

CREDIT SUISSE **ASIAN INVESTMENT** **CONFERENCE**

24 March 2011

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National Australia Bank Limited ABN 12 004 044 937



Solid 2010 financial result

| \$m | Sep 10 Full year | Change on Sep 09 | Sep 10 Half year | Change on Mar 10 |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|
| Net interest income | 12,288 | 1.8% | 6,174 | 1.0% |
| Other operating income (incl MLC) | 4,350 | (10.0%) | 2,227 | 4.9% |
| Net operating income | 16,638 | (1.6%) | 8,401 | 2.0% |
| Operating expenses | (7,862) | (3.7%) | (4,001) | (3.6%) |
| Underlying profit | 8,776 | (5.9%) | 4,400 | 0.5% |
| B&DDs | (2,263) | 40.7% | (1,033) | 16.0% |
| Cash earnings | 4,581 | 19.3% | 2,388 | 8.9% |
| Cash ROE (%) | 13.2% | 140bps | 13.5% | 60bps |
| NIM (%) | 2.25% | 9bps | 2.24% | (2bps) |
| Tier 1 ratio | 8.91% | (5bps) | 8.91% | (18bps) |

1st quarter 2011 trading update summary

- ▶ Cash earnings \$1.3bn, up from 2H 2010 run rate
- ▶ Solid revenue growth
- ▶ Costs well managed
- ▶ B&DDs stabilised
- ▶ Asset quality trends slightly improved
- ▶ Maintain strong capital and liquidity position

Macro outlook still uncertain

Economic outlook

- ▶ Global economy improving – but still room for caution
- ▶ UK outlook remains subdued
- ▶ Australian economy solid but natural disasters will have an impact
- ▶ Credit growth below historical levels

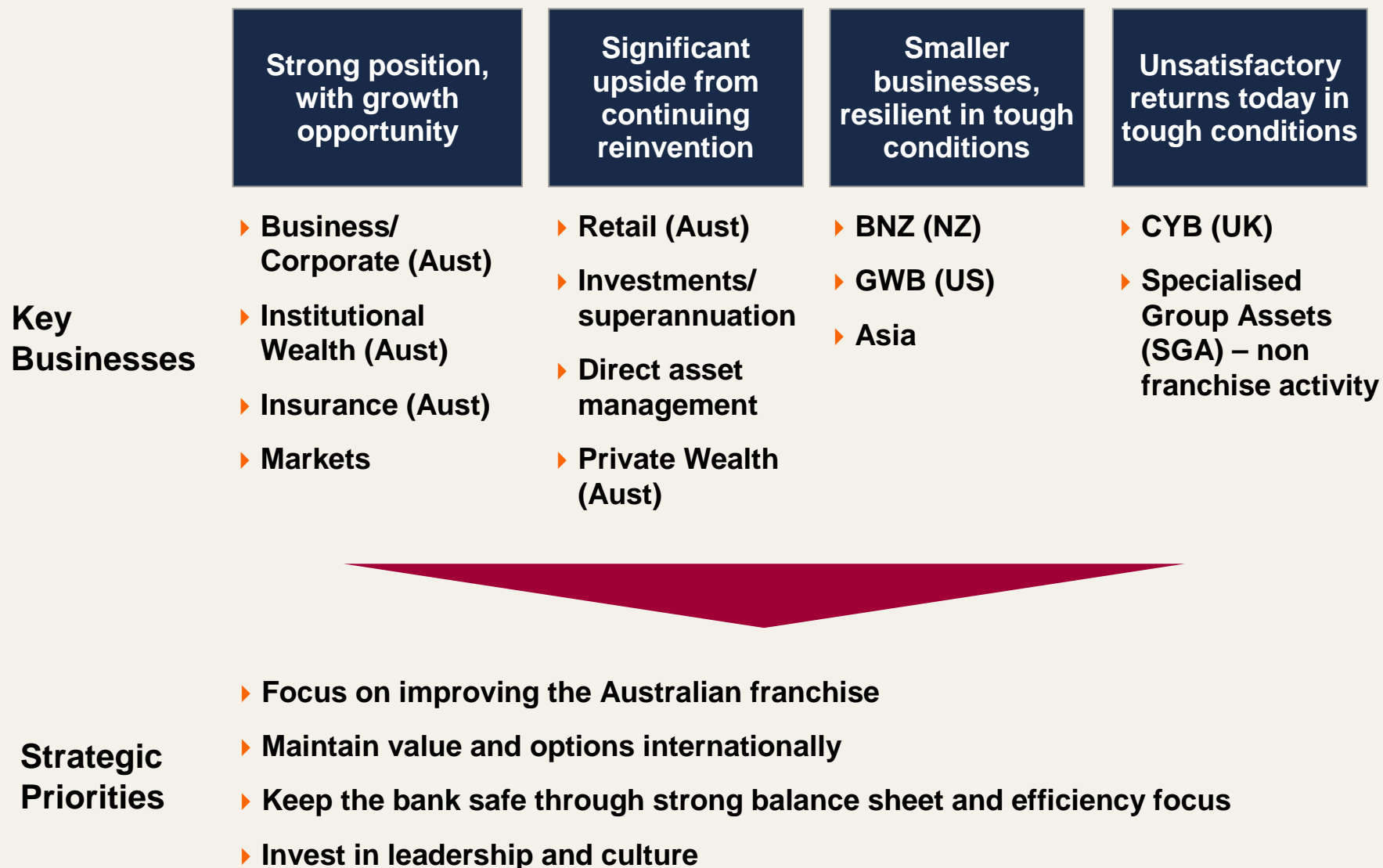
Banking regulation

- ▶ Better clarity on Basel 3 requirements
- ▶ Australian Government and regulators need to consider a wider range of alternatives

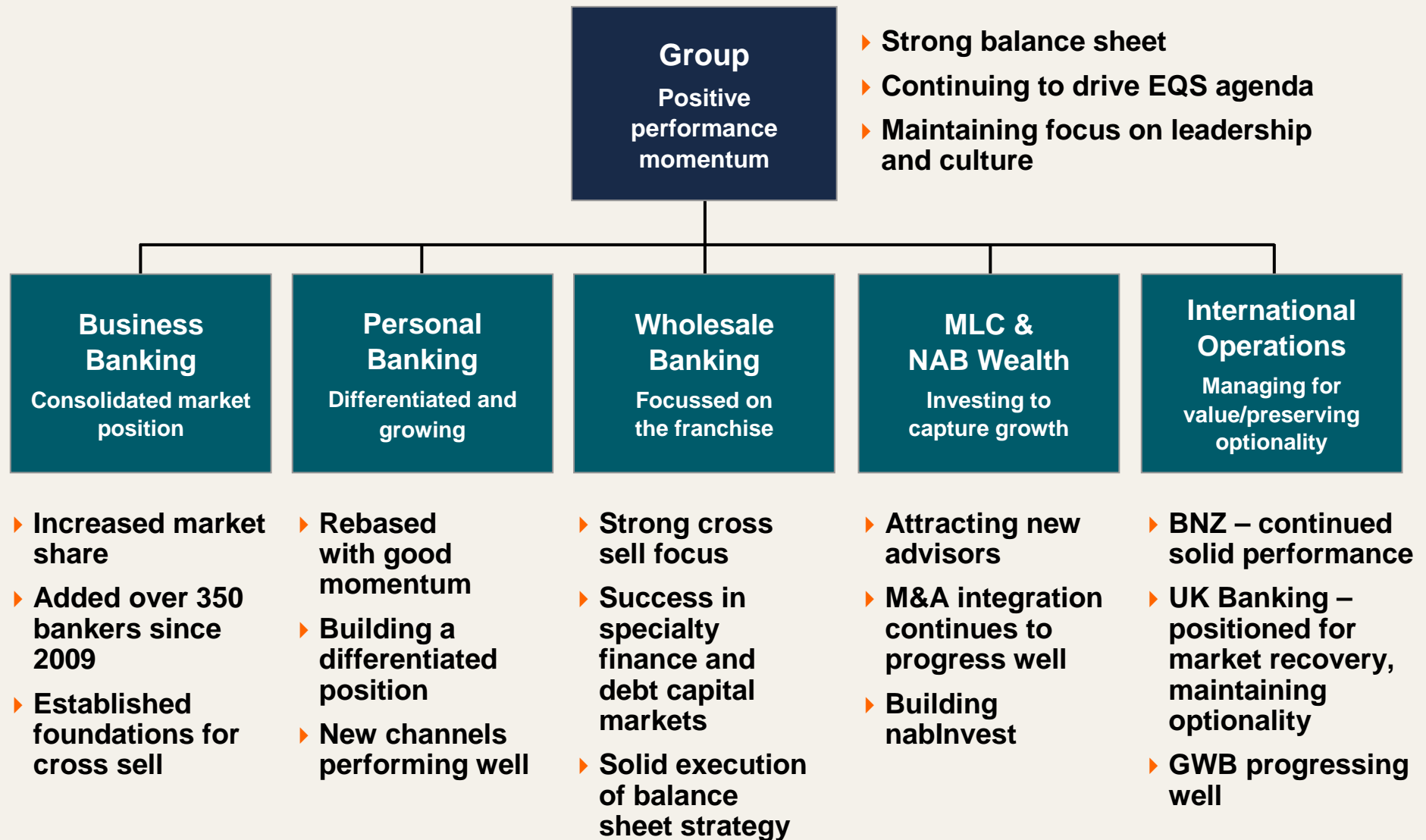
Political environment

- ▶ Ongoing political and consumer scrutiny
- ▶ NAB relatively well positioned

Recap of strategic priorities



Strong progress – well positioned for the future



Summary

- ▶ Improved financial performance
- ▶ Strong progress on portfolio
- ▶ Well positioned for the future

Questions

Disclaimer: This document is a presentation of general background information about the Group's activities current at the date of the presentation, 24 March 2011. It is information in a summary form and does not purport to be complete. It is to be read in conjunction with the National Australia Bank Limited Full Year Results filed with the Australian Securities Exchange on 27 October 2010 and the First Quarter Trading Update filed with the Australian Securities Exchange on 8 February 2011. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

This announcement contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "upside", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Group, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

Note: Information in this document is presented on a cash earnings basis.

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