



Official Partner



Westpac
Australia's First Bank

Business and Consumer Banking overview

Michael Hawker
Group Executive

13 August 2001

STRATEGY BRIEFING, August 2001



Disclaimer



Official Partner

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.

STRATEGY BRIEFING, August 2001

Agenda



Official Partner

- **Business and Consumer Banking in Australia**
 - History
 - Strategy
 - Progress
 - Opportunities
- **New Zealand and Pacific Regional Banking**

STRATEGY BRIEFING, August 2001

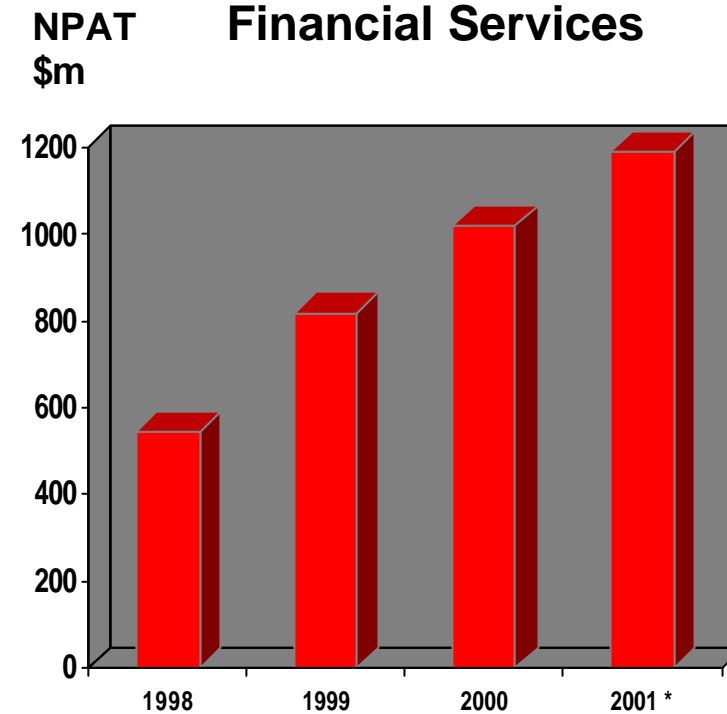
We've achieved 26% compound growth in NPAT since 1997



Official Partner

- Doubled the number of valuable customers
- Doubled the NPAT of ARFS
- Further major opportunities

Australian Retail Financial Services



* 2001 is calculated as actual NPAT to 31 March 2001 annualised.

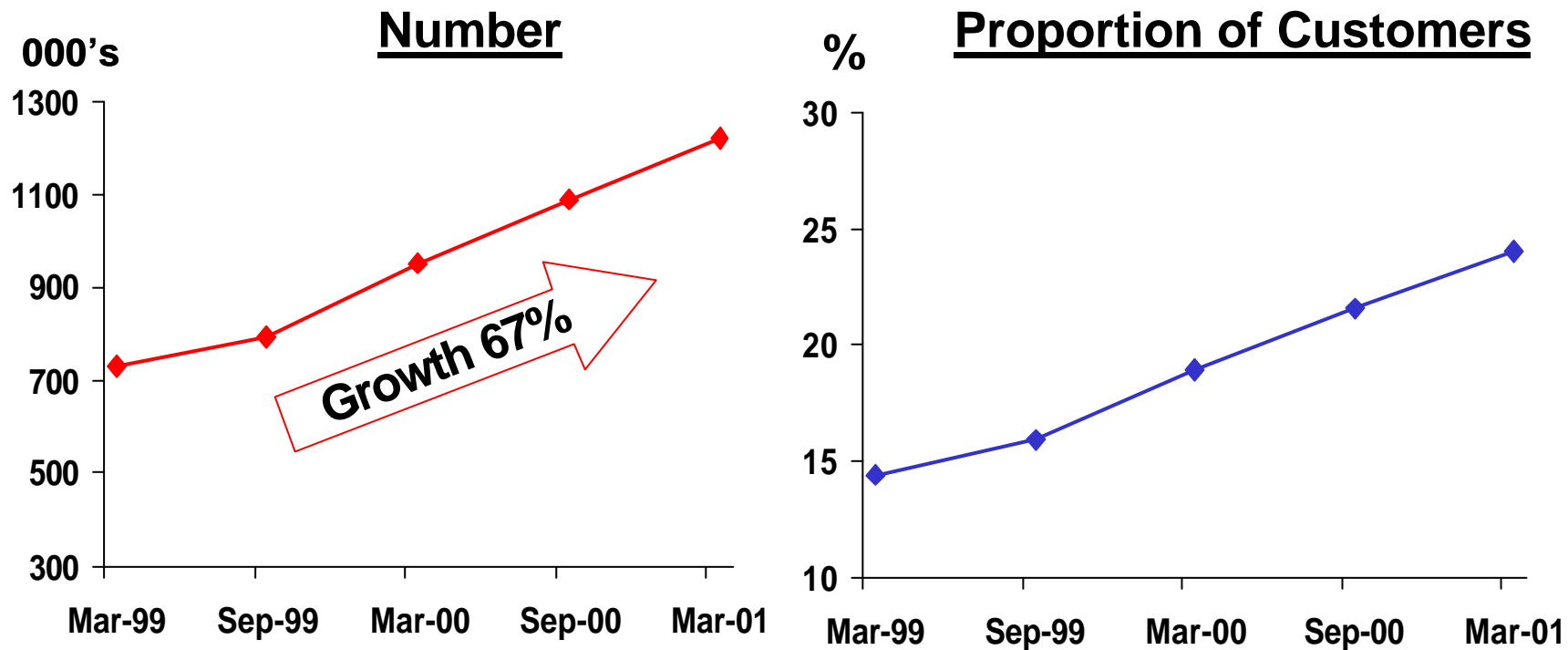
STRATEGY BRIEFING, August 2001

With valuable customer numbers growing strongly to 24% of our base



Official Partner

Total Consumer & Business Valuable* Customers



STRATEGY BRIEFING, August 2001

Focused strategy



Official Partner

- **Focusing on high growth business banking, wealth management and insurance opportunities**
- **Enhancing new distribution channels while keeping overall distribution costs flat**
- **e-Enabling all our processes**
- **Building a learning organisation, becoming trusted advisers**
- **Maintaining strong risk management disciplines**

STRATEGY BRIEFING, August 2001

Key enabling initiatives



Official Partner

Customer Relationship Management (CRM)

- Rolled out to Private, Priority and Business Direct
- Financial planners next - emphasis on leads management
- Allows relationship management for all customers

Product and Process Simplification (PPS)

- Simplify customer experience
- Enable further productivity improvements
- Increase proportion of customer facing time

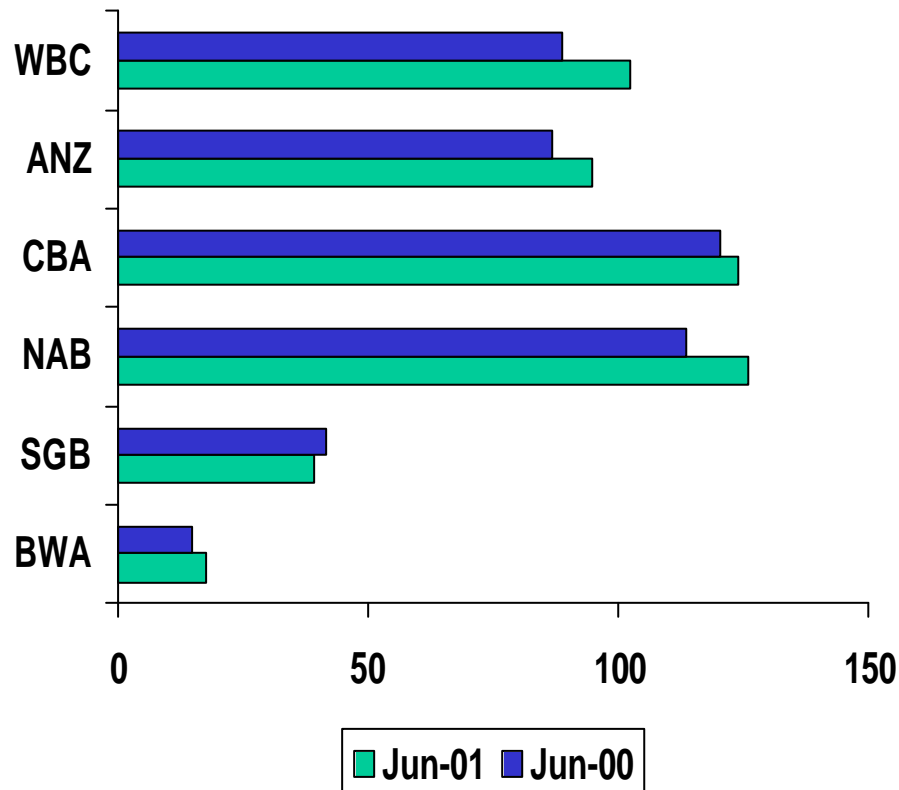
STRATEGY BRIEFING, August 2001

Progress - strong lending growth

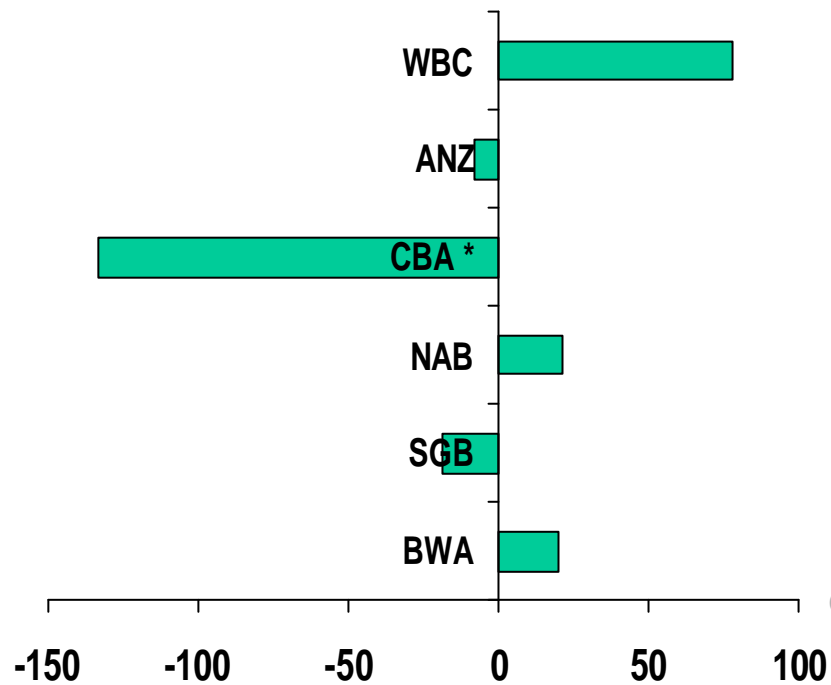


Official Partner

Total Lending# - including Bills & Acceptances (\$bn)



Market Share Movement June 2000 to June 2001 (bps)



STRATEGY BRIEFING, August 2001



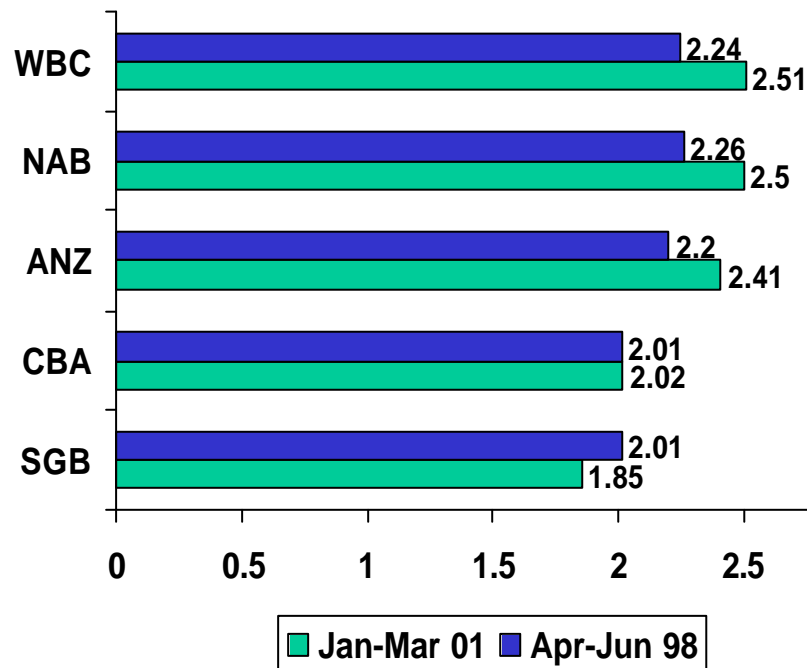
* CBA adjusted to include Colonial as if part of the CBA Group in June 2000. Source: APRA.
Not adjusted for securitisation.

Progress - improved product penetration

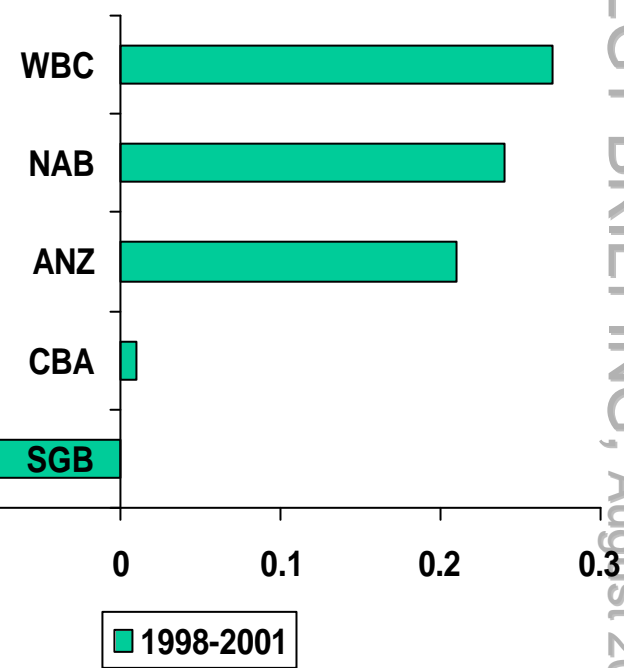


Official Partner

Average number of products, including investments & insurance



Movement between 1998 & 2001

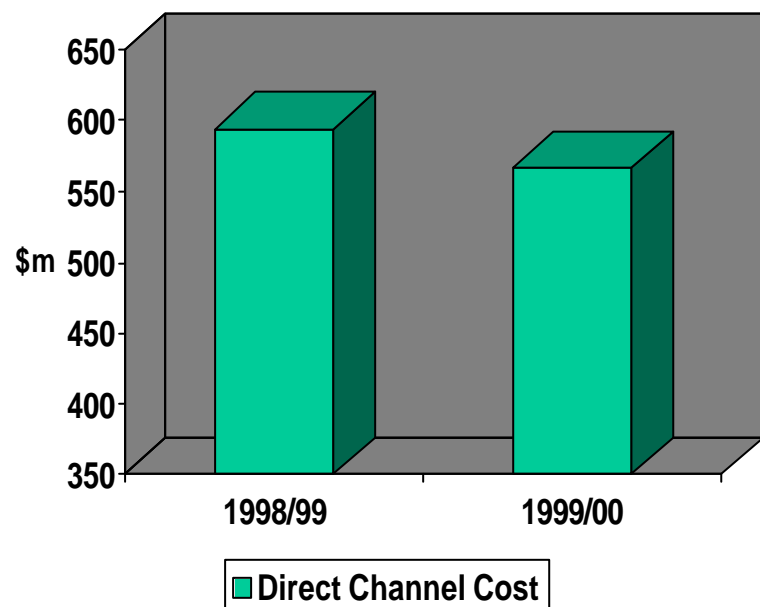


STRATEGY BRIEFING, August 2001

Progress - distribution channels



Official Partner



	<u>1995</u>	<u>2001</u>
Branches	1300	640
Instores	-	183
Agencies	30	31
ATMs	820	1507
EFTPOS	8,500	52,000
Telephone Banking subscribers	0.5m	2.8m
Internet subscribers	-	914,000

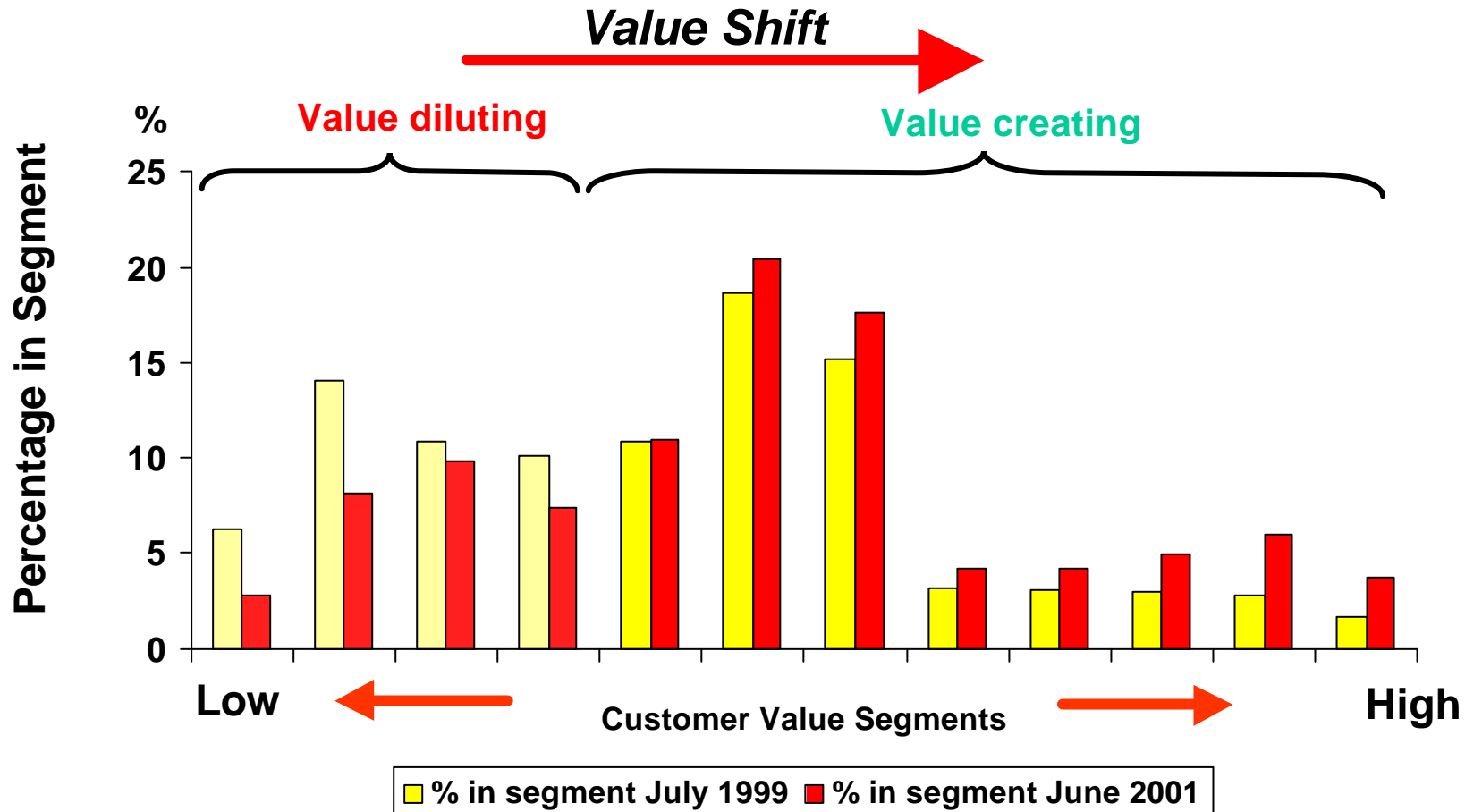
STRATEGY BRIEFING, August 2001

Progress: positive shift in customer value



Official Partner

Australian personal and business customers

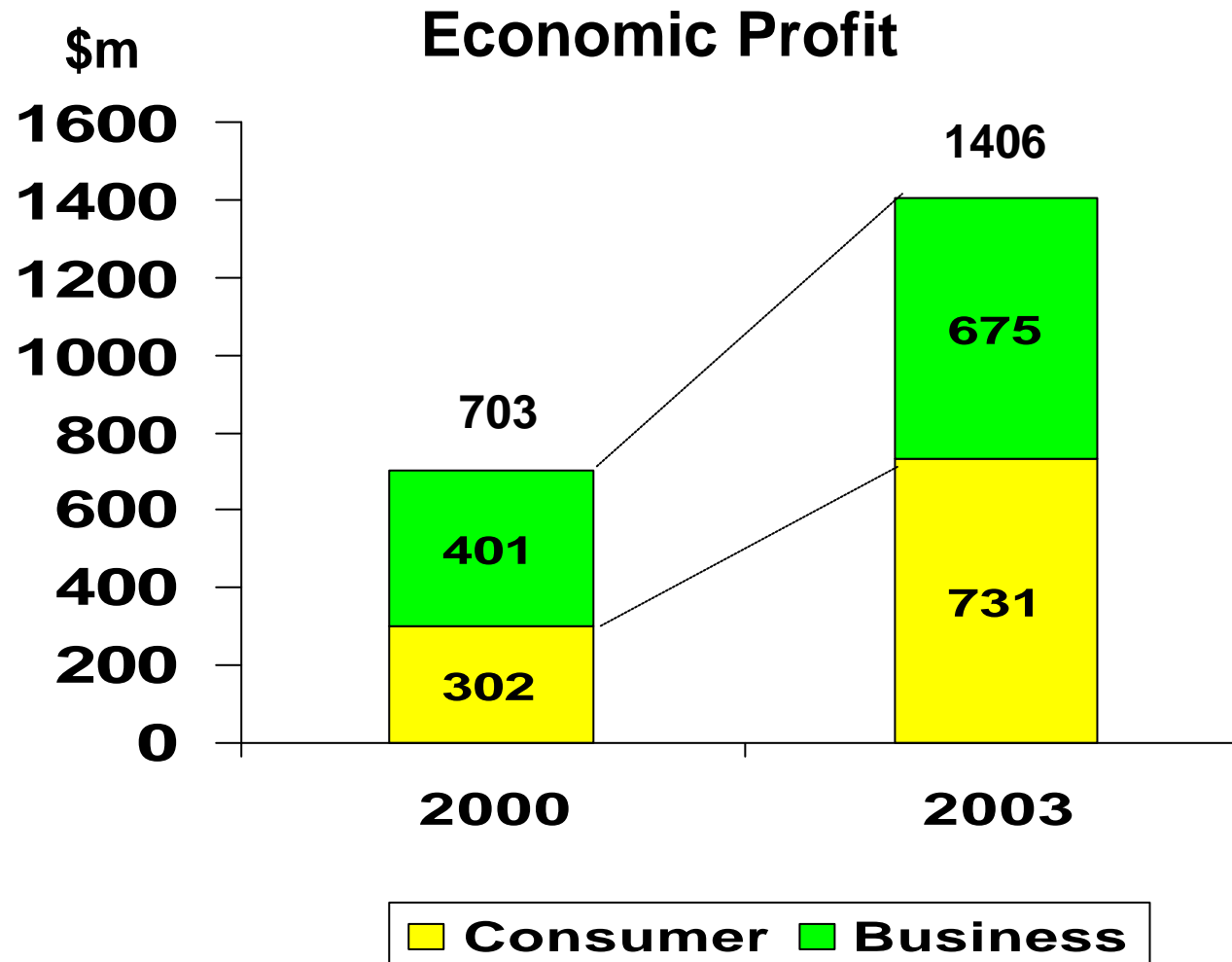


STRATEGY BRIEFING, August 2001

Aiming to double economic profit in the three years to 2003



Official Partner



STRATEGY BRIEFING, August 2001



Official Partner

| **Westpac Australia's First Bank**

STRATEGY BRIEFING, August 2001