

# ASX ANNOUNCEMENT

## 1H25 RESULT



5 MAY 2025

### FINANCIAL HIGHLIGHTS

<b>\$3.3bn</b> Net profit after tax ▼ 1% on 1H24	<b>11.1%</b> Return on tangible equity <sup>1</sup> (ex Notable Items) ▲ 9bps on 1H24	<b>101c</b> Earnings per ordinary share (ex Notable Items) Flat on 1H24
<b>\$3.5bn</b> Net profit after tax (ex Notable Items) ▼ 1% on 1H24	<b>12.2%</b> CET1 level 2 capital ratio ▼ 31bps on 1H24	<b>76c</b> Interim ordinary dividend per share

### Solid foundations amid global uncertainty

**Anthony Miller, Chief Executive Officer**

This result confirms Westpac's strong position. We are growing in the areas we're targeting and supporting customers through uncertain times.

I'm pleased with the way our people have galvanised around our priorities. This First Half Result demonstrates our achievements and ensures we are ready for the challenges ahead.

Westpac's very strong balance sheet is important given global uncertainty. Our capital, liquidity and deposit-based funding enable us to support our customers and our community.

We're managing margins actively in a competitive environment, achieving sustainable growth in our target areas. In particular, our focus on business and institutional is delivering results with Australian business lending up 14% and institutional lending up 15% over the year.

Success will be built on customer service excellence. Our NPS is improving and we have set this as a goal. Westpac's award-winning app is an important driver, along with our scam-prevention technology and future investment in next-generation initiatives like our corporate transaction platform, Westpac One and new business lending origination platform, BizEdge.

We recently announced we are expanding Westpac's presence in regional areas with three new service centres to open in Moree, Leongatha and Smithton. This reflects the work we've done on identifying the best way to serve our customers, finding the right balance across physical, virtual and digital services.

Work on cost management is ongoing and UNITE will play a profound role helping reduce the cost to income ratio over time, improving service for customers and making it easier for our people to deliver.

### Customers and economy remain resilient

The resilience of customers who have navigated significant cost of living challenges over the past few years is impressive. We're pleased we've been able to support customers through this period and RBA rate cuts are now also providing welcome relief.

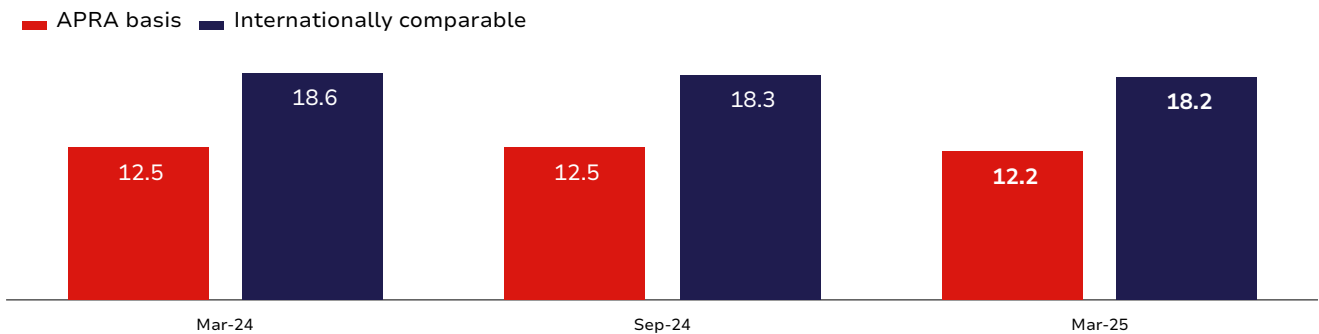
This resilience is reflected in the improvement in credit quality metrics indicating we may have passed the low point in the cycle. Mortgage delinquencies and impairment charges remain low. We are ready to assist customers who need help.

Geopolitical uncertainty is a key risk that's as high as it has been for a very long time. Changes to global trade policies have impacted markets and funding for the bank. Despite the volatility, it's important that we look through the noise and avoid reacting to the headlines. Australia is well placed to handle the instability.

We look forward to working with the Government and combining our efforts to address key challenges and opportunities, including providing more housing, guaranteeing access to cash with a sustainable long-term model and challenging ourselves as to how we compete as a nation going forward.

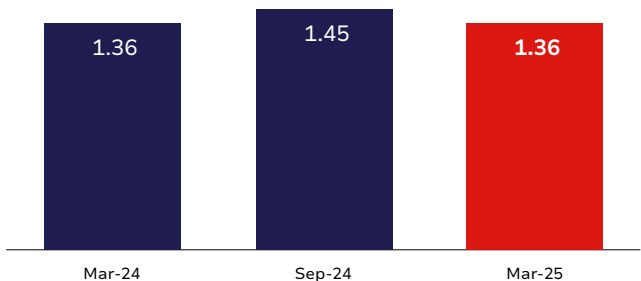
### Strong balance sheet

#### CET1 capital ratio (%)

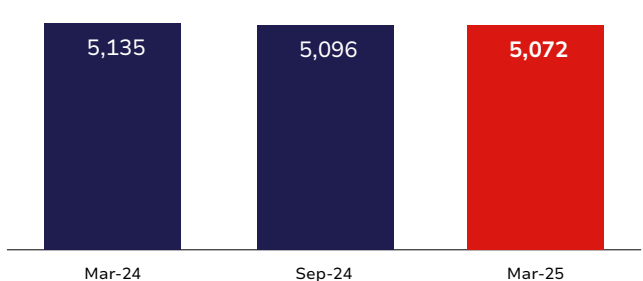


### Sound credit quality

#### Stressed exposures as a % of TCE



#### Impairment provisions (\$m)



## Operating performance

(ex Notable Items, compared to 1H24)<sup>2</sup>

**1.80%**

Core NIM  
Flat on 1H24  
▼ 3bps on 2H24

**\$825<sub>bn</sub>**

Total loans  
▲ 5% on 1H24  
▲ 2% on 2H24

**\$697<sub>bn</sub>**

Total customer deposits  
▲ 7% on 1H24  
▲ 3% on 2H24

- **Net profit was down 1% to \$3,457m.** Including Notables net profit was down 1% to \$3,317m.
- **Net interest income increased 2% to \$9,569 million.** Average interest-earning assets increased by 3%.
- **Core NIM was stable at 1.80%** with persistent competition in lending and term deposits. Group NIM fell 1 basis point to 1.88%.
- **Non-interest income decreased 3% to \$1,424 million.** Trading and other income was down 15%. Net fee income remained flat at \$840 million while net wealth management income grew 10%.
- **Loans increased 5% to \$825 billion.** This included growth in Australian housing loans of 5%<sup>3</sup> or at 0.9x system<sup>4</sup>, business lending up 14% and institutional lending up 15%.
- **Customer deposits grew 7% to \$697 billion.** This included 9% growth in Australian household deposits.
- **Operating expenses of \$5,698 million increased 6%** reflecting our UNITE program, third party technology costs, increased software amortisation and salary and wage growth, including an investment in more bankers.
- **The credit impairment charge was 6 basis points of average loans, down from 9 basis points.** Households are proving resilient and levels of business stress remain low.

## Key shareholder metrics

**\$31.57**

Closing share price,  
31 March 2025

**\$17.97**

Net tangible assets  
per share

**101<sub>c</sub>**

Earnings per ordinary  
share (ex Notable Items)

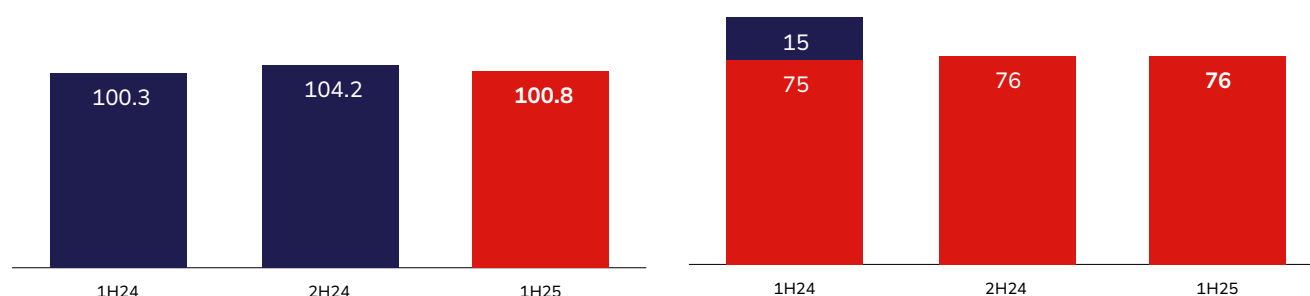
**75%**

Dividend payout ratio  
(ex Notable Items)

**EARNINGS PER ORDINARY SHARE (CENTS)**  
(ex Notable Items)

**DIVIDENDS PER ORDINARY SHARE (CENTS)**

— Ordinary — Special



# Financial summary

(ex Notable Items)

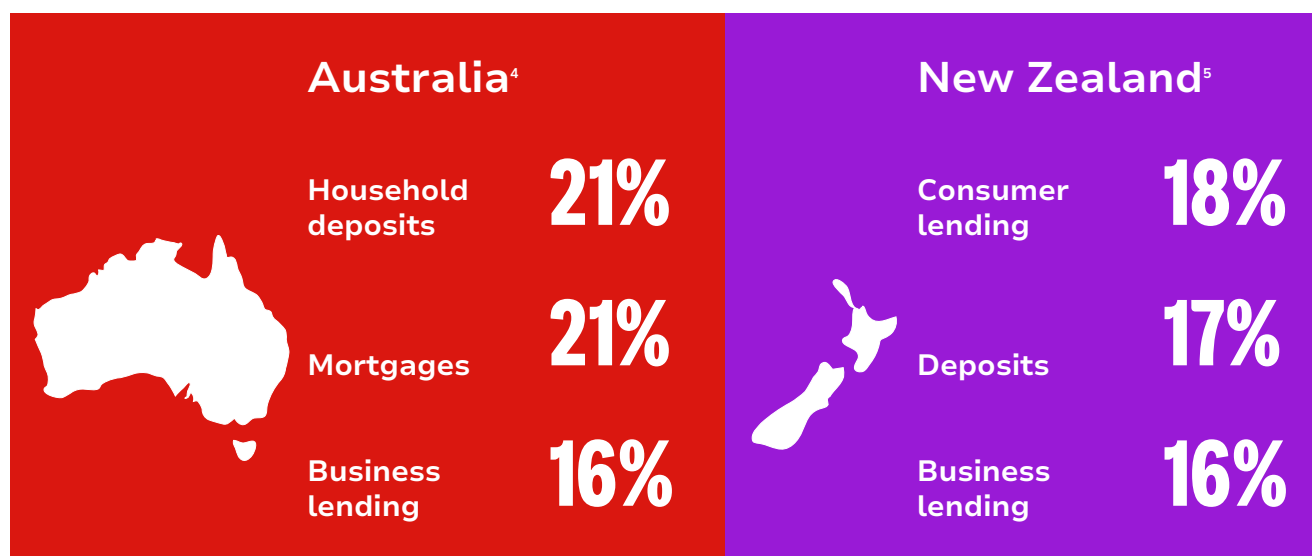
\$m	% change				
	Half Year March 2025	Half Year Sept 2024	Half Year March 2024	Mar 25 - Sep 24	Mar 25 - Mar 24
Net interest income	9,569	9,565	9,351	-	2
Non-interest income	1,424	1,382	1,465	3	(3)
<b>Net operating income</b>	<b>10,993</b>	<b>10,947</b>	<b>10,816</b>	<b>-</b>	<b>2</b>
Operating expenses	(5,698)	(5,549)	(5,395)	3	6
<b>Pre-provision profit</b>	<b>5,295</b>	<b>5,398</b>	<b>5,421</b>	<b>(2)</b>	<b>(2)</b>
Impairments (charges)/benefit	(250)	(175)	(362)	43	(31)
<b>Profit before income tax expenses</b>	<b>5,045</b>	<b>5,223</b>	<b>5,059</b>	<b>(3)</b>	<b>-</b>
Income tax expenses	(1,580)	(1,616)	(1,553)	(2)	2
<b>Profit after income tax expenses</b>	<b>3,465</b>	<b>3,607</b>	<b>3,506</b>	<b>(4)</b>	<b>(1)</b>
Profit attributable to non-controlling interests (NCI)	(8)	-	-	-	-
<b>Net profit attributable to owners of WBC</b>	<b>3,457</b>	<b>3,607</b>	<b>3,506</b>	<b>(4)</b>	<b>(1)</b>
Fully franked ordinary dividends per share (cents)	76	76	75	-	1
Fully franked special dividend per share (cents)	-	-	15	-	(100)
Return on average ordinary equity	9.81%	10.13%	9.75%	(32 bps)	6 bps
Return on average tangible equity (ROTE)	11.08%	11.42%	10.99%	(34 bps)	9 bps
NIM	1.92%	1.96%	1.94%	(4 bps)	(2 bps)
Core NIM	1.80%	1.83%	1.80%	(3 bps)	-
Expense to income ratio	51.83%	50.69%	49.88%	114 bps	195 bps
CET1 capital ratio (Level 2)	12.24%	12.49%	12.55%	(25 bps)	(31 bps)
Deposit to loan ratio	84.48%	83.50%	82.94%	98 bps	154 bps
Liquidity coverage ratio (LCR)	135%	133%	132%	255 bps	310 bps
Net stable funding ratio (NSFR)	115%	112%	114%	268 bps	125 bps
Collectively assessed provisions to credit RWA	126 bps	130 bps	136 bps	(4 bps)	(10 bps)
Total stressed exposures as a % of TCE	1.36%	1.45%	1.36%	(9 bps)	-
<b>Net profit by segment</b>					
Consumer	1,088	1,126	1,058	(3)	3
Business & Wealth	1,118	1,181	1,175	(5)	(5)
Institutional	758	686	681	10	11
Westpac New Zealand (NZD)	526	579	482	(9)	9
Group Businesses	16	84	143	(81)	(89)

## Divisional contribution to net profit

(ex Notable Items)

% of net profit by segment	Half Year March 2025	Half Year Sept 2024	Half Year March 2024
Consumer	31	31	30
Business & Wealth	32	33	34
Institutional	22	19	19
Westpac New Zealand	14	15	13
Group Businesses	1	2	4

## Market share



### Further information

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### Footnotes:

1. The ROTE calculation and the description of non AAS financial measures (including performance measures excluding the impact of Notable Items) are described further in the 1H25 Interim Financial Results. See also the return on average ordinary equity set out in the Financial Summary table above.
2. Operating performance figures including Notable Items are set out in the 1H25 Interim Financial Results.
3. Excluding RAMS.
4. APRA Banking Statistics, March 2025.
5. RBNZ, March 2025.