

INCOME STATEMENTS

for the years ended 30 September

Westpac Banking Corporation

\$m	Note	Consolidated			Parent Entity	
		2023	2022	2021	2023	2022
Interest income:						
Calculated using the effective interest method	3	42,515	22,981	22,132	38,909	20,261
Other	3	1,237	270	146	992	352
Total interest income		43,752	23,251	22,278	39,901	20,613
Interest expense	3	(25,435)	(6,090)	(5,420)	(24,786)	(6,296)
Net interest income		18,317	17,161	16,858	15,115	14,317
Non-interest income						
Net fees	4	1,645	1,671	1,482	1,461	1,491
Net wealth management and insurance	4	562	808	1,211	-	-
Trading	4	717	664	719	678	601
Other	4	404	(698)	952	1,668	7,890
Total non-interest income		3,328	2,445	4,364	3,807	9,982
Net operating income		21,645	19,606	21,222	18,922	24,299
Operating expenses	5	(10,692)	(10,802)	(13,311)	(9,473)	(9,483)
Impairment (charges)/benefits	6	(648)	(335)	590	(511)	(449)
Profit before income tax expense		10,305	8,469	8,501	8,938	14,367
Income tax expense	7	(3,104)	(2,770)	(3,038)	(2,504)	(2,189)
Profit after income tax expense		7,201	5,699	5,463	6,434	12,178
Net profit attributable to non-controlling interests		(6)	(5)	(5)	-	-
Net profit attributable to owners of Westpac Banking Corporation (WBC)		7,195	5,694	5,458	6,434	12,178
Earnings per share (cents)						
Basic	8	205.3	159.9	149.4		
Diluted	8	195.2	152.4	137.8		

The above income statements should be read in conjunction with the accompanying notes.

STATEMENTS OF COMPREHENSIVE INCOME

for the years ended 30 September

Westpac Banking Corporation

\$m	Consolidated			Parent Entity	
	2023	2022	2021	2023	2022
Profit after income tax expense	7,201	5,699	5,463	6,434	12,178
Other comprehensive income/(expense)					
Items that may be reclassified subsequently to profit or loss					
Gains/(losses) recognised in equity on					
Debt securities measured at fair value through other comprehensive income (FVOCI)	(201)	(318)	578	(178)	(47)
Cash flow hedging instruments ¹	(635)	1,107	296	(570)	866
Transferred to income statement					
Debt securities measured at FVOCI	(125)	(254)	(195)	(125)	(254)
Cash flow hedging instruments ¹	(309)	(237)	39	(349)	(430)
Loss allowance on debt securities measured at FVOCI	1	(2)	2	1	(2)
Exchange differences on translation of foreign operations (net of associated hedges)	367	(264)	51	54	27
Income tax on items taken to or transferred from equity					
Debt securities measured at FVOCI	98	166	(119)	92	90
Cash flow hedging instruments	283	(253)	(97)	276	(131)
Items that will not be reclassified subsequently to profit or loss					
Gains/(losses) on equity securities measured at FVOCI (net of tax)	(10)	92	48	(20)	7
Own credit adjustment on financial liabilities designated at fair value (net of tax)	(21)	80	(10)	(21)	80
Remeasurement of defined benefit obligation recognised in equity (net of tax)	(105)	446	119	(110)	440
Net other comprehensive income/(expense) (net of tax)	(657)	563	712	(950)	646
Total comprehensive income	6,544	6,262	6,175	5,484	12,824
Attributable to					
Owners of WBC	6,536	6,257	6,171	5,484	12,824
Non-controlling interests	8	5	4	-	-
Total comprehensive income	6,544	6,262	6,175	5,484	12,824

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

1. Comparative amounts have been revised to align to current year presentation.

BALANCE SHEETS

as at 30 September

Westpac Banking Corporation

\$m	Note	Consolidated 2023	2022	Parent Entity 2023	2022
Assets					
Cash and balances with central banks	35	102,522	105,257	93,466	95,182
Collateral paid		4,535	6,216	4,505	6,179
Trading securities and financial assets measured at fair value through income statement (FVIS)	16	30,507	24,332	27,987	22,417
Derivative financial instruments	20	21,343	41,283	21,038	41,127
Investment securities	17	75,326	76,465	67,508	70,176
Loans	9	773,254	739,647	678,021	651,717
Other financial assets	18	6,219	5,626	5,812	5,228
Current tax assets		5	16	5	4
Due from subsidiaries		-	-	53,644	54,185
Investment in subsidiaries		-	-	8,019	9,790
Investment in associates		33	37	33	33
Property and equipment		2,245	2,429	1,833	2,028
Deferred tax assets	7	2,095	1,754	1,957	1,646
Intangible assets	24	10,886	10,327	9,260	8,881
Other assets		804	734	672	668
Assets held for sale	37	-	75	-	-
Total assets		1,029,774	1,014,198	973,760	969,261
Liabilities					
Collateral received		3,525	6,371	3,243	6,299
Deposits and other borrowings	12	688,168	659,129	610,357	586,745
Other financial liabilities	19	44,870	56,360	38,780	52,352
Derivative financial instruments	20	24,647	39,568	24,574	39,458
Debt issues	13	156,573	144,868	134,957	122,339
Current tax liabilities		780	219	607	160
Due to subsidiaries		-	-	55,663	58,343
Provisions	25	2,777	2,950	2,543	2,705
Other liabilities		2,719	2,938	2,177	2,343
Liabilities held for sale	37	-	32	-	-
Total liabilities excluding loan capital		924,059	912,435	872,901	870,744
Loan capital	14	33,176	31,254	32,085	30,734
Total liabilities		957,235	943,689	904,986	901,478
Net assets		72,539	70,509	68,774	67,783
Shareholders' equity					
Share capital:					
Ordinary share capital	26	39,826	39,666	39,826	39,666
Treasury shares	26	(702)	(655)	(760)	(713)
Reserves	26	1,935	2,378	1,659	2,388
Retained profits		31,436	29,063	28,049	26,442
Total equity attributable to owners of WBC		72,495	70,452	68,774	67,783
Non-controlling interests	26	44	57	-	-
Total shareholders' equity and non-controlling interests		72,539	70,509	68,774	67,783

The above balance sheets should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY

for the years ended 30 September

Westpac Banking Corporation

Consolidated \$m	Share capital (Note 26)	Reserves (Note 26)	Retained profits	Total equity attributable to owners of WBC	NCI (Note 26)	Total shareholders' equity and NCI
Balance as at 30 September 2020	39,946	1,544	26,533	68,023	51	68,074
Impact from a change in accounting policy ¹	-	-	(40)	(40)	-	(40)
Restated opening balance	39,946	1,544	26,493	67,983	51	68,034
Profit after income tax expense	-	-	5,458	5,458	5	5,463
Net other comprehensive income/(expense)	-	604	109	713	(1)	712
Total comprehensive income/(expense)	-	604	5,567	6,171	4	6,175
Transactions in capacity as equity holders						
Dividends on ordinary shares ²	-	-	(3,247)	(3,247)	-	(3,247)
Dividend reinvestment plan	401	-	-	401	-	401
Dividend reinvestment plan underwrite	719	-	-	719	-	719
Other equity movements						
Share-based payment arrangements	-	86	-	86	-	86
Purchase of shares	(28)	-	-	(28)	-	(28)
Net acquisition of treasury shares	(43)	-	-	(43)	-	(43)
Other	-	(7)	-	(7)	2	(5)
Total contributions and distributions	1,049	79	(3,247)	(2,119)	2	(2,117)
Balance as at 30 September 2021	40,995	2,227	28,813	72,035	57	72,092
Profit after income tax expense	-	-	5,694	5,694	5	5,699
Net other comprehensive income/(expense)	-	37	526	563	-	563
Total comprehensive income/(expense)	-	37	6,220	6,257	5	6,262
Transactions in capacity as equity holders						
Dividends on ordinary shares ²	-	-	(4,337)	(4,337)	-	(4,337)
Other equity movements						
Off-market share buy-back (net of transaction costs) ³	(1,902)	-	(1,601)	(3,503)	-	(3,503)
Share-based payment arrangements	-	87	-	87	-	87
Purchase of shares	(33)	-	-	(33)	-	(33)
Net acquisition of treasury shares	(49)	-	-	(49)	-	(49)
Other	-	27	(32)	(5)	(5)	(10)
Total contributions and distributions	(1,984)	114	(5,970)	(7,840)	(5)	(7,845)
Balance as at 30 September 2022	39,011	2,378	29,063	70,452	57	70,509
Profit after income tax expense	-	-	7,195	7,195	6	7,201
Net other comprehensive income/(expense)	-	(533)	(126)	(659)	2	(657)
Total comprehensive income/(expense)	-	(533)	7,069	6,536	8	6,544
Transactions in capacity as equity holders						
Dividends on ordinary shares ²	-	-	(4,696)	(4,696)	-	(4,696)
Dividend reinvestment plan	192	-	-	192	-	192
Other equity movements						
Share-based payment arrangements	-	90	-	90	-	90
Purchase of shares	(32)	-	-	(32)	-	(32)
Net acquisition of treasury shares	(47)	-	-	(47)	-	(47)
Other	-	-	-	-	(21)	(21)
Total contributions and distributions	113	90	(4,696)	(4,493)	(21)	(4,514)
Balance as at 30 September 2023	39,124	1,935	31,436	72,495	44	72,539

The above statements of changes in equity should be read in conjunction with the accompanying notes.

- In 2021, the Group aligned its accounting treatment of costs incurred in configuring or customising Software-as-a-Service (SaaS) arrangements with the treatment outlined in the IFRIC agenda decision released in April 2021. The adjustment to 2021 opening retained earnings reflects the impact of this change in accounting policy on prior years.
- Relates to fully franked dividends at 30%:
 - 2023: 2023 interim dividend of 70 cents per share (\$2,456 million) and 2022 final dividend of 64 cents per share (\$2,240 million);
 - 2022: 2022 interim dividend of 61 cents per share (\$2,136 million) and 2021 final dividend of 60 cents per share (\$2,201 million); and
 - 2021: 2021 interim dividend of 58 cents per share (\$2,127 million) and 2020 final dividend 31 cents per share (\$1,120 million).
- In 2022, the Group completed a \$3.5 billion off-market share buy-back of Westpac ordinary shares. Refer to Note 26 for further details.

STATEMENTS OF CHANGES IN EQUITY

for the years ended 30 September

Westpac Banking Corporation

Parent Entity \$m	Share capital (Note 26)	Reserves (Note 26)	Retained profits	Total equity attributable to owners of WBC
Balance as at 30 September 2021	40,937	2,148	19,714	62,799
Profit after income tax expense	-	-	12,178	12,178
Net other comprehensive income/(expense)	-	126	520	646
Total comprehensive income/(expense)	-	126	12,698	12,824
Transactions in capacity as equity holders				
Dividends on ordinary shares ¹	-	-	(4,337)	(4,337)
Other equity movements				
Off-market share buy-back (net of transaction costs) ²	(1,902)	-	(1,601)	(3,503)
Share-based payment arrangements	-	87	-	87
Purchase of shares	(33)	-	-	(33)
Net acquisition of treasury shares	(49)	-	-	(49)
Other	-	27	(32)	(5)
Total contributions and distributions	(1,984)	114	(5,970)	(7,840)
Balance as at 30 September 2022	38,953	2,388	26,442	67,783
Profit after income tax expense	-	-	6,434	6,434
Net other comprehensive income/(expense)	-	(819)	(131)	(950)
Total comprehensive income/(expense)	-	(819)	6,303	5,484
Transactions in capacity as equity holders				
Dividends on ordinary shares ¹	-	-	(4,696)	(4,696)
Dividend reinvestment plan	192	-	-	192
Other equity movements				
Share-based payment arrangements	-	90	-	90
Purchase of shares	(32)	-	-	(32)
Net acquisition of treasury shares	(47)	-	-	(47)
Other	-	-	-	-
Total contributions and distributions	113	90	(4,696)	(4,493)
Balance as at 30 September 2023	39,066	1,659	28,049	68,774

The above statements of changes in equity should be read in conjunction with the accompanying notes.

- Relates to fully franked dividends at 30%:
- 2023: 2023 interim dividend of 70 cents per share (\$2,456 million) and 2022 final dividend of 64 cents per share (\$2,240 million); and
- 2022: 2022 interim dividend of 61 cents per share (\$2,136 million) and 2021 final dividend of 60 cents per share (\$2,201 million).
- In 2022, the Group completed its \$3.5 billion off-market share buy-back of Westpac ordinary shares. Refer to Note 26 for further details.

CASH FLOW STATEMENTS

for the years ended 30 September

Westpac Banking Corporation

\$m	Note	2023	Consolidated 2022	2021	Parent Entity 2023	2022
Cash flows from operating activities						
Interest received		41,970	22,423	22,430	38,311	19,887
Interest paid		(22,654)	(5,091)	(5,677)	(22,634)	(5,488)
Dividends received excluding life business		1	4	4	1,051	1,569
Other non-interest income received		3,567	4,208	3,340	3,301	4,061
Operating expenses paid		(9,856)	(9,724)	(10,941)	(8,762)	(8,548)
Income tax paid excluding life business		(2,439)	(2,278)	(2,639)	(2,141)	(2,050)
Life business:						
Receipts from policyholders and customers		-	845	976	-	-
Interest and other items of similar nature		-	1	22	-	-
Dividends received		-	25	12	-	-
Payments to policyholders and suppliers		-	(619)	(1,168)	-	-
Income tax paid		-	(65)	(49)	-	-
Cash flows from operating activities before changes in operating assets and liabilities		10,589	9,729	6,310	9,126	9,431
Net (increase)/decrease in:						
Collateral paid		1,545	(1,524)	305	1,537	(1,658)
Trading securities and financial assets measured at FVIS		(4,524)	(3,750)	19,316	(4,162)	(3,890)
Derivative financial instruments		4,082	2,451	(2,420)	4,414	380
Loans		(27,270)	(36,345)	(15,098)	(25,080)	(32,696)
Other financial assets		128	279	(274)	94	(186)
Life insurance assets and liabilities		-	266	(593)	-	-
Other assets		8	20	6	11	37
Net increase/(decrease) in:						
Collateral received		(2,888)	3,643	93	(3,092)	3,744
Deposits and other borrowings		24,692	35,054	33,737	23,347	33,586
Other financial liabilities		(17,146)	7,120	9,036	(18,117)	5,939
Other liabilities		(12)	11	(8)	(3)	41
Net cash provided by/(used in) operating activities	35	(10,796)	16,954	50,410	(11,925)	14,728
Cash flows from investing activities						
Proceeds from investment securities		36,480	36,022	34,066	33,383	34,383
Purchase of investment securities		(33,753)	(34,076)	(28,840)	(29,406)	(31,179)
Net movement in amounts due to/from controlled entities		-	-	-	(625)	1,589
Proceeds from disposal of controlled entities and other businesses, net of cash disposed	35	293	2,115	1,272	-	1,013
Purchase of controlled entities		-	(14)	-	-	(14)
Net (increase)/decrease in investments in controlled entities		-	-	-	640	1,555
Proceeds from disposal of associates		-	-	45	-	-
Purchase of associates		(1)	-	(8)	-	-
Proceeds from disposal of property and equipment		72	25	62	71	14
Purchase of property and equipment		(238)	(166)	(234)	(165)	(129)
Purchase of intangible assets		(1,141)	(1,099)	(740)	(952)	(938)
Net cash provided by/(used in) investing activities		1,712	2,807	5,623	2,946	6,294
Cash flows from financing activities						
Proceeds from debt issues (net of issue costs)		70,974	73,309	46,799	62,992	58,657
Redemption of debt issues		(62,596)	(55,899)	(65,272)	(52,671)	(44,222)
Payments for the principal portion of lease liabilities		(401)	(427)	(507)	(358)	(401)
Issue of loan capital (net of issue costs)		3,453	6,527	7,628	2,894	6,007
Redemption of loan capital		(1,171)	(2,344)	(1,548)	(1,171)	(2,344)
Payment for off-market share buy-back		-	(3,503)	-	-	(3,503)
Proceeds from dividend reinvestment plan underwrite		-	-	719	-	-
Purchase of shares relating to share-based payment arrangements		(32)	(33)	(28)	(32)	(33)
Purchase of treasury shares (including RSP and EIP restricted shares)		(47)	(49)	(43)	(47)	(49)
Payment of dividends		(4,504)	(4,337)	(2,846)	(4,504)	(4,337)
Dividends paid to NCI		(21)	(5)	(2)	-	-
Net cash provided by/(used in) financing activities		5,655	13,239	(15,100)	7,103	9,775
Net increase/(decrease) in cash and balances with central banks		(3,429)	33,000	40,933	(1,876)	30,797
Effect of exchange rate changes on cash and balances with central banks		694	897	298	160	1,631
Net (increase)/decrease in cash and balances with central banks included in assets held for sale		-	7	(7)	-	-
Cash and balances with central banks as at beginning of year		105,257	71,353	30,129	95,182	62,754
Cash and balances with central banks as at end of year	35	102,522	105,257	71,353	93,466	95,182

The above cash flow statements should be read in conjunction with the accompanying notes.