, to 5.5% in Melbourne and 1% in Brisbane and Adelaide
  - These gains have only just seen the level of prices nationally return to its 2010 peak, while average income has risen 10% since then
  - Recent strength in Sydney follows a significant underperformance over the last 10 years
- We expect housing recovery to continue to be a 'stop-start' and uneven one
  - Headwinds that are yet to fully impact with some markets facing increases in new dwelling supply (Vic, WA) and the mining downturn to play through fully to housing (WA, Qld)
  - Expect Australian households to continue to exercise balance sheet restraint, showing a reluctance to increase debt therefore limiting price growth

Dwelling prices: Australia capital cities (index)

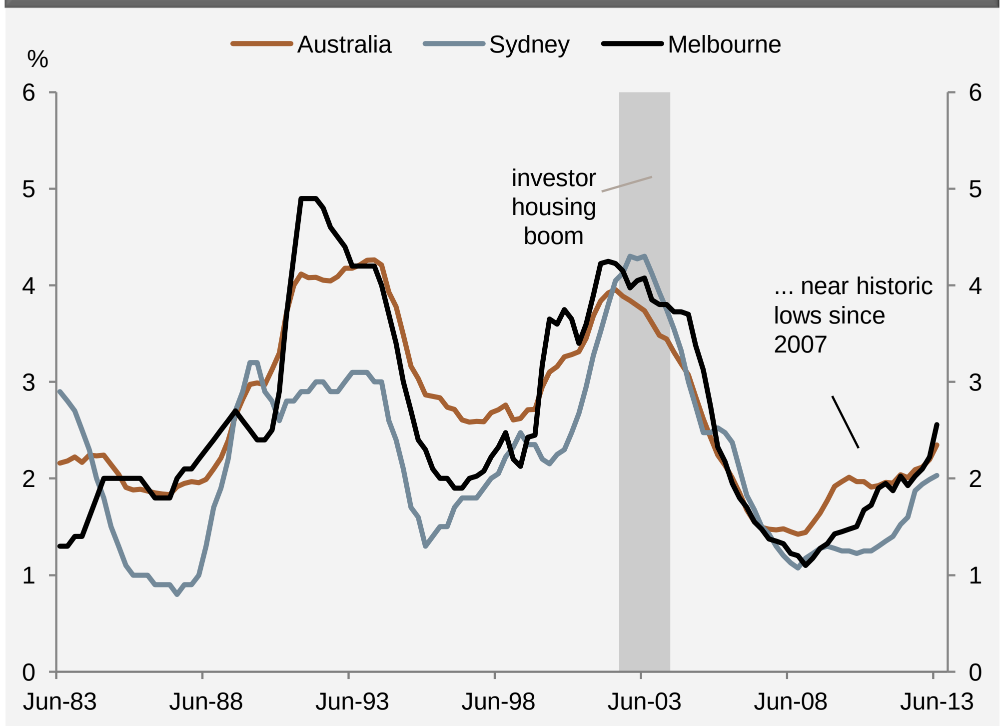


Sources: RP Data-Rismark, Westpac Economics.

Housing market fundamentals sound

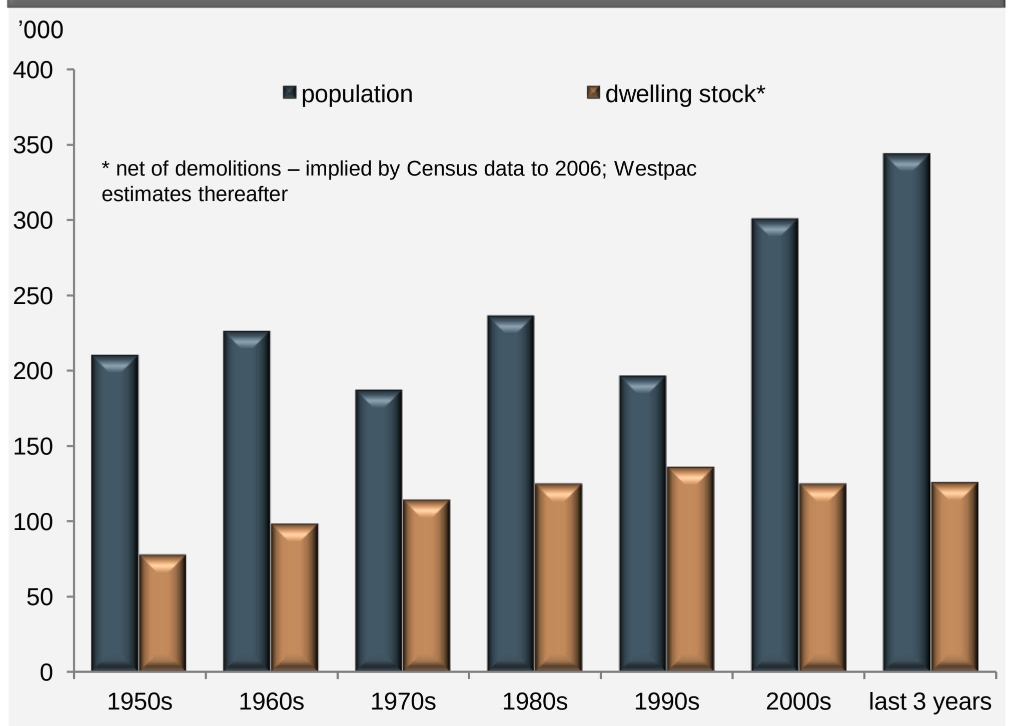
- Significant tightening in the supply-demand balance for housing over the last decade from a combination of strong migration-driven population growth and subdued new dwelling construction. Pressure is evident in
  - Rental markets where vacancy rates have been near historical lows over the last 5 years
  - Younger Australians delaying forming a new household, opting instead to stay longer in the family home
- Population has been rising at 300,000 a year over the last decade, compared to 200,000 a year in the 1990s, and migration inflows are expected to remain relatively strong
- New completions have been adding to the stock of dwellings at a slightly slower pace and despite recent gains and strong construction activity in specific markets, dwelling approvals nationally still point to completions tracking a similar rate to that averaged in the 1990s

Rental vacancy rates (%)



Sources: REIA, Westpac Economics.

Population versus dwelling stock (annual average change '000)

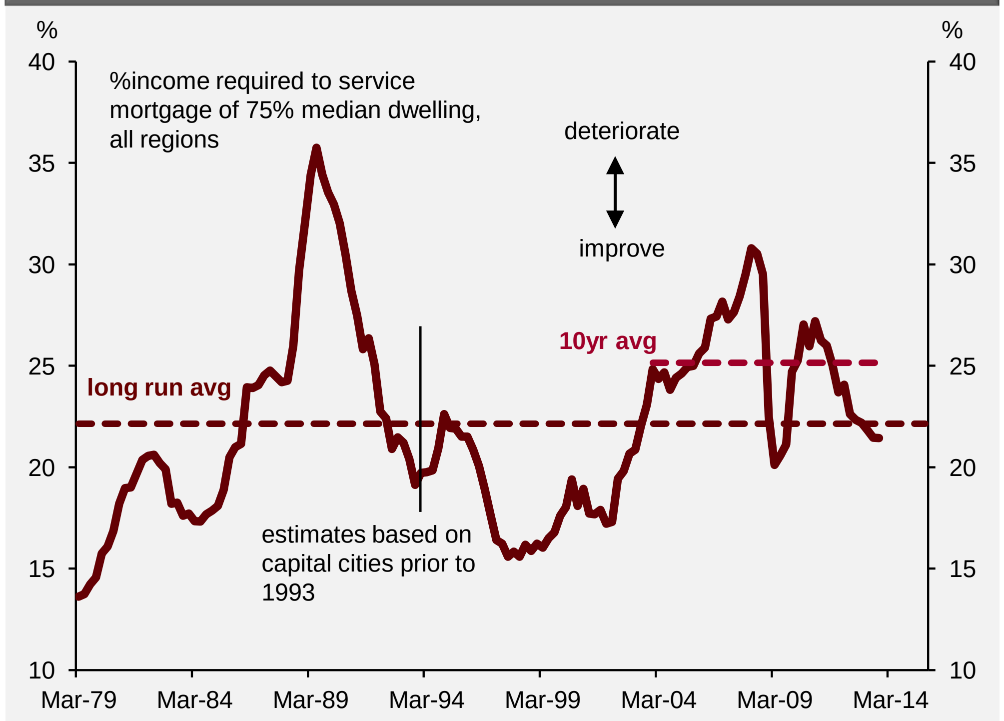


Sources: RP Data-Rismark, Residex, Westpac Economics.

Housing affordability much improved

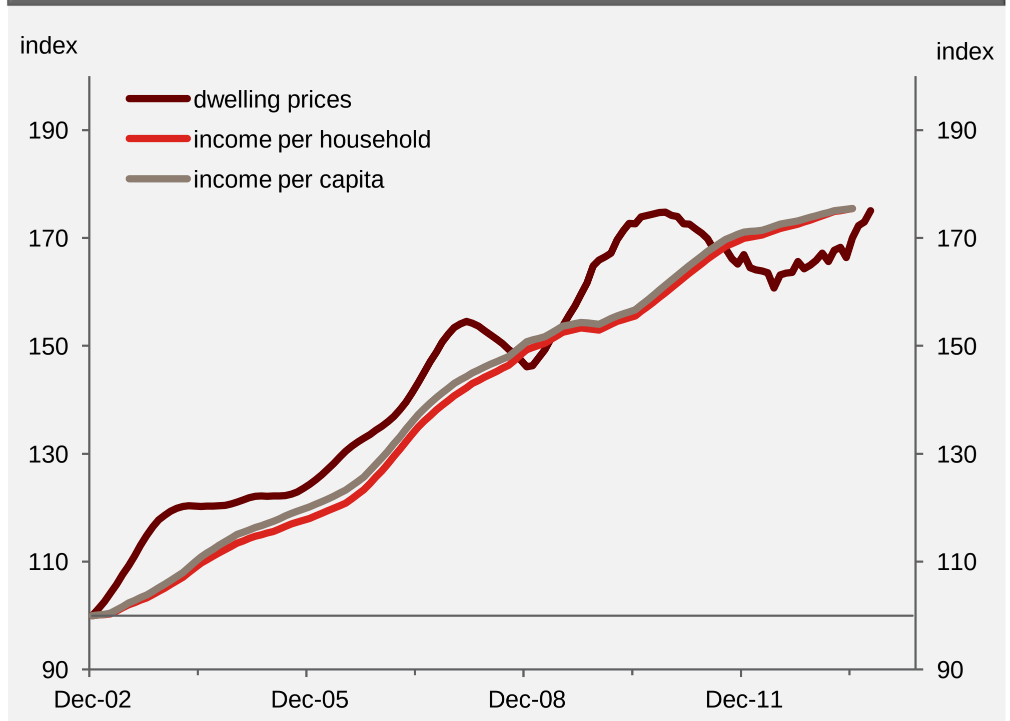
- Despite recent gains in house prices, affordability remains relatively good by historical standards
  - Measures based on the proportion of income required to service a mortgage on a median priced dwelling show, nationally, the best mix of prices, interest rates and incomes since 2009, and prior to that since 2003
- Improvements in affordability over the last 5 years assisted by
  - Historically low level of mortgage rates
  - Average household incomes rising faster than prices. Indeed, house prices nationally have tended to track average household income fairly closely over the last decade, the implication being that price to income ratios (an alternative metric of affordability) have been stable

House affordability: all dwellings (%)



Sources: RP Data-Rismark, Residex, Westpac.

Australia: dwelling prices versus incomes (index)

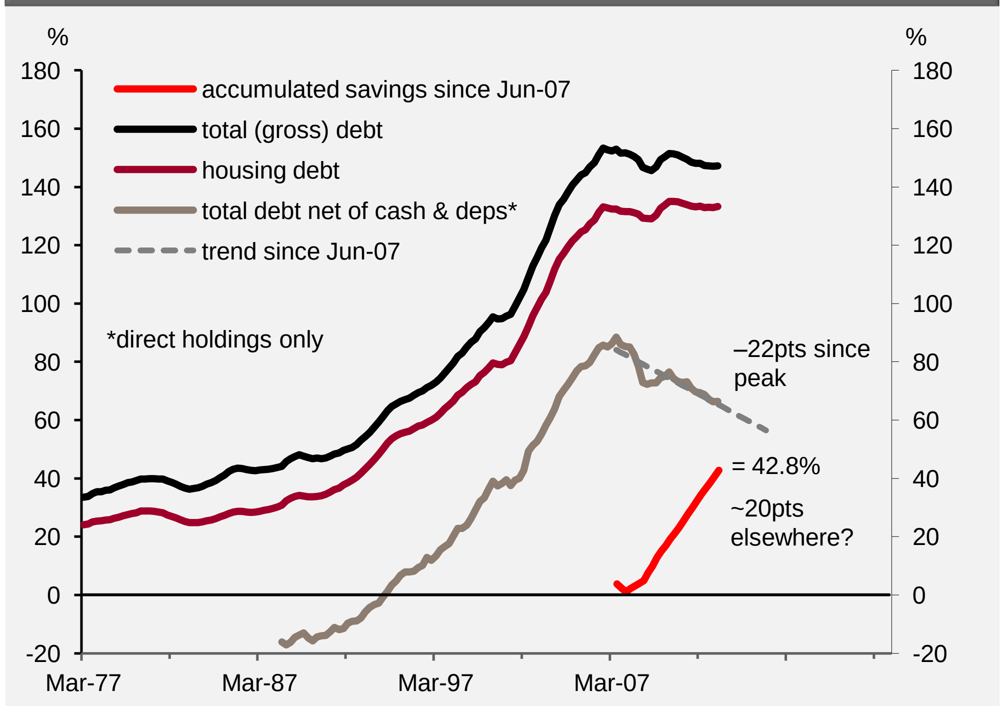


Sources: RP Data-Rismark, ABS, Westpac Economics.

Household leverage: a more cautious approach

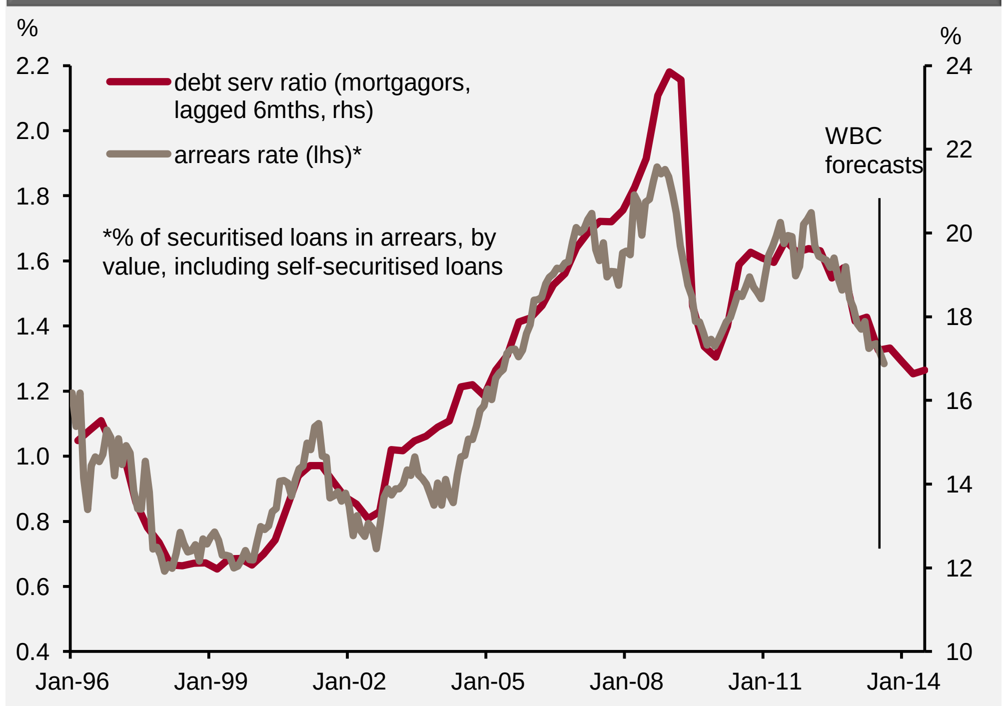
- The last five years have seen a significant shift in the behaviour of Australian households, resulting in a major shift in household leverage
- A more cautious attitude towards finances has seen a sharp and sustained rise in household savings rates, slower credit growth and faster prepayment rates on mortgages
- After a strong run-up over the previous 20 years, the aggregate household debt to income ratio has tracked broadly sideways since 2007 with minor fluctuations around the 150% level
- This understates the shift towards deleveraging. Mortgage prepayments are often made via the accumulation of funds in mortgage offset accounts, which are technically classified as deposits rather than a reduction in loan principal. Leverage ratios including households' direct holdings of cash and deposits show a more pronounced decline of 21points since 2007
- Households continue to perform well in servicing their debts with mortgage arrears at a 5 year low and very low by international standards

Australian households: debt to income ratio (%)



Sources: ABS, RBA, Westpac.

Pressure easing on existing borrowers (%)



Sources: ABS, RBA, Standard & Poor's, Westpac Economics.

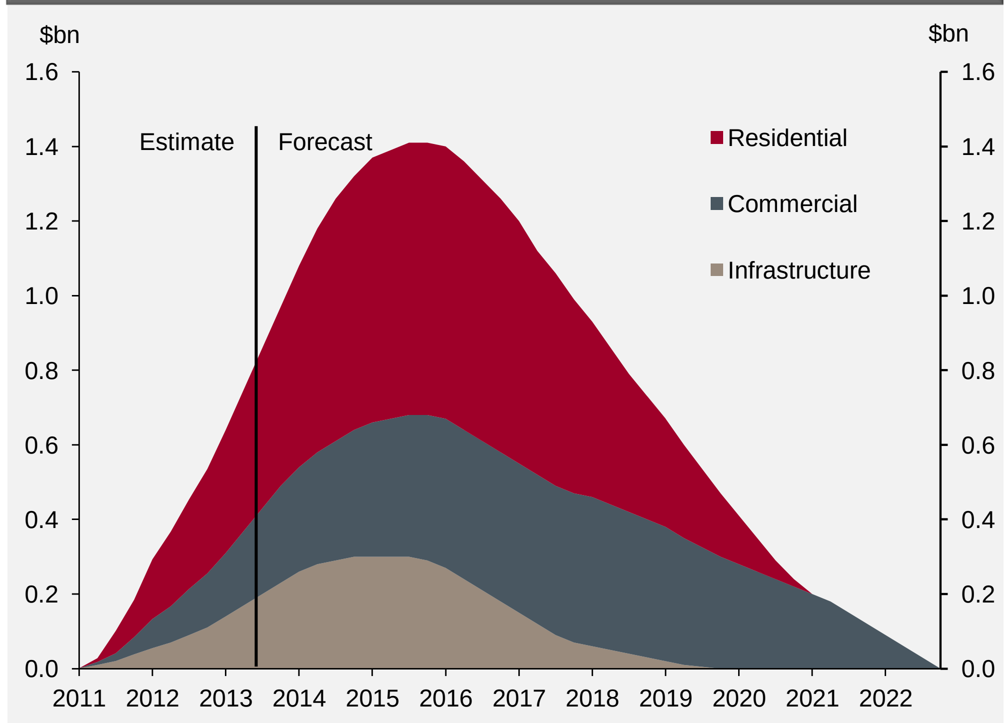
New Zealand – the economic cycle

- The New Zealand economy is experiencing a strong upturn in domestic demand, driven by earthquake-related construction activity and rising house prices
- Economic growth for the year to June 2013 was 2.7%. However, that figure was heavily impacted by drought. As the agricultural sector recovers from drought, economic growth is expected to rise to 3.8% in 2014
- The Canterbury region was struck by a series of damaging earthquakes in 2010 and 2011. Repair work has accelerated rapidly and is expected to double again by 2016. A slowdown in quake-related construction work in the second half of the decade is expected to slow economic growth
- Global milk prices are currently extremely high, contributing to New Zealand's strong terms of trade at present
- However, ongoing Government austerity is a drag on growth

New Zealand GDP growth and forecast (%)

Source: Statistics NZ, Westpac Economics

Earthquake-related construction activity in Christchurch ($bn)

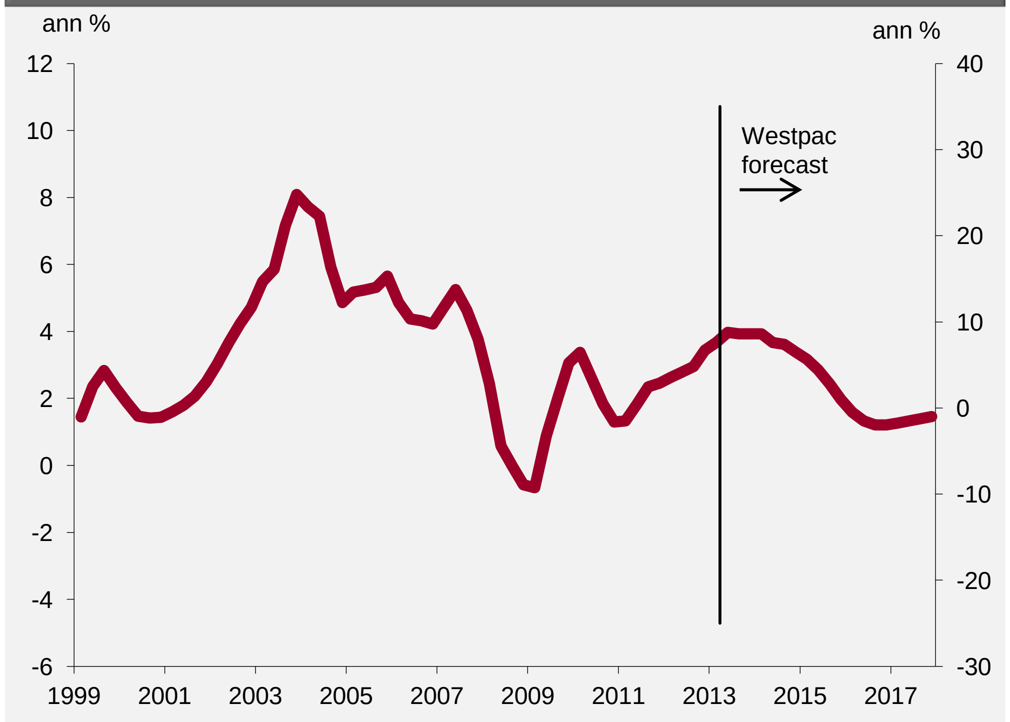


Source: Westpac Economics

New Zealand – the housing market

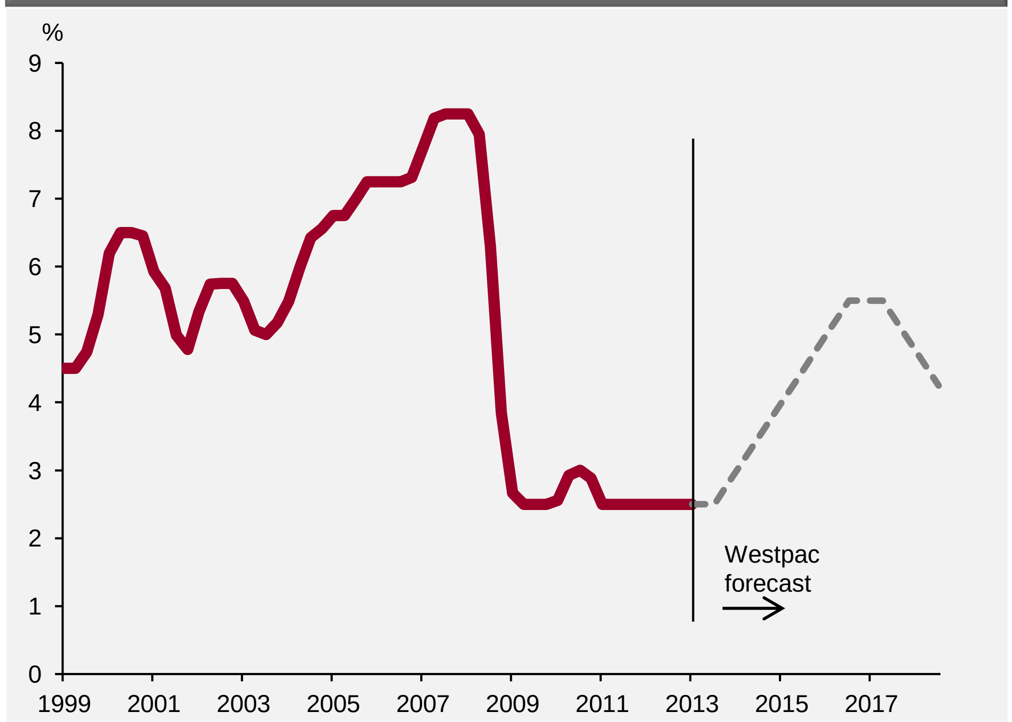
- House price inflation has accelerated to almost 10% on a nationwide basis, but there are wide regional differences – 17.9% in Auckland, low single digits in many other parts of New Zealand
- The main driver has been low interest rates – the Reserve Bank of New Zealand (RBNZ) has been required to keep the OCR low due to low inflation, itself a product of the high exchange rate. A shortage of housing stock is also playing a role.
- House price growth is forecast to be 6.5% in 2014. The Reserve Bank has recently required banks to limit high-LVR lending to just 10% of total new mortgage lending. Combined with a recent sharp increase in fixed mortgage rates, this is expected to cause the rate of house price inflation to slow in 2014. However, very strong net immigration will limit the fallout.

New Zealand house price inflation (annual %)



Source: QV, Statistics NZ, Westpac Economics

New Zealand Official Cash Rate (%)



Source: RBNZ, Westpac Economics

Westpac GROUP

FULL YEAR 2013

APPENDIX & DISCLAIMER

COMPARISON OF 2H13 VERSUS 1H13 CASH EARNINGS BASIS
(UNLESS OTHERWISE STATED)

STRENGTH RETURN GROWTH PRODUCTIVITY

Appendix 1: Cash Earnings adjustments

	Cash Earnings adjustment	2H12	1H13	2H13	Description
	Reported NPAT	**3,003**	**3,304**	**3,512**	**Reported net profit after tax attributable to equity holders of Westpac Group**
Non-merger related items	TPS revaluations	3	8	1	The TPS hybrid instrument is not fair valued however the economic hedge is fair valued. The mismatch in the timing of income recognition is added back
Non-merger related items	Treasury shares	15	29	13	Earnings on certain Westpac Banking Corporation shares held by Westpac in the wealth business are not recognised under A-IFRS. These are added back as these shares support policyholder liabilities and equity derivative transactions, which are revalued in deriving income
Non-merger related items	Fair value gain/(loss) on economic hedges and own credit	(13)	57	(67)	Unrealised profit/losses on economic hedges and own credit comprising: FX hedges on future NZ earnings, FX hedges on fees payable on Government-guaranteed debt, accrual accounted term funding transactions and credit spread movements on certain long term debt issuances are reversed as they may create a material timing difference on reported earnings in the current period, which does not affect Cash Earnings over the life of the hedge
Non-merger related items	Ineffective hedges	1	(23)	3	The gain/loss on qualified hedge ineffectiveness is reversed because the gain/loss from fair value movements reverses over time
Non-merger related items	Buyback of government guaranteed debt	-	43	-	The Group has bought back portions of its government guaranteed debt, which reduced the government fees on that debt, currently 70bps. The benefit is being amortised over the original term of the debt that was bought back. This has been treated as a Cash Earnings adjustment as the economic benefit of ceasing to pay the government guarantee fee cannot be recognised
Non-merger related items	Supplier program	46	-	-	Expenses relating to changes to supplier arrangements including costs associated with streamlining and better documenting systems and processes, technology costs to enable infrastructure and enhance interaction with suppliers and costs associated with restructuring the workforce. Given these significant expenses were not considered in determining dividends they were treated as Cash Earnings adjustments
Non-merger related items	Amortisation of intangible assets	77	75	75	The amortisation is a Cash Earnings adjustment because it is a non-cash flow item and does not affect returns to shareholders. The recognised balance of the majority of merger-related identifiable intangible assets, including the core deposits intangible and credit card and financial planner relationship intangible assets, will be amortised over their useful life. The acquisition of JOHCM during 1H12 resulted in the recognition of management contract intangible assets and are amortised over their useful lives ranging between 5 – 20 years
Non-merger related items	Litigation provision	78	-	-	The Group recognised an increased provision with respect to the Bell litigation, where an adverse judgement was received during FY12. Consistent with previous treatment this was treated as a Cash Earnings adjustment due to its size and the historical nature of the proceedings
SGB merger related items	Fair value amortisation of financial instruments	28	32	35	The unwind of the merger accounting adjustments associated with the fair valuing of St.George retail bank loans, deposits, wholesale funding and associated hedges. Given these are not considered in determining dividends they are treated as Cash Earnings adjustments
SGB merger related items	Tax consolidation adjustment	165	-	-	The resetting of the tax value of certain St.George assets to the appropriate market value as at the tax consolidation effective date. Is treated as a Cash Earnings adjustment due to its size and because it does not reflect ongoing operations
	Cash Earnings	**3,403**	**3,525**	**3,572**	

Appendix 2: Definitions

Westpac's business units

Australian Financial Services or AFS	Australian Financial Services is responsible for the Westpac Group's Australian retail banking, business banking and wealth operations. It incorporates WRBB, SGB and BTFG. AFS also includes the product and risk responsibilities for Australian banking
Westpac RBB or WRBB	Westpac Retail & Business Banking is part of Australian Financial Services division and provides sales, marketing and customer service for all consumer and small-to-medium enterprise customers Australia under the 'Westpac' brand
St.George Banking Group or St.George or SGB	St.George Banking Group is part of Australian Financial Services division Provides sales and customer service for our consumer, business and corporate customers in Australia under the St.George brand. It also includes the management and operation of: the Bank of South Australia (BankSA), Bank of Melbourne and RAMS brands
BTFG	BT Financial Group (Australia) is part of Australian Financial Services division and is the Group's wealth management business, including operations under the Advance Asset Management, Ascalon, Asgard, BT, BT Investment Management, Licensee Select, and Securitor brands. Also included are the advice, private banking, and insurance operations of Bank of Melbourne, BankSA, St.George and WRBB. BTFG designs, manufactures and distributes financial products that are designed to help customers achieve their financial goals by administering, managing and protecting their assets
WIB	Westpac Institutional Bank Provides a broad range of financial services to commercial, corporate, institutional and government customers with connections to Australia and New Zealand
Westpac NZ	Westpac New Zealand Provides a full range of retail and commercial banking and wealth management products and services to consumer, business, and institutional customers throughout New Zealand. New Zealand operates under the Westpac New Zealand, Westpac Institutional Bank, Westpac Life and BT brands in NZ
Westpac Pacific	Westpac Pacific Provides banking services for retail and business in seven Pacific Island Nations
GB	Group Businesses Provides centralised Group functions, including Treasury and Finance

Financial performance

Cash Earnings	Net profit attributable to equity holders adjusted for the impact of the economic hedges related to TPS, earnings from Treasury shares, fair value gains/losses on economic hedges, ineffective hedges, buyback of government guaranteed debt, supplier program, the amortisation of certain intangibles in relation to the merger with St.George and the JOHCM acquisition, fair value amortisation of financial instruments, the St.George tax consolidation adjustment, and the Bell litigation provision
Core earnings	Operating profit before income tax and impairment charges
AIEA	Average interest-earning assets
Net interest spread	The difference between the average yield on all interest bearing assets and the average rate paid on all interest bearing liabilities
Net interest margin	Net interest income divided by average interest-earning assets
ROTE	Return On Average Tangible Equity and is average ordinary equity less average goodwill and other intangible assets (excluding capitalised software).
Full-time equivalent employees (FTE)	A calculation based on the number of hours worked by full and part-time employees as part of their normal duties. For example, the full-time equivalent of one FTE is 76 hours paid work per fortnight
Wealth and Home and Contents Penetration Metrics	Data based on Roy Morgan Research, Respondents aged 14+. Wealth penetration is defined as the number of Australians who have Managed Investments, Superannuation or Insurance with each group and who also have a Deposit or Transaction Account, Mortgage, Personal Lending or Major Card with that group as a proportion of the total number of Australians who have a Deposit or Transaction Account, Mortgage, Personal Lending or Major Card with that group. Home and Contents penetration is defined as the number of Australians who have Household Insurance (Building, contents and valuable items) within the Group and who also have a Deposit or Transaction Account, Mortgage, Personal Lending or Major Card with that group as a proportion of the total number of Australians who have a Deposit or Transaction Account, Mortgage, Personal Lending or Major Card with that group. 12 month average to Sep 2013. WRBB includes Bank of Melbourne (until Jul 2011), BT, Challenge Bank, RAMS (until Dec 2011), Rothschild, and Westpac. St.George includes Advance Bank, Asgard, BankSA, Bank of Melbourne (from Aug 2011), Dragondirect, Sealcorp, St.George and RAMS (from Jan 2012). Westpac Group includes Bank of Melbourne, BT, Challenge Bank, RAMS, Rothschild, Westpac, Advance Bank, Asgard, BankSA, Barclays, Dragondirect, Sealcorp and St.George

Appendix 2: Definitions (continued)

Financial performance (cont.)

MyBank customer	A MyBank customer is one where we have their quality transaction account (they are active; have salary credit; and/or have multiple regular deposits) and they do multiple transactions per month; and we meet at least 2 out of 5 of their following needs: (a) long term borrowing; (b) short term borrowing; (c) savings and investment; (d) protection; and (e) wealth

Capital

Risk Weighted Assets or RWA	The Westpac Group's assets and off-balance sheet exposures, weighted according to risk. Risk weights are determined by adjusting each asset class (or off balance sheet exposure) for risk in order to determine Westpac's exposure to potential losses. The sum of risk weighted assets is used by APRA to determine the minimum regulatory capital levels that Westpac needs to maintain.
NCI	Non-controlling interests
Capital ratios	As defined by APRA (unless stated otherwise)

Asset quality

TCE	Total committed exposures
Stressed loans	Stressed loans are the total of Watchlist and Substandard, 90 days past due well secured and impaired assets
Impaired assets	Impaired assets can be classified as 1. Non-accrual assets: Exposures with individually assessed impairment provisions held against them, excluding restructured loans 2. Restructured assets: exposures where the original contractual terms have been formally modified to provide concessions of interest or principal for reasons related to the financial difficulties of the customer 3. 90 days past due (and not well secured): exposures where contractual payments are 90 days or more in arrears and not well secured 4. other assets acquired through security enforcement 5. any other assets where the full collection of interest and principal is in doubt
90 days past due - well secured	A loan facility where payments of interest and/or principal are 90 or more calendar days past due and the value of the security is sufficient to cover the repayment of all principal and interest amounts due, and interest is being taken to profit on an accrual basis
Watchlist and substandard	Loan facilities where customers are experiencing operating weakness and financial difficulty but are not expected to incur loss of interest or principal
Individually assessed provisions or IAPs	Provisions raised for losses that have already been incurred on loans that are known to be impaired and are individually significant. The estimated losses on these impaired loans is based on expected future cash flows discounted to their present value and as this discount unwinds, interest will be recognised in the statement of financial performance
Collectively assessed provisions or CAPs	Loans not found to be individually impaired or significant will be collectively assessed in pools of similar assets with similar risk characteristics. The size of the provision is an estimate of the losses already incurred and will be estimated on the basis of historical loss experience of assets with credit characteristics similar to those in the collective pool. The historical loss experience will be adjusted based on current observable data

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For further information on Westpac

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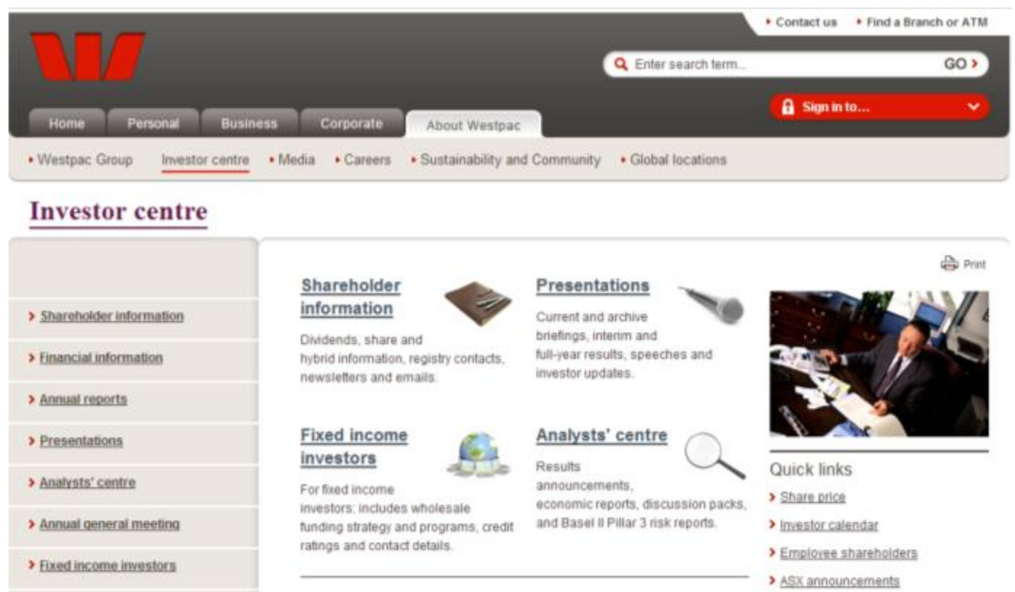

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All amounts are in Australian dollars unless otherwise indicated.

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 2013 Results (incorporating the requirements of Appendix 4E) for the year ended 30 September 2013 available at www.westpac.com.au for details of the basis of preparation of Cash Earnings. Refer to slides 31 for an explanation of Cash Earnings and Appendix 1 slide 143 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 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, 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 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 may 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 those described in the section entitled ‘Risk factors' in Westpac’s Interim Financial Report for the half year ended 31 March 2013 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, and do not intend, to update any forward-looking statements contained in this presentation.