

# PROFITABILITY

## Net Interest Income

### *Volumes by Division*

	Half Year to			Fav/(Unfav) Change on Sep 04	
	Mar 05 \$bn	Sep 04 \$bn	Mar 04 \$bn	%	Ex FX % <sup>(2)</sup>
<b>Average interest-earning assets<sup>(1)</sup></b>					
Australian Banking	150.1	142.9	135.5	5.0	5.0
UK Banking	54.5	57.2	51.4	(4.7)	(1.2)
New Zealand Banking	31.1	28.4	26.5	9.5	6.7
Institutional Markets & Services	139.8	133.0	126.7	5.1	7.3
Other <sup>(3)</sup>	(50.6)	(47.7)	(40.9)	(6.1)	(10.8)
<b>Group average interest-earning assets</b>	<b>324.9</b>	<b>313.8</b>	<b>299.2</b>	<b>3.5</b>	<b>4.1</b>

<sup>(1)</sup> Interest-earning assets include intercompany balances.

<sup>(2)</sup> Change expressed at constant foreign exchange rates.

<sup>(3)</sup> Other includes the Wealth Management regional operations, Group Funding, Corporate Centre and Inter-divisional eliminations.

## Total UK (Banking & Wealth Management) Ongoing Operations

### Key Performance Measures

	Half Year to			Fav/(Unfav) Change on	
	Mar 05	Sep 04	Mar 04	Sep 04 %	Mar 04 %
<b>Performance &amp; profitability</b>					
Return on average assets (annualised)	0.93%	0.79%	1.14%		
Cost to income ratio	63.8%	65.1%	60.7%		
Cash earnings per average FTE (annualised) (£'000)	21	19	24		
<b>Net interest income</b>					
Net interest margin	3.91%	3.98%	4.33%		
Net interest spread	3.53%	3.65%	4.09%		
<b>Average balance sheet (£bn)</b>					
Gross loans and acceptances	15.6	14.8	14.3	5.3	8.8
Interest-earning assets	17.1	16.7	15.9	2.4	7.5
Retail deposits	11.2	11.1	10.6	1.7	5.7

## Supplementary Performance Summary (includes ongoing and disposed operations - eg. includes the Irish Banks)

### Key Performance Measures

	Half Year to		
	Mar 05	Sep 04	Mar 04
<b>Performance &amp; profitability</b>			
Return on average assets (annualised)	0.85%	0.77%	0.99%
Cost to income ratio	66.1%	68.2%	63.9%
Cash earnings per average FTE (annualised) (£'000)	20	17	21
<b>Net interest income</b>			
Net interest margin	3.69%	3.84%	4.08%
Net interest spread	3.13%	3.38%	3.71%
<b>Average balance sheet (£bn)</b>			
Gross loans and acceptances	19.2	19.8	19.2
Interest-earning assets	22.3	22.5	21.5
Retail deposits	15.0	15.6	15.1