

# ASX ANNOUNCEMENT



## COMMONWEALTH BANK OF AUSTRALIA FINANCIAL REPORTING AND 2014 INTERIM PROFIT ANNOUNCEMENT TEMPLATE

**SYDNEY, 17 JANUARY 2014:** The Commonwealth Bank of Australia (“the Group”) is scheduled to announce its interim results on 12 February 2014. In addition to the interim results release, an Excel template populated with 2014 interim results and comparatives will be published on the website.

In line with the Group’s commitment to continuous improvement in financial reporting practices a number of enhancements have been made during the current half which result in changes to comparative financial information.

This announcement provides:

- A summary of the enhancements made to financial reporting; and
- Financial comparative tables for the 2014 Interim Profit Announcement.

In addition, in order to assist users in analysing the Group’s financial information, the financial comparatives template for the 2014 interim results is also now available in user-friendly Excel format on the website at:

[www.commbank.com.au/about-us/shareholders/financial-information/results.html](http://www.commbank.com.au/about-us/shareholders/financial-information/results.html)

**ENDS**

For more information contact:

**Investor Relations**

Warwick Bryan

Ph: (02) 9118 7112

Mobile: 0406 316 725

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## Financial Reporting Enhancements

During the current half, the Group has made the following changes to financial reporting:

- **Reclassification of volume-related expenses** – the Group has reviewed the presentation of broker commissions paid within the funds management and insurance businesses together with other volume-related expenses. These expenses vary directly with the amount of associated revenue generated, and will now be reclassified from operating expenses to operating income. This is in line with recent industry practice and the relevant accounting requirements. While this reclassification does not impact Cash NPAT, it results in changes to the presentation of the Profit and Loss of the Group and affected business segments (Institutional Banking and Markets, Wealth Management, New Zealand and International Financial Services).
- **Defined benefit superannuation expense** – as highlighted during the June 2013 Profit Announcement, revisions to AASB 119 Employee Benefits became effective for the Group from 1 July 2013 and resulted in the recognition of a higher accounting expense due primarily to a change in the discount rate applied in the calculation of expected return on plan assets. These changes apply retrospectively and financial comparatives have been adjusted accordingly.
- **Other changes** – minor refinements have been made to the allocation of customer balances and associated revenue and expenses between business segments.

The impact of these changes on each segment's Cash NPAT, Balance Sheet and cost to income ratios for the comparative periods is set out below:

### Segment Cash NPAT (impact by adjustment type)

	Half Year Ended 30 June 2013							
	Retail Banking Services	Business and Private Banking	Institutional Banking and Markets	Wealth Management	New Zealand	Bankwest	IFS and Other	Group
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Cash NPAT - as published	1,548	753	607	353	326	303	149	4,039
Restatements:								
Defined benefit superannuation expense	-	-	-	-	-	-	(29)	(29)
Other	18	(5)	(8)	(5)	(10)	-	10	-
<b>Cash NPAT - as restated</b>	<b>1,566</b>	<b>748</b>	<b>599</b>	<b>348</b>	<b>316</b>	<b>303</b>	<b>130</b>	<b>4,010</b>

	Half Year Ended 31 December 2012							
	Retail Banking Services	Business and Private Banking	Institutional Banking and Markets	Wealth Management	New Zealand	Bankwest	IFS and Other	Group
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
Cash NPAT - as published	1,506	735	603	334	309	258	35	3,780
Restatements:								
Defined benefit superannuation expense	-	-	-	-	-	-	(30)	(30)
Other	17	(9)	(7)	(3)	(4)	-	6	-
<b>Cash NPAT - as restated</b>	<b>1,523</b>	<b>726</b>	<b>596</b>	<b>331</b>	<b>305</b>	<b>258</b>	<b>11</b>	<b>3,750</b>

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## Segment Cash NPAT (impact by P&L line item)

### Half Year Ended 30 June 2013

	<b>Retail Banking Services</b>	<b>Business and Private Banking</b>	<b>Institutional Banking and Markets</b>	<b>Wealth Management</b>	<b>New Zealand Bankwest</b>	<b>IFS and Other</b>	<b>Group</b>
	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>
Cash NPAT - as published	1,548	753	607	353	326	303	4,039
Restatements:							
Increase/(decrease) in Total operating income	(7)	12	(32)	(265)	(56)	-	(348)
(Increase)/decrease in Operating expenses	35	(19)	20	265	42	(36)	307
(Increase)/decrease in Loan impairment expense	-	-	-	-	-	-	-
Increase/(decrease) in Investment experience	-	-	-	(6)	-	6	-
(Increase)/decrease in Corporate tax expense	(10)	2	4	1	4	11	12
<b>Cash NPAT - as restated</b>	<b>1,566</b>	<b>748</b>	<b>599</b>	<b>348</b>	<b>316</b>	<b>303</b>	<b>4,010</b>

### Half Year Ended 31 December 2012

	<b>Retail Banking Services</b>	<b>Business and Private Banking</b>	<b>Institutional Banking and Markets</b>	<b>Wealth Management</b>	<b>New Zealand Bankwest</b>	<b>IFS and Other</b>	<b>Group</b>
	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>
Cash NPAT - as published	1,506	735	603	334	309	258	3,780
Restatements:							
Increase/(decrease) in Total operating income	(11)	5	(22)	(249)	(44)	(9)	(330)
(Increase)/decrease in Operating expenses	36	(18)	10	249	39	(28)	288
(Increase)/decrease in Loan impairment expense	-	-	-	-	-	-	-
Increase/(decrease) in Investment experience	-	-	-	(6)	-	6	-
(Increase)/decrease in Corporate tax expense	(8)	4	5	3	1	7	12
<b>Cash NPAT - as restated</b>	<b>1,523</b>	<b>726</b>	<b>596</b>	<b>331</b>	<b>305</b>	<b>258</b>	<b>3,750</b>

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## Segment Balance Sheet

As at 30 June 2013								
	<b>Retail Banking Services</b>	<b>Business and Private Banking</b>	<b>Institutional Banking and Markets</b>	<b>Wealth Management</b>	<b>New Zealand</b>	<b>Bankwest</b>	<b>IFS and Other</b>	<b>Group</b>
	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>
Total Assets - as published	264,713	103,605	144,813	20,508	58,060	73,882	88,295	753,876
Increase/(decrease)	(381)	(1,173)	1,594	-	127	(101)	(85)	(19)
<b>Total Assets - as restated</b>	<b>264,332</b>	<b>102,432</b>	<b>146,407</b>	<b>20,508</b>	<b>58,187</b>	<b>73,781</b>	<b>88,210</b>	<b>753,857</b>
Total Liabilities - as published	181,122	71,667	143,139	22,882	52,793	42,007	194,774	708,384
Increase/(decrease)	1,164	(6,827)	6,400	-	(1,252)	(82)	533	(64)
<b>Total Liabilities - as restated</b>	<b>182,286</b>	<b>64,840</b>	<b>149,539</b>	<b>22,882</b>	<b>51,541</b>	<b>41,925</b>	<b>195,307</b>	<b>708,320</b>

As at 31 December 2012								
	<b>Retail Banking Services</b>	<b>Business and Private Banking</b>	<b>Institutional Banking and Markets</b>	<b>Wealth Management</b>	<b>New Zealand</b>	<b>Bankwest</b>	<b>IFS and Other</b>	<b>Group</b>
	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>	<b>\$M</b>
Total Assets - as published	255,408	100,531	138,900	20,594	53,640	73,734	79,397	722,204
Increase/(decrease)	(333)	(407)	743	-	122	(152)	6	(21)
<b>Total Assets - as restated</b>	<b>255,075</b>	<b>100,124</b>	<b>139,643</b>	<b>20,594</b>	<b>53,762</b>	<b>73,582</b>	<b>79,403</b>	<b>722,183</b>
Total Liabilities - as published	175,459	70,805	132,798	22,594	48,888	42,646	185,715	678,905
Increase/(decrease)	626	(5,903)	5,113	-	(964)	(151)	1,209	(70)
<b>Total Liabilities - as restated</b>	<b>176,085</b>	<b>64,902</b>	<b>137,911</b>	<b>22,594</b>	<b>47,924</b>	<b>42,495</b>	<b>186,924</b>	<b>678,835</b>

## Segment Cost to Income Ratios

Half Year Ended 30 June 2013								
	<b>Retail Banking Services</b>	<b>Business and Private Banking</b>	<b>Institutional Banking and Markets</b>	<b>Wealth Management <sup>(1)</sup></b>	<b>New Zealand</b>	<b>Bankwest</b>	<b>IFS and Other</b>	<b>Group</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Operating expenses to total operating income - as published	38.2	36.2	35.2	64.7	47.0	46.7	n/a	44.9
Operating expenses to total operating income - as restated	37.4	36.9	34.5	64.7	45.1	46.7	n/a	43.4

Half Year Ended 31 December 2012								
	<b>Retail Banking Services</b>	<b>Business and Private Banking</b>	<b>Institutional Banking and Markets</b>	<b>Wealth Management <sup>(1)</sup></b>	<b>New Zealand</b>	<b>Bankwest</b>	<b>IFS and Other</b>	<b>Group</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Operating expenses to total operating income - as published	38.9	36.1	33.3	66.5	45.9	47.8	n/a	45.1
Operating expenses to total operating income - as restated	38.1	36.9	33.1	66.5	43.4	47.8	n/a	43.8

(1) Wealth Management cost to income ratio had previously been calculated net of volume related expenses, therefore ratio is unchanged by the reclassification of this item.

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## Financial Comparative Tables for the 2014 Interim Profit Announcement

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
<b>Group Performance Summary</b>			
Net interest income	-	7,082	6,862
Other banking income	-	2,051	2,105
<b>Total banking income</b>	-	<b>9,133</b>	<b>8,967</b>
Funds management income	-	944	884
Insurance income	-	385	354
<b>Total operating income</b>	-	<b>10,462</b>	<b>10,205</b>
Investment experience	-	70	84
<b>Total income</b>	-	<b>10,532</b>	<b>10,289</b>
Operating expenses	-	(4,543)	(4,467)
Loan impairment expense	-	(466)	(616)
<b>Net profit before tax</b>	-	<b>5,523</b>	<b>5,206</b>
Corporate tax expense	-	(1,505)	(1,448)
Non-controlling interests	-	(8)	(8)
<b>Net profit after tax ("cash basis")</b>	-	<b>4,010</b>	<b>3,750</b>
Hedging and IFRS volatility	-	37	(10)
Other non-cash items	-	(60)	(109)
<b>Net profit after tax ("statutory basis")</b>	-	<b>3,987</b>	<b>3,631</b>
<b>Represented by:</b>			
Retail Banking Services	-	1,566	1,523
Business and Private Banking	-	748	726
Institutional Banking and Markets	-	599	596
Wealth Management	-	348	331
New Zealand	-	316	305
Bankwest	-	303	258
IFS and Other	-	130	11
<b>Net profit after tax ("cash basis")</b>	-	<b>4,010</b>	<b>3,750</b>
Investment experience - after tax	-	(48)	(57)
<b>Net profit after tax ("underlying basis")</b>	-	<b>3,962</b>	<b>3,693</b>

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Key Performance Indicators	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
<b>Group</b>			
Statutory net profit after tax (\$M)	-	3,987	3,631
Cash net profit after tax (\$M)	-	4,010	3,750
Net interest margin (%)	-	2.17	2.10
Average interest earning assets (\$M)	-	657,951	649,394
Average interest bearing liabilities (\$M)	-	613,779	605,408
Funds Under Administration (FUA) - average (\$M)	-	239,948	215,554
Average inforce premiums (\$M)	-	2,898	2,736
Funds management income to average FUA (%)	-	0.79	0.81
Insurance income to average inforce premiums (%)	-	26.8	25.7
Operating expenses to total operating income (%)	-	43.4	43.8
Effective corporate tax rate (%)	-	27.2	27.8
<b>Retail Banking Services</b>			
Cash net profit after tax (\$M)	-	1,566	1,523
Operating expenses to total banking income (%)	-	37.4	38.1
<b>Business and Private Banking</b>			
Cash net profit after tax (\$M)	-	748	726
Operating expenses to total banking income (%)	-	36.9	36.9
<b>Institutional Banking and Markets</b>			
Cash net profit after tax (\$M)	-	599	596
Operating expenses to total banking income (%)	-	34.5	33.1
<b>Wealth Management</b>			
Cash net profit after tax (\$M)	-	348	331
FUA - average (\$M)	-	231,138	207,437
Average inforce premiums (\$M)	-	2,118	2,021
Funds management income to average FUA (%)	-	0.78	0.80
Insurance income to average inforce premiums (%)	-	25.2	27.2
Operating expenses to total operating income (%)	-	64.7	66.5
<b>New Zealand</b>			
Cash net profit after tax (\$M)	-	316	305
FUA - average (\$M)	-	8,810	8,117
Average inforce premiums (\$M)	-	526	498
Funds management income to average FUA (%)	-	0.60	0.56
Insurance income to average inforce premiums (%)	-	36.4	30.3
Operating expenses to total operating income (%)	-	45.1	43.4
<b>Bankwest</b>			
Cash net profit after tax (\$M)	-	303	258
Operating expenses to total banking income (%)	-	46.7	47.8
<b>Capital (Basel III)</b>			
Common Equity Tier 1 (Internationally Harmonised %)	-	11.0	10.6
Common Equity Tier 1 (APRA %)	-	8.2	8.1

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Shareholder Summary	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
Dividends per share - fully franked (cents)	-	200	164
Dividend cover - cash (times)	-	1.2	1.4
Earnings Per Share (EPS) (cents)			
Statutory basis - basic	-	247.4	226.8
Cash basis - basic	-	248.4	233.7
Dividend payout ratio (%)			
Statutory basis	-	81.3	73.1
Cash basis	-	80.8	70.8
Weighted average no. of shares ("statutory basis") - basic (M)	-	1,603	1,593
Weighted average no. of shares ("cash basis") - basic (M)	-	1,606	1,596
Return on equity ("statutory basis") (%)	-	18.6	17.5
Return on equity ("cash basis") (%)	-	18.6	17.9

Total Group Assets & Liabilities	As at		
	31 Dec 13 \$M	30 Jun 13 \$M	31 Dec 12 \$M
<b>Interest earning assets</b>			
Home loans	-	372,840	359,058
Personal loans	-	22,013	21,470
Business and corporate loans	-	172,314	166,957
<b>Loans, bills discounted and other receivables</b>	-	<b>567,167</b>	<b>547,485</b>
Non-lending interest earning assets	-	106,060	103,747
<b>Total interest earning assets</b>	-	<b>673,227</b>	<b>651,232</b>
Other assets	-	80,630	70,951
<b>Total assets</b>	-	<b>753,857</b>	<b>722,183</b>
<b>Interest bearing liabilities</b>			
Transaction deposits	-	87,673	82,913
Savings deposits	-	106,935	99,585
Investment deposits	-	199,397	192,302
Other demand deposits	-	54,472	63,173
<b>Total interest bearing deposits</b>	-	<b>448,477</b>	<b>437,973</b>
Debt issues	-	138,871	127,439
Other interest bearing liabilities	-	44,306	40,502
<b>Total interest bearing liabilities</b>	-	<b>631,654</b>	<b>605,914</b>
Non-interest bearing liabilities	-	76,666	72,921
<b>Total liabilities</b>	-	<b>708,320</b>	<b>678,835</b>

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## Retail Banking Services

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
Net interest income	-	3,265	3,160
Other banking income	-	757	747
<b>Total banking income</b>	-	<b>4,022</b>	<b>3,907</b>
Operating expenses	-	(1,504)	(1,488)
Loan impairment expense	-	(287)	(246)
<b>Net profit before tax</b>	-	<b>2,231</b>	<b>2,173</b>
Corporate tax expense	-	(665)	(650)
<b>Cash net profit after tax</b>	-	<b>1,566</b>	<b>1,523</b>
<b>Income analysis:</b>			
<b>Net interest income</b>			
Home loans	-	1,567	1,431
Consumer finance	-	804	764
Retail deposits	-	874	937
Other	-	20	28
<b>Total net interest income</b>	-	<b>3,265</b>	<b>3,160</b>
<b>Other banking income</b>			
Home loans	-	103	104
Consumer finance	-	237	246
Retail deposits	-	193	193
Distribution	-	191	173
Other	-	33	31
<b>Total other banking income</b>	-	<b>757</b>	<b>747</b>
<b>Total banking income</b>	-	<b>4,022</b>	<b>3,907</b>

	As at		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
<b>Balance Sheet</b>			
Home loans	-	246,147	237,670
Consumer finance	-	15,014	14,562
Other interest earning assets	-	1,863	1,912
<b>Total interest earning assets</b>	-	<b>263,024</b>	<b>254,144</b>
Other assets	-	1,308	931
<b>Total assets</b>	-	<b>264,332</b>	<b>255,075</b>
Transaction deposits	-	17,879	18,050
Savings deposits	-	69,030	62,826
Investment deposits and other	-	89,043	89,280
<b>Total interest bearing deposits</b>	-	<b>175,952</b>	<b>170,156</b>
Non-interest bearing liabilities	-	6,334	5,929
<b>Total liabilities</b>	-	<b>182,286</b>	<b>176,085</b>

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
<b>Key Financial Metrics</b>			
<b>Performance indicators</b>			
Return on assets (%)	-	1.2	1.2
Impairment expense annualised as a % of average GLAA's (%)	-	0.22	0.20
Operating expenses to total banking income (%)	-	37.4	38.1
<b>Other asset/liability information</b>			
Average interest earning assets (\$M)	-	257,994	251,320
Average interest bearing liabilities (\$M)	-	173,447	166,699



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## Business and Private Banking

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
Net interest income	-	1,480	1,472
Other banking income	-	404	413
<b>Total banking income</b>	-	<b>1,884</b>	<b>1,885</b>
Operating expenses	-	(696)	(696)
Loan impairment expense	-	(130)	(150)
<b>Net profit before tax</b>	-	<b>1,058</b>	<b>1,039</b>
Corporate tax expense	-	(310)	(313)
<b>Cash net profit after tax</b>	-	<b>748</b>	<b>726</b>
<b>Income analysis:</b>			
<b>Net interest income</b>			
Corporate Financial Services	-	481	489
Regional & Agribusiness	-	283	278
Local Business Banking	-	526	512
Private Bank	-	122	120
CommSec	-	68	73
<b>Total net interest income</b>	-	<b>1,480</b>	<b>1,472</b>
<b>Other banking income</b>			
Corporate Financial Services	-	141	157
Regional & Agribusiness	-	48	46
Local Business Banking	-	103	107
Private Bank	-	25	22
CommSec	-	87	81
<b>Total other banking income</b>	-	<b>404</b>	<b>413</b>
<b>Total banking income</b>	-	<b>1,884</b>	<b>1,885</b>
<b>Income by product:</b>			
Business products	-	1,075	1,067
Retail products	-	584	574
CommSec	-	144	139
Markets	-	54	77
Other	-	27	28
<b>Total banking income</b>	-	<b>1,884</b>	<b>1,885</b>

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## Business and Private Banking (continued)

	As at		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
<b>Balance Sheet</b>			
Home loans	-	39,594	38,794
Consumer finance	-	1,070	1,062
Business loans	-	58,500	57,171
Margin loans	-	2,813	2,850
<b>Total interest earning assets</b>	-	101,977	99,877
Non-lending interest earning assets	-	247	232
Other assets	-	208	15
<b>Total assets</b>	-	102,432	100,124
Transaction deposits	-	21,394	20,956
Savings deposits	-	11,303	11,432
Investment deposits and other	-	26,861	27,384
<b>Total interest bearing deposits</b>	-	59,558	59,772
Non-interest bearing liabilities	-	5,282	5,130
<b>Total liabilities</b>	-	64,840	64,902
<b>Key Financial Metrics</b>			
	31 Dec 13	30 Jun 13	31 Dec 12
<b>Performance indicators</b>			
Return on assets (%)	-	1.5	1.4
Impairment expense annualised as a % of average GLAA's (%)	-	0.26	0.30
Operating expenses to total banking income (%)	-	36.9	36.9
<b>Other asset/liability information</b>			
Average interest earning assets (\$M)	-	100,519	99,277
Average interest bearing liabilities (\$M)	-	60,239	57,484

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## Institutional Banking and Markets

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
Net interest income	-	644	697
Other banking income	-	629	609
<b>Total banking income</b>	-	<b>1,273</b>	<b>1,306</b>
Operating expenses	-	(439)	(432)
Loan impairment expense	-	(57)	(97)
<b>Net profit before tax</b>	-	<b>777</b>	<b>777</b>
Corporate tax expense	-	(178)	(181)
<b>Cash net profit after tax</b>	-	<b>599</b>	<b>596</b>
<b>Income analysis:</b>			
<b>Net interest income</b>			
Institutional Banking	-	551	587
Markets	-	93	110
<b>Total net interest income</b>	-	<b>644</b>	<b>697</b>
<b>Other banking income</b>			
Institutional Banking	-	412	379
Markets	-	217	230
<b>Total other banking income</b>	-	<b>629</b>	<b>609</b>
<b>Total banking income</b>	-	<b>1,273</b>	<b>1,306</b>
<b>Income by product:</b>			
Institutional products	-	832	852
Asset leasing	-	98	85
Markets	-	310	340
Other	-	33	29
<b>Total banking income</b>	-	<b>1,273</b>	<b>1,306</b>

	As at		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
<b>Balance Sheet</b>			
Interest earning lending assets	-	78,009	73,752
Non-lending interest earning assets	-	34,872	33,528
Other assets	-	33,526	32,363
<b>Total assets</b>	-	<b>146,407</b>	<b>139,643</b>
Transaction deposits	-	38,494	34,406
Investment deposits	-	39,335	32,778
Certificates of deposit and other	-	11,379	13,951
<b>Total interest bearing deposits</b>	-	<b>89,208</b>	<b>81,135</b>
Due to other financial institutions	-	17,272	17,300
Debt issues and other	-	10,495	12,169
Non-interest bearing liabilities	-	32,564	27,307
<b>Total liabilities</b>	-	<b>149,539</b>	<b>137,911</b>

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
<b>Key Financial Metrics</b>			
<b>Performance indicators</b>			
Return on assets (%)	-	0.8	0.9
Impairment expense annualised as a % of average GLAA's (%)	-	0.15	0.26
Operating expenses to total banking income (%)	-	34.5	33.1
<b>Other asset/liability information</b>			
Average interest earning assets (\$M)	-	107,165	110,559
Average interest bearing liabilities (\$M)	-	115,592	116,395

# ASX ANNOUNCEMENT



## Wealth Management

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
Funds management income	-	895	840
Insurance income	-	265	277
<b>Total operating income</b>	-	<b>1,160</b>	<b>1,117</b>
Operating expenses	-	(751)	(743)
<b>Net profit before tax</b>	-	<b>409</b>	<b>374</b>
Corporate tax expense	-	(105)	(101)
Underlying profit after tax	-	304	273
Investment experience after tax	-	44	58
<b>Cash net profit after tax</b>	-	<b>348</b>	<b>331</b>
<b>Represented by:</b>			
CFS Global Asset Management	-	159	152
Colonial First State	-	71	73
CommInsure	-	151	169
Other	-	(33)	(63)
<b>Cash net profit after tax</b>	-	<b>348</b>	<b>331</b>

Key Financial Metrics	Half Year Ended		
	31 Dec 13	30 Jun 13	31-Dec-12
<b>Performance indicators</b>			
Funds management income to average FUA (%)	-	0.8	0.8
Insurance income to average inforce premiums (%)	-	25.2	27.2
Operating expenses to total operating income (%)	-	64.7	66.5
Funds under administration - average (\$M)	-	231,138	207,437
Funds under administration - spot (\$M)	-	240,352	219,175
Assets under management - average (\$M)	-	173,566	156,914
Assets under management - spot (\$M)	-	179,563	165,553
Retail net funds flows (Australian Retail) (\$M)	-	3,540	704
Annual Inforce Premiums - average (\$M)	-	2,118	2,021
Annual Inforce Premiums - spot (\$M)	-	2,165	2,071

	Half Year Ended											
	CFS			Colonial			CommInsure			Other		
	Global Asset Management			First State								
	Dec 13	Jun 13	Dec 12	Dec 13	Jun 13	Dec 12	Dec 13	Jun 13	Dec 12	Dec 13	Jun 13	Dec 12
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
Gross Funds management income	-	529	481	-	468	445	-	80	72	-	-	-
Volume expenses	-	(96)	(75)	-	(68)	(66)	-	(18)	(17)	-	-	-
<b>Funds management income</b>	-	<b>433</b>	<b>406</b>	-	<b>400</b>	<b>379</b>	-	<b>62</b>	<b>55</b>	-	-	-
Gross Insurance income	-	-	-	-	-	-	-	348	368	-	-	-
Volume expenses	-	-	-	-	-	-	-	(83)	(91)	-	-	-
<b>Insurance income</b>	-	-	-	-	-	-	-	<b>265</b>	<b>277</b>	-	-	-
<b>Total operating income</b>	-	<b>433</b>	<b>406</b>	-	<b>400</b>	<b>379</b>	-	<b>327</b>	<b>332</b>	-	-	-
Operating expenses	-	(241)	(235)	-	(298)	(278)	-	(162)	(156)	-	(50)	(74)
Net profit before tax	-	192	171	-	102	101	-	165	176	-	(50)	(74)
Corporate tax expense	-	(49)	(32)	-	(30)	(30)	-	(48)	(53)	-	22	14
Underlying profit after tax	-	143	139	-	72	71	-	117	123	-	(28)	(60)
Investment experience after tax	-	16	13	-	(1)	2	-	34	46	-	(5)	(3)
<b>Cash net profit after tax</b>	-	<b>159</b>	<b>152</b>	-	<b>71</b>	<b>73</b>	-	<b>151</b>	<b>169</b>	-	<b>(33)</b>	<b>(63)</b>

# ASX ANNOUNCEMENT



## New Zealand

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	A\$M	A\$M	A\$M
Net interest income	-	567	526
Other banking income	-	111	126
<b>Total banking income</b>	-	<b>678</b>	<b>652</b>
Funds management income	-	26	23
Insurance income	-	95	76
<b>Total operating income</b>	-	<b>799</b>	<b>751</b>
Operating expenses	-	(360)	(326)
Loan impairment expense	-	(23)	(22)
<b>Net profit before tax</b>	-	<b>416</b>	<b>403</b>
Corporate tax expense	-	(103)	(100)
Underlying profit after tax	-	313	303
Investment experience after tax	-	3	2
<b>Cash net profit after tax</b>	-	<b>316</b>	<b>305</b>

Key Financial Metrics	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
Funds management income to average FUA (%)	-	0.6	0.6
Insurance income to average inforce premiums (%)	-	36.4	30.3
Operating expenses to total operating income (%)	-	45.1	43.4

## Bankwest

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
Net interest income	-	776	761
Other banking income	-	100	110
<b>Total banking income</b>	-	<b>876</b>	<b>871</b>
Operating expenses	-	(409)	(416)
Loan impairment expense	-	(32)	(86)
<b>Net profit before tax</b>	-	<b>435</b>	<b>369</b>
Corporate tax expense	-	(132)	(111)
<b>Cash net profit after tax</b>	-	<b>303</b>	<b>258</b>

Balance Sheet	As at		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
Home loans	-	52,738	51,567
Other interest earning lending assets	-	20,308	21,510
Non-lending interest earning assets	-	25	22
Total interest earning assets	-	73,071	73,099
Other assets	-	710	483
<b>Total assets</b>	-	<b>73,781</b>	<b>73,582</b>
Transaction deposits	-	7,627	7,177
Savings deposits	-	9,300	9,901
Investment deposits	-	23,568	24,019
Certificates of deposit and other	-	36	236
Total interest bearing deposits	-	40,531	41,333
Other interest bearing liabilities	-	155	98
Non-interest bearing liabilities	-	1,239	1,064
<b>Total liabilities</b>	-	<b>41,925</b>	<b>42,495</b>

# ASX ANNOUNCEMENT



## Bankwest (continued)

Key Financial Metrics	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
<b>Performance indicators</b>			
Return on assets (%)	-	0.8	0.7
Impairment expense annualised as a % of average GLAA's (%)	-	0.09	0.23
Operating expenses to total banking income (%)	-	46.7	47.8
<b>Other asset/liability information</b>			
Average interest earning assets (\$M)	-	72,931	73,408
Average interest earning liabilities (\$M)	-	41,813	43,813

## IFS and Other

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
IFS Asia	-	57	47
Corporate Centre	-	14	(15)
Eliminations/Unallocated	-	59	(21)
<b>Total cash profit</b>	-	130	11

## Condensed Consolidated Statement of Cash Flows <sup>(1)</sup>

	Half Year Ended		
	31 Dec 13	30 Jun 13	31 Dec 12
	\$M	\$M	\$M
Cash flows from operating activities before changes in operating assets and liabilities	-	8,375	613
Changes in operating activities and liabilities arising from cash flow movements	-	(8,136)	5,725
<b>Net cash provided by operating activities</b>	-	239	6,338
Net cash used in investing activities	-	(683)	(573)
Net cash used in financing activities	-	937	(7,095)
Net (decrease)/increase in cash and cash equivalents	-	493	(1,330)
Effect of foreign exchange rates on cash and cash equivalents	-	937	(85)
Cash and cash equivalents at beginning of period	-	11,188	12,603
<b>Cash and cash equivalents at end of period</b>	-	12,618	11,188

(1) The Group does not use the accounting Statement of Cash Flows in the internal management of its liquidity positions, therefore a Condensed Consolidated Statement of Cash Flows will be presented in the December 2013 Profit Announcement.

# ASX ANNOUNCEMENT



## Financial Reporting by Segments

Half Year Ended 30 June 2013

	<b>Retail Banking Services \$M</b>	<b>Business and Private Banking \$M</b>	<b>Institutional Banking and Markets \$M</b>	<b>Wealth Management \$M</b>	<b>New Zealand \$M</b>	<b>Bankwest \$M</b>	<b>IFS and Other \$M</b>	<b>Total \$M</b>
Net interest income	3,265	1,480	644	-	567	776	350	7,082
Other banking income <sup>(1)</sup>	757	404	629	-	111	100	50	2,051
<b>Total banking income</b>	<b>4,022</b>	<b>1,884</b>	<b>1,273</b>	<b>-</b>	<b>678</b>	<b>876</b>	<b>400</b>	<b>9,133</b>
Funds management income	-	-	-	895	26	-	23	944
Insurance income	-	-	-	265	95	-	25	385
<b>Total operating income</b>	<b>4,022</b>	<b>1,884</b>	<b>1,273</b>	<b>1,160</b>	<b>799</b>	<b>876</b>	<b>448</b>	<b>10,462</b>
Investment experience	-	-	-	65	3	-	2	70
<b>Total income</b>	<b>4,022</b>	<b>1,884</b>	<b>1,273</b>	<b>1,225</b>	<b>802</b>	<b>876</b>	<b>450</b>	<b>10,532</b>
Operating expenses	(1,504)	(696)	(439)	(751)	(360)	(409)	(384)	(4,543)
Loan impairment expense	(287)	(130)	(57)	-	(23)	(32)	63	(466)
<b>Net profit before tax</b>	<b>2,231</b>	<b>1,058</b>	<b>777</b>	<b>474</b>	<b>419</b>	<b>435</b>	<b>129</b>	<b>5,523</b>
Corporate tax expense	(665)	(310)	(178)	(126)	(103)	(132)	9	(1,505)
Non-controlling interests	-	-	-	-	-	-	(8)	(8)
<b>Net profit after tax ("cash basis")</b>	<b>1,566</b>	<b>748</b>	<b>599</b>	<b>348</b>	<b>316</b>	<b>303</b>	<b>130</b>	<b>4,010</b>
Hedging and IFRS volatility	-	-	-	-	(18)	-	55	37
Other non-cash items	-	-	-	(22)	-	(38)	-	(60)
<b>Net profit after tax ("statutory basis")</b>	<b>1,566</b>	<b>748</b>	<b>599</b>	<b>326</b>	<b>298</b>	<b>265</b>	<b>185</b>	<b>3,987</b>
<b>Additional information</b>								
Intangible asset amortisation	(14)	(15)	(22)	(7)	(14)	(37)	(71)	(180)
Depreciation expense	(4)	-	(8)	(1)	(15)	(18)	(108)	(154)
<b>Balance Sheet</b>								
Total assets	264,332	102,432	146,407	20,508	58,187	73,781	88,210	753,857
Total liabilities	182,286	64,840	149,539	22,882	51,541	41,925	195,307	708,320

(1) The Institutional Banking and Markets segment includes rental income of \$62 million and depreciation of \$35 million in relation to operating leases where the Group is the lessor.

# ASX ANNOUNCEMENT



## Financial Reporting by Segments (continued)

Half Year Ended 31 December 2012

	<b>Retail Banking Services \$M</b>	<b>Business and Private Banking \$M</b>	<b>Institutional Banking and Markets \$M</b>	<b>Wealth Management \$M</b>	<b>New Zealand \$M</b>	<b>Bankwest \$M</b>	<b>IFS and Other \$M</b>	<b>Total \$M</b>
Net interest income	3,160	1,472	697	-	526	761	246	6,862
Other banking income <sup>(1)</sup>	747	413	609	-	126	110	100	2,105
<b>Total banking income</b>	<b>3,907</b>	<b>1,885</b>	<b>1,306</b>	<b>-</b>	<b>652</b>	<b>871</b>	<b>346</b>	<b>8,967</b>
Funds management income	-	-	-	840	23	-	21	884
Insurance income	-	-	-	277	76	-	1	354
<b>Total operating income</b>	<b>3,907</b>	<b>1,885</b>	<b>1,306</b>	<b>1,117</b>	<b>751</b>	<b>871</b>	<b>368</b>	<b>10,205</b>
Investment experience	-	-	-	80	3	-	1	84
<b>Total income</b>	<b>3,907</b>	<b>1,885</b>	<b>1,306</b>	<b>1,197</b>	<b>754</b>	<b>871</b>	<b>369</b>	<b>10,289</b>
Operating expenses	(1,488)	(696)	(432)	(743)	(326)	(416)	(366)	(4,467)
Loan impairment expense	(246)	(150)	(97)	-	(22)	(86)	(15)	(616)
<b>Net profit before tax</b>	<b>2,173</b>	<b>1,039</b>	<b>777</b>	<b>454</b>	<b>406</b>	<b>369</b>	<b>(12)</b>	<b>5,206</b>
Corporate tax expense	(650)	(313)	(181)	(123)	(101)	(111)	31	(1,448)
Non-controlling interests	-	-	-	-	-	-	(8)	(8)
<b>Net profit after tax ("cash basis")</b>	<b>1,523</b>	<b>726</b>	<b>596</b>	<b>331</b>	<b>305</b>	<b>258</b>	<b>11</b>	<b>3,750</b>
Hedging and IFRS volatility	-	-	-	-	(6)	-	(4)	(10)
Other non-cash items	-	-	(45)	(31)	-	(33)	-	(109)
<b>Net profit after tax ("statutory basis")</b>	<b>1,523</b>	<b>726</b>	<b>551</b>	<b>300</b>	<b>299</b>	<b>225</b>	<b>7</b>	<b>3,631</b>
<b>Additional information</b>								
Intangible asset amortisation	(13)	(16)	(15)	(7)	(13)	(38)	(58)	(160)
Depreciation expense	(3)	(1)	(7)	(2)	(14)	(19)	(111)	(157)
<b>Balance Sheet</b>								
Total assets	255,075	100,124	139,643	20,594	53,762	73,582	79,403	722,183
Total liabilities	176,085	64,902	137,911	22,594	47,924	42,495	186,924	678,835

(1) The Institutional Banking and Markets segment includes rental income of \$54 million and depreciation of \$30 million in relation to operating leases where the Group is the lessor.