



Adelaide Bank Limited and Controlled Entities

ABN 54 061 461 550

Reporting Template for 2007 Appendix 4E

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Pro-forma Key Ratios and Other Information

	<u>2007 Full Year</u> Group	<u>2006 Full Year</u> Group	Increase/ (Decrease) %
Profitability			
Profit after Tax (before Significant Item) (\$000's)		\$94,424	
Profit after Tax on comparable cash basis (\$000's)		\$94,045	
Net Interest Margin		1.16%	
Return on Average Assets*		0.40%	
Return on Ordinary Equity		16.02%	
Return on Ordinary Equity - cash basis		17.29%	
Efficiency Ratios			
Operating Expenses/Average Total Assets*		0.68%	
Operating Expenses/Operating Income		50.68%	
Earnings per Ordinary Share			
Earnings per Share - Fully Diluted		84.16¢	
Earnings per Share - Fully Diluted - cash basis		88.68¢	
Dividends on Ordinary Shares			
Interim & Final Dividend (Fully franked at 30%)		58.00¢	
Payout Ratio (ordinary shares) **		70%	
Other			
NTA per Share		\$5.59	
Ordinary shares on issue		107,248,240	
FTE staff numbers		1,151	
NOTE: The above ratios are exclusive of Significant Item			

Ratios including Significant Item (where different from above)

Return on Average Assets*	0.40%
Return on Ordinary Equity	16.02%
Return on Ordinary Equity - cash basis	17.29%
Operating Expenses/Average Total Assets*	0.68%
Operating Expenses/Operating Income	50.68%
Earnings per Share - Fully Diluted	84.16¢
Earnings per Share - Fully Diluted - cash basis	88.68¢
Payout Ratio (ordinary shares) **	70%

* Includes securitised assets.

** Based on interim dividend paid and final dividend declared

Pro-forma Detailed Profit & Loss Account (Cash comparable basis)

<i>For the year ended 30 June 2007</i>	<i>2007 Full Year</i> <i>Group</i> <i>\$000's</i>	<i>2006 Full Year</i> <i>Group</i> <i>\$000's</i>	<i>Increase/ (Decrease)</i> <i>%</i>
Net Interest Income		257,154	
Add Other Income:			
Insurance Commissions		4,329	
Loan Fees		20,032	
Transaction Fees		9,271	
Account Service Fees		9,728	
Visa Income		3,535	
Other Income		14,712	
Total Other Income		61,607	
Total Operating Income		318,761	
OPERATING EXPENSES	% of Total	% of Total	
Staff Expenses		98,419	61%
Occupancy Expenses		9,055	6%
Technology Costs		12,233	8%
Depreciation & Amortisation		6,706	4%
Communications, Printing and Stationery		8,398	5%
Professional Fees		14,385	9%
Other Expenses		12,358	7%
Total Operating Expenses		161,554	
Underlying Earnings		157,207	
<i>Less</i> Amortisation of acquisition costs		7,074	
<i>Less</i> Bad & doubtful debt expense		11,825	
Profit before Tax (before Significant Item)		138,308	
Income Tax Expense (before Significant Item)		43,884	
Profit after Tax (before Significant Item)		94,424	
<u>Significant Item</u>			
Former Group Managing Director's retirement payment		-	
Significant Item before Tax		-	
Income Tax Expense		-	
Significant Item after Tax		-	
Profit before Tax (including Significant Item)		138,308	
Income Tax Expense (including Significant Item)		43,884	
Profit after Tax (including Significant Item)		94,424	
Step up preference share dividend (SPS)		5,180	
Profit after Tax and SPS dividend		89,244	
<i>Less</i> General Reserve movement (after tax)		2,273	
<i>Add back Significant item (after tax)</i>		-	
<i>Add back Amortisation of acquisition costs</i>		7,074	
Profit after Tax on a comparable cash basis		94,045	

Pro-forma Notes to the Profit and Loss Account for the year ended 30 June 2007

Note

The Bank has historically expensed costs associated with Executive bonuses, staff bonuses and its staff share allocation in the first half of the financial year.

From the 2008 financial year onwards, the Bank will expense these costs over the entire financial year.

In preparation for this change, all half year results, ratios and commentary throughout this report have been restated to reflect the expensing of these costs evenly over the financial year.

The impact of this change is as follows:

- (a) Staff costs totalling \$5.1 million (pre-tax) have been transferred from the Dec 2006 half to the Jun 2007 half.
- (b) Staff costs totalling \$4.2 million (pre-tax) have been transferred from the Dec 2005 half to the Jun 2006 half.

Pro-forma Reporting by Half-Year

Pro-forma Profit & Loss Account for the year ended 30 June 2007 (by half-year)

For the year ended 30 June 2007

	Jun 07 half Group \$000's	Dec 06 half Group \$000's	Jun 06 half Group \$000's	Dec 05 half Group \$000's	2007 Full year Group \$000's	2006 Full Year Group \$000's
Net Interest Income		135,295	129,726	127,428		257,154
Add Other Income:						
Insurance Commissions		1,769	2,616	1,713		4,329
Loan Fees		11,997	10,610	9,422		20,032
Transaction Fees		5,131	4,505	4,766		9,271
Account Service Fees		5,005	4,961	4,767		9,728
Visa Income		1,786	1,713	1,822		3,535
Other Income		9,146	7,948	6,764		14,712
Total Other Income		34,834	32,353	29,254		61,607
Total Operating Income		170,129	162,079	156,682		318,761
OPERATING EXPENSES						
Staff Expenses		49,773	49,114	49,305		98,419
Occupancy Expenses		4,523	4,565	4,490		9,055
Technology Costs		5,984	6,236	5,997		12,233
Depreciation & Amortisation		3,967	3,482	3,224		6,706
Communications, Printing and Stationery		3,948	4,139	4,259		8,398
Professional Fees		7,821	7,699	6,686		14,385
Other Expenses		6,803	4,938	7,420		12,358
Total Operating Expenses		82,819	80,173	81,381		161,554
Underlying Earnings		87,310	81,906	75,301		157,207
<i>Less</i> Amortisation of acquisition costs		3,537	3,537	3,537		7,074
<i>Less</i> Bad & doubtful debt expense		8,111	6,664	5,161		11,825
Profit before Tax (before Significant Item)		75,662	71,705	66,603		138,308
Income Tax Expense (before Significant Item)		24,297	21,579	22,305		43,884
Profit after Tax (before Significant Item)		51,365	50,126	44,298		94,424
Significant Item						
Former Group Managing Director's retirement payment		(6,568)	-	-		-
Significant Item before Tax		(6,568)	-	-		-
Income Tax Expense		(1,970)	-	-		-
Significant Item after Tax		(4,598)	-	-		-
Profit before Tax (including Significant Item)		69,094	71,705	66,603		138,308
Income Tax Expense (including Significant Item)		22,327	21,579	22,305		43,884
Profit after Tax (including Significant Item)		46,767	50,126	44,298		94,424
Step up preference share dividend (SPS)		2,761	2,580	2,600		5,180
Profit after Tax and SPS dividend		44,006	47,546	41,698		89,244
<i>Less</i> General Reserve movement (after tax)		2,503	1,707	566		2,273
<i>Add back</i> Significant item (after tax)		4,598	-	-		-
<i>Add back</i> Amortisation of acquisition costs		3,537	3,537	3,537		7,074
Profit after Tax on a comparable cash basis		49,638	49,376	44,669		94,045

Pro-forma Key Ratios & Other Information (by half-year)

	Jun 07 half Group	Dec 06 half Group	Jun 06 half Group	Dec 05 half Group	2007 Full year Group	2006 Full Year Group
Profitability						
Profit after Tax (before Significant Item) (\$000's)		\$51,365	\$50,126	\$44,298		\$94,424
Profit after Tax on comparable cash basis		\$49,638	\$49,376	\$44,669		\$94,045
Net Interest Margin		1.03%	1.13%	1.18%		1.16%
Return on Average Assets*		0.38%	0.40%	0.40%		0.40%
Return on Ordinary Equity		15.93%	16.56%	15.36%		16.02%
Return on Ordinary Equity - cash basis		17.15%	17.79%	16.66%		17.29%
Efficiency Ratios						
Operating Expenses/Average Total Assets*		0.61%	0.65%	0.72%		0.68%
Operating Expenses/Operating Income		48.68%	49.47%	51.94%		50.68%
Earnings per Ordinary Share						
Earnings per Share - Fully Diluted		89.68¢	89.68¢	78.64¢		84.16¢
Earnings per Share - Fully Diluted - cash basis		91.59¢	93.13¢	84.24¢		88.68¢
Dividends on Ordinary Shares						
Interim & Final Dividend (Fully franked at 30%)		29.00¢	32.00¢	26.00¢		58.00¢
Payout Ratio (ordinary shares) **		64%	72%	66%		70%
Other						
NTA per Share		\$6.01	\$5.59	\$5.32		\$5.59
Ordinary shares on issue		107,840,802	107,248,240	106,582,747		107,248,240
FTE staff numbers		1,122	1,151	1,183		1,151
NOTE: The above ratios are exclusive of Significant Item						

Ratios including Significant Item (where different from above)

Return on Average Assets*	0.32%	0.40%	0.40%	0.40%
Return on Ordinary Equity	14.34%	16.56%	15.36%	16.02%
Return on Ordinary Equity - cash basis	15.56%	17.79%	16.66%	17.29%
Operating Expenses/Average Total Assets*	0.66%	0.65%	0.72%	0.68%
Operating Expenses/Operating Income	52.54%	49.47%	51.94%	50.68%
Earnings per Share - Fully Diluted	81.20¢	89.68¢	78.64¢	84.16¢
Earnings per Share - Fully Diluted - cash basis	83.11¢	93.13¢	84.24¢	88.68¢
Payout Ratio (ordinary shares) **	71%	72%	66%	70%

Where appropriate half-year ratios have been annualised

* Includes securitised assets.

** Based on interim dividend paid and final dividend declared

Pro-forma Business Unit Results

Group Summary

Segment Pre-tax Profit (including significant item)

	Half Year				Full Year			Change %
	Jun-07 \$M	Dec-06 \$M	Jun-06 \$M	Dec-05 \$M	Jun-07 \$M	Jun-06 \$M	\$M	
Wholesale Mortgages		16.9	25.9	34.6		60.5		
Retail Banking		18.9	15.6	15.2		30.8		
Wealth Management		21.1	18.8	17.4		36.1		
Business Lending		22.8	17.1	12.5		29.6		
Unallocated (including significant item)		(10.6)	(5.7)	(13.0)		(18.8)		
Total		69.1	71.7	66.6		138.3		

Wholesale Mortgages

Wholesale Mortgages	Half Year				Full Year			Change %
	Jun-07 \$M	Dec-06 \$M	Jun-06 \$M	Dec-05 \$M	Jun-07 \$M	Jun-06 \$M	\$M	
Net Interest Income		30.2	38.7	46.0		84.6		
Other Income		15.0	15.8	15.3		31.1		
Total Income		45.2	54.4	61.3		115.8		
Operating Costs		24.5	25.2	24.7		49.9		
Underlying Earnings		20.7	29.3	36.6		65.9		
Provision for Bad & Doubtful Debts		3.9	3.3	2.1		5.4		
Contribution Before Tax		16.9	25.9	34.6		60.5		
Average Loans Under Management		15,261	14,015	13,309		13,662		

Wealth Management

Wealth Management	Half Year				Full Year			Change %
	Jun-07 \$M	Dec-06 \$M	Jun-06 \$M	Dec-05 \$M	Jun-07 \$M	Jun-06 \$M	\$M	
Net Interest Income		35.6	31.2	29.6		60.8		
Other Income		2.0	0.8	0.6		1.5		
Total Income		37.6	32.0	30.2		62.2		
Operating Costs		16.6	13.3	12.9		26.2		
Underlying Earnings		21.1	18.8	17.3		36.1		
Provision for Bad & Doubtful Debts		0.0	0.0	(0.1)		(0.1)		
Contribution Before Tax		21.1	18.8	17.4		36.1		
Average Loans Under Management		3,789	3,209	2,794		3,001		
Average Deposits		1,670	1,578	1,602		1,590		
Average Funds Under Management		3,204	2,574	1,990		2,183		

Business Lending

Business Lending	Half Year				Full Year			Change %
	Jun-07 \$M	Dec-06 \$M	Jun-06 \$M	Dec-05 \$M	Jun-07 \$M	Jun-06 \$M	\$M	
Net Interest Income		28.3	20.1	16.4		36.5		
Other Income		3.1	3.0	1.9		4.8		
Total Income		31.4	23.1	18.3		41.3		
Operating Costs		7.7	5.9	5.5		11.4		
Underlying Earnings		23.8	17.2	12.7		29.9		
Provision for Bad & Doubtful Debts		1.0	0.0	0.2		0.3		
Contribution Before Tax		22.8	17.1	12.5		29.6		
Average Loans Under Management		3,385	2,334	1,723		2,028		
Average Deposits		52	21	21		21		

Pro-forma Business Unit Results (continued)**Retail Banking**

Retail Banking	Half Year				Full Year			Change %
	Jun-07 \$M	Dec-06 \$M	Jun-06 \$M	Dec-05 \$M	Jun-07 \$M	Jun-06 \$M	\$M	
Net Interest Income		33.0	31.7	31.6		63.3		
Other Income		11.1	11.2	10.4		21.6		
Total Income		44.1	42.9	41.9		84.9		
Operating Costs		23.8	25.8	25.4		51.2		
Underlying Earnings		20.3	17.1	16.6		33.7		
Provision for Bad & Doubtful Debts		1.4	1.5	1.4		2.9		
Contribution Before Tax		18.9	15.6	15.2		30.8		
Average Loans Under Management		2,145	2,142	2,086		2,114		
Average Deposits		2,526	2,519	2,552		2,535		