

WESTPAC BANKING CORPORATION

A quick guide for investors

OVERVIEW

Westpac is Australia's first bank and company, founded in 1817. Today the company is:

- one of the largest financial services organisations in Australia and New Zealand;
- one of Australia's 10 largest publicly listed companies; and
- one of the top 50 banks in the world by market capitalisation.

Westpac provides a broad range of banking and financial services, including retail, commercial and institutional banking, combined with a high growth wealth management operation.

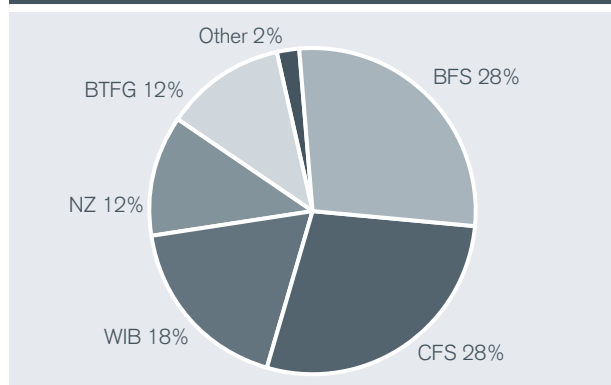
KEY POINTS OF DIFFERENTIATION

- Consistency of earnings and returns:
 - 10 year compound average growth rate (CAGR) of 10% in cash earnings per share;
 - 10 year total share return CAGR of 18%; and
 - Return on equity averaged over 20% for the last 5 years.
- Focus on core markets of Australia, New Zealand and the near Pacific, with no strategic gaps.
- Strong position in wealth, with BT Financial Group delivering over 20% cash earnings growth per annum, for last 3 years.
- Global leader in governance and sustainability. No 1 in Dow Jones Sustainability Index for 5 of the last 6 years.

Position at 30 September 2007

Net profit after tax	(▲12%)	A\$3,451 million
Cash earnings	(▲14%)	A\$3,507 million
Return on equity		24%
Cost to income ratio		45%
Tier 1 ratio		6.5%
Total loans	(▲16%)	A\$273 billion
Total assets	(▲25%)	A\$375 billion
Total deposits	(▲19%)	A\$199 billion
Customers		7.1 million
Market capitalisation		A\$53 billion
Listed on ASX, NZX and NYSE		

Net Profit by business unit (%)



Business unit summaries	Divisional focus	Net profit after tax growth 2006–2007
Business Financial Services (BFS) Provide sales, service and product development for almost 500,000 small and medium sized business customers across Australia	<ul style="list-style-type: none"> ■ Enhance footprint via more bankers and specialist commercial banking centres ■ Capitalise on our expertise in cash flow and wealth solutions ■ Simplify our processes to benefit customers 	▲ 11%
Consumer Financial Services (CFS) Large retail franchise, including mortgage and credit card origination, and deposit taking; with 825 branches and 1,666 ATMs Australia wide	<ul style="list-style-type: none"> ■ Improve local presence with more tailored distribution network ■ RAMS acquisition added around 10% to distribution footprint ■ Better utilisation of market-leading client relationship infrastructure 	▲ 21%
Westpac Institutional Bank (WIB) Leading Australasian wholesale bank, focussed on corporate, institutional and government customers in Australia and New Zealand	<ul style="list-style-type: none"> ■ Lead bank in debt markets, transactional banking and foreign exchange ■ Capitalise on current funding conditions to further build relationships ■ Develop growth businesses in specialist funds, equities and energy 	▲ 16%
BT Financial Group (BTFG) Westpac's wealth, insurance and private banking operation; Funds Under Management \$41bn and Funds Under Administration \$46bn	<ul style="list-style-type: none"> ■ Invest to capture upside in this high growth / low capital intensity business ■ Capitalise on sector leading platforms in Wrap and superannuation ■ Further develop cross sell across superannuation and insurance 	▲ 23%
New Zealand Banking (NZ) One of New Zealand's largest full service banks; with over 1.5 million customers; 197 branches and 476 ATMs. #1 Business Bank and #2 Consumer Bank	<ul style="list-style-type: none"> ■ New management improving financial discipline and returns ■ Productivity focus and introduction of new technology platforms ■ Improve customer satisfaction through development of frontline staff 	▲ 2% ¹

1 in NZ\$ terms

5 YEAR SUMMARY¹

	2007	2006	2005	2004	2003
Income statements – years ended 30 September	\$m	\$m	\$m	\$m	\$m
Net interest income	6,313	5,642	5,259	4,755	4,326
Non-interest income	3,860	3,575	3,454	3,255	3,004
Net operating income	10,173	9,217	8,713	8,010	7,330
Operating expenses	(4,543)	(4,295)	(4,159)	(3,940)	(3,763)
Amortisation of goodwill	0	0	0	(164)	(163)
Impairment charges	(482)	(375)	(382)	(414)	(485)
Profit from ordinary activities before income tax expense	5,148	4,547	4,172	3,492	2,919
Income tax expense	(1,630)	(1,422)	(1,223)	(913)	(728)
Net profit attributable to minority interests	(67)	(54)	(251)	(40)	(8)
Net profit attributable to equity holders	3,451	3,071	2,698	2,539	2,183
Goodwill amortisation	0	0	0	164	163
Distributions on other equity instruments	0	0	49	(154)	(75)
TPS revaluations	38	30	25	10	0
Treasury Shares	29	9	32	0	0
Other cash earnings adjustments	(11)	(31)	0	0	0
Cash earnings	3,507	3,079	2,804	2,559	2,271
Balance sheets at 30 September	\$m	\$m	\$m	\$m	\$m
Loans and acceptances	272,545	234,484	203,150	188,005	164,261
Other assets	102,276	65,094	63,113	57,074	57,078
Total assets	374,821	299,578	266,263	245,079	221,339
Deposits and public borrowings	199,222	167,741	149,252	146,533	129,071
Debt issues	87,126	66,080	48,754	36,188	29,970
Loan capital	7,704	5,957	4,214	4,431	4,544
Other liabilities	62,938	43,702	47,150	41,610	43,758
Total liabilities	356,990	283,480	249,370	228,762	207,343
Total equity	17,831	16,098	16,893	16,317	13,996
Key Financial Ratios					
Shareholder value					
Dividends per ordinary share (cents)	131	116	100	86	78
Dividend payout ratio (%)	70.1	69.4	67.2	66.6	67.5
Dividend payout ratio – cash earnings (%)	69.2	69.4	66.0	62.0	62.6
Return on average ordinary equity (%)	23.5	23.0	21.7	19.9	19.2
Cash earnings to average ordinary equity (%)	23.8	23.0	22.2	21.4	20.7
Earnings per share (cents)	186.9	167.2	148.9	129.2	115.6
Net tangible assets per ordinary share (\$)	6.96	6.12	5.69	5.47	4.97
Share price (\$):					
High	28.69	25.35	21.40	18.28	17.14
Low	22.53	20.14	17.52	15.00	12.83
Close	28.50	22.71	21.10	17.73	16.20
Business performance					
Operating expenses to operating income ratio (%)	44.7	46.6	47.7	49.2	51.3
Net interest margin (%)	2.19	2.29	2.45	2.53	2.62
Productivity ratio (net operating income to salaries and other staff expenses)	4.01	4.01	4.08	4.03	3.99
Capital adequacy					
Total equity to total assets (%)	4.8	5.4	6.3	6.7	6.3
Total equity to total average assets (%)	5.4	5.7	6.6	6.9	6.7
Tier 1 ratio (%)	6.5	6.9	7.2	6.9	7.2
Adjusted common equity (ACE) (%)	4.5	4.6	4.8	4.8	5.0
Total capital ratio (%)	9.5	9.6	9.7	9.7	10.5
Credit quality					
Net impaired assets to equity and collectively assessed provisions (%)	1.4	1.5	1.9	2.5	2.9
Total provisions to gross loans and acceptances (basis points)	61.6	63.0	84.0	91.0	94.0
Other information					
Points of bank representation (number at year end)	1,073	1,068	1,060	1,065	1,069
Full-time equivalent employees (number at year end)	28,018	27,224	27,138	27,013	26,780

1. The Summary Income and Balance Sheet have been extracted from the Westpac 2007 Annual Report. The 2007, 2006 and 2005 results are presented on an AIFRS basis. The 2004 and 2003 results are presented on the previous AGAAP basis. For more detail please refer to the 2007 Westpac Annual Report, which is available at www.westpac.com.au/investorcentre

HIGH QUALITY PORTFOLIO

Westpac's strategy to pursue organic growth in Australia and New Zealand has underpinned a conservative balance sheet composition.

Exposures outside core markets represent less than 2% of total committed exposures.

Asset quality remains sound, benefiting from a well-diversified loan portfolio, a high level of low risk retail assets, and sound underwriting standards.

Australian and New Zealand prime mortgages represent 55% of funded lending, with losses on this portfolio approximately 1 basis point in 2007.

Westpac's focus on core markets has also limited the bank's exposure to financial assets affected by global credit market dislocation. Westpac has:

- No direct exposure to US sub-prime mortgages;
- No securities backed by US sub-prime mortgages and no US mortgage securities; and
- No exposure to specialised investment vehicles.

WBC has a strong corporate governance framework and risk management capabilities, and has been accredited for advanced approaches available under the Basel II framework.

CREDIT RATINGS

Standard and Poor's	AA/Stable/A-1+
Moody's Investor Services	Aa1/Stable/P-1
Fitch Ratings	AA-/Stable/F1+

GROUP FUNDING

Westpac's customer deposits provide the majority of the bank's funding and represent a well-diversified and stable source of funds.

The Bank's wholesale funding franchise is also well established, with a strategy focused on building and maintaining diversity and flexibility across markets. This strategy has been consistent over more than 10 years. As a result, Westpac's wholesale funding base is well diversified across maturity, investor base, currency, geography and instrument.

Westpac issues into the Australian and New Zealand capital markets as well as the United States, Europe and Asian markets, using a variety of instruments with both short and long term maturities, including:

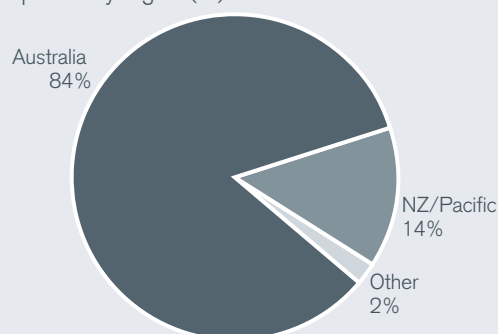
- Medium Term Notes;
- Commercial Paper; and
- Certificates of Deposit

Westpac's profile with global investors is maintained through regular direct contact and proactive debt investor relations.

Treasury centres in Sydney and London facilitate global coverage and timely response to reverse enquiries.

Focus on Australia and New Zealand

Total exposure by region (%)

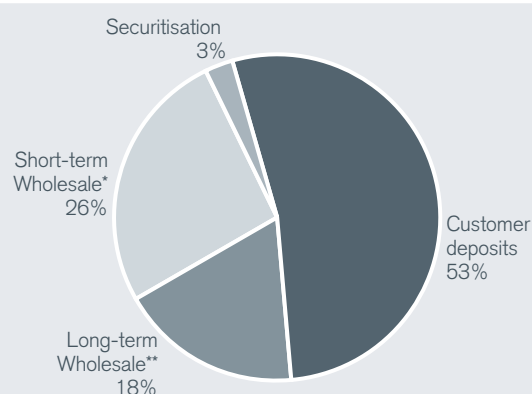


Asset quality remains sound

Gross impaired assets to risk weighted assets (%)



Funding composition (%)



* (net of excess liquid assets) NCD, RCD, USCD, USCP, ECP and Interbank Deposits.

** BMTN, US MTN (144a), SEC Reg, US MTDN, Australian and NZ Domestic, ETCD and X-Notes.

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DELIVERING FOR ALL STAKEHOLDERS

Shareholders have benefited from strong and consistent returns and growth

For 2007:

- Sector leading return on equity at 24%;
- Dividend increased 13%, in line with EPS growth; pay-out ratio sustained at 70%;
- Fully franked dividend, with significant franking surplus of \$274m; and
- Total shareholder return (TSR) of 31% – highest of peers.

For last 10 years:

- Cash earnings CAGR 10%;
- Share price CAGR 13% (versus bank index 11%); and
- Total share return CAGR 18%.

Customer satisfaction improving

- Highest increase in customer satisfaction since January 1997; and
- More than 85% of our customers are satisfied or extremely satisfied with our branch service.

Employee commitment at record levels

- Employee commitment up, to 71%, an all time high;
- Employee turnover 17% - 4 percentage points below sector average; and
- 42% of management are woman.

Sustainability and governance global leaders

- Ranked number one in Australia for corporate responsibility by the Corporate Responsibility Index;
- Rated one of the Global 100's 'Most sustainable Corporations', 2007 World Economic Forum; and
- Ranked as one of the worlds most sustainable companies by Dow Jones Sustainability Index for the seventh year running; and

Community contributions strong

- \$58m community contributions in Australia and NZ in 2007;
- \$1m donated by employees to charity; and
- Over 85% of our employees regularly volunteer or raise funds.

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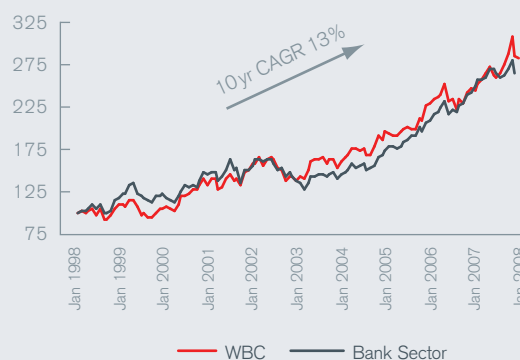
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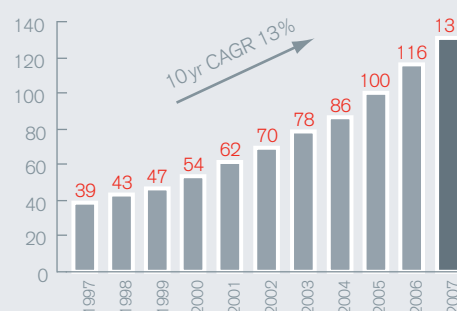
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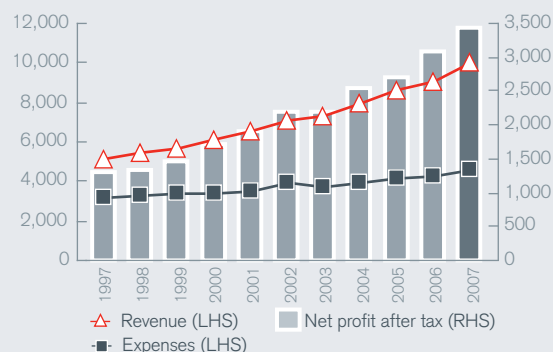
Share price indexed from 1 January 1998



Dividends per share (cents)



Consistent earnings growth



Westpac 2008 calendar

Interim Result	1 May
Ex Dividend Date	19 May
Record Date	23 May
Dividend Paid	2 July
Final Result	30 October
Ex Dividend Date	5 November
Record Date	11 November
Dividend Paid	17 December
Annual General Meeting	11 December