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Westpac
Australia's First Bank

Introduction and Overview

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Chief Executive Officer

13 August 2001

STRATEGY BRIEFING, August 2001



Disclaimer



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The material contained in the following presentation is intended to be general background information on Westpac Banking Corporation and its activities as at 13 August 2001.

The information is supplied in summary form and is therefore not necessarily complete. Also, it is not intended that it be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending upon their specific investment objectives, financial situation or particular needs.

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What the market is saying



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- **Positive view of Australian Banks**
 - higher quality balance sheets
 - relatively solid & predictable earnings outlook
 - seen as quality defensive stocks
- **Positive view of Westpac**
 - growing track record of performance
 - sound full year result expected

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What the market is asking

Seeking clarification on Westpac's future growth:

- **Sustainability of current revenue growth**
- **Wealth management strategy**
- **How far has the cost story to run**
- **Asset quality through the cycle**

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Strategic clarity

What we are:

- Customer focused with a customer-centric organisation structure
- Focused on our strengths and sources of value and willing to partner
- Australasian focussed (Australia, NZ, Pacific)
- Maintaining a longer-term watching brief on Asia

What we are not:

- A collection of specialised product business units
- Seeking to be a fully integrated financial services provider
- Focusing on competitively intense, mature offshore markets
- Pursuing major opportunities in Asia



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Strategic clarity



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What we are:

- Focused on balancing growth and returns
- A high-return, high-growth wealth management business
- Multi-channel integrated '*bricks and clicks*' service organisation

What we are not:

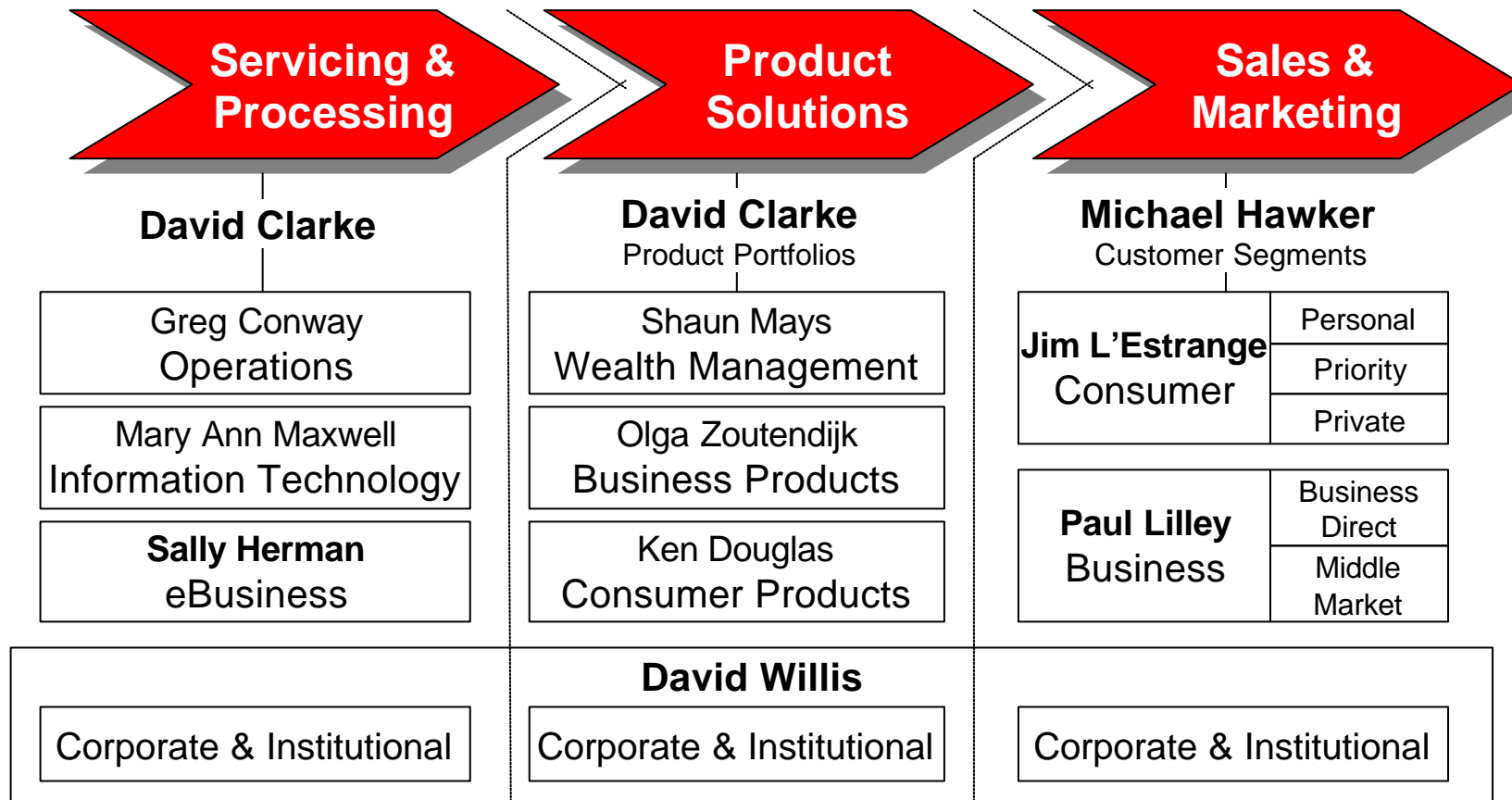
- Seeking growth for growth sake, compromising returns
- Dependent on acquisitions for growth in wealth management
- Pursuing pure-play e-Banking alternatives

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Customer-centric structure



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Order of proceedings



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- **Financial Services & Wealth Management** - **David Clarke**
- **Business & Consumer Banking Overview** - **Michael Hawker**
- **Business Banking** - **Paul Lilley**
- **Consumer Banking** - **Jim L'Estrange**
- **Westpac Institutional Bank** - **David Willis**

Afternoon tea break

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Order of proceedings - continued



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- **eTransformation and eBusiness** - **Sally Herman**
- **Financial Settings and Issues** - **Phil Chronican**
- **Credit Quality & Dynamic Provisioning** - **Jim Coleman**
- **Summary and Wrap-up** - **David Morgan**
- **Questions**

Refreshments

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Economic setting



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- **GDP growth to rebound from 2.75% in 2001 to 4% in 2002**
- **Credit growth will slow and remain around 9% in 2002**
- **Interest rates likely to remain relatively flat for most of next year**
- **Underlying inflation to slow from 3% to around 2.5%**
- **Outlook remains positive for earnings growth**

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Summary and wrap-up

Strategic summary



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- **Australasian focused**
- **Aggressively pursuing growth returns**
- **Focusing on what we do best**
 - **Customer focused distribution and sales**
 - **Providing 'best of breed' products**
 - **Partnering to deliver value in servicing and processing**

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In short



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- **Strong growth and returns**
- **Major opportunities in our customer base**
- **Relentless focus on customers - getting the basics right**

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