

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Input Schedule ⁽¹⁾

	Half Year to			Mar 16 Results Announcement
	Mar 16 \$m	Sep 15 \$m	Mar 15 \$m	
Group Cash Earnings				
Net interest income	6,600	6,288	6,210	Page 3
Other operating income	2,317	2,464	2,402	Page 3
IoRE	6	(5)	24	Page 3
Net operating income	8,923	8,747	8,636	Page 3
Operating expenses	(3,831)	(3,757)	(3,676)	Page 3
Underlying profit	5,092	4,990	4,960	Page 3
Charge to provide for bad and doubtful debts	(375)	(349)	(399)	Page 3
Cash earnings before tax and distributions	4,717	4,641	4,561	Page 3
Income tax expense	(1,343)	(1,312)	(1,345)	Page 3
Cash earnings before distributions	3,374	3,329	3,216	Page 3
Distributions	(64)	(66)	(109)	Page 3
Cash earnings	3,310	3,263	3,107	Page 3

Non-cash earnings items (after-tax):

Distributions	64	66	109	Page 3
Treasury shares	62	321	(317)	Page 3
Fair value and hedge ineffectiveness	(60)	163	353	Page 3
Life insurance economic assumption variation	-	(12)	25	Page 3
Amortisation of acquired intangible assets	(40)	(48)	(46)	Page 3
Life insurance sale transaction costs	(29)	-	-	Page 3
Net profit from continuing operations	3,307	3,753	3,231	Page 3
Net (loss) / profit after tax from discontinued operations	(5,049)	(855)	209	Page 3
Net (loss) / profit attributable to owners of NAB	(1,742)	2,898	3,440	Page 3

	Half Year to			Mar 16 Results Announcement
	Mar 16 \$m	Sep 15 \$m	Mar 15 \$m	
Average equity data				
Average interest-earnings assets	683,958	666,507	650,213	Page 98
Average assets	880,202	884,621	858,629	Page 99
Average equity	48,803	47,147	41,971	Page 101
Average non-controlling interest in controlled entities	24	11	24	Page 101
Average Trust Preferred Securities	975	975	975	
Average Trust Preferred Securities II	-	-	970	
Average National Income Securities	1,945	1,945	1,945	
Average National Capital Instruments	397	397	397	
Average Treasury shares	1,491	1,844	1,689	

Statutory earnings per share data

Basic weighted average ordinary shares (no. '000)	2,575,501	2,504,939	2,373,322	Page 104
Diluted weighted average ordinary shares (no. '000)	2,762,116	2,664,978	2,467,359	Page 104
Distributions on other equity instruments	64	66	109	Page 104
Interest expense on convertible notes	29	29	1	Page 104
Interest expense on convertible preference shares	65	65	70	Page 104

Cash Earnings per share data

Basic weighted average ordinary shares (no. '000)	2,633,700	2,566,460	2,430,514	Page 104
Diluted weighted average ordinary shares (no. '000)	2,820,315	2,726,499	2,524,551	Page 104
Distributions on other equity instruments	-	-	-	Page 104
Interest expense on convertible notes	29	29	1	Page 104
Interest expense on convertible preference shares	65	65	70	Page 104

Risk-weighted assets data

Risk-weighted assets	361,433	351,178	340,109	
Risk-weighted assets (prior quarter)	362,479	340,242	320,065	
Risk-weighted assets (prior half year)	351,178	340,109	318,405	
Risk-weighted assets (prior third quarter)	n/a	n/a	n/a	
Risk-weighted assets (prior year)	n/a	n/a	n/a	

Full Time Equivalent Employees (FTE) (average)	35,063	34,837	34,339	Page 22
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Dividend per share (cents)	99	99	99	Page 71
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Banking cost to income ratio data

Group operating expenses	3,831	3,757	3,676	Page 3
NAB Wealth operating expenses	464	471	470	Page 51
Operating expenses / Net operating income eliminations	19	17	20	
Group net operating income	8,923	8,747	8,636	Page 3
NAB Wealth net operating income	812	805	781	Page 51

Net tangible assets per share data

Ordinary shares - Fully paid (no. '000)	2,644,943	2,625,764	2,421,112	Page 106
Ordinary shares - Partly paid (no. '000)	54	64	67	Page 106
Total equity / net assets	50,082	48,270	42,045	
Non-controlling interest in controlled entities	25	19	17	
Trust Preferred Securities	975	975	975	Page 80
National Income Securities	1,945	1,945	1,945	Page 80
National Capital Instruments	397	397	397	Page 80
Goodwill and other intangible assets	6,820	6,774	6,528	

⁽¹⁾ Information is presented on a continuing operations basis including prior period restatements.

NATIONAL AUSTRALIA BANK

Template for Key Performance Measures

Output summary - ratios ⁽¹⁾⁽²⁾

Key indicators	Half Year to		
	Mar 16	Sep 15	Mar 15
	\$m	\$m	\$m
Basic statutory earnings per ordinary share - cents	(70.1)	113.1	140.4
Basic statutory earnings per ordinary share - cents (continuing operations)	125.9	147.2	131.5
Net (loss) / profit attributable to owners of NAB	(1,742)	2,898	3,440
Less: Distributions on other equity instruments (statutory basis)	(64)	(66)	(109)
Net (loss) / profit attributable to owners of NAB (adjusted)	(1,806)	2,832	3,331
Net profit attributable to owners of NAB (adjusted from continuing operations)	3,243	3,687	3,122
Net (loss) / profit attributable to owners of NAB (adjusted from discontinued operations)	(5,049)	(855)	209
Add: Interest expense on convertible notes	29	29	1
Add: Interest expense on convertible preference shares	65	65	70
Adjusted earnings (diluted)	(1,712)	2,926	3,402
Adjusted earnings (diluted- continuing operations)	3,337	3,781	3,193
Weighted average ordinary shares (no. '000) (statutory basis)	2,575,501	2,504,939	2,373,322
Diluted weighted average ordinary shares (no. '000) (statutory basis)	2,762,116	2,664,978	2,467,359
Diluted statutory earnings per ordinary share - cents	(62.0)	109.8	137.9
Diluted statutory earnings per ordinary share - cents (continuing operations)	120.8	141.9	129.4
Basic cash earnings per ordinary share - cents	125.7	127.1	127.8
Adjusted cash earnings (basic)	3,310	3,263	3,107
Add: Interest expense on convertible notes	29	29	1
Add: Interest expense on convertible preference shares	65	65	70
Adjusted cash earnings (diluted)	3,404	3,357	3,178
Weighted average ordinary shares (no. '000) (cash earnings basis)	2,633,700	2,566,460	2,430,514
Diluted weighted average ordinary shares (no. '000) (cash earnings basis)	2,820,315	2,726,499	2,524,551
Diluted cash earnings per share - cents	120.7	123.1	125.9
Statutory profit on average equity (Statutory return on equity)	(7.9%)	12.9%	17.7%
Net (loss) / profit attributable to owners of NAB (adjusted)	(1,806)	2,832	3,331
Cash earnings on average equity (Cash return on equity)	14.1%	14.3%	15.8%
Cash earnings	3,310	3,263	3,107
Average equity	48,803	47,147	41,971
Less: Average non-controlling interest in controlled entities	(24)	(11)	(24)
Less: Average Trust Preferred Securities	(975)	(975)	(975)
Less: Average Trust Preferred Securities II	-	-	(970)
Less: Average National Income Securities	(1,945)	(1,945)	(1,945)
Less: Average National Capital Instruments	(397)	(397)	(397)
Adjusted average equity for earnings on average equity calculation (statutory basis)	45,462	43,819	37,660
Add: Average Treasury shares	1,491	1,844	1,689
Adjusted average equity for cash earnings on average equity calculation (cash earnings basis)	46,953	45,663	39,349
Profitability, performance and efficiency measures			
Dividend payout ratio	78.8%	77.9%	77.5%
Dividend per share (cents)	99	99	99
Basic cash earnings per ordinary share - cents	125.7	127.1	127.8
Cash earnings on average assets	0.75%	0.74%	0.73%
Cash earnings	3,310	3,263	3,107
Average assets	880,202	884,621	858,629
Cash earnings on average risk-weighted assets	1.85%	1.89%	1.91%
Cash earnings	3,310	3,263	3,107
Risk-weighted assets	361,433	351,178	340,109
Risk-weighted assets (prior quarter)	362,479	340,242	320,065
Risk-weighted assets (prior half year)	351,178	340,109	318,405
Cash earnings per average FTE (\$000)	189	187	181
Cash earnings	3,310	3,263	3,107
Full Time Equivalent Employees (FTE) (average)	35,063	34,837	34,339
Banking cost to income ratio	41.6%	41.5%	41.0%
Group operating expenses	3,831	3,757	3,676
Less: NAB Wealth Operating expenses	(464)	(471)	(470)
Add: Eliminations	19	17	20
Banking operating expenses	3,386	3,303	3,226
Group net operating income	8,923	8,747	8,636
Less: NAB Wealth net operating income	(812)	(805)	(781)
Add: Eliminations	19	17	20
Banking net operating income	8,130	7,959	7,875
Net tangible assets (NTA) per share (\$)	15.09	14.53	13.29
Total equity / net assets	50,082	48,270	42,045
Less: non-controlling interest in controlled entities	(25)	(19)	(17)
Less: Trust Preferred Securities	(975)	(975)	(975)
Less: National Income Securities	(1,945)	(1,945)	(1,945)
Less: National Capital Instruments	(397)	(397)	(397)
Less: Goodwill and other intangible assets	(6,820)	(6,774)	(6,528)
Net tangible assets (NTA)	39,920	38,160	32,183
Ordinary shares - Including partly paid (no. '000)	2,644,997	2,625,828	2,421,179

⁽¹⁾ All key performance measures and Group performance indicators are calculated on a cash earnings basis unless otherwise stated. A Glossary of Terms is included in Section 7.

⁽²⁾ Information is presented on a continuing operations basis including prior period restatements.