



Important note on these presentation slides, including the use of non-IFRS financial information

This document is a visual aid accompanying a presentation to analysts by the Group Chief Executive Officer and the Executive Director Finance on 31 October 2013. It is not intended to be read as a stand-alone document. It contains select information, in abbreviated or summary form, and does not purport to be complete. It is intended to be read by an analyst audience familiar with National Australia Bank Limited and its September 2013 Full Year Results, and to be accompanied by the verbal presentation. This document should not be read without first reading the National Australia Bank Limited September 2013 Full Year Results, which has been lodged with the Australian Securities Exchange at the same time as this document and is available at www.nab.com.au.

The verbal presentation to analysts places emphasis on cash earnings measures of the Group's performance. NAB uses cash earnings for its internal management reporting purposes and considers it a better reflection of the Group's underlying performance. Accordingly, as a visual aid to that presentation, information in this document is presented on a cash earnings basis unless otherwise stated.

Cash earnings is calculated by excluding some items which are included within the statutory net profit attributable to owners of the Company. It is not a statutory financial measure and is not presented in accordance with Australian Accounting Standards nor audited or reviewed in accordance with Australian Auditing Standards. **The definition of cash earnings, a discussion of non-cash earnings items and a full reconciliation of the cash earnings to statutory net profit attributable to owners of the company is set out on pages 2-8 of the National Australia Bank Limited September 2013 Full Year Results.**

The financial report section (section 5) of the September 2013 Full Year Results sets out the Consolidated Income Statement of the Group, including statutory net profit.

The Group's financial statements, prepared in accordance with the *Corporations Act 2001 (Cth)* and Australian Accounting Standards, and audited in accordance with Australian Auditing Standards, will be released on 18 November in NAB's 2013 Annual Financial Report.

Note:

- The inclusion of percentage changes in brackets in this document indicates an unfavourable movement on a prior comparative period.
- This document is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.
- This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, which may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

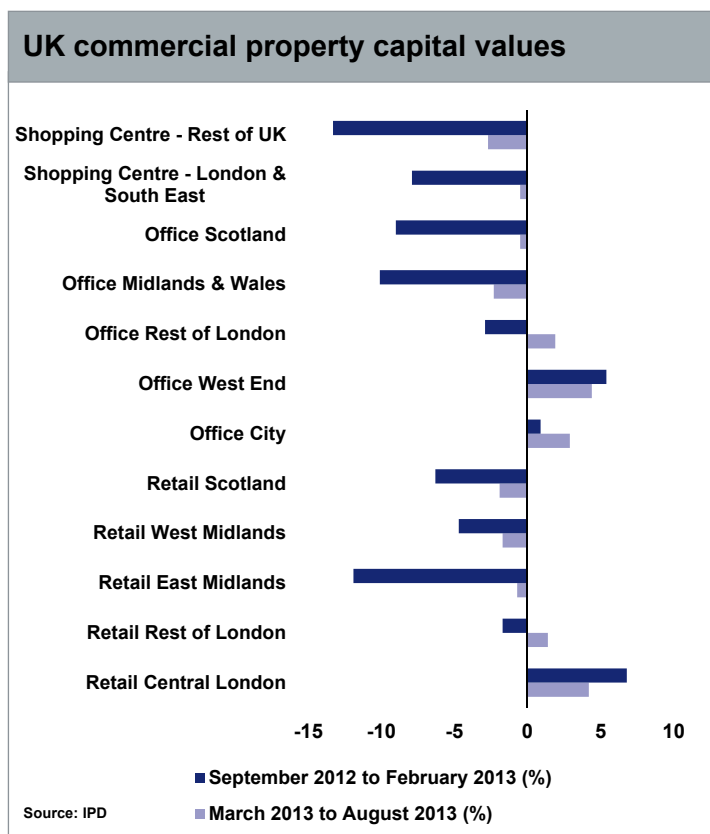
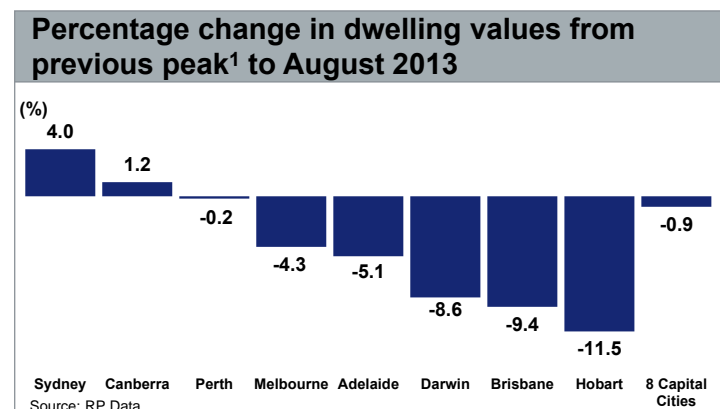
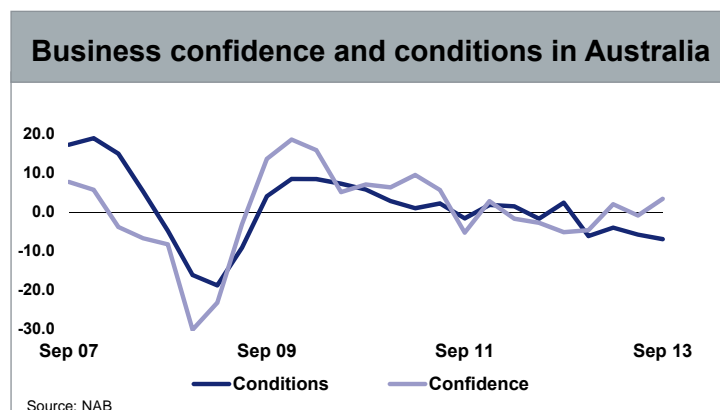
Solid result from core franchise and improved UK performance

	FY13	FY13 vs FY12
Cash earnings (\$m)	5,936	9.3%
Cash EPS (diluted cps)	250.6	4.9%
Dividend (100% franked cps)	190	5.6%
Cash ROE	14.5%	30bps
Statutory net profit attributable to owners (\$m)	5,452	33.6%

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Operating environment stable ... some signs of improvement



4

(1) The previous peak for each Capital City was in 2010



Updated strategy aligned to changing landscape

To deliver sustainable, satisfactory returns to shareholders

Enhance Australian franchise

Simplify and digitise our business

- Simplify and standardise product offering
- Re-engineer and automate processes
- Simplify technology
- Reshape footprint
- Enhance payments and mobile capability

Meet evolving customer needs

- Deliver world class customer management
- Provide DIY digital options for customers
- Enhance banking services for superannuation and ageing
- Broaden services for Asia active customers

Manage international portfolio for value

- Maintain strong NZ franchise
- Complete SGA and UK CRE run-off
- Complete UK restructure

Total technology environment transformation (inc NextGen)

People, culture and reputation

Risk & Compliance

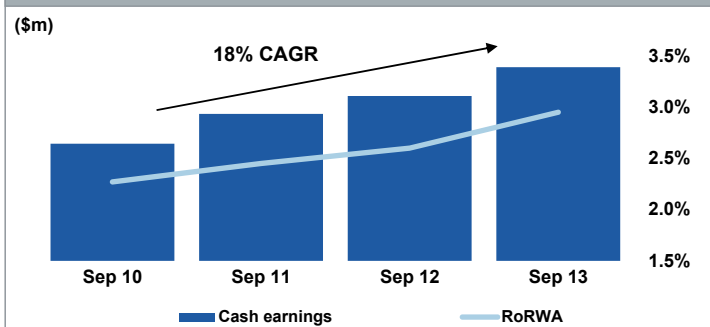
Balance sheet strength

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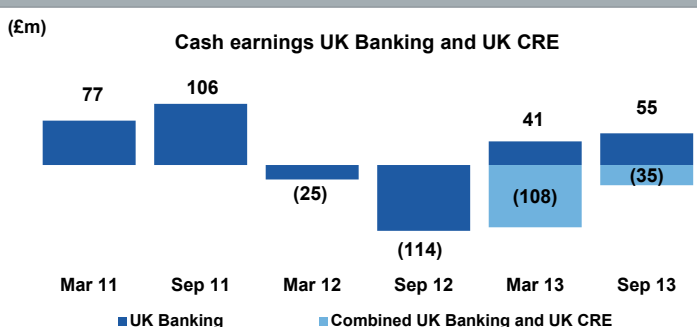


Delivering on strategy

Personal Banking growing strongly



UK businesses improving



Good progress on technology and infrastructure

- First transaction product launched on NextGen Platform with a fully automated online application – UBank Usaver Ultra
- NABTrade (on NextGen platform) – ~30,000 new customers since launch (20% share of all new accounts opened) and \$800m of new deposits
- Consolidated four International Payments Gateways into a single modern Global Gateway
- Launched peer-to-peer payments app – NAB Flik

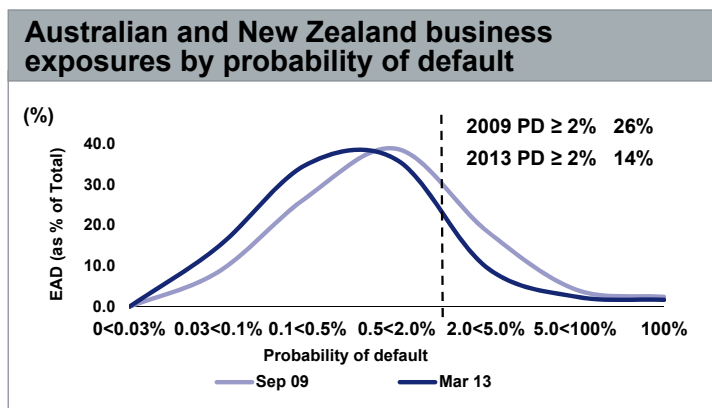
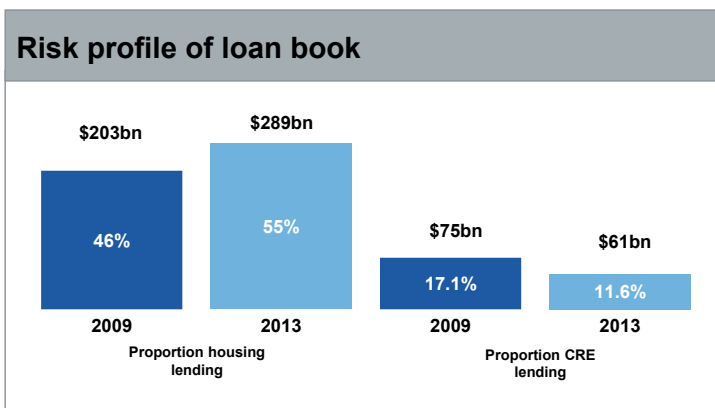
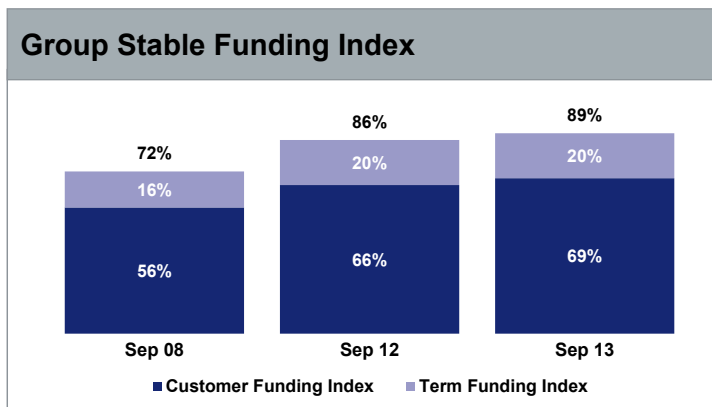
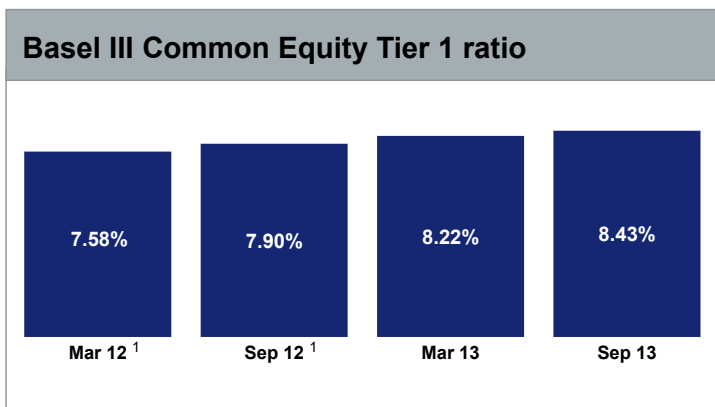
Operating model changes delivering

- Centralisation of product management into two functions (banking and wealth) from 15
- Convergence of four banking operations and technology teams into one (~3,000 additional people centralised)
- NAB Asia integrated into Business Banking and Wealth
- Reorganisation has driven annualised savings of \$130m
- New external reporting format commencing FY14

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Balance sheet continues to strengthen



(1) Estimated Basel III Common Equity Tier 1 ratio

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Summary and outlook

- Stronger FY13 performance from all banking businesses
- UK operating conditions improving
- Pick up in business confidence encouraging
- Operating model changes delivering substantive savings
- Continued improvement in risk profile
- Well positioned for FY14

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2H13 Financials



Group financial result

(\$m)	Sep 13 Half year	Change on Mar 13
Net operating income	9,330	0.9%
Operating expenses	(4,198)	(5.6%)
Underlying profit	5,132	(2.7)%
B&DDs	(842)	22.9%
Cash earnings	3,021	3.6%
APRA Basel III CET1 ¹ ratio	8.43%	21bps
Spot GLAs (\$bn)	521.8	4.2%
Spot Customer Deposits (\$bn)	366.0	6.9%
Statutory net profit attributable to owners (\$m)	2,932	16.3%

Notable items in Sep 13 half year result

Revenue

- Insurance reserves increased \$57m

Expenses

- UK conduct provisions \$106m (\$57m in 1H13)
- Australian restructuring costs \$109m (\$5m in 1H13)
- GST credits \$38m

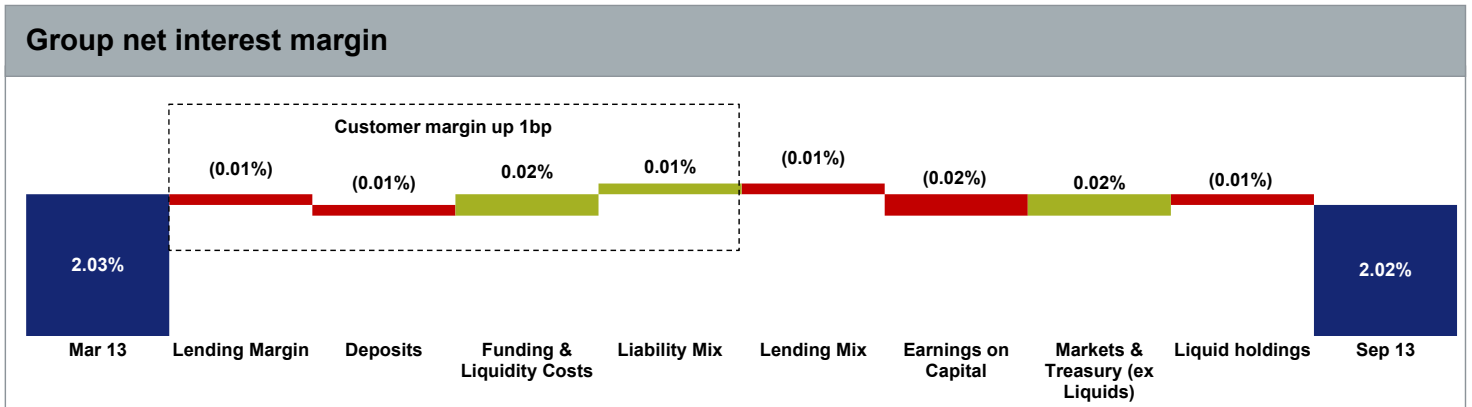
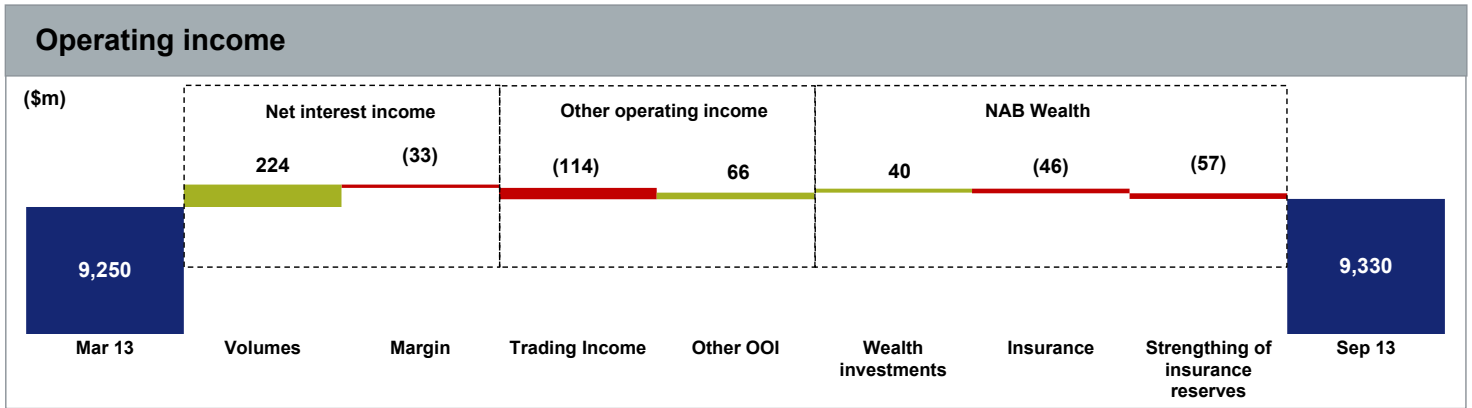
Non-cash earnings (after tax)

- UK customer redress (PPI) (\$163m)
- Bell Resources litigation recovery \$56m

(1) Common Equity Tier One



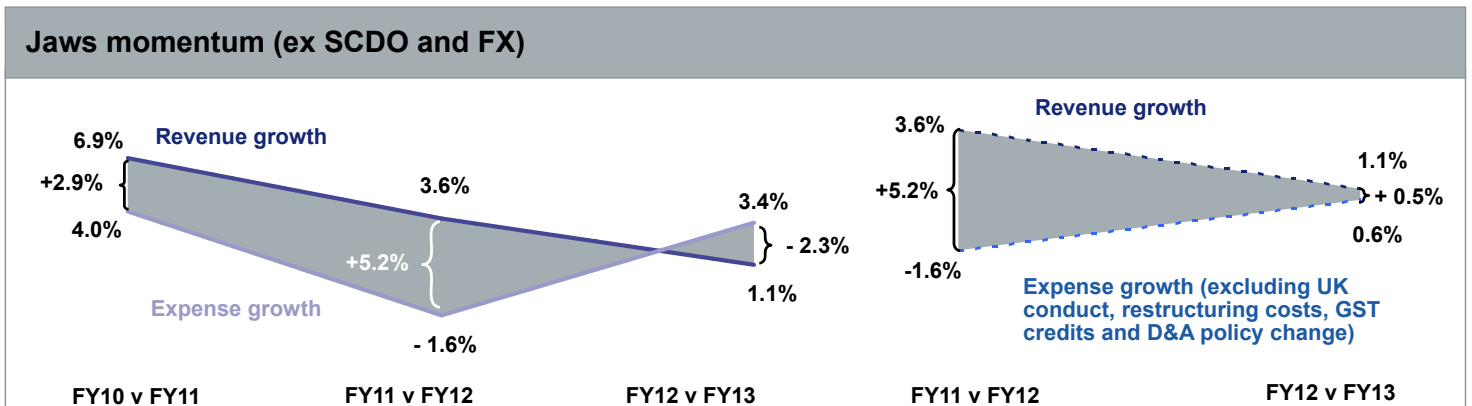
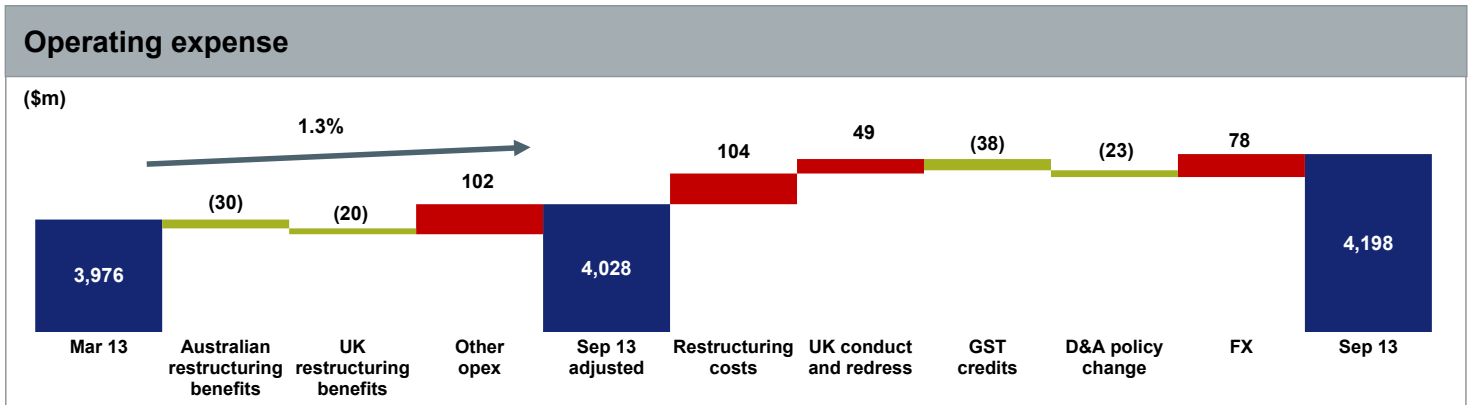
Operating income



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Operating expense trends

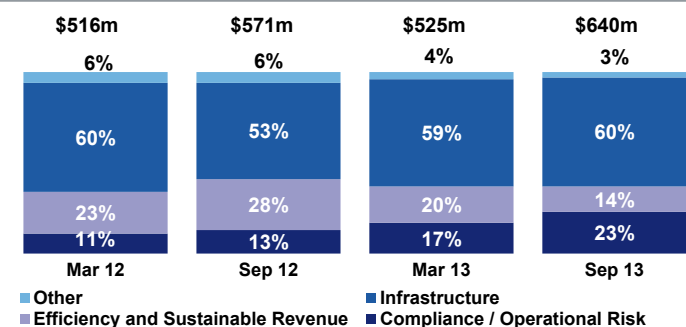


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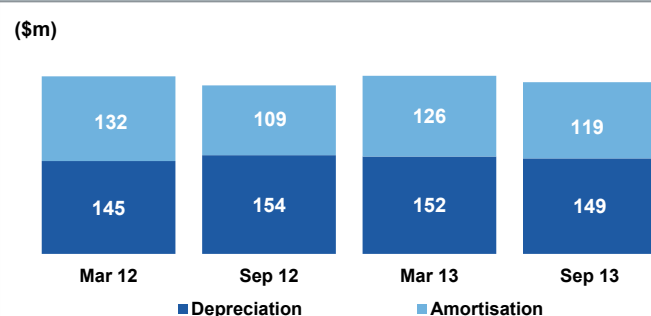


Investments, D&A, capitalised software and restructuring

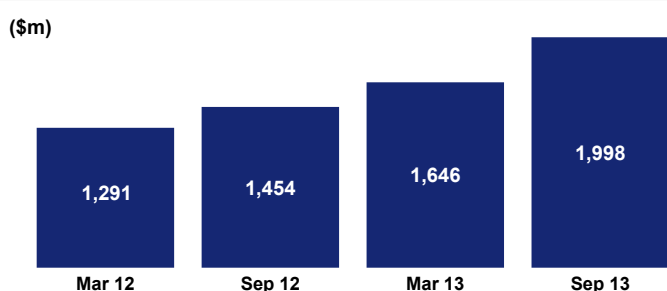
Investment spend



Depreciation and amortisation expense



Capitalised software balance



Costs and benefits of Australian restructure

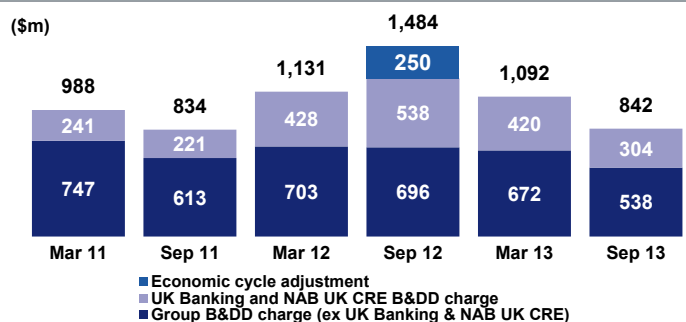
- Restructuring costs in FY13 of \$114m (\$109m in 2H13)
- Provisions raised of \$43m for redundancy in FY14
- Expense savings in 2H13 of \$30m
- Expected run-rate savings of \$130m
- FY14 depreciation and amortisation expense expected to be ~\$80m higher
- Capitalised software balance to reach ~\$2.5bn in FY16

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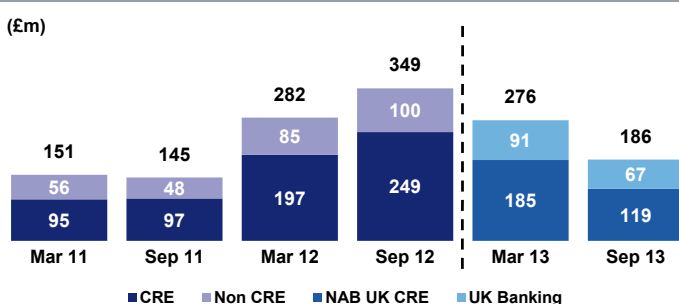


Group B&DD charge

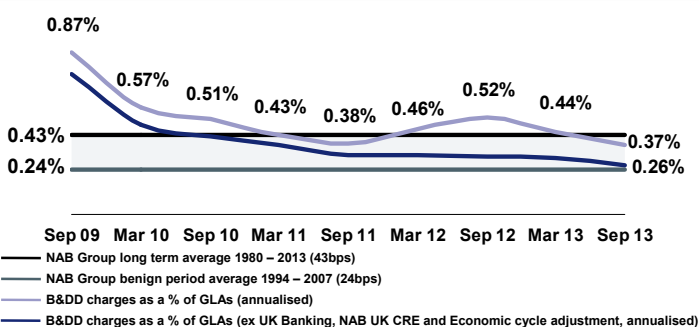
B&DD charge



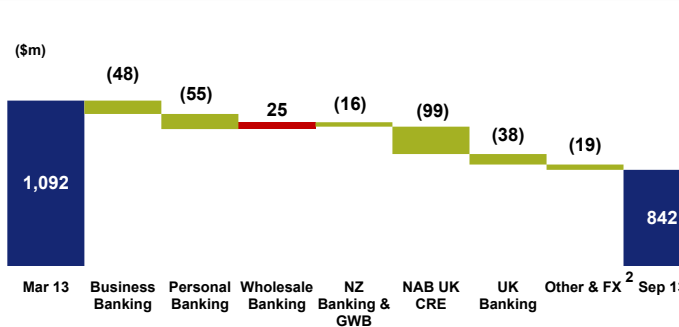
UK Banking & NAB UK CRE B&DD charge¹



B&DD charge to GLAs – compared to norms



B&DD charge by business (constant currency)



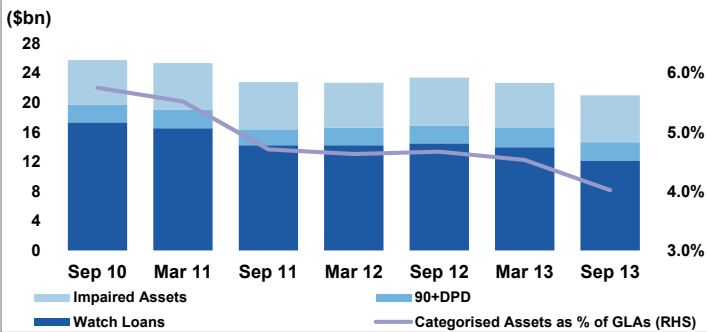
(1) On 4 October UK CRE was separated from UK Banking
 (2) Includes NAB Wealth and Corporate Centre

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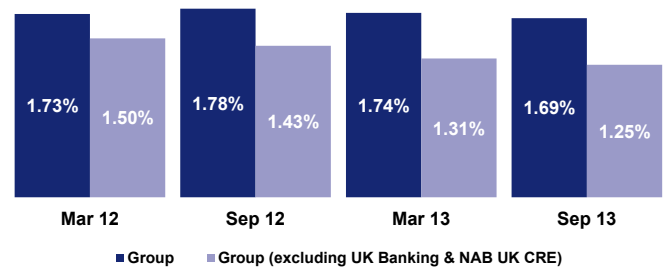


Asset quality and coverage ratios

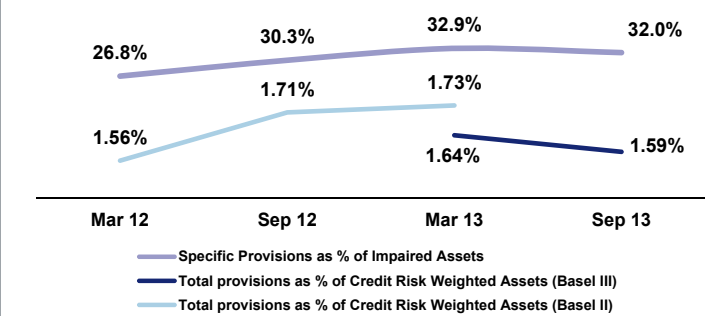
Categorised assets by class



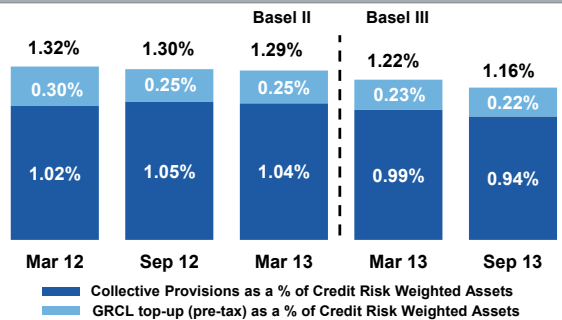
90+ DPD & impaired assets as a % of GLAs



Total and specific provision coverage



Coverage ratios (with and without GRCL top-up)

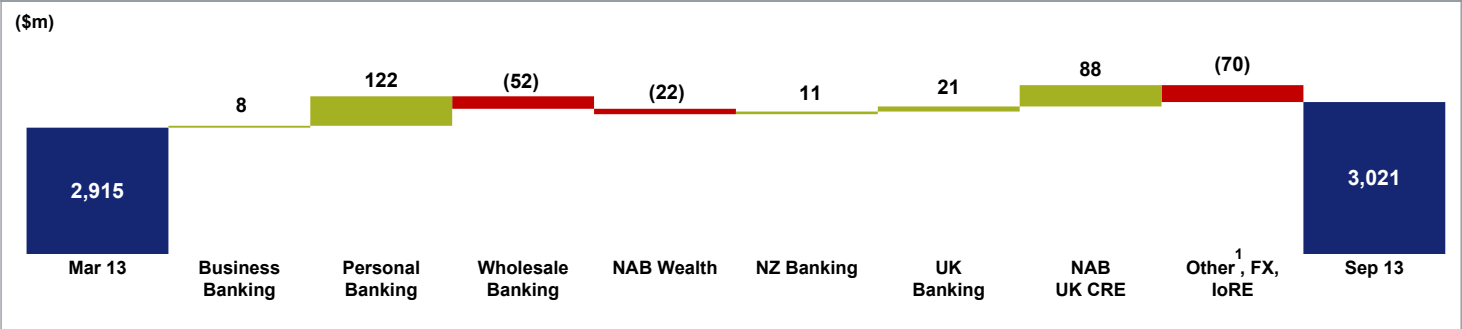


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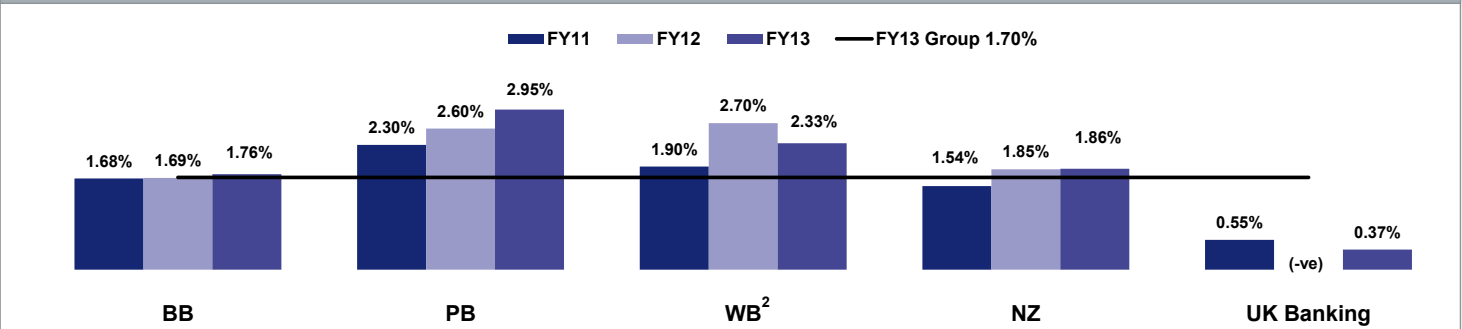


Business unit contributions

Cash earnings attribution analysis by business (constant currency)



Annual return on average RWAs for Banking Business Units



(1) Other comprises SGA, Group Funding, Group Business Services, other supporting units and Great Western Bank

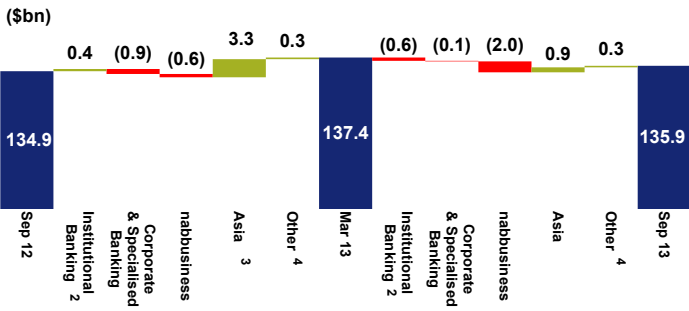
(2) Wholesale Banking March 13 risk-weighted assets increased by \$12.5bn due to the introduction of the Basel III regulatory capital framework

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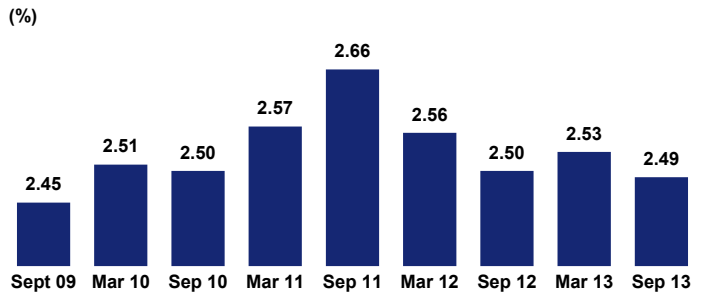


Business Banking

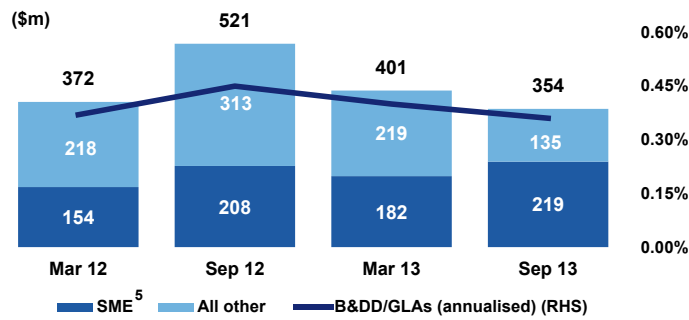
Business lending volumes¹



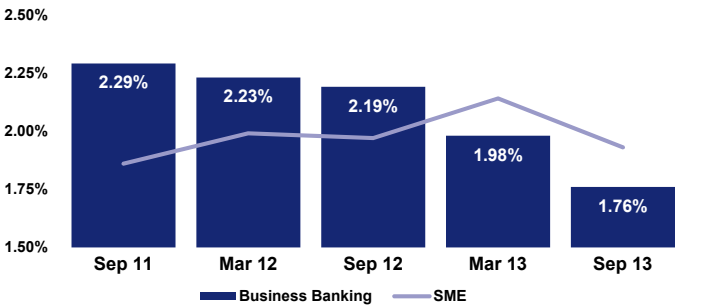
Net interest margin



B&DD charge and B&DD as % GLAs



90+ DPD and GIAs as a % of GLAs



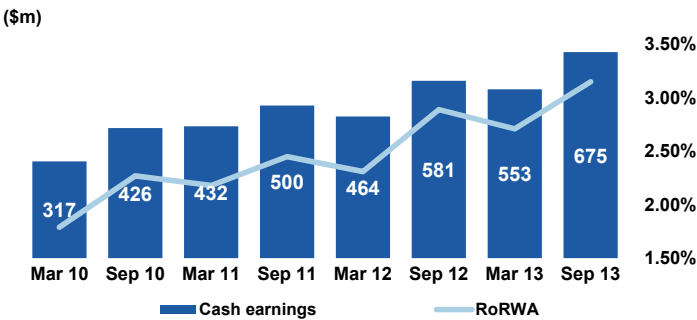
- (1) Average volumes
- (2) Institutional Banking defined as ASX 250, multinational corporations and private equivalents
- (3) Asia transferred from Corporate Functions
- (4) Other includes Working Capital Services
- (5) SME business data reflects the nabbusiness segment of Business Banking which supports business customers with lending typically up to \$25m, excluding the Specialised Businesses

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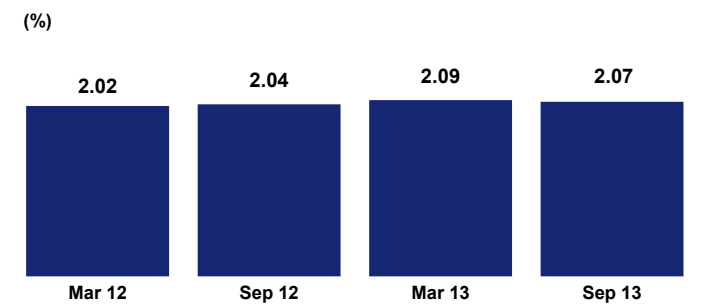


Personal Banking

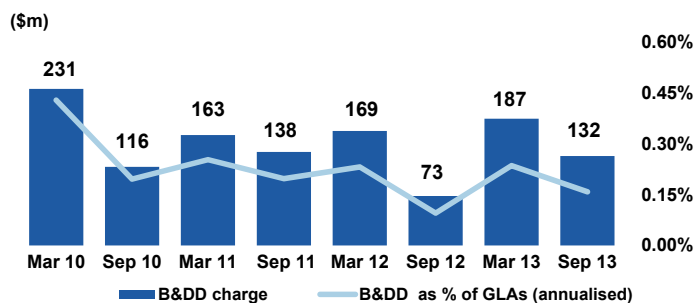
Cash earnings and RoRWA



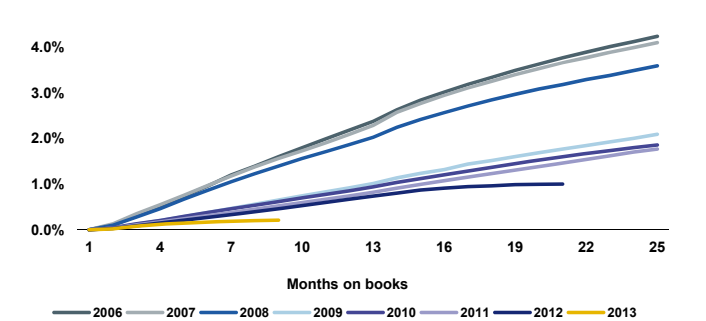
Net interest margin



B&DD charge and B&DD as % GLAs



Australian mortgages¹ - cumulative 30+ DPD



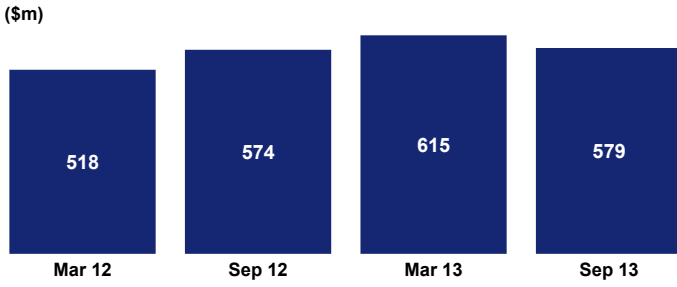
- (1) Includes Business Banking and NAB Wealth mortgages

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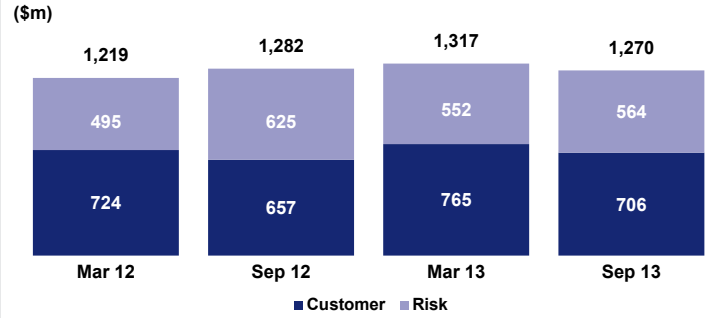


Wholesale Banking

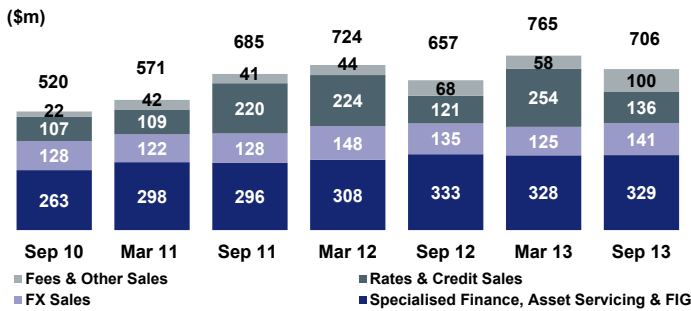
Cash earnings



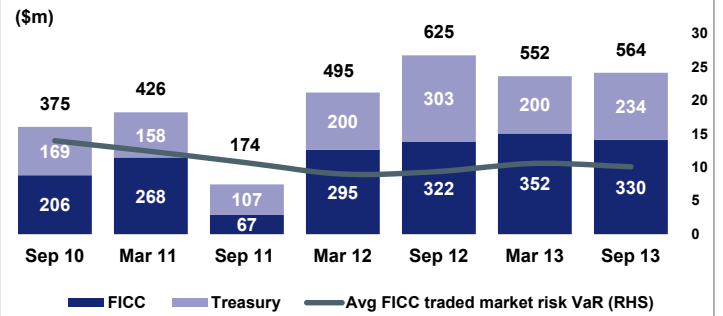
Customer and risk income



Customer income



Risk income

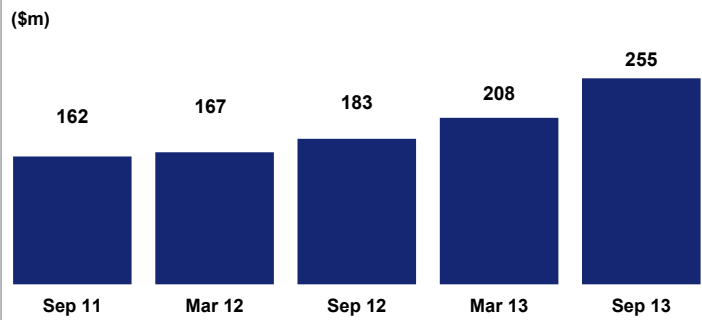


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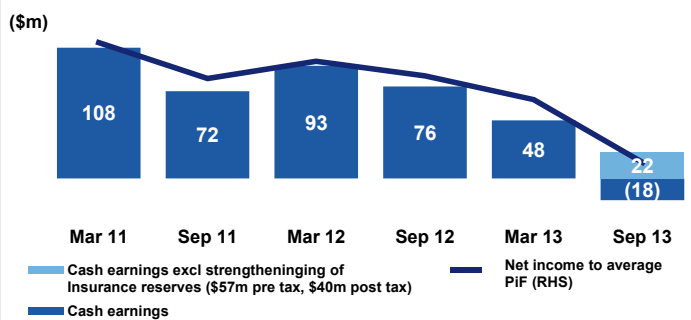


NAB Wealth

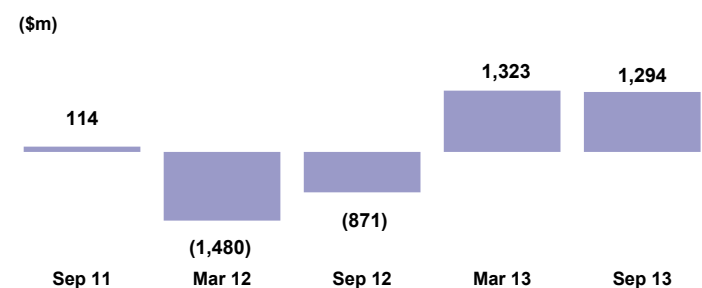
Investments cash earnings¹



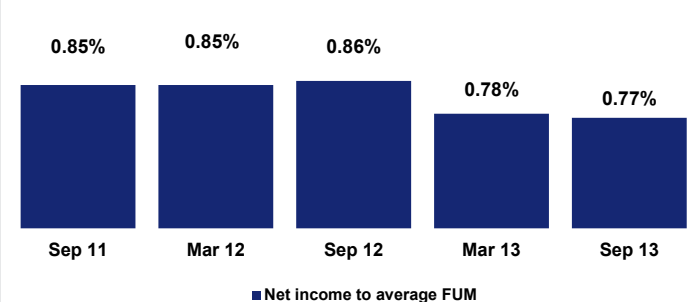
Insurance cash earnings and income to average premiums inforce



FUM² net funds flow



Movement in total investments margin



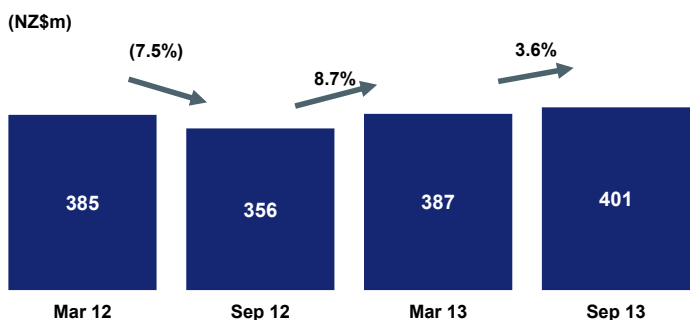
(1) Inclusive of Private Wealth
 (2) FUM on a proportional ownership basis

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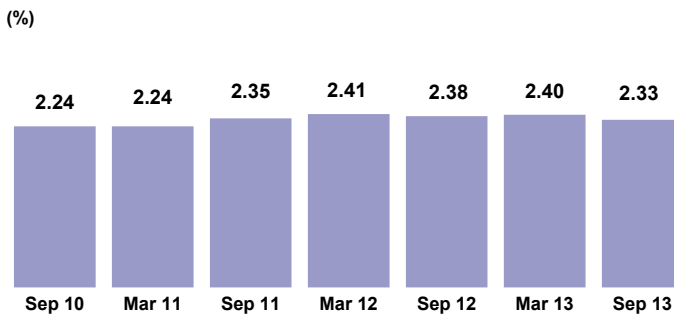


New Zealand Banking and Great Western Bank

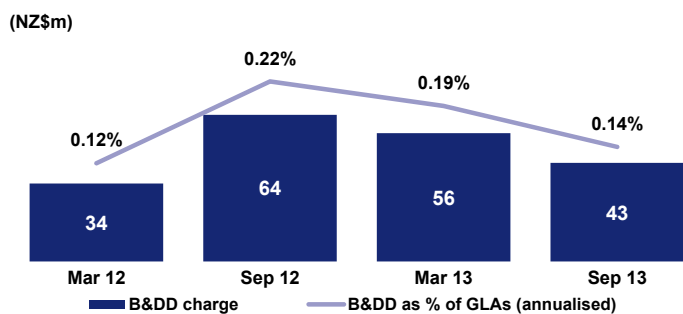
New Zealand Banking - Cash earnings



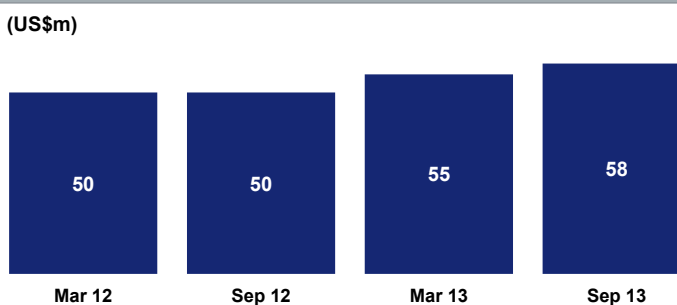
New Zealand Banking - Net interest margin



New Zealand Banking - B&DD charge and B&DD as % of GLAs



Great Western Bank - Cash earnings



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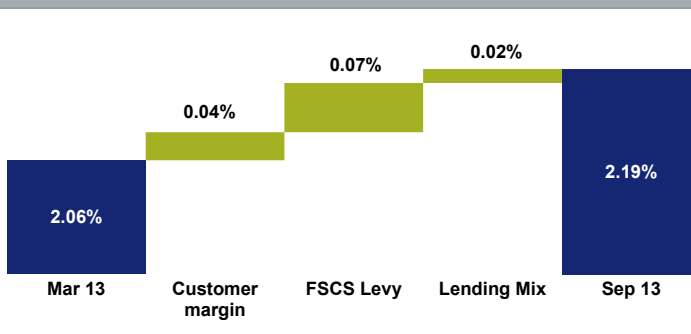


UK Banking

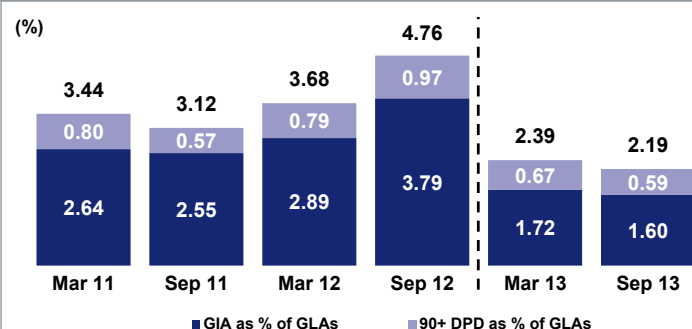
UK Banking Summary Results

(£m)	2H13	1H13	Movement
Income	496	490	6
Expenses	(356)	(345)	(11)
B&DDs	(67)	(91)	24
Cash earnings	55	41	14
Cash earnings (ex conduct)	76	58	18

Net interest margin



90+ DPD and GIAs as a % of GLAs¹



Key conduct issues

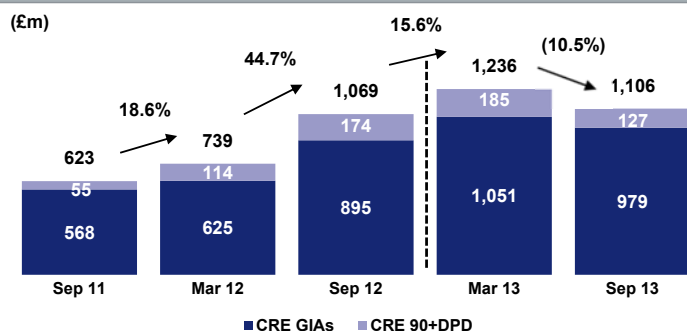
Issue (£m)	Charge			Remaining Provision
	1H13	2H13	FY13	
Mortgage Repayments Irregularities	13	24	37	16
CPP Scheme of Arrangement	9	4	13	12
UK cash expense impact	22	28	50	28
Interest Rate Hedging Products	15	21	36	49
Other matters	0	18	18	36
Group cash expense impact	37	67	104	113
Payment Protection Insurance (PPI)	0	130	130	152

(1) On 5 October 2012 UK CRE was separated from UK Banking

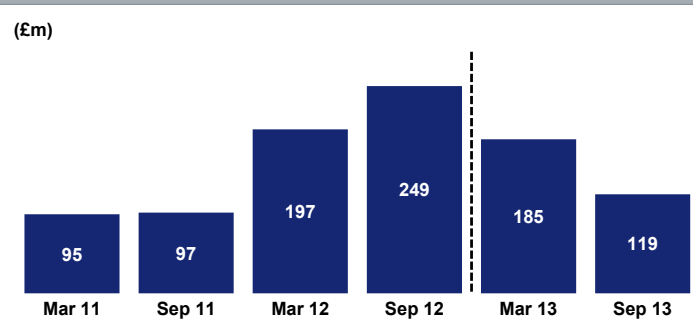


NAB UK CRE

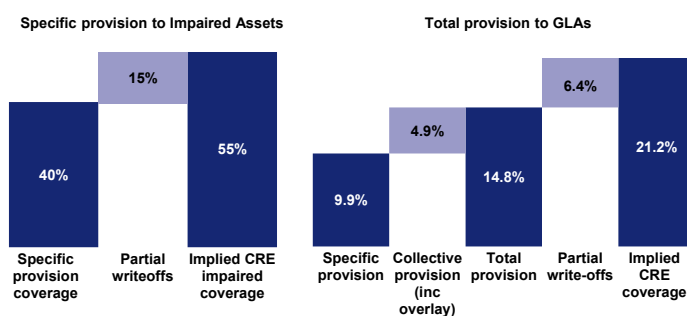
UK CRE credit quality – indicative comparisons¹



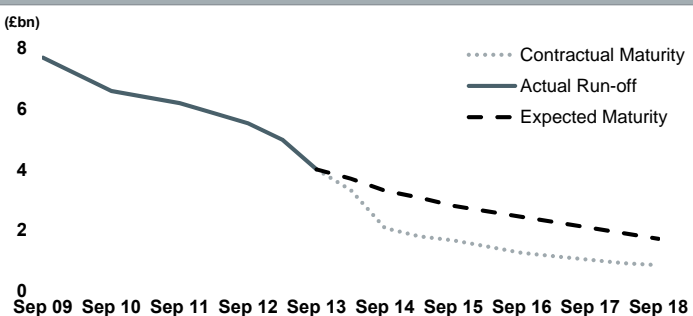
UK CRE B&DD charge – indicative comparisons¹



Provision coverage – September 2013



NAB UK CRE run off²



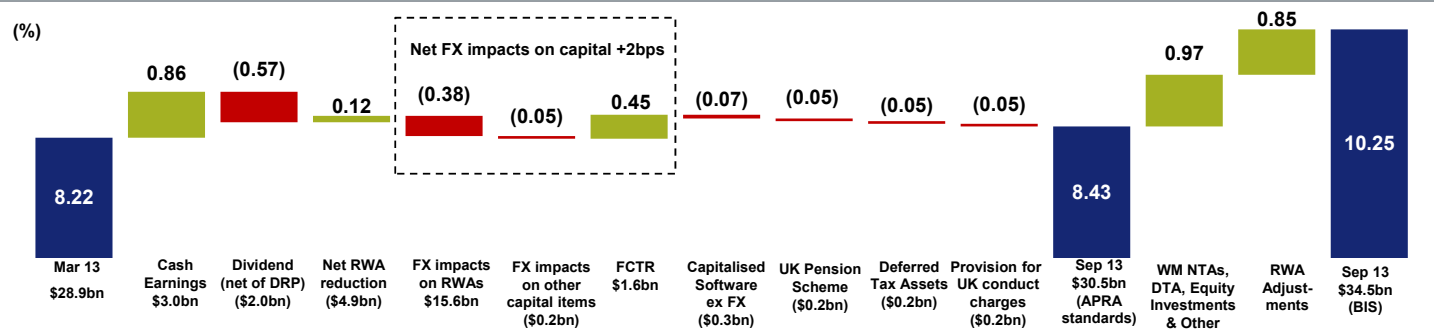
(1) On 5 October 2012 UK CRE was separated from UK Banking

(2) Represents CRE portfolio within UK Banking to September 2012 and the NAB UK CRE run-off portfolio post September 2012



Strong capital position

Group Basel III Common Equity Tier 1 Capital Position



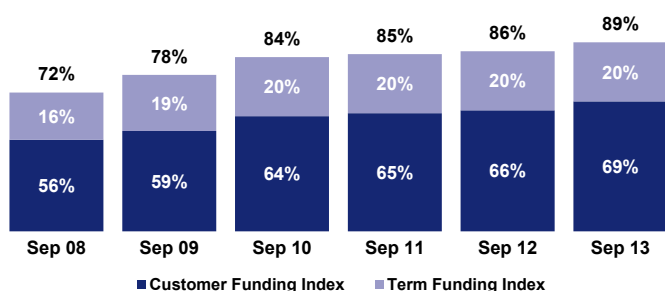
Other Capital matters

- Basel III Common Equity Tier 1 (CET1) ratio above >7.50% target
- The 2013 final dividend of 97c will be paid in December 2013 with a fully neutralised dividend reinvestment plan (DRP)
- FY13 dividend payout ratio 75.1% (FY12 74.7%)
- Some capital regulatory uncertainty remains:
 - APRA's position on Domestic Systemically Important Bank (D-SIB)
 - APRA has announced a revised timetable for the implementation of Level 3 reforms as 1 January 2015 (previously 1 Jan 2014)
- As the Tier 1 and Tier 2 transition portfolio amortises at 10% per annum, the Group will continue to look at opportunities to issue further hybrid and sub-debt in FY14

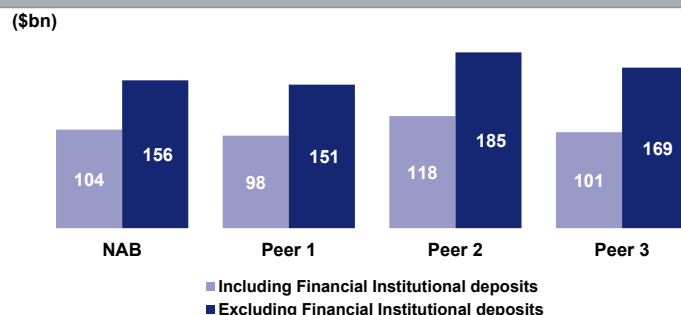


Balance sheet strength remains a priority

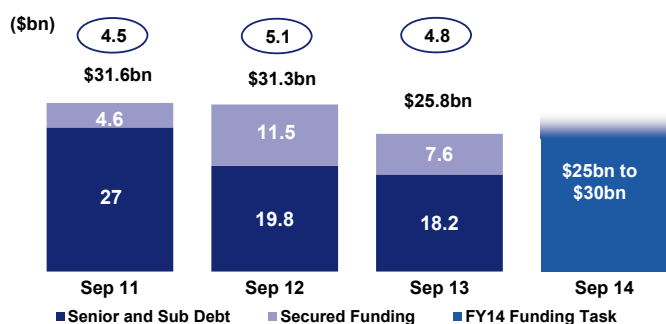
Group Stable Funding Index (SFI)



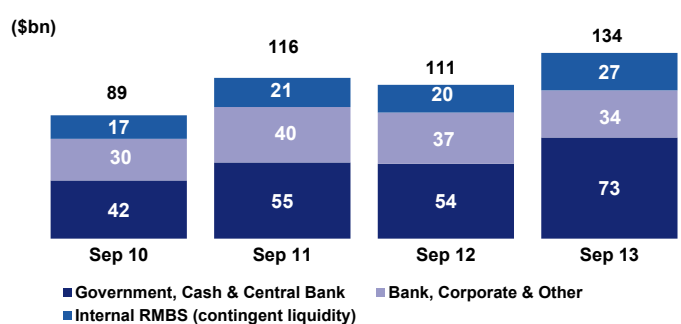
Australian funding gap¹



Term funding – volume and tenor² of new issuance



Stable and conservative liquid assets



Tenor²

- (1) Australian funding gap = Gross loans and advances + Acceptances less Total deposits (excluding certificates of deposits) Source: APRA Monthly Banking Statistics (Aug 2013)
- (2) Weighted average maturity (years) of term funding issuance (> 12 months)

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Summary

- Good result despite some challenges
- Managing to positive jaws
- Encouraging asset quality trends
- UK results showing improvement, but some uncertainty on conduct matters
- Strong organic capital generation provides flexibility

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Questions



Additional Information

Business Banking

Personal Banking

Wholesale Banking

NAB Wealth

NZ Banking

UK Banking

NAB UK CRE

Great Western Bank

Group Asset Quality

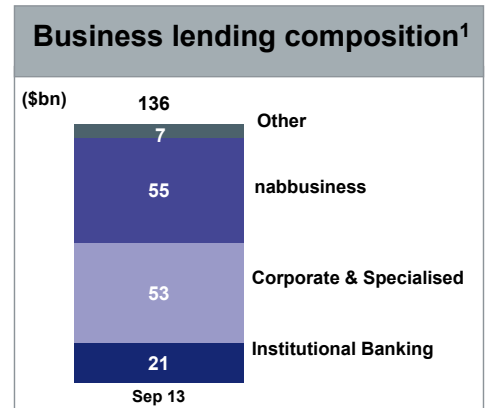
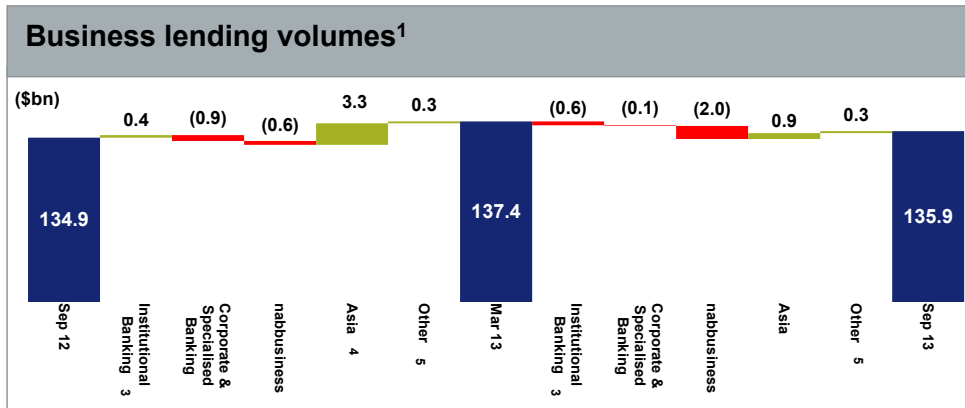
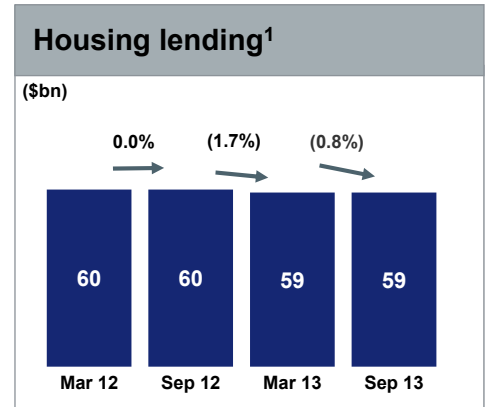
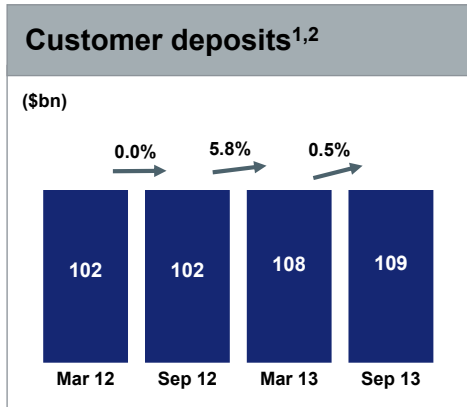
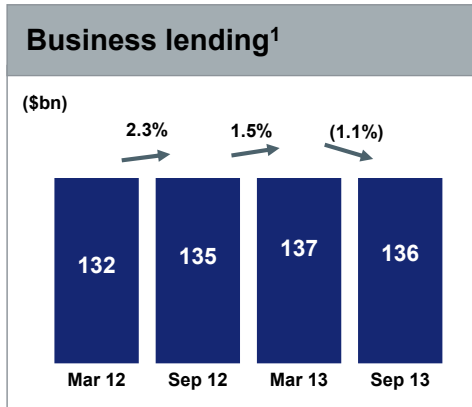
Capital and Funding

Other

Economic Outlook



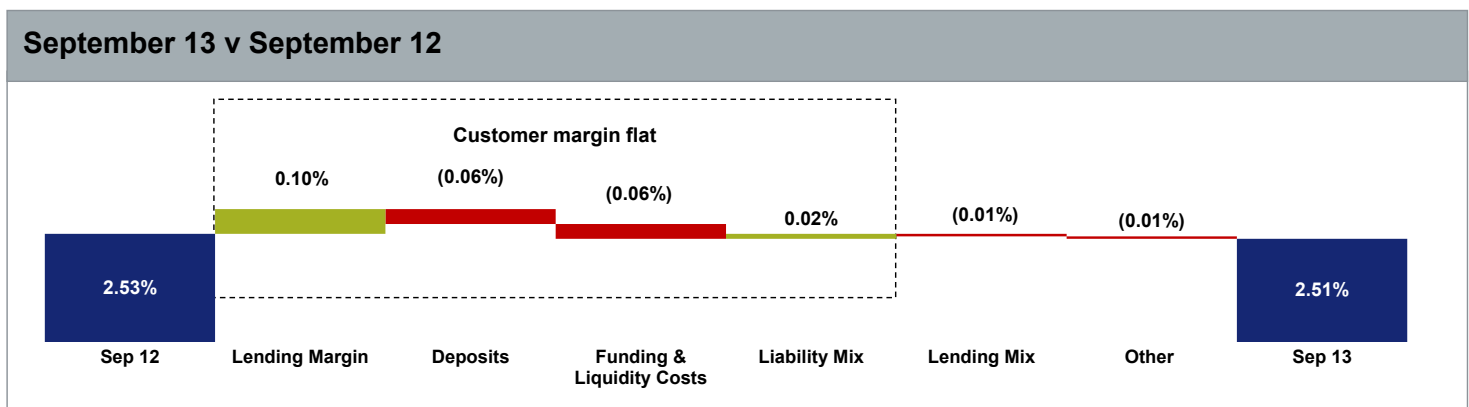
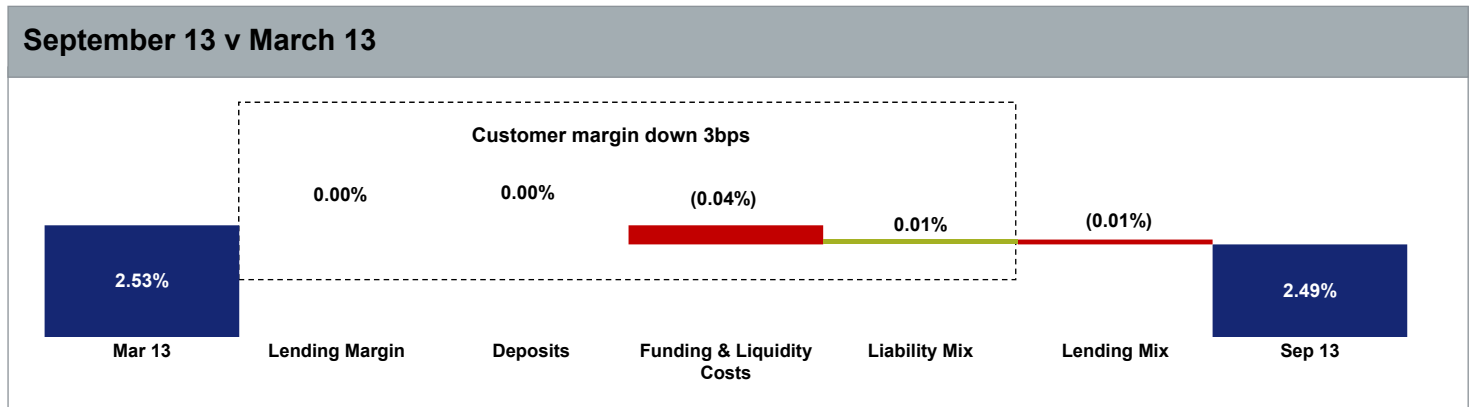
Business Banking



- (1) Average volumes
- (2) Includes retail and institutional deposits
- (3) Institutional Banking defined as ASX 250, multinational corporations and private equivalents
- (4) Asia transferred from Corporate Functions
- (5) Other includes Working Capital Services

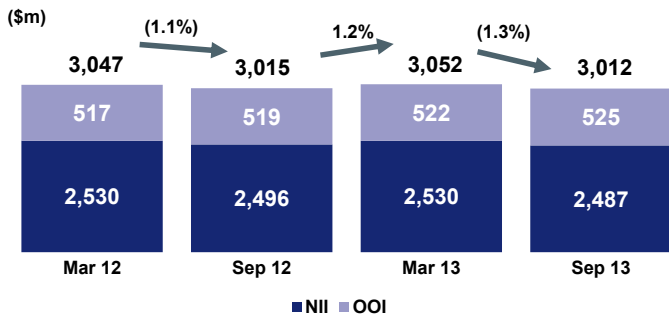


Business Banking: Net interest margin

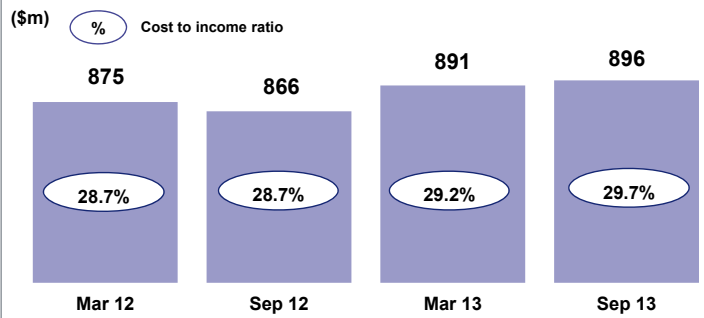


Business Banking

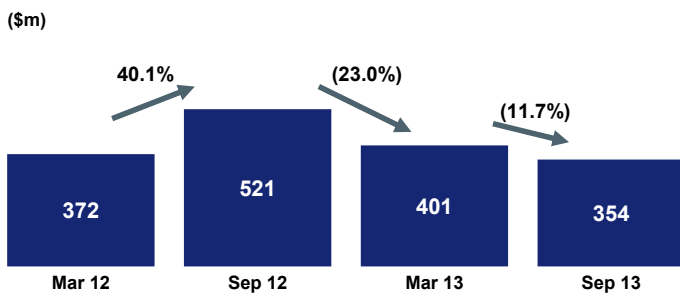
Revenue



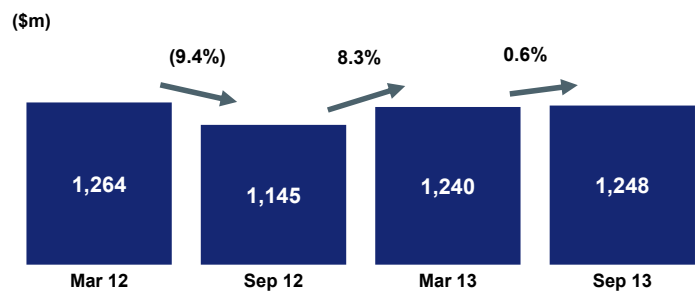
Costs



B&DD charge



Cash earnings

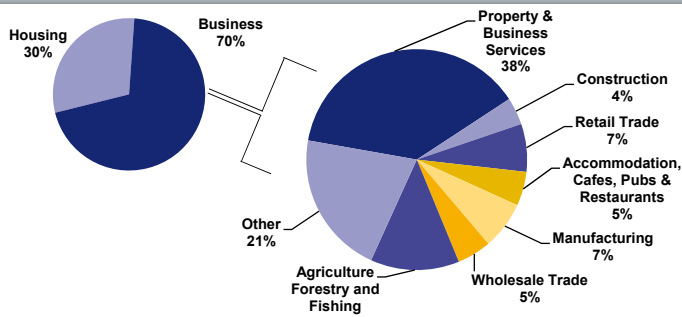


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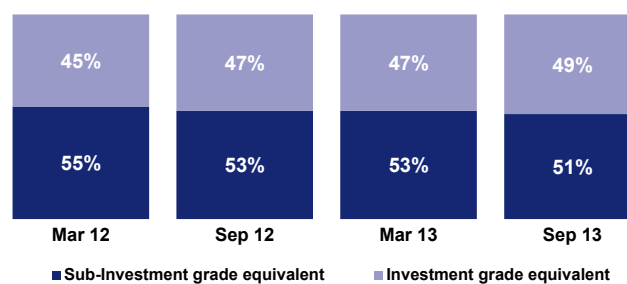


Business Banking: Asset Quality

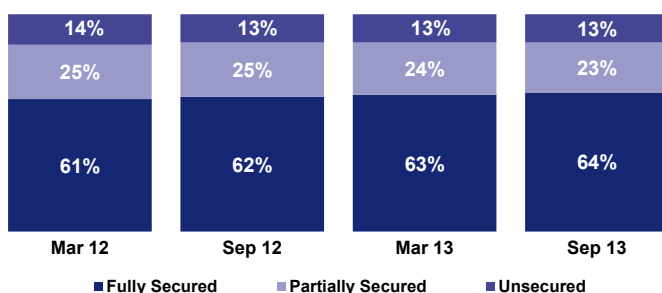
Diverse assets¹



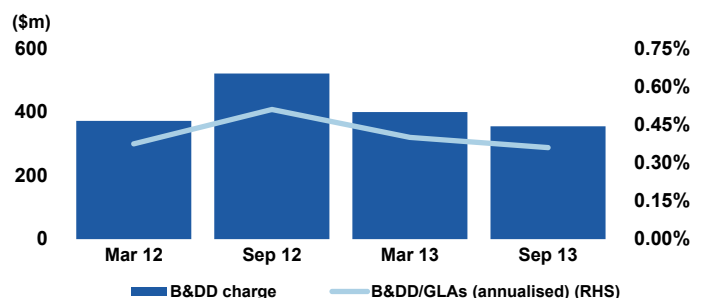
Portfolio quality²



Well secured – business products³



B&DD charge and B&DD as % GLAs



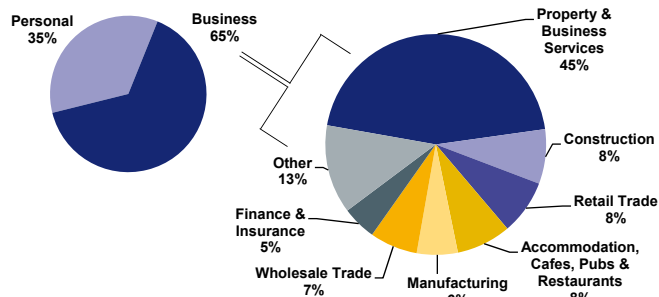
(1) Based on product split
 (2) Portfolio quality on a probability of default basis
 (3) Based upon security categories in internal ratings systems

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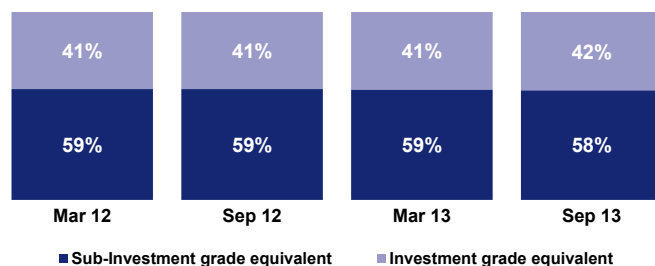


Business Banking: SME Business¹ Asset Quality

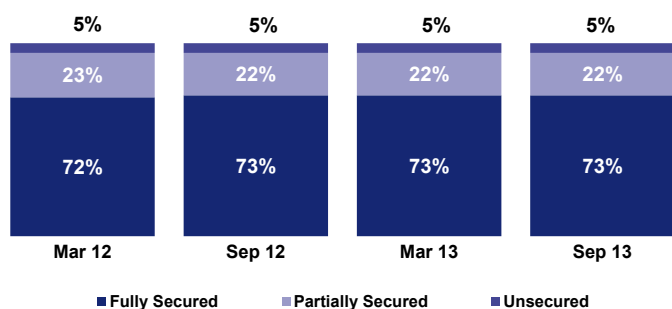
Diverse assets²



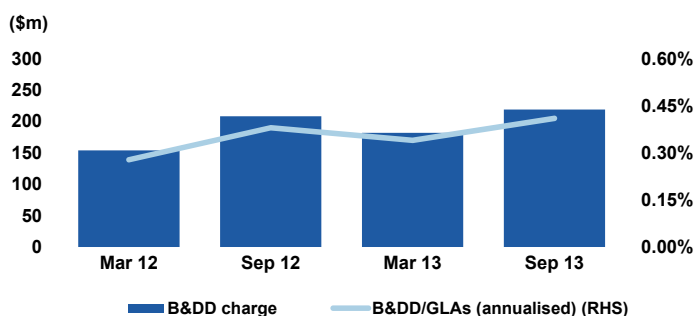
Portfolio quality³



Well secured – business products⁴



B&DD charge and B&DD as % GLAs



- (1) SME business data reflects the nabbusiness segment of Business Banking which supports business customers with lending typically up to \$25m, excluding the Specialised Businesses
 (2) Based on customer split
 (3) Portfolio quality on a probability of default basis
 (4) Based upon security categories in internal ratings systems

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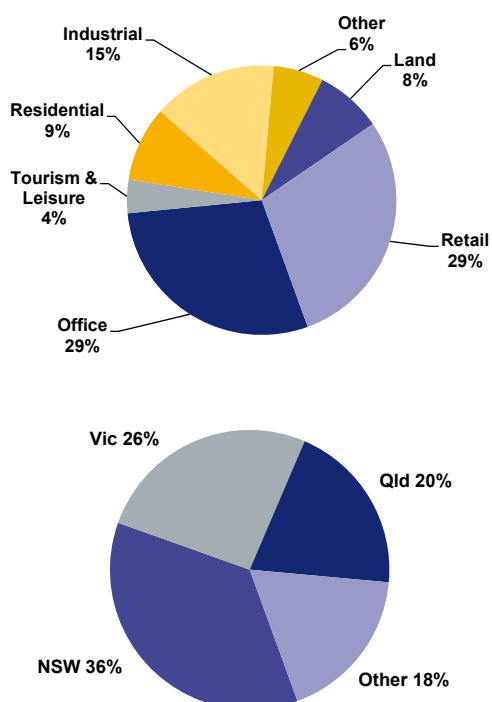


Business Banking: Commercial Real Estate

Total \$44.8bn

11.4% of Australian geography

Gross Loans & Acceptances



State	NSW	VIC	QLD	Other	Total
Location %	36%	26%	20%	18%	100%
Loan Balance ¹ < \$5m	10%	10%	7%	5%	32%
> \$5m < \$10m	4%	3%	2%	4%	13%
> \$10m	22%	13%	11%	9%	55%
Loan tenor < 3 yrs	29%	22%	18%	15%	84%
Loan tenor > 3 < 5 yrs	5%	3%	1%	2%	11%
Loan tenor > 5 yrs	2%	1%	1%	1%	5%
Average loan size \$m	3.4	2.5	2.8	3.1	2.9
Security Level ² – Fully Secured	29%	23%	15%	16%	83%
Partially Secured	3%	2%	4%	1%	10%
Unsecured	4%	1%	1%	1%	7%
90+ days past due	0.09%	0.04%	0.03%	0.02%	0.18%
Impaired loans	0.68%	0.27%	0.67%	0.13%	1.75%
Specific provision coverage	10.6%	22.5%	20.5%	34.2%	18.0%

Trend	Sep 13	Mar 13	Sep 12	Mar 12
90+ days past due	0.18%	0.38%	0.17%	0.31%
Impaired Loans	1.75%	2.01%	2.75%	2.91%
Specific provision coverage	18.0%	19.3%	14.0%	16.4%

- (1) Distribution based on loan balance
 (2) Fully Secured represents loans of up to 70% of the Market Value of Security. Partially Secured are over 70%, but not Unsecured. Unsecured is primarily Negative Pledge lending

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Additional Information

Business Banking

Personal Banking

Wholesale Banking

NAB Wealth

NZ Banking

UK Banking

NAB UK CRE

Great Western Bank

Group Asset Quality

Capital and Funding

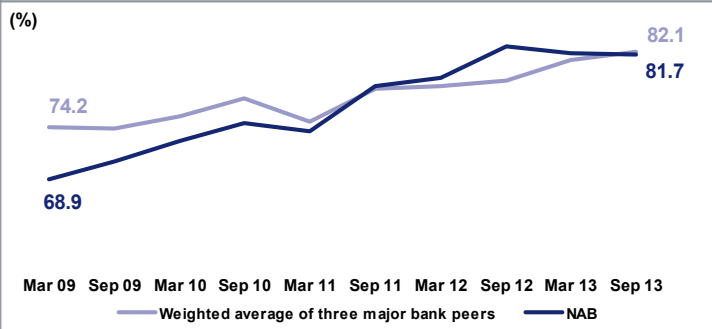
Other

Economic Outlook

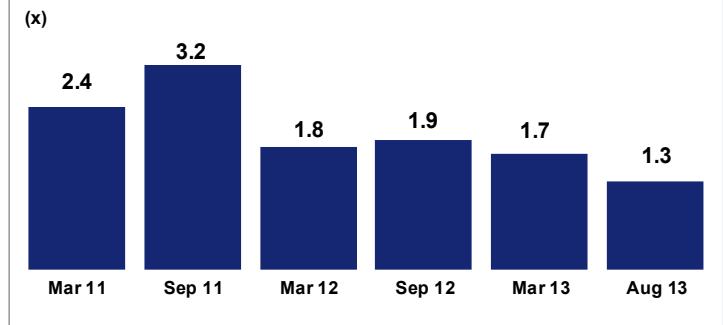


Personal Banking

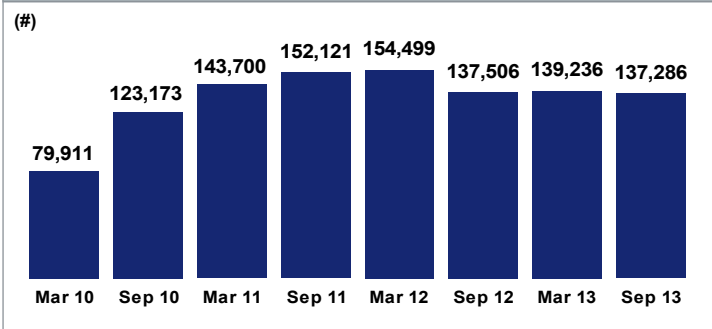
MFI customer satisfaction¹



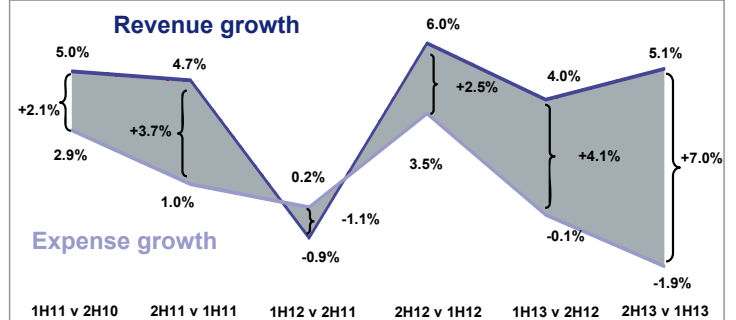
Home loan multiple of system growth²



Net transaction account growth



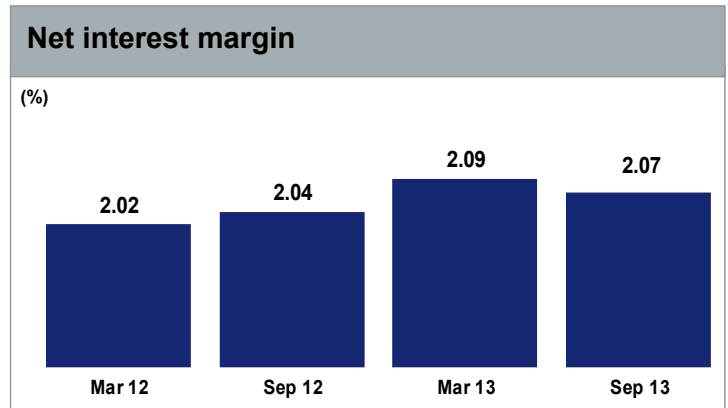
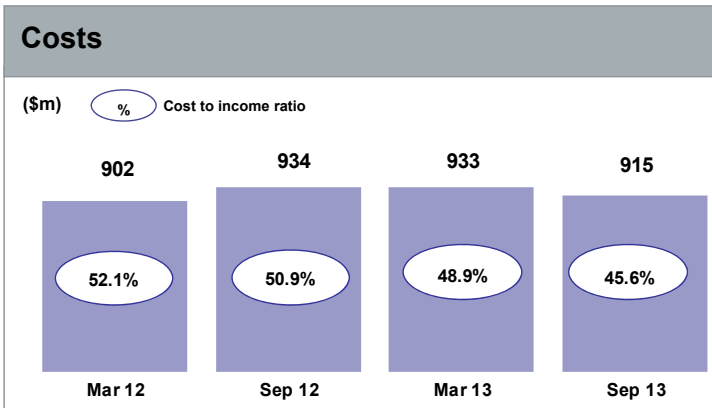
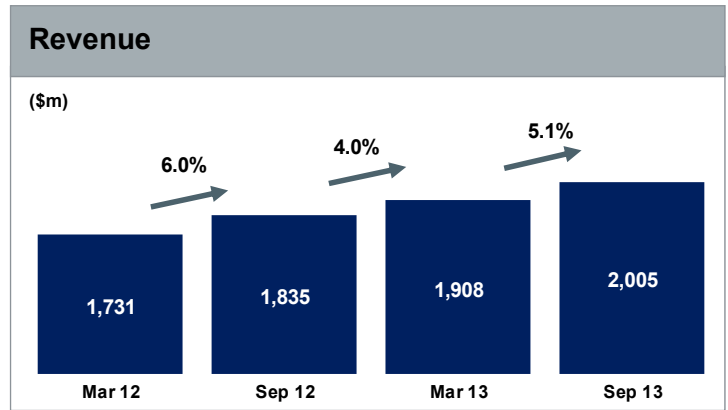
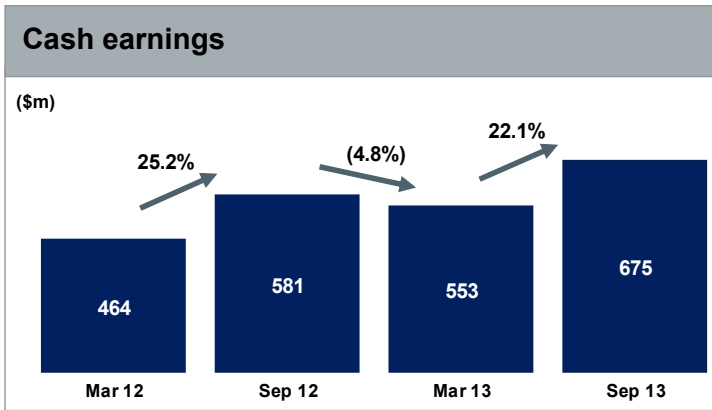
Jaws momentum



(1) Roy Morgan Research, Aust MFIs, population aged 14+, six month moving average. Customer satisfaction is based on customers who answered very/fairly satisfied. NAB compared with the weighted average of the three major banks (ANZ, CBA, WBC)
 (2) RBA Financial System / NAB total Australian mortgages (includes Business Banking and NAB Wealth)



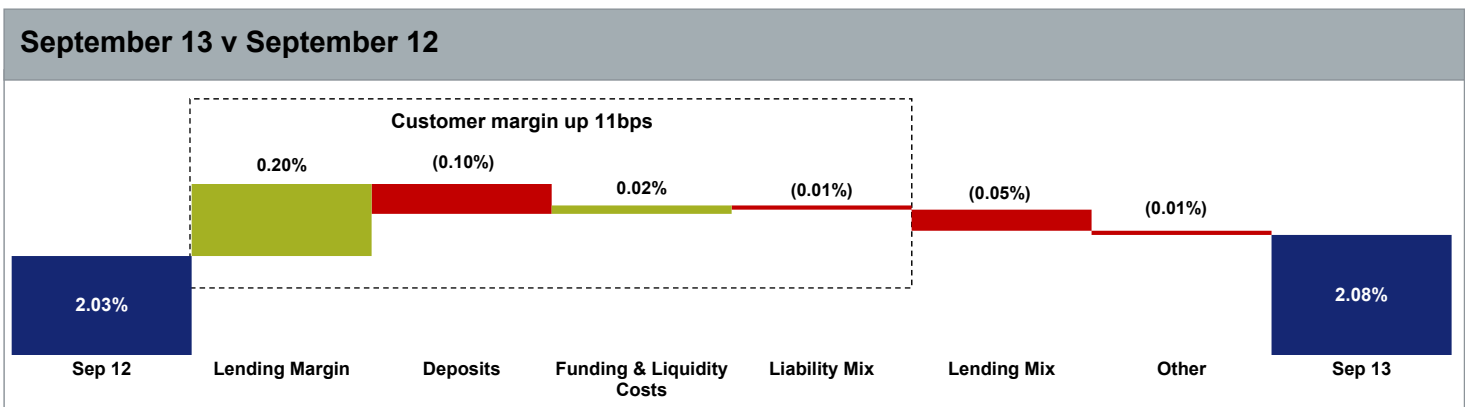
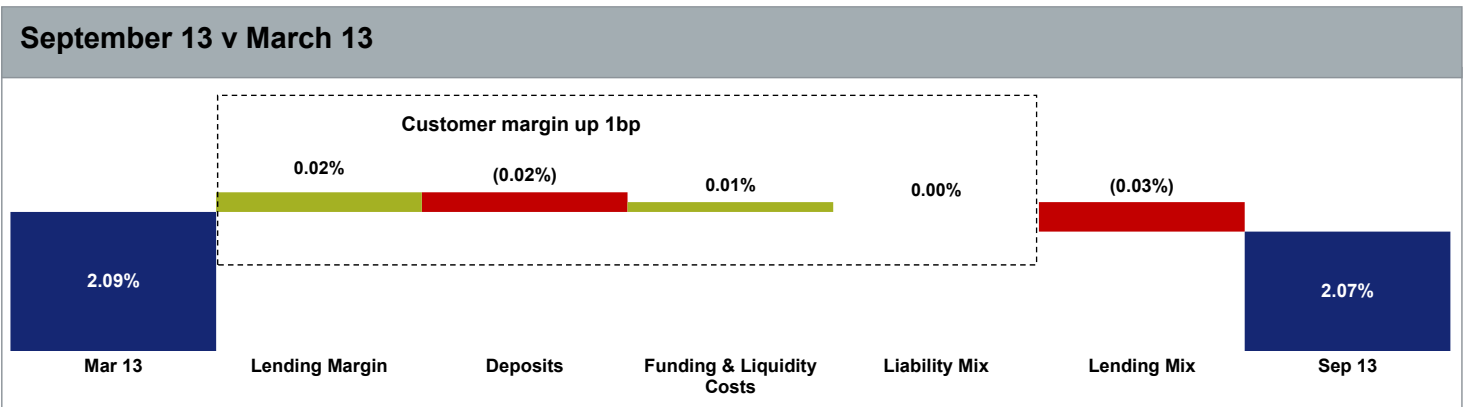
Personal Banking



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Personal Banking: Net interest margin

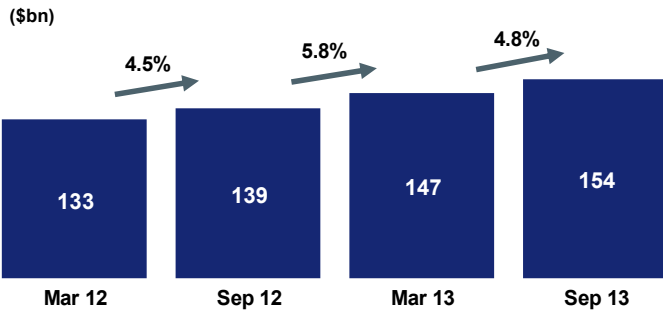


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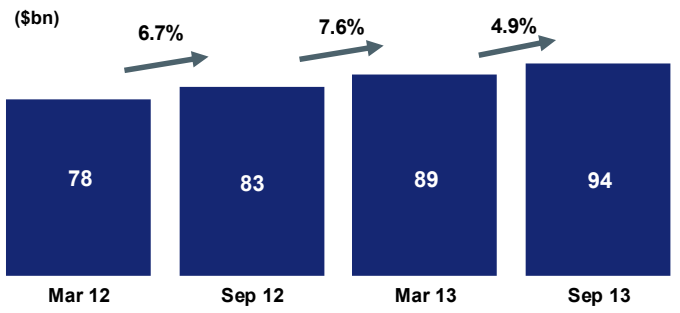


Personal Banking

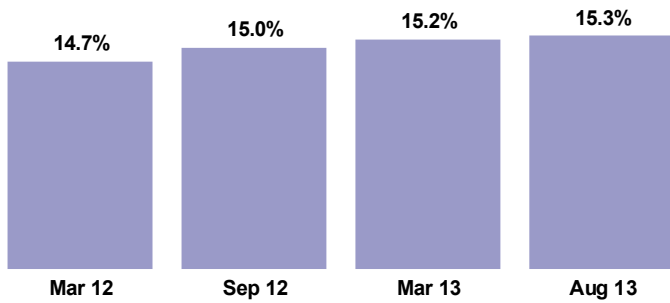
Housing loans¹



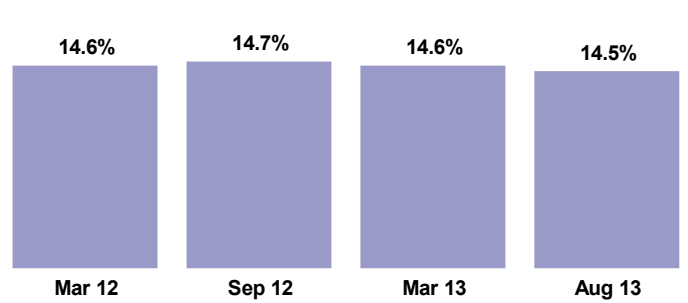
Customer deposits¹



Housing loan market share²



Household deposits market share³



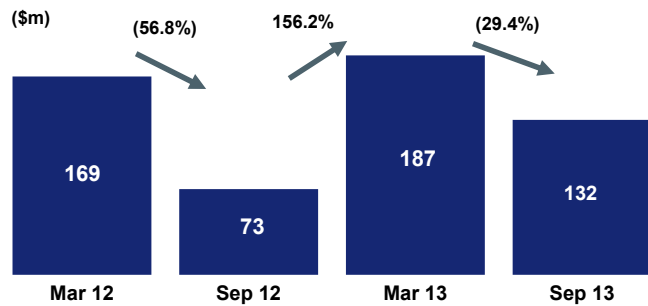
- (1) Average volumes
 (2) RBA Financial System / NAB (includes Business Banking and NAB Wealth)
 (3) APRA Banking System / NAB (includes Business Banking and NAB Wealth)

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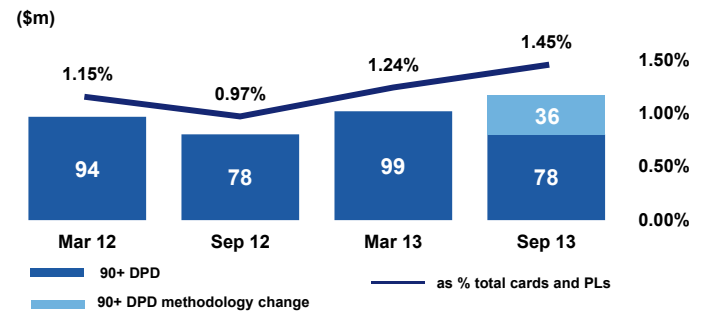


Personal Banking: Asset quality

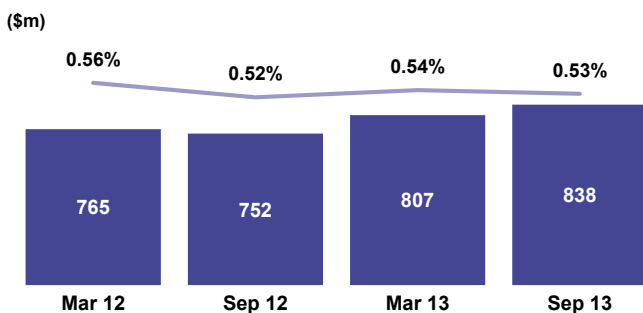
B&DD charge



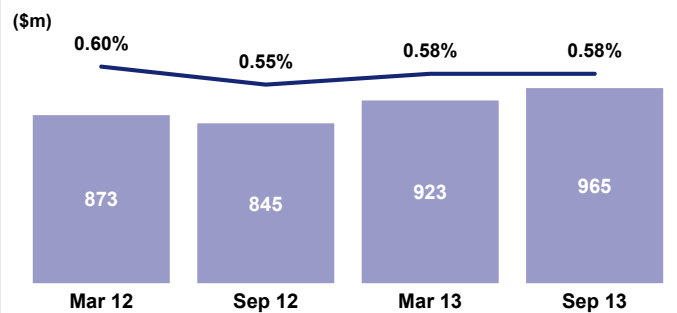
Cards and personal loans 90+ DPD and % to total cards and personal loans outstandings



Mortgage 90+ DPD and impaired and % to total mortgage outstandings



Total 90+ DPD and impaired and % to total outstandings



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Australian mortgages¹: Key metrics

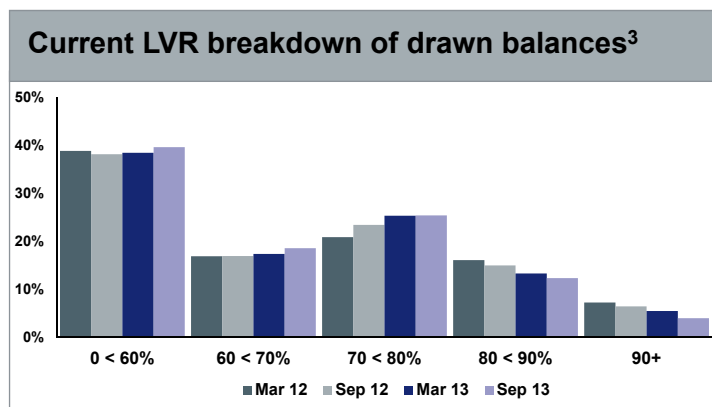
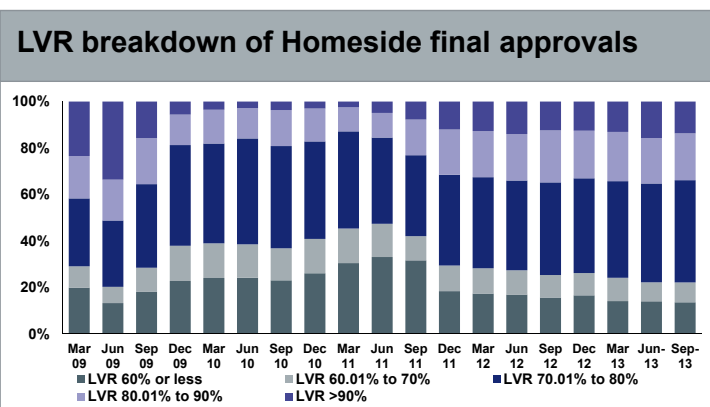
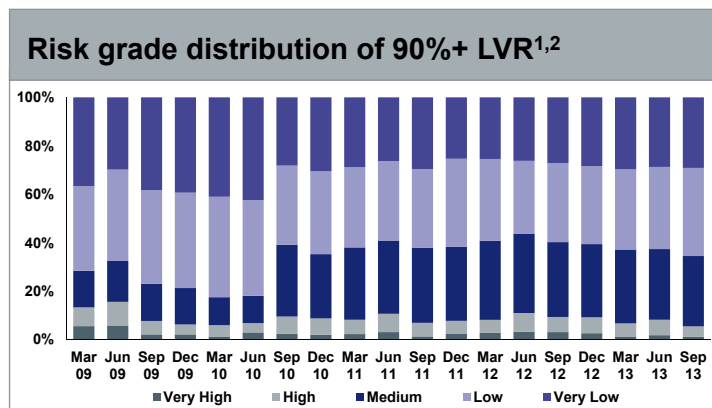
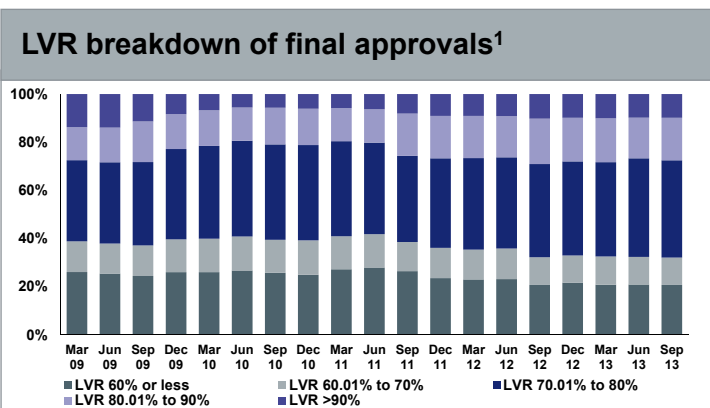
Australian Mortgages	Sep 13	Mar 13	Sep 12
Owner Occupied	72.2%	71.9%	71.4%
- of which First Home Buyer	8%	8%	8%
Investment	27.8%	28.1%	28.6%
Low Documentation	1.8%	2.0%	2.2%
Low Documentation LVR cap (without LMI)	60%	60%	60%
Variable rate lending drawn balance	72.6%	74.3%	73.8%
Fixed rate lending drawn balance	12.4%	9.9%	9.2%
Line of credit drawn balance	15.0%	15.8%	17.0%
Interest only drawn balance	31.3%	30.7%	30.3%
Mortgage balances attributed to:			
- Proprietary	63.8%	65.3%	66.6%
- Broker	29.1%	27.4%	25.9%
- Introducer	7.1%	7.3%	7.5%
Mortgage final approvals attributed to:			
- Proprietary	59.6%	57.4%	59.5%
- Broker	35.4%	38.1%	36.0%
- Introducer	5.0%	4.5%	4.5%
LMI Insured % of Total HL Portfolio	15.8%	15.6%	15.0%
Current LVR on an exposure calculated basis	55.4%	56.1%	56.3%
Current LVR on a drawn balance calculated basis ²	47.7%	48.3%	48.5%
Customers in advance >1 month ³	63.8%	64.1%	65.9%
Avg # of payments in advance ⁴	7.9	n/a	n/a
Average loan size \$ ('000)	\$265	\$266	\$262
90 + days past due	0.50%	0.52%	0.50%
Impaired loans	0.26%	0.27%	0.30%
Specific provision coverage	20.7%	21.2%	19.1%
Loss rate	0.04%	0.05%	0.06%

- (1) Includes Personal Banking, Business Banking and NAB Wealth
 (2) Comparative periods have been marginally revised to present data on a like-for-like basis
 (3) Ratio excludes Advantedge portfolio and offset accounts
 (4) Excludes loans in advance > 12 years that represents ~3% of the total population, offset accounts and Line of Credit

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Australian mortgages: Change in LVR profile



- (1) Includes Personal Banking, Business Banking and NAB Wealth, excludes Advantedge mortgages portfolio
 (2) Based on applicant risk as assessed at application using internal credit scorecard
 (3) Total current portfolio balances for Personal Banking, Business Banking and NAB Wealth, includes Advantedge mortgages portfolio

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Personal Banking: Key metrics

	FY10	FY11	FY12	FY13	FY13 vs FY10
Total # customers	4.1m	4.5m	5.1m	5.3m	+1.2m
Mortgage market share ¹	13.3%	14.5%	15.0%	15.3%	+200bps
Household deposit share ²	13.5%	14.1%	14.7%	14.5%	+100bps
Customer satisfaction ³	74.6%	78.4%	82.6%	81.7%	+710bps
Revenue (\$m)	3,105	3,416	3,566	3,913	+26%
Cash earnings (\$m)	743	932	1,045	1,228	+65%
Net interest margin (bps)	231	219	203	208	-23bps
FTEs (avg)	8,280	8,855	8,540	8,117	-2%
Revenue per average FTE (\$000)	375	386	418	482	+29%

(1) RBA Financial System / NAB

(2) APRA Banking System / NAB

(3) Roy Morgan Research, Aust MFIs, population aged 14+, six month moving average. Customer satisfaction is based on customers who answered very/fairly satisfied

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Additional Information

Business Banking

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Wholesale Banking

NAB Wealth

NZ Banking

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NAB UK CRE

Great Western Bank

Group Asset Quality


Capital and Funding

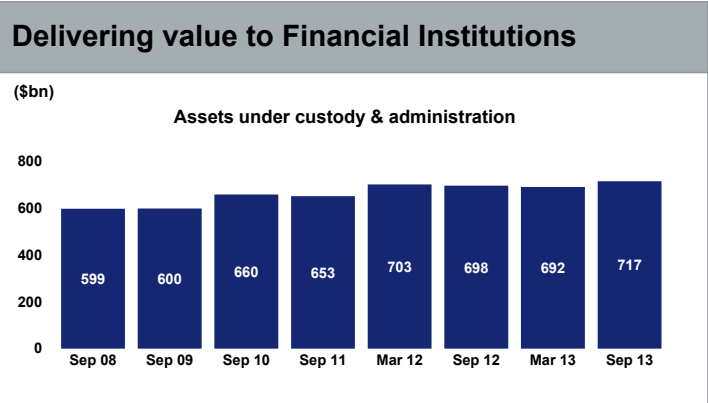
Other

Economic Outlook



Wholesale Banking

Customer sales performance		
	Current ranking	Previous ranking
Best advice on Use of Interest Rate Risk Management ¹	#1	#1
Lead Interest Rate provider where the relevant bank is lead domestic credit provider ²	#1	#1
Most frequent provider of complex/structured finance where the relevant bank is lead domestic credit provider ¹	#1	#4
Best Advice on Foreign Exchange needs ¹	#2	#4
Provider of Interest Rate Swaps (% of primary relationships – Corporate) ³	#1	#1
Provider of Spot Foreign Exchange (% of primary relationship – Corporate) ³	#2	#2
Best Domestic Provider of FX Services as voted by Corporates – Australia ⁴	#1	na
 110,000 NAB Traveller Card customers have loaded \$477m for their travel spend since the April 2012 launch		



- ### Market leading positions
- ★ Largest Asset Servicing business⁵ in Australia with ~26% market share (by volume)
 - #1 Foreign Exchange Survey of FI's: Market Penetration, Market Share and Relationship Strength Index⁶
 - #1 Interest Rate Swaps and Short Dated Securities Market Share⁷
 - #1 AUD Repurchase Agreements, with 21.5% market share⁸

(1) Peter Lee Associates – Large Corporate & Institutional Relationship Banking Australia Survey 2013. Ranking against the four major domestic banks; (2) Peter Lee Associates – Large Corporate & Institutional Relationship Banking Australia Survey 2013; (3) East & Partners Australian Corporate Banking Markets Report, July 2013; (4) Asiamoney FX Poll 2012; (5) Australian Custodial Services Association, Total Assets Under Custody for Australian Investors, June 2013; (6) Peter Lee Associates – Foreign Exchange Survey Australia 2012, Financial Institution Respondents. Ranking against the four major domestic banks; (7) Peter Lee Associates – Debt Securities Investor Survey Australia 2012. Ranking against the four major domestic banks; (8) AFMA, 2013 Australian Financial Markets Report



Wholesale Banking

Originate to distribute funding solutions

Wholesale Banking capabilities assist NAB's clients with direct access to funding markets as well as providing funding and investment products via:

- NABWealth (MLC)
- JBWere and NAB Private Wealth
- Business Bank and;
- Private Bank

Wholesale Banking's market leading debt capital raising and distribution capabilities have transacted over A\$13.3bn in FY13, exclusive of NAB deals of A\$14.2bn, and is recognised as having the Strongest Domestic Distribution to Retail^{1a} & Institutional^{1b} Investors for Hybrid Securities¹ in Australia

Market leading positions

Infrastructure and Natural Resources

- ★ Infrastructure Bank of the Year, Asia²
- #1 MLA Project Finance in Australasian PPPs³
- #1 MLA Project Finance in Australian Power and Renewable sectors⁴

Debt Capital Solutions

- #1 Australian Securitisation House of the Year⁵
- ★ Top amongst the Australian banks in US Private Placements⁶

Key transactions

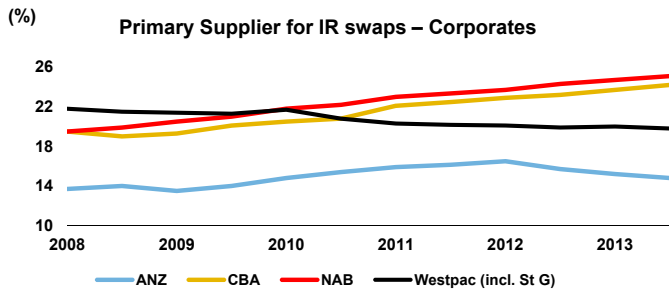
 Arqiva GBP 3.7bn Term Loan, Capex and Liquidity Facilities Mandated Lead Arranger US\$600m USPP Joint Lead Agent May 2013	 Aurizon Network Pty Ltd Syndicated Debt Facilities Joint Mandated Lead Arranger, Underwriter and Bookrunner June 2013	 Royal Bank of Canada A\$1.25bn Inaugural Kangaroo Covered Bond Joint Lead Manager and Joint Bookrunner August 2013
 NSW Ports A\$2.02bn Project Finance Acquisition Facility Mandated Lead Arranger May 2013	 New Bendigo Hospital PPP A\$630m Project Finance Facilities Mandated Lead Arranger May 2013	 Gullen Range Wind Farm A\$247m Construction and Term Facilities Financial Advisor, Sole Mandated Lead Arranger and Bookrunner June 2013

(1) Peter Lee Associates – Debt Securities Originations Survey Australia 2013 (1a) ranking against all banks, (1b) ranking against the four major domestic banks; (2) Infrastructure Investor Awards, 2012 (includes Asia Pacific); (3) Infrastructure Journal Online League Tables Project Finance Mandated Lead Arranger (Australia & New Zealand), Half Year 2013; (4) Infrastructure Journal Online League Tables Project Finance Mandated Lead Arranger (Australia), Half Year 2013; (5) Kanganews, Australian Market Awards 2012; (6) Thomson Reuters US Private Placement Review, First Half 2013 – Traditional Private Placements



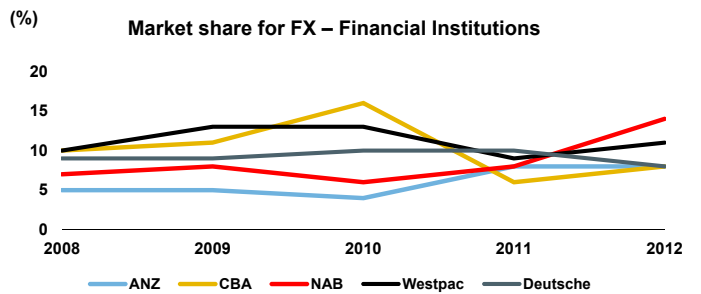
Wholesale Banking

Interest rate hedging market share trends



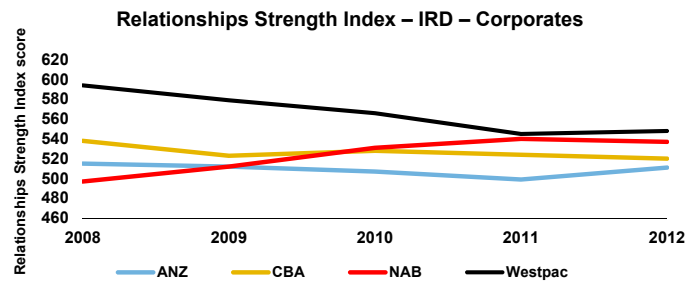
Source: East & Partners Corporate Survey July 2013

FX hedging market share trends



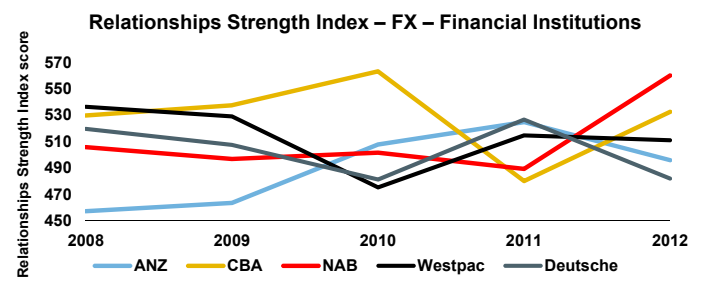
Source: Peter Lee FX Financials 2012 (All Financials)

Interest rate hedging Relationship Strength



Source: Peter Lee IRD Survey 2012 (All Corps)

FX hedging Relationship Strength



Source: Peter Lee FX Financials 2012 (All Financials)



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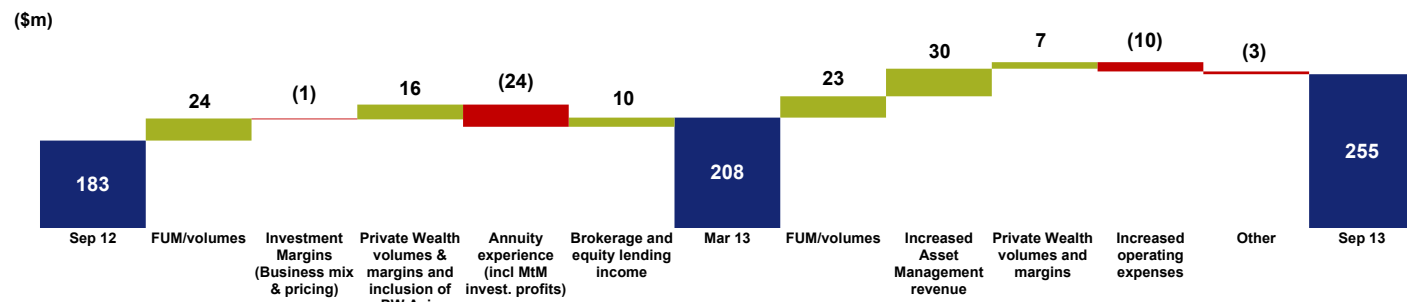
Other

Economic Outlook

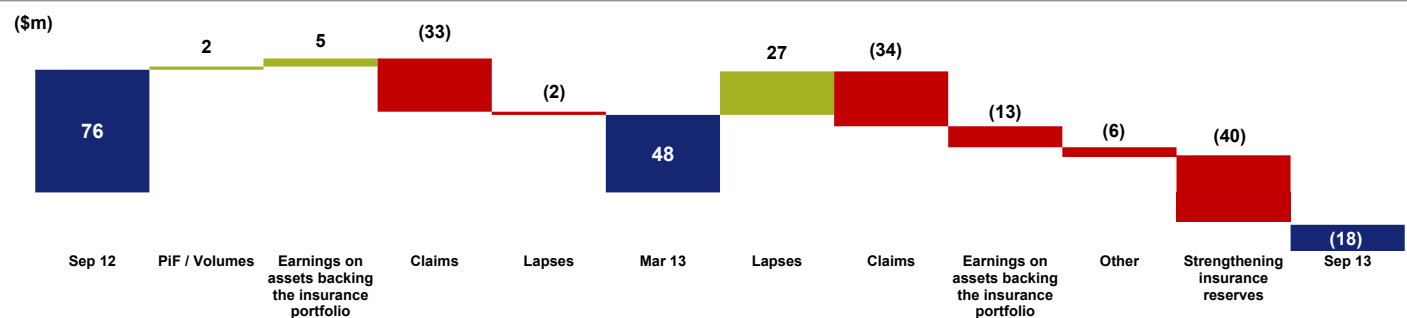


NAB Wealth: Cash earnings

Investments cash earnings includes Private Wealth



Insurance cash earnings

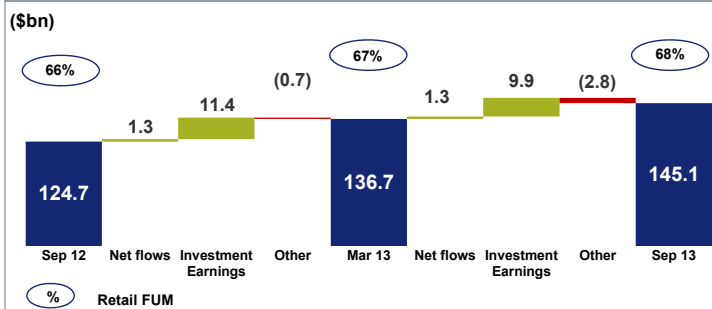


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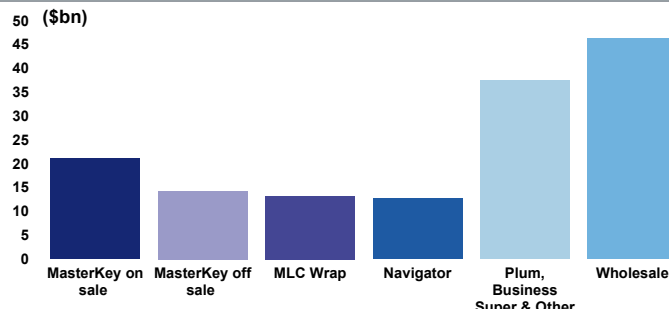


NAB Wealth: FUM, Net Funds Flow and Investment sales

Movement in FUM¹



Spot FUM by product group



Net Funds Flow by product group

Product group	2H13 NFF (\$m)	NFF as % of Opening FUM	1H13 NFF (\$m)
MasterKey on sale	582	3%	385
MasterKey off sale	(987)	(7%)	(1,023)
MLC Wrap	377	3%	309
Navigator	(737)	(6%)	(642)
Plum, Business Super & Other	1,568	4%	3,065
Wholesale	491	1%	(771)
Total Net Funds Flow	1,294	1%	1,323

Investments including Private Wealth: Cost to Income trends

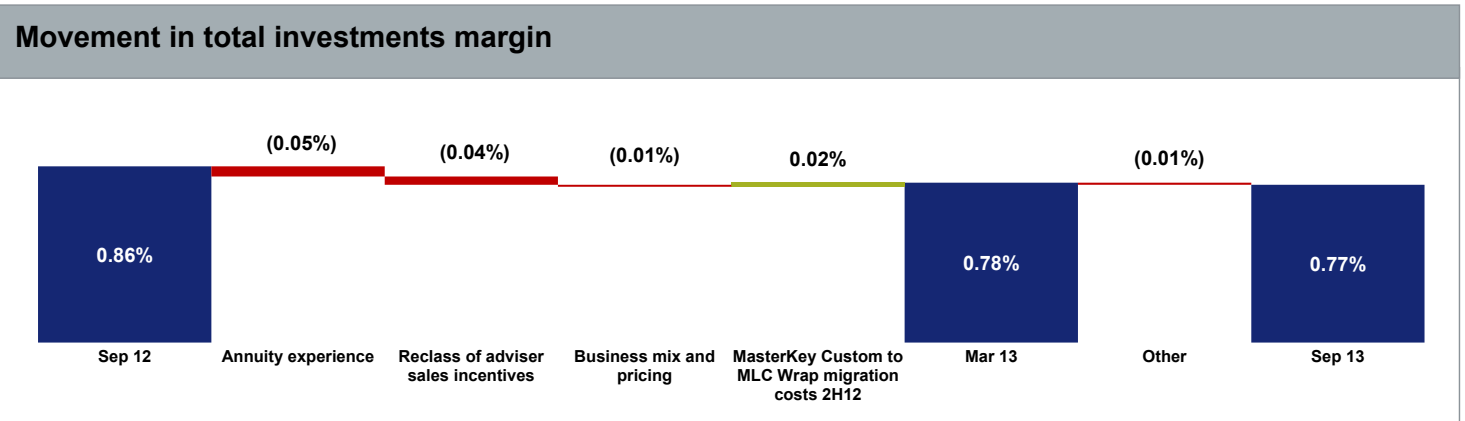
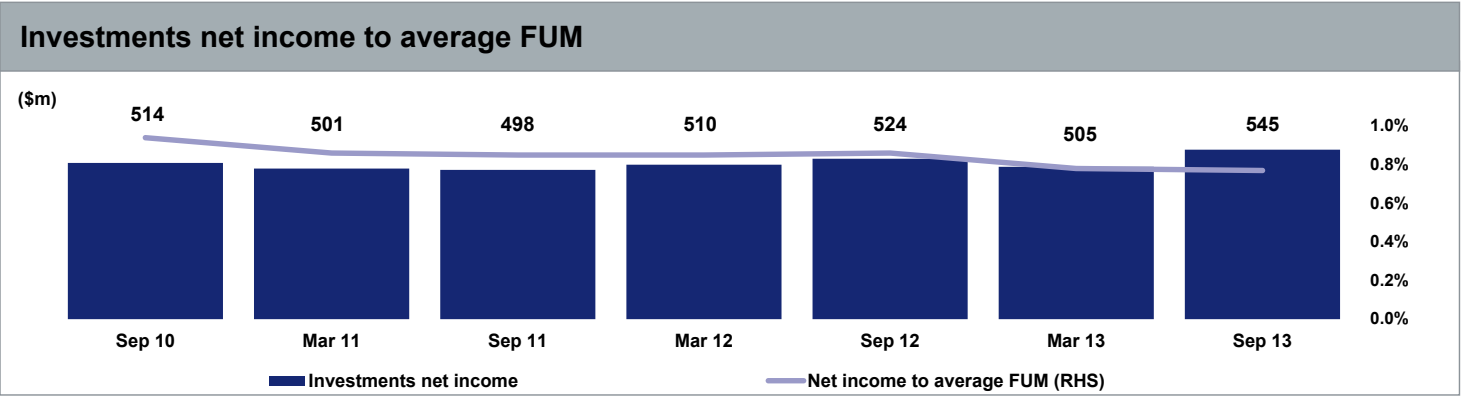


(1) FUM on a proportional ownership basis

50



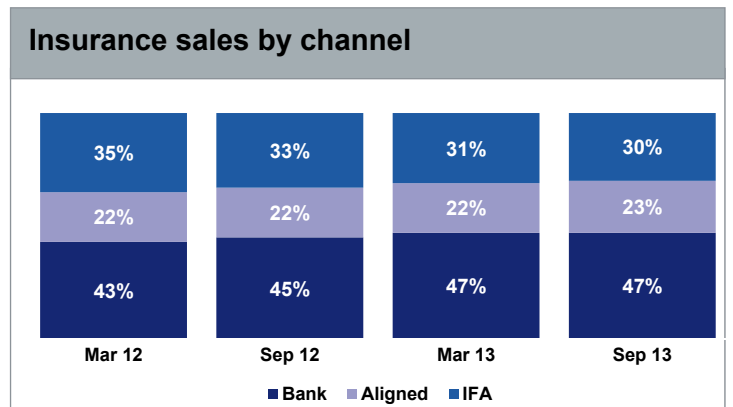
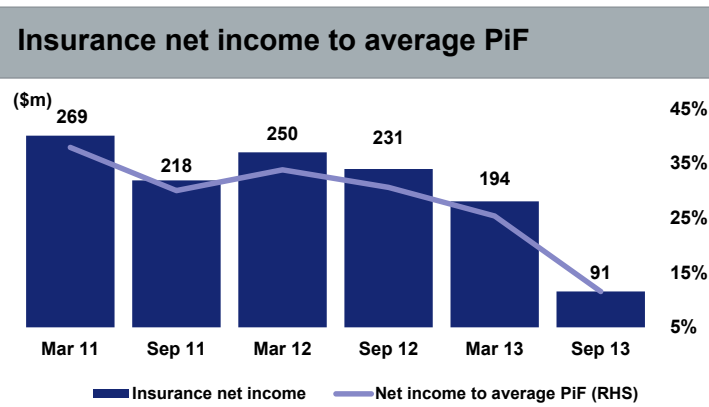
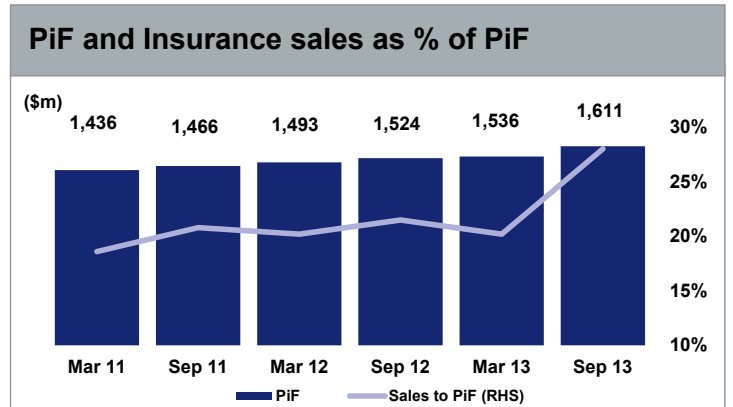
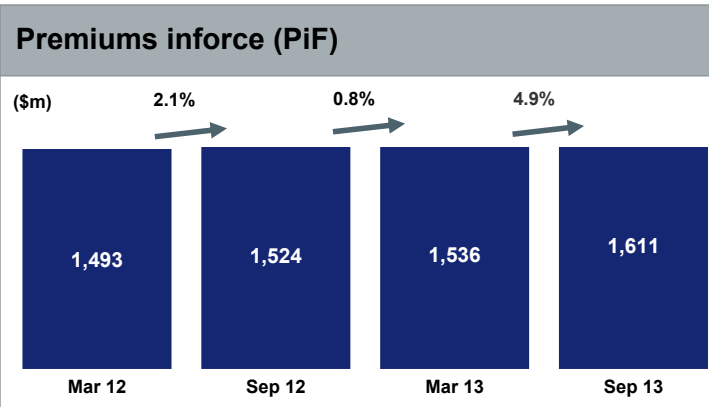
NAB Wealth: Investments margin



51



NAB Wealth: Insurance

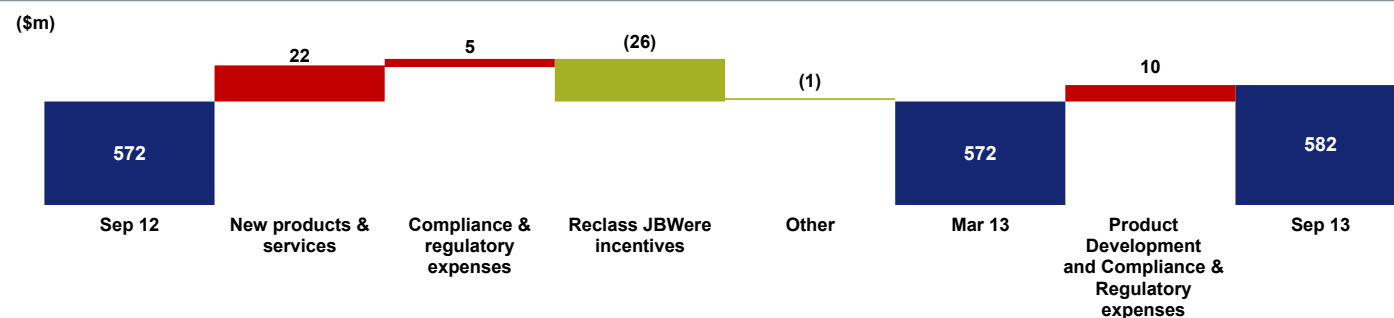


52

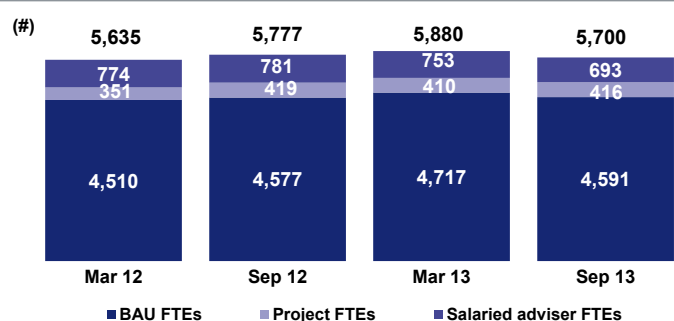


NAB Wealth: Operating Expenses

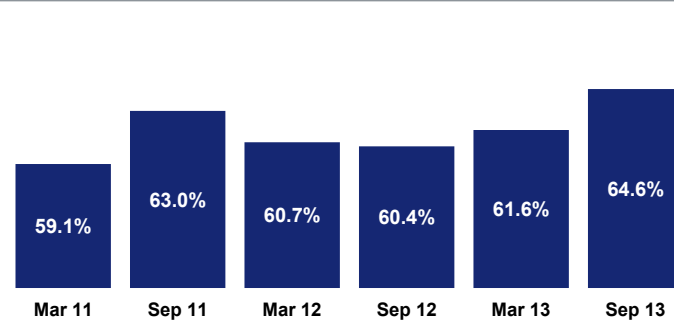
Movements in operating expenses



Movements in FTEs



Cost to Income



Additional Information

Business Banking

Personal Banking

Wholesale Banking

NAB Wealth

NZ Banking

UK Banking

NAB UK CRE

Great Western Bank

Group Asset Quality

Capital and Funding

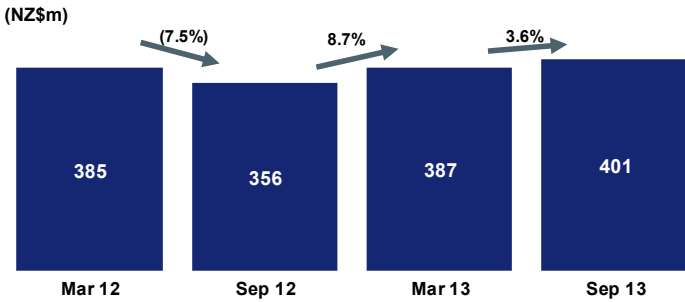
Other

Economic Outlook

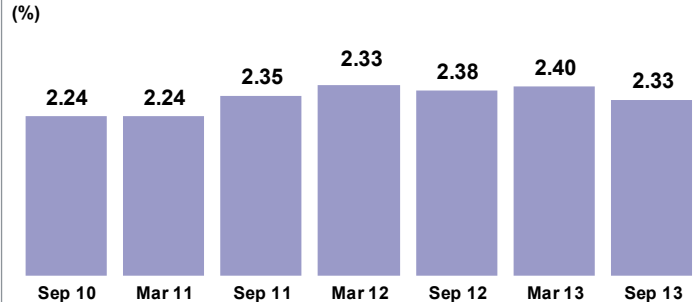


New Zealand Banking

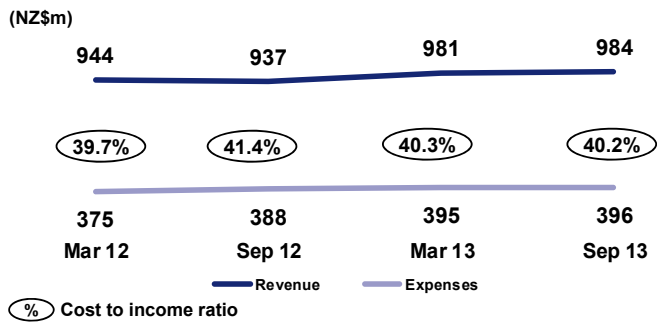
Cash earnings



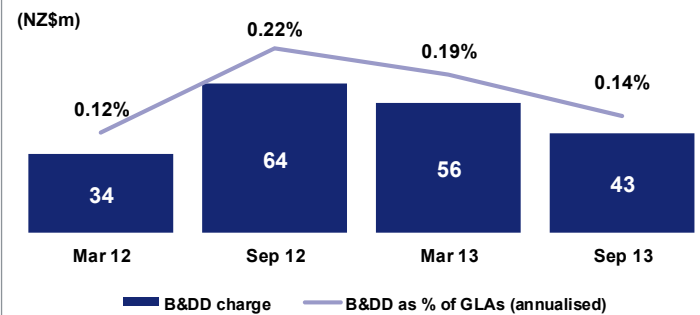
Net interest margin



Revenue v expense growth

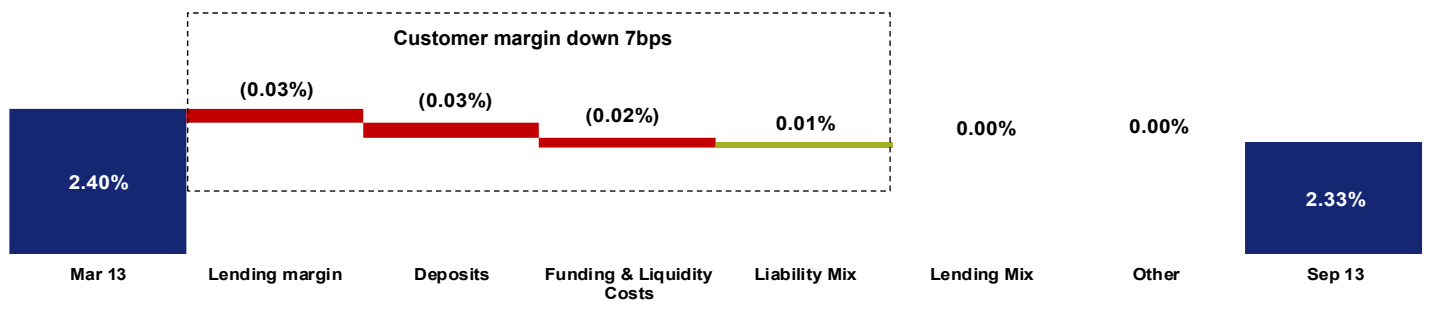


B&DD charge and B&DD as % of GLAs

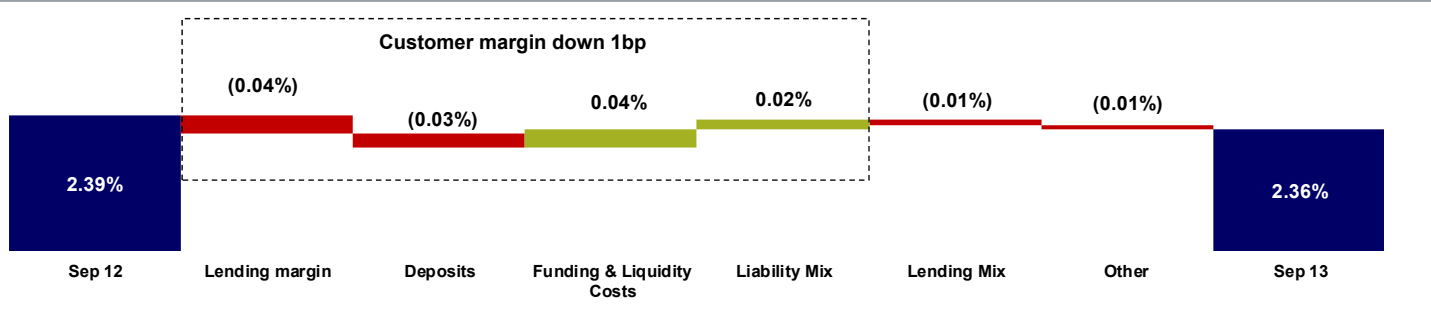


New Zealand Banking: Net interest margin

September 13 v March 13

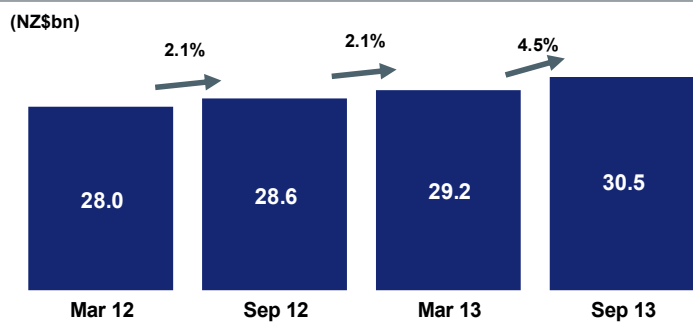


September 13 v September 12

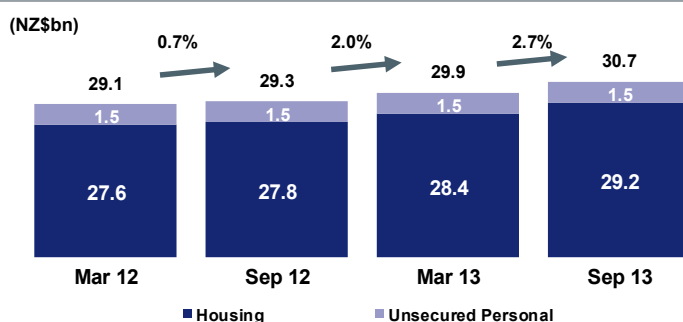


New Zealand Banking: Volumes and market share

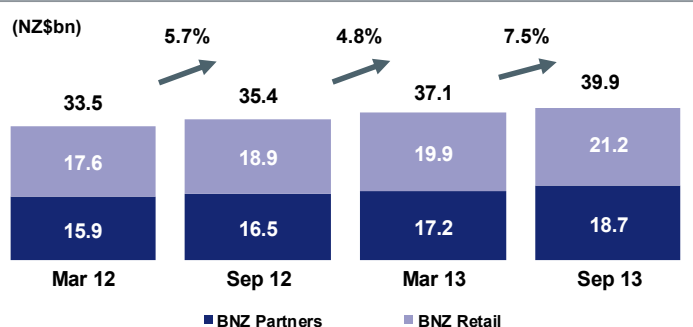
Business lending¹



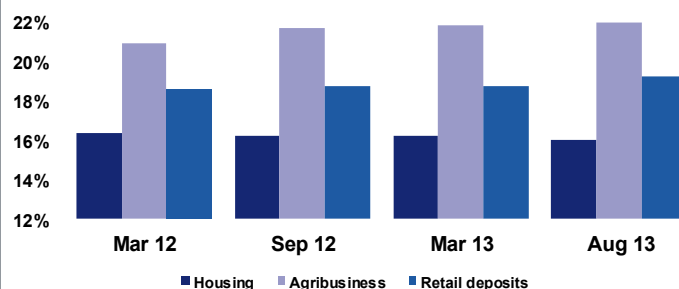
Retail lending¹



Retail deposits¹



Market share²

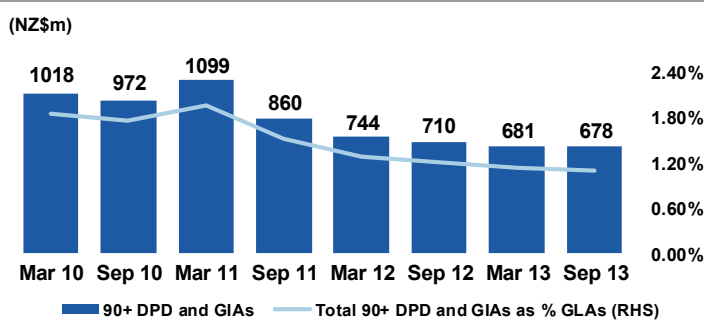


57 (1) Average volumes
(2) RBNZ (historical market share rebased with latest revised RBNZ published data)



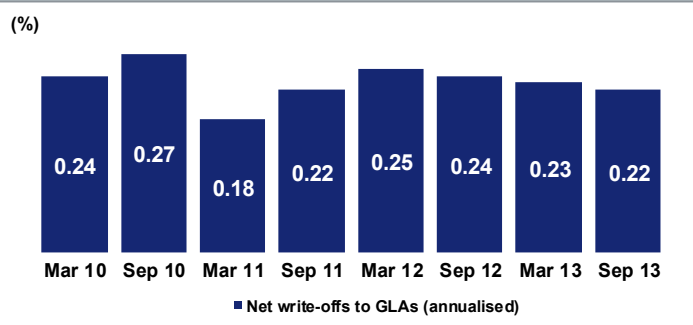
New Zealand Banking: Asset quality and LVR

Total 90+ DPD and GIAs as % GLAs

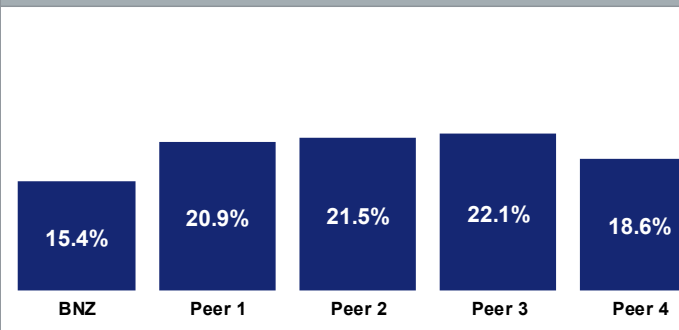


- 90+DPD assets to GLAs ratio is broadly flat on prior half
- Gross impaired assets and 90+ DPD to GLAs were 1.09% at Sep 13, lower than 1.21% at Sep 12
- Impairments continue to fall in business and retail due to favourable interest rate environment and improving economic conditions
- Exposures in the commercial property, dairy farming and kiwifruit sectors are the main industry concerns

Net write-offs



LVR Proportion (>80%) - June 13¹



58 (1) June 13 is the latest available LVR peer comparison



New Zealand mortgages: Key metrics

New Zealand Mortgages	Sep 13	Mar 13	Sep 12
Low Document Loans	0.23%	0.27%	0.26%
Proprietary	100%	100%	100%
Third Party Introducer	0.0%	0.0%	0.0%
Variable rate lending drawn balance	46.6%	52.7%	57.7%
Fixed rate lending drawn balance	49.4%	43.1%	38.0%
Line of credit drawn balance	4.0%	4.2%	4.3%
Interest only drawn balance ¹	23.0%	22.4%	21.7%
Insured % of Total HL Portfolio ²	12.5%	12.3%	11.8%
Loan to Value (at origination)	64.7%	64.3%	63.7%
Average loan size NZ\$ ('000)	272	265	258
90 + days past due	0.20%	0.22%	0.26%
Impaired loans	0.21%	0.32%	0.35%
Specific provision coverage	35.2%	32.1%	39.0%
Loss rate	0.07%	0.09%	0.10%

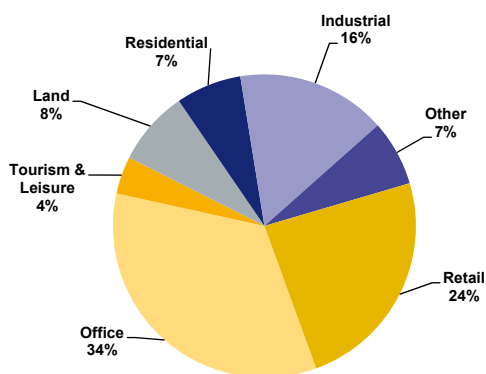
59 (1) Excludes Line of Credit
(2) Insured includes both LMI and Low Equity Premium



New Zealand Banking: Commercial Real Estate

Total NZ\$7.2bn

11.6% of NZ Gross Loans & Acceptances



Region	Auckland	Other Regions	Total	
Location %	39%	61%	100%	
Loan Balance < NZ\$5m	11%	25%	36%	
Loan Balance > NZ\$5m < NZ\$10m	6%	7%	13%	
Loan Balance > NZ\$10m	22%	29%	51%	
Loan tenor < 3 yrs	36%	52%	88%	
Loan tenor > 3 < 5 yrs	2%	5%	7%	
Loan tenor > 5 yrs	1%	4%	5%	
Average loan size NZ\$m	4.5	2.8	3.4	
Security Level ¹				
Fully Secured	24%	39%	63%	
Partially Secured	13%	19%	32%	
Unsecured	2%	3%	5%	
90+ days past due	0.22%	0.61%	0.83%	
Impaired Loans	0.16%	0.86%	1.02%	
Specific Provision Coverage	67.6%	42.4%	46.3%	
Trend	Sep 13	Mar 13	Sep 12	Mar 12
90+ days past due	0.83%	0.70%	0.81%	0.56%
Impaired Loans	1.02%	1.36%	1.31%	1.34%
Specific Provision Coverage	46.3%	35.8%	22.9%	17.2%

60 (1) Fully Secured represents loans of up to 70% of the Market Value of Security. Partially Secured are over 70%, but not Unsecured. Unsecured is primarily Negative Pledge lending



Additional Information

Business Banking

Personal Banking

Wholesale Banking

NAB Wealth

NZ Banking

UK Banking

NAB UK CRE

Great Western Bank

Group Asset Quality

Capital and Funding

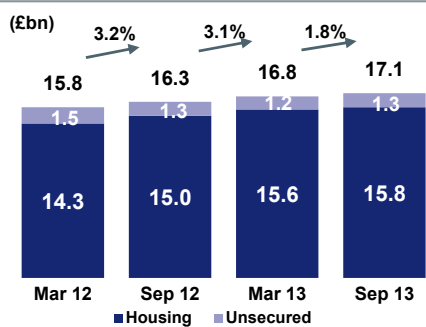
Other

Economic Outlook

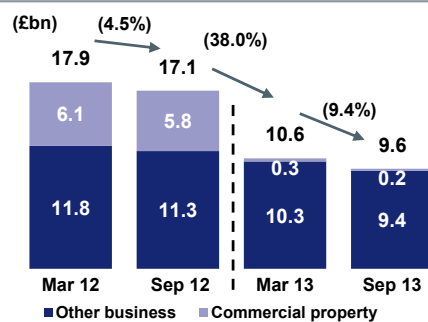


UK Banking

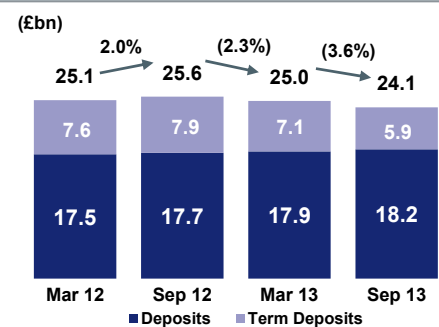
Personal lending¹



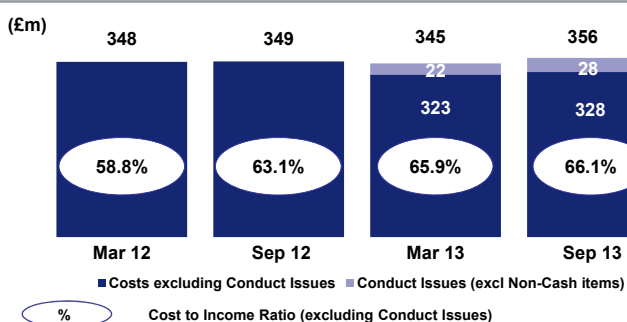
Business lending^{1,2}



Customer deposits¹



Costs

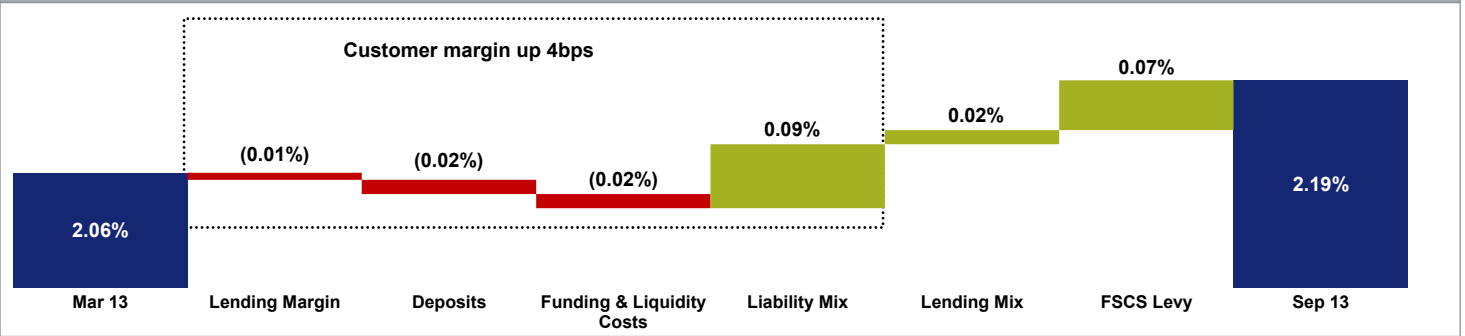


Net interest margin

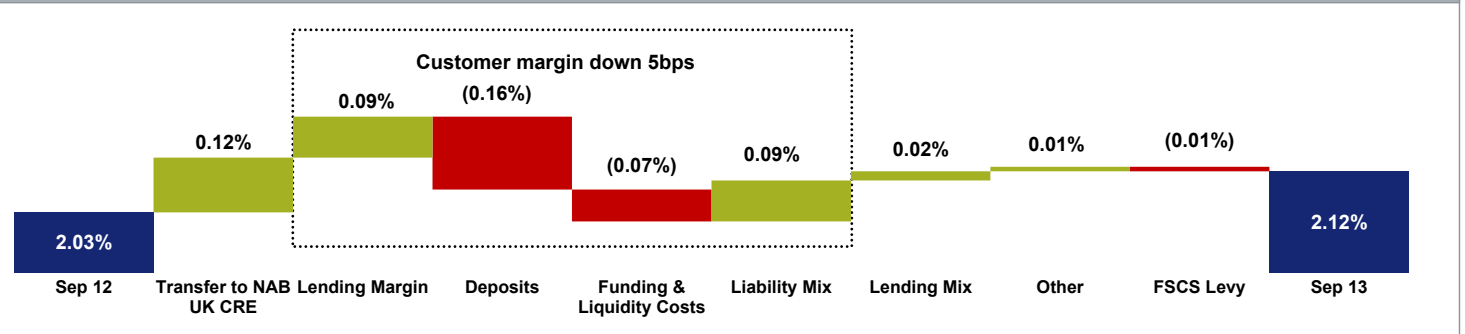


UK Banking: Net interest margin

September 13 v March 13



September 13 v September 12

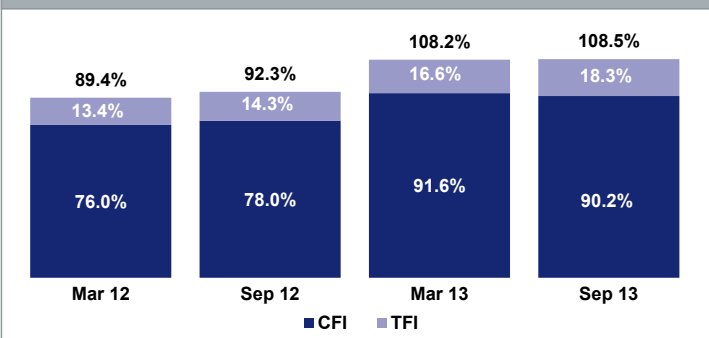


63

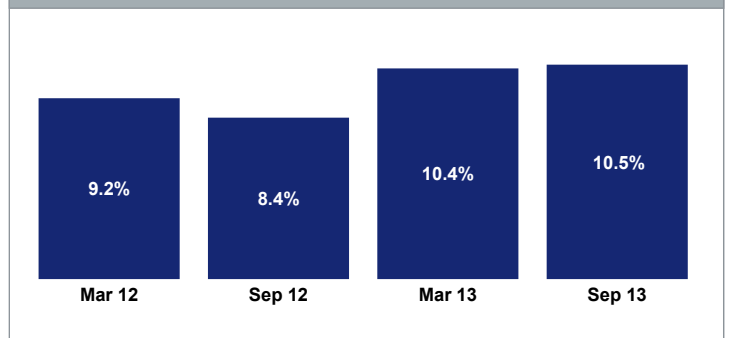


UK Banking: Funding Mix and Capital Ratios

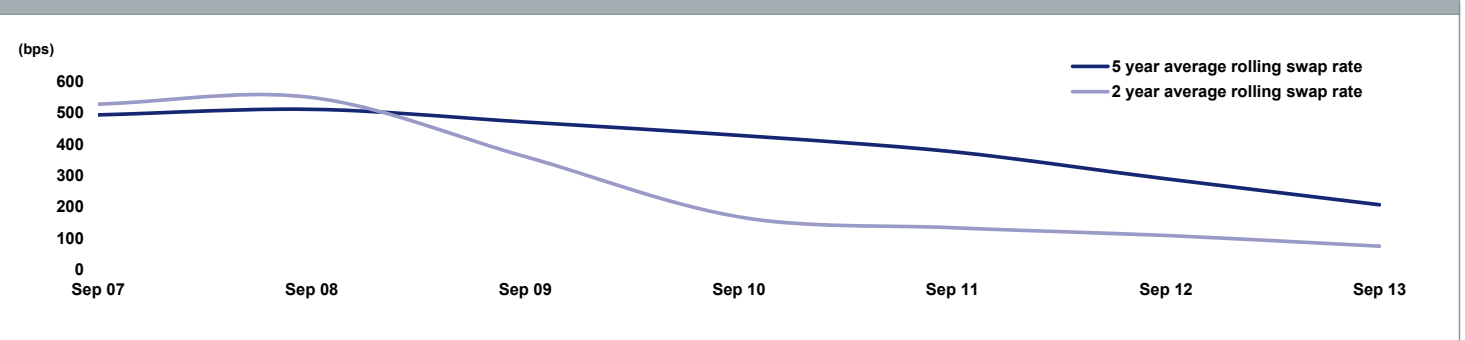
Clydesdale Bank PLC Stable Funding Index¹



Clydesdale Bank PLC Core Tier 1 Ratio²



Interest rate earned on ~£8bn of free funds³



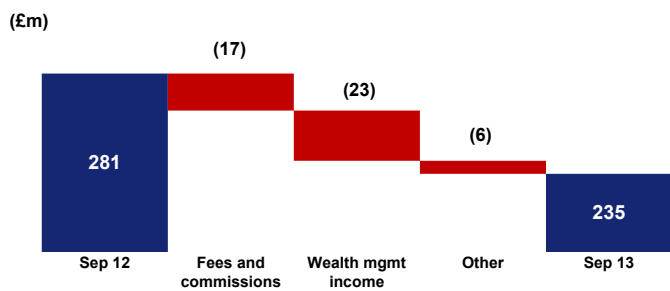
(1) Stable funding index (SFI) based on spot balances
 (2) On a UK Prudential Regulation Authority basis
 (3) Free funds are shareholders equity and non-interest bearing deposits. These flows are hedged over a 2 and 5 year period to reduce volatility from movements in benchmark interest rates

64

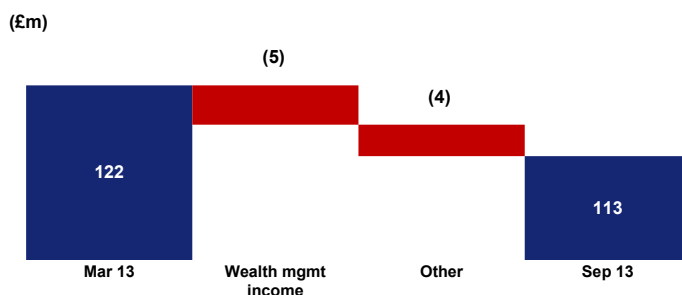


UK Banking: Other operating income and expenses

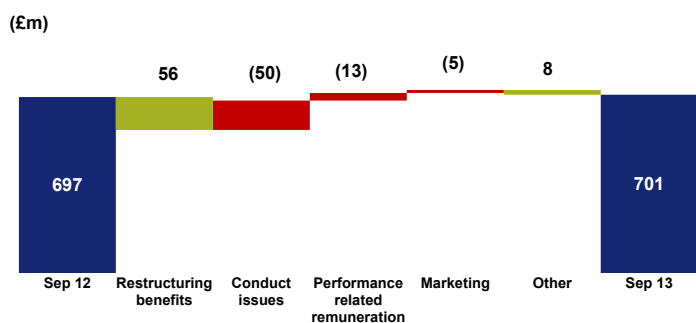
September 13 v September 12 Other operating income



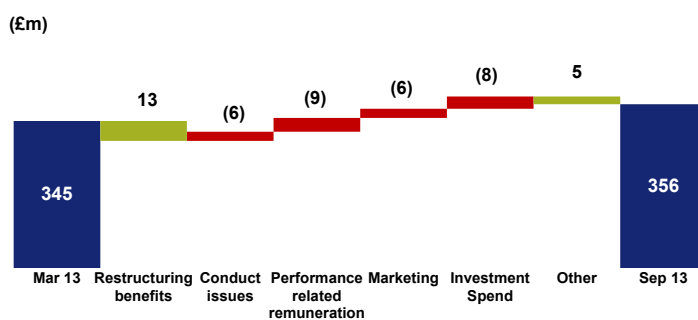
September 13 v March 13 Other operating income



September 13 v September 12 Operating expenses



September 13 v March 13 Operating expenses

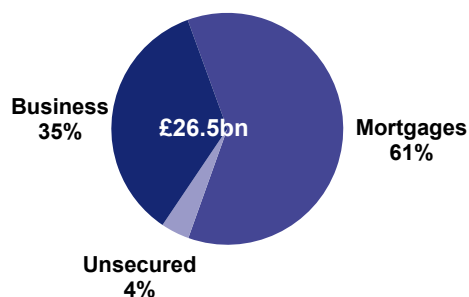


65

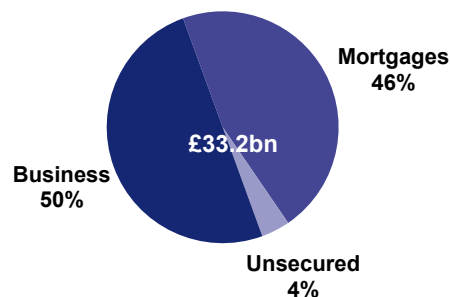


UK Banking: Portfolio composition

September 2013 Total portfolio composition



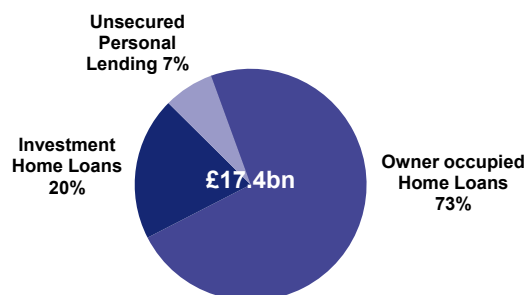
September 2012 Total portfolio composition



September 2013 Business portfolio composition

Industry	% Business Portfolio	% Total Portfolio
Agribusiness	20%	7%
Retail and Wholesale Trade	12%	4%
Hospitality	11%	4%
Business Services	11%	4%
Government, Health and Education	10%	3%
Manufacturing	10%	3%
Other	26%	10%
Total	100%	35%

September 2013 Retail portfolio composition

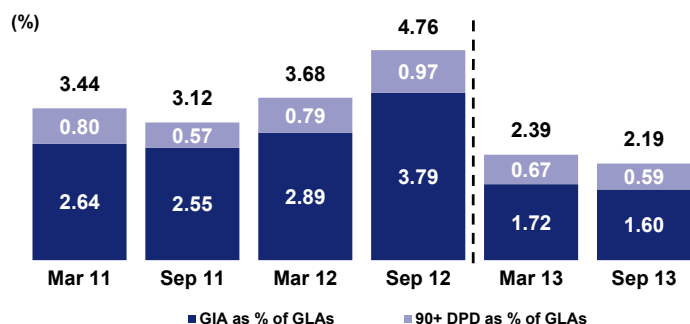


66

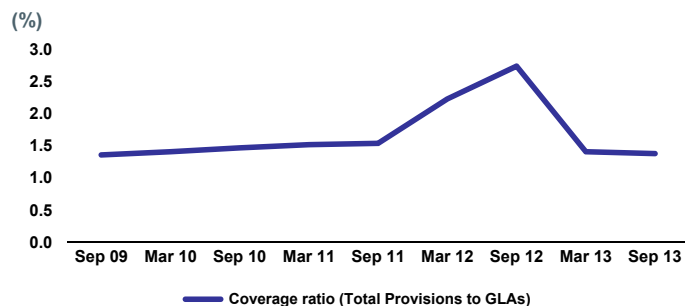


UK Banking: Asset quality

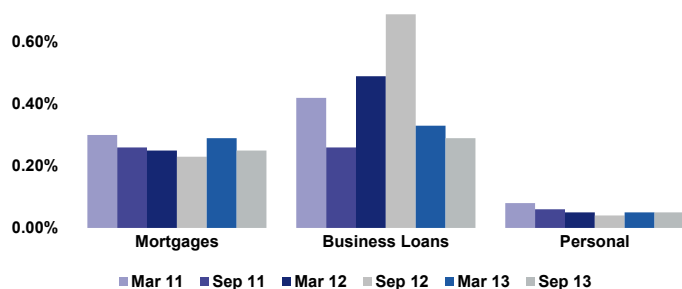
90+ DPD and GIAs as a % of GLAs¹



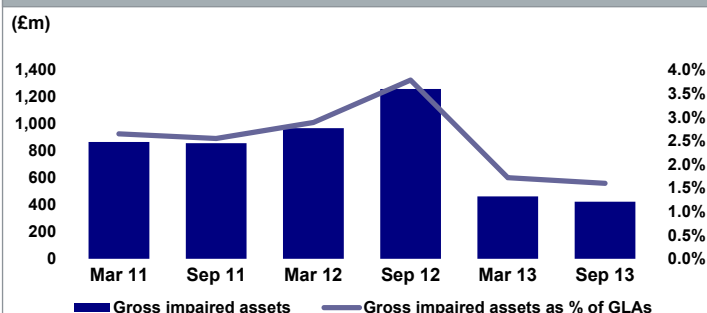
Coverage Ratio¹



90+ DPD as a % of total GLAs by product¹



Gross Impaired Assets¹



67 (1) On 5 October 2012 UK CRE was separated from UK Banking



UK mortgages: Key metrics

UK Mortgages	Sep 13	Mar 13	Sep 12
Owner Occupied	78.3%	79.6%	79.8%
Investment	21.7%	20.4%	20.2%
Low Document	0.0%	0.0%	0.0%
Proprietary	60.0%	63.3%	65.1%
Third Party Introducer	40.0%	36.7%	34.9%
Variable rate lending drawn balance	56.5%	60.5%	62.9%
Fixed rate lending drawn balance	35.3%	30.5%	27.5%
Line of credit drawn balance	8.2%	9.0%	9.6%
Interest only drawn balance ¹	40.9%	42.3%	43.5%
LMI Insured % of Total HL Portfolio	1.1%	1.1%	1.2%
Loan to Value (at Origination)	63.3%	63.1%	62.9%
Loan to Value Indexed	51.5%	53.2%	53.6%
Average loan size £ ('000)	104	102	100
90+ days past due	0.41%	0.50%	0.51%
Impaired loans	0.47%	0.45%	0.46%
Specific provision coverage	23.8%	22.0%	20.0%
Loss rate	0.06%	0.06%	0.09%

68 (1) Excludes Line of Credit



Restructuring – provision utilisation and benefits profile

£m	Restructuring costs	Provision	
		Utilised	Remaining
Restructuring provisions	139	106	33
Software write-off	36		
Total	175		

- Restructuring project is now substantially complete with programme benefits delivered 12 months ahead of schedule
- £106m of the original £139m provision utilised to date
- Timing of provision utilisation currently lags restructuring activity
- Cost benefits delivered of £62m in FY13 (£80m on an annual run-rate basis)
- FTEs were reduced by 1,422 between Sep 2011 and Sep 2013 (exceeding the planned 2015 total of c1,400)

Benefits profile				
£m	Actual FY13	Expected FY13	Expected FY14	Expected FY15
Actual ¹	62	47	75	86
Annualised run rate ¹	80	64	76	86
Total Cumulative FTE ¹	1,422	1,276	1,403	1,432

69 (1) Incorporates benefits and FTE reductions related to pre-existing restructuring programs in Business & Private Bank



UK Banking: Conduct Issues

- Claims related to legacy issues associated with mis-selling of products remain a key issue for the UK banking industry
- Uncertainty in relation to these matters is likely to continue for some time
- Additional £67m charge taken in 2H13 cash earnings (£104m in FY13) with £28m reported in UK and rest in Group Corporate Centre
- PPI provision has been increased by £130 million to £152 million and remains under review (details over page)
- Mortgage repayment irregularities relate to a mortgage payment system error resolved in 2010. Costs include both customer redress and associated penalties
- CPP Scheme of Arrangement refers to Card Protection Plan Limited products sold to UK Banking customers
- Interest Rate Hedging Products (IRHPs) refers to review of the sales of interest rate hedging products. Provisions of £36m raised in FY13 (in Group Corporate Centre). Started contacting customers, but determination of redress is complex and difficult to estimate.
- “Other matters” refers to matters subject to confidentiality agreements.

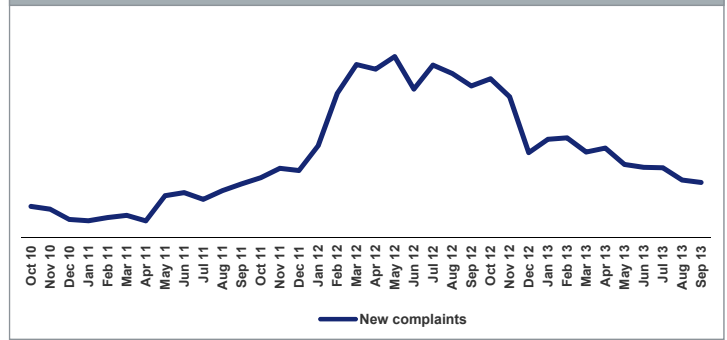
Issue (£m)	Charge			Remaining Provision
	1H13	2H13	FY13	
Mortgage Repayments Irregularities	13	24	37	16
CPP Scheme of Arrangement	9	4	13	12
UK cash earnings impact	22	28	50	28
Interest Rate Hedging Products	15	21	36	49
Other matters	0	18	18	36
Group cash earnings impact	37	67	104	113
Payment Protection Insurance (PPI)	0	130	130	152



UK Banking: Conduct issues - PPI

- £86m utilised in the year to 30 September 2013. Provision usage during the month of September 2013 was £4m
- While complaints experience has reduced following the acceleration in 1H12, the expected volume of complaints have declined at a lower rate than previously expected
- A further provision of £130m was raised in September 2013 following the slower than expected reduction in claims and an ongoing review of complaints handling processes which requires reassessment of a number of previous claims
- At 30 September 2013 the provision balance was £152m and utilisation to date is in line with industry experience

CB PLC complaints experience by month



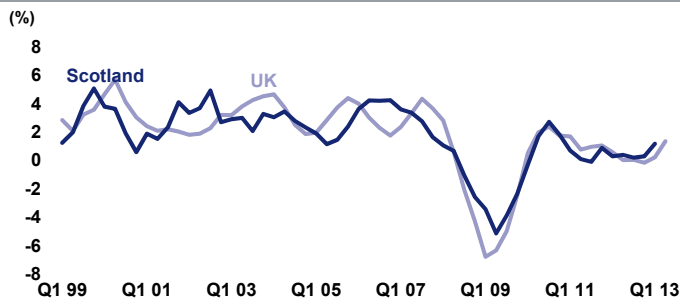
Bank	Cumulative charge (£m)	Redress paid (£m)	Utilisation (%)
Barclays Bank ¹	3,950	2,300	58%
Lloyds Banking Group ¹	8,025	6,331	79%
RBS ¹	2,400	1,700	70%
HSBC (US \$m) ¹	2,764	1,804	65%
Clydesdale Bank ²	386	234	61%

(1) Peer banks as at 30 June 2013 (half year results announcements) except Lloyds Banking Group 30 September 2013
 (2) CB PLC as at 30 Sept 2013



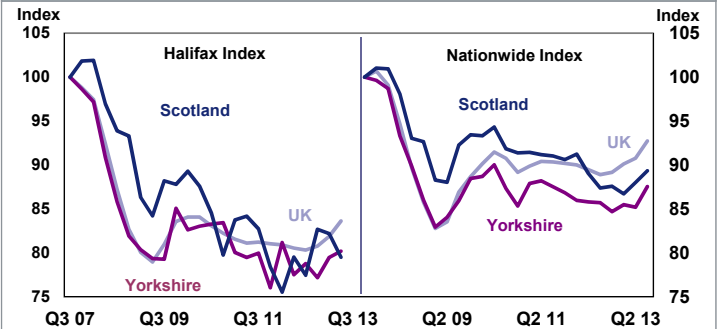
UK economy

Economic growth – UK and Scotland % yoy

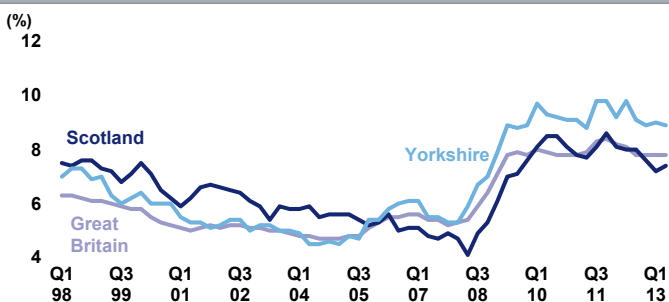


Source: ONS, Thomson Reuters Datastream, Scottish Government

House Price Indices (September 2007 = 100 indices of prices)



Unemployment rate (ILO survey)



Source: ONS, Thomson Reuters Datastream

Retail trade volumes Scotland and UK average % yoy



Source: ONS, Thomson Reuters Datastream, Scottish Government



Additional Information

Business Banking
 Personal Banking
 Wholesale Banking
 NAB Wealth
 NZ Banking
 UK Banking

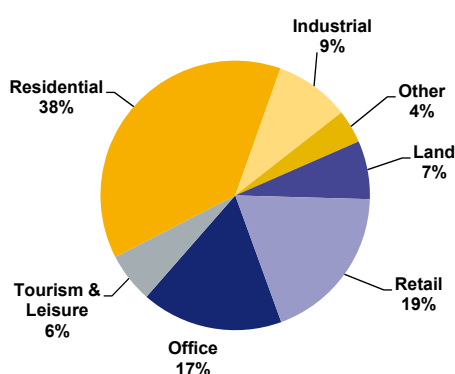
NAB UK CRE

Great Western Bank
 Group Asset Quality
 Capital and Funding
 Other
 Economic Outlook



NAB UK CRE: Commercial Real Estate

Total £4bn¹



Region	North	East	South	West	Total
Location %	29%	29%	15%	27%	100%
Loan Balance ² < £2m	13%	14%	6%	14%	47%
> £2m < £5m	7%	8%	2%	5%	22%
> £5m	9%	7%	7%	8%	31%
Average loan tenor < 3 yrs	16%	15%	8%	14%	53%
Average loan tenor > 3 < 5 yrs	3%	4%	2%	2%	11%
Average loan tenor > 5 yrs	10%	10%	5%	11%	36%
Average loan size (£m) spot	£0.8m	£0.7m	£1.08m	£0.74m	£0.78m
Security Level ³					
Fully Secured	18%	13%	11%	17%	59%
Partially Secured	10%	15%	4%	10%	39%
Unsecured	1%	1%	0%	0%	2%

	Sep 13	Mar 13
90+ days past due (£m)	127	185
90+ days past due (%)	3.18%	3.86%
Impaired loans (£m)	979	1,051
Impaired Loans (%)	24.39%	21.78%
Specific Provision Coverage	37.76%	31.53%

(1) Total portfolio of £4.0 billion includes £0.1bn of non-CRE assets

(2) Distribution based on loan balance

(3) Fully Secured represents loans of up to 70% of the market value of security, Partially Secured are over 70%, but not Unsecured



Additional Information

Business Banking
 Personal Banking
 Wholesale Banking
 NAB Wealth
 NZ Banking
 UK Banking
 NAB UK CRE

Great Western Bank

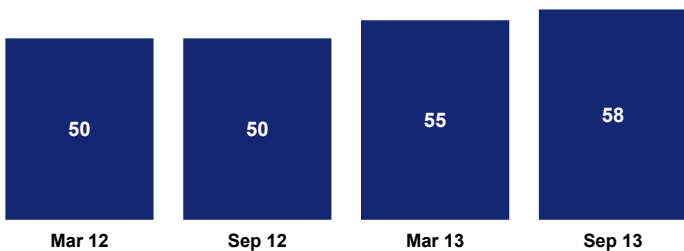
Group Asset Quality
 Capital and Funding
 Other
 Economic Outlook



Great Western Bank

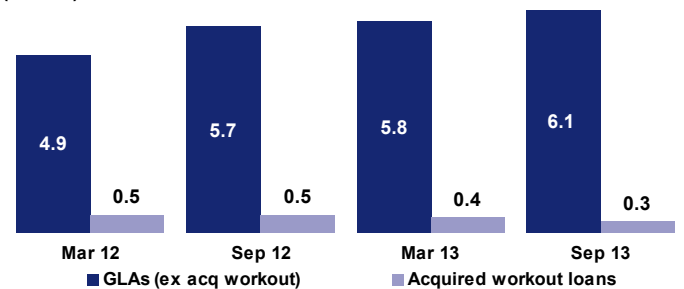
Cash earnings

(US\$m)



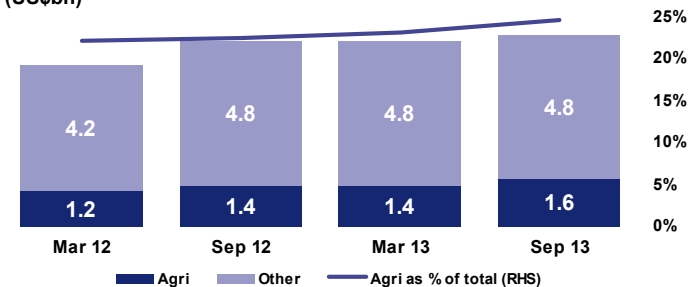
Gross loans & acceptances

(US\$bn)



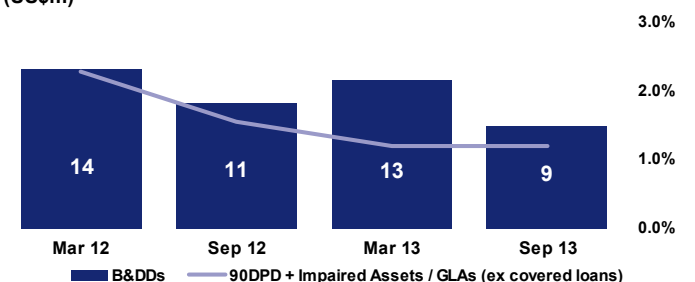
Loan portfolio composition

(US\$bn)



B&DD charge and asset quality metrics

(US\$m)



Additional Information

Business Banking

Personal Banking

Wholesale Banking

NAB Wealth

NZ Banking

UK Banking

NAB UK CRE

Great Western Bank

Group Asset Quality

Capital and Funding

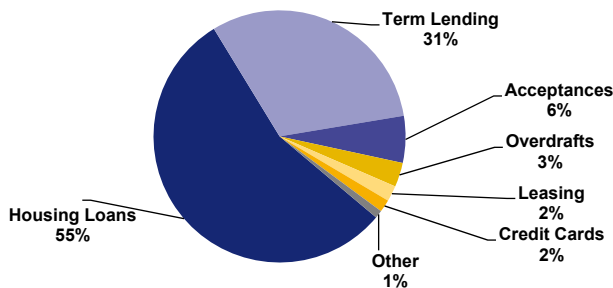
Other

Economic Outlook

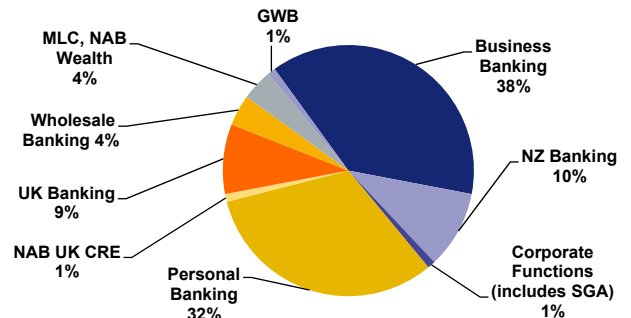


Group portfolio

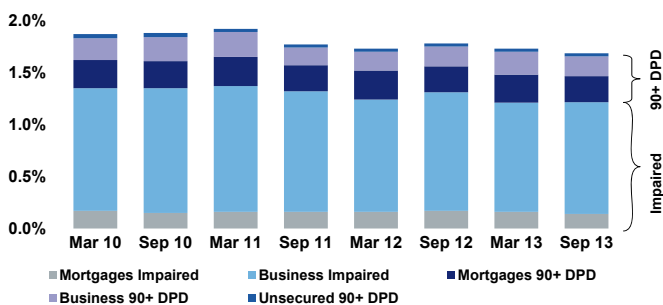
Gross loans and acceptances by product as at September 2013



Gross loans and acceptances by business unit as at September 2013

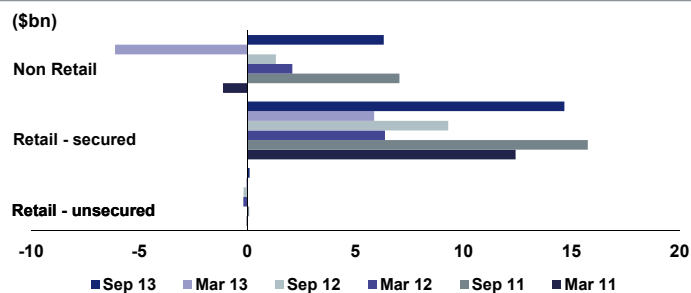


90+ DPD & gross impaired assets as a % of gross loans and acceptances by product

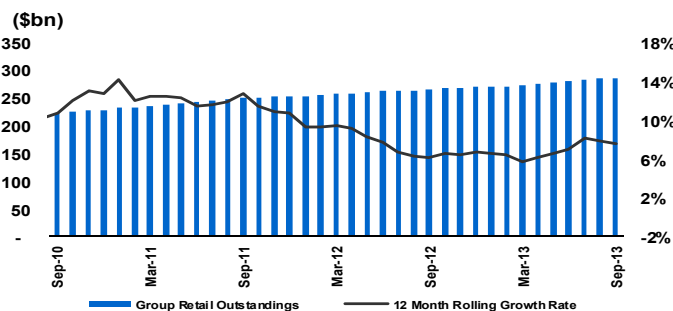


Group gross loans and acceptances

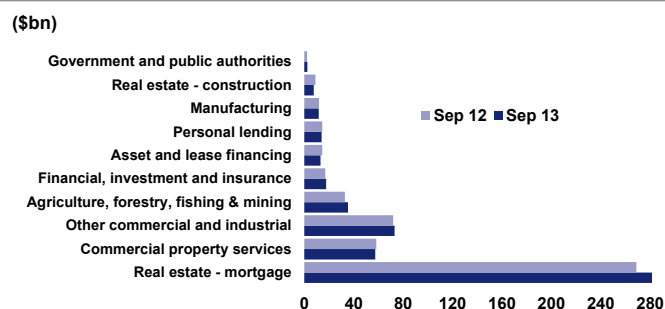
Group asset composition – growth by product segment



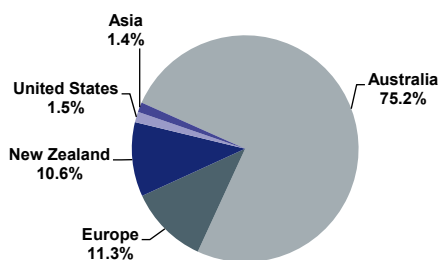
Retail portfolio – outstandings volume



Industry balances

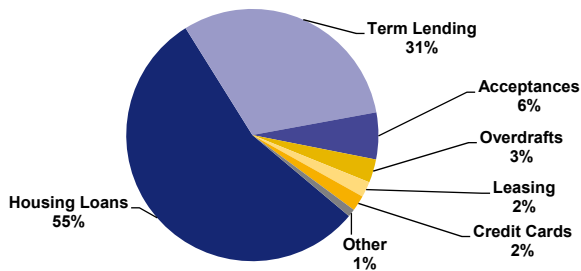


Gross loans and acceptances by geography

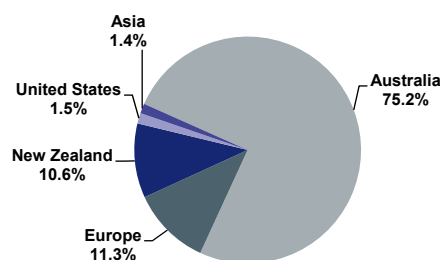


Group portfolio – change over three year period

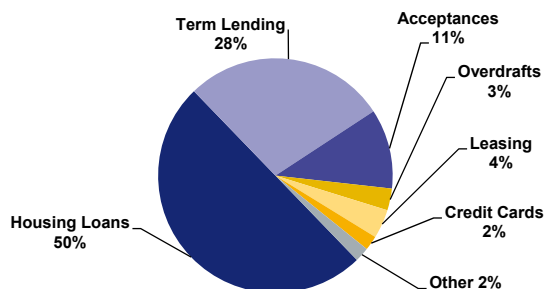
September 2013 – Gross loans and acceptances by product



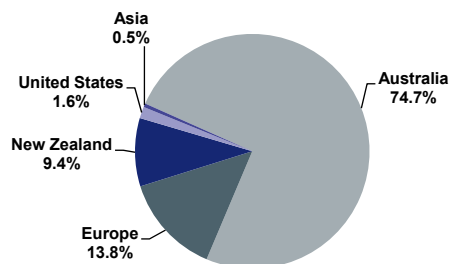
September 2013 – Gross loans and acceptances by geography



September 2010 – Gross loans and acceptances by product

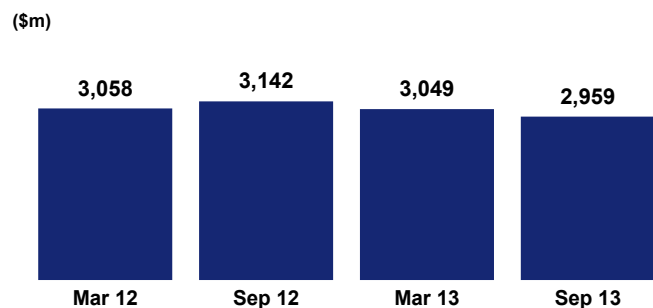


September 2010 – Gross loans and acceptances by geography

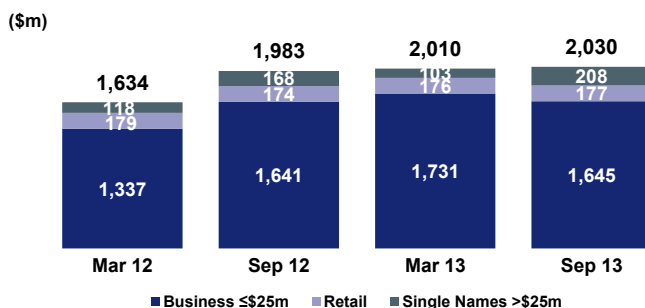


Group provision balances and coverage ratios

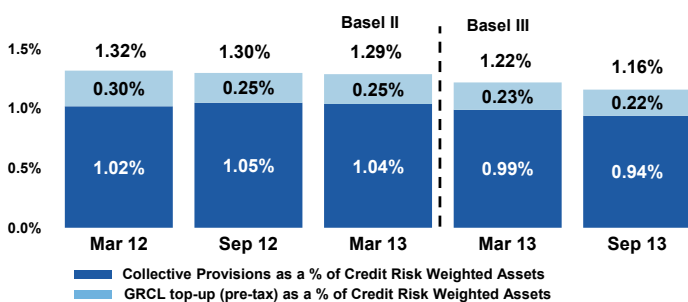
Collective provision balances



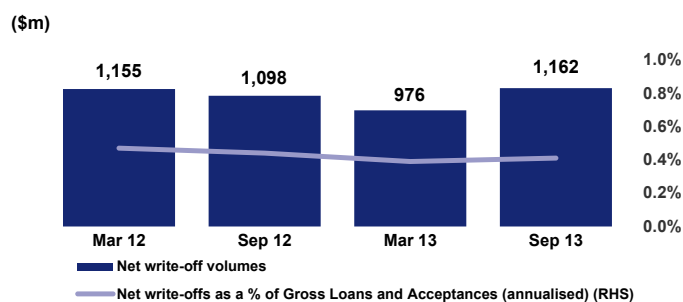
Specific provision balances



Coverage ratios (with and without GRCL top-up)

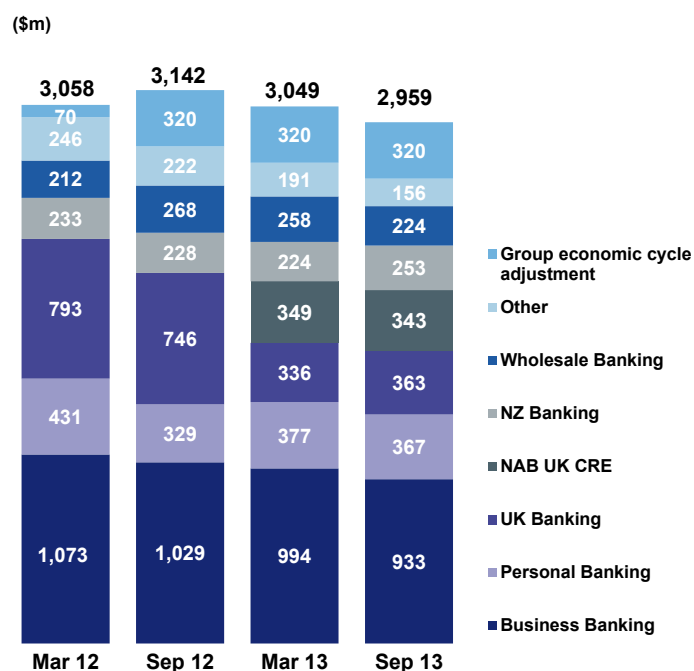


Net write-off volumes

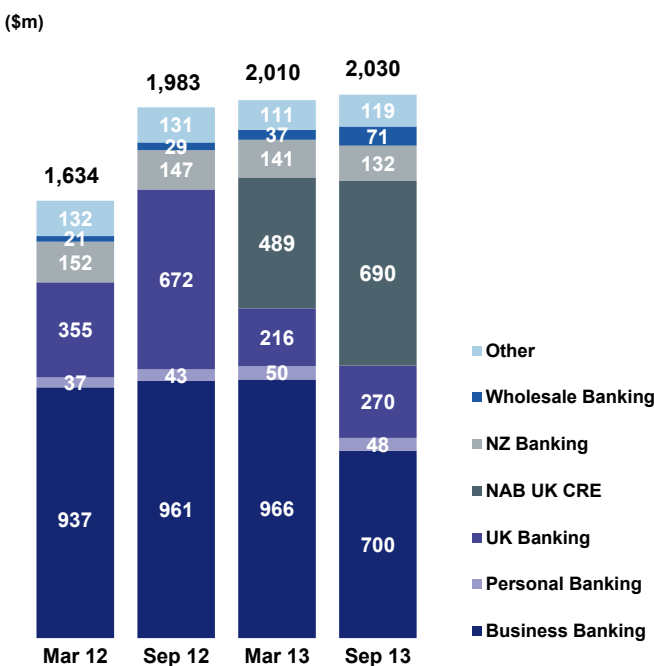


Group provision movements

Collective provision



Specific provision



Eligible Provisions and Regulatory Expected Loss

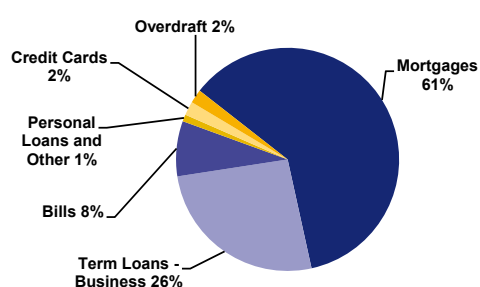
(\$m)	Sep 13		Mar 13	
	Defaulted	Non-Defaulted	Defaulted	Non-Defaulted
Eligible Provisions				
Collective Provision	460	2,499	481	2,568
Specific Provisions	2,030		2,010	
General Reserve for Credit Losses		539		544
Collective provision on standardised portfolio	(70)	(564)	(62)	(524)
Specific provisions on standardised portfolio	(302)		(259)	
Partial Write Offs on IRB portfolio	1,512		3,084	
Total Eligible Provisions	3,630	2,474	5,254	2,588
Regulatory Expected Loss	4,298	2,345	5,858	2,444
Shortfall in EP over EL (100% CET1 Deduction)	668	-	604	-
Surplus in EP over EL (Tier 2 capital for non-defaulted)	-	129	-	144

83

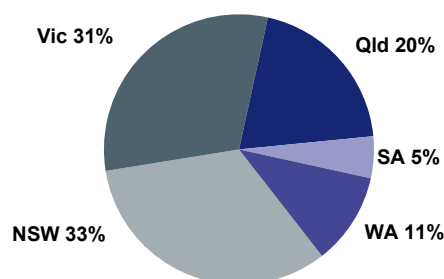


Group lending mix

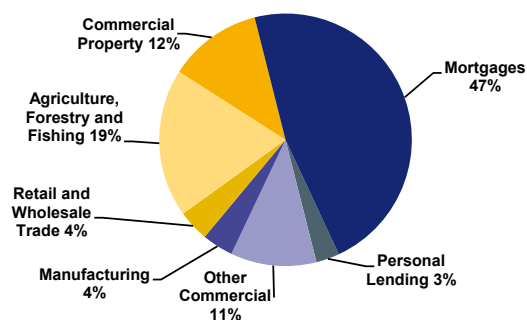
Australian portfolio breakdown – total \$384.5bn¹



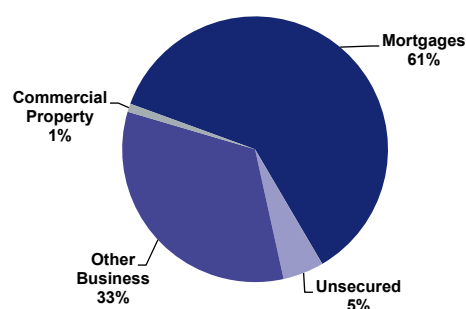
Australian mortgages²



NZ Banking portfolio breakdown – total NZ\$62.1bn



UK Banking portfolio breakdown – total £26.5bn



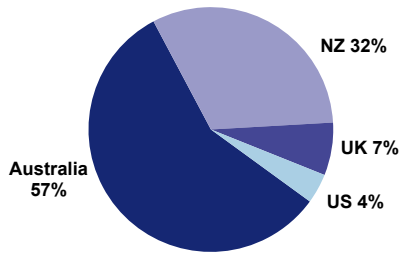
(1) Includes Business Banking Asia gross loans and acceptances of \$4.5bn at September 2013
 (2) Includes Personal Banking, Business Banking and NAB Wealth



Agricultural and Mining exposures

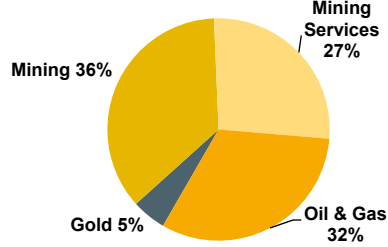
Agriculture, Forestry and Fishing exposures

Agriculture, Forestry and Fishing EAD \$37.2bn September 2013



Mining exposure

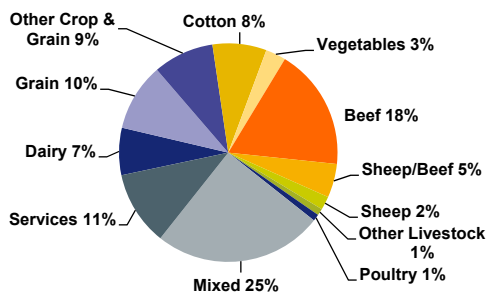
EAD \$9.55bn September 2013



- Impaired assets and 90+DPD <1% of GLAs

Australian Agricultural exposures

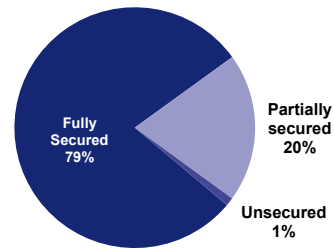
EAD \$20.3bn September 2013



- Highly diversified portfolio by geography and type
- Strong Agri banking network with over 600 specialist bankers provides underwriting advantage

Agriculture portfolio asset quality¹

Australian Agriculture portfolio - September 2013



- Well secured portfolio

(1) Fully secured is where the loan amount is less than 100% of the bank extended value of security; partially secured is where the loan amount is greater than 100% of the bank extended value of security; unsecured is where no security is held and negative pledge arrangements are normally in place. Bank extended value is calculated as a discount to market value based on the nature of the underlying security



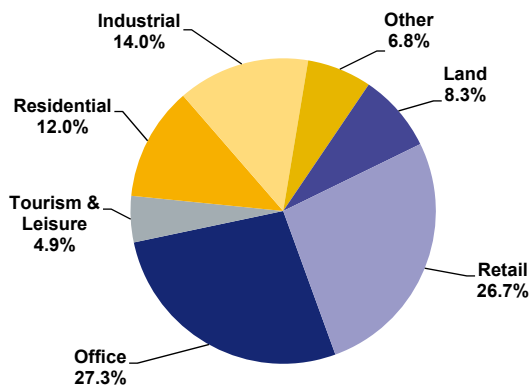
Commercial Real Estate – Group Summary¹

Total \$60.7bn

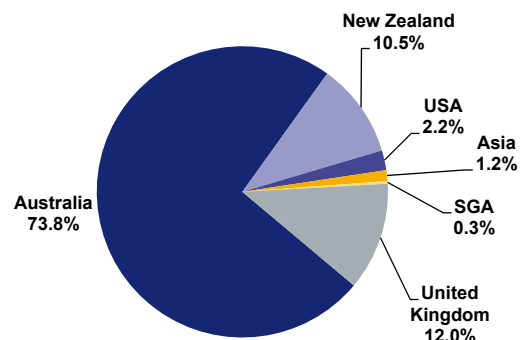
11.6% of Gross Loans & Acceptances

	Aus	NAB UK CRE	NZ	USA ²	Other ³	Total
TOTAL CRE (A\$bn)	44.8	6.9	6.4	1.4	1.2	60.7
Increase/(decrease) on Mar 13 (A\$bn)	(0.4)	(0.1)	1.0	0.2	(0.1)	0.6
% of GLAs	11.4%	98.6%	11.6%	17.6%	2.2%	11.6%
Change in % on March 2013	(0.3%)	2.5%	0.4%	(3.1%)	(0.4%)	(0.4%)

Group Commercial Property by type



Group Commercial Property by geography



(1) Measured as balance outstanding at September 2013 per APRA Commercial Property ARF 230 definitions
 (2) Excludes SGA
 (3) Includes SGA, Asia and UK Banking



Additional Information

Business Banking

Personal Banking

Wholesale Banking

NAB Wealth

NZ Banking

UK Banking

NAB UK CRE

Great Western Bank

Group Asset Quality

Capital and Funding

Other

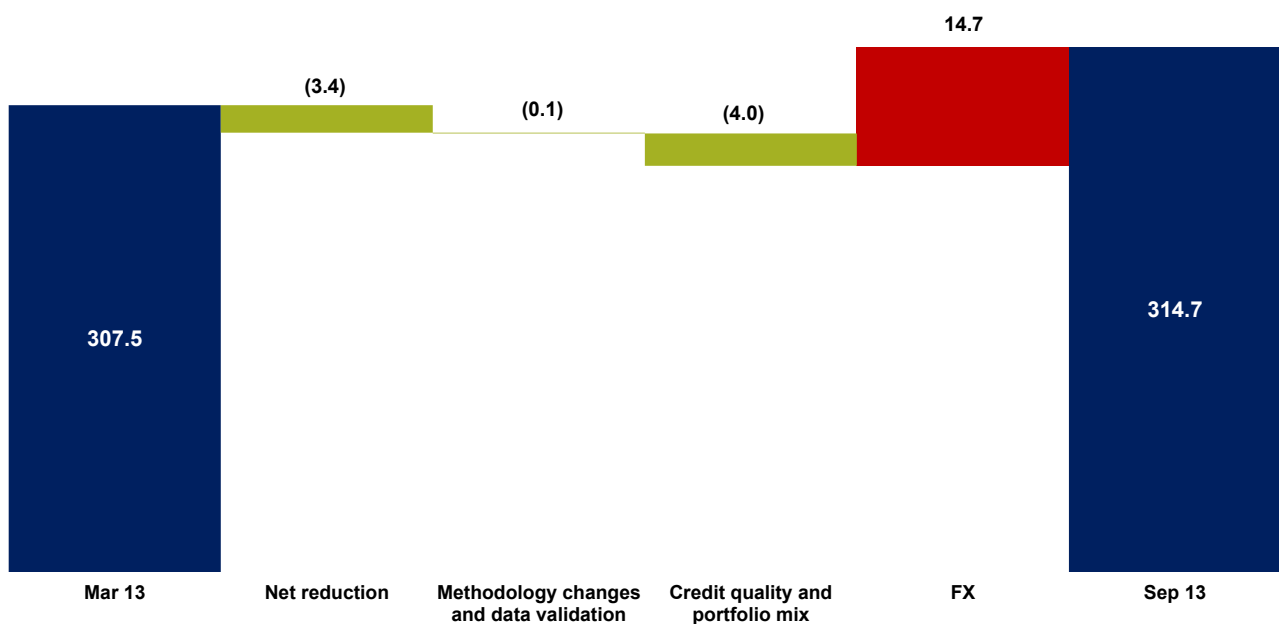
Economic Outlook



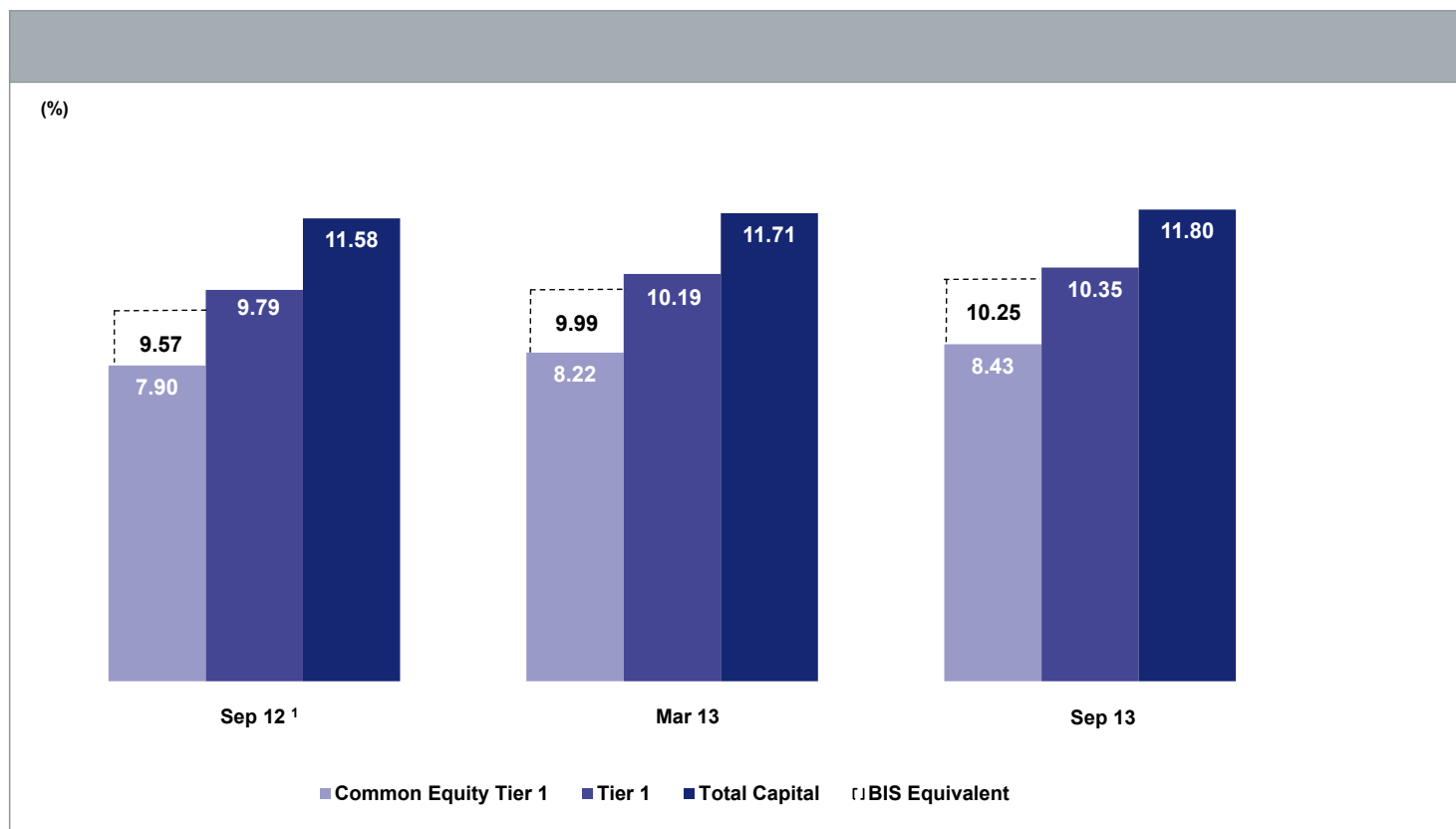
Credit RWA movement

Credit RWA movement March 2013 to September 2013

(\$bn)



Group Basel III Common Equity Tier 1 Ratios

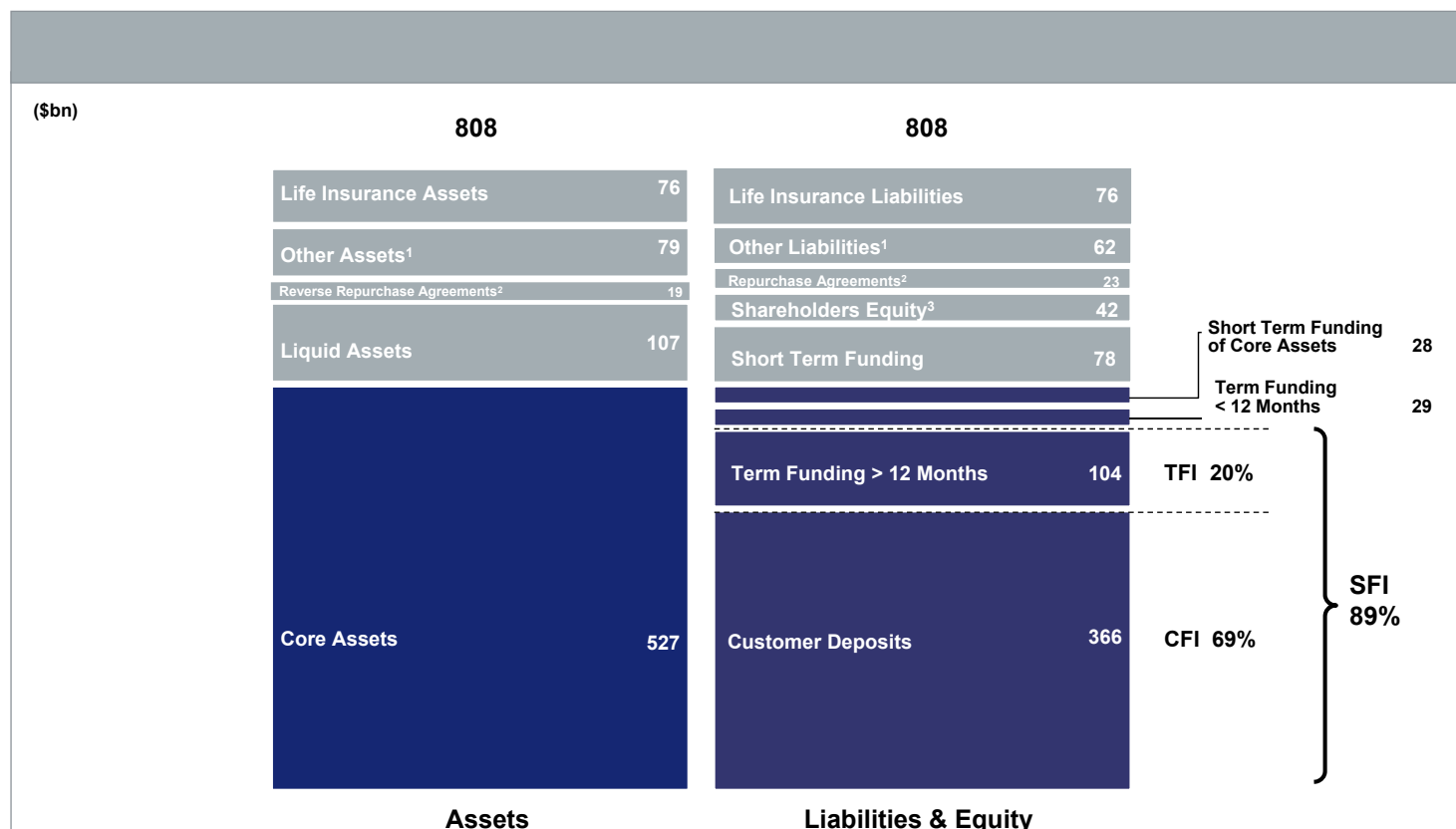


(1) Estimated Basel III ratios

89



Asset funding – September 2013



(1) Other assets and liabilities comprises mainly trading derivatives

(2) Repurchase agreements entered into are materially offset by reverse repurchase agreements with similar maturity profiles as part of normal trading activities

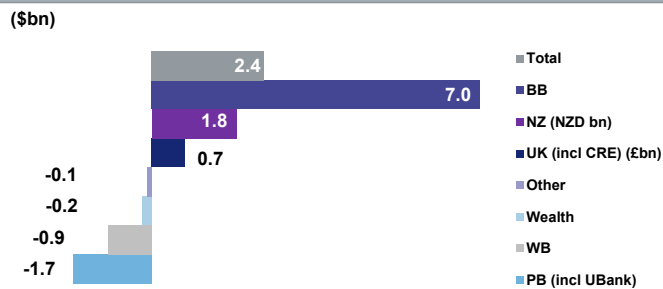
(3) Shareholder equity excludes preference shares and other contributed equity

90

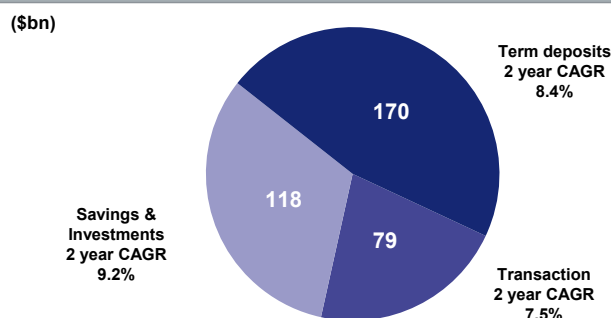


Remain focused on growing customer deposits

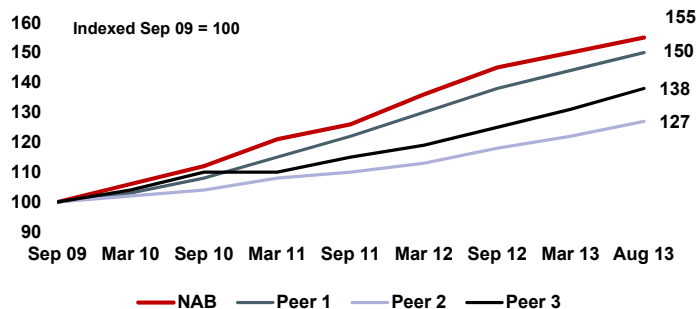
Customer deposits growth less lending growth – Mar 13 vs Sep 13¹



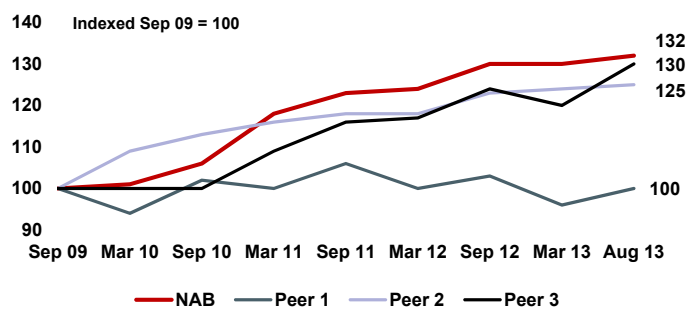
Group customer deposits by product – Sep 13



Household deposit growth²



Business deposit growth²

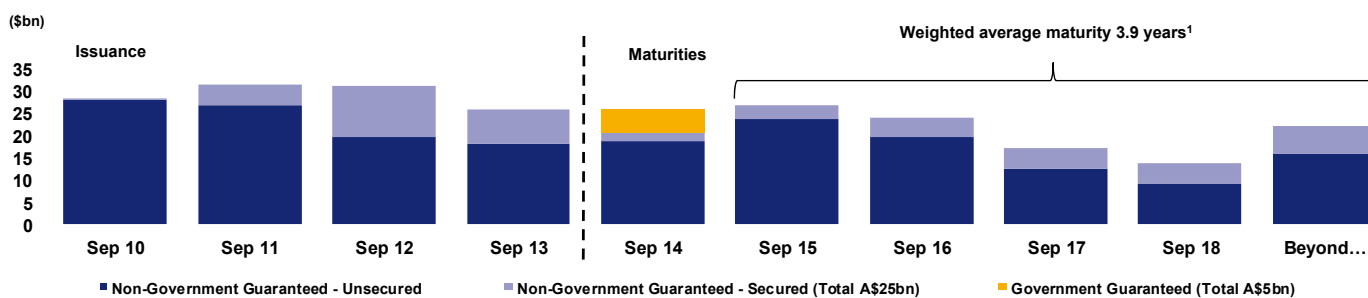


(1) NZ and UK (incl CRE) in local currency, all other customer deposit growth less lending growth in AUD
 (2) APRA Monthly Banking Statistics (Aug 2013). Business deposits excludes financial corporation deposits and certificates of deposits



Funding profile remains robust

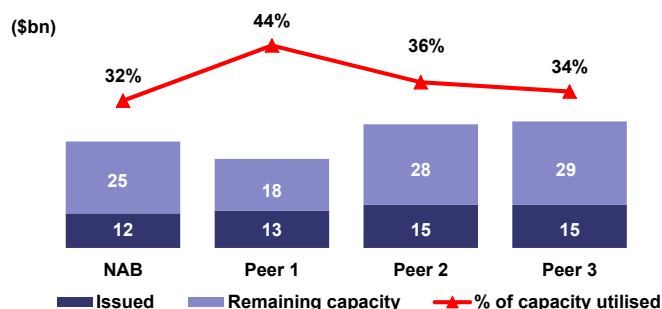
Term Wholesale Funding Issuance & Maturity Profile



Robust Funding Profile

- The weighted average remaining maturity of the Group's term funding index qualifying senior, secured and subordinated debt (includes debt with > 12 months remaining term to maturity) is 3.9 years (3.7 years as at September 2012)
- The weighted average remaining maturity of the Group's senior, secured and subordinated debt is 3.2 years (3.1 years as at September 2012)
- The weighted average remaining maturity of the Group's covered bond debt is 5.9 years. The weighted average maturity of covered bonds raised by the Group over the 2013 financial year was approximately 7.6 years
- The FY14 Term funding requirement is driven by the need to refinance term debt that has less than 12 months remaining to maturity during FY15

Australian Covered Bond issuance²

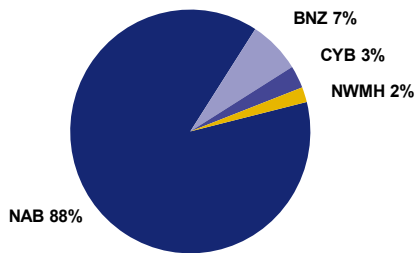


(1) Weighted average maturity of 3.9 years includes senior, secured and sub debt with more than 12 months remaining term to maturity
 (2) Source: Bank covered bond investor reports & APRA Monthly Banking Statistics as at 31 August 2013. Remaining capacity based on current rating agency over collateralisation (OC) & legislative limit

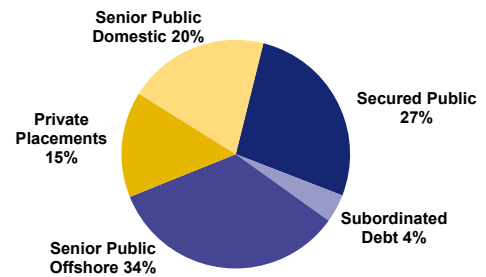


Diversified and flexible funding issuance

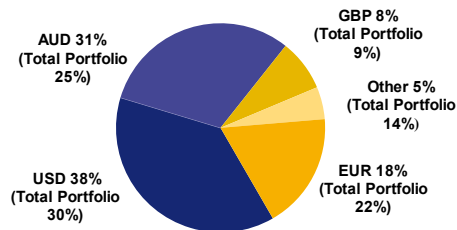
Issuer (\$25.8bn)



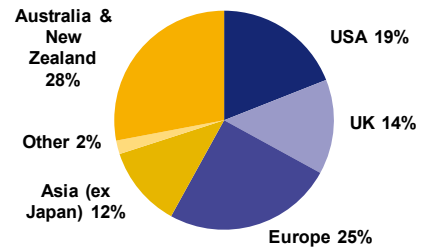
Type (\$25.8bn)



Currency (\$25.8bn)

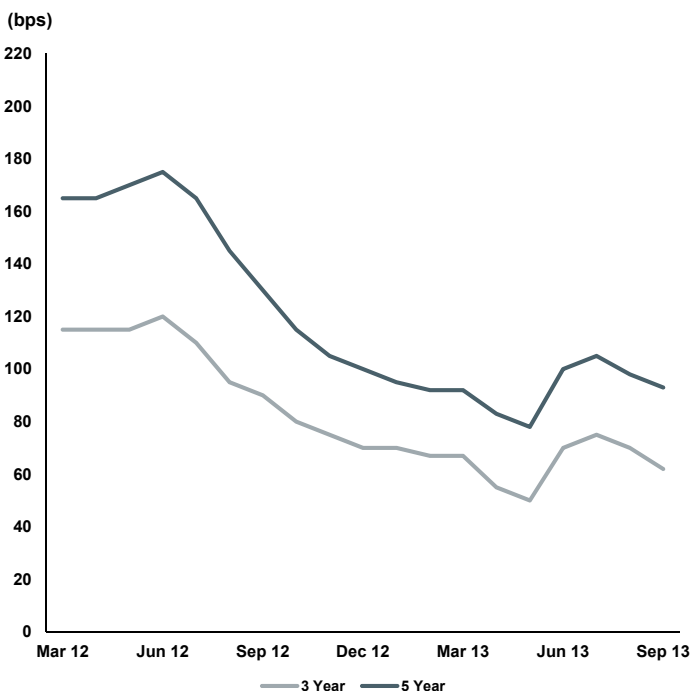


Investor location (\$25.8bn)

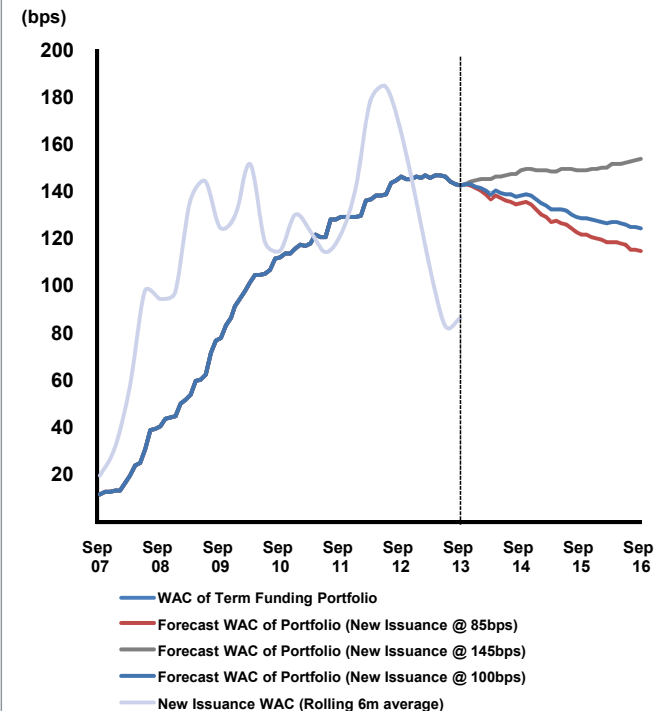


Wholesale funding costs

Wholesale Term Issuance Curves¹



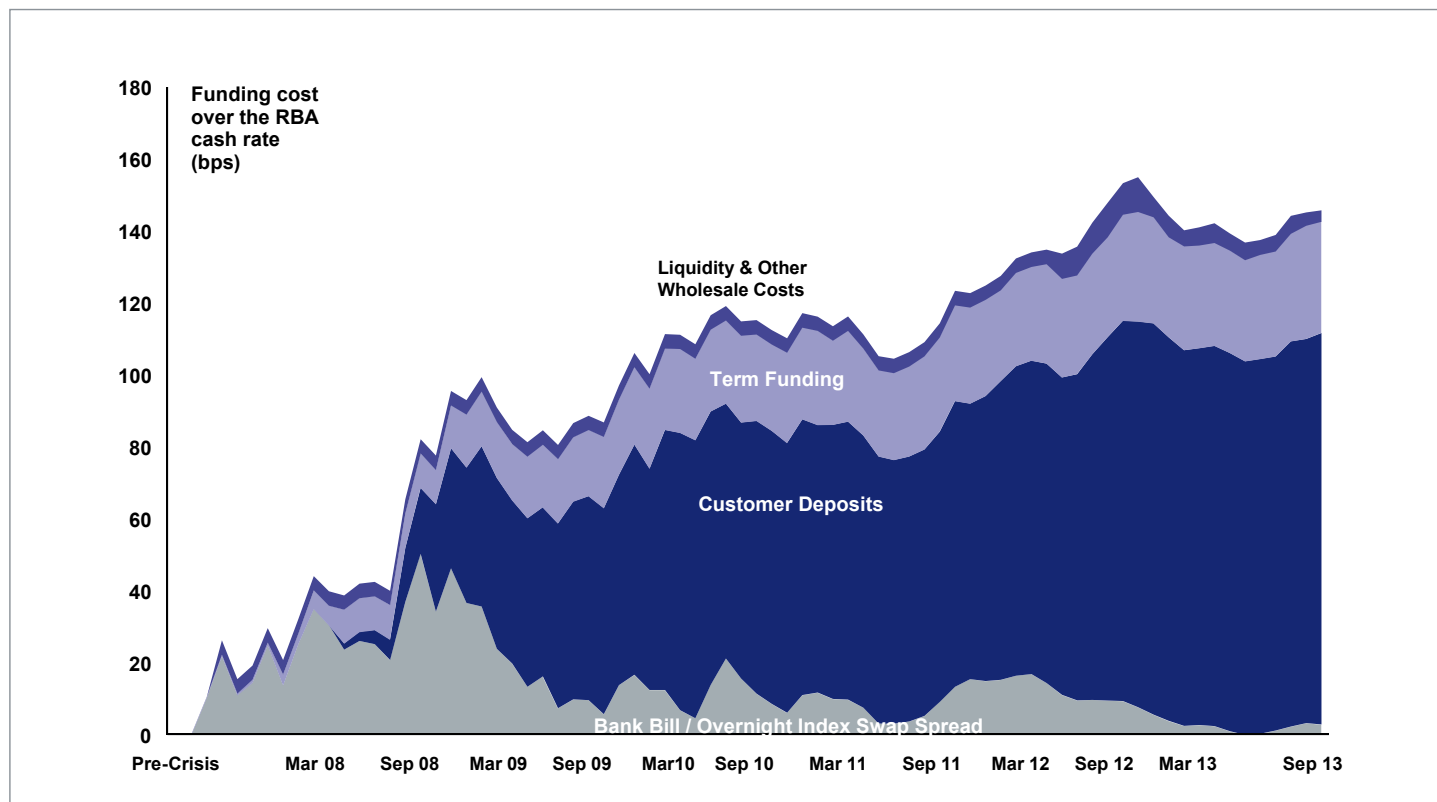
Average Long Term Wholesale Funding Costs²



(1) Source: NAB Group Treasury. Curves based on AUD Major Bank Wholesale Unsecured Funding rate (3 year and 5 years)
 (2) NAB Ltd Term Wholesale Funding Costs >12 Months at issuance (spread at 3 month BBSW). Average cost of new issuance is on a 6 month rolling basis
 Forecast assumptions as follows:
 - new issuance at 85bps: Average new issuance cost if funding costs continue to improve
 - new issuance at 145bps: 2013 average portfolio cost
 - new issuance at 100bps: blended onshore and offshore market levels as at 30 September 2013 (5 year)



Cost of funding an Australian variable rate mortgage



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Risk Weighted Assets

Asset Class (\$m)	Sep 13		Mar 13	
	RWAs Basel III	RWA/EAD %	RWAs Basel III	RWA/EAD %
Corporate & Business	178,563	45%	178,873	47%
Mortgages	59,527	20%	58,062	20%
Retail	13,799	42%	14,341	44%
Standardised ¹	44,973	44%	39,809	41%
Credit Value Adjustment (Basel III)	10,035	n/a	10,343	n/a
Other Assets	7,777	85%	6,089	63%
Total Credit RWAs	314,674	37%	307,517	38%
Market RWAs	5,191		5,899	
Operational RWAs	34,749		33,332	
IRRBB RWAs	7,464		4,643	
Total RWAs	362,078		351,391	

(1) The majority of the Group's standardised portfolio is the Clydesdale Bank PLC banking operations

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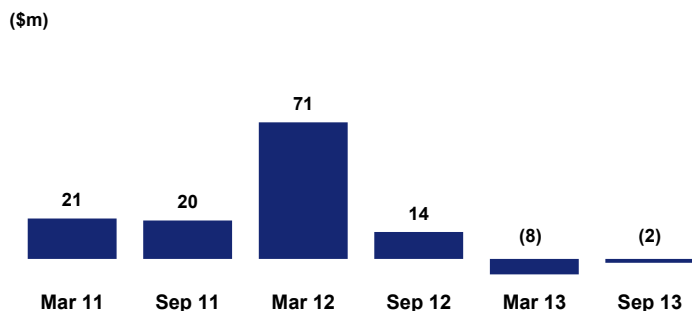
Additional Information

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Other
 Economic Outlook

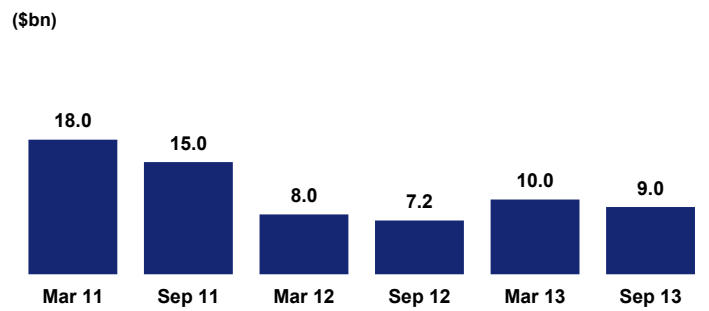


Specialised Group Assets

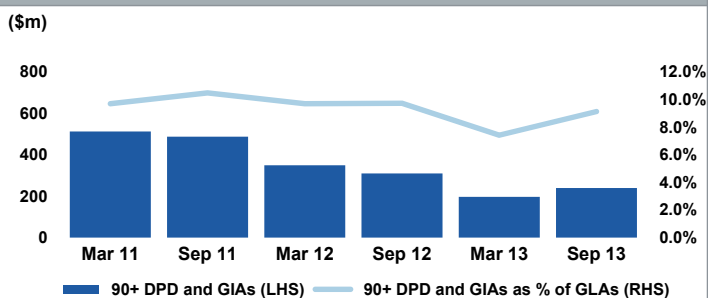
B&DD charge



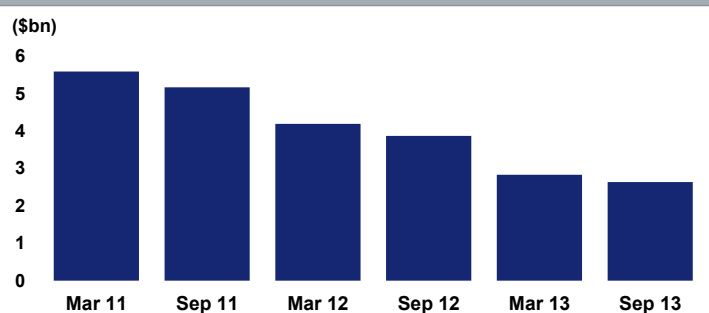
RWAs¹



90+ DPD and GIAs as % of GLAs



Gross loans & acceptances (average)



(1) The increase of RWAs from September 12 to September 13 includes \$2.6bn which is primarily due to a change in treatment under APS 120 on the Structured Asset Management Portfolio, but with no impact on underlying capital - the transactions creating the RWA increase were previously capital deductions

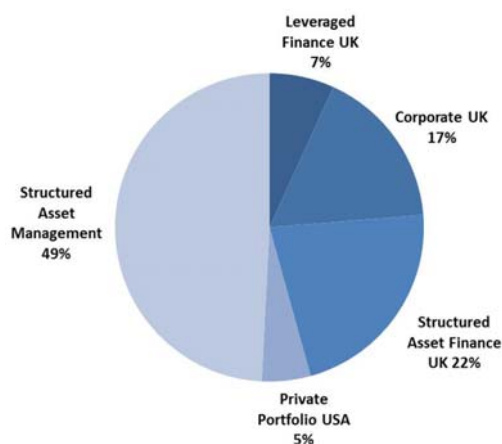


SGA Portfolio Composition as at September 2013

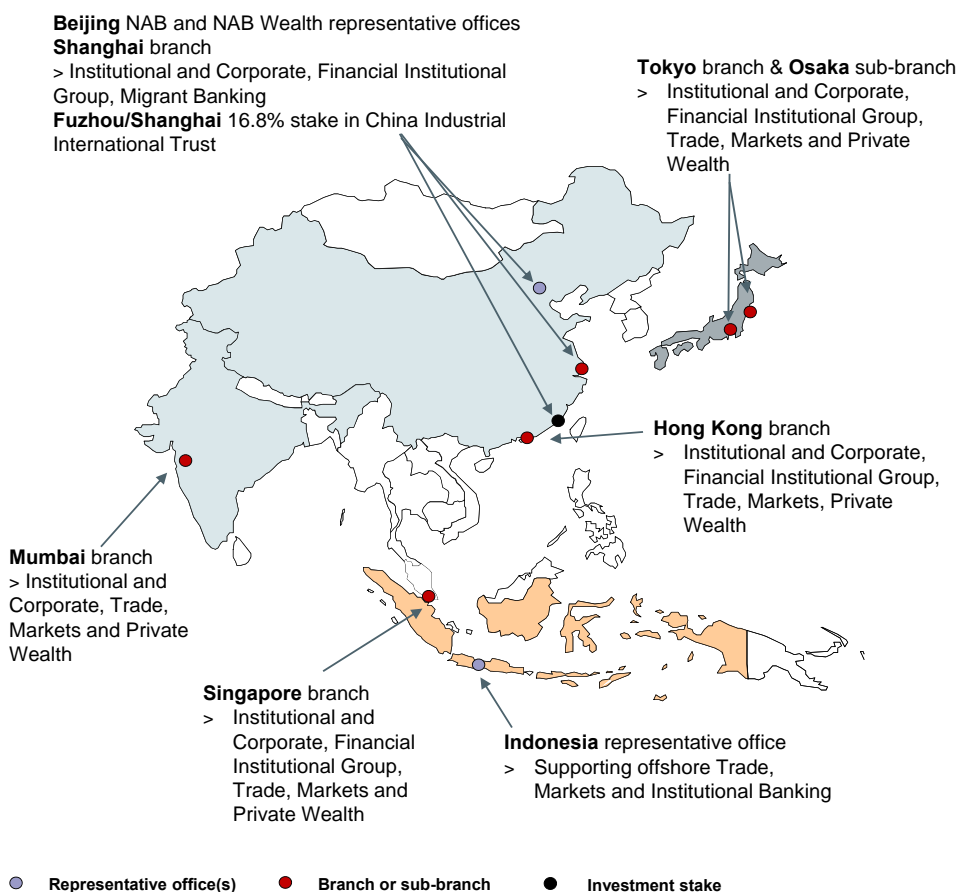
	Total Commitments (A\$bn)	Total Provisions (specific & collective) (A\$m)	Average Contractual Tenor (years)	RWAs (A\$bn)	Number of Clients	Close Review Commitments (A\$bn)
Leveraged Finance UK	0.4	57.1	2.6	0.9	18	0.3
Corporate UK ¹	1.0	93.7	2.2	1.6	22	0.6
Structured Asset Finance UK	1.3	3.8	16.3	1.1	12	0.1
Private Portfolio USA	0.3	0.1	14.9	0.2	7	-
Total Loans & Advances	3.0	154.7	9.5	3.8	59	1.0
Structured Asset Management ²	2.9	76.0	10.8	5.2	20	0.5
Total	5.9	230.7	10.1	9.0	79	1.5

(1) Of which:

Property UK	0.2	69.8	0.5	0.3	12	0.2
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NAB's operational focus in Asia



Geographic Focus

- Trading partners of Japan, China, India and Indonesia
- Liquidity/Treasury hubs of Singapore and Hong Kong
- Linking the flows of these markets with Australia and New Zealand

Customer Focus

- Corporates and Institutions in key industries – Food/Agriculture, Resources/Infrastructure
- Major Financial Institutional in the region
- Australian Corporates linked to Asia, and Asian Corporates with interests in Australia
- Wealthy individuals and families with links between NAB's domestic markets and Asia
- Local cash rich deposit customers

Product Focus

- Corporate Finance and Trade Finance
- FX products, Interest rate and Commodity Risk Management
- Multi-currency mortgages
- Institutional and Retail deposits



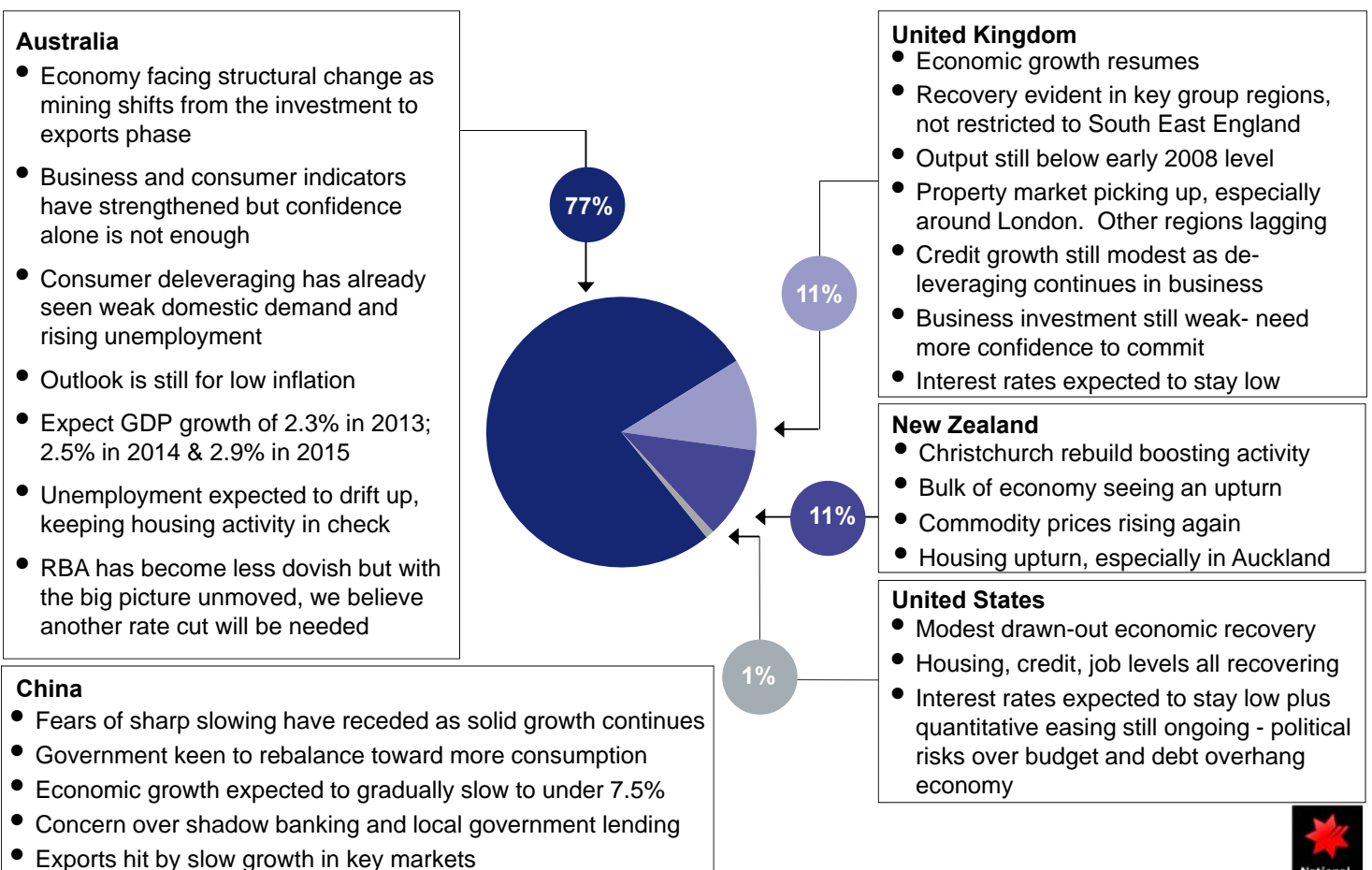
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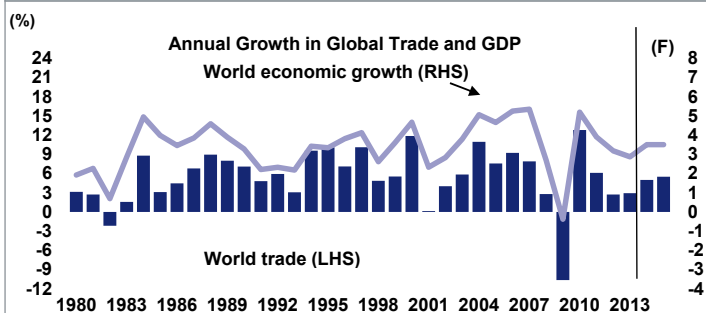


Economic outlook

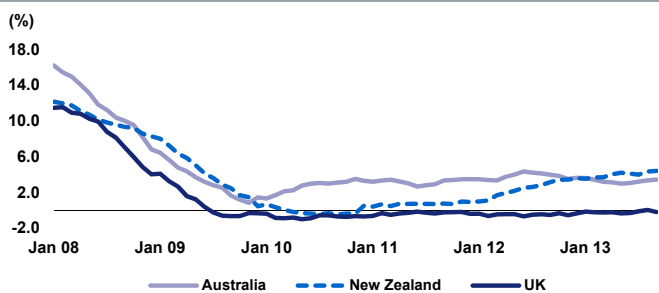


Economic conditions

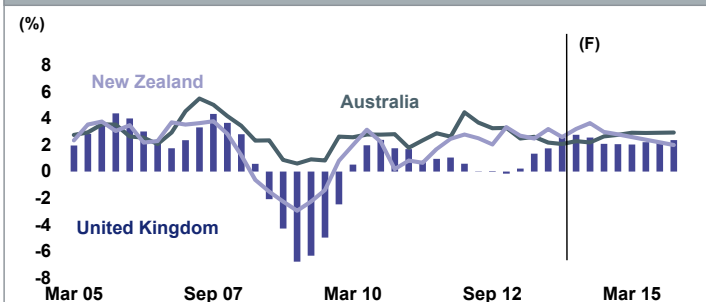
Annual % growth in global trade and GDP - 1980 - 2015



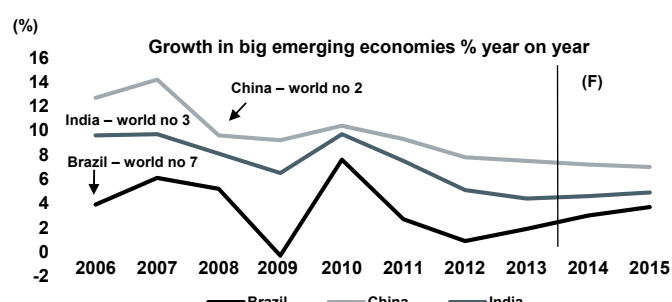
System credit growth % change year-on-year



Real GDP % change year on year



Annual % growth in big emerging economies



103 (F) Forecast



Australia regional outlook

Economic Indicators (%)	CY11	CY12	CY13(f)	CY14(f)	CY15(f)
GDP growth ¹	2.4	3.7	2.3	2.5	2.9
Unemployment rate ²	5.2	5.4	6.0	6.6	6.7
Core inflation ³	2.8	2.4	2.3	2.5	2.2
Cash rate ²	4.25	3.00	2.50	2.25	3.00
System Growth (%) ⁴	FY11	FY12	FY13(f)	FY14(f)	FY15(f)
Housing	5.8	4.7	4.9	5.9	5.7
Other personal (incl cards)	-1.0	-0.7	0.7	0.6	2.2
Business	0.3	3.7	1.5	4.8	4.9
Total system credit	3.3	4.0	3.4	5.2	5.3
Total A\$ ADI deposits ⁵	8.5	7.3	5.1	6.2	7.4

- The Australian economy grew by 0.6% in Q2 or by 2.6% compared with a year earlier. Quarterly GDP growth has been range bound between 0.5% and 0.8% for the past five quarters and has barely kept pace with population
- Business confidence is now at its highest level in 3½ years and consumer confidence is higher than for almost 3 years. However, business conditions remain weak, although there have been promising improvements in forward indicators
- There are still no signs that non-mining investment has begun to rise to compensate for the progressive decline in mining investment. The lower track for the AUD does not yet seem to have reduced pressure on manufacturing
- GDP is forecast to soften to 2.3% in 2013 before gradually rising to 2.5% in 2014 and 2.9% in 2015. Unemployment is expected to reach 6% by end 2013 and reach around 6.6% by end 2014. Consistent with this soft outlook, we predict core CPI edging down to 2.3% by end 2013, lifting to 2.5% by end 2014
- With business and consumer indicators improving, we believe the RBA has become less dovish and may now remain on hold. We have decided to delay our rate cut call to February, allowing the RBA time to pause and watch the data. With the big picture still unmoved, we continue to believe another rate cut will be needed in time
- Despite historically low borrowing rates, overall demand for credit remains soft, although there are signs that demand for investor housing credit maybe strengthening

(1) Per cent change, average for year ended December quarter on average of previous year

(2) Per cent, as at December

(3) Per cent change, December quarter on December quarter of previous year

(4) Per cent change September (bank fiscal year end) on September of previous year

(5) Total ADI deposits also include wholesale deposits (such as CDs), community and non-profit deposits but exclude deposits by government & ADIs



UK regional outlook

Economic Indicators (%)	CY11	CY12	CY13(f)	CY14(f)	CY15(f)
GDP growth ¹	1.1	0.1	1.5	2.4	2.2
Unemployment ²	8.3	7.8	7.8	7.7	7.5
Inflation ³	4.5	2.7	2.2	2.5	2.4
Cash rate ²	0.5	0.5	0.5	0.5	1.0
System Growth (%) ⁴	FY11	FY12	FY13(f)	FY14(f)	FY15(f)
Housing	0.7	0.8	0.6	1.0	1.5
Consumer	-1.0	-1.4	1.2	3.5	4.0
Business	-2.5	-3.1	-2.8	-1.4	0.6
Total lending	-0.6	-0.8	-0.6	0.4	1.4
Retail deposits	3.1	3.7	5.6	5.7	6.0

(1) Per cent change, average for year ended December quarter on average of previous year

(2) Per cent, as at December

(3) Per cent change, December quarter on December quarter of previous year

(4) Per cent change September (bank fiscal year end) on September of previous year

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- Moderate economic growth has resumed in the UK with GDP expanding by 0.4% and 0.7% in the first two quarters of 2013. This follows a long period of weak economic activity. Output in mid-2013 was still below its early 2008 level and our forecasts only show the UK economy returning to its pre-GFC size at the end of next year. Activity is rising in Scotland and Northern England, the upturn is not restricted to Southern England
- The recovery is being led by the housing market and consumer spending – so far it is not the business investment-export led upturn that the government has been seeking. As domestic spending lifts, however, that should improve business confidence and make firms more willing to take on risks and invest. Some of the latest surveys have shown evidence of such an improvement in sentiment but this is still to be delivered in the investment data
- Property markets have started to improve, particularly in South East England where house price inflation is now quite strong. House price gains are lagging in Northern regions of England and Scotland, not unusual as UK housing cycles tend to start in the South East England and move out later to other regions. Housing market surveys show improved activity volumes in Northern England, even if prices are still flat. Nationally, the commercial property market has stabilised but most of what strength there is can be found around London
- Business conditions remain subdued with the economy shrinking in late 2012 and growth was only modest in the early months of 2013. The level of output remains well below its early 2008 level. After this very disappointing record, we expect to see a sustained period of growth through the next few years but the pace of expansion is likely to be fairly modest
- Credit growth remains subdued, despite government housing incentives that should boost mortgage demand. Housing loan repayments continue at a high rate and the business sector is still de-leveraging. We are forecasting only a modest lift in system credit growth as both economic growth and borrower demand remain constrained by the legacy of high debts incurred prior to the onset of the recession



NZ regional outlook

Economic Indicators (%)	CY11	CY12	CY13(f)	CY14(f)	CY15(f)
GDP growth ¹	1.4	2.7	2.8	3.2	2.2
Unemployment ²	6.3	6.8	6.3	5.7	5.6
Inflation ³	1.8	0.9	1.3	2.0	2.8
Cash rate ²	2.5	2.5	2.5	4.0	4.5
System Growth (%) ⁴	FY11	FY12	FY13(f)	FY14(f)	FY15(f)
Housing	1.6	1.6	4.6	6.1	5.7
Personal	-1.6	0.1	1.5	2.1	3.5
Business	-0.7	2.2	3.1	3.4	4.0
Total lending	0.5	1.8	3.8	4.8	5.0
Household retail deposits	7.0	9.0	8.8	8.6	7.1

(1) Per cent change, average for year ended December quarter on average of previous year

(2) Per cent, as at December

(3) Per cent change, December quarter on December quarter of previous year

(4) Per cent change September (bank fiscal year end) on September of previous year

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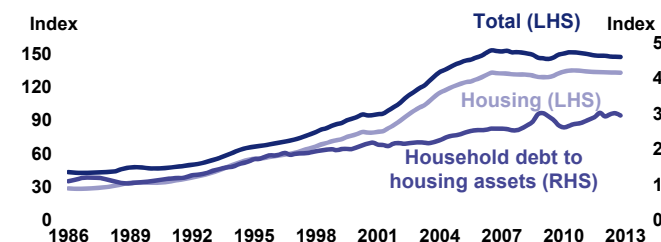
- While part of the strength in the New Zealand economy reflects the rebuilding in Christchurch after the earthquakes, there is also a broad-based upturn under way across the economy. Business confidence has risen to its highest level for over a decade with strong readings across all key regions and sectors. Employment, profits and investment intentions all look solid in the latest surveys
- After dipping earlier in the year, commodity export prices have risen back above their previous peaks (high dairy prices), taking the terms of trade back to a near 40 year high. Dairy incomes should be supported by high prices and a recovery in output from last year's drought affected production
- The stronger housing market and lift in retail trade comes after a long period of stagnation that set in around 2007. It took until the latter half of 2012 for median house prices to regain their 2007 peaks but the market has been rising with sales volumes up by over 15%, prices up by around 8% (mainly reflecting pressure in Auckland and Christchurch) and houses selling faster. The impact of the central bank's LVR restrictions on the market remains to be seen. The upturn in the housing market has flowed into higher credit demand with the stock of housing lending rising by 5.7% over the year to August after a long period of slow growth
- Consumer spending has also started rising quite strongly with core retail sales volumes (excluding car related purchases) up by around 4.5% in the June quarter as compared to the prior year quarter and the retail sector showing high levels of confidence in recent surveys. Consumer credit growth remains sluggish (around 1% year on year)
- With the economy expected to continue growing quite strongly and surveys showing fairly modest amounts of spare productive capacity, the RBNZ should start lifting its policy interest rate in early 2014 and by the end of next year the cash rate should be up to 4% as the process of "normalising" interest rates proceeds gradually



Characteristics of the Australian mortgage market

- Residential property prices have lifted in recent months and expectations of future increases have strengthened – especially in Sydney and Melbourne
- While there is much discussion about “bubbles”, we do not believe that to be the case given still subdued credit demand and soft income growth
- If interest rates remain low and given supply shortages we could see some improvement to house prices and housing credit growth, but rising unemployment is likely to keep price increases well contained
- While Australia’s household debt service burden remains at historically high levels, it has improved marginally
- Around 80% of Australian mortgages are at variable rates, making the most common mortgage rate very sensitive to changes in monetary policy

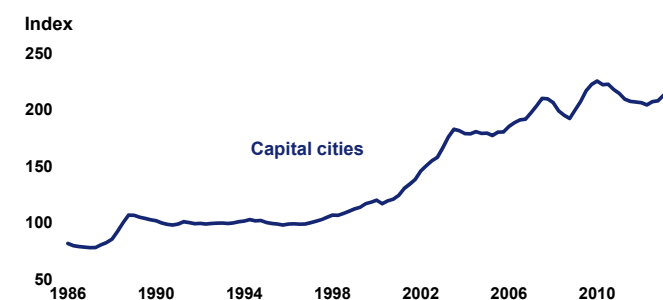
Household debt-to-income ratio



Source: ABS, NAB, RBA
 Income is disposable income after tax and before interest payments
 Household sector excludes unincorporated enterprises

Real dwelling prices

1993 = 100



Source: ABS, deflated by private household consumption deflator

Mortgage interest rates



Source: RBA Financial System, US Federal Reserve



For further information visit www.nab.com.au or contact:

Ross Brown

Executive General Manager, Investor Relations
 Mobile | +61 (0) 477 302 010

Brian Walsh

General Manager, Corporate Communications
 Mobile | +61 (0) 411 227 585

Natalie Coombe

Senior Manager, Investor Relations
 Mobile | +61 (0) 477 327 540

Meaghan Telford

Head of Corporate Affairs, Group Media
 Mobile | +61 (0) 457 551 211

