ASX ANNOUNCEMENT
FY24 RESULT

Westpac GROUP

4 NOVEMBER 2024

FINANCIAL HIGHLIGHTS

$7.0bn **Net profit after tax** ▼ 3% on FY23	**11.0%** **Return on tangible equity**[1] ▼ 38bps on FY23	**201c** **Earnings per ordinary share** ▼ 2% on FY23
$7.1bn **Net profit after tax (ex Notable Items)** ▼ 3% on FY23	**12.5%** **CET1 level 2 capital ratio** ▲ 11bps on FY23	**76c** final dividend per share **151c** total ordinary dividends **$1bn increase** in share buyback program

Good shape for the future

Peter King, Chief Executive Officer

Our disciplined performance in FY24 has set Westpac up for growth and success.

We've significantly improved our customer service, grown in key segments and delivered another financial result built on a solid balance sheet and capital position.

We've continued to manage margins well in a competitive environment while growing in line with system in loans and deposits. The Consumer division built momentum in the second half and performance in Business has been a standout.

Westpac's capital position is one of the strongest I've seen, allowing us to further increase the share buyback program by $1 billion. In addition, fully franked ordinary dividends increased by 6% this year with a final dividend of 76 cents per share. Total ordinary dividends for the year were 151 cents per share, towards the upper end of our payout range.

Improving customer service has been a key focus. Our mortgage time to approval has halved from its high point driving an uplift in mortgage NPS.

Westpac has the best banking app in Australia for the second year in a row[2] and we've made substantial progress bolstering safety and security for customers. This includes Australian-first scam measures which have helped bring customer scam losses down by 29%.

We reached a milestone this year with the completion of our Customer Outcomes and Risk Excellence program. We are now embedding the changes and APRA has reduced our operational risk capital overlay by $500 million.

And UNITE, our business and technology simplification program is advancing well with 39 out of 61 initiatives commenced.

Economic outlook

As we approach 2025, the domestic economy is showing positive signs. Consumer sentiment has risen to a two and a half year high, the labour market is holding up well and inflation is nearing target. However, we recognise some customers are facing difficult choices. While the majority are showing resilience, we're well positioned to provide support to those who need it. As always, call us early if you need help.

Some central banks have shifted to an easing cycle and the RBA is likely to follow in 2025. This will be good news for many households and businesses. Combined with an undersupply of housing, population growth and limited spare capacity across much of the business sector, we expect solid demand for both housing and business credit in 2025. The impact of overseas elections and geopolitical uncertainty remain difficult to predict and therefore it makes sense to maintain a strong balance sheet.

A new phase for the bank

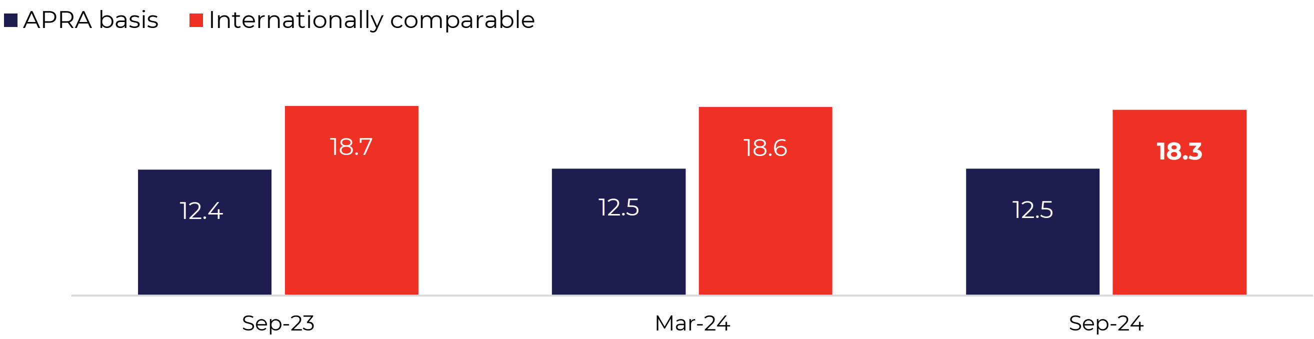
After five years as CEO I'm pleased to hand the bank over in very good shape. Westpac is a simpler, stronger bank and we are better at managing risk.

Our people are highly engaged with an organisational health index score ranking in the top quartile globally. Following a period of simplification of the bank, I know our people are excited about the next phase of growth and I thank them for their support.

I'm confident Westpac is positioned well for the future as it embarks on a new era under the leadership of Anthony Miller.

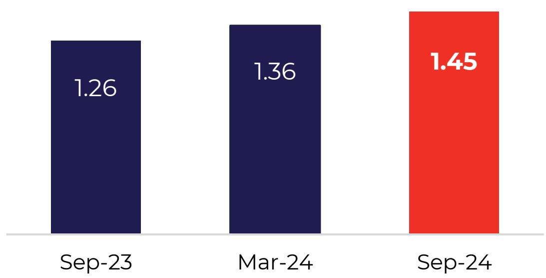
Strong balance sheet

CET1 capital ratio (%)

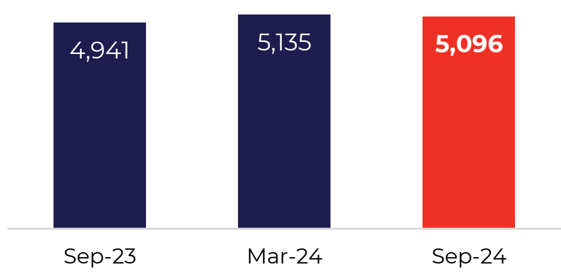


Sound credit quality

Stressed exposures as a % of TCE



Impairment provisions ($m)



Operating performance (compared to FY23)

1.95%
NIM (ex Notable Items)
▼1bps on FY23

$807bn
Total loans
▲4% on FY23

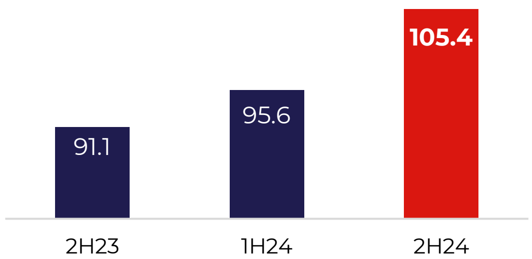
$674bn
Total customer deposits
▲5% on FY23

- **Net interest income increased 3% to $18,916 million, excluding Notable Items.** Average interest-earning assets increased by 3%. Business loans grew 7% and housing loans grew 3%.
- **NIM, excluding Notable Items, decreased 1 basis point to 1.95%** reflecting competition in mortgage pricing as well as tighter spreads on cards, some deposits and business lending products.
- **Non-interest income decreased 15% to $2,835 million.** Excluding Notable Items and the impact of businesses sold, non-interest income fell 5% to $2,847 million. Net fee income increased by 2%, more than offset by the decline in Markets and wealth management income.
- **Operating expenses of $10,944 million increased 7%, excluding Notable Items.** Higher software amortisation expenses and inflationary pressures on wages, technology and third-party vendor costs were partially offset by cost reduction initiatives.
- **Impairment charges were 7 basis points of loans, down from 9 basis points**. This was driven by lower Collectively Assessed Provisions, together with Individually Assessed Provision charges.
- **Loans increased 4% to $807 billion.** This included growth in Australian housing loans (excluding RAMS) of 5% or 1.2x system[3], as well as growth in Australian business lending of 8%.
- **Deposits grew 5% to $674 billion.** This was mainly driven by growth in higher interest bearing accounts in Consumer and Institutional. A 7% increase in non-interest bearing deposits in Australia was due to the growth of mortgage offset balances, including more customers rolling off fixed rate loans.

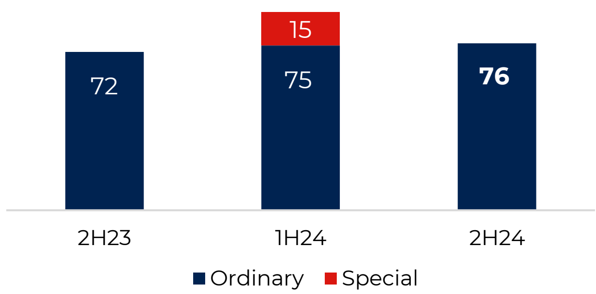
Key shareholder metrics

$31.72	$17.75	201c	74.6%
Closing share price, 30 September 2024	Net tangible assets per share	Earnings per ordinary share	Dividend payout ratio[4]

Earnings per ordinary share (cents)



Dividends per ordinary share (cents)



Segment performance (compared to FY23)

Consumer

Net profit decreased 17%, net loans increased 4% and deposits grew 8%. Revenue was down 6% reflecting intense mortgage competition. Operating expenses increased by 1%. Financial performance recovered in the second half with net profit up 6%.

FY24 NET PROFIT[5]

$2,184m
▼17%

Business & Wealth

Net profit grew 13% with pre-provision profit up 9%. Net loans rose 7% with business lending increasing by 9% due to strong growth in our target industries of agriculture, health and professional services. Expenses rose 4%.

$2,356m
▲13%

Institutional Bank

Net profit increased 2% with pre-provision profit up 4%. The 6% rise in operating income reflects higher lending and deposit revenue, while the 10% rise in operating expenses was due to higher resourcing to support growth, as well as software amortisation from technology investments.

$1,367m
▲2%

New Zealand

Net profit was up 10% with pre-provision profit up 1%. A 3% increase in operating income reflected growth in lending and a higher net interest margin, while a 6% increase in operating expenses was driven by increased technology costs, software amortisation and inflationary pressures.

NZD$1,055m
▲10%

Market share

Australia

Household deposits[3]	21%
Mortgages[3]	21%
Business lending[3]	16%

New Zealand

Consumer lending[6]	18%
Deposits[6]	17%
Business lending[6]	16%

ASX announcement | Westpac FY24 Result

Financial summary

$m	Full Year 2024	Full Year 2023	% Mov't 2024 - 2023	Half Year Sep-24	Half Year Mar-24	% Mov't Sep24 – Mar24
Net interest income	18,753	18,317	2	9,626	9,127	5
Non-interest income	2,835	3,328	(15)	1,372	1,463	(6)
Net operating income	**21,588**	**21,645**	**-**	**10,998**	**10,590**	**4**
Operating expenses	(10,944)	(10,692)	2	(5,549)	(5,395)	3
Pre-provision profit	**10,644**	**10,953**	**(3)**	**5,449**	**5,195**	**5**
Impairments (charges)/benefit	(537)	(648)	(17)	(175)	(362)	(52)
Profit before income tax expenses	**10,107**	**10,305**	**(2)**	**5,274**	**4,833**	**9**
Income tax expenses	(3,117)	(3,104)	-	(1,626)	(1,491)	9
Profit after income tax expenses	**6,990**	**7,201**	**(3)**	**3,648**	**3,342**	**9**
Profit attributable to non-controlling interests (NCI)	-	(6)	(100)	-	-	-
Net profit attributable to owners of WBC	**6,990**	**7,195**	**(3)**	**3,648**	**3,342**	**9**
Impact of Notable Items (post tax)	(123)	(173)	(29)	41	(164)	large
Fully franked ordinary dividend per share (cents)	151	142	6	76	75	1
Fully franked special dividend per share (cents)	15	-	-	-	15	(100)
Return on average ordinary equity	9.77%	10.09%	(32 bps)	10.24%	9.30%	94 bps
Group NIM	1.93%	1.95%	(2 bps)	1.97%	1.89%	8 bps
Core NIM	1.82%	1.86%	(4 bps)	1.83%	1.80%	3 bps
Expense to income ratio	50.69%	49.40%	129 bps	50.45%	50.94%	(49 bps)
CET1 capital ratio (Level 2)	12.49%	12.38%	11 bps	12.49%	12.55%	(6 bps)
Deposit to loan ratio	83.50%	82.89%	61 bps	83.50%	82.94%	56 bps
Liquidity coverage ratio (LCR)	133%	134%	(59 bps)	133%	132%	55 bps
Net stable funding ratio (NSFR)	112%	115%	(261 bps)	112%	114%	(143 bps)
Collectively assessed provisions to credit RWA	132 bps	135 bps	(3 bps)	132 bps	138 bps	(6 bps)
Total stressed exposures as a % of TCE	1.45%	1.26%	19 bps	1.45%	1.36%	9 bps

Further information

Hayden Cooper
Group Head of Media Relations
+61 402 393 619

Justin McCarthy
General Manager, Investor Relations
+61 422 800 321

Footnotes

[1] The ROTE calculation is described further in the 2024 Full Year Financial Results Announcement. See also the return on average ordinary equity set out in the Financial Summary table above.

[2] Westpac recognised as Australia's overall best mobile app and digital experience leader, as evaluated in the *Forrester Digital Experience Review™: Australian Mobile Banking Apps™, Q3 2024.*

[3] APRA Banking Statistics, September 2024.

[4] Excludes the impact of special dividend.

[5] Total figures represent net profit after tax.

[6] RBNZ, September 2024.