

Westpac

David Morgan
Chief Executive Officer
September 2007

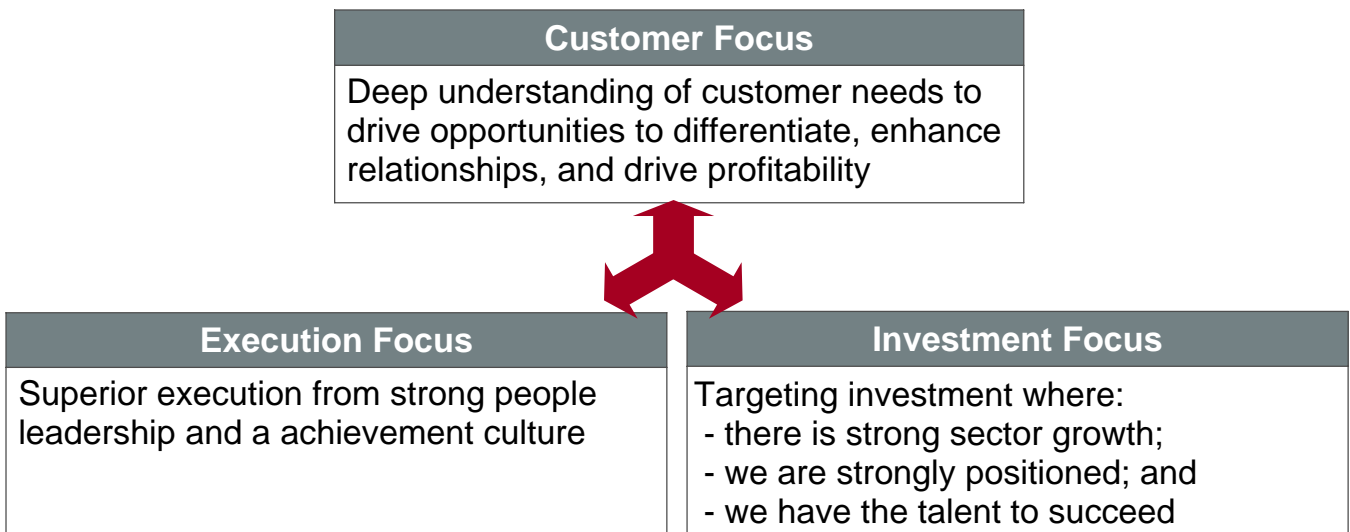
Introduction

- Strategy has never been clearer – particularly growth options
- Strong wealth position – more to come
- Current market conditions create more opportunities than risks
- Confident outlook

Delivering on our strategy

Focussed on core markets	<ul style="list-style-type: none"> • Leveraging Australasian growth opportunities 	<ul style="list-style-type: none"> - Superannuation - High growth segments and regions in Australia and New Zealand
Oriented to growth	<ul style="list-style-type: none"> • Greater investment in high growth opportunities • Expanding front-line footprint 	
Sector leading platforms	<ul style="list-style-type: none"> • Driving value from Pinnacle, Reach and Corporate Online • Leveraging Wrap and Super platforms 	
Disciplined and controlled risk	<ul style="list-style-type: none"> • Growing revenues well above expense growth • Provisioning fully in line with growth and credit environment • More granular business unit focus 	
Sustainably led	<ul style="list-style-type: none"> • Creating longer term value and lower risk 	<ul style="list-style-type: none"> - Leading employee commitment and engagement - Employer of choice - Brand differentiation

Clear strategic principles



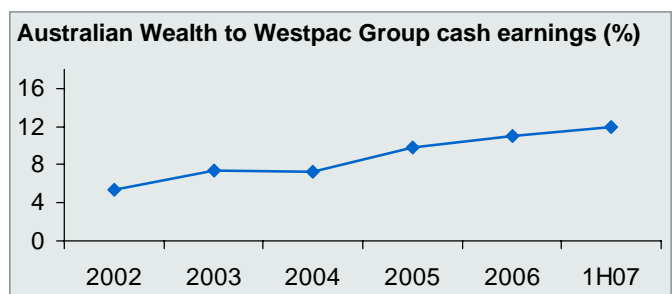
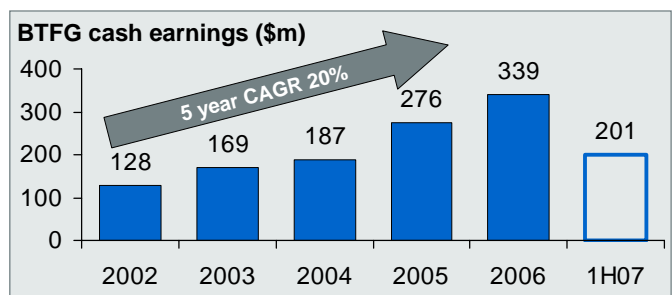
In everything we do, we remain committed to creating a sustainable future

Clear and distinctive strategic choices

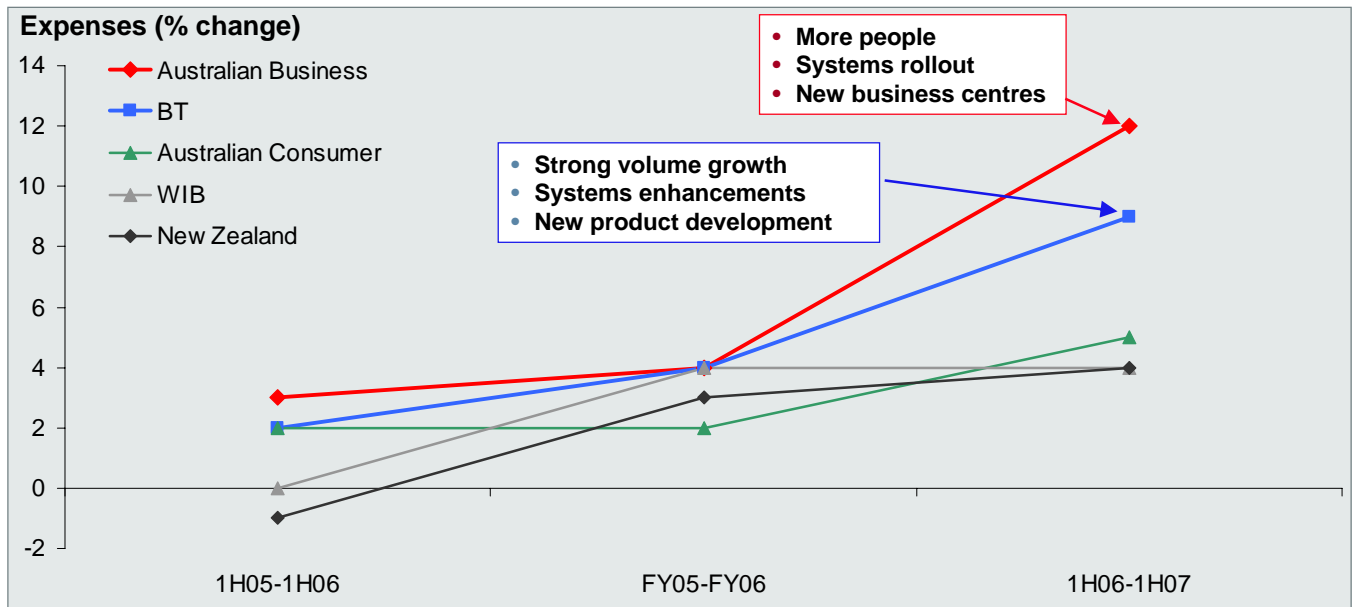
Key Growth Investments	Substantial investment in wealth	<ul style="list-style-type: none"> • Acquisition of BT exceeded expectations • Stronger integration of wealth and banking, more financial planners • Strong growth in specialised funds management and equities
	Substantial investment in Business Banking	<ul style="list-style-type: none"> • Expanding business centre network and increasing workforce • Substantially improving speed and service delivery • Enhancing product base including cash management and wealth
Mature, Heartland Businesses	Remodelling distribution	<ul style="list-style-type: none"> • Consumer - new operating model, expanded footprint, enhancing on-line • Redesigned customer coverage model in Institutional Banking
	Lowering costs of mature, consumer products	<ul style="list-style-type: none"> • Overhauling mortgage operations • Detailed review of Consumer liabilities cost base
	Efficiency focused turnaround in NZ	<ul style="list-style-type: none"> • Detailed review of opportunities • Strong productivity and cost focus

Delivering on growth strategy - wealth

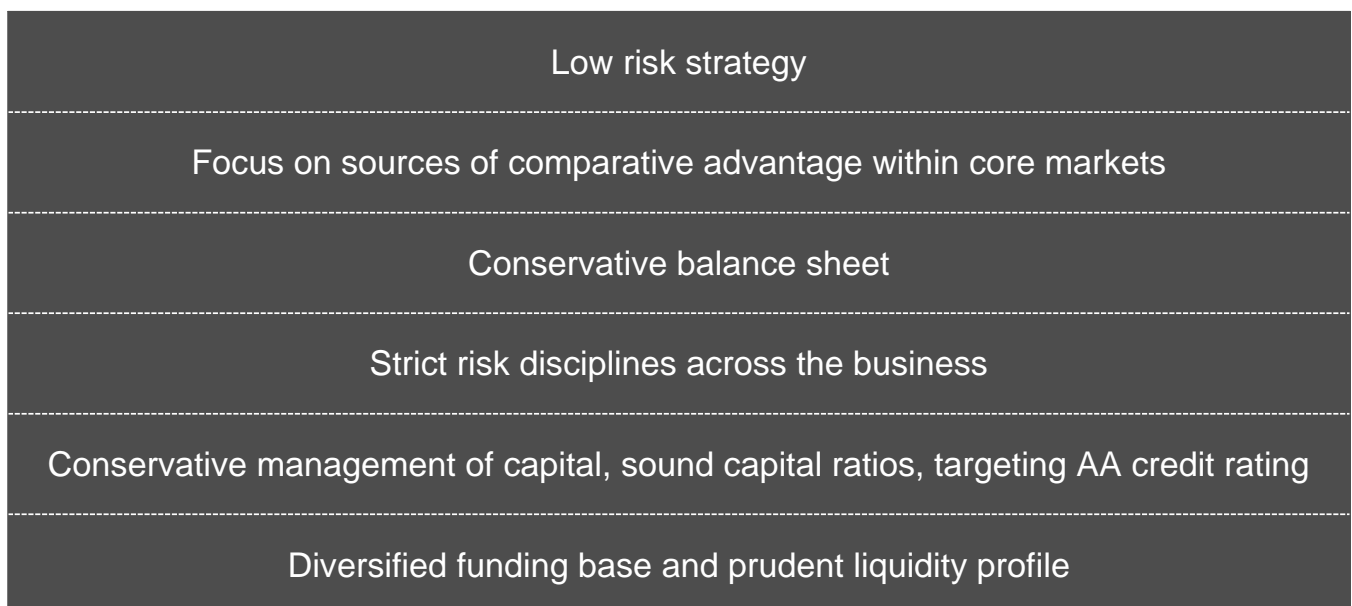
- High growth achieved to date
- Strong banking/wealth proposition – best in sector
- Actively positioned for future growth
 - Captured >\$3bn in flows pre 30 June from bank-wide project
 - Investing in new simple DIY online super product
 - Improving insurance cross sell
- Creating investment product via Specialised Capital Group / Hastings



Substantial rise in proportion of opex is focussed on growth



Westpac well positioned in current volatile environment



Medium term benefits and opportunities

Current market conditions present opportunities to well-rated, low risk, major banks

Re-pricing of risk

Flight to quality

Market volatility

Corporate and business lending

- Wider credit spreads, more appropriate pricing for risk
- Expect more direct lending with our customers

Trading

- Increased volatility is improving customer flow
- Higher volatility increases trading opportunities

Competition

- Competitive position of some non-bank lenders and some regional banks expected to come under pressure due to more difficult funding conditions

Current market conditions have not changed strong outlook

Westpac is well positioned across the 3 main areas of impact:

Financial Assets	Counterparties	Liquidity and Funding
<ul style="list-style-type: none"> • No direct exposure to US sub-prime mortgages • No CDOs backed by US sub-prime mortgages • No US RMBS 	<ul style="list-style-type: none"> • >98% of all exposures to Australia and NZ • Counterparties with exposure to US mortgages are highly rated financial institutions • Exposures to other counterparties, e.g. hedge funds, not individually significant 	<ul style="list-style-type: none"> • Continuing to source funding, although conditions are tighter and funding cost higher • Large retail deposit base • Diversified wholesale funding sources • Sound liquidity position with increased flexibility

Enhanced franchise health

WIB Lead Bank league table*

Relationship

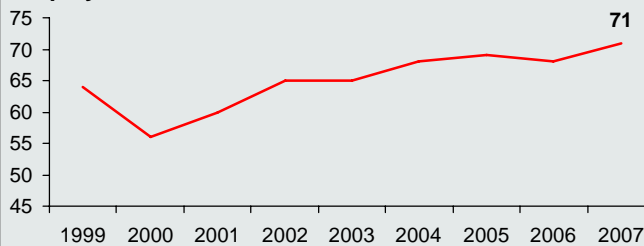
- #1 equal Lead Bank (up from #2 in 2006)
- #1 Relationship Strength Index (up from #2 in 2006)
- #1 Customer Satisfaction Index (up from #2 in 2006)

Transactional

- #1 Lead Domestic Transactional Bank (unchanged)
- #1 Relationship Strength Index (up from =#1 in 2006)
- #1 Customer Satisfaction Index (up from #2 in 2006)

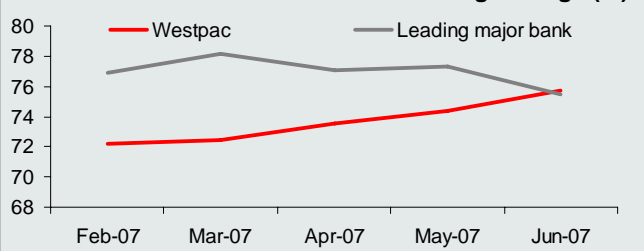
* 2007 Peter Lee Large Corporate and Institutional Relationship Banking and Transactional Banking Surveys, Australia

Employee commitment



Source: Westpac 2007 employee perspective survey

MFI Customer satisfaction 3 month rolling average (%)



Source: Roy Morgan Research - % of customers very/fairly satisfied with their main financial institution (MFI) that are aged 14+

2007 Full Year Outlook

- Trends evident in first half of 2007 continue to persist
 - Solid loan growth in line with system (slower institutional lending)
 - Margin decline in line with market
- Wealth continuing to deliver
- Current market turmoil has had little impact on 2007 earnings
- Strong franchise health
- Expect to deliver a strong result for shareholders in 2007
 - Solid earnings growth
 - High return on equity
 - Sustainable and high quality performance

Summary

- Westpac's underlying strategy has been consistent
- Substantially improved implementation of strategy
- Investment spend aligned to growth and opportunity
- Current volatility to ultimately benefit well managed banks
- Confident outlook

Disclaimer

The material contained in this presentation is intended to be general background information on Westpac Banking Corporation and its activities.

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

The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

The financial information contained in this presentation includes non-GAAP financial measures. For a reconciliation of 1H07 measures to the most comparable GAAP measure, please refer to our 2007 interim financial statements filed with the Securities Exchange Commission and Australian Stock Exchange.

This presentation contains statements that constitute "forward-looking statements" within the meaning of section 21E of the U.S. Securities Exchange Act of 1934. The forward-looking statements include statements regarding our intent, belief or current expectations with respect to our business and operations, market conditions and results of operations and financial condition, including, without limitation, indicative drivers, indicative revenue contribution by portfolio, expected medium term revenue growth and forecasted economic indicators and performance metric outcomes.

These statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions. We use words such as 'may', 'expect', 'indicative', 'intend', 'forecast', 'estimate', 'anticipate', 'believe', or similar words to identify forward-looking statements. Should one or more of the risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from the expectations described in this presentation. Factors that may impact on the forward-looking statements made include those described in the sections entitled 'Risk factors,' 'Competition' and 'Risk management' in Westpac's 2006 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. When relying on forward-looking statements to make decisions with respect to us, investors and others should carefully consider such factors and other uncertainties and events. We are under no obligation, and do not intend, to update any forward looking statements contained in this presentation.