

Reconciliation of Westpac New Zealand ('Westpac NZ')<sup>1</sup> Results to Westpac New Zealand Limited ('WNZL') Banking Group Results

Income statement summary reconciliation	Six Months Ended	Six Months Ended
\$ millions	31-Mar-18	31-Mar-17
<b>Reconciling items to Net profit of WNZL Banking Group:</b>		
Cash earnings of Westpac New Zealand <sup>2</sup>	482	463
Structural differences between Westpac NZ and WNZL Banking Group <sup>3</sup>	(55)	(56)
Intergroup funding and notional charges <sup>4</sup>	(3)	3
Taxation	18	16
<b>Net profit of WNZL Banking Group</b>	<b>442</b>	<b>426</b>

<sup>1</sup> Westpac NZ is a management divisional view only, 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.

<sup>2</sup> The cash earnings of Westpac NZ had been rebased to reflect a change in intergroup funding and notional charges.

<sup>3</sup> Relates to results of entities included in Westpac NZ but do not form part of WNZL Banking Group and results of entities excluded in Westpac NZ but included in WNZL Banking Group.

<sup>4</sup> Relates to differences in treatment of intercompany borrowing and expenses between Westpac NZ and WNZL Banking Group. This also includes internal transfer pricing included in Westpac NZ but excluded from WNZL Banking Group.