

Adelaide Bank – Annual Results Year Ended 30 June 2007

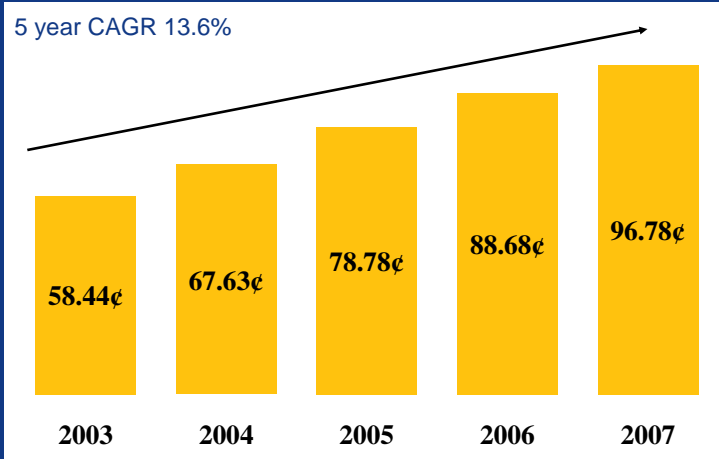


Results overview

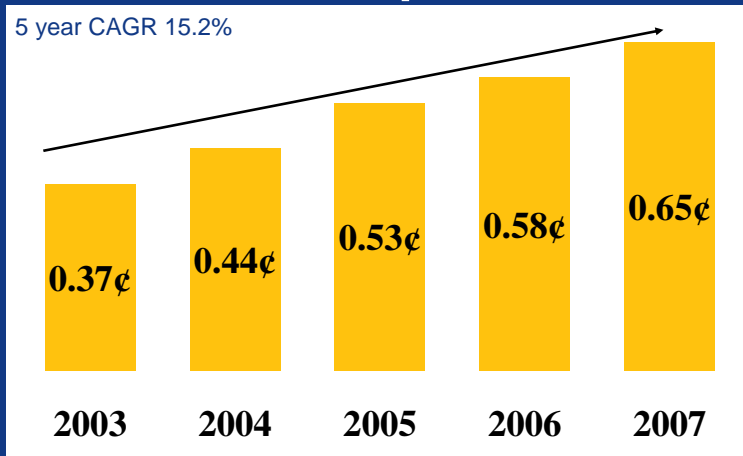
| | June 07 | June 06 | Change |
|------------------------|----------|---------|--------|
| Profit on a cash basis | \$104.3M | \$94.0M | 10.9% |
| Cost to income ratio | 48.27% | 50.68% | (4.8%) |
| Earnings per share | 96.78¢ | 88.68 ¢ | 9.1% |
| Dividends per share | 65.00 ¢ | 58.00 ¢ | 12.1% |

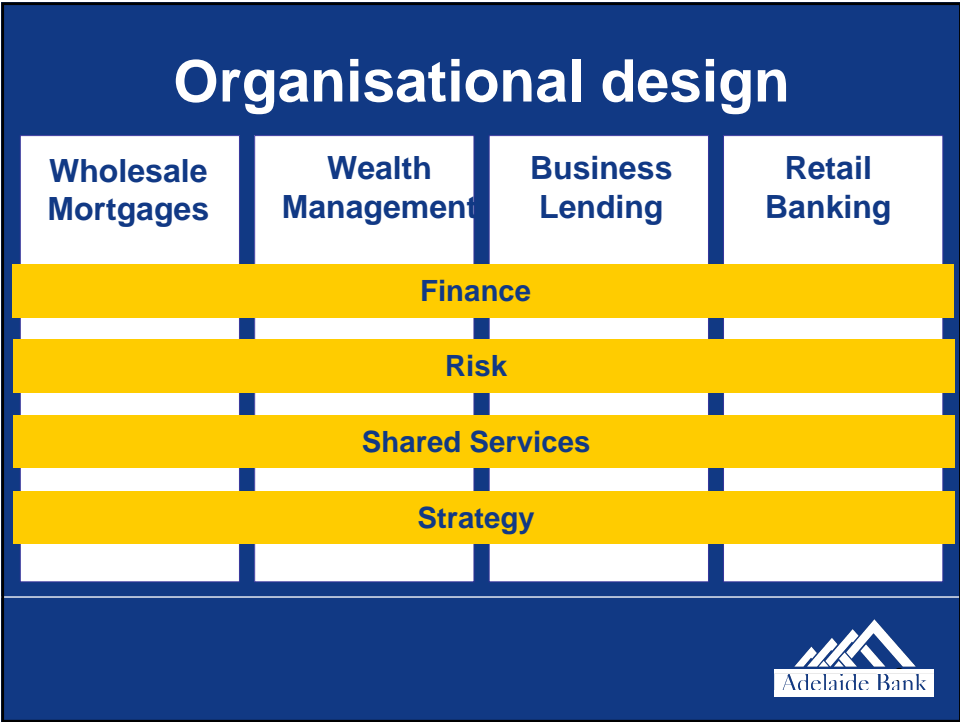
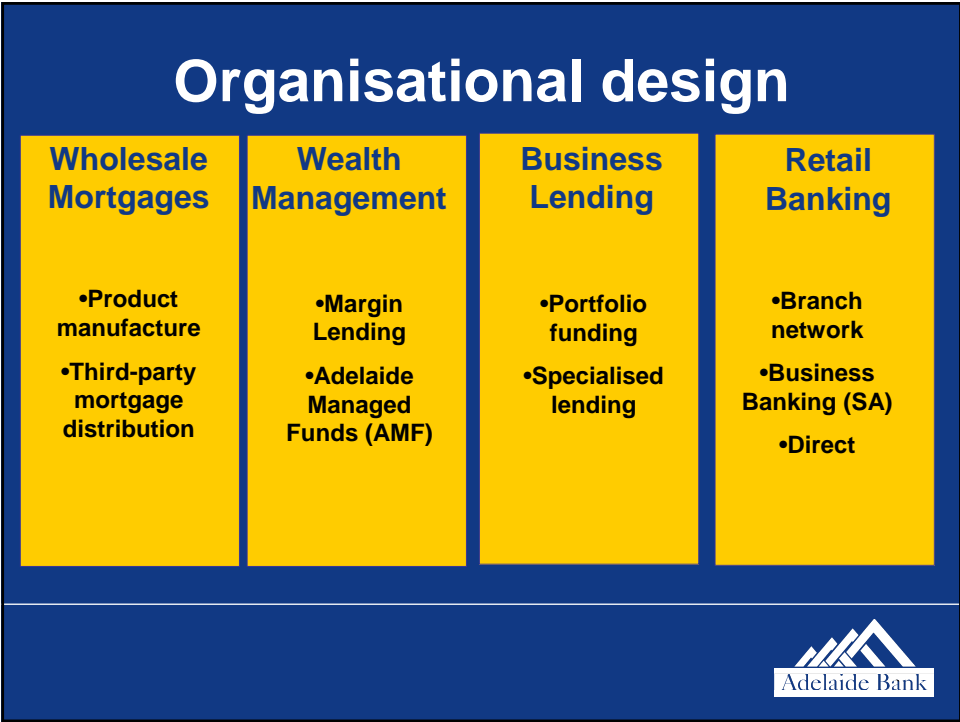


Earnings per share

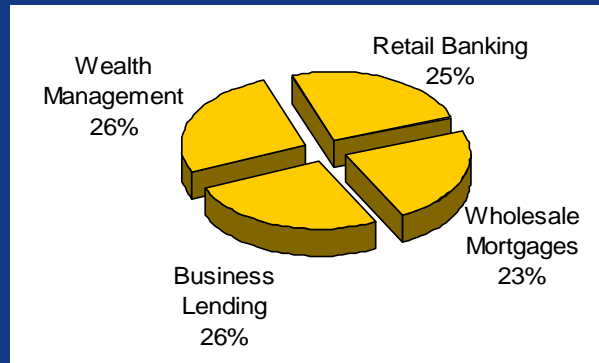


Dividends per share





Profit contribution



NPBT – Year ended 30 June 2007



Common themes

- Large markets – growth opportunities
- Partner and customer focus
- Innovation
- Lean
- Wholesale banking model
- Flexibility

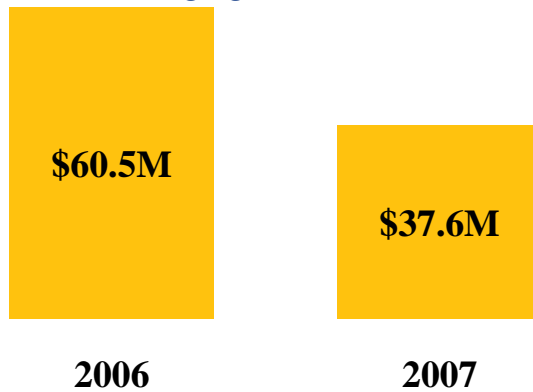


Wholesale Mortgages



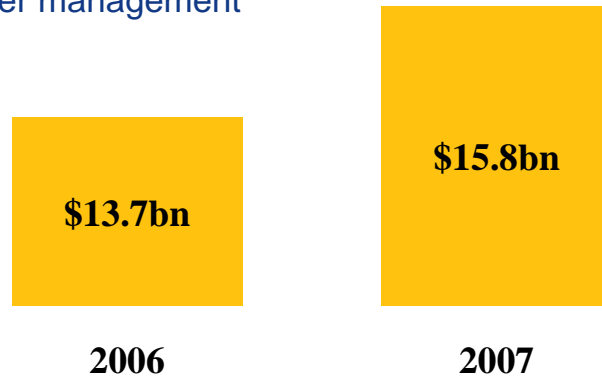
Group contribution

Wholesale Mortgages – NPBT



Group contribution

Wholesale Mortgages – Average assets under management



Business overview

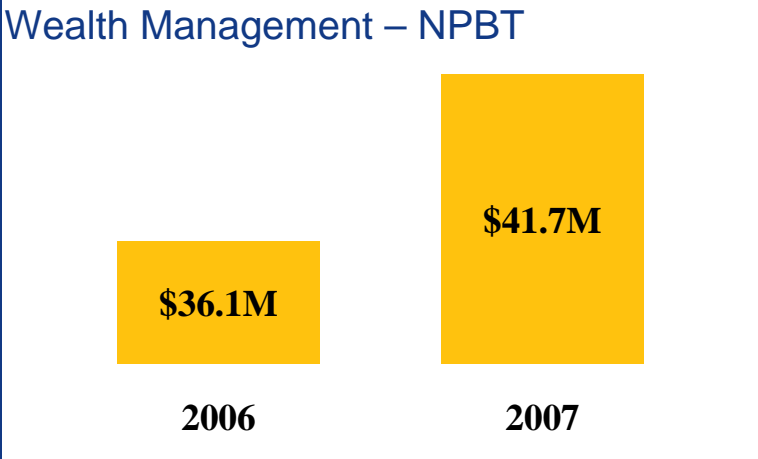
- **Last year**
 - First half – significant repricing of Lo Doc and large loans
 - Second half – margin compression slowed
 - Strategic review
 - Pricing for profit
 - Improved cost management
 - Arrears level best since December 2005
- **Outlook**
 - Grow at or above system profitably
 - Reducing unit costs
 - Margin compression continuing, but at slower pace
 - Specific segment offerings
 - Increased SmartSuite product range
 - Equity Finance Mortgage



Wealth Management

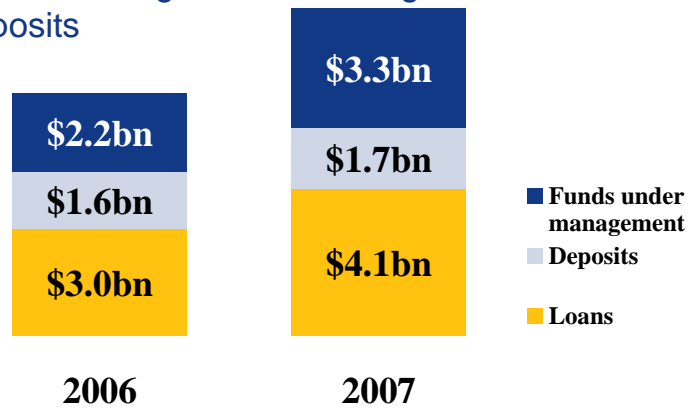


Group contribution



Group contribution

Wealth Management – Average assets & deposits



Business overview

- **Last year**
 - Strong growth in Funds Management and Margin Lending
 - Two new Funds launched in year
- **Outlook**
 - Large potential market for Margin Lending
 - Relatively stable margin
 - Increasing penetration of Financial Planner market
 - Targeted Funds Management markets forecast to grow

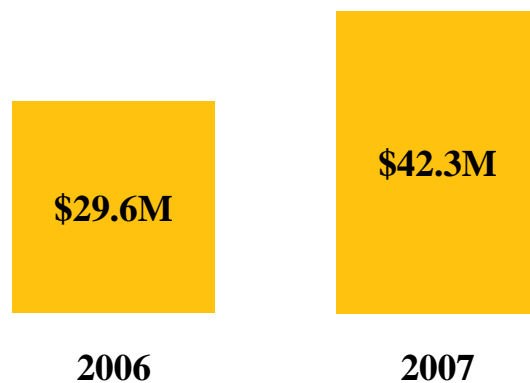


Business Lending



Group contribution

Business Lending – NPBT



Group contribution

Business Lending – Average Assets under management



2006

\$3.1bn

2007



Business overview

- **Last year**
 - Strong growth in assets under management
 - Six new Portfolio Funding Partners in year
- **Outlook**
 - Strong Portfolio Funding pipeline
 - Lift in Aged Care and Retirement applications

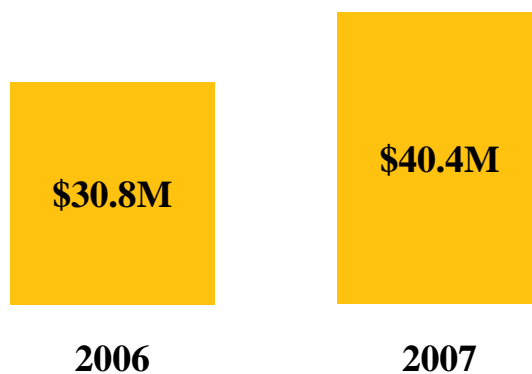


Retail

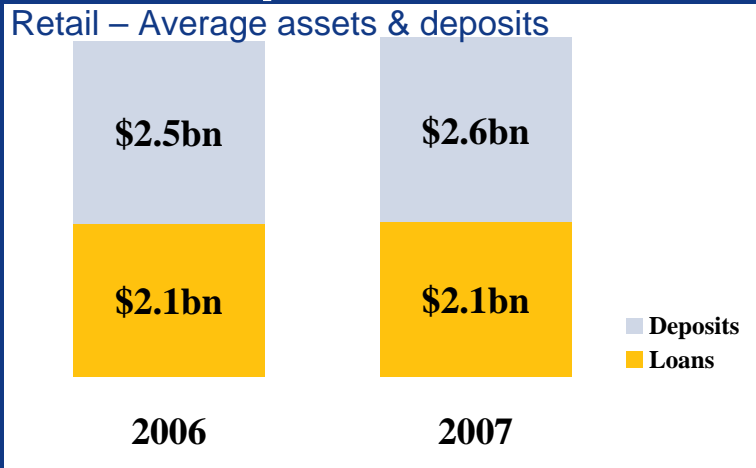


Group contribution

Retail – NPBT



Group contribution



Business overview

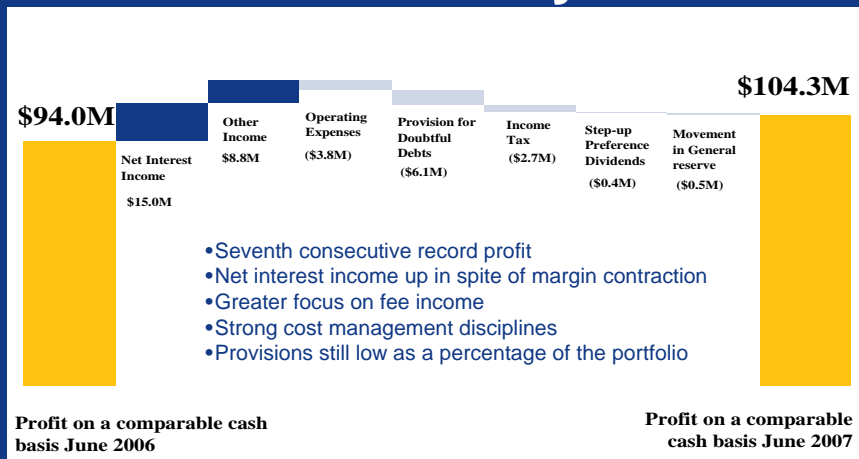
- **Last year**
 - Best customer satisfaction of all banks
 - 93% staff engagement
 - 180,000+ active customers
- **Outlook**
 - Strong demand for additional products
 - Continued growth in mortgage base
 - Relaunch of Business Banking proposition



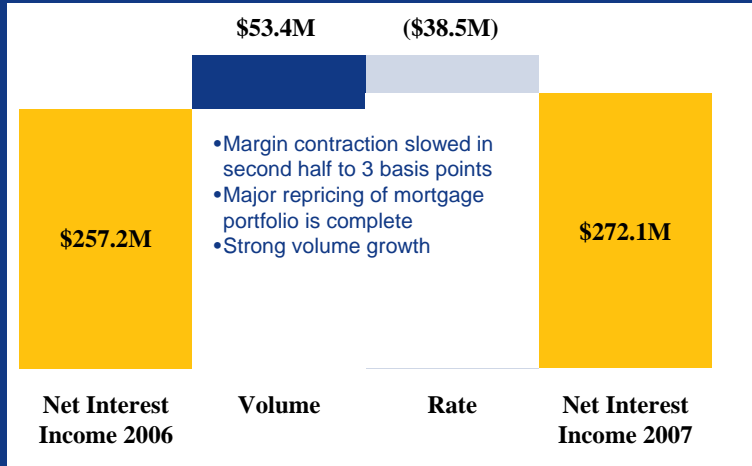
Results Overview



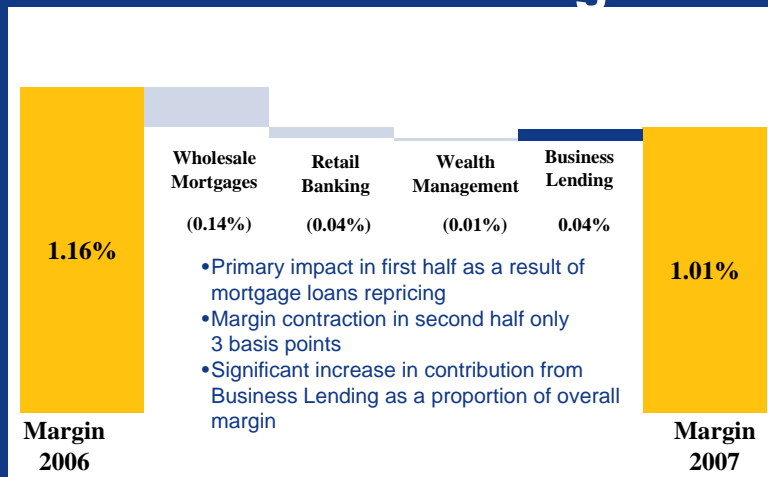
Profitability



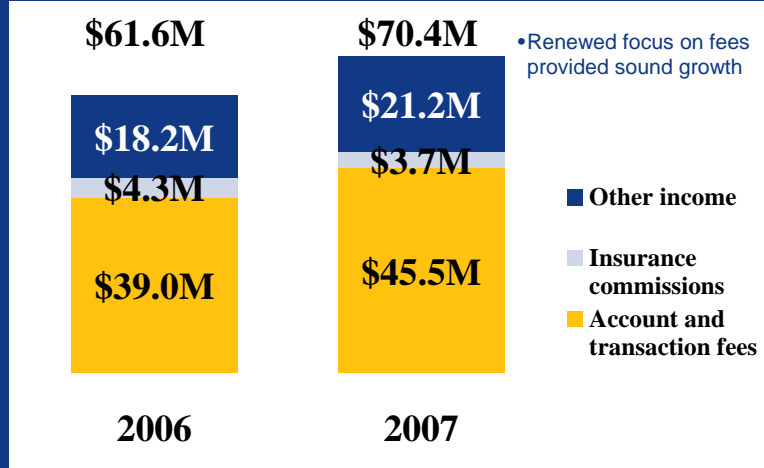
Net interest income



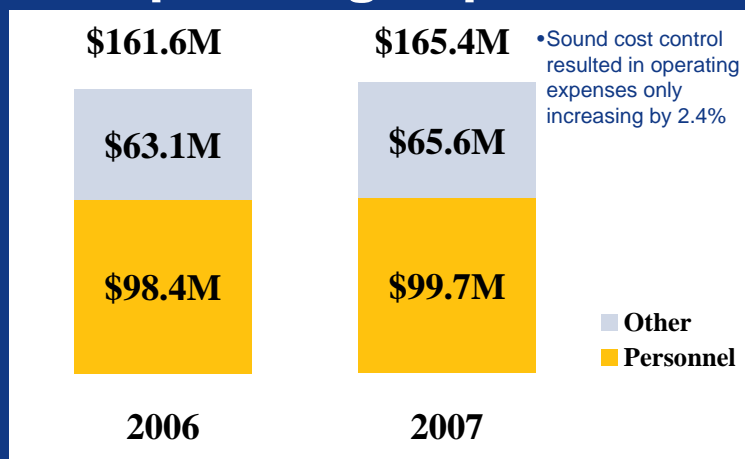
Net interest margin



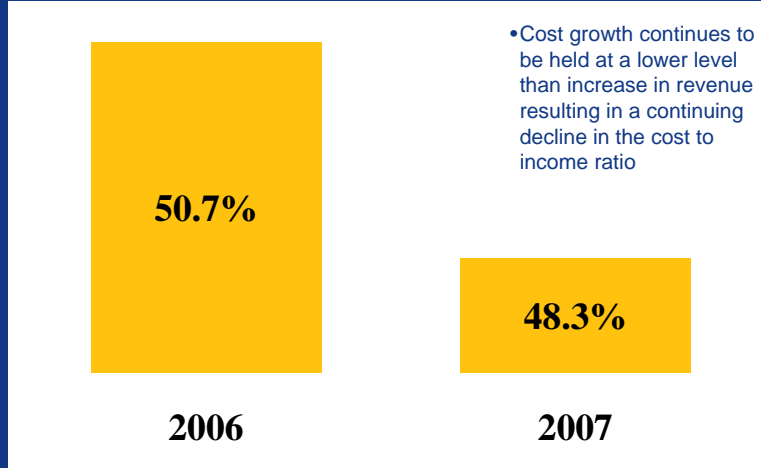
Other income



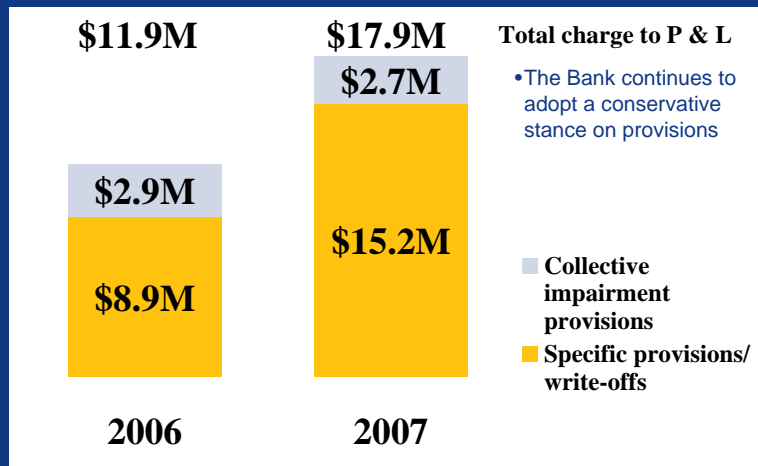
Operating expenses



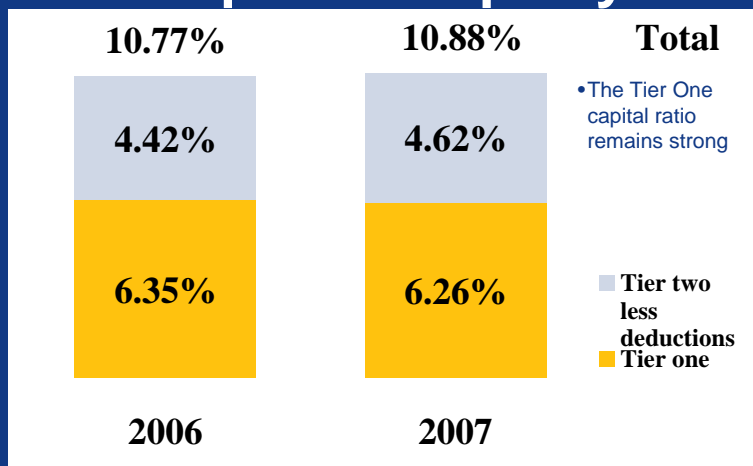
Cost to income



Provision for doubtful debts



Capital adequacy



Capital management

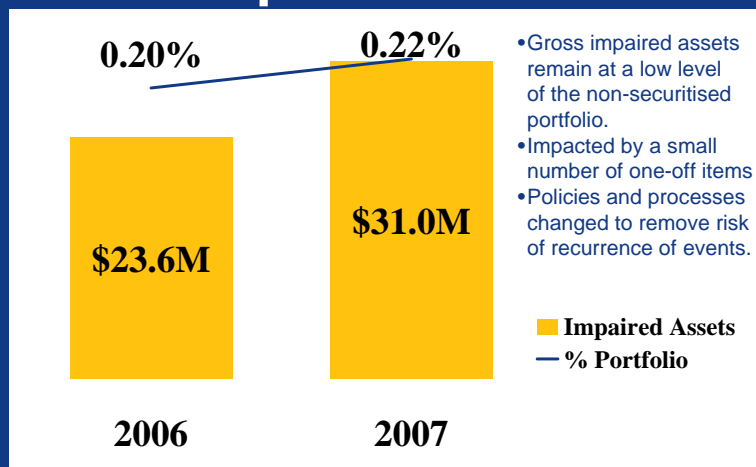
- \$66M AIFRS transitional relief expires 31/12/07
- Range of options being considered:
 - Reset Preference Shares (reset date 1/11/07)
 - Dividend Reinvestment Plan
 - Securitisation
- Basle II
 - No material impact
 - Assessing final Prudential Standards
- Working with APRA on transitional relief for innovative Tier One capital



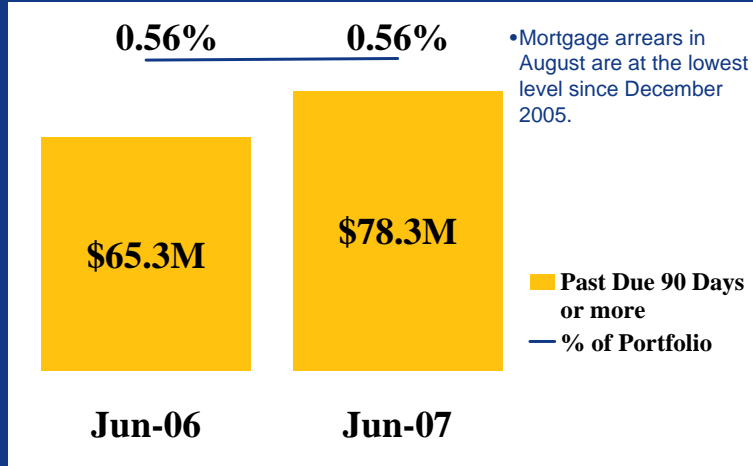
Credit quality



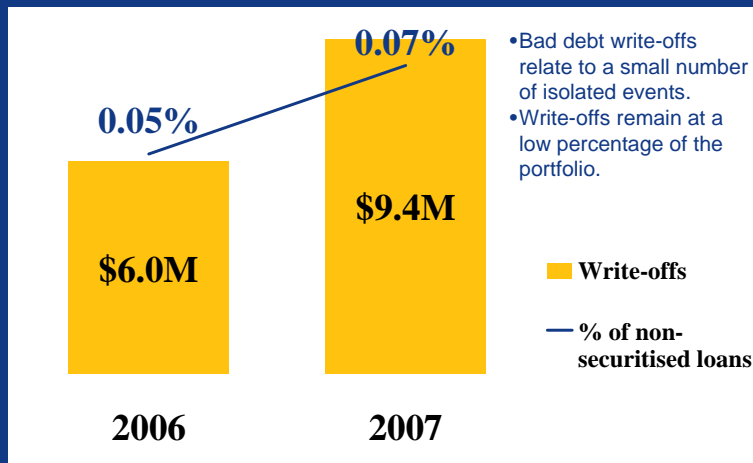
Impaired loans



Arrears



Write-offs



A growth story



Summary

- We are committed to growth
- We are committed to profitability
- Have established the frameworks to deliver

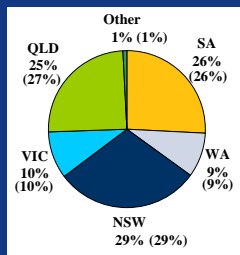


APPENDICES

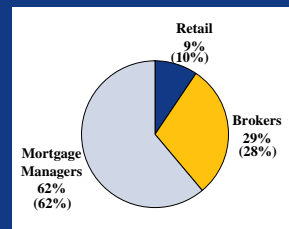


Residential lending

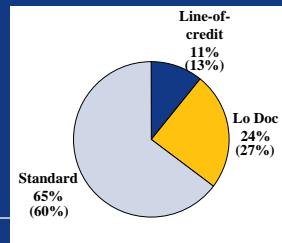
By state



By channel



By product

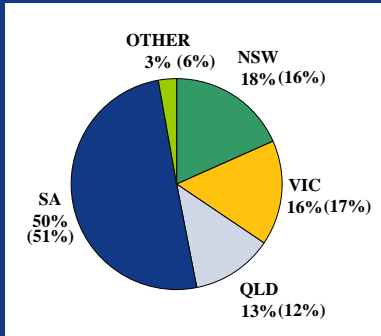


Dec 2006 ratios in parentheses

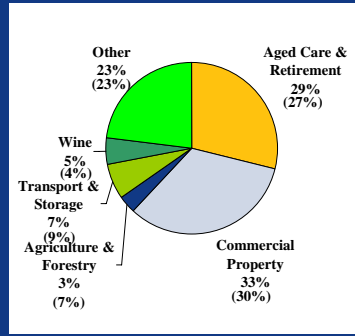


Business banking

By state



By industry

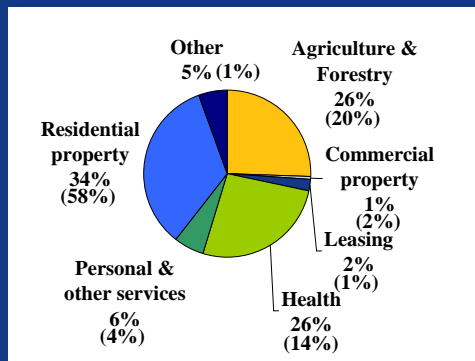


Dec 2006 ratios in parentheses



Portfolio funding

By industry

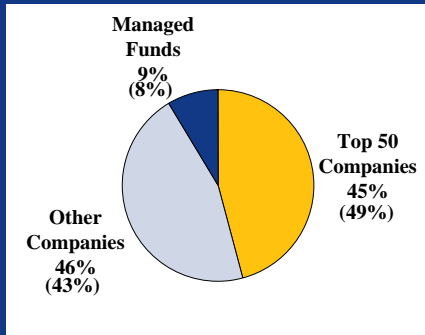


Dec 2006 ratios in parentheses



Margin lending

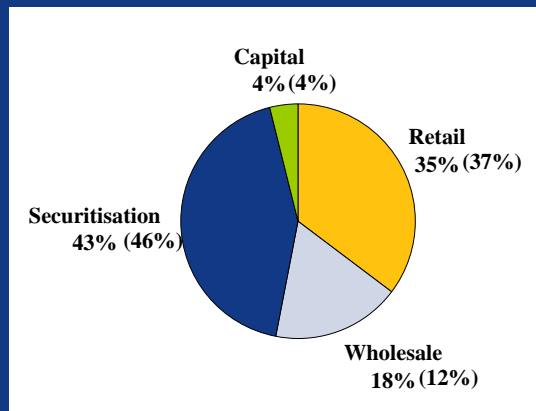
By security type



Dec 2006 ratios in parentheses



Funding base



Dec 2006 ratios in parentheses

