

Thursday, 23 October 2025

ASX ANNOUNCEMENT

Changes to comparative financial information

National Australia Bank Limited (NAB) today provides an update on certain changes to financial reporting made during the September 2025 full year which impact the 31 March 2025 half year and 30 September 2024 full year comparative information. These changes will be reflected in NAB's FY25 financial results. These changes do not impact the Group's cash earnings or statutory net profit after tax or balance sheet but have resulted in changes to the presentation of the Group's income statement and divisional financial information. Comparative information will be restated to reflect these changes.

The changes and their impacts are summarised below. Updated disclosures in NAB's FY25 financial results are included in Appendices 1, 2 and 3.

1. Customer segmentation

The Group has transferred some customer portfolios between divisions to better align these customers with their appropriate service needs.

This has resulted in the transfer of some customer lending and deposit portfolios between Business and Private Banking and Personal Banking, including the associated net operating income and income tax.

2. Volume related fees and commissions expenses

The Group has revised the presentation of certain volume-related expenses, such as credit card rewards and card processing expenses, to align with current industry practice. These expenses were presented within operating expenses and are now presented within other operating income, together with directly attributable revenue.

This revision included a reclassification of some merchants' volume-related expenses within Business and Private Banking, which were presented in operating expenses and are now presented in other operating income. Some items previously presented in other operating income of Corporate Functions and Other are now presented in the customer divisions.

At the Group level, these changes have resulted in a reduction to both other operating income and operating expenses by \$13 million in the March 2025 half year and \$14 million in the September 2024 full year.

3. Changes to Markets and Treasury income

The Group has refined the treatment of revenue relating to certain customer loans and deposits in New Zealand to reflect the underlying nature of the product, resulting in a change in net interest income and other operating income allocated to Markets and Treasury.

This has reduced the customer risk management income presented in Markets and Treasury by \$38 million in the March 2025 half year and \$85 million in the September 2024 full year. There has been no impact on the Group's net interest income, net interest margin or other operating income.

The impact of these changes and restatements are presented as follows:

- Appendix 1. Impact of changes on divisional comparative financial information for the 31 March 2025 half year and 30 September 2024 full year.
- Appendix 2. Restated comparative information for the Group and impacted divisions for the Full Year Results 2025 Management Discussion and Analysis. This includes a reclassification of realised losses on the sale of bonds measured at fair value through other comprehensive income within the Other operating income note.
- Appendix 3. Restated comparative information for the Group's 2025 Annual Report. This includes additional line items to provide enhanced disclosure of Net fees and commissions and the reclassification of realised losses on the sale of bonds measured at fair value through other comprehensive income within the Other operating income note.

Full Year results announcement

The Group's 2025 Full Year Results are scheduled to be announced on Thursday 6 November 2025.

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The release of this announcement was authorised by NAB's Disclosure Committee.

Appendix 1: Impact of changes on divisional comparative financial information

Half Year

	Half year ended 31 March 2025					
	Business and Private Banking	Personal Banking	Corporate and Institutional Banking	New Zealand Banking	Corporate Functions and Other	Group
	\$m	\$m	\$m	\$m	\$m	\$m
Cash earnings / (loss) - as published in the 2025 Half Year Results	1,634	576	909	707	(243)	3,583
Impact of restatements						
Increase / (decrease) in Net interest income	16	(17)	-	-	1	-
Increase / (decrease) in Other operating income	15	(37)	(2)	-	11	(13)
(Increase) / decrease in Operating expenses	(13)	25	1	-	-	13
(Increase) / decrease in Credit impairment charge	-	-	-	-	-	-
(Increase) / decrease in Income tax expense	(5)	8	-	-	(3)	-
Total restatements	13	(21)	(1)	-	9	-
Cash earnings / (loss) - as restated	1,647	555	908	707	(234)	3,583

	As at 31 March 2025					
	Business and Private Banking	Personal Banking	Corporate and Institutional Banking	New Zealand Banking	Corporate Functions and Other	Group
	\$bn	\$bn	\$bn	\$bn	\$bn	\$bn
Impact of restatements on Lending						
Increase / (decrease) in Housing ⁽¹⁾	(1.7)	1.7	-	-	-	-
Increase / (decrease) in Non-housing	-	-	-	-	-	-
Total restatements	(1.7)	1.7	-	-	-	-
Impact of restatements on Customer deposits						
Increase / (decrease) in Customer deposits	2.0	(2.0)	-	-	-	-
Total restatements	2.0	(2.0)	-	-	-	-

(1) Includes mortgage offset accounts of \$0.3 billion.

Appendix 1: Impact of changes on divisional comparative financial information (cont.)

Full Year

	Year ended 30 September 2024					
	Business and Private Banking	Personal Banking	Corporate and Institutional Banking	New Zealand Banking	Corporate Functions and Other	Group
	\$m	\$m	\$m	\$m	\$m	\$m
Cash earnings / (loss) - as published in the 2024 Full Year Results	3,257	1,174	1,772	1,333	(434)	7,102
Impact of restatements						
Increase / (decrease) in Net interest income	27	(29)	-	-	2	-
Increase / (decrease) in Other operating income	32	(63)	(4)	-	21	(14)
(Increase) / decrease in Operating expenses	(30)	42	2	-	-	14
(Increase) / decrease in Credit impairment charge	-	-	-	-	-	-
(Increase) / decrease in Income tax expense	(9)	16	-	-	(7)	-
Total restatements	20	(34)	(2)	-	16	-
Cash earnings / (loss) - as restated	3,277	1,140	1,770	1,333	(418)	7,102

	As at 30 September 2024					
	Business and Private Banking	Personal Banking	Corporate and Institutional Banking	New Zealand Banking	Corporate Functions and Other	Group
	\$bn	\$bn	\$bn	\$bn	\$bn	\$bn
Impact of restatements on Lending						
Increase / (decrease) in Housing ⁽¹⁾	(1.9)	1.9	-	-	-	-
Increase / (decrease) in Non-housing	-	-	-	-	-	-
Total restatements	(1.9)	1.9	-	-	-	-
Impact of restatements on Customer deposits						
Increase / (decrease) in Customer deposits	1.8	(1.8)	-	-	-	-
Total restatements	1.8	(1.8)	-	-	-	-

(1) Includes mortgage offset accounts of \$0.3 billion.

Note on cash earnings

Cash earnings is a non-IFRS key financial performance measure used by NAB and the investment community. NAB also uses cash earnings for its internal management reporting as it better reflects what NAB considers to be the underlying performance of the Group. Cash earnings is not a statutory financial measure, is not presented in accordance with Australian Accounting Standards, and is not audited or reviewed in accordance with Australian Auditing Standards. The 2025 Half Year Results provides details of how cash earnings is defined and a discussion of non-cash earnings items and full reconciliation of statutory net profit attributable to owners of National Australia Bank Limited.

Appendix 2: Restated comparative information for Full Year Results 2025 Management Discussion and Analysis

Group performance results

	Half Year to Mar 25 restated \$m	Year to Sep 24 restated \$m
Net interest income	8,445	16,754
Other operating income	1,823	3,482
Net operating income	10,268	20,236
Operating expenses	(4,805)	(9,413)
Underlying profit	5,463	10,823
Credit impairment charge	(348)	(728)
Cash earnings before income tax	5,115	10,095
Income tax expense	(1,512)	(2,975)
Cash earnings before non-controlling interests	3,603	7,120
Less: Non-controlling interests	(20)	(18)
Cash earnings	3,583	7,102
<i>Non-cash earnings items (after tax):</i>		
Hedging and fair value volatility	-	(6)
Amortisation of acquired intangible assets	(16)	(29)
Acquisitions, integration, disposals and business closures	(136)	(4)
Net profit attributable to owners of the Company from continuing operations	3,431	7,063
Net loss attributable to owners of the Company from discontinued operations	(24)	(103)
Net profit attributable to owners of the Company	3,407	6,960
Cash earnings / (loss) by division:		
Business and Private Banking	1,647	3,277
Personal Banking	555	1,140
Corporate and Institutional Banking	908	1,770
New Zealand Banking	707	1,333
Corporate Functions and Other	(234)	(418)
Cash earnings	3,583	7,102

Appendix 2: Restated comparative information for Full Year Results 2025 Management Discussion and Analysis (cont.)

Other operating income

	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	\$m	\$m
Net fees and commissions	1,058	2,257
Trading income ⁽¹⁾	708	1,167
Other ⁽¹⁾	57	58
Total other operating income	1,823	3,482

(1) The Group has reclassified the realised losses on disposal of debt instruments at fair value through other comprehensive income together with the associated fees from 'Other' to 'Trading income' (1H25: \$50 million, FY24: \$101 million).

Markets and Treasury income

	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	\$m	\$m
Net interest income	273	367
Other operating income	697	1,142
Total Markets and Treasury income	970	1,509
Customer risk management ⁽¹⁾		
Foreign exchange	286	546
Rates	79	182
Total customer risk management income	365	728
NAB risk management ⁽²⁾		
Markets	220	373
Treasury	382	415
Total NAB risk management income	602	788
Derivative valuation adjustment⁽³⁾	3	(7)
Total Markets and Treasury income	970	1,509
Average Markets traded market risk Value at Risk (VaR)⁽⁴⁾	7.9	8.8

(1) Customer risk management comprises other operating income and reflects customer risk management in respect of Personal Banking, Business and Private Banking, Corporate and Institutional Banking and New Zealand Banking.

(2) NAB risk management comprises net interest income and other operating income and is defined as management of interest rate risk in the banking book, wholesale funding and liquidity requirements and trading market risk to support the Group's franchises. Markets forms part of Corporate and Institutional Banking and New Zealand Banking revenue. Treasury forms part of New Zealand Banking and Corporate Functions and Other revenue.

(3) Derivative valuation adjustment is shown net of hedging costs or benefits and includes credit valuation adjustments and funding valuation adjustments.

(4) Excludes the impact of hedging activities related to derivative valuation adjustments.

Operating expenses

	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	\$m	\$m
Personnel expenses	2,824	5,589
Occupancy and depreciation expenses	302	591
Technology expenses	1,038	2,034
General expenses	641	1,199
Total operating expenses	4,805	9,413

Appendix 2: Restated comparative information for Full Year Results 2025 Management Discussion and Analysis (cont.)

Business and Private Banking

	Half Year to Mar 25 restated \$m	Year to Sep 24 restated \$m
Net interest income	3,662	7,295
Other operating income	515	1,063
Net operating income	4,177	8,358
Operating expenses	(1,581)	(3,141)
Underlying profit	2,596	5,217
Credit impairment charge	(237)	(523)
Cash earnings before income tax	2,359	4,694
Income tax expense	(712)	(1,417)
Cash earnings	1,647	3,277
Volumes (\$bn)		
Housing lending	106.0	103.3
Business lending	158.0	155.0
Other lending	3.4	3.4
Gross loans and acceptances	267.4	261.7
Average interest earning assets	244.3	236.2
Total assets	265.9	260.2
Funds under management (spot) (\$m)	43.9	42.4
Customer deposits	234.6	223.1
Total risk-weighted assets	150.4	146.0
Performance Measures		
	Half Year to Mar 25 restated %	Year to Sep 24 restated %
Cash earnings on average assets	1.26	1.30
Cash earnings on average risk-weighted assets	2.22	2.19
Net interest margin	3.01	3.09
Cost to income ratio	37.9	37.6
Asset Quality		
Gross impaired assets to GLAs	0.43	0.39
Default but not impaired assets to GLAs ⁽¹⁾	2.00	1.74
Credit impairment charge to GLAs - annualised	0.18	0.20

(1) Includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held.

Appendix 2: Restated comparative information for Full Year Results 2025 Management Discussion and Analysis (cont.)

Personal Banking

	Half Year to Mar 25 restated \$m	Year to Sep 24 restated \$m
Net interest income	1,946	3,924
Other operating income	293	563
Net operating income	2,239	4,487
Operating expenses	(1,287)	(2,576)
Underlying profit	952	1,911
Credit impairment charge	(158)	(288)
Cash earnings before income tax	794	1,623
Income tax expense	(239)	(483)
Cash earnings	555	1,140
Volumes (\$bn)		
Housing lending	248.7	244.9
Other lending	9.4	9.5
Gross loans and acceptances	258.1	254.4
Average interest earning assets	228.9	227.9
Total assets	265.5	262.0
Customer deposits	169.1	161.5
Total risk-weighted assets	83.7	82.3
Performance Measures		
	Half Year to Mar 25 restated %	Year to Sep 24 restated %
Cash earnings on average assets	0.42	0.44
Cash earnings on average risk-weighted assets	1.34	1.40
Net interest margin	1.70	1.72
Cost to income ratio	57.5	57.4
Asset Quality		
Gross impaired assets to GLAs	0.03	0.03
Default but not impaired assets to GLAs ⁽¹⁾	1.33	1.30
Credit impairment charge to GLAs - annualised	0.12	0.11

(1) Includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held.

Appendix 2: Restated comparative information for Full Year Results 2025 Management Discussion and Analysis (cont.)

Corporate and Institutional Banking

	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	\$m	\$m
Net interest income	1,377	2,550
Other operating income	641	1,342
Net operating income	2,018	3,892
Operating expenses	(695)	(1,443)
Underlying profit	1,323	2,449
Credit impairment (charge) / write-back	(73)	7
Cash earnings before income tax	1,250	2,456
Income tax expense	(342)	(686)
Cash earnings	908	1,770
Net operating income		
Lending and deposits income	1,530	2,961
Markets income (ex derivative valuation adjustment)	329	593
Derivative valuation adjustment ⁽¹⁾	6	-
Other income	153	338
Total net operating income	2,018	3,892
Volumes (\$bn)		
Gross loans and acceptances ⁽²⁾	116.4	110.6
Average interest earning assets	257.9	244.0
Average interest earning assets (ex Markets)	122.3	119.0
Total assets	291.1	278.0
Customer deposits	134.2	131.8
Total risk-weighted assets	103.3	99.7
	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	%	%
Performance measures		
Cash earnings on average assets	0.62	0.64
Cash earnings on average risk-weighted assets	1.75	1.79
Net interest margin	1.07	1.05
Net interest margin (ex Markets)	2.12	2.11
Cost to income ratio	34.4	37.1
Asset quality		
Impaired assets to GLAs	0.13	0.06
Default but not impaired assets to GLAs ⁽³⁾	0.08	0.14
Credit impairment charge / (write-back) to GLAs - annualised	0.13	(0.01)

(1) Derivative valuation adjustment is shown net of hedging costs or benefits and includes credit valuation adjustments and funding valuation adjustments.

(2) Gross loans and acceptances comprises business lending.

(3) Includes loans that have been classified as restructured in accordance with APS 220 *Credit Risk Management* which are assessed as no loss based on security held.

Appendix 2: Restated comparative information for Full Year Results 2025 Management Discussion and Analysis (cont.)

Corporate Functions and Other

	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	\$m	\$m
Net operating income	246	285
Operating expenses	(637)	(1,068)
Underlying loss	(391)	(783)
Credit impairment write-back	95	205
Cash loss before income tax	(296)	(578)
Income tax benefit	62	160
Cash loss	(234)	(418)

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Appendix 3: Restated comparative information for the Group's 2025 Annual Report

Consolidated income statement

	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	\$m	\$m
Interest income		
Effective interest rate method	25,625	52,012
Fair value through profit or loss	3,563	6,285
Interest expense	(20,738)	(41,540)
Net interest income	8,450	16,757
Other operating income	1,819	3,875
Operating expenses	(5,025)	(10,012)
Credit impairment charge	(348)	(741)
Profit before income tax	4,896	9,879
Income tax expense	(1,445)	(2,798)
Net profit for the period from continuing operations	3,451	7,081
Net loss after tax for the period from discontinued operations ⁽¹⁾	(24)	(103)
Net profit for the period	3,427	6,978
Attributable to non-controlling interests	20	18
Attributable to owners of the Company	3,407	6,960
Earnings per share	cents	cents
Basic	111.2	224.6
Diluted	109.2	222.7
Basic from continuing operations	112.0	227.9
Diluted from continuing operations	109.9	225.8

(1) Discontinued operations primarily relate to costs associated with managing the run-off of the MLC Wealth retained entities and MLC Wealth customer-related remediation.

Other operating income

	Half Year to Mar 25 restated \$m	Year to Sep 24 restated \$m
Net fees and commissions		
Lending fees	600	1,202
Net other fees and commissions		
Fees and commission income ⁽¹⁾	469	1,016
Fees and commission expense ⁽²⁾	(64)	(101)
Net investment management income		
Investment management income	116	284
Investment management expense	(63)	(156)
Total net fees and commissions	1,058	2,245
Gains less losses on financial instruments at fair value		
Trading instruments	473	2,097
Hedge ineffectiveness	17	(21)
Financial instruments designated at fair value	263	(798)
Realised losses on sale of bonds at FVOCI ⁽³⁾	(50)	(101)
Total gains less losses on financial instruments at fair value	703	1,177
Other income		
Dividends	1	4
Share of profit or loss from associates and joint ventures	18	-
Other ⁽⁴⁾	39	449
Total other income	58	453
Total other operating income	1,819	3,875

(1) Includes customer-related remediation charges of \$63 million in March 2025 half year and \$35 million in September 2024 full year recognised as a reduction of fees and commissions. Discontinued operations include \$14 million of MLC Wealth customer-related remediation in March 2025 half year and \$46 million in September 2024 full year.

(2) Includes Fees and commission expense of \$30 million in March 2025 half year and \$46 million in September 2024 full year which were previously reported in Fees and commission income.

(3) The Group has reclassified the realised losses on disposal of debt instruments at fair value through other comprehensive income together with the associated fees from 'Other income' to 'Total gains less losses on financial instruments at fair value' (1H25: \$50 million, FY24: \$101 million).

(4) September 2024 full year includes a gain of \$395 million in respect of the sale of New Zealand wealth businesses in April 2024.

Appendix 3: Restated comparative information for the Group's 2025 Annual Report (cont.)

Operating expenses

	Half Year to	Year to
	Mar 25	Sep 24
	restated	restated
	\$m	\$m
Personnel expenses		
Salaries and related on-costs	2,210	4,399
Superannuation costs-defined contribution plans	213	396
Performance-based compensation	306	596
Other expenses	208	475
Total personnel expenses	2,937	5,866
Occupancy and depreciation expenses		
Rental expense	54	99
Depreciation and impairment	216	434
Other expenses	32	58
Total occupancy and depreciation expenses	302	591
Technology expenses		
Computer equipment and software	519	1,019
Amortisation of software	350	681
Depreciation of IT equipment	77	154
Data communication and processing charges	61	118
Communications	27	54
Impairment losses recognised	4	8
Total technology expenses	1,038	2,034
General expenses		
Amortisation of acquired intangible assets ⁽¹⁾	23	43
Advertising and marketing	75	168
Operational risk event losses and customer-related remediation ⁽²⁾	86	136
Postage and stationery	42	88
Professional fees	333	646
Other expenses	189	440
Total general expenses	748	1,521
Total operating expenses	5,025	10,012

(1) Relates to the amortisation of intangible assets acquired in business combinations, including software, customer relationships and core deposits.

(2) Includes costs for executing customer-related remediation programs of \$20 million in March 2025 half year and \$20 million in September 2024 full year.