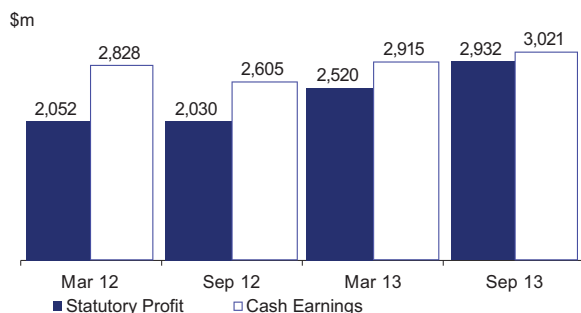
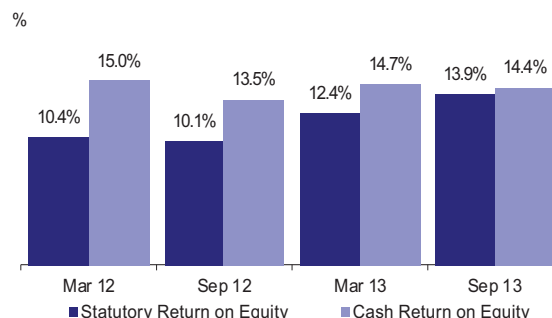
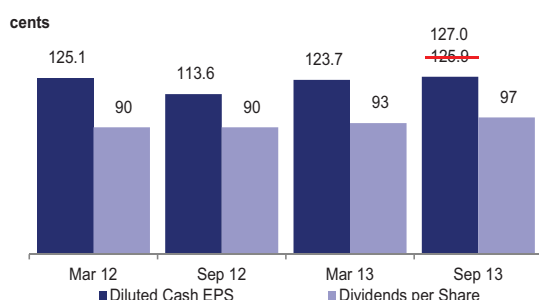
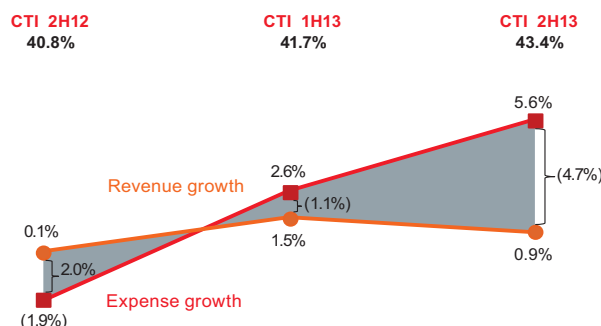


Highlights
Key Performance Measures ⁽¹⁾
Statutory Profit and Cash Earnings - half year

Cash Return on Equity (ROE) - half year

Diluted Cash EPS and Dividend per Share - half year

Half Yearly 'Jaws' and banking CTI ⁽²⁾

Group Performance Indicators ⁽¹⁾

	Year to		Half Year to	
	Sep 13	Sep 12	Sep 13	Mar 13
Key Indicators				
Statutory earnings per share (cents) - basic	229.5	175.3	123.4	105.8
Statutory earnings per share (cents) - diluted	227.5	174.4	121.9	105.1
Cash earnings per share (cents) - basic	253.0	240.9	128.5	124.5
Cash earnings per share (cents) - diluted	250.6	238.8	127.0	123.7
Statutory return on equity	13.2%	10.3%	13.9%	12.4%
Cash return on equity (ROE)	14.5%	14.2%	14.4%	14.7%
Profitability, performance and efficiency measures				
Dividend per share (cents)	190	180	97	93
Dividend payout ratio	75.1%	74.7%	75.5%	74.7%
Cash earnings on average assets	0.74%	0.72%	0.74%	0.75%
Cash earnings on risk-weighted assets	1.70%	1.61%	1.69%	1.72%
Cash earnings per average FTE (\$'000)	139	124	142	136
Banking cost to income (CTI) ratio	42.6%	41.3%	43.4%	41.7%
Net interest margin	2.02%	2.11%	2.02%	2.03%
Capital ⁽³⁾				
Common Equity Tier 1/Core Tier 1 ratio	8.43%	8.29%	8.43%	8.22%
Tier 1 ratio	10.35%	10.27%	10.35%	10.19%
Total capital ratio	11.80%	11.67%	11.80%	11.71%
Risk-weighted assets (\$bn) ⁽⁴⁾	362.1	331.3	362.1	351.4
Volumes (\$bn)				
Gross loans and acceptances ⁽⁴⁾⁽⁵⁾	521.8	500.9	521.8	500.6
Average interest earning assets	662.1	630.0	671.6	652.5
Total average assets	801.0	758.4	819.2	782.4
Total customer deposits ⁽⁴⁾	366.0	339.2	366.0	342.4
Asset quality				
90+ days past due and gross impaired assets to gross loans and acceptances	1.69%	1.78%	1.69%	1.74%
Collective provision to credit risk-weighted assets	0.94%	1.05%	0.94%	0.99%
Collective provision including GRCL (top-up) to credit risk-weighted assets	1.16%	1.30%	1.16%	1.22%
Specific provision to gross impaired assets	32.0%	30.3%	32.0%	32.9%
Other				
Funds under management and administration (\$bn) ⁽⁶⁾	145.1	124.7	145.1	136.7
Annual inforce premiums (\$m)	1,611.4	1,523.5	1,611.4	1,536.2
Full Time Equivalent (FTE) Employees (spot)	42,164	43,336	42,164	42,668
Full Time Equivalent (FTE) Employees (average)	42,783	43,753	42,543	43,007

⁽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⁾ Revenue and expense growth is calculated over the previous half year.

⁽³⁾ September and March 2013 calculated on a Basel III basis, September 2012 on a Basel II basis. Refer to page 34 for more detail.

⁽⁴⁾ Spot balance at reporting date.

⁽⁵⁾ Including loans and advances at fair value.

⁽⁶⁾ Excludes Trustee and Cash Management within NAB Wealth.

Highlights**Group Performance**

Cameron Clyne

Net Profit Attributable to Owners of the Company

Net profit attributable to owners of the Company (statutory net profit) for the September 2013 full year increased by \$1,370 million or 33.6% against the September 2012 full year, and \$412 million or 16.3% against the March 2013 half year. Net profit attributable to owners of the company is prepared in accordance with the *Corporations Act 2001* (Cth), and Australian Accounting Standards.

Shareholder Returns

The Group's statutory return on equity increased by 290 basis points to 13.2% against the September 2012 full year due to higher earnings, partially offset by higher levels of capital being held.

The Group's cash return on equity increased by 30 basis points to 14.5% against the September 2012 full year due to higher earnings, partially offset by higher levels of capital being held.

The final dividend for September 2013 is 97 cents per share, an increase of 4 cents per share compared to the March 2013 half year. The full dividend for the September 2013 year is 190 cents per share, which is 5.6% higher than the September 2012 full year. This represents a dividend payout ratio of 75.1% for the September 2013 full year on a cash earnings basis. The dividend payment is 100% franked and will be paid on 18 December 2013. Shares will be quoted ex-dividend on 7 November 2013.

Earnings per Share

Basic **statutory** earnings per share increased by 54.2 cents or 30.9% on the September 2012 year. Diluted earnings per share increased by 53.1 cents or 30.4%. This reflects the Group's increase in statutory profit.

Basic **statutory** earnings per share increased by 17.6 ~~16.5~~ cents or 16.6% ~~15.6%~~ on the March 2013 half year. Diluted earnings per share increased by 16.8 ~~15.7~~ cents or 16.0% ~~14.9%~~.

Basic **cash earnings per share** increased by 12.1 cents or 5.0% on the September 2012 year. Diluted cash earnings per share increased by 11.8 cents or 4.9%. This reflects an increase in cash earnings, partly offset by an increase in the number of shares on issue.

Basic **cash earnings per share** increased by 4.0 ~~2.9~~ cents or 3.2% ~~2.3%~~ on the March 2013 half year. Diluted cash earnings per share increased by 3.3 ~~2.2~~ cents or 2.7% ~~1.8%~~.

Strategic Highlights & Business Developments

The Group maintains its overall objective to deliver sustainable, satisfactory returns to shareholders. In March 2013, NAB updated its strategy to better align the business to the changing economic landscape and customers' evolving needs. It continues to focus on enhancing the Australian franchise through its key strategic priorities:

- Simplify and digitise the business
- Build world class customer relationships

- Enhance banking services for superannuation and the ageing population
- Broaden services for Asia active customers
- Provide DIY digital options for customers.

At the same time the Group continues to manage its international portfolio for value.

The strategy is supported by four key non-negotiables:

- Deliver total technology environment transformation
- Invest in people, culture and reputation
- Maintain focus on risk and compliance
- Build balance sheet strength.

To help deliver its updated strategy, this year both the Australian Banking and Wealth franchises implemented a more integrated and simplified operating model, which features:

- More streamlined customer management divisions focused on managing and growing customer relationships
- A single product house to effectively coordinate and manage all product offerings and drive innovation
- A centralised operations, shared services and transformation division to drive greater scale and efficiency and delivery of enterprise-wide transformation
- Centralised support divisions to remove duplication and promote greater consistency.

NAB's strategic priorities during 2013 are outlined below:

Enhance the Australian Franchise*Simplify and digitise the business*

The Group continues to focus on improving cost and efficiency – optimising the core business and providing customers with a better experience. Over the past three years this focus has seen NAB's Banking Cost to Income ratio decrease from 45.9% in 2010 to 42.6% in 2013.

The company has continued to rationalise its product portfolio, and improve its product management processes. Since 2010, the Group has rationalised approximately 50% of its core banking products and plans to further simplify this product set.

The company continues to standardise and consolidate processing and administration tasks currently performed by business bankers allowing them to spend more time with customers. Investments in technology have enabled straight-through processing for more products. Examples include automated property title transactions and digitised outbound customer correspondence.

Through the year NAB has progressed its consolidation of its various technology platforms. It has begun the migration of the Wholesale Banking division's technology support infrastructure to the same platform as the rest of the Australian franchise, thereby significantly reducing duplication.

The company has also expanded its self-service options, such as intelligent deposit machines, and has continued to upgrade its online offering. At the same time it has started to reshape its stores and Business Banking Centres to reduce excess floor space to provide

Consolidated Financial Statements

Full Year Results
2013

Income Statement

	Note	Year to		Half Year to	
		Sep 13 \$m	Sep 12 \$m	Sep 13 \$m	Mar 13 \$m
Interest income		31,311	34,542	15,422	15,889
Interest expense		(17,960)	(21,300)	(8,658)	(9,302)
Net interest income		13,351	13,242	6,764	6,587
Premium and related revenue		1,511	1,406	777	734
Investment revenue		11,065	7,463	5,763	5,302
Fee income		546	525	281	265
Claims expense		(909)	(800)	(477)	(432)
Change in policy liabilities		(9,072)	(5,677)	(4,737)	(4,335)
Policy acquisition and maintenance expense		(928)	(908)	(471)	(457)
Investment management expense		(4)	(5)	(1)	(3)
Movement in external unitholders' liability		(1,649)	(1,264)	(827)	(822)
Net life insurance income		560	740	308	252
Gains less losses on financial instruments at fair value	3	769	223	557	212
Other operating income	3	3,604	3,510	1,773	1,831
Total other income		4,373	3,733	2,330	2,043
Personnel expenses	4	(4,362)	(4,526)	(2,220)	(2,142)
Occupancy-related expenses	4	(600)	(609)	(309)	(291)
General expenses	4	(3,311)	(3,687)	(1,678)	(1,633)
Total operating expenses		(8,273)	(8,822)	(4,207)	(4,066)
Charge to provide for doubtful debts	8	(1,810)	(2,734)	(757)	(1,053)
Profit before income tax expense		8,201	6,159	4,438	3,763
Income tax expense	5	(2,741)	(2,076)	(1,501)	(1,240)
Net profit for the period		5,460	4,083	2,937	2,523
<i>Attributable to:</i>					
Owners of the Company		5,452	4,082	2,932	2,520
Non-controlling interest in controlled entities		8	1	5	3
Net profit for the period		5,460	4,083	2,937	2,523
		cents	cents	cents	cents
Basic earnings per share		229.5	175.3	123.4	105.8
Diluted earnings per share		227.5	174.4	121.9	105.1

5. Earnings per Share

Earnings per Share	Year to			
	Sep 13		Sep 12	
	Basic	Diluted	Basic	Diluted
Earnings (\$m)				
Net profit attributable to owners of the Company	5,452	5,452	4,082	4,082
Distributions on other equity instruments	(215)	(215)	(245)	(245)
Potential dilutive adjustments (after tax)				
Interest expense on convertible notes ⁽¹⁾	-	6	-	-
Interest expense on convertible preference shares	-	36	-	-
Adjusted earnings	5,237	5,279	3,837	3,837
Weighted average ordinary shares (no. '000)				
Weighted average ordinary shares (net of treasury shares)	2,282,185	2,282,185	2,188,873	2,188,873
Potential dilutive ordinary shares				
Performance options and performance rights	-	5,676	-	2,869
Partly paid ordinary shares	-	60	-	63
Employee share plans	-	5,274	-	8,366
Convertible notes	-	3,550	-	-
Convertible preference shares	-	23,978	-	-
Total weighted average ordinary shares	2,282,185	2,320,723	2,188,873	2,200,171
Earnings per share (cents)	229.5	227.5	175.3	174.4

⁽¹⁾ During the year ended 30 September 2012, the impact of all convertible notes has not been included in the diluted earnings per share because they were anti-dilutive.

Earnings per Share	Half Year to			
	Sep 13		Mar 13	
	Basic	Diluted	Basic	Diluted
Earnings (\$m)				
Net profit attributable to owners of the Company	2,932	2,932	2,520	2,520
Distributions on other equity instruments	(101)	(101)	(114)	(114)
Potential dilutive adjustments (after tax)				
Interest expense on convertible notes	-	-	-	6
Interest expense on convertible preference shares	-	34	-	2
Adjusted earnings	2,831	2,865	2,406	2,414
Weighted average ordinary shares (no. '000)				
Weighted average ordinary shares (net of treasury shares)	2,294,109	2,294,109	2,274,645	2,274,645
	2,315,553	2,315,553		
Potential dilutive ordinary shares				
Performance options and performance rights	-	5,476	-	5,864
Partly paid ordinary shares	-	62	-	63
Employee share plans	-	5,274	-	6,285
Convertible notes	-	-	-	7,120
Convertible preference shares	-	44,882	-	3,287
Total weighted average ordinary shares	2,294,109	2,349,803	2,274,645	2,297,264
	2,315,553	2,371,247		
Earnings per share (cents)	123.4	122.3	121.9	120.8
			105.8	105.1

Cash Earnings per Share	Year to			
	Sep 13		Sep 12	
	Basic	Diluted	Basic	Diluted
Earnings (\$m)				
Cash earnings ⁽¹⁾	5,936	5,936	5,433	5,433
Distributions on other equity instruments	(27)	(27)	(38)	(38)
Potential dilutive adjustments (after tax)				
Interest expense on convertible notes	-	6	-	83
Interest expense on convertible preference shares	-	36	-	-
Adjusted cash earnings	5,909	5,951	5,395	5,478
Weighted average ordinary shares (no. '000)				
Weighted average ordinary shares	2,335,903	2,335,903	2,239,831	2,239,831
Potential dilutive weighted average ordinary shares				
Performance options and performance rights	-	5,676	-	2,869
Partly paid ordinary shares	-	60	-	63
Employee share plans	-	5,274	-	8,366
Convertible notes	-	3,550	-	42,755
Convertible preference shares	-	23,978	-	-
Total weighted average ordinary shares	2,335,903	2,374,441	2,239,831	2,293,884
Cash earnings per share (cents)	253.0	250.6	240.9	238.8

⁽¹⁾ Refer to Profit Reconciliation section for reconciliation of cash earnings to net profit attributable to owners of the Company.

Cash Earnings per Share	Half Year to			
	Sep 13		Mar 13	
	Basic	Diluted	Basic	Diluted
Earnings (\$m)				
Cash earnings ⁽¹⁾	3,021	3,021	2,915	2,915
Distributions on other equity instruments	(7)	(7)	(20)	(20)
Potential dilutive adjustments (after tax)				
Interest expense on convertible notes	-	-	-	6
Interest expense on convertible preference shares	-	34	-	2
Adjusted cash earnings	3,014	3,048	2,895	2,903
Weighted average ordinary shares (no. '000)				
Weighted average ordinary shares	2,344,757	2,344,757	2,325,101	2,325,101
	2,366,204	2,366,204		
Potential dilutive weighted average ordinary shares				
Performance options and performance rights	-	5,476	-	5,864
Partly paid ordinary shares	-	62	-	63
Employee share plans	-	5,274	-	6,285
Convertible notes	-	-	-	7,120
Convertible preference shares	-	44,882	-	3,287
Total weighted average ordinary shares	2,344,757	2,400,451	2,325,101	2,347,720
	2,366,204	2,421,895		
Cash earnings per share (cents)	128.5	127.4	124.5	123.7
	127.0	125.9		

⁽¹⁾ Refer to Profit Reconciliation section for reconciliation of cash earnings to net profit attributable to owners of the Company.

NATIONAL AUSTRALIA BANK

Extract of Key Performance Measures template with amended EPS disclosure

Output summary - ratios

Key indicators	Year to		Half Year to	
	Sep 13 \$m	Sep 12 \$m	Sep 13 \$m	Mar 13 \$m
Basic cash earnings per ordinary share - cents	253.0	240.9	128.5	124.5
Cash earnings	5,936	5,433	3,021	2,915
Less: Dividends on other equity instruments	(27)	(38)	(7)	(20)
Adjusted cash earnings (basic)	5,909	5,395	3,014	2,895
Add: Interest expense on convertible notes	6	83	(0)	6
Add: Interest expense on convertible preference shares	36	-	34	2
Adjusted cash earnings (diluted)	5,951	5,478	3,048	2,903
Weighted average ordinary shares (no. '000)	2,335,903	2,239,831	2,344,757	2,325,101
Diluted weighted average ordinary shares (no. '000)	2,374,441	2,293,884	2,400,451	2,347,720
Diluted cash earnings per share - cents	250.6	238.8	127.0	123.7
Cash earnings on average equity	14.5%	14.2%	14.4%	14.7%
Cash earnings	5,936	5,433	3,021	2,915
Average equity	44,514	42,344	45,097	43,833
Less: Average non-controlling interest in controlled entities	(51)	(36)	(20)	(49)
Less: Average Trust Preferred Securities	(975)	(975)	(975)	(975)
Less: Average Trust Preferred Securities II	(1,014)	(1,014)	(1,014)	(1,014)
Less: Average National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: Average National Capital Instruments	(397)	(397)	(397)	(397)
Less: Average BNZ Income Securities	(187)	(380)	-	(374)
Less: Average BNZ Income Securities 2	(203)	(203)	(203)	(203)
Add: Average Treasury shares	1,147	869	1,259	1,002
Adjusted average equity for cash earnings on average equity calculation	40,889	38,263	41,802	39,878
Profitability, performance and efficiency measures				
Dividend payout ratio	75.1%	74.7%	75.5%	74.7%
Dividend per share	190	180	97	93
Basic cash earnings per ordinary share - cents	253.0	240.9	128.5	124.5
Cash earnings on average assets	0.74%	0.72%	0.74%	0.75%
Cash earnings	5,936	5,433	3,021	2,915
Average assets	801,033	758,361	819,154	782,367
Cash earnings per average FTE (\$000)	139	124	142	136
Cash earnings	5,936	5,433	3,021	2,915
Average FTE	42,783	43,753	42,543	43,007
Banking cost to income ratio	42.6%	41.3%	43.4%	41.7%
Group operating expenses	8,174	7,828	4,198	3,976
Less: NAB Wealth Operating expenses	(880)	(983)	(449)	(431)
Add: Eliminations	85	93	44	41
Banking operating expenses	7,379	6,938	3,793	3,586
Net interest income	13,407	13,297	6,799	6,608
Other operating income	3,838	3,412	1,895	1,943
Add: Eliminations	85	93	44	41
Other operating income	3,923	3,505	1,939	1,984
Net tangible assets (NTA) per share (\$)	14.64	13.82	14.64	14.03
Total equity / net assets	46,620	43,803	46,620	44,701
Less: non-controlling interest in controlled entities	(59)	(47)	(59)	(50)
Less: Trust Preferred Securities	(975)	(975)	(975)	(975)
Less: Trust Preferred Securities II	(1,014)	(1,014)	(1,014)	(1,014)
Less: National Income Securities	(1,945)	(1,945)	(1,945)	(1,945)
Less: National Capital Instruments	(397)	(397)	(397)	(397)
Less: BNZ Income Securities	-	(380)	-	-
Less: BNZ Income Securities 2	(203)	(203)	(203)	(203)
Less: Intangible Assets	(7,641)	(7,088)	(7,641)	(7,246)
Net tangible assets (NTA)	34,386	31,754	34,386	32,871
Ordinary shares - Including partly paid (no. '000)	2,348,992	2,297,351	2,348,992	2,342,606

NATIONAL AUSTRALIA BANK

Extract of Key Performance Measures template with amended EPS disclosure

Input Schedule

	Year to		Half Year to		Sep 13 Results Announcement
	Sep 13	Sep 12	Sep 13	Mar 13	
Group Results	\$m	\$m	\$m	\$m	
Net interest income	13,407	13,297	6,799	6,608	Page 3
Other operating income	3,838	3,412	1,895	1,943	Page 3
NAB Wealth net operating income	1,335	1,515	636	699	Page 3
Net operating income	18,580	18,224	9,330	9,250	Page 3
Operating expenses	(8,174)	(7,828)	(4,198)	(3,976)	Page 3
Underlying profit	10,406	10,396	5,132	5,274	Page 3
Charge to provide for bad and doubtful debts	(1,934)	(2,615)	(842)	(1,092)	Page 3
Cash earnings before tax, loRE, distributions and non-controlling interest	8,472	7,781	4,290	4,182	Page 3
Income tax expense	(2,337)	(2,178)	(1,167)	(1,170)	Page 3
Cash earnings before loRE, distributions and non-controlling interest	6,135	5,603	3,123	3,012	Page 3
Net profit - non-controlling interest	(8)	(1)	(5)	(3)	Page 3
loRE	(3)	38	(3)	-	Page 3
Distributions	(188)	(207)	(94)	(94)	Page 3
Cash earnings	5,936	5,433	3,021	2,915	Page 3
<i>Non-cash items (after-tax):</i>					
Distributions	188	207	94	94	Page 3
Treasury shares	(342)	(155)	(144)	(198)	Page 3
Fair value and hedge ineffectiveness	(151)	(270)	97	(248)	Page 3
loRE discount rate variation	22	16	12	10	Page 3
Hedging costs on exited SCDO assets	-	(99)	-	-	Page 3
Litigation expense	39	(101)	56	(17)	Page 3
Amortisation of acquired intangible assets	(77)	(99)	(41)	(36)	Page 3
PPI and Customer redress provisions	(163)	(239)	(163)	-	Page 3
Impairment of goodwill and software	-	(349)	-	-	Page 3
Restructure costs	-	(174)	-	-	Page 3
Due diligence, acquisition and integration costs	-	(88)	-	-	Page 3
Net profit attributable to owners of the Company	5,452	4,082	2,932	2,520	Page 3

	Year to		Half Year to		Sep 13 Results Announcement
	Sep 13	Sep 12	Sep 13	Mar 13	
Average equity data	\$m	\$m	\$m	\$m	
Average interest-earnings assets	662,135	629,972	671,551	652,505	Page 116, 119
Average assets	801,033	758,361	819,154	782,367	Page 116, 119
Average equity	44,514	42,344	45,097	43,833	Page 116, 119
Average non-controlling interest in controlled entities	51	36	20	49	Page 116, 119
Average Trust Preferred Securities	975	975	975	975	
Average Trust Preferred Securities II	1,014	1,014	1,014	1,014	
Average National Income Securities	1,945	1,945	1,945	1,945	
Average National Capital Instruments	397	397	397	397	
Average BNZ Income Securities	187	380	-	374	
Average BNZ Income Securities 2	203	203	203	203	
Average Treasury shares	1,147	869	1,259	1,002	

Earnings per share data

Basic weighted average ordinary shares (no. '000)	2,282,185	2,188,873	2,294,109	2,315,553	2,274,645	Page 124
Diluted weighted average ordinary shares (no. '000)	2,320,723	2,200,171	2,349,803	2,371,247	2,297,264	Page 124

Cash Earnings per share data

Basic weighted average ordinary shares (no. '000)	2,335,903	2,239,831	2,344,757	2,366,201	2,325,101	Page 124, 125
Diluted weighted average ordinary shares (no. '000)	2,374,441	2,293,884	2,400,451	2,421,895	2,347,720	Page 124, 125
Distributions on other equity instruments	(27)	(38)	(7)	(7)	(20)	Page 124, 125
Interest expense on convertible notes	6	83	-	-	6	Page 124, 125
Interest expense on convertible preference shares	36	-	34	34	2	Page 124, 125

Net tangible assets per share data

Ordinary shares - Fully paid (no. '000)	2,348,903	2,297,247	2,348,903	2,342,509	Page 131
Ordinary shares - Partly paid (no. '000)	89	104	89	97	Page 131
Dividend per share	190	180	97	93	Page 96
Total equity / net assets	46,620	43,803	46,620	44,701	Page 84
Non-controlling interest in controlled entities	59	47	59	50	Page 84
National Income Securities	1,945	1,945	1,945	1,945	Page 104
Trust Preferred Securities	975	975	975	975	Page 104
Trust Preferred Securities II	1,014	1,014	1,014	1,014	Page 104
National Capital Instruments	397	397	397	397	Page 104
BNZ Income Securities	-	380	-	-	Page 104
BNZ Income Securities 2	203	203	203	203	Page 104
Intangible Assets	7,641	7,088	7,641	7,246	Page 84
Average FTE	42,783	43,753	42,543	43,007	Page 10

Banking cost to income ratio data

Group operating expenses	8,174	7,828	4,198	3,976	Page 25
NAB Wealth operating expenses	880	983	449	431	Page 25
Eliminations	85	93	44	41	Page 40, 41, 42, 43
Group net interest income	13,407	13,297	6,799	6,608	Page 3
Group other operating income	3,838	3,412	1,895	1,943	Page 3