

Appendix 1

Reconciliation of Westpac New Zealand's (ASX) result to Westpac New Zealand (WNZL) Banking Group's (Disclosure Statement)¹

Income Statement Summary - Westpac New Zealand (ASX)	Year Ended	Year Ended	% Mov't Sep-13 - Sep-12
\$ millions	30-Sep-13	30-Sep-12	Sep-12
Net interest income	1,586	1,577	1
Non-interest income	443	435	2
Net operating income	2,029	2,012	1
Operating expenses	(845)	(841)	0
Core earnings	1,184	1,171	1
Impairment charges	(117)	(191)	(39)
Operating profit before tax	1,067	980	9
Tax and non-controlling interests	(297)	(273)	9
Cash Earnings	770	707	9

Reconciling items to Net profit attributable to owners of WNZL Banking Group

Structural differences between Westpac New Zealand and WNZL Banking Group ²	(61)	(73)
Line of business changes ³	-	(18)
Intergroup funding and notional charges ⁴	(15)	(30)
Taxation and non-controlling interests	17	24
Net profit attributable to owners of WNZL Banking Group	711	610

\$ billions	2013	2012	% Mov't
Deposits			
Term deposits	24.9	23.1	8
Other	21.7	18.9	15
Total deposits⁵	46.6	42.0	11
Net loans			
Mortgages	37.5	35.9	4
Business & Institutional	22.3	21.8	2
Other	1.8	1.7	6
Total net loans⁶	61.6	59.4	4

¹ Westpac New Zealand is a management divisional view only as disclosed to the ASX, and is not the same as WNZL and its controlled entities ('WNZL Banking Group'). The financial results of WNZL Banking Group are available in WNZL's Disclosure Statement.

² Relates to results of entities included in Westpac New Zealand but do not form part of WNZL Banking Group.

³ Relates to a) results of WNZL Treasury line of business excluded in Westpac New Zealand results prior to 1 October 2012 and b) one-month results of businesses transferred ("Project Linc") included in Westpac New Zealand but excluded in WNZL Banking Group. Project Linc was completed on 1 November 2011 and is discussed in detail in Note 2 of WNZL's Disclosure Statement for the year ended 30 September 2013.

⁴ Relates to differences in treatment of intercompany funding and expenses between Westpac New Zealand and WNZL Banking Group results.

⁵ Reconciles to WNZL's Total deposits at amortised cost (Note 19 of WNZL's Disclosure Statement for the year ended 30 September 2013).

⁶ Reconciles to WNZL's Total net loans (Note 14 of WNZL's Disclosure Statement for the year ended 30 September 2013).