

# ASX RELEASE

30 April 2014

## Westpac Group 2014 Interim Results Announcement Template

The Westpac Group has today released the template for its 2014 Interim Results Announcement.

This release provides:

- Details of previously announced Cash Earnings adjustments (related to the Lloyds transaction) that will be made in the First Half 2014 (Appendix 1, Section 1);
- Details of comparative restatements, required by changes to accounting standards, and changes to the presentation of the Westpac Group's results (Appendix 1, Section 2 - 4);
- A summary of enhancements to disclosures (Appendix 1, Section 5); and
- A results announcement template (the 'Template') in Appendix 2, detailing the structure of how information in the 2014 Interim Results Announcement will be presented.

The Template for the Westpac Group's 2014 Interim Results Announcement will also be available on the Westpac website at [www.westpac.com.au/investorcentre](http://www.westpac.com.au/investorcentre).

The Westpac Group is scheduled to announce its 2014 Interim Results on Monday, 5 May 2014.

Ends.

### For further information

Samantha Stevens  
Media Relations  
Ph: +61 2 8219 8512  
Mob: 0400 693 915

Andrew Bowden  
Investor Relations  
Ph: +61 2 8253 4008  
Mob: 0438 284 863

## **Appendix 1**

### **1. Cash Earnings adjustments**

#### **Acquisition Transaction and Integration costs**

In First Half 2014, transaction and integration costs associated with the acquisition of selected Australian assets of Lloyds Banking Group, including Capital Finance Australia Ltd and BOS International (Australia) Ltd ('Lloyds') have been treated as a Cash Earnings adjustment, as they do not reflect ongoing operations of the acquired businesses.

#### **Amortisation of Intangibles**

The acquisition of Lloyds has resulted in the recognition of an identifiable intangible asset related to the motor dealer distribution network, which will be amortised over four years. Consistent with the treatment of amortisation of existing identifiable intangible assets, the amortisation will be treated as a Cash Earnings adjustment.

## 2. Comparative restatements impacting Westpac Group's Results

During First Half 2014, there were a number of changes to accounting standards. When changes to accounting standards are first adopted often they are required to be applied retrospectively and this has given rise to comparative restatements to Westpac's disclosures.

### ■ Defined Benefits

Amendments to *AASB119 Employee Benefits* became effective for the Westpac Group from 1 October 2013. This has impacted the reported results for the defined benefit plan. The amendments require a change in the discount rate applied in calculating the expected return on plan assets. A pre-tax discount rate must also be used.

This change increased the defined benefit superannuation expense; lowered income tax expense; reduced other liabilities; increased deferred tax assets; and increased retained profits.

These changes must be applied retrospectively and comparatives have been restated for First Half 2013 and Second Half 2013. Cash Earnings have been reduced following these changes.

### ■ Consolidation

Westpac Group has adopted *AASB10 Consolidated Financial Statements* and Associated Standards. This change has increased both life insurance assets and life insurance liabilities equally by approximately \$4 billion on the balance sheet. There is no earnings impact from this change.

### ■ Own Credit

Westpac Group has early adopted part of the changes to *AASB9 Financial Instruments* that relate to Westpac's own credit. Changes in Westpac's own credit will now be recognised in the 'Consolidated Statement of Comprehensive Income' rather than through the Group's reported results. This movement has historically been treated as a Cash Earnings adjustment to the reported result (recorded in the line *Fair value gain/(loss) on economic hedges and own credit*). Accordingly, this change only impacts Westpac's reported results and has led to: a reduction in net interest income; lower income tax expense; reduced other liabilities; and increased retained profits. This restatement does not impact Cash Earnings.

#### Summary of the restatements to reported results:

\$m	Half Year Sept 13	Half Year March 13
Net Interest Income - previously disclosed	6,573	6,292
Impact from change in Own Credit	(44)	-
Net Interest Income - revised disclosure	6,529	6,292
Operating Expenses - previously disclosed	(4,018)	(3,909)
Impact from change in Defined Benefits	(25)	(24)
Operating Expenses - revised disclosure	(4,043)	(3,933)

#### Summary of the restatements to Cash Earnings results:

\$m	Half Year Sept 13	Half Year March 13
Operating Expenses - previously disclosed	(3,910)	(3,800)
Impact from change in Defined Benefits	(25)	(24)
Operating Expenses - revised disclosure	(3,935)	(3,824)

### 3. Comparative restatements impacting Divisional Results

#### ■ Changes in Westpac's revenue and expense allocation methodology (refer section 4.3)

- During First Half 2014 the Group transferred responsibility for financial markets sales operations undertaken in St.George to Westpac Institutional Bank (WIB). All financial markets operations in Australia are now managed in WIB. In conjunction with this change, the Group simplified the allocation of revenue and expenses from Institutional partnership products across the Group;
- In First Half 2014 the Group simplified revenue and expense allocation between BTFG and St.George / Westpac RBB. Revenue and expense allocations for wealth partnership products sold to AFS customers are now included in BTFG financial results; and
- An update to funds transfer pricing within Westpac New Zealand Limited (WNZL) has seen a change in income recognised between Westpac New Zealand and Group Businesses.

Prior period results have been restated as if these changes to revenue and expense allocations were introduced on 1 October 2012.

While these changes have no impact on the Group's reported results or Cash Earnings, they do have an impact on divisional results and the markets related income table.

## 4.1 Restated Cash Earnings and Reported Results

	Revised Disclosure		Previous Disclosure	
	Half Year Sept 13	Half Year Mar 13	Half Year Sept 13	Half Year Mar 13
<b>1.1 Reported Results</b>				
<b>\$m</b>				
Net interest income	6,529	6,292	6,573	6,292
Non-interest income	2,896	2,878	2,896	2,878
Net operating income before operating expenses and impairment charges	9,425	9,170	9,469	9,170
Operating expenses	(4,043)	(3,933)	(4,018)	(3,909)
<b>Net profit before impairment charges and income tax expense</b>	<b>5,382</b>	<b>5,237</b>	<b>5,451</b>	<b>5,261</b>
Impairment charges	(409)	(438)	(409)	(438)
<b>Profit before income tax</b>	<b>4,973</b>	<b>4,799</b>	<b>5,042</b>	<b>4,823</b>
Income tax expense	(1,470)	(1,477)	(1,491)	(1,484)
<b>Net profit for the period</b>	<b>3,503</b>	<b>3,322</b>	<b>3,551</b>	<b>3,339</b>
Profit attributable to non-controlling interests	(39)	(35)	(39)	(35)
<b>Net profit attributable to owners of Westpac Banking Corporation</b>	<b>3,464</b>	<b>3,287</b>	<b>3,512</b>	<b>3,304</b>
<b>1.4 Cash Earnings Results</b>				
<b>\$m</b>				
Net interest income	6,467	6,445	6,467	6,445
Non-interest income	3,011	2,910	3,011	2,910
Net operating income	9,478	9,355	9,478	9,355
Operating expenses	(3,935)	(3,824)	(3,910)	(3,800)
<b>Core earnings</b>	<b>5,543</b>	<b>5,531</b>	<b>5,568</b>	<b>5,555</b>
Impairment charges	(409)	(438)	(409)	(438)
<b>Operating profit before income tax</b>	<b>5,134</b>	<b>5,093</b>	<b>5,159</b>	<b>5,117</b>
Income tax expense	(1,539)	(1,549)	(1,547)	(1,556)
<b>Net profit</b>	<b>3,595</b>	<b>3,544</b>	<b>3,612</b>	<b>3,561</b>
Net profit attributable to non-controlling interests	(40)	(36)	(40)	(36)
<b>Cash earnings</b>	<b>3,555</b>	<b>3,508</b>	<b>3,572</b>	<b>3,525</b>
<b>1.4.1 Reconciliation of Reported Results to Cash Earnings</b>				
<b>\$m</b>				
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WESTPAC BANKING CORPORATION</b>	<b>3,464</b>	<b>3,287</b>	<b>3,512</b>	<b>3,304</b>
TPS revaluations	1	8	1	8
Treasury shares	13	29	13	29
Ineffective hedges	3	(23)	3	(23)
Fair value gain/(loss) on economic hedges	(36)	57	(67)	57
Buyback of government guaranteed debt	-	43	-	43
Fair value amortisation of financial instruments	35	32	35	32
Amortisation of intangible assets	75	75	75	75
Acquisition transaction and integration expenses	-	-	-	-
<b>Total Cash Earnings adjustments (post-tax)</b>	<b>91</b>	<b>221</b>	<b>60</b>	<b>221</b>
<b>Cash Earnings</b>	<b>3,555</b>	<b>3,508</b>	<b>3,572</b>	<b>3,525</b>

## 4.2 Restated Operating Expenses

	Revised Disclosure		Previous Disclosure	
	Half Year Sept 13	Half Year March 13	Half Year Sept 13	Half Year March 13
<b>\$m</b>				
Other staff expenses	516	528	491	504
<b>Total salaries and other staff expenses</b>	<b>2,176</b>	<b>2,160</b>	<b>2,151</b>	<b>2,136</b>
<b>Total operating expenses</b>	<b>4,043</b>	<b>3,933</b>	<b>4,018</b>	<b>3,909</b>

### Section 5, Note 5: Operating expense analysis (Cash Earnings basis)

	Half Year Sept 13	Half Year March 13	Half Year Sept 13	Half Year March 13
<b>\$m</b>				
Other staff expenses	516	528	491	504
<b>Total salaries and other staff expenses</b>	<b>2,176</b>	<b>2,160</b>	<b>2,151</b>	<b>2,136</b>
<b>Total operating expenses</b>	<b>3,935</b>	<b>3,824</b>	<b>3,910</b>	<b>3,800</b>

## 4.3 Restated Markets Related Income

	Revised Disclosure		Previous Disclosure	
	Half Year Sept 13	Half Year March 13	Half Year Sept 13	Half Year March 13
<b>\$m</b>				
Net interest income	33	37	33	37
Non-interest income	498	453	449	414
Trading income	476	449	431	418
Other non-interest income	22	4	18	(4)
<b>Total Markets Income</b>	<b>531</b>	<b>490</b>	<b>482</b>	<b>451</b>

## 4.4 Restated Segment Disclosures

### Previous - Second Half 2013 Divisional Results

Six months to 30 September 2013 \$m	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand (\$A)	Westpac Pacific	Group Businesses	GROUP
Net interest income	2,867	1,639	201	4,707	814	676	73	197	6,467
Non-interest income	659	284	968	1,911	841	185	97	(23)	3,011
Net operating income	3,526	1,923	1,169	6,618	1,655	861	170	174	9,478
Operating expenses	(1,589)	(716)	(610)	(2,915)	(543)	(353)	(50)	(49)	(3,910)
<b>Core earnings</b>	<b>1,937</b>	<b>1,207</b>	<b>559</b>	<b>3,703</b>	<b>1,112</b>	<b>508</b>	<b>120</b>	<b>125</b>	<b>5,568</b>
Impairment charges	(242)	(171)	(1)	(414)	46	(43)	(1)	3	(409)
<b>Operating profit before income tax</b>	<b>1,695</b>	<b>1,036</b>	<b>558</b>	<b>3,289</b>	<b>1,158</b>	<b>465</b>	<b>119</b>	<b>128</b>	<b>5,159</b>
Tax and non-controlling interests	(511)	(310)	(166)	(987)	(336)	(129)	(40)	(95)	(1,587)
<b>Cash Earnings</b>	<b>1,184</b>	<b>726</b>	<b>392</b>	<b>2,302</b>	<b>822</b>	<b>336</b>	<b>79</b>	<b>33</b>	<b>3,572</b>
Economic Profit	1,067	603	346	2,016	642	148	59		2,043

### Revised Disclosure - Second Half 2013 Divisional Results

Six months to 30 September 2013 \$m	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand	Westpac Pacific	Group Businesses	GROUP
Net interest income	2,869	1,639	201	4,709	812	662	73	211	6,467
Non-interest income	683	241	993	1,917	821	199	97	(23)	3,011
Net operating income	3,552	1,880	1,194	6,626	1,633	861	170	188	9,478
Operating expenses	(1,574)	(709)	(609)	(2,892)	(566)	(353)	(50)	(74)	(3,935)
<b>Core earnings</b>	<b>1,978</b>	<b>1,171</b>	<b>585</b>	<b>3,734</b>	<b>1,067</b>	<b>508</b>	<b>120</b>	<b>114</b>	<b>5,543</b>
Impairment charges	(242)	(171)	(1)	(414)	46	(43)	(1)	3	(409)
<b>Operating profit before income tax</b>	<b>1,736</b>	<b>1,000</b>	<b>584</b>	<b>3,320</b>	<b>1,113</b>	<b>465</b>	<b>119</b>	<b>117</b>	<b>5,134</b>
Tax and non-controlling interests	(523)	(299)	(174)	(996)	(323)	(129)	(40)	(91)	(1,579)
<b>Cash Earnings</b>	<b>1,213</b>	<b>701</b>	<b>410</b>	<b>2,324</b>	<b>790</b>	<b>336</b>	<b>79</b>	<b>26</b>	<b>3,555</b>
Economic Profit	1,104	571	370	2,045	601	148	59		2,020

### Previous Disclosure - First Half 2013 Divisional Results

Six months to 31 March 2013 \$m	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand	Westpac Pacific	Group Businesses	GROUP
Net operating income	3,401	1,845	1,105	6,351	1,647	812	145	400	9,355
Operating expenses	(1,565)	(699)	(598)	(2,862)	(527)	(344)	(48)	(19)	(3,800)
<b>Core earnings</b>	<b>1,836</b>	<b>1,146</b>	<b>507</b>	<b>3,489</b>	<b>1,120</b>	<b>468</b>	<b>97</b>	<b>381</b>	<b>5,555</b>
Impairment charges	(244)	(122)	-	(366)	43	(54)	(2)	(59)	(438)
<b>Operating profit before income tax</b>	<b>1,592</b>	<b>1,024</b>	<b>507</b>	<b>3,123</b>	<b>1,163</b>	<b>414</b>	<b>95</b>	<b>322</b>	<b>5,117</b>
Tax and non-controlling interests	(476)	(309)	(162)	(947)	(350)	(116)	(31)	(148)	(1,592)
<b>Cash Earnings</b>	<b>1,116</b>	<b>715</b>	<b>345</b>	<b>2,176</b>	<b>813</b>	<b>298</b>	<b>64</b>	<b>174</b>	<b>3,525</b>
Economic Profit	983	593	291	1,867	604	124	45		2,070

### Revised Disclosure - First Half 2013 Divisional Results

Six months to 31 March 2013 \$m	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand	Westpac Pacific	Group Businesses	GROUP
Net operating income	3,423	1,805	1,129	6,357	1,630	809	145	414	9,355
Operating expenses	(1,550)	(693)	(597)	(2,840)	(549)	(344)	(48)	(43)	(3,824)
<b>Core earnings</b>	<b>1,873</b>	<b>1,112</b>	<b>532</b>	<b>3,517</b>	<b>1,081</b>	<b>465</b>	<b>97</b>	<b>371</b>	<b>5,531</b>
Impairment charges	(244)	(122)	-	(366)	43	(54)	(2)	(59)	(438)
<b>Operating profit before income tax</b>	<b>1,629</b>	<b>990</b>	<b>532</b>	<b>3,151</b>	<b>1,124</b>	<b>411</b>	<b>95</b>	<b>312</b>	<b>5,093</b>
Tax and non-controlling interests	(487)	(299)	(169)	(955)	(339)	(115)	(31)	(145)	(1,585)
<b>Cash Earnings</b>	<b>1,142</b>	<b>691</b>	<b>363</b>	<b>2,196</b>	<b>785</b>	<b>296</b>	<b>64</b>	<b>167</b>	<b>3,508</b>
Economic Profit	1,017	562	314	1,893	568	122	45		2,048

#### 4.5 Restated Balance Sheet

The balance sheet impact of changes to Defined Benefits and Consolidation are outlined below:

	Revised Reported Disclosure		Previous Reported Disclosure	
	As at 30 Sept 2013	As at 31 March 2013	As at 30 Sept 2013	As at 31 March 2013
<b>\$m</b>				
<b>Assets</b>				
Life insurance assets	13,149	12,895	8,637	8,508
Deferred tax assets	1,773	1,855	1,791	1,873
<b>Total assets</b>	<b>701,097</b>	<b>681,878</b>	<b>696,603</b>	<b>677,509</b>
<b>Liabilities</b>				
Current tax liabilities	895	523	908	523
Life insurance liabilities	11,938	11,794	7,426	7,407
Other liabilities	9,056	11,365	9,117	11,426
<b>Total liabilities</b>	<b>653,560</b>	<b>634,641</b>	<b>649,122</b>	<b>630,315</b>
<b>Net assets</b>	<b>47,537</b>	<b>47,237</b>	<b>47,481</b>	<b>47,194</b>
<b>Shareholders' equity</b>				
Retained profits	18,953	17,978	18,897	17,935
<b>Total equity attributable to owners of Westpac Banking Corporation</b>	<b>46,674</b>	<b>45,260</b>	<b>46,618</b>	<b>45,217</b>
<b>Total shareholders' equity and non-controlling interests</b>	<b>47,537</b>	<b>47,237</b>	<b>47,481</b>	<b>47,194</b>



## 5. Enhancements to disclosures

Other changes to the 2014 Interim Results Announcement include:

- Changes to the disclosure of deposit information in Section 2.2.1 with: the consolidation of two deposit tables; the provision of a clearer breakdown of customer deposits; and the inclusion of certificates of deposit by geography;
- Following the announcement at Westpac's Full Year 2013 Results Announcement that Westpac's SIPs program had been largely completed, its reference has now been removed from various tables reporting details of Westpac's investment and associated spending. A new, single Investment disclosure table in Section 2.2.3 will now be reported. Investment spend will now be categorised into three categories (Growth and Productivity, Regulatory Change and Other Technology);
- Following feedback, the Investment performance tables previously reported in Section 3.1.3.1 have been removed;
- Westpac has reviewed its disclosure of revenue for the Insurance business in Section 3.1.3.2 in order to align with other divisions' disclosures;
- The relocation of Wealth Management Income Reconciliation table from section 3.1.3.3 to Section 5, Note 4 on Non-Interest Income; and
- Loans note in Section 4.6, Note 10 has been revised to separately disclose Trade Finance related balances, previously included in the 'Other' loans category.

A number of other minor changes in descriptions and the positioning of tables have also been made. None of these changes impact the level or detail of information reported.

# Appendix 2

## Key Tables for the 2014 Interim Results Announcement

Scheduled 5 May 2014

# INTERIM FINANCIAL RESULTS 2014

INCORPORATING  
THE REQUIREMENTS  
OF APPENDIX 4D

STRENGTH

RETURN

GROWTH

PRODUCTIVITY

## 1.0 GROUP RESULTS

### 1.1 Reported Results

				% Mov't	% Mov't
\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	Mar 14- Sept 13	Mar 14- Mar 13
Net interest income		6,529	6,292		
Non-interest income		2,896	2,878		
Net operating income before operating expenses and impairment charges		9,425	9,170		
Operating expenses		(4,043)	(3,933)		
<b>Net profit before impairment charges and income tax expense</b>		<b>5,382</b>	<b>5,237</b>		
Impairment charges		(409)	(438)		
<b>Profit before income tax</b>		<b>4,973</b>	<b>4,799</b>		
Income tax expense		(1,470)	(1,477)		
<b>Net profit for the period</b>		<b>3,503</b>	<b>3,322</b>		
Profit attributable to non-controlling interests		(39)	(35)		
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WESTPAC BANKING CORPORATION</b>		<b>3,464</b>	<b>3,287</b>		

## 1.2 Reported Balance Sheet

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>Assets</b>					
Cash and balances with central banks		11,699	6,600		
Receivables due from other financial institutions		11,210	12,580		
Trading securities, other financial assets designated at fair value and available-for-sale securities		79,100	76,664		
Derivative financial instruments		28,356	29,323		
Loans		536,164	521,130		
Life insurance assets		13,149	12,895		
Other assets		21,419	22,686		
<b>Total assets</b>		<b>701,097</b>	<b>681,878</b>		
<b>Liabilities</b>					
Payables due to other financial institutions		8,836	8,043		
Deposits and other borrowings		424,482	403,406		
Trading liabilities and other financial liabilities at fair value through income statement		10,302	8,833		
Derivative financial instruments		32,990	34,081		
Debt issues		144,133	144,303		
Life insurance liabilities		11,938	11,794		
Loan capital		9,330	10,880		
Other liabilities		11,549	13,301		
<b>Total liabilities</b>		<b>653,560</b>	<b>634,641</b>		
<b>Equity</b>					
Total equity attributable to owners of Westpac Banking Corporation		46,674	45,260		
Non-controlling interests		863	1,977		
<b>Total equity</b>		<b>47,537</b>	<b>47,237</b>		

**INTERIM RESULTS 2014**  
**PROFIT ANNOUNCEMENT**  
**TEMPLATE**

**1.3 Key Financial Data**

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Shareholder Value</b>					
Earnings per ordinary share (cents)		111.9	106.5		
Weighted average ordinary shares (millions)		3,090	3,083		
Fully franked dividends per ordinary share (cents)		88	86		
Fully franked special dividend per ordinary share (cents)		10	10		
Return on average ordinary equity		15.40%	15.04%		
Average ordinary equity (\$m)		44,866	43,831		
Average total equity (\$m)		46,842	45,799		
Net tangible asset per ordinary share (\$)		11.09	10.73		
<b>Productivity and efficiency</b>					
Expense to income ratio		42.9%	42.9%		
<b>Business performance</b>					
Interest spread		1.93%	1.88%		
Benefit of net non-interest bearing assets, liabilities and equity		0.21%	0.25%		
Net interest margin		2.14%	2.13%		
Average interest-earning assets (\$m)		608,153	591,539		
	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Capital adequacy ratio (%)</b>					
Common equity Tier 1 (CET1) capital ratio					
- APRA Basel III		9.10%	8.74%		
- Internationally fully harmonised Basel III		11.56%	11.40%		
Credit risk weighted assets (RWA, \$bn)		260.3	253.7		
Total risk weighted assets (RWA, \$bn)		307.4	308.0		
	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Asset quality</b>					
Total impaired assets to gross loans		0.67%	0.82%		
Total impaired assets to equity and total provisions		7.0%	8.3%		
Total impaired asset provisions to total impaired assets		43.2%	40.2%		
Total stressed exposures as a % of total committed exposures		1.60%	1.94%		
Total provisions to gross loans		73bps	80bps		
Collectively assessed provisions to performing non-housing loans		142bps	151bps		
Mortgages 90 days past due		0.51%	0.57%		
Other consumer loans 90 days past due		1.04%	1.30%		
Collectively assessed provisions to credit RWA		99bps	106bps		
	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Other information</b>					
Total committed exposures (TCE) (\$bn)		809.3	768.4		

## 1.4 Cash Earnings Results

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>\$m</b>					
Net interest income		6,467	6,445		
Non-interest income		3,011	2,910		
Net operating income		9,478	9,355		
Operating expenses		(3,935)	(3,824)		
<b>Core earnings</b>		<b>5,543</b>	<b>5,531</b>		
Impairment charges		(409)	(438)		
<b>Operating profit before income tax</b>		<b>5,134</b>	<b>5,093</b>		
Income tax expense		(1,539)	(1,549)		
<b>Net profit</b>		<b>3,595</b>	<b>3,544</b>		
Net profit attributable to non-controlling interests		(40)	(36)		
<b>Cash Earnings</b>		<b>3,555</b>	<b>3,508</b>		

### 1.4.1 Key Financial Information

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Shareholder Value</b>					
Cash Earnings per ordinary share (cents)		114.5	113.3		
Economic profit (\$m)		2,020	2,048		
Weighted average ordinary shares (millions) - Cash Earnings		3,104	3,096		
Dividend payout ratio - Cash Earnings		77.0%	76.1%		
Cash Earnings return on average ordinary equity		15.80%	16.05%		
Cash Earnings return on average tangible ordinary equity		20.61%	21.13%		
Average ordinary equity (\$m)		44,866	43,831		
Average tangible ordinary equity (\$m)		34,399	33,298		
<b>Productivity and efficiency</b>					
Expense to income ratio - Cash Earnings		41.5%	40.9%		
Total banking expense to income ratio - Cash Earnings		40.6%	39.4%		
Full time equivalent employees (FTE)		35,597	36,000		
Revenue per FTE (\$ '000's)		265	260		
<b>Business performance</b>					
Interest spread		1.90%	1.94%		
Benefit of net non-interest bearing assets, liabilities and equity		0.22%	0.25%		
Net interest margin		2.12%	2.19%		
Average interest-earning assets (\$m)		608,153	591,539		
Customer return on credit RWA		4.00%	3.96%		
Effective tax rate		30.0%	30.4%		
<b>Impairment Charges</b>					
Impairment charges to average loans annualised		15bps	17bps		
Net write-offs to average loans annualised		29bps	21bps		

## Reconciliation of Reported Results to Cash Earnings

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>\$m</b>					
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WESTPAC BANKING CORPORATION</b>		<b>3,464</b>	<b>3,287</b>		
TPS revaluations		1	8		
Treasury shares		13	29		
Ineffective hedges		3	(23)		
Fair value gain/(loss) on economic hedges and own credit		(36)	57		
Buyback of government guaranteed debt		-	43		
Fair value amortisation of financial instruments		35	32		
Amortisation of intangible assets		75	75		
Acquisition transaction and integration expenses		-	-		
<b>Total Cash Earnings adjustments (post-tax)</b>		<b>91</b>	<b>221</b>		
<b>Cash Earnings</b>		<b>3,555</b>	<b>3,508</b>		



## 1.5 Market Share and System Multiple Metrics

### 1.5.1 Market Share

Australia	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Banking System (APRA)</b>			
Housing credit		25%	25%
Cards		22%	22%
Household deposits		23%	23%
Business deposits		21%	21%
<b>Financial System (RBA)</b>			
Housing credit		23%	23%
Business credit		18%	18%
Retail deposits		22%	22%
<b>New Zealand</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
Consumer lending		20%	20%
Deposits		21%	21%
Business lending		16%	17%
<b>Australian Wealth Management</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
Platforms (includes Wrap and Corporate Super)		20%	20%
Retail (excludes Cash)		18%	19%
Corporate Super		14%	14%
Funds Management - BTIM		5%	5%
Wholesale - BTIM/Advance Asset Management		2%	2%
<b>Australian Life Insurance</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
Life Insurance - in-force		8%	8%
Life Insurance - new business		10%	10%

### 1.5.2 System Multiples

Australia	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Banking System (APRA)</b>			
Housing credit		0.7	0.7
Cards		n/a	0.6
Household deposits		1.3	1.2
Business deposits		1.1	n/a
<b>Financial System (RBA)</b>			
Housing credit		0.7	0.8
Business credit		n/a	n/a
Retail deposits		0.7	1.1
<b>New Zealand</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
Consumer lending		0.9	0.6
Deposits		0.6	1.2

## 2.1 Cash Earnings Summary

### Divisional Cash Earnings Summary

Six months to 31 March 2014	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand (\$A)	Westpac Pacific	Group Businesses	Group
\$m									
Net interest income									
Non-interest income									
Net operating income									
Operating expenses									
<b>Core earnings</b>									
Impairment charges									
<b>Operating profit before income tax</b>									
Income tax expense									
<b>Net profit</b>									
Net profit attributable to non-controlling interests									
<b>Cash Earnings</b>									
Six months to 30 September 2013	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand (\$A)	Westpac Pacific	Group Businesses	Group
\$m									
Net interest income	2,869	1,639	201	4,709	812	662	73	211	6,467
Non-interest income	683	241	993	1,917	821	199	97	(23)	3,011
Net operating income	3,552	1,880	1,194	6,626	1,633	861	170	188	9,478
Operating expenses	(1,574)	(709)	(609)	(2,892)	(566)	(353)	(50)	(74)	(3,935)
<b>Core earnings</b>	<b>1,978</b>	<b>1,171</b>	<b>585</b>	<b>3,734</b>	<b>1,067</b>	<b>508</b>	<b>120</b>	<b>114</b>	<b>5,543</b>
Impairment charges	(242)	(171)	(1)	(414)	46	(43)	(1)	3	(409)
<b>Operating profit before income tax</b>	<b>1,736</b>	<b>1,000</b>	<b>584</b>	<b>3,320</b>	<b>1,113</b>	<b>465</b>	<b>119</b>	<b>117</b>	<b>5,134</b>
Income tax expense	(523)	(299)	(164)	(986)	(323)	(127)	(34)	(69)	(1,539)
<b>Net profit</b>	<b>1,213</b>	<b>701</b>	<b>420</b>	<b>2,334</b>	<b>790</b>	<b>338</b>	<b>85</b>	<b>48</b>	<b>3,595</b>
Net profit attributable to non-controlling interests	-	-	(10)	(10)	-	(2)	(6)	(22)	(40)
<b>Cash Earnings</b>	<b>1,213</b>	<b>701</b>	<b>410</b>	<b>2,324</b>	<b>790</b>	<b>336</b>	<b>79</b>	<b>26</b>	<b>3,555</b>
Six months to 31 March 2013	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand (\$A)	Westpac Pacific	Group Businesses	Group
\$m									
Net interest income	2,786	1,577	205	4,568	818	619	75	365	6,445
Non-interest income	637	228	924	1,789	812	190	70	49	2,910
Net operating income	3,423	1,805	1,129	6,357	1,630	809	145	414	9,355
Operating expenses	(1,550)	(693)	(597)	(2,840)	(549)	(344)	(48)	(43)	(3,824)
<b>Core earnings</b>	<b>1,873</b>	<b>1,112</b>	<b>532</b>	<b>3,517</b>	<b>1,081</b>	<b>465</b>	<b>97</b>	<b>371</b>	<b>5,531</b>
Impairment charges	(244)	(122)	-	(366)	43	(54)	(2)	(59)	(438)
<b>Operating profit before income tax</b>	<b>1,629</b>	<b>990</b>	<b>532</b>	<b>3,151</b>	<b>1,124</b>	<b>411</b>	<b>95</b>	<b>312</b>	<b>5,093</b>
Income tax expense	(487)	(299)	(161)	(947)	(339)	(114)	(26)	(123)	(1,549)
<b>Net profit</b>	<b>1,142</b>	<b>691</b>	<b>371</b>	<b>2,204</b>	<b>785</b>	<b>297</b>	<b>69</b>	<b>189</b>	<b>3,544</b>
Net profit attributable to non-controlling interests	-	-	(8)	(8)	-	(1)	(5)	(22)	(36)
<b>Cash Earnings</b>	<b>1,142</b>	<b>691</b>	<b>363</b>	<b>2,196</b>	<b>785</b>	<b>296</b>	<b>64</b>	<b>167</b>	<b>3,508</b>

**INTERIM RESULTS 2014**  
**PROFIT ANNOUNCEMENT**  
**TEMPLATE**

Movement March 2014 - Sept 2013	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)		Westpac Institutional Bank	New Zealand (\$A)	Westpac Pacific	Group Businesses	Group
%				AFS					
Net interest income									
Non-interest income									
Net operating income									
Operating expenses									
<b>Core earnings</b>									
Impairment charges									
<b>Operating profit before income tax</b>									
Income tax expense									
<b>Net profit</b>									
Net profit attributable to non-controlling interests									
<b>Cash Earnings</b>									
Movement March 2014 - March 2013	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)		Westpac Institutional Bank	New Zealand (\$A)	Westpac Pacific	Group Businesses	Group
%				AFS					
Net interest income									
Non-interest income									
Net operating income									
Operating expenses									
<b>Core earnings</b>									
Impairment charges									
<b>Operating profit before income tax</b>									
Income tax expense									
<b>Net profit</b>									
Net profit attributable to non-controlling interests									
<b>Cash Earnings</b>									

## 2.2 Review of Earnings

### 2.2.1 Net Interest Income

#### Loans

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	% Mov't Mar 14- Sept 13	% Mov't Mar 14- Mar 13
<b>Australia</b>		<b>471,115</b>	<b>464,681</b>		
Housing		328,532	321,938		
Personal (loans and cards)		17,142	17,011		
Business		126,320	126,718		
Margin lending		2,041	2,168		
Other (including provisions)		(2,920)	(3,154)		
<b>New Zealand (A\$)</b>		<b>55,094</b>	<b>48,443</b>		
New Zealand (NZ\$)		62,038	60,371		
Housing		37,596	36,552		
Personal (loans and cards)		1,728	1,709		
Business		23,142	22,614		
Other (including provisions)		(428)	(504)		
<b>Other overseas</b>		<b>9,955</b>	<b>8,006</b>		
<b>Total loans</b>		<b>536,164</b>	<b>521,130</b>		

#### Deposits and other borrowings

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	% Mov't Mar 14- Sept 13	% Mov't Mar 14- Mar 13
<b>Customer deposits</b>					
<b>Australia</b>		<b>327,594</b>	<b>312,010</b>		
At call		175,102	160,885		
Term		132,028	132,768		
Non-interest bearing		20,464	18,357		
<b>New Zealand (A\$)</b>		<b>41,428</b>	<b>36,142</b>		
New Zealand (NZ\$)		46,648	45,032		
At call		18,488	17,440		
Term		24,889	24,335		
Non-interest bearing		3,271	3,257		
<b>Other overseas (A\$)</b>		<b>13,610</b>	<b>11,458</b>		
<b>Total customer deposits</b>		<b>382,632</b>	<b>359,610</b>		
<b>Certificates of deposit</b>		<b>41,850</b>	<b>43,796</b>		
Australia		29,286	28,029		
New Zealand (A\$)		1,362	831		
Other overseas (A\$)		11,202	14,936		
<b>Total Deposits and other borrowings</b>		<b>424,482</b>	<b>403,406</b>		

**INTERIM RESULTS 2014**  
**PROFIT ANNOUNCEMENT**  
**TEMPLATE**

**Margins**

	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14- Sept 13	% Mov't Mar 14- Mar 13
<b>\$m</b>					
Net interest income		6,467	6,445		
Markets net interest income		33	37		
Treasury net interest income		148	318		
Net interest income excluding Treasury & Markets		6,286	6,090		
Average interest-earning assets		608,153	591,539		
Group net interest margin		2.12%	2.19%		
Group net interest margin excluding Treasury & Markets		2.06%	2.06%		

## 2.2.2 Non-Interest Income

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>\$m</b>					
Fees and commissions		1,393	1,330		
Wealth management and insurance income		1,024	934		
Trading income		550	520		
Other income		44	126		
<b>Non-interest income</b>		<b>3,011</b>	<b>2,910</b>		

### Wealth management and insurance income

	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>\$bn</b>					
<b>Funds Under Management (FUM)</b>					
BT		66.5	57.2		
Advance Asset Management		9.7	8.5		
Westpac Institutional Bank		6.0	7.4		
New Zealand (A\$)		3.9	3.3		
<b>Group FUM</b>		<b>86.1</b>	<b>76.4</b>		
<b>Funds Under Administration (FUA)</b>					
BT		69.7	62.7		
Asgard		33.0	32.8		
New Zealand (A\$)		1.2	1.0		
<b>Group FUA</b>		<b>103.9</b>	<b>96.5</b>		
<b>\$bn</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>	<b>%Mov't Mar 14- Sept 13</b>	<b>%Mov't Mar 14- Mar 13</b>
Average FUM for the Group		80.5	72.3		
Average FUA for the Group		99.4	92.5		

### Markets Related Income

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>\$m</b>					
Net interest income		33	37		
Non-interest income		498	453		
Trading income		476	449		
Other non-interest income		22	4		
<b>Total Markets Income</b>		<b>531</b>	<b>490</b>		
Customer Income		380	360		
Non-customer Income		151	130		
<b>Total Markets Income</b>		<b>531</b>	<b>490</b>		

### 2.2.3 Operating Expenses

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>\$m</b>					
Salaries and other staff expenses		(2,176)	(2,160)		
Equipment and occupancy expenses		(710)	(660)		
Other expenses		(1,049)	(1,004)		
<b>Total expenses</b>		<b>(3,935)</b>	<b>(3,824)</b>		

### Full Time Equivalent Employees (FTE)

	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>Analysis of movement in FTE</b>					
Permanent employees		33,045	33,391		
Temporary employees		2,552	2,609		
<b>FTE</b>		<b>35,597</b>	<b>36,000</b>		
<b>Average FTE</b>		<b>35,904</b>	<b>35,968</b>		

### Investments

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14- Mar 13
<b>\$m</b>					
Expensed		183	193		
Capitalised softw are and fixed assets		475	294		
<b>Total</b>		<b>658</b>	<b>487</b>		
Growth and productivity		325	265		
Regulatory change		173	128		
Other technology		160	94		
<b>Total</b>		<b>658</b>	<b>487</b>		

### Capitalised Software

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>\$m</b>					
Capitalised Softw are opening balance		1,651	1,551		
Total additions		452	286		
Amortisation expense		(206)	(182)		
Impairment expense		(12)	(3)		
Foreign exchange translation		14	1		
Other		(2)	(2)		
<b>Closing Balance</b>		<b>1,897</b>	<b>1,651</b>		



## 2.2.4 Impairment Charges

	Half Year	Half Year	Half Year	%Mov't	%Mov't
\$m	March 14	Sept 13	March 13	Mar 14 - Sept 13	Mar 14 - Mar 13
<b>Individually assessed provisions (IAPs)</b>					
New IAPs		(555)	(557)		
Write-backs		254	225		
Recoveries		35	41		
<b>Total IAPs, write-backs and recoveries</b>		<b>(266)</b>	<b>(291)</b>		
<b>Collectively assessed provisions (CAPs)</b>					
Write-offs		(382)	(326)		
Other changes in CAPs		239	179		
<b>Total new CAPs</b>		<b>(143)</b>	<b>(147)</b>		
<b>Total impairment charges</b>		<b>(409)</b>	<b>(438)</b>		

### 2.3.1 Credit Quality Key Metrics

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Stressed Exposures by Credit Grade as a % of total committed exposures</b>			
Impaired		0.44%	0.56%
90 days past due, well secured		0.31%	0.35%
Watchlist and substandard		0.85%	1.03%
<b>Total Stressed Exposures</b>		<b>1.60%</b>	<b>1.94%</b>
<b>Impaired Assets to total committed exposures for Business and Institutional</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
Business impaired assets to business total committed exposures:			
Business Australia		1.60%	2.13%
Business New Zealand		1.88%	2.62%
Institutional		0.37%	0.43%
<b>90 days past due for other consumer loans</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
90 days past due:			
Group		1.04%	1.30%
Australia		1.06%	1.32%
New Zealand		0.81%	0.96%
<b>90 days past due for mortgages</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
90 days past due:			
Group		0.51%	0.57%
Australia		0.53%	0.58%
New Zealand		0.29%	0.39%
<b>Other</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
Total impaired assets to gross loans		0.67%	0.82%
Total impaired asset provisions to total impaired assets		43.2%	40.2%
Total provisions to gross loans		73bps	80bps
Collectively assessed provisions to performing non-housing loans		142bps	151bps
Collectively assessed provisions to risk weighted assets		84bps	87bps
Collectively assessed provisions to credit risk weighted assets		99bps	106bps
<b>Other</b>	<b>Half Year March 14</b>	<b>Half Year Sept 13</b>	<b>Half Year March 13</b>
Impairment charges to average loans annualised		15bps	17bps
Net write-offs to average loans annualised		29bps	21bps

## 2.4 Balance Sheet and Funding

### 2.4.1 Balance Sheet

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14- Sept 13	%Mov't Mar 14- Mar 13
<b>Assets</b>					
Cash and balances with central banks		11,699	6,600		
Receivables due from other financial institutions		11,210	12,580		
Trading securities, other financial assets designated at fair value and available-for-sale securities		79,100	76,664		
Derivative financial instruments		28,356	29,323		
Loans		536,164	521,130		
Life insurance assets		13,149	12,895		
Other assets		21,419	22,686		
<b>Total assets</b>		<b>701,097</b>	<b>681,878</b>		
<b>Liabilities</b>					
Payables due to other financial institutions		8,836	8,043		
Deposits and other borrowings		424,482	403,406		
Trading liabilities and other financial liabilities at fair value through income statement		10,302	8,833		
Derivative financial instruments		32,990	34,081		
Debt issues		144,133	144,303		
Life insurance liabilities		11,938	11,794		
Loan capital		9,330	10,880		
Other liabilities		11,549	13,301		
<b>Total liabilities</b>		<b>653,560</b>	<b>634,641</b>		
<b>Equity</b>					
Total equity attributable to owners of Westpac Banking Corporation		46,674	45,260		
Non-controlling interests		863	1,977		
<b>Total equity</b>		<b>47,537</b>	<b>47,237</b>		

## 2.4.2 Funding and Liquidity Risk Management

### Funding by residual maturity

	As at 31 March 2014		As at 30 Sept 2013		As at 31 March 2013	
	\$m	Ratio %	\$m	Ratio %	\$m	Ratio %
Customer deposits			382,632	60.6	359,610	59.0
Wholesale funding - residual maturity						
Securitisation			10,372	1.6	11,470	1.9
Greater than 12 months			89,604	14.3	90,726	14.8
Equity			46,641	7.4	45,471	7.5
Stable Funding Ratio (SFR)			529,249	83.9	507,277	83.2
Less than 6 months			58,948	9.3	64,241	10.5
6 to 12 months			19,269	3.0	15,281	2.5
Long term to short term scroll			23,628	3.7	23,111	3.8
Short term wholesale funding			101,845	16.1	102,633	16.8
Total funding			631,094	100.0	609,910	100.0

### Deposits to Net Loans Ratio

	As at 31 March 2014		As at 30 Sept 2013		As at 31 March 2013	
	\$m	Ratio %	\$m	Ratio %	\$m	Ratio %
Customer deposits			382,632		359,610	
Net loans			536,164	71.4	521,130	69.0

**Funding view of the balance sheet**

\$m	As at 31 March 2014					
	Liquid Assets	Customer Deposits	Wholesale Funding	Customer Franchise	Market Inventory	Total
Total assets						
Total liabilities						
Total equity						
<b>Total</b>						
Net loans						

\$m	As at 30 Sept 2013					
	Liquid Assets	Customer Deposits	Wholesale Funding	Customer Franchise	Market Inventory	Total
Total assets	125,647	-	-	500,030	75,420	701,097
Total liabilities	-	(382,632)	(200,958)	-	(69,970)	(653,560)
Total equity	-	-	(863)	(46,641)	(33)	(47,537)
<b>Total</b>	<b>125,647</b>	<b>(382,632)</b>	<b>(201,821)</b>	<b>453,389</b>	<b>5,417</b>	<b>-</b>
Net loans	54,536	-	-	481,628	-	536,164

\$m	As at 31 March 2013					
	Liquid Assets	Customer Deposits	Wholesale Funding	Customer Franchise	Market Inventory	Total
Total assets	111,073	-	-	495,177	75,628	681,878
Total liabilities	-	(359,610)	(202,853)	-	(72,178)	(634,641)
Total equity	-	-	(1,977)	(45,471)	211	(47,237)
<b>Total</b>	<b>111,073</b>	<b>(359,610)</b>	<b>(204,830)</b>	<b>449,706</b>	<b>3,661</b>	<b>-</b>
Net loans	45,500	-	-	475,630	-	521,130

## 2.5 Capital and Dividends

	Preferred Range	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013
<b>Regulatory Capital Structure</b>				
Common equity Tier 1 (CET1) capital ratio	8.0% - 8.5%		9.1%	8.7%
Additional Tier 1 capital			1.6%	2.1%
Tier 1 Capital Ratio			10.7%	10.8%
Tier 2 capital			1.6%	1.7%
Total regulatory capital ratio			12.3%	12.5%
<b>Risk weighted assets (RWA) \$m</b>			<b>307,372</b>	<b>307,976</b>

### Risk weighted assets

	RWA				
	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>\$m</b>					
<b>Credit risk</b>		<b>260,268</b>	<b>253,734</b>		
Market risk		9,059	10,555		
Operational risk		27,299	26,761		
Interest rate risk in the banking book		6,929	13,744		
Other		3,817	3,182		
<b>Total</b>		<b>307,372</b>	<b>307,976</b>		

### Capital Deduction for Regulatory Expected Credit Loss

	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013
<b>\$m</b>			
<b>Provisions associated with eligible portfolios</b>			
Total provisions for impairment charges (Section 4 Note 11)		3,949	4,199
plus general reserve for credit losses adjustment		83	83
plus provisions associated with partial write-offs		640	622
less ineligible provisions		(139)	(139)
<b>Total eligible provisions</b>		<b>4,533</b>	<b>4,765</b>
<b>Regulatory expected downturn loss</b>		<b>5,165</b>	<b>5,617</b>
<b>Common equity Tier 1 capital deduction for regulatory expected downturn loss in excess of eligible provisions</b>		<b>(632)</b>	<b>(852)</b>

### Dividends

Ordinary dividend (cents per share)	Half Year March 14	Half Year Sept 13	Half Year March 13
Interim (fully franked)		-	86
Final (fully franked)		88	-
<b>Total ordinary dividend</b>		<b>88</b>	<b>86</b>
Special (fully franked)		10	10
<b>Total dividend</b>		<b>98</b>	<b>96</b>

### 3.0 DIVISIONAL RESULTS

#### 3.1 Australian Financial Services

	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		4,709	4,568		
Non-interest income		1,917	1,789		
Net operating income		6,626	6,357		
Operating expenses		(2,892)	(2,840)		
<b>Core earnings</b>		<b>3,734</b>	<b>3,517</b>		
Impairment charges		(414)	(366)		
<b>Operating profit before tax</b>		<b>3,320</b>	<b>3,151</b>		
Tax and non-controlling interests		(996)	(955)		
<b>Cash Earnings</b>		<b>2,324</b>	<b>2,196</b>		
Economic profit		2,045	1,893		
Expense to income ratio		43.6%	44.7%		
Net interest margin		2.33%	2.30%		

	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>\$m</b>					
Westpac Retail & Business Banking		1,213	1,142		
St.George Banking Group		701	691		
BT Financial Group (Australia)		410	363		
<b>Total Cash Earnings</b>		<b>2,324</b>	<b>2,196</b>		

	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>\$bn</b>					
<b>Deposits</b>					
Term deposits		105.2	106.6		
Other		153.8	140.3		
<b>Total deposits</b>		<b>259.0</b>	<b>246.9</b>		
<b>Net loans</b>					
Mortgages		328.2	321.5		
Business		76.7	75.7		
Other		18.8	18.6		
<b>Total net loans</b>		<b>423.7</b>	<b>415.8</b>		
Deposit to loan ratio		61.1%	59.4%		
<b>Total assets</b>		<b>453.9</b>	<b>446.1</b>		
Total committed exposure		514.2	502.5		
Average interest-earning assets		403.2	398.9		
Consumer lending (mortgages) third party origination		43%	43%		

### 3.1.1 Westpac Retail & Business Banking

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		2,869	2,786		
Non-interest income		683	637		
Net operating income		3,552	3,423		
Operating expenses		(1,574)	(1,550)		
<b>Core earnings</b>		<b>1,978</b>	<b>1,873</b>		
Impairment charges		(242)	(244)		
<b>Operating profit before tax</b>		<b>1,736</b>	<b>1,629</b>		
Tax and non-controlling interests		(523)	(487)		
<b>Cash Earnings</b>		<b>1,213</b>	<b>1,142</b>		
Economic profit		1,104	1,017		
Expense to income ratio		44.3%	45.3%		
Net interest margin		2.35%	2.31%		

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$bn</b>					
<b>Deposits</b>					
Term deposits		53.8	54.2		
Other		96.3	88.0		
<b>Total deposits</b>		<b>150.1</b>	<b>142.2</b>		
<b>Net loans</b>					
Mortgages		200.7	197.4		
Business		46.6	45.6		
Other		9.1	9.1		
<b>Total net loans</b>		<b>256.4</b>	<b>252.1</b>		
Deposit to loan ratio		58.5%	56.4%		
<b>Total assets</b>		<b>261.9</b>	<b>257.5</b>		
Total committed exposure		320.3	313.4		
Average interest-earning assets		243.4	241.5		

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Credit Quality</b>			
Mortgage delinquencies > 90 days		0.50%	0.55%
Other consumer loans delinquencies > 90 days		1.04%	1.15%
Business impaired assets to total committed exposure		1.07%	1.14%
Total stressed assets to total committed exposure		1.31%	1.39%



### 3.1.2 St.George Banking Group

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		1,639	1,577		
Non-interest income		241	228		
Net operating income		1,880	1,805		
Operating expenses		(709)	(693)		
<b>Core earnings</b>		<b>1,171</b>	<b>1,112</b>		
Impairment charges		(171)	(122)		
<b>Operating profit before tax</b>		<b>1,000</b>	<b>990</b>		
Tax and non-controlling interests		(299)	(299)		
<b>Cash Earnings</b>		<b>701</b>	<b>691</b>		
Economic profit		571	562		
Expense to income ratio		37.7%	38.4%		
Net interest margin		2.25%	2.20%		

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$bn</b>					
<b>Deposits</b>					
Term deposits		39.6	39.7		
Other		49.0	44.5		
<b>Total deposits</b>		<b>88.6</b>	<b>84.2</b>		
<b>Net loans</b>					
Mortgages		116.3	113.4		
Business		28.9	28.9		
Other		7.5	7.2		
<b>Total net loans</b>		<b>152.7</b>	<b>149.5</b>		
Deposit to loan ratio		58.0%	56.3%		
<b>Total assets</b>		<b>159.8</b>	<b>156.9</b>		
Total committed exposure		175.6	171.2		
Average interest-earning assets		145.5	143.6		

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Credit Quality</b>			
Mortgage delinquencies > 90 days		0.59%	0.64%
Other consumer loans delinquencies > 90 days		1.10%	1.54%
Business impaired assets to total committed exposure		2.33%	3.17%
Total stressed assets to total committed exposure		2.26%	2.77%

### 3.1.3 BT Financial Group (Australia)

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		201	205		
Non-interest income		993	924		
Net operating income		1,194	1,129		
Operating expenses		(609)	(597)		
<b>Core earnings</b>		<b>585</b>	<b>532</b>		
Impairment charges		(1)	-		
<b>Operating profit before tax</b>		<b>584</b>	<b>532</b>		
Tax and non-controlling interests		(174)	(169)		
<b>Cash Earnings</b>		<b>410</b>	<b>363</b>		
Economic profit		370	314		
Expense to income ratio		51.0%	52.9%		
Income on invested capital		52	54		

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$bn</b>					
Deposits		20.3	20.5		
Net loans		14.6	14.2		
Deposit to loan ratio		139.0%	144.4%		
Funds under management (FUM)		76.2	65.7		
Average funds under management		70.7	62.2		
Funds under administration (FUA)		102.7	95.5		
Average funds under administration		98.3	91.5		

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Cash Earnings</b>					
<b>\$m</b>					
Funds management business		222	207		
Insurance		148	120		
Total funds management and insurance		370	327		
Capital and other		40	36		
<b>Total Cash Earnings</b>		<b>410</b>	<b>363</b>		

### 3.1.3.1 Funds Management Business

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		171	168		
Non-interest income		728	698		
Net operating income		899	866		
Operating expenses		(566)	(561)		
<b>Core earnings</b>		<b>333</b>	<b>305</b>		
Impairment charges		(1)	-		
<b>Operating profit before tax</b>		<b>332</b>	<b>305</b>		
Tax and non-controlling interests		(110)	(98)		
<b>Cash Earnings</b>		<b>222</b>	<b>207</b>		
Expense to income ratio		63.0%	64.8%		

  

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Funds Management business (ex BTIM)		197	189		
BTIM		25	18		
<b>Total Cash Earnings</b>		<b>222</b>	<b>207</b>		

### Movement of FUM/FUA

	Sept 2013	Inflows	Outflows	Net Flows	Other Mov't	March 2014	March 2013	%Mov't Mar 14 - Mar 13	%Mov't Mar 14 - Sept 13
<b>\$bn</b>									
Retail	16.3						15.8		
Institutional	22.4						19.7		
Wholesale	37.5						30.2		
<b>Total FUM</b>	<b>76.2</b>						<b>65.7</b>		
Wrap	82.8						77.0		
Corporate Super	15.9						14.7		
Other	4.0						3.8		
<b>Total FUA</b>	<b>102.7</b>						<b>95.5</b>		

### Current Australian Market Share

Product	Market Share (%)	Rank
Platforms (includes Wrap and Corporate Super)		
Retail (excludes Cash)		
Corporate Super		
Funds Management - BTIM		
Wholesale - BTIWAAM		

### 3.1.3.2 Insurance Business

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		3	3		
Non-interest income		238	199		
Net operating income		241	202		
Operating expenses		(29)	(30)		
<b>Core earnings</b>		<b>212</b>	<b>172</b>		
Tax and non-controlling interests		(64)	(52)		
<b>Cash Earnings</b>		<b>148</b>	<b>120</b>		
Expense to income ratio		12.0%	14.9%		

<b>Cash Earnings</b>					
	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Life Insurance		69	73		
General Insurance		64	30		
Lenders Mortgage Insurance		15	17		
<b>Total Cash Earnings</b>		<b>148</b>	<b>120</b>		

### Insurance Key Metrics

<b>Life Insurance in-force premiums</b>					
	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Life Insurance in-force premiums at start of period		635	601		
Sales		102	81		
Lapses		(48)	(42)		
Net Inflow s		54	39		
Other Movements		(4)	(5)		
Life Insurance in-force premiums at end of period		685	635		

<b>Loss ratios for Insurance Business</b>					
(%)	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
Life Insurance		32	28		
General Insurance		31	61		
Lenders Mortgage Insurance		39	30		

<b>Gross written premiums</b>					
	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
General Insurance gross w ritten premium		218	198		
Lenders Mortgage Insurance gross w ritten premium		25	25		

<b>Current Australian Market Share</b>		
Product	Market Share (%)	Rank
Life Insurance - in-force		
Life Insurance - new business		

### 3.2 Westpac Institutional Bank

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		812	818		
Non-interest income		821	812		
Net operating income		1,633	1,630		
Operating expenses		(566)	(549)		
<b>Core earnings</b>		<b>1,067</b>	<b>1,081</b>		
Impairment charges		46	43		
<b>Operating profit before tax</b>		<b>1,113</b>	<b>1,124</b>		
Tax and non-controlling interests		(323)	(339)		
<b>Cash Earnings</b>		<b>790</b>	<b>785</b>		
Economic profit		601	568		
Expense to income ratio		34.7%	33.7%		
Net interest margin		2.21%	2.29%		

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$bn</b>					
Deposits		72.8	66.3		
Net loans		56.5	56.0		
Deposit to loan ratio		128.9%	118.4%		
Total assets		97.2	95.5		
Total committed exposure		213.9	193.4		
Average interest-earning assets		73.3	71.6		
Impaired assets to total committed exposure		0.42%	0.59%		
Total stressed assets to total committed exposure		1.16%	1.63%		
Funds under management		6.0	7.4		

### Revenue Contribution by Business Segments

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>\$m</b>			
Debt Markets		908	976
Foreign Exchange and Commodities, Carbon and Energy (FX&CCE)		239	189
Global Transactional Services		399	403
Hastings		83	56
Other		4	6
<b>Total</b>		<b>1,633</b>	<b>1,630</b>

### 3.3 Westpac New Zealand

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14 - Mar 13
<b>NZ\$m</b>					
Net interest income		780	774		
Non-interest income		236	237		
Net operating income		1,016	1,011		
Operating expenses		(414)	(431)		
<b>Core earnings</b>		<b>602</b>	<b>580</b>		
Impairment charges		(50)	(67)		
<b>Operating profit before tax</b>		<b>552</b>	<b>513</b>		
Tax and non-controlling interests		(152)	(145)		
<b>Cash Earnings</b>		<b>400</b>	<b>368</b>		
Economic profit		178	150		
Expense to income ratio		40.7%	42.6%		
Net interest margin		2.32%	2.34%		

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14- Sept 13	%Mov't Mar 14 - Mar 13
<b>NZ\$bn</b>					
<b>Deposits</b>					
Term deposits		24.9	24.3		
Other		21.7	20.7		
<b>Total deposits</b>		<b>46.6</b>	<b>45.0</b>		
<b>Net loans</b>					
Mortgages		37.5	36.4		
Business		22.3	21.7		
Other		1.8	1.8		
<b>Total net loans</b>		<b>61.6</b>	<b>59.9</b>		
Deposit to loan ratio		75.7%	75.2%		
<b>Total assets</b>		<b>69.2</b>	<b>68.4</b>		
Total committed exposure		88.0	86.3		
Average interest-earning assets		67.0	66.4		
Funds under management		4.4	4.1		
Funds under administration		1.4	1.3		

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Credit Quality</b>			
Mortgage delinquencies > 90 days		0.29%	0.39%
Other consumer loans delinquencies > 90 days		0.81%	0.96%
Impaired assets to total committed exposure		0.77%	0.99%
Total stressed assets to total committed exposure		2.36%	2.96%

### 3.4 Westpac Pacific

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		73	75		
Non-interest income		97	70		
Net operating income		170	145		
Operating expenses		(50)	(48)		
<b>Core earnings</b>		<b>120</b>	<b>97</b>		
Impairment charges		(1)	(2)		
<b>Operating profit before tax</b>		<b>119</b>	<b>95</b>		
Tax and non-controlling interests		(40)	(31)		
<b>Cash Earnings</b>		<b>79</b>	<b>64</b>		
Economic profit		59	45		
Expense to income ratio		29.4%	33.1%		
	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$bn</b>					
Deposits		2.6	2.6		
Net loans		1.7	1.6		
Deposit to loan ratio		152.9%	162.5%		
Total assets		3.0	3.1		
Total committed exposure		3.1	3.2		
Average interest-earning assets		2.9	2.8		

### 3.5 Group Businesses

				%Mov't	%Mov't
	Half Year	Half Year	Half Year	Mar 14 -	Mar 14 -
\$m	March 14	Sept 13	March 13	Sept 13	Mar 13
Net interest income		211	365		
Non-interest income		(23)	49		
Net operating income		188	414		
Operating expenses		(74)	(43)		
<b>Core earnings</b>		<b>114</b>	<b>371</b>		
Impairment charges		3	(59)		
<b>Operating profit before tax</b>		<b>117</b>	<b>312</b>		
Tax and non-controlling interests		(91)	(145)		
<b>Cash Earnings</b>		<b>26</b>	<b>167</b>		

  

				%Mov't	%Mov't
	Half Year	Half Year	Half Year	Mar 14 -	Mar 14 -
\$m	March 14	Sept 13	March 13	Sept 13	Mar 13
Net interest income		194	362		
Non-interest income		7	14		
<b>Cash Earnings</b>		<b>125</b>	<b>241</b>		



#### 4.1 Consolidated Income Statement

					% Mov't	% Mov't
\$m	Note	Half Year March 14	Half Year Sept 13	Half Year March 13	Mar 14 - Sept 13	Mar 14 - Mar 13
Interest income	3		16,145	16,864		
Interest expense	3		(9,616)	(10,572)		
Net interest income			6,529	6,292		
Non-interest income	4		2,896	2,878		
Net operating income before operating expenses and impairment charges			9,425	9,170		
Operating expenses	5		(4,043)	(3,933)		
Impairment charges	11		(409)	(438)		
<b>Profit before income tax</b>			<b>4,973</b>	<b>4,799</b>		
Income tax expense	7		(1,470)	(1,477)		
<b>Net profit for the period</b>			<b>3,503</b>	<b>3,322</b>		
Profit attributable to non-controlling interests			(39)	(35)		
<b>Net profit attributable to owners of Westpac Banking Corporation</b>			<b>3,464</b>	<b>3,287</b>		

## 4.2 Consolidated Balance Sheet

\$m	Note	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Assets</b>						
Cash and balances with central banks			11,699	6,600		
Receivables due from other financial institutions			11,210	12,580		
Trading securities			46,330	46,346		
Other financial assets designated at fair value			2,759	2,543		
Derivative financial instruments	19		28,356	29,323		
Available-for-sale securities			30,011	27,775		
Loans – housing and personal	10		382,702	371,880		
Loans – business	10		153,462	149,250		
Life insurance assets			13,149	12,895		
Regulatory deposits with central banks overseas			1,571	1,529		
Property, plant and equipment			1,174	1,084		
Deferred tax assets			1,773	1,855		
Goodwill and other intangible assets			12,341	12,108		
Other assets			4,560	6,110		
<b>Total assets</b>			<b>701,097</b>	<b>681,878</b>		
<b>Liabilities</b>						
Payables due to other financial institutions			8,836	8,043		
Deposits and other borrowings	17		424,482	403,406		
Financial liabilities at fair value through income statement			10,302	8,833		
Derivative financial instruments	19		32,990	34,081		
Debt issues			144,133	144,303		
Current tax liabilities			895	523		
Life insurance liabilities			11,938	11,794		
Provisions			1,576	1,391		
Deferred tax liabilities			22	22		
Other liabilities			9,056	11,365		
<b>Total liabilities excluding loan capital</b>			<b>644,230</b>	<b>623,761</b>		
<b>Loan capital</b>						
Subordinated bonds			4,886	5,500		
Subordinated perpetual notes			378	338		
Convertible debentures and trust preferred securities			616	562		
Convertible preference shares			1,177	1,176		
Stapled preferred securities (SPS)			-	1,034		
Stapled preferred securities II (SPS II)			906	904		
Capital Notes			1,367	1,366		
<b>Total loan capital</b>			<b>9,330</b>	<b>10,880</b>		
<b>Total liabilities</b>			<b>653,560</b>	<b>634,641</b>		
<b>Net assets</b>			<b>47,537</b>	<b>47,237</b>		
<b>Shareholders' equity</b>						
Share capital:						
Ordinary share capital			27,021	26,879		
Treasury shares and RSP treasury shares			(253)	(254)		
Reserves			953	657		
Retained profits			18,953	17,978		
<b>Total equity attributable to owners of Westpac Banking Corporation</b>			<b>46,674</b>	<b>45,260</b>		
<b>Non-controlling interests</b>						
Trust Preferred Securities 2003 (TPS 2003)			-	1,137		
Trust Preferred Securities 2006 (TPS 2006)			755	755		
Other			108	85		
<b>Total non-controlling interests</b>			<b>863</b>	<b>1,977</b>		
<b>Total shareholders' equity and non-controlling interests</b>			<b>47,537</b>	<b>47,237</b>		

#### 4.3 Consolidated Cash Flow Statement

\$m	Note	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>Cash flows from operating activities</b>						
Interest received			16,310	16,738		
Interest paid			(9,765)	(10,755)		
Dividends received excluding life business			6	4		
Other non-interest income received			4,101	2,517		
Operating expenses paid			(3,379)	(3,338)		
Income tax paid excluding life business			(1,182)	(1,509)		
Life business:						
Receipts from policyholders and customers			909	850		
Interest and other items of similar nature			23	22		
Dividends received			192	109		
Payments to policyholders and suppliers			(1,023)	(889)		
Income tax paid			(72)	(37)		
Cash flows from operating activities before changes in operating assets and liabilities			6,120	3,712		
Net (increase)/decrease in:						
Trading and other financial assets designated at fair value			622	(941)		
Loans			(8,793)	(6,874)		
Due from other financial institutions			1,853	(2,364)		
Life insurance assets and liabilities			(86)	(68)		
Regulatory deposits with central banks overseas			120	369		
Derivative financial instruments			9,747	(621)		
Net increase/(decrease) in:						
Financial liabilities at fair value through income			1,401	(1,135)		
Deposits and other borrowings			13,993	8,162		
Due to other financial institutions			(100)	463		
<b>Net cash provided by/(used in) operating activities</b>	20		<b>24,877</b>	<b>703</b>		
<b>Cash flows from investing activities</b>						
Proceeds from available-for-sale securities			2,008	3,035		
Purchase of available-for-sale securities			(4,679)	(7,123)		
Purchase of intangible assets			(452)	(286)		
Purchase of property, plant and equipment			(226)	(78)		
Proceeds from disposal of property, plant and equipment			1	6		
Purchase of controlled entity, net of cash acquired			-	-		
<b>Net cash used in investing activities</b>			<b>(3,348)</b>	<b>(4,446)</b>		
<b>Cash flows from financing activities</b>						
Issue of loan capital (net of issue costs)			592	1,366		
Redemption of loan capital			(2,244)	-		
Net increase/(decrease) in debt issues			(13,013)	(992)		
Proceeds from exercise of employee options			74	50		
Purchase of shares on exercise of employee options and rights			(114)	(60)		
Shares purchased for delivery of employee share plan			-	-		
Purchase of RSP treasury shares			-	(68)		
Net sale/(purchase) of other treasury shares			1	6		
Payment of dividends			(2,975)	(2,053)		
Payment of distributions to non-controlling interests			(22)	(28)		
Redemption of 2003 Trust Preferred Securities			(805)	-		
<b>Net cash provided by financing activities</b>			<b>(18,506)</b>	<b>(1,779)</b>		
Net increase/(decrease) in cash and cash equivalents			3,023	(5,522)		
Effect of exchange rate changes on cash and cash equivalents			2,076	(401)		
Cash and cash equivalents as at the beginning of the period			6,600	12,523		
<b>Cash and cash equivalents as at the end of the period</b>			<b>11,699</b>	<b>6,600</b>		

#### 4.4 Consolidated Statement of Comprehensive Income

	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>\$m</b>					
<b>Net profit for the year</b>		<b>3,503</b>	<b>3,322</b>		
<b>Other comprehensive income</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Gains/(losses) on available-for-sale securities:					
Recognised in equity		97	(40)		
Transferred to income statements		(76)	(28)		
Gains/(losses) on cash flow hedging instruments:					
Recognised in equity		283	(334)		
Transferred to income statements		(117)	(117)		
Exchange differences on translation of foreign operations		129	(15)		
Income tax on items taken directly to or transferred directly from equity:					
Available-for-sale securities reserve		(7)	22		
Cash flow hedging reserve		(51)	136		
Foreign currency translation reserve		(11)	-		
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Own credit adjustment on financial liabilities designated at fair value		44	-		
Remeasurement of defined benefit obligation recognised in equity (net of tax)		146	101		
<b>Other comprehensive income for the year (net of tax)</b>		<b>437</b>	<b>(275)</b>		
<b>Total comprehensive income for the year</b>		<b>3,940</b>	<b>3,047</b>		
Attributable to:					
Owners of Westpac Banking Corporation		3,901	3,012		
Non-controlling interests		39	35		
<b>Total comprehensive income for the period</b>		<b>3,940</b>	<b>3,047</b>		

**INTERIM RESULTS 2014**  
**PROFIT ANNOUNCEMENT**  
**TEMPLATE**

**4.5 Consolidated Statement of Changes in Equity**

\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>Share capital</b>					
Balance as at beginning of the year		26,625	26,163		
Shares issued:					
Dividend reinvestment plan		-	531		
Exercise of employee share options and rights		74	50		
Redemption of Westpac Stapled Performance Securities 'SPS'		173	-		
Shares purchased for delivery upon exercise of options and share rights (net of tax)		(105)	(57)		
Shares purchased for delivery of employee share plan		-	-		
Acquisition of RSP treasury shares		-	(68)		
Disposal of other treasury shares		1	6		
<b>Balance as at end of the year</b>		<b>26,768</b>	<b>26,625</b>		
<b>Available-for-sale securities reserve</b>					
Balance as at beginning of the year		(2)	44		
Current period movement due to changes in other comprehensive income:					
Net gains/(losses) from changes in fair value		97	(40)		
Income tax effect		(30)	13		
Transferred to income statements		(76)	(28)		
Income tax effect		23	9		
<b>Balance as at end of the year</b>		<b>12</b>	<b>(2)</b>		
<b>Share-based payment reserve</b>					
Balance as at beginning of the year		868	790		
Current period movement due to transactions with employees		52	78		
<b>Balance as at end of the year</b>		<b>920</b>	<b>868</b>		
<b>Cash flow hedging reserve</b>					
Balance as at beginning of the year		156	471		
Current period movement due to changes in other comprehensive income:					
Net gains/(losses) from changes in fair value		283	(334)		
Income tax effect		(87)	101		
Transferred to income statements		(117)	(117)		
Income tax effect		36	35		
<b>Balance as at end of the year</b>		<b>271</b>	<b>156</b>		
<b>Foreign currency translation reserve</b>					
Balance as at beginning of the year		(369)	(354)		
Current period movement due to changes in other comprehensive income:					
Foreign currency translation adjustment		129	(15)		
Tax on foreign currency translation adjustment		(11)	-		
<b>Balance as at end of the year</b>		<b>(251)</b>	<b>(369)</b>		
<b>Other reserves</b>					
Balance as at beginning of the year		4	7		
Transactions with owners		(3)	(3)		
<b>Balance as at end of the year</b>		<b>1</b>	<b>4</b>		
<b>Total reserves</b>		<b>953</b>	<b>657</b>		
<b>Movements in retained profits</b>					
Balance as at beginning of the year		17,978	17,174		
Current period movement due to changes in other comprehensive income:					
Profit attributable to owners of Westpac Banking Corporation		3,464	3,287		
Own credit adjustment on financial liabilities designated at fair value		44	-		
Remeasurement of defined benefit obligation recognised in equity (net of tax)		146	101		
Transactions with owners:					
Ordinary dividends paid		(2,665)	(2,584)		
Special dividends paid		(310)	-		
Realised gain on redemption of 2003 TPS		296	-		
<b>Balance as at end of the year</b>		<b>18,953</b>	<b>17,978</b>		
<b>Total comprehensive income attributable to owners of Westpac Banking Corporation</b>		<b>3,901</b>	<b>3,012</b>		
<b>Total comprehensive income attributable to non-controlling interests</b>		<b>39</b>	<b>35</b>		
<b>Total comprehensive income for the year</b>		<b>3,940</b>	<b>3,047</b>		

**Note 2. Average balance sheet and interest rates**

	Half Year 31 March 2014			Half Year 30 September 2013			Half Year 31 March 2013		
	Average	Interest	Average	Average	Interest	Average	Average	Interest	Average
	Balance	Income	Rate	Balance	Income	Rate	Balance	Income	Rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Assets</b>									
<b>Interest earning assets</b>									
Receivables due from other financial institutions				9,238	52	1.1%	9,060	61	1.4%
Trading securities				45,299	772	3.4%	47,238	893	3.8%
Available-for-sale securities				26,182	624	4.8%	23,108	602	5.2%
Other financial assets designated at fair value				1,899	25	2.6%	1,723	42	4.9%
Regulatory deposits				1,500	12	1.6%	1,524	11	1.4%
Loans and other receivables				524,035	14,660	5.6%	508,886	15,255	6.0%
<b>Total interest earning assets and interest income</b>				<b>608,153</b>	<b>16,145</b>	<b>5.3%</b>	<b>591,539</b>	<b>16,864</b>	<b>5.7%</b>
<b>Non-interest earning assets</b>									
Cash, receivables due from other financial institutions and regulatory deposits				299			1,149		
Life insurance assets				13,024			12,400		
All other assets				77,981			71,984		
<b>Total non-interest earning assets</b>				<b>91,304</b>			<b>85,533</b>		
<b>Total assets</b>				<b>699,457</b>			<b>677,072</b>		

	Half Year 31 March 2014			Half Year 30 September 2013			Half Year 31 March 2013		
	Average	Interest	Average	Average	Interest	Average	Average	Interest	Average
	Balance	Expense	Rate	Balance	Expense	Rate	Balance	Expense	Rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Liabilities</b>									
<b>Interest bearing liabilities</b>									
Deposits and other borrowings				392,604	6,088	3.1%	380,715	6,467	3.4%
Payables due to other financial institutions				11,064	104	1.9%	7,574	86	2.3%
Loan capital				9,659	259	5.3%	9,579	270	5.7%
Other interest bearing liabilities				155,520	3,165	4.1%	154,179	3,749	4.9%
<b>Total interest bearing liabilities and interest expense</b>				<b>568,847</b>	<b>9,616</b>	<b>3.4%</b>	<b>552,047</b>	<b>10,572</b>	<b>3.8%</b>
<b>Non-interest bearing liabilities</b>									
Deposits and payables due to other financial institutions				23,562			21,500		
Life insurance policy liabilities				11,873			11,274		
All other liabilities				48,333			46,452		
<b>Total non-interest bearing liabilities</b>				<b>83,768</b>			<b>79,226</b>		
<b>Total liabilities</b>				<b>652,615</b>			<b>631,273</b>		
Shareholders' equity				44,866			43,831		
Non-controlling interests				1,976			1,968		
<b>Total equity</b>				<b>46,842</b>			<b>45,799</b>		
<b>Total liabilities and equity</b>				<b>699,457</b>			<b>677,072</b>		

**Note 2. Average balance sheet and interest rates (continued)**

	Half Year 31 March 2014			Half Year 30 September 2013			Half Year 31 March 2013		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Loans and other receivables</b>									
Australia				451,173	13,023	5.8%	447,627	13,689	6.1%
New Zealand				52,987	1,494	5.6%	48,603	1,430	5.9%
Other overseas				19,876	143	1.4%	12,656	136	2.2%
<b>Deposits and other borrowings</b>									
Australia				329,135	5,356	3.2%	322,114	5,785	3.6%
New Zealand				37,532	629	3.3%	33,806	585	3.5%
Other overseas				25,938	103	0.8%	24,795	97	0.8%

**Note 3. Net interest income**

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
<b>Interest income</b>					
Cash		52	50		
Receivables due from other financial institutions		52	61		
Net ineffectiveness on qualifying hedges		(8)	39		
Trading securities		772	893		
Other financial assets designated at fair value		25	42		
Available-for-sale securities		624	602		
Loans		14,616	15,165		
Regulatory deposits with central banks overseas		12	11		
Other interest income		-	1		
<b>Total interest income</b>		<b>16,145</b>	<b>16,864</b>		
<b>Interest expense</b>					
Payables due to other financial institutions		(104)	(86)		
Certificates of deposit		(443)	(566)		
At call and term deposits		(5,645)	(5,901)		
Trading liabilities		(1,102)	(1,704)		
Debt issues		(2,032)	(1,976)		
Loan capital		(259)	(270)		
Other interest expense		(31)	(69)		
<b>Total interest expense</b>		<b>(9,616)</b>	<b>(10,572)</b>		
<b>Net interest income</b>		<b>6,529</b>	<b>6,292</b>		



**Note 4. Non-interest income**

				% Mov't	% Mov't
\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	Mar 14 - Sept 13	Mar 14 - Mar 13
<b>Fees and commissions</b>					
Facility fees		645	608		
Transaction fees and commissions received		577	583		
Other non-risk fee income		171	139		
<b>Total fees and commissions</b>		<b>1,393</b>	<b>1,330</b>		
<b>Wealth management and insurance income</b>					
Life insurance and funds management net operating income		904	834		
General insurance and lenders mortgage insurance net operating income		122	84		
<b>Total wealth management and insurance income</b>		<b>1,026</b>	<b>918</b>		
<b>Trading income</b>					
Foreign exchange income		238	202		
Other trading securities		314	315		
<b>Total trading income</b>		<b>552</b>	<b>517</b>		
<b>Other income</b>					
Dividends received		6	4		
Net gain on disposal of assets		31	36		
Net gain/(loss) on ineffective hedges		2	(3)		
Net gain/(loss) on hedging overseas operations		(25)	19		
Net gain/(loss) on derivatives held for risk management purposes		(103)	(15)		
Net gain/(loss) on financial instruments designated at fair value		9	23		
Rental income		-	-		
Other		5	49		
<b>Total other income</b>		<b>(75)</b>	<b>113</b>		
<b>Total non-interest income</b>		<b>2,896</b>	<b>2,878</b>		

**Note 5. Operating expenses**

	Half Year	Half Year	Half Year	%Mov't	%Mov't
\$m	March 14	Sept 13	March 13	Mar 14 - Sept 13	Mar 14 - Mar 13
<b>Salaries and other staff expenses</b>					
Salaries and wages		1,650	1,614		
Other staff expenses		516	528		
Restructuring costs		10	18		
<b>Total salaries and other staff expenses</b>		<b>2,176</b>	<b>2,160</b>		
<b>Equipment and occupancy expenses</b>					
Operating lease rentals		286	279		
Depreciation, amortisation and impairment:					
Premises		2	11		
Leasehold improvements		60	48		
Furniture and equipment		32	30		
Technology		49	45		
Software		218	185		
Assets under lease		-	-		
Other		63	62		
<b>Total equipment and occupancy expenses</b>		<b>710</b>	<b>660</b>		
<b>Other expenses</b>					
Amortisation of deferred expenditure & intangible assets		113	111		
Non-lending losses		16	27		
Purchased services:					
Technology and information services		190	160		
Legal		17	9		
Other professional services		208	172		
Credit card loyalty programs		65	70		
Postage and stationery		114	108		
Outsourcing costs		289	298		
Insurance		10	10		
Advertising		70	94		
Training		12	9		
Travel		34	30		
Other expenses		19	15		
<b>Total other expenses</b>		<b>1,157</b>	<b>1,113</b>		
<b>Total operating expenses</b>		<b>4,043</b>	<b>3,933</b>		

## Note 6. Deferred expenses and capitalised software

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
Capitalised software		1,897	1,651		
Deferred acquisition costs		126	139		
Other deferred expenditure		24	20		

## Note 7. Income tax

\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>The income tax expense for the year is reconciled to the profit before income tax as follows</b>					
<b>Profit before income tax</b>		<b>4,973</b>	<b>4,799</b>		
Prima facie income tax based on the Australian company tax rate of 30%		1,492	1,440		
<b>The effect of amounts which are not deductible/(assessable) in calculating taxable income</b>					
Change in tax rate		(2)	-		
Rebateable and exempt dividends		(2)	-		
Life insurance:					
Tax adjustment on policyholders earnings		11	13		
Adjustment for life business tax rates		(3)	(5)		
Hybrid capital distributions		17	9		
Other non-assessable items		(6)	(12)		
Other non-deductible items		12	25		
Adjustment for overseas tax rates		5	(5)		
Income tax under/(over) provided in prior years		(10)	3		
Other items		(44)	9		
<b>Total income tax expense in the income statement</b>		<b>1,470</b>	<b>1,477</b>		
Average effective income tax rate		29.6%	30.8%		
Effective tax rate (excluding life company accounting)		29.3%	30.5%		

## Note 8. Dividends

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Dividends per ordinary share (cents per share)</b>			
Interim (fully franked)		-	86
Final (fully franked)		88	-
<b>Total ordinary dividend</b>		88	86
Special (fully franked)		10	10
<b>Total dividend</b>		98	96
<b>Total dividends paid (\$m)</b>			
Ordinary dividends paid		2,665	2,584
Special dividends paid		310	-
		2,975	2,584
<b>Ordinary dividend payout ratio</b>		<b>78.6%</b>	<b>80.8%</b>

**Note 9. Earnings per ordinary share**

	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Mar 13	% Mov't Mar 14 - Mar 13
<b>Earnings per ordinary share (cents)</b>					
Basic		111.9	106.5		
Fully diluted		109.0	104.2		
<b>Weighted average number of fully paid ordinary shares (millions)</b>					
Basic		3,090	3,083		
Fully diluted		3,260	3,221		

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Reconciliation of ordinary shares on issue before the effect of own shares held (millions)</b>			
Opening balance		3,104	3,080
Number of shares issued under the Dividend Reinvestment Plan (DRP)		-	22
Number of shares issued upon conversion of the Westpac Stapled Preferred Securities (SPS)		5	-
Number of shares issued under the Employee Share Plan (ESP)		-	1
Number of shares issued under Restricted Share Plan (RSP), option and share right schemes		-	1
<b>Closing balance</b>		<b>3,109</b>	<b>3,104</b>

	Half Year 31 March 2014		Half Year 30 September 2013		Half Year 31 March 2013	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
Net profit attributable to owners of Westpac Banking Corporation			3,464	3,464	3,287	3,287
RSP treasury shares distributions			(7)	-	(5)	-
2004 Trust Preferred Securities (TPS 2004) distributions			-	11	-	9
Stapled preferred share (SPS) distributions			-	12	-	14
Stapled preferred share II (SPS II) distributions			-	15	-	15
Convertible preference share dividends			-	26	-	27
Westpac Capital Notes distributions			-	26	-	4
<b>Net profit attributable to owners of Westpac Banking Corporation adjusted for the effect of dilution</b>			<b>3,457</b>	<b>3,554</b>	<b>3,282</b>	<b>3,356</b>
<b>Weighted average number of ordinary shares (millions)</b>						
Weighted average number of ordinary shares			3,104	3,104	3,096	3,096
Effect of own shares held			(14)	(14)	(13)	(13)
Potential dilutive adjustment:						
Exercise of options and share rights and vesting of restricted shares			-	14	-	13
Conversion of Trust Preferred Securities 2004 (TPS 2004)			-	17	-	16
Conversion of stapled preferred securities (SPS)			-	31	-	34
Conversion of stapled preferred securities II (SPS II)			-	28	-	30
Conversion convertible preference shares (CPS)			-	37	-	39
Conversion of Westpac Capital Notes			-	43	-	6
<b>Total weighted average number of ordinary shares</b>			<b>3,090</b>	<b>3,260</b>	<b>3,083</b>	<b>3,221</b>
<b>Earnings per ordinary share (cents)</b>			<b>111.9</b>	<b>109.0</b>	<b>106.5</b>	<b>104.2</b>

## Note 10. Loans

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
Loans are classified based on the location of the booking office:					
<b>Australia</b>					
Overdrafts		2,965	3,086		
Credit card outstandings		9,560	9,788		
Overnight and at call money market loans		112	73		
Acceptance of finance		36,191	37,071		
Term loans:					
Housing		298,967	290,811		
Housing - line of credit		29,565	31,127		
Total housing		328,532	321,938		
Non-housing		87,240	85,482		
Finance leases		4,976	5,462		
Margin lending		2,041	2,168		
Trade finance		1,670	2,028		
Other		857	844		
<b>Total Australia</b>		<b>474,144</b>	<b>467,940</b>		
<b>New Zealand</b>					
Overdrafts		1,125	946		
Credit card outstandings		1,201	1,073		
Overnight and at call money market loans		1,230	1,203		
Term loans:					
Housing		33,389	29,327		
Non-housing		18,242	16,034		
Trade finance		256	230		
Other		142	130		
<b>Total New Zealand</b>		<b>55,585</b>	<b>48,943</b>		
<b>Other Overseas</b>					
Overdrafts		149	134		
Term loans:					
Housing		885	911		
Non-Housing		4,260	4,290		
Finance leases		77	88		
Trade finance		4,706	2,679		
<b>Total Other Overseas</b>		<b>10,077</b>	<b>8,102</b>		
<b>Total loans</b>		<b>539,806</b>	<b>524,985</b>		
Provision on loans		(3,642)	(3,855)		
<b>Total net loans</b>		<b>536,164</b>	<b>521,130</b>		

**Note 11. Provisions for impairment charges**

\$m	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Collectively assessed provisions</b>			
Balance at beginning of the period		2,694	2,771
Provisions raised/(released)		143	147
Write-offs		(382)	(326)
Interest adjustment		96	100
Exchange rate and other adjustments		34	2
<b>Closing balance</b>		<b>2,585</b>	<b>2,694</b>
<b>Individually assessed provisions</b>			
Balance at beginning of the period		1,505	1,470
Provisions raised		555	557
Write-backs		(254)	(225)
Write-offs		(430)	(261)
Interest adjustment		(37)	(38)
Exchange rate and other adjustments		25	2
<b>Closing balance</b>		<b>1,364</b>	<b>1,505</b>
<b>Total provisions for impairment charges on loans and credit commitments</b>		<b>3,949</b>	<b>4,199</b>
Less: provisions for credit commitments		(307)	(344)
<b>Total provisions for impairment charges on loans</b>		<b>3,642</b>	<b>3,855</b>

\$m	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Reconciliation of impairment charges</b>			
Individually assessed provisions raised		555	557
Write-backs		(254)	(225)
Recoveries		(35)	(41)
Collectively assessed provisions raised/(released)		143	147
<b>Impairment charges</b>		<b>409</b>	<b>438</b>

**Note 12. Impaired loans**

	Australia			New Zealand			Other Overseas			Total		
	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013
<b>\$m</b>												
<b>Non-Performing Loans:</b>												
Gross amount		2,574	3,112		586	672		89	82		3,249	3,866
Impairment provision		(1,099)	(1,233)		(210)	(227)		(54)	(46)		(1,363)	(1,506)
Net		1,475	1,879		376	445		35	36		1,886	2,360
<b>Restructured loans:</b>												
Gross amount		34	63		-	-		122	111		156	174
Impairment provision		(23)	(33)		-	-		(33)	(24)		(56)	(57)
Net		11	30		-	-		89	87		100	117
<b>Overdrafts, personal loans and revolving credit greater than 90 days past due:</b>												
Gross amount		181	226		14	14		-	1		195	241
Impairment provision		(126)	(150)		(9)	(9)		-	(1)		(135)	(160)
Net		55	76		5	5		-	-		60	81
<b>Total Impaired loans:</b>												
Gross amount		2,789	3,401		600	686		211	194		3,600	4,281
Impairment provision		(1,248)	(1,416)		(219)	(236)		(87)	(71)		(1,554)	(1,723)
<b>Net</b>		<b>1,541</b>	<b>1,985</b>		<b>381</b>	<b>450</b>		<b>124</b>	<b>123</b>		<b>2,046</b>	<b>2,558</b>

### Note 13. Movement in gross impaired assets

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
Balance as at beginning of period		4,281	4,386		
New and increased		958	997		
Write-offs		(812)	(587)		
Returned to performing or repaid		(1,232)	(886)		
Portfolio managed - new /increased/returned/repaid		336	368		
Exchange rate and other adjustments		69	3		
<b>Balance as at period end</b>		<b>3,600</b>	<b>4,281</b>		

### Note 14. Items past 90 days but well secured

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>Australia</b>					
Housing products		1,508	1,670		
Other products		821	864		
<b>Total Australia</b>		<b>2,329</b>	<b>2,534</b>		
<b>New Zealand</b>					
Housing products		70	73		
Other products		66	36		
Other Overseas		22	25		
<b>Total Overseas</b>		<b>158</b>	<b>134</b>		
<b>Total</b>		<b>2,487</b>	<b>2,668</b>		

### Note 15. Impaired assets and provisioning ratios

	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	Mov't Mar 14 - Sept 13	Mov't Mar 14 - Mar 13
Net impaired assets to equity and collectively assessed provisions		4.1%	5.1%		
Total impaired assets to gross loans		0.67%	0.82%		
Total impaired assets to equity and total provisions		7.0%	8.3%		
Total impaired asset provisions to total impaired assets		43.2%	40.2%		
Total provisions to gross loans		73bps	80bps		
Collectively assessed provisions to performing non-housing loans		142bps	151bps		
Collectively assessed provisions to RWA		84bps	87bps		
Collectively assessed provisions to credit RWA		99bps	106bps		
Total provisions to RWA		128bps	136bps		

### Note 16. Delinquencies (90 days past due loans)

	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	Mov't Mar 14 - Sept 13	Mov't Mar 14 - Mar 13
Mortgages		0.51%	0.57%		
Other personal lending		1.04%	1.30%		
Total personal lending		0.54%	0.60%		



**Note 17. Deposits and other borrowings**

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>Australia</b>					
<b>Certificates of deposit</b>					
At fair value		29,163	27,902		
At amortised cost		123	127		
<b>Total certificates of deposit</b>		<b>29,286</b>	<b>28,029</b>		
<b>At call and term deposits</b>					
Non-interest bearing, repayable at call		20,464	18,357		
Other interest bearing:					
At call		175,102	160,885		
Term		132,028	132,768		
<b>Total at call and term deposits</b>		<b>327,594</b>	<b>312,010</b>		
<b>Total Australia</b>		<b>356,880</b>	<b>340,039</b>		
<b>New Zealand</b>					
<b>Certificates of deposit</b>					
At fair value		1,362	831		
<b>Total certificates of deposit</b>		<b>1,362</b>	<b>831</b>		
<b>At call and term deposits</b>					
Non-interest bearing, repayable at call		2,905	2,614		
Other interest bearing:					
At call		16,419	13,997		
Term		22,104	19,531		
<b>Total at call and term deposits</b>		<b>41,428</b>	<b>36,142</b>		
<b>Total New Zealand</b>		<b>42,790</b>	<b>36,973</b>		
<b>Other overseas</b>					
<b>Certificates of deposit</b>					
At fair value		11,111	14,804		
At amortised cost		91	132		
<b>Total certificates of deposit</b>		<b>11,202</b>	<b>14,936</b>		
<b>At call and term deposits</b>					
Non-interest bearing, repayable at call		766	735		
Other interest bearing:					
At call		1,914	1,838		
Term		10,930	8,885		
<b>Total at call and term deposits</b>		<b>13,610</b>	<b>11,458</b>		
<b>Total other overseas</b>		<b>24,812</b>	<b>26,394</b>		
<b>Total deposits and other borrowings</b>		<b>424,482</b>	<b>403,406</b>		
Deposits and other borrowings at fair value		42,015	43,892		
Deposits and other borrowings at amortised cost		382,467	359,514		
<b>Total deposits and other borrowings</b>		<b>424,482</b>	<b>403,406</b>		

## Note 18. Capital Adequacy

\$m	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013
<b>Tier 1 capital</b>			
<b>Common equity Tier 1 capital</b>			
Paid up ordinary capital		27,021	26,879
Treasury shares		(181)	(182)
Equity based remuneration		801	804
Foreign currency translation reserve		(283)	(348)
Accumulated other comprehensive income		13	1
Non-controlling interests - other		51	51
Retained earnings		18,897	17,935
Less retained earnings in life and general insurance, funds management and securitisation entities		(1,096)	(929)
Deferred fees		138	122
<b>Total common equity Tier 1 capital</b>		<b>45,361</b>	<b>44,333</b>
<b>Deductions from common equity Tier 1 capital</b>			
Goodwill (excluding funds management entities)		(8,988)	(9,024)
Deferred tax assets		(1,772)	(1,783)
Goodwill in life and general insurance, funds management and securitisation entities		(1,265)	(1,290)
Capitalised expenditure		(761)	(692)
Capitalised software		(1,773)	(1,546)
Investments in subsidiaries not consolidated for regulatory purposes		(1,499)	(1,577)
Regulatory expected loss		(632)	(852)
General reserve for credit losses adjustment		(83)	(83)
Securitisation		(7)	(7)
Equity investments		(413)	(426)
Regulatory adjustments to fair value positions		(193)	(147)
Other Tier 1 deductions		(6)	(3)
<b>Total deductions from common equity Tier 1 capital</b>		<b>(17,392)</b>	<b>(17,430)</b>
<b>Total common equity Tier 1 capital after deductions</b>		<b>27,969</b>	<b>26,903</b>
<b>Additional Tier 1 capital</b>			
Basel III complying instruments		1,367	1,366
Basel III non complying instruments (net of transitional amortisation)		3,402	5,016
<b>Total additional Tier 1 capital</b>		<b>4,769</b>	<b>6,382</b>
<b>Net Tier 1 regulatory capital</b>		<b>32,738</b>	<b>33,285</b>

**Note 18. Capital Adequacy (continued)**

	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013
<b>\$m</b>			
<b>Tier 2 capital</b>			
Basel III complying instruments		916	-
Basel III non complying instruments (net of transitional amortisation)		3,984	5,117
Eligible general reserve for credit loss		68	49
<b>Total Tier 2 capital</b>		<b>4,968</b>	<b>5,166</b>
<b>Deductions from Tier 2 capital</b>			
Investments in subsidiaries not consolidated for regulatory purposes		-	-
Holdings of own and other financial institutions Tier 2 capital instruments		(50)	(50)
<b>Total deductions from Tier 2 capital</b>		<b>(50)</b>	<b>(50)</b>
<b>Net Tier 2 regulatory capital</b>		<b>4,918</b>	<b>5,116</b>
<b>Total regulatory capital</b>		<b>37,656</b>	<b>38,401</b>
<b>Risk weighted assets</b>		<b>307,372</b>	<b>307,976</b>
Common equity Tier 1 capital ratio		9.1%	8.7%
Additional Tier 1 capital		1.6%	2.1%
Tier 1 capital ratio		10.7%	10.8%
Tier 2 capital		1.6%	1.7%
<b>Total regulatory capital ratio</b>		<b>12.3%</b>	<b>12.5%</b>

**Note 18. Capital Adequacy (continued)**

	As at 31 March 2014	As at 30 Sept 2013	As at 31 March 2013
<b>\$m</b>			
<b>Credit risk - on-balance sheet</b>			
Corporate		33,105	32,558
Business lending		27,611	27,878
Sovereign		1,322	1,301
Bank		4,953	5,020
Residential mortgages		54,946	54,887
Australian credit cards		3,515	3,913
Other retail		8,673	8,369
Small business		5,143	5,492
Specialised lending: Property and project finance		37,519	35,495
Securitisation		2,679	2,926
Standardised		5,557	5,341
<b>Total on-balance sheet assets - credit risk</b>		<b>185,023</b>	<b>183,180</b>
<b>Credit risk - off-balance sheet</b>			
Corporate		33,010	29,782
Business lending		7,209	6,730
Sovereign		723	417
Bank		4,514	4,236
Residential mortgages		6,074	4,998
Australian credit cards		1,355	1,296
Other retail		884	827
Small business		1,363	1,222
Specialised lending: Property and project finance		8,651	8,107
Securitisation		3,197	3,521
Standardised		1,098	943
Mark-to-market related credit risk		7,167	8,475
<b>Total off-balance sheet assets - credit risk</b>		<b>75,245</b>	<b>70,554</b>
Market risk		9,059	10,555
Operational risk		27,299	26,761
Interest rate risk in the banking book		6,929	13,744
Other assets		3,817	3,182
<b>Total risk weighted assets</b>		<b>307,372</b>	<b>307,976</b>

**Note 19. Derivative financial instruments**

\$m	Notional Amount	Fair Value Asset	Fair Value Liability
<b>Held for trading</b>			
<b>Interest rate</b>			
Futures			
Forw ards			
Sw aps			
Options			
<b>Foreign exchange</b>			
Forw ards			
Sw aps			
Options			
<b>Commodities</b>			
<b>Equities</b>			
<b>Credit</b>			
<b>Total held for trading derivatives</b>			
<b>Fair value hedges</b>			
<b>Interest rate</b>			
Sw aps			
<b>Foreign exchange</b>			
Sw aps			
<b>Total fair value hedging derivatives</b>			
<b>Cash flow hedges</b>			
<b>Interest rate</b>			
Sw aps			
<b>Foreign exchange</b>			
Sw aps			
<b>Total cash flow hedging derivatives</b>			
<b>Total net investment hedges</b>			
<b>Total derivatives as at 31 March 2014</b>			
<b>Total derivatives as at 30 September 2013</b>	2,718,380	28,356	(32,990)
<b>Total derivatives as at 31 March 2013</b>	2,290,741	29,323	(34,081)

### Markets - Daily Value at Risk (VaR)

\$m	High	Low	Average
Six months ended 31 March 2014			
Six months ended 30 September 2013	14.3	6.4	8.6
Six months ended 31 March 2013	10.6	3.6	5.4

Average	Half Year 31 Mar 2014	Half Year 30 Sept 2013	Half Year 31 Mar 2013
\$m			
Interest rate risk		5.0	3.3
Foreign exchange risk		2.1	1.5
Equity risk		0.4	0.2
Commodity risk		3.7	2.1
Other market risks		4.8	2.8
Diversification benefit		(7.4)	(4.5)
<b>Net market risk</b>		<b>8.6</b>	<b>5.4</b>

### Treasury's Traded Risk and Non-Traded Interest Rate Risk

\$m	High	Low	Average
Six months ended 31 March 2014			
Six months ended 30 September 2013	26.6	10.7	17.9
Six months ended 31 March 2013	34.4	16.2	25.5

**Note 20. Note to the cash flow statement**

\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>Reconciliation of net cash provided by/(used in) operating activities to net profit</b>					
Net profit		3,503	3,322		
Adjustments:					
Depreciation, amortisation and impairment		478	426		
(Decrease)/increase in sundry provisions and other non-cash items		1,518	142		
Impairment charges		444	479		
(Increase)/decrease in loans		(8,793)	(6,874)		
Increase/(decrease) in deposits and other borrowings		13,993	8,162		
(Increase)/decrease in receivables due from other financial institutions		1,853	(2,364)		
(Decrease)/increase in payables due to other financial institutions		(100)	463		
(Increase)/decrease in trading and fair value assets		622	(941)		
Increase/(decrease) in financial liabilities at fair value through income statement		1,401	(1,135)		
(Increase)/decrease in derivative financial instruments		9,747	(621)		
(Increase)/decrease in accrued interest receivable		188	(104)		
Increase/(decrease) in accrued interest payable		(193)	(183)		
(Decrease)/increase in current and deferred tax		216	(69)		
<b>Net cash (used in)/provided by operating activities</b>		<b>24,877</b>	<b>703</b>		
<b>Fair value of assets and liabilities of controlled entities and businesses acquired</b>					
Assets acquired					
Cash and cash equivalents		-	-		
Derivative assets		-	-		
Loans and advances		-	-		
Identifiable intangible assets		-	-		
Operating lease assets		-	-		
Other assets and prepayments		-	-		
Total assets acquired		-	-		
Liabilities acquired					
Trade creditors and other accrued expenses		-	-		
Provisions		-	-		
Deferred tax liabilities		-	-		
Debt securities on issue		-	-		
Borrowings		-	-		
Total liabilities acquired		-	-		
<b>Fair value of identifiable net assets acquired</b>		-	-		
Goodwill		-	-		
<b>Total</b>		-	-		
<b>Cash consideration</b>					
Purchase of shares		-	-		
Replacement of intergroup funding		-	-		
<b>Total cash consideration</b>		-	-		
Cash consideration		-	-		
Less cash and cash equivalents acquired		-	-		
<b>Cash paid (net of cash acquired)</b>		-	-		

**Note 22. Funding view of the balance sheet**

\$m	As at 31 March 2014					Total
	Liquid Assets	Customer Deposits	Wholesale Funding	Customer Franchise	Market Inventory	
<b>Assets</b>						
Cash and balances with central banks						
Receivables due from other financial institutions						
Trading securities, other financial assets designated at fair value and available-for-sale securities						
Derivative financial instruments						
Loans						
Life insurance assets						
Goodwill and other intangibles						
Property, plant and equipment						
Other assets						
<b>Total assets</b>						
<b>Liabilities</b>						
Payables due to other financial institutions						
Deposits and other borrowings:						
At call						
Term deposits						
Medium term deposit notes						
Certificates of deposit						
Derivative financial instruments						
Financial liabilities at fair value through income statement						
Acceptances						
Debt issues						
Life insurance liabilities						
Other liabilities						
Loan capital						
<b>Total liabilities</b>						
<b>Total equity</b>						
<b>Total net</b>						



**Note 22. Funding view of the balance sheet (continued)**

\$m	As at 30 September 2013					Total
	Liquid Assets	Customer Deposits	Wholesale Funding	Customer Franchise	Market Inventory	
<b>Assets</b>						
Cash and balances with central banks	8,522	-	-	3,177	-	11,699
Receivables due from other financial institutions	1,370	-	-	1,710	8,130	11,210
Trading securities, other financial assets designated at fair value and available-for-sale securities	61,219	-	-	-	17,881	79,100
Derivative financial instruments	-	-	-	-	28,356	28,356
Loans	54,536	-	-	481,628	-	536,164
Life insurance assets	-	-	-	-	13,149	13,149
Goodwill and other intangibles	-	-	-	12,341	-	12,341
Property, plant and equipment	-	-	-	1,174	-	1,174
Other assets	-	-	-	-	7,904	7,904
<b>Total assets</b>	<b>125,647</b>	<b>-</b>	<b>-</b>	<b>500,030</b>	<b>75,420</b>	<b>701,097</b>
<b>Liabilities</b>						
Payables due to other financial institutions	-	-	5,645	-	3,191	8,836
Deposits and other borrowings:						
At call	-	217,570	-	-	-	217,570
Term deposits	-	165,062	-	-	-	165,062
Medium term deposit notes	-	-	-	-	-	-
Certificates of deposit	-	-	41,850	-	-	41,850
Derivative financial instruments	-	-	-	-	32,990	32,990
Financial liabilities at fair value through income statement	-	-	-	-	10,302	10,302
Acceptances	-	-	102	-	-	102
Debt issues	-	-	144,031	-	-	144,031
Life insurance liabilities	-	-	-	-	11,938	11,938
Other liabilities	-	-	-	-	11,549	11,549
Loan capital	-	-	9,330	-	-	9,330
<b>Total liabilities</b>	<b>-</b>	<b>382,632</b>	<b>200,958</b>	<b>-</b>	<b>69,970</b>	<b>653,560</b>
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>863</b>	<b>46,641</b>	<b>33</b>	<b>47,537</b>
<b>Total net</b>	<b>125,647</b>	<b>(382,632)</b>	<b>(201,821)</b>	<b>453,389</b>	<b>5,417</b>	<b>-</b>

**Note 22. Funding view of the balance sheet (continued)**

\$m	As at 31 March 2013					Total
	Liquid Assets	Customer Deposits	Wholesale Funding	Customer Franchise	Market Inventory	
<b>Assets</b>						
Cash and balances with central banks	2,546	-	-	4,054	-	6,600
Receivables due from other financial institutions	2,806	-	-	2,301	7,473	12,580
Trading securities, other financial assets designated at fair value and available-for-sale securities	60,221	-	-	-	16,443	76,664
Derivative financial instruments	-	-	-	-	29,323	29,323
Loans	45,500	-	-	475,630	-	521,130
Life insurance assets	-	-	-	-	12,895	12,895
Goodwill and other intangibles	-	-	-	12,108	-	12,108
Property, plant and equipment	-	-	-	1,084	-	1,084
Other assets	-	-	-	-	9,494	9,494
<b>Total assets</b>	<b>111,073</b>	<b>-</b>	<b>-</b>	<b>495,177</b>	<b>75,628</b>	<b>681,878</b>
<b>Liabilities</b>						
Payables due to other financial institutions	-	-	3,874	-	4,169	8,043
Deposits and other borrowings:						
At call	-	198,426	-	-	-	198,426
Term deposits	-	161,184	-	-	-	161,184
Medium term deposit notes	-	-	-	-	-	-
Certificates of deposit	-	-	43,796	-	-	43,796
Derivative financial instruments	-	-	-	-	34,081	34,081
Financial liabilities at fair value through income statement	-	-	-	-	8,833	8,833
Acceptances	-	-	105	-	-	105
Debt issues	-	-	144,198	-	-	144,198
Life insurance liabilities	-	-	-	-	11,794	11,794
Other liabilities	-	-	-	-	13,301	13,301
Loan capital	-	-	10,880	-	-	10,880
<b>Total liabilities</b>	<b>-</b>	<b>359,610</b>	<b>202,853</b>	<b>-</b>	<b>72,178</b>	<b>634,641</b>
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>1,977</b>	<b>45,471</b>	<b>(211)</b>	<b>47,237</b>
<b>Total net</b>	<b>111,073</b>	<b>(359,610)</b>	<b>(204,830)</b>	<b>449,706</b>	<b>3,661</b>	<b>-</b>

**Note 1. Interest spread and margin analysis (Cash Earnings basis)**

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Group</b>			
Average interest-earning assets (\$m)		608,153	591,539
Net interest income (\$m)		6,467	6,445
Net interest spread		1.90%	1.94%
Benefit of net non-interest bearing assets, liabilities and equity		0.22%	0.25%
Net interest margin		2.12%	2.19%
<b>Analysis by division</b>			
<b>Average interest-earning assets (\$m)</b>			
Australian Financial Services		403,239	398,892
Westpac Retail & Business Banking		243,414	241,487
St.George Banking Group		145,539	143,592
BT Financial Group		14,286	13,813
Westpac Institutional Bank		73,343	71,564
Westpac New Zealand (A\$)		56,999	52,972
Westpac Pacific		2,922	2,808
Group Businesses		71,650	65,303
<b>Group total</b>		<b>608,153</b>	<b>591,539</b>
<i>Westpac New Zealand (NZ\$)</i>		67,016	66,440
<b>Net interest income (\$m) (including capital benefit)</b>			
Australian Financial Services		4,709	4,568
Westpac Retail & Business Banking		2,869	2,786
St.George Banking Group		1,639	1,577
BT Financial Group		201	205
Westpac Institutional Bank		812	818
Westpac New Zealand (A\$)		662	619
Westpac Pacific		73	75
Group Businesses		211	365
<b>Group total</b>		<b>6,467</b>	<b>6,445</b>
<i>Westpac New Zealand (NZ\$)</i>		780	774
<b>Interest margin</b>			
Australian Financial Services		2.33%	2.30%
Westpac Retail & Business Banking		2.35%	2.31%
St.George Banking Group		2.25%	2.20%
BT Financial Group		2.81%	2.98%
Westpac Institutional Bank		2.21%	2.29%
Westpac New Zealand (A\$)		2.32%	2.34%
Westpac Pacific		4.98%	5.36%
Group Businesses		0.59%	1.12%
<i>Westpac New Zealand (NZ\$)</i>		2.32%	2.34%

**Note 2. Average balance sheet and interest rates (Cash Earnings basis)**

	Half Year 31 March 2014			Half Year 30 September 2013			Half Year 31 March 2013		
	Average	Interest	Average	Average	Interest	Average	Average	Interest	Average
	Balance	Income	Rate	Balance	Income	Rate	Balance	Income	Rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Assets</b>									
<b>Interest earning assets</b>									
Receivables due from other financial institutions				9,238	52	1.1%	9,060	61	1.4%
Trading securities				45,299	772	3.4%	47,238	893	3.8%
Available-for-sale securities				26,182	624	4.8%	23,108	602	5.2%
Other financial assets designated at fair value				1,899	25	2.6%	1,723	42	4.9%
Regulatory deposits				1,500	12	1.6%	1,524	11	1.4%
Loans and other receivables				524,035	14,667	5.6%	508,886	15,219	6.0%
<b>Total interest earning assets and interest income</b>				<b>608,153</b>	<b>16,152</b>	<b>5.3%</b>	<b>591,539</b>	<b>16,828</b>	<b>5.7%</b>
<b>Non-interest earning assets</b>									
Cash, receivables due from other financial institutions and regulatory deposits				299			1,149		
Life insurance assets				13,024			12,400		
All other assets				77,981			71,984		
<b>Total non-interest earning assets</b>				<b>91,304</b>			<b>85,533</b>		
<b>Total assets</b>				<b>699,457</b>			<b>677,072</b>		

	Half Year 31 March 2014			Half Year 30 September 2013			Half Year 31 March 2013		
	Average	Interest	Average	Average	Interest	Average	Average	Interest	Average
	Balance	Expense	Rate	Balance	Expense	Rate	Balance	Expense	Rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Liabilities</b>									
<b>Interest bearing liabilities</b>									
Deposits and other borrowings				392,604	6,088	3.1%	380,715	6,467	3.4%
Payables due to other financial institutions				11,064	104	1.9%	7,574	86	2.3%
Loan capital				9,659	247	5.1%	9,579	257	5.4%
Other interest bearing liabilities				155,520	3,246	4.2%	154,179	3,573	4.6%
<b>Total interest bearing liabilities and interest expense</b>				<b>568,847</b>	<b>9,685</b>	<b>3.4%</b>	<b>552,047</b>	<b>10,383</b>	<b>3.8%</b>
<b>Non-interest bearing liabilities</b>									
Deposits and payables due to other financial institutions				23,562			21,500		
Life insurance policy liabilities				11,873			11,274		
All other liabilities				48,333			46,452		
<b>Total non-interest bearing liabilities</b>				<b>83,768</b>			<b>79,226</b>		
<b>Total liabilities</b>				<b>652,615</b>			<b>631,273</b>		
Shareholders' equity				44,866			43,831		
Non-controlling interests				1,976			1,968		
<b>Total equity</b>				<b>46,842</b>			<b>45,799</b>		
<b>Total liabilities and equity</b>				<b>699,457</b>			<b>677,072</b>		

**Note 2. Average balance sheet and interest rates (Cash Earnings basis) (continued)**

	Half Year 31 March 2014			Half Year 30 September 2013			Half Year 31 March 2013		
	Average	Interest	Average	Average	Interest	Average	Average	Interest	Average
	Balance		Rate	Balance		Rate	Balance		Rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Loans and other receivables</b>									
Australia				451,173	13,032	5.8%	447,627	13,650	6.1%
New Zealand				52,987	1,492	5.6%	48,603	1,433	5.9%
Other overseas				19,876	143	1.4%	12,656	136	2.2%
<b>Deposits and other borrowings</b>									
Australia				329,135	5,356	3.2%	322,114	5,785	3.6%
New Zealand				37,532	629	3.3%	33,806	585	3.5%
Other overseas				25,938	103	0.8%	24,795	97	0.8%

**Note 3. Net interest income (Cash Earnings basis)**

				%Mov't	%Mov't
\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	Mar 14 - Sept 13	Mar 14 - Mar 13
<b>Interest income</b>					
Cash		52	50		
Loans		14,616	15,165		
Receivables due from other financial institutions		52	61		
Available-for-sale securities		624	602		
Regulatory deposits with central banks overseas		12	11		
Trading securities		772	893		
Net ineffectiveness on qualifying hedges		(1)	3		
Other financial assets designated at fair value		25	42		
Other interest income		-	1		
<b>Total interest income</b>		<b>16,152</b>	<b>16,828</b>		
<b>Interest expense</b>					
At call and term deposits		(5,645)	(5,901)		
Certificates of deposit		(443)	(566)		
Payables due to other financial institutions		(104)	(86)		
Debt issues and acceptances		(2,010)	(1,947)		
Loan capital		(247)	(257)		
Trading liabilities		(1,205)	(1,557)		
Other interest expense		(31)	(69)		
<b>Total interest expense</b>		<b>(9,685)</b>	<b>(10,383)</b>		
<b>Net interest income</b>		<b>6,467</b>	<b>6,445</b>		

**Note 4. Non-interest income (Cash Earnings basis)**

				%Mov't	%Mov't
\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	Mar 14 - Sept 13	Mar 14 - Mar 13
<b>Fees and commissions</b>					
Facility fees		645	608		
Transaction fees and commissions		577	583		
Other non-risk fee income		171	139		
<b>Total fees and commissions</b>		<b>1,393</b>	<b>1,330</b>		
<b>Wealth management and insurance income</b>					
Life insurance and funds management net operating income		919	869		
General insurance and lenders mortgage insurance net operating income		105	65		
<b>Total wealth management and insurance income</b>		<b>1,024</b>	<b>934</b>		
<b>Trading income</b>					
Foreign exchange income		238	202		
Other trading securities		312	318		
<b>Total trading income</b>		<b>550</b>	<b>520</b>		
<b>Other income</b>					
Dividends received		6	4		
Net gain/(loss) on disposal of assets		31	36		
Net gain/(loss) on ineffective hedges		2	(3)		
Net gain/(loss) on hedging overseas operations		11	17		
Net gain/(loss) on derivatives held for risk management purposes		(20)	(2)		
Net gain/(loss) on financial instruments designated at fair value		9	23		
Rental income		-	-		
Other		5	51		
<b>Total other income</b>		<b>44</b>	<b>126</b>		
<b>Total non-interest income (Cash Earnings basis)</b>		<b>3,011</b>	<b>2,910</b>		

**Wealth Management and Insurance income reconciliation**

				%Mov't	%Mov't
\$m	Half Year March 14	Half Year Sept 13	Half Year March 13	Mar 14 - Sept 13	Mar 14 - Mar 13
BTFG non-interest income		993	924		
Net commission, premium, fee and banking income		(106)	(101)		
<b>BTFG wealth management and insurance income</b>		<b>887</b>	<b>823</b>		
NZ wealth management & insurance		56	52		
WIB wealth management		81	59		
<b>Total wealth management &amp; insurance income</b>		<b>1,024</b>	<b>934</b>		

**Note 5. Operating expense analysis (Cash Earnings basis)**

	Half Year March 14	Half Year Sept 13	Half Year March 13	% Mov't Mar 14 - Sept 13	% Mov't Mar 14 - Mar 13
<b>\$m</b>					
<b>Salaries and other staff expenses</b>					
Salaries and wages		1,650	1,614		
Other staff expenses		516	528		
Restructuring costs		10	18		
<b>Total salaries and other staff expenses</b>		<b>2,176</b>	<b>2,160</b>		
<b>Equipment and occupancy expenses</b>					
Operating lease rentals		286	279		
Depreciation, amortisation and impairment:					
Premises		2	11		
Leasehold improvements		60	48		
Furniture and equipment		32	30		
Technology		49	45		
Software		218	185		
Assets under lease		-	-		
Other		63	62		
<b>Total equipment and occupancy expenses</b>		<b>710</b>	<b>660</b>		
<b>Other expenses</b>					
Amortisation of deferred expenditure and intangible assets		5	2		
Non-lending losses		16	27		
Purchased services:					
Technology and information services		190	160		
Legal		17	9		
Other professional services		208	172		
Credit card loyalty programs		65	70		
Postage and stationery		114	108		
Outsourcing costs		289	298		
Insurance		10	10		
Advertising		70	94		
Training		12	9		
Travel		34	30		
Other expenses		19	15		
<b>Total other expenses</b>		<b>1,049</b>	<b>1,004</b>		
<b>Total operating expenses</b>		<b>3,935</b>	<b>3,824</b>		



**Note 6. Earnings per share (Cash Earnings basis)**

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net profit		3,595	3,544		
Net profit attributable to non-controlling interests		(40)	(36)		
<b>Cash Earnings</b>		<b>3,555</b>	<b>3,508</b>		
<b>Weighted average number of fully paid ordinary shares (millions)</b>		<b>3,104</b>	<b>3,096</b>		
<b>Cash Earnings per ordinary share (cents)</b>		<b>114.5</b>	<b>113.3</b>		

	Half Year March 14	Half Year Sept 13	Half Year March 13
<b>Reconciliation of ordinary shares on issue before the effect of own shares held (millions)</b>			
Opening balance		3,104	3,080
Number of shares issued under the Dividend Reinvestment Plan (DRP)		-	22
Number of shares issued upon conversion of the Westpac Stapled Preferred Securities (SPS)		5	-
Number of shares issued under the Employee Share Plan (ESP)		-	1
Number of shares issued under option and share right schemes		-	1
<b>Closing balance</b>		<b>3,109</b>	<b>3,104</b>

## 6.0 OTHER INFORMATION

### 6.1 Exchange Rates

Six months to/as at Currency	31 March 2014		30 September 2013		31 March 2013	
	Average	Spot	Average	Spot	Average	Spot
US\$			0.9542	0.9316	1.0388	1.0430
GBP			0.6191	0.5767	0.6578	0.6859
NZ\$			1.1775	1.1260	1.2533	1.2460

## 7.0 SEGMENT RESULT

### 7.1 Half Year Segment Reported Results

Six months to 31 March 2014	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank New Zealand	Westpac Pacific	Group Businesses	Group
\$m								
Net interest income								
Non-interest income								
Net operating income								
Operating expenses								
Impairment charges								
<b>Profit from ordinary activities before income tax expense</b>								
Tax expense								
<b>Net profit</b>								
Net profit attributable to non-controlling interests								
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WBC</b>								
<b>WBC Cash Earnings adjustments:</b>								
TPS revaluations								
Treasury shares								
Ineffective hedges								
Fair value gain/(loss) on economic hedges								
Buyback of government guaranteed debt								
Fair value amortisation of financial instruments								
Amortisation of intangible assets								
Acquisition transaction and integration expenses								
<b>Cash Earnings</b>								

**INTERIM RESULTS 2014**  
**PROFIT ANNOUNCEMENT**  
**TEMPLATE**

**7.1 Half Year Segment Reported Results (continued)**

Six months to 30 September 2013	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)		Westpac Institutional Bank	New Zealand	Westpac Pacific	Group Businesses	
\$m				AFS					Group
Net interest income	2,869	1,639	201	4,709	812	662	73	273	6,529
Non-interest income	683	241	993	1,917	821	199	97	(138)	2,896
Net operating income	3,552	1,880	1,194	6,626	1,633	861	170	135	9,425
Operating expenses	(1,574)	(800)	(626)	(3,000)	(566)	(353)	(50)	(74)	(4,043)
Impairment charges	(242)	(171)	(1)	(414)	46	(43)	(1)	3	(409)
<b>Profit from ordinary activities before income tax expense</b>	<b>1,736</b>	<b>909</b>	<b>567</b>	<b>3,212</b>	<b>1,113</b>	<b>465</b>	<b>119</b>	<b>64</b>	<b>4,973</b>
Tax expense	(523)	(272)	(159)	(954)	(323)	(127)	(34)	(32)	(1,470)
<b>Net profit</b>	<b>1,213</b>	<b>637</b>	<b>408</b>	<b>2,258</b>	<b>790</b>	<b>338</b>	<b>85</b>	<b>32</b>	<b>3,503</b>
Net profit attributable to non-controlling interests	-	-	(9)	(9)	-	(2)	(6)	(22)	(39)
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WBC</b>	<b>1,213</b>	<b>637</b>	<b>399</b>	<b>2,249</b>	<b>790</b>	<b>336</b>	<b>79</b>	<b>10</b>	<b>3,464</b>
<b>WBC Cash Earnings adjustments:</b>									
TPS revaluations	-	-	-	-	-	-	-	1	1
Treasury shares	-	-	-	-	-	-	-	13	13
Ineffective hedges	-	-	-	-	-	-	-	3	3
Fair value gain/(loss) on economic hedges	-	-	-	-	-	-	-	(36)	(36)
Buyback of government guaranteed debt	-	-	-	-	-	-	-	-	-
Fair value amortisation of financial instruments	-	-	-	-	-	-	-	35	35
Amortisation of intangible assets	-	64	11	75	-	-	-	-	75
Acquisition transaction and integration expenses	-	-	-	-	-	-	-	-	-
<b>Cash Earnings</b>	<b>1,213</b>	<b>701</b>	<b>410</b>	<b>2,324</b>	<b>790</b>	<b>336</b>	<b>79</b>	<b>26</b>	<b>3,555</b>

**INTERIM RESULTS 2014**  
**PROFIT ANNOUNCEMENT**  
**TEMPLATE**

**7.1 Half Year Segment Reported Results**

Six months to 31 March 2013	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)		Westpac Institutional Bank	New Zealand	Westpac Pacific	Group Businesses	
\$m				AFS					Group
Net interest income	2,786	1,577	205	4,568	818	619	75	212	6,292
Non-interest income	637	228	924	1,789	812	190	70	17	2,878
Net operating income	3,423	1,805	1,129	6,357	1,630	809	145	229	9,170
Operating expenses	(1,550)	(785)	(614)	(2,949)	(549)	(344)	(48)	(43)	(3,933)
Impairment charges	(244)	(122)	-	(366)	43	(54)	(2)	(59)	(438)
<b>Profit from ordinary activities before income tax expense</b>	<b>1,629</b>	<b>898</b>	<b>515</b>	<b>3,042</b>	<b>1,124</b>	<b>411</b>	<b>95</b>	<b>127</b>	<b>4,799</b>
Tax expense	(487)	(271)	(156)	(914)	(339)	(114)	(26)	(84)	(1,477)
<b>Net profit</b>	<b>1,142</b>	<b>627</b>	<b>359</b>	<b>2,128</b>	<b>785</b>	<b>297</b>	<b>69</b>	<b>43</b>	<b>3,322</b>
Net profit attributable to non-controlling interests	-	-	(7)	(7)	-	(1)	(5)	(22)	(35)
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WBC</b>	<b>1,142</b>	<b>627</b>	<b>352</b>	<b>2,121</b>	<b>785</b>	<b>296</b>	<b>64</b>	<b>21</b>	<b>3,287</b>
<b>WBC Cash Earnings adjustments:</b>									
TPS revaluations	-	-	-	-	-	-	-	8	8
Treasury shares	-	-	-	-	-	-	-	29	29
Ineffective hedges	-	-	-	-	-	-	-	(23)	(23)
Fair value gain/(loss) on economic hedges	-	-	-	-	-	-	-	57	57
Buyback of government guaranteed debt	-	-	-	-	-	-	-	43	43
Fair value amortisation of financial instruments	-	-	-	-	-	-	-	32	32
Amortisation of intangible assets	-	64	11	75	-	-	-	-	75
Acquisition transaction and integration expenses	-	-	-	-	-	-	-	-	-
<b>Cash Earnings</b>	<b>1,142</b>	<b>691</b>	<b>363</b>	<b>2,196</b>	<b>785</b>	<b>296</b>	<b>64</b>	<b>167</b>	<b>3,508</b>

## 7.2 New Zealand Division Performance (A\$ Equivalent to Section 3.3)

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$m</b>					
Net interest income		662	619		
Non-interest income		199	190		
Net operating income		861	809		
Operating expenses		(353)	(344)		
<b>Core earnings</b>		<b>508</b>	<b>465</b>		
Impairment charges		(43)	(54)		
<b>Operating profit before tax</b>		<b>465</b>	<b>411</b>		
Tax and non-controlling interests		(129)	(115)		
<b>Cash Earnings</b>		<b>336</b>	<b>296</b>		
Economic profit		148	122		
Expense to income ratio		41.0%	42.5%		
Net interest margin		2.32%	2.34%		

  

	Half Year March 14	Half Year Sept 13	Half Year March 13	%Mov't Mar 14 - Sept 13	%Mov't Mar 14 - Mar 13
<b>\$bn</b>					
Deposits		41.4	37.0		
Net loans		54.7	48.1		
Deposit to loan ratio		75.7%	76.9%		
Total assets		61.5	54.9		
Total committed exposure		78.2	69.3		
Average interest-earning assets		57.0	53.0		
Funds under management		3.9	3.3		
Funds under administration		1.2	1.0		

## 7.3 Impact of Exchange Rate Movements on Group Results

	Half Year March 14 vs Half Year Sept 13			Half Year March 14 vs Half Year March 13		
	Cash Earnings grow th	FX impact \$m	Grow th ex-FX	Cash Earnings grow th	FX impact \$m	Grow th ex-FX
Net interest income						
Non-interest income						
Net operating income						
Operating expenses						
<b>Core earnings</b>						
Impairment charges						
<b>Operating profit before income tax</b>						
Income tax expense						
<b>Net profit</b>						
Net profit attributable to non-controlling interests						
<b>Cash Earnings</b>						

## 8.0 GROUP RECONCILIATIONS

### 8.1 Group Half Year Earnings Reconciliation

		Cash Earnings adjustments									
Six months to 31 March 2014	WBC Reported Results	Policyholder Tax Recoveries	TPS Revaluations	Treasury Shares	Ineffective Hedges	Fair value gain/(loss) on economic hedges	Buyback of government guaranteed debt	Fair value amortisation of financial instruments	Amortisation of intangible assets	Acquisition transaction and integration expenses	Cash Earnings
<b>\$m</b>											
Net interest income											
<i>Fees and commissions</i>											
<i>Wealth management &amp; insurance income</i>											
<i>Trading income</i>											
<i>Other income</i>											
Non-interest income											
Net operating income											
<i>Salaries and other staff expenses</i>											
<i>Equipment and occupancy expenses</i>											
<i>Other expenses</i>											
Operating expenses											
<b>Core earnings</b>											
Impairment charges											
<b>Operating profit before tax</b>											
Income tax expense											
<b>Net profit</b>											
Net profit attributable to non-controlling interests											
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WBC</b>											
<b>WBC Cash Earnings adjustments:</b>											
TPS revaluations											
Treasury shares											
Ineffective hedges											
Fair value gain/(loss) on economic hedges											
Buyback of government guaranteed debt											
Fair value amortisation of financial instruments											
Amortisation of intangible assets											
Acquisition transaction and integration expenses											
<b>Cash Earnings</b>											

**INTERIM RESULTS 2014**  
**PROFIT ANNOUNCEMENT**  
**TEMPLATE**

**8.1 Group Half Year Earnings Reconciliation (continued)**

Six months to 30 September 2013	Cash Earnings adjustments										Cash Earnings
	WBC Reported Results	Policyholder Tax Recoveries	TPS Revaluations	Treasury Shares	Ineffective Hedges	Fair value gain/(loss) on economic hedges	Buyback of government guaranteed debt	Fair value amortisation of financial instruments	Amortisation of intangible assets	Acquisition transaction and integration expenses	
<b>\$m</b>											
Net interest income	6,529	-	-	-	7	(118)	-	49	-	-	6,467
<i>Fees and commissions</i>	1,393	-	-	-	-	-	-	-	-	-	1,393
<i>Wealth management &amp; insurance income</i>	1,026	(16)	-	14	-	-	-	-	-	-	1,024
<i>Trading income</i>	552	-	-	-	(2)	-	-	-	-	-	550
<i>Other income</i>	(75)	-	54	-	-	65	-	-	-	-	44
Non-interest income	2,896	(16)	54	14	(2)	65	-	-	-	-	3,011
Net operating income	9,425	(16)	54	14	5	(53)	-	49	-	-	9,478
<i>Salaries and other staff expenses</i>	(2,176)	-	-	-	-	-	-	-	-	-	(2,176)
<i>Equipment and occupancy expenses</i>	(710)	-	-	-	-	-	-	-	-	-	(710)
<i>Other expenses</i>	(1,157)	-	-	-	-	-	-	-	108	-	(1,049)
Operating expenses	(4,043)	-	-	-	-	-	-	-	108	-	(3,935)
<b>Core earnings</b>	<b>5,382</b>	<b>(16)</b>	<b>54</b>	<b>14</b>	<b>5</b>	<b>(53)</b>	<b>-</b>	<b>49</b>	<b>108</b>	<b>-</b>	<b>5,543</b>
Impairment charges	(409)	-	-	-	-	-	-	-	-	-	(409)
<b>Operating profit before tax</b>	<b>4,973</b>	<b>(16)</b>	<b>54</b>	<b>14</b>	<b>5</b>	<b>(53)</b>	<b>-</b>	<b>49</b>	<b>108</b>	<b>-</b>	<b>5,134</b>
Income tax expense	(1,470)	16	(53)	(1)	(2)	17	-	(14)	(32)	-	(1,539)
<b>Net profit</b>	<b>3,503</b>	<b>-</b>	<b>1</b>	<b>13</b>	<b>3</b>	<b>(36)</b>	<b>-</b>	<b>35</b>	<b>76</b>	<b>-</b>	<b>3,595</b>
Net profit attributable to non-controlling interests	(39)	-	-	-	-	-	-	-	(1)	-	(40)
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WBC</b>	<b>3,464</b>	<b>-</b>	<b>1</b>	<b>13</b>	<b>3</b>	<b>(36)</b>	<b>-</b>	<b>35</b>	<b>75</b>	<b>-</b>	<b>3,555</b>
<b>WBC Cash Earnings adjustments:</b>											
TPS revaluations	1	-	(1)	-	-	-	-	-	-	-	-
Treasury shares	13	-	-	(13)	-	-	-	-	-	-	-
Ineffective hedges	3	-	-	-	(3)	-	-	-	-	-	-
Fair value gain/(loss) on economic hedges	(36)	-	-	-	-	36	-	-	-	-	-
Buyback of government guaranteed debt	-	-	-	-	-	-	-	-	-	-	-
Fair value amortisation of financial instruments	35	-	-	-	-	-	-	(35)	-	-	-
Amortisation of intangible assets	75	-	-	-	-	-	-	-	(75)	-	-
Acquisition transaction and integration expenses	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Earnings</b>	<b>3,555</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,555</b>



## 8.1 Group Half Year Earnings Reconciliation

Six months to 31 March 2013	WBC Reported Results	Cash Earnings adjustments									Cash Earnings
		Policyholder Tax Recoveries	TPS Revaluations	Treasury Shares	Ineffective Hedges	Fair value gain/(loss) on economic hedges	Buyback of government guaranteed debt	Fair value amortisation of financial instruments	Amortisation of intangible assets	Acquisition transaction and integration expenses	
<b>\$m</b>											
Net interest income	6,292	-	-	-	(36)	81	62	46	-	-	6,445
<i>Fees and commissions</i>	1,330	-	-	-	-	-	-	-	-	-	1,330
<i>Wealth management &amp; insurance income</i>	918	(19)	-	35	-	-	-	-	-	-	934
<i>Trading income</i>	517	-	-	-	3	-	-	-	-	-	520
<i>Other income</i>	113	-	13	-	-	-	-	-	-	-	126
Non-interest income	2,878	(19)	13	35	3	-	-	-	-	-	2,910
Net operating income	9,170	(19)	13	35	(33)	81	62	46	-	-	9,355
<i>Salaries and other staff expenses</i>	(2,160)	-	-	-	-	-	-	-	-	-	(2,160)
<i>Equipment and occupancy expenses</i>	(660)	-	-	-	-	-	-	-	-	-	(660)
<i>Other expenses</i>	(1,113)	-	-	-	-	-	-	-	109	-	(1,004)
Operating expenses	(3,933)	-	-	-	-	-	-	-	109	-	(3,824)
<b>Core earnings</b>	<b>5,237</b>	<b>(19)</b>	<b>13</b>	<b>35</b>	<b>(33)</b>	<b>81</b>	<b>62</b>	<b>46</b>	<b>109</b>	<b>-</b>	<b>5,531</b>
Impairment charges	(438)	-	-	-	-	-	-	-	-	-	(438)
<b>Operating profit before tax</b>	<b>4,799</b>	<b>(19)</b>	<b>13</b>	<b>35</b>	<b>(33)</b>	<b>81</b>	<b>62</b>	<b>46</b>	<b>109</b>	<b>-</b>	<b>5,093</b>
Income tax expense	(1,477)	19	(5)	(6)	10	(24)	(19)	(14)	(33)	-	(1,549)
<b>Net profit</b>	<b>3,322</b>	<b>-</b>	<b>8</b>	<b>29</b>	<b>(23)</b>	<b>57</b>	<b>43</b>	<b>32</b>	<b>76</b>	<b>-</b>	<b>3,544</b>
Net profit attributable to non-controlling interests	(35)	-	-	-	-	-	-	-	(1)	-	(36)
<b>NET PROFIT ATTRIBUTABLE TO OWNERS OF WBC</b>	<b>3,287</b>	<b>-</b>	<b>8</b>	<b>29</b>	<b>(23)</b>	<b>57</b>	<b>43</b>	<b>32</b>	<b>75</b>	<b>-</b>	<b>3,508</b>
<b>WBC Cash Earnings adjustments:</b>											
TPS revaluations	8	-	(8)	-	-	-	-	-	-	-	-
Treasury shares	29	-	-	(29)	-	-	-	-	-	-	-
Ineffective hedges	(23)	-	-	-	23	-	-	-	-	-	-
Fair value gain/(loss) on economic hedges	57	-	-	-	-	(57)	-	-	-	-	-
Buyback of government guaranteed debt	43	-	-	-	-	-	(43)	-	-	-	-
Fair value amortisation of financial instruments	32	-	-	-	-	-	-	(32)	-	-	-
Amortisation of intangible assets	75	-	-	-	-	-	-	-	(75)	-	-
Acquisition transaction and integration expenses	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Earnings</b>	<b>3,508</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,508</b>

## 9.0 ECONOMIC PROFIT

Six months to 31 March 2014								
	Group	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand	Westpac Pacific
<b>\$m</b>								
Cash Earnings								
Franking benefit								
Adjusted Cash Earnings								
Average ordinary equity								
Equity charge								
<b>Economic profit</b>								

  

Six months to 30 September 2013								
	Group	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand	Westpac Pacific
<b>\$m</b>								
Cash Earnings	3,555	1,213	701	410	2,324	790	336	79
Franking benefit	940	366	210	115	691	217	-	-
Adjusted Cash Earnings	4,495	1,579	911	525	3,015	1,007	336	79
Average ordinary equity	44,866	8,617	6,161	2,794	17,572	7,366	3,255	362
Equity charge	(2,475)	(475)	(340)	(155)	(970)	(406)	(188)	(20)
<b>Economic profit</b>	<b>2,020</b>	<b>1,104</b>	<b>571</b>	<b>370</b>	<b>2,045</b>	<b>601</b>	<b>148</b>	<b>59</b>

  

Six months to 31 March 2013								
	Group	Westpac Retail & Business Banking	St.George Banking Group	BT Financial Group (Australia)	AFS	Westpac Institutional Bank	New Zealand	Westpac Pacific
<b>\$m</b>								
Cash Earnings	3,508	1,142	691	363	2,196	785	296	64
Franking benefit	944	341	209	108	658	224	-	-
Adjusted Cash Earnings	4,452	1,483	900	471	2,854	1,009	296	64
Average ordinary equity	43,831	8,499	6,161	2,870	17,530	8,040	3,223	344
Equity charge	(2,404)	(466)	(338)	(157)	(961)	(441)	(174)	(19)
<b>Economic profit</b>	<b>2,048</b>	<b>1,017</b>	<b>562</b>	<b>314</b>	<b>1,893</b>	<b>568</b>	<b>122</b>	<b>45</b>