

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

Income Statement Summary	Six Months	Six Months	Six Months	% Mov't	% Mov't
	Ended	Ended	Ended	Mar-13 -	Mar-13 -
\$ millions	31-Mar-13	30-Sep-12	31-Mar-12	Sep-12	Mar-12
Net interest income	790	798	779	(1)	1
Non-interest income	223	220	215	1	4
Net operating income	1,013	1,018	994	-	2
Operating expenses	(431)	(424)	(417)	(2)	(3)
Core earnings	582	594	577	(2)	1
Impairment charges	(67)	(93)	(98)	28	32
Operating profit before tax	515	501	479	3	8
Tax and non-controlling interests	(145)	(140)	(133)	(4)	(9)
Cash Earnings	370	361	346	2	7

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

Structural differences between Westpac NZ and WNZL Banking Group ²	(18)	(37)	(27)		
Line of business changes ³	-	21	(39)		
Intergroup funding and notional charges ⁴	(21)	(30)	(9)		
Taxation and non-controlling interests	11	5	19		
Net profit attributable to owners of WNZL Banking Group	342	320	290		

\$ billions

Deposits					
Term deposits	24.3	23.1	20.9	5	16
Other	20.7	18.9	18.5	10	12
Total deposits ⁵	45.0	42.0	39.4	7	14
Net loans					
Mortgages	36.4	35.9	35.4	1	3
Business	21.7	21.8	21.0	-	3
Other	1.8	1.7	1.8	6	-
Total net loans ⁶	59.9	59.4	58.2	1	3

¹ Westpac NZ 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 the results of entities included in Westpac NZ but do not form part of WNZL Banking Group as well as the results of entities excluded in Westpac NZ but included in WNZL Banking Group.

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

⁴ Relates to differences in treatment of intercompany borrowing and expenses between the Westpac NZ and WNZL Banking Group's results.

⁵ Reconciles to WNZL's Total deposits at amortised cost (Note 7 of WNZL's Disclosure Statement for the six months ended 31 March 2013).

⁶ Reconciles to WNZL's Total net loans (Note 5 of WNZL's Disclosure Statement for the six months ended 31 March 2013).