



Westpac
Australia's First Bank

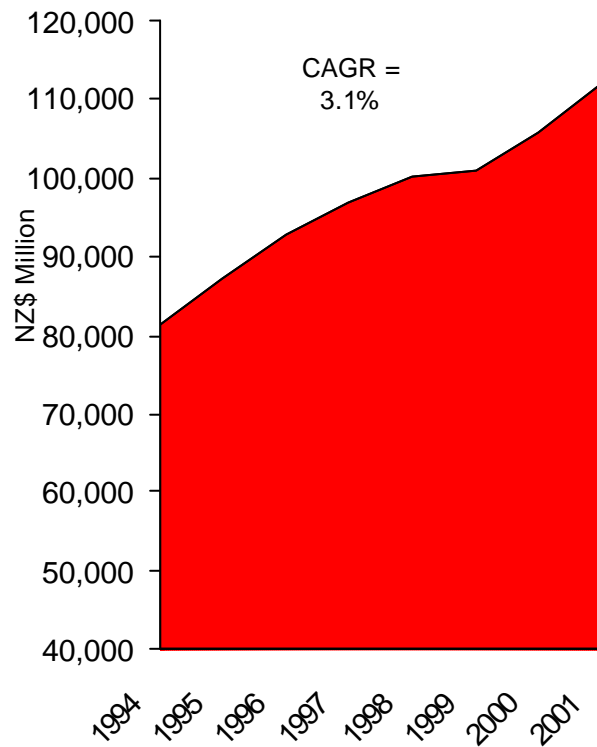
WestpacTrust

Mike Pratt
Group Executive

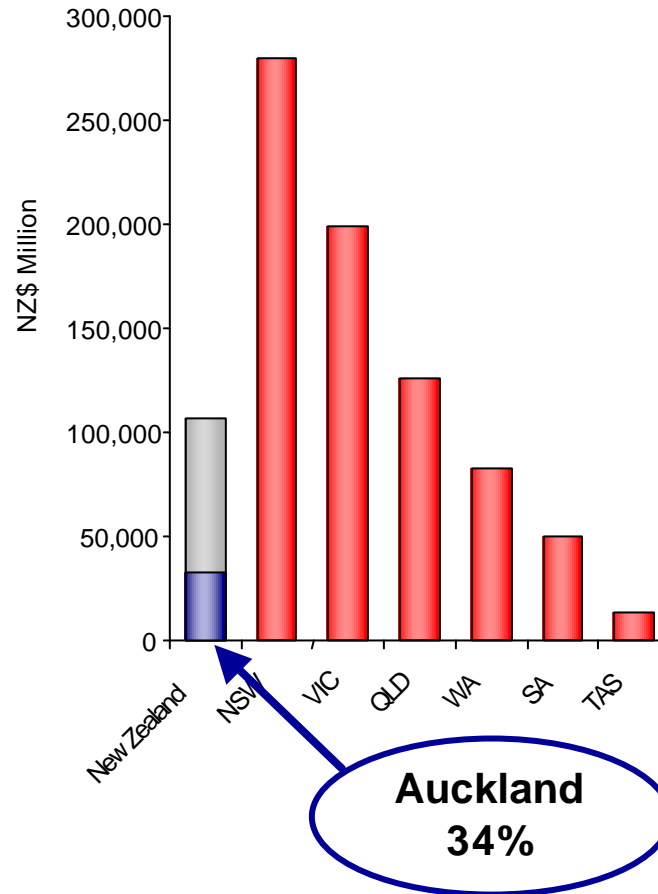
1 August 2002

Introduction to New Zealand

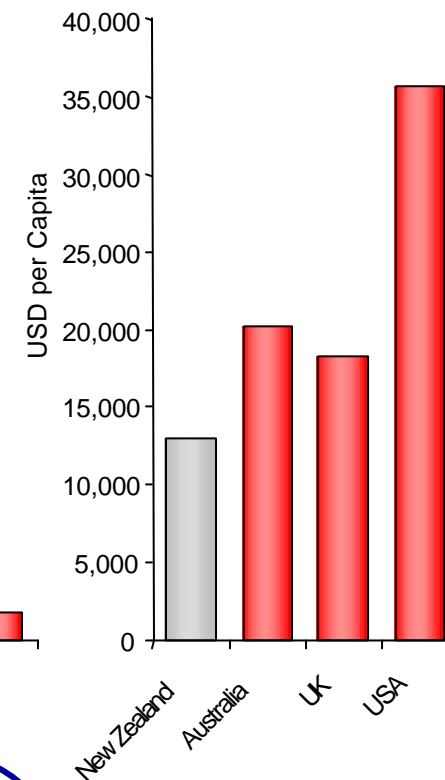
NZ GDP Growth



GDP Comparison, 2001



GDP Per Capita, 2000, USD



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Our biggest opportunities...

- 1 Improve sales effectiveness and productivity**
- 2 Increase Auckland market share**
- 3 Build Australasian operating model with local feel**

Agenda

- **Situation analysis**
- **What are we doing?**
- **What does success look like?**

Situation analysis

We have a strong position, with significant opportunities remaining

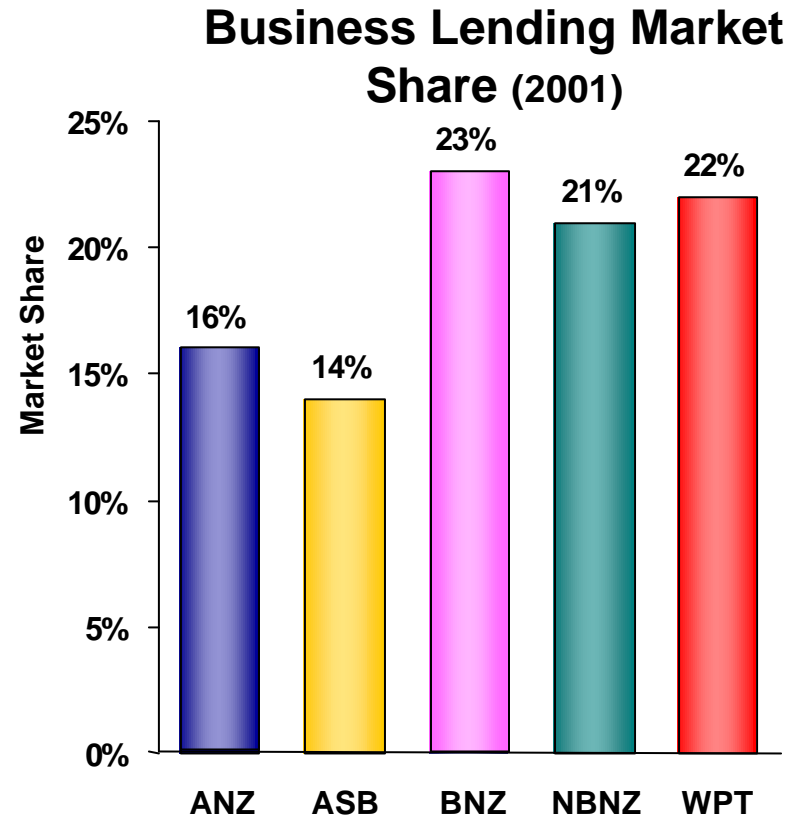
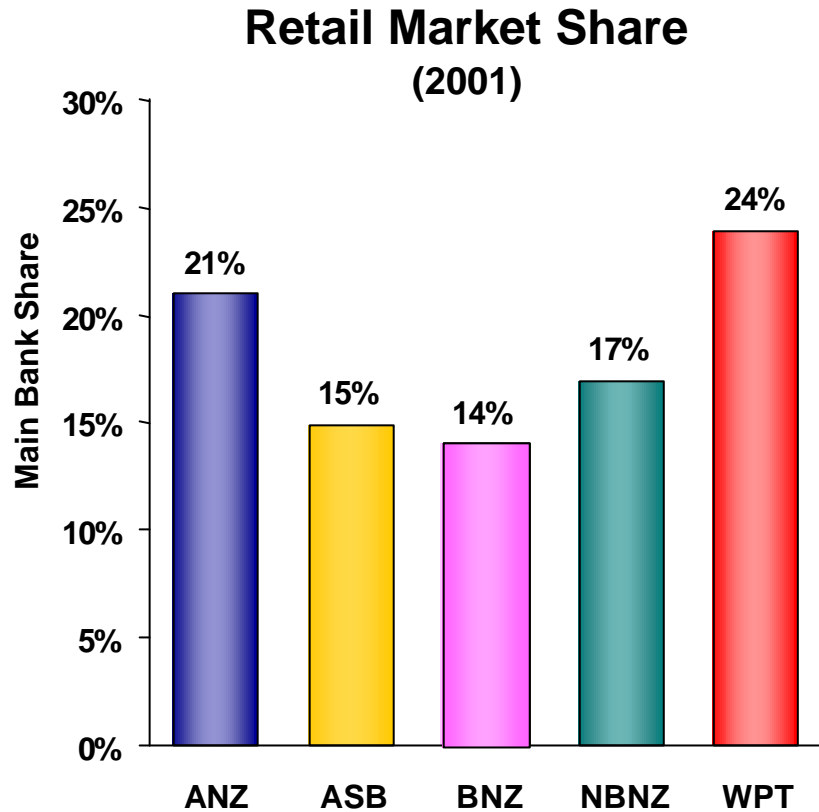
Success

- Largest bank
- Dominant in the South Island
- Highest brand recognition
- Banker to the Government
- Leading retail funds inflow

Key Improvement Areas

- Low share of wallet
- Weak share of Consumer and SME in Auckland
- Low sales force specialisation
- Little leverage of the Australian business

Leading retail, second highest business share

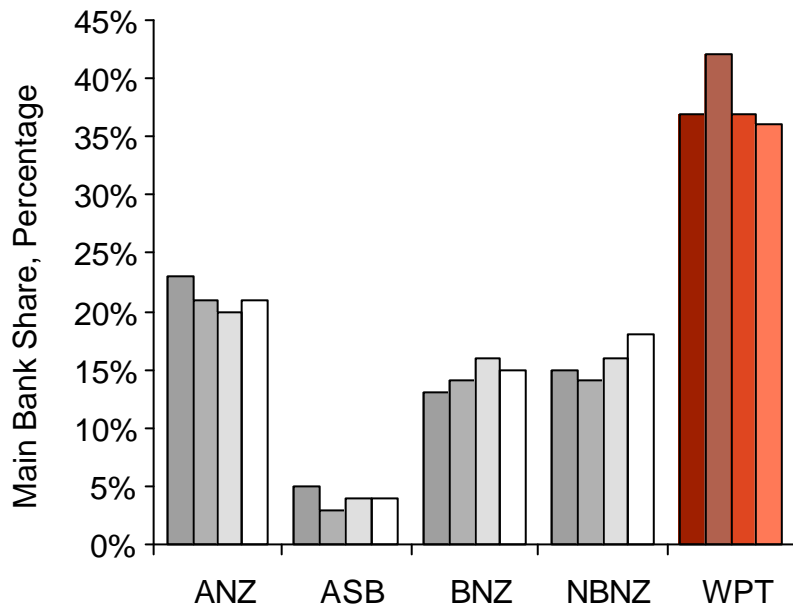


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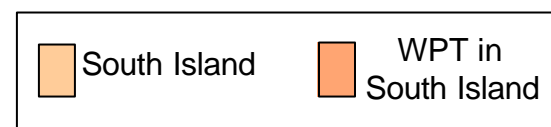
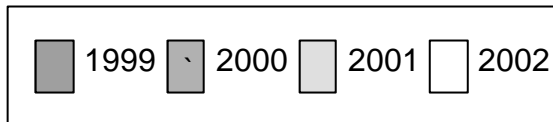
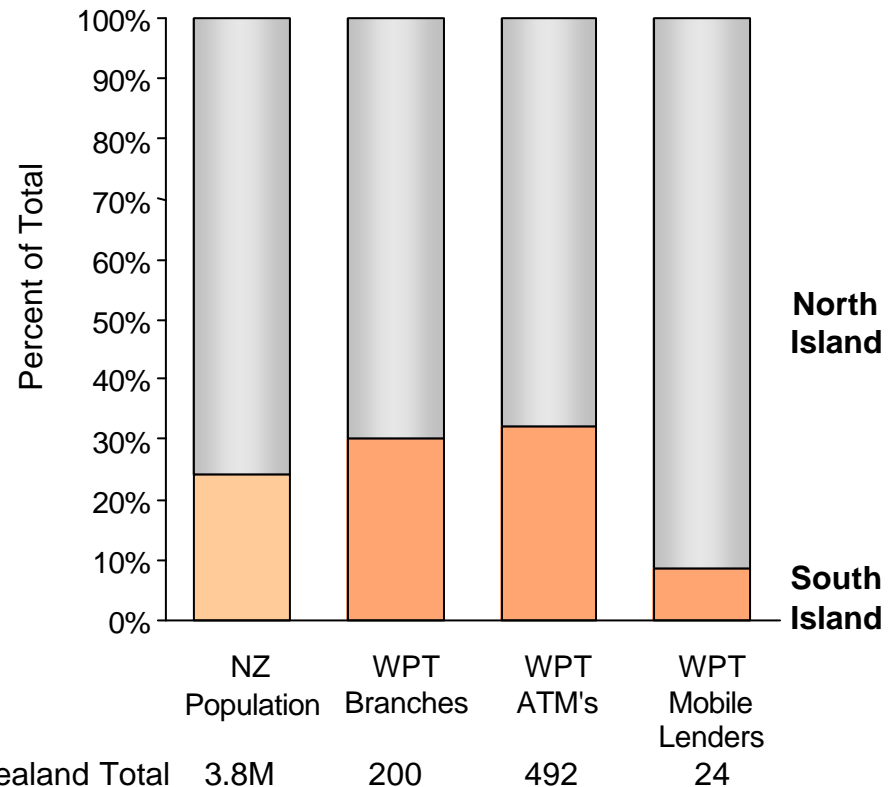
Source: KPMG FIPS NZ 2002, WPT, AC Nielsen, Greenwich

Dominant in the South Island retail market

Main Bank Customer Share of South Island



Retail Footprint



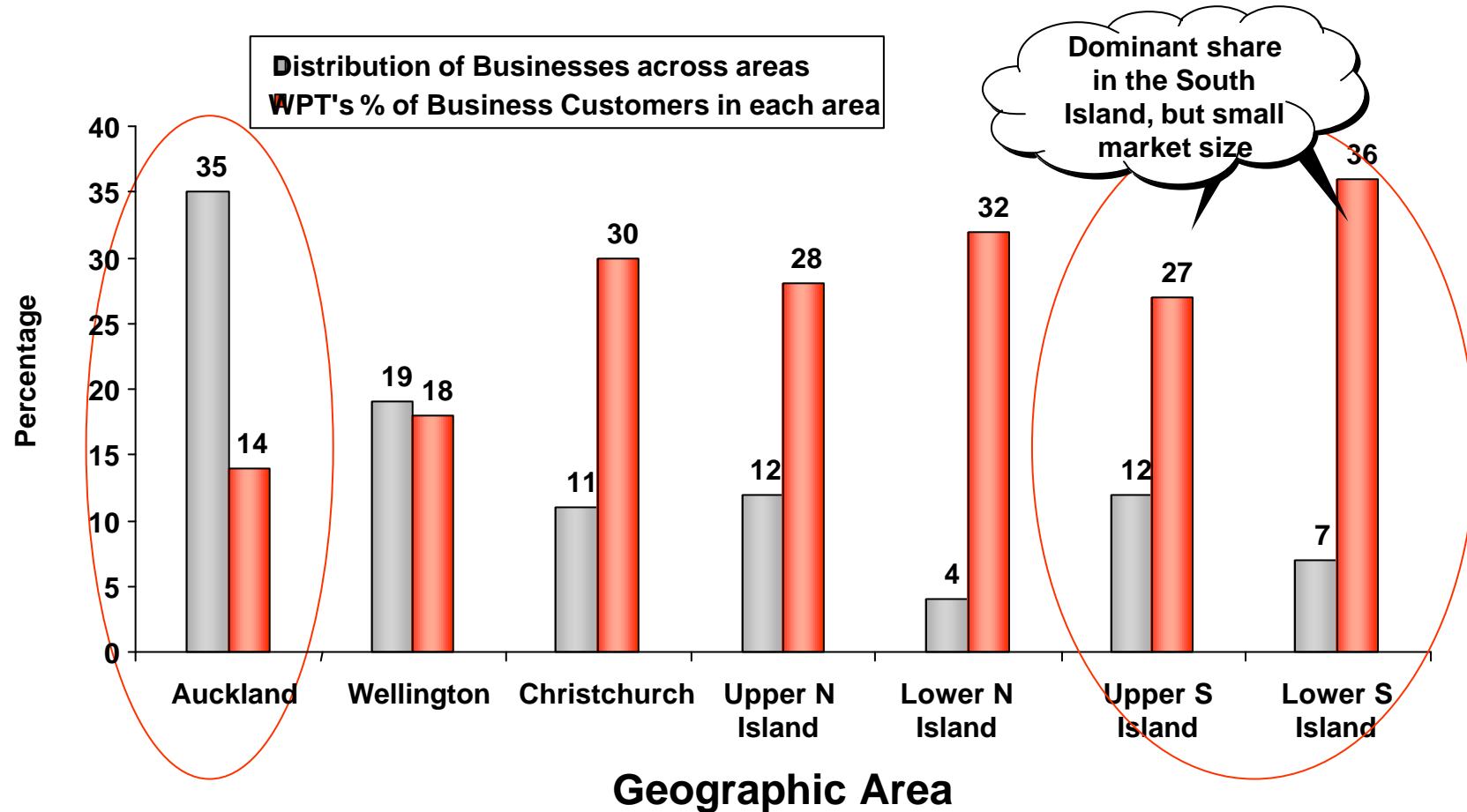
New Zealand Total

NZ Population	3.8M	200	492	24
WPT Branches				
WPT ATM's				
WPT Mobile Lenders				

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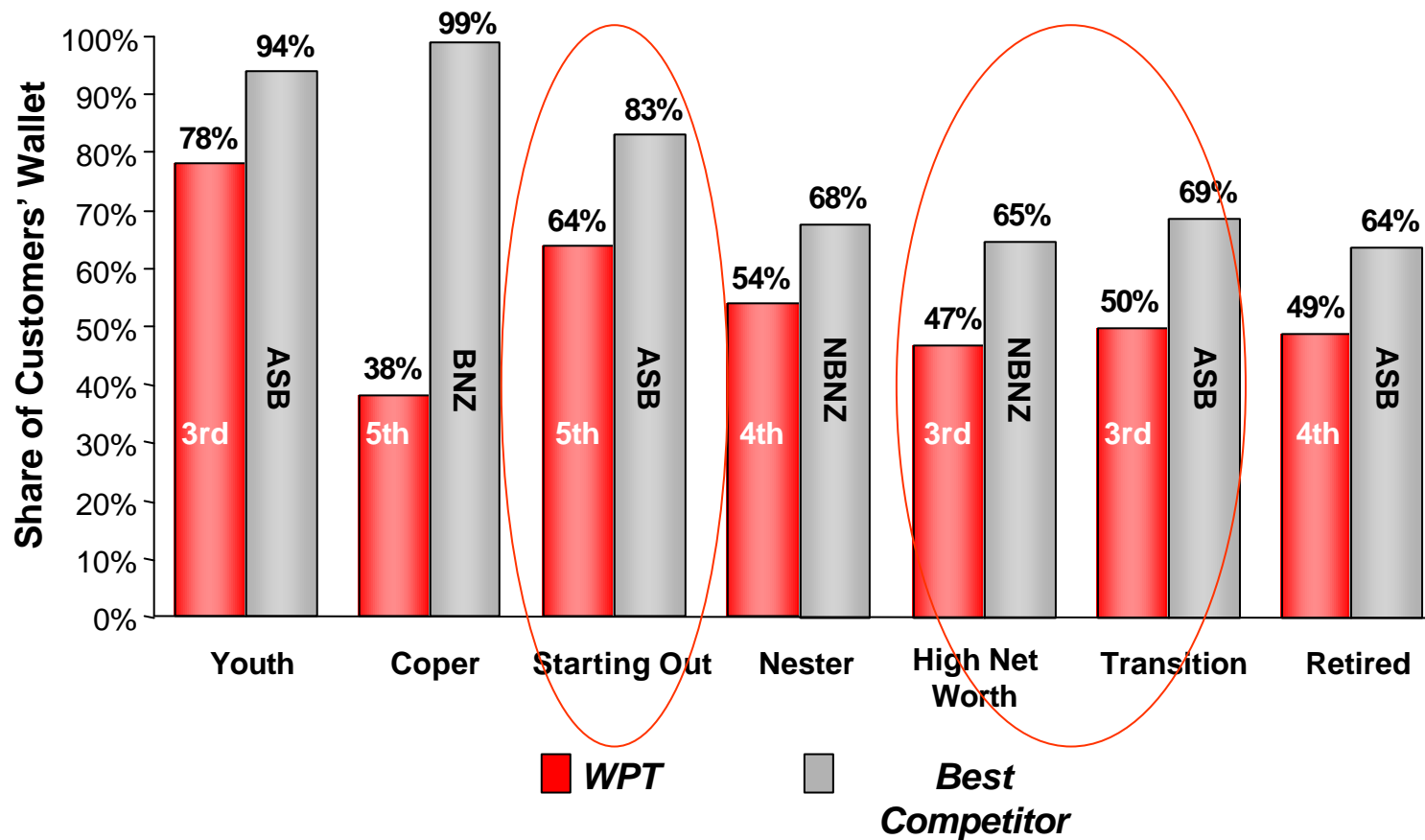
In business, strong in the South Island, weak in Auckland

Distribution of Businesses and WPT Customer Share By Geography



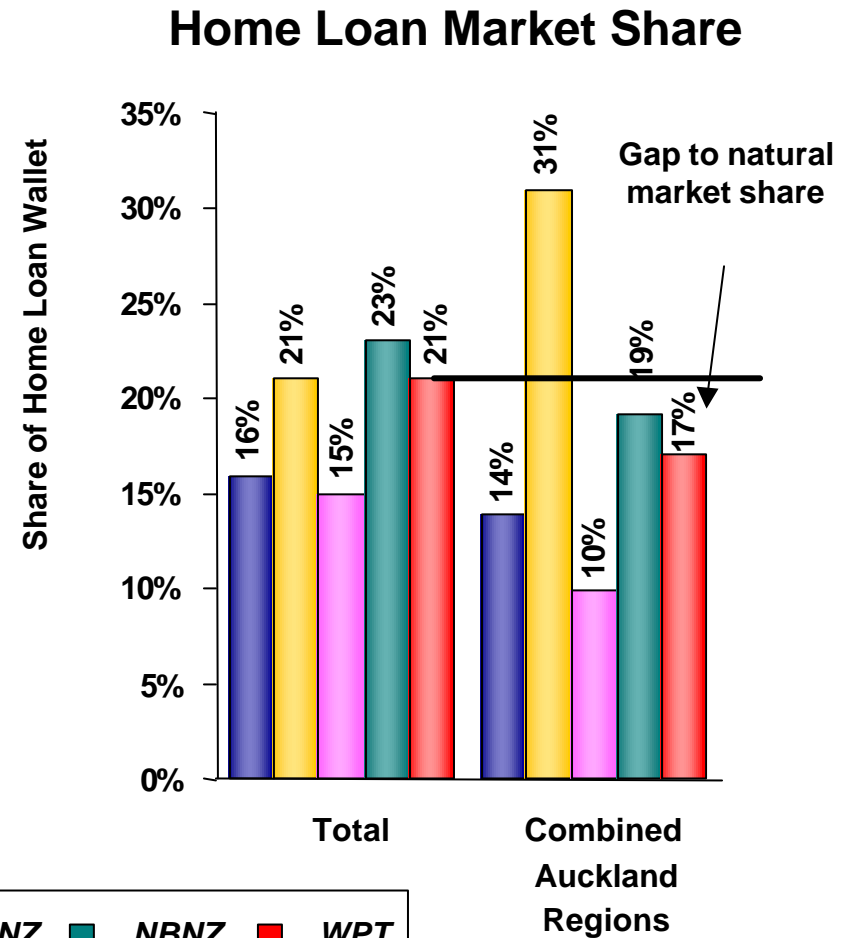
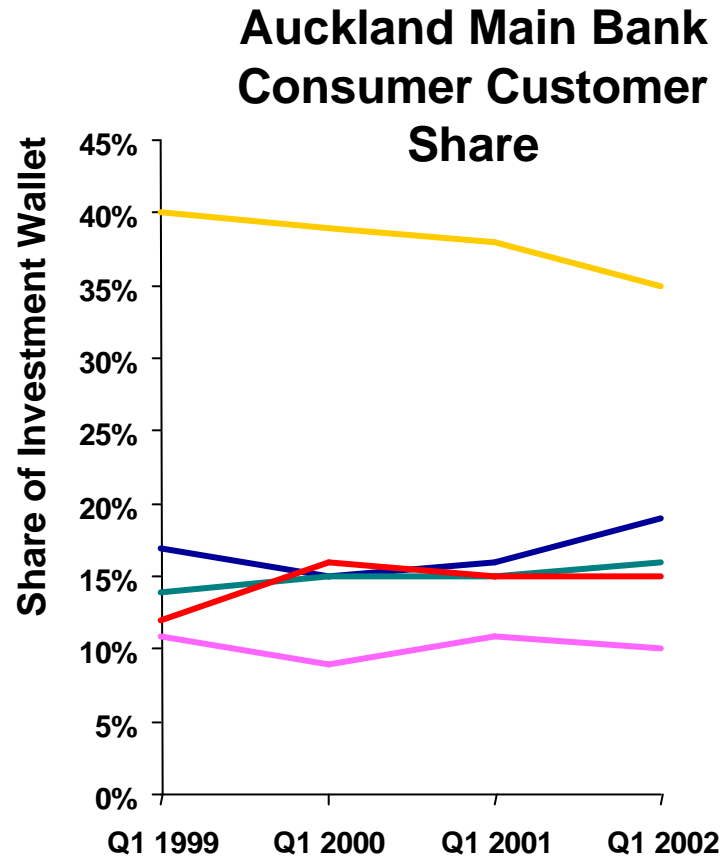
Share of customers' wallet lags

Share of Customers' Wallet By Segment



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Consumer share in Auckland is low



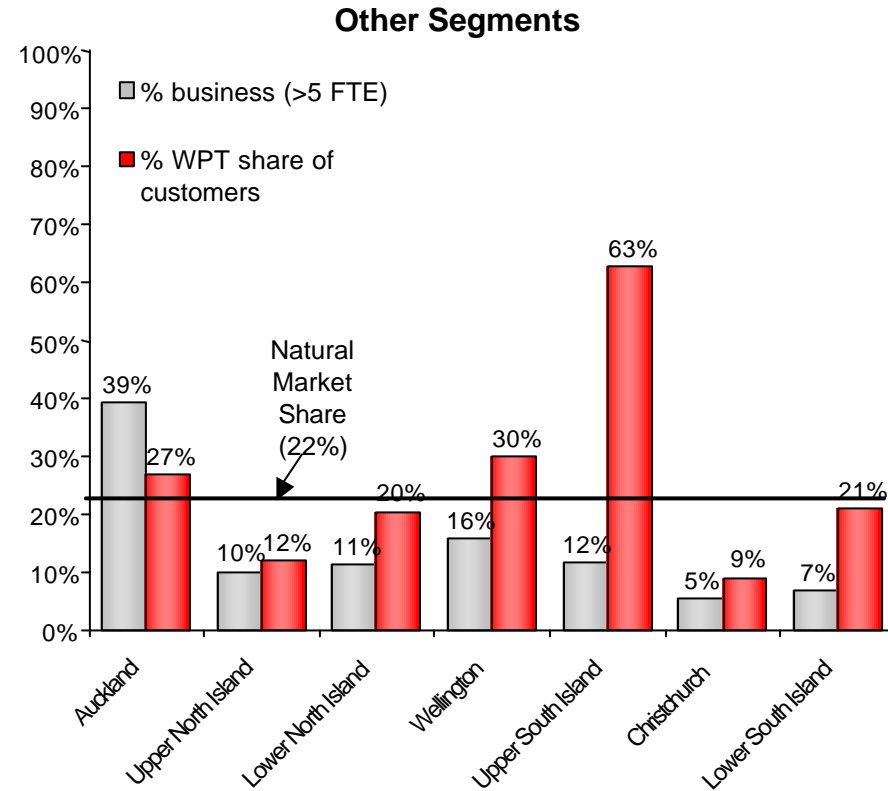
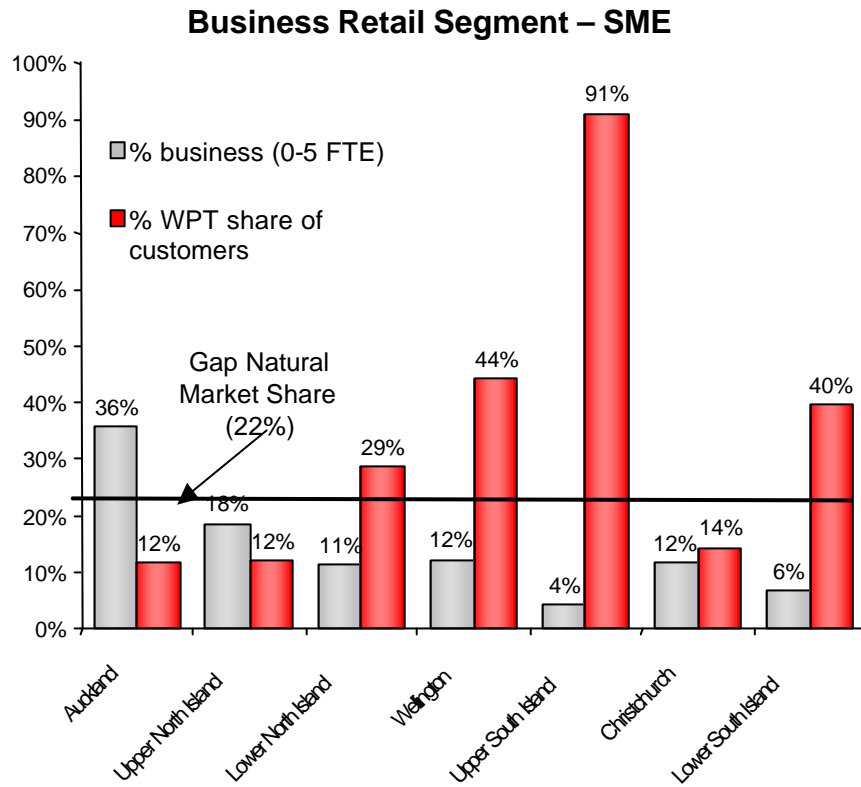
■ ANZ ■ ASB ■ BNZ ■ NBNZ ■ WPT

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A significant gap in SME in Auckland

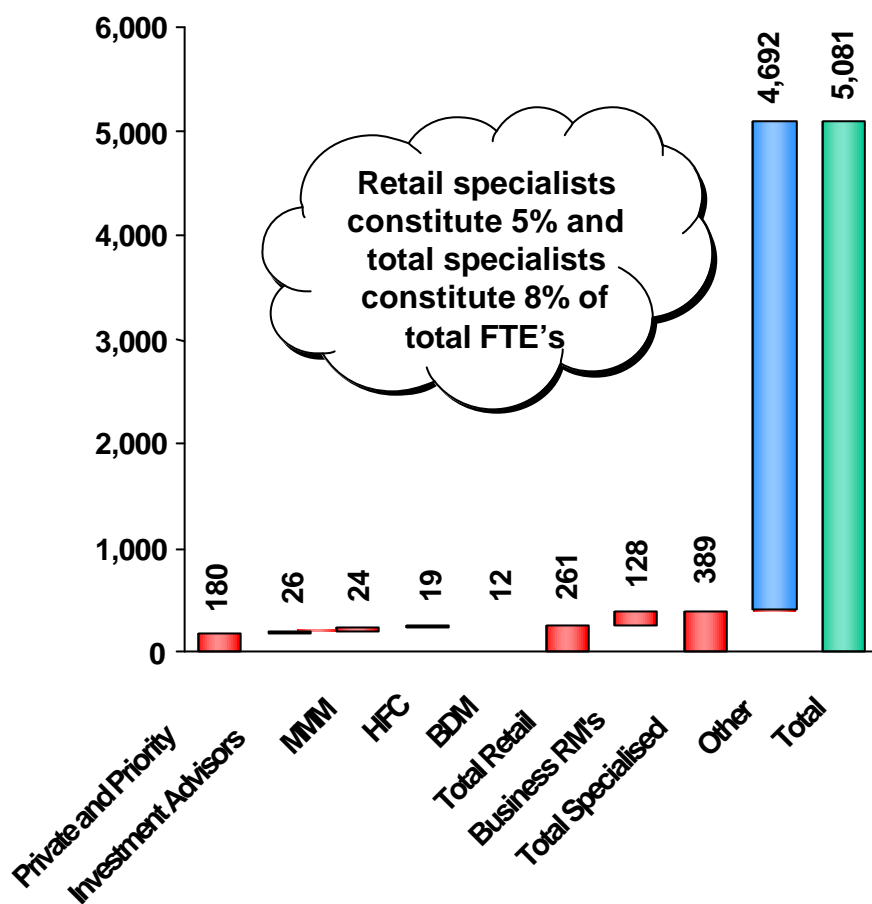
Distribution of Businesses and WPT Market Share

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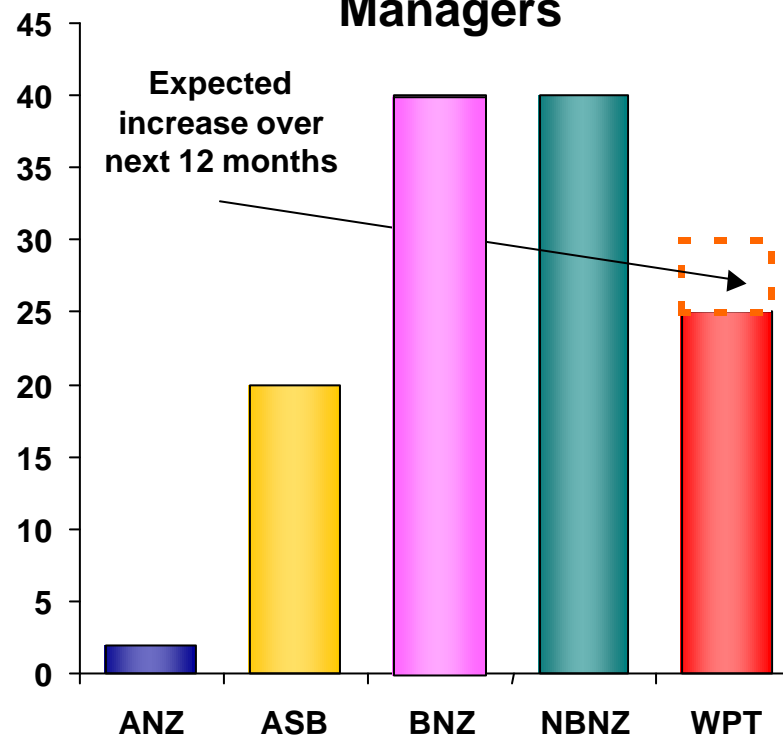


We have low sales force specialisation

WestpacTrust FTE's (May 2002)

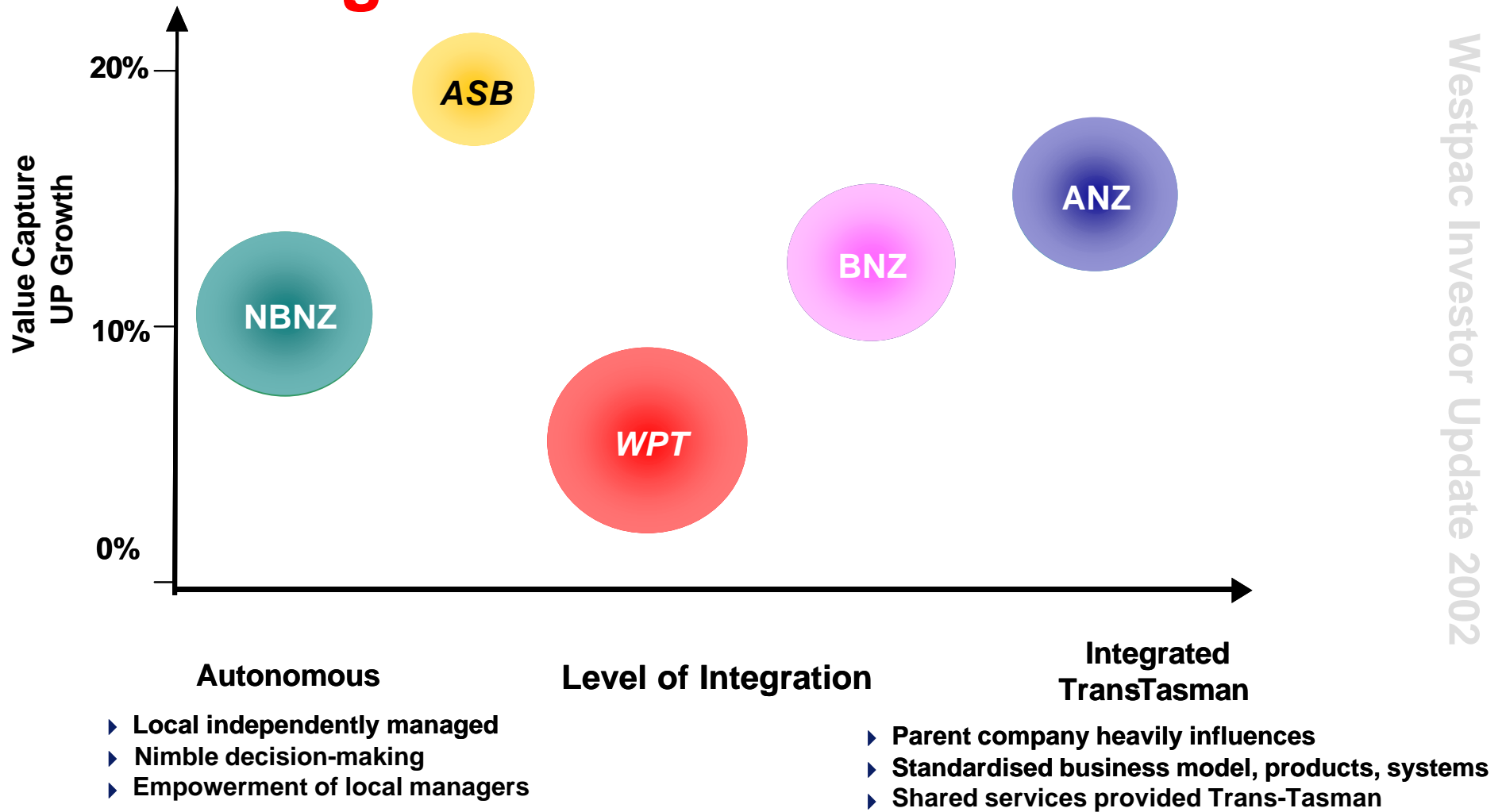


Number of Mobile Mortgage Managers



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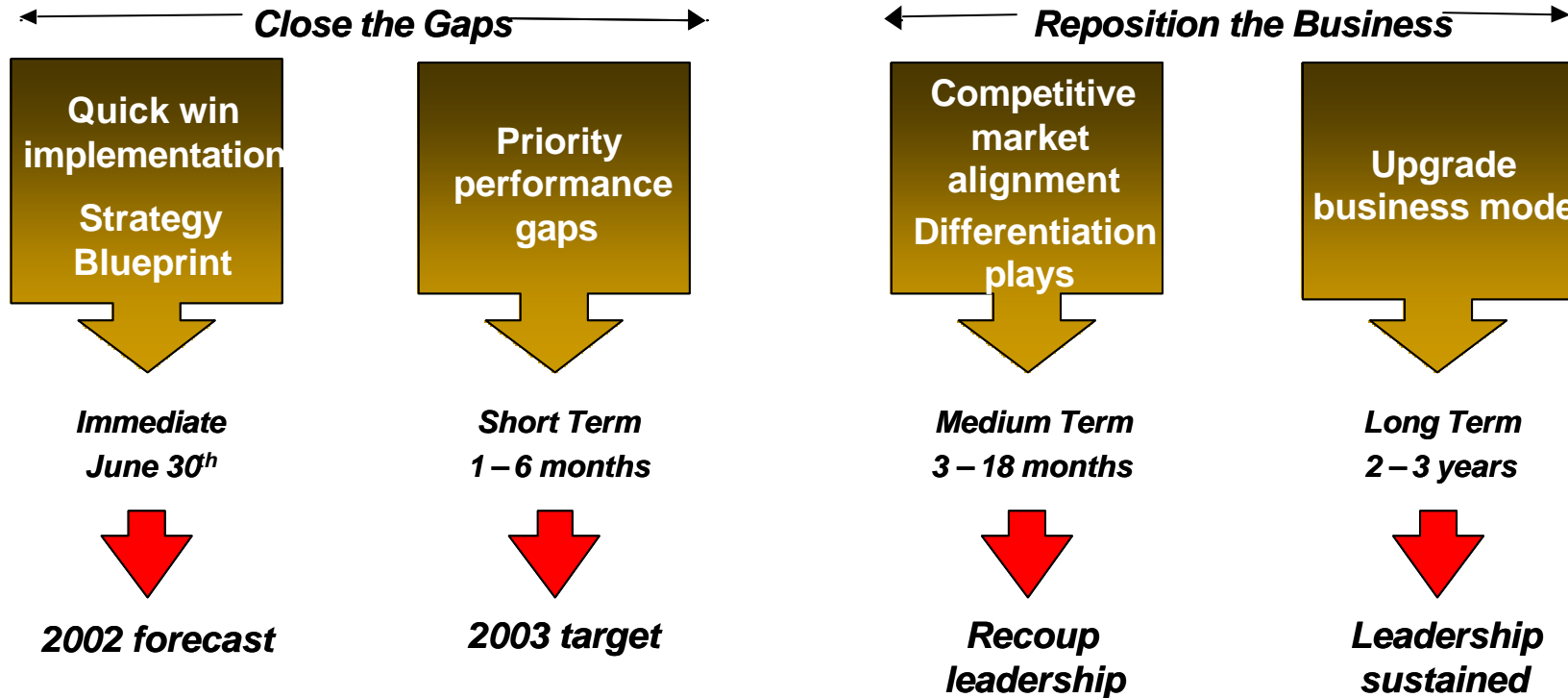
We are not achieving benefits of either autonomy or “Trans-Tasman” sharing



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What are we doing?

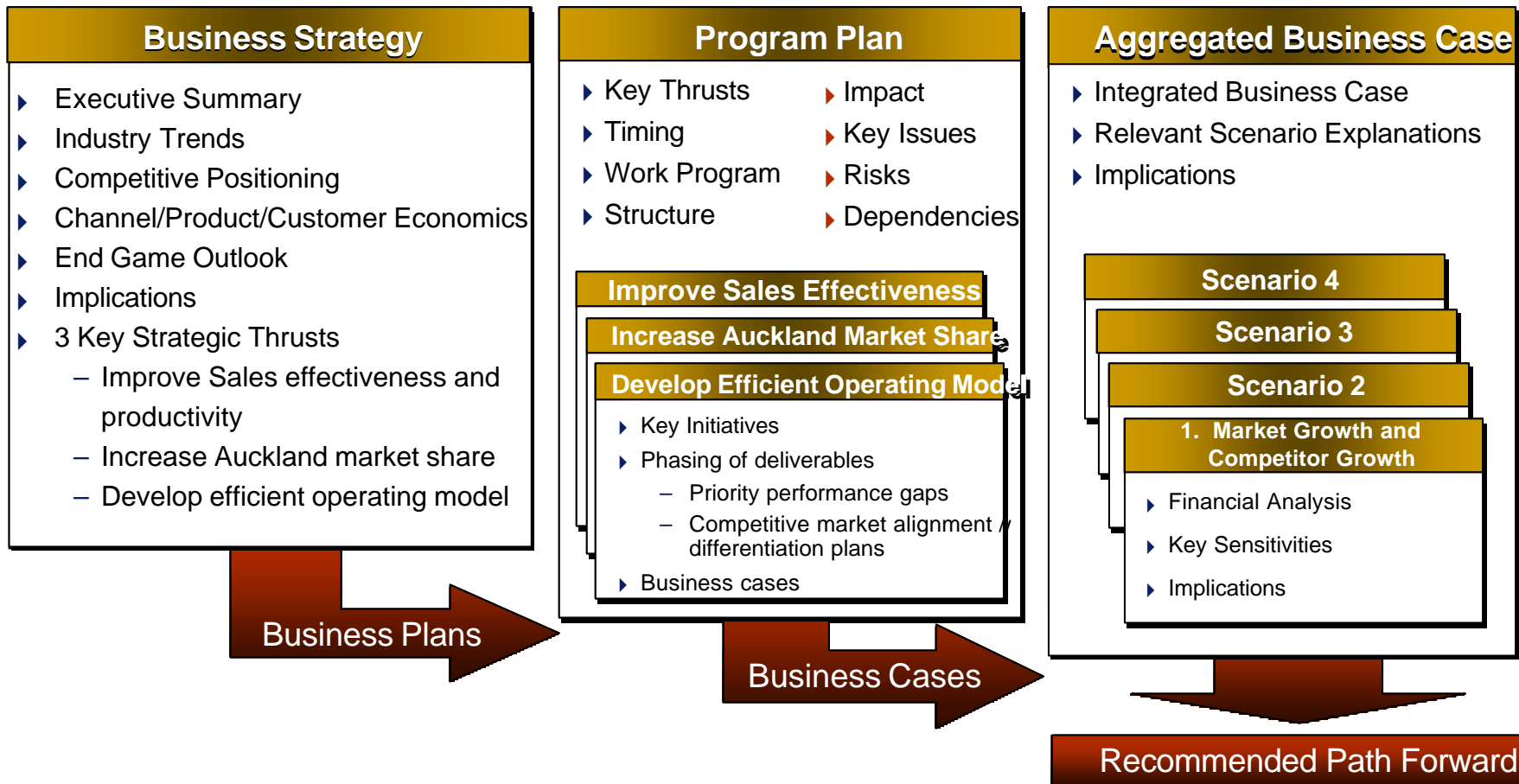
We have an integrated program



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...and we are in implementation mode

...using a disciplined framework which incorporates current & future profit pools



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Our biggest opportunities...

- 1 Improve sales effectiveness and productivity**
- 2 Increase Auckland market share**
- 3 Build Australasian operating model with local feel**

Initiatives

	Improve Sales Effectiveness & Productivity	Increase Auckland Market Share	Build Aust Operating Model With Local Feel
• Implementation of retail to business / business to retail segment formal referral mechanisms.	✓	✓	
• Splitting and rebalancing sales and service roles, particularly in braches and call centres.	✓	✓	✓
• Creating specialist sales roles	✓	✓	
• Leveraging the more sophisticated product capabilities resident in our institutional bank for our private and business customers.	✓	✓	
• Ramp up mobile mortgage manager presence		✓	
• Develop a comprehensive model to serve the growing affluent migrant population in Auckland		✓	
• Map out activities, capabilities and costs cross-Tasman to identify opportunities and benefits			✓

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What does success look like?

We will measure success across a number of dimensions

	2003	2005
Financial	Maintain number one status	Maintain number one status
Market	Stem loss of mortgage share	Outright leader in mortgage flow Number one flow in retail FUM
Customer	Lift our customer satisfaction by 5%	Number 1 or 2 for customer satisfaction
Community	Implemented WBC best practices in corporate social responsibility	Recognised leader in corporate social responsibility
Employee	5% improvement in employee commitment	Highest employee commitment in the Westpac Group



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