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Westpac GROUP

ASX Release

Level 18, 275 Kent Street
Sydney, NSW, 2000

1 November 2021

Westpac 2021 Full Year Results email to shareholders

Westpac Banking Corporation ("Westpac") today provides the attached Westpac 2021 Full Year Results email to shareholders.

For further information:

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This document has been authorised for release by Tim Hartin, General Manager & Company Secretary.

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Westpac 2021 Full Year Results shareholder email



Full Year 2021 Financial Results Snapshot[1]

- Statutory net profit $5,458 million, up 138%
- Cash earnings $5,352 million, up 105%
- Cash earnings per share $1.46 cents, up 102%
- Excluding notable items[2], cash earnings $6,953 million, up 33%
- Fully franked final dividend 60 cents per share
- Return on equity 7.6% (excluding notable items[2] 9.8%)
- Common equity Tier 1 capital ratio 12.32%
- Off-market share buy-back of up to $3.5 billion

1 November 2021

Westpac announced a reported net profit of $5,458 million for Full Year 2021. Cash earnings, the Group's preferred measure of profits, were $5,352 million, up $2,744 million or 105%.

Westpac Group CEO, Mr Peter King, said "Despite another challenging period, cash earnings rose, the balance sheet remains strong, and I am pleased with our progress on making Westpac a simpler, stronger bank."

"We have improved growth in mortgages and have begun to see better momentum in our institutional and business portfolios. However, margins were down from low interest rates and the highly competitive environment. Expenses were also higher as we directed more resources to fixing our issues. The key drivers of the increase in earnings were lower notable items and a turnaround in impairment charges" he said.

"Asset quality remains strong and materially better than we first feared when the pandemic emerged. In 2020 we increased our provisions for a potential rise in stressed assets but because economic conditions have been more favourable, many of these provisions have not been required – this accounted for a $3.8 billion turnaround in impairment charges."

"Our underlying results are not where we want them to be, and we recognise we have more to do to become the high-performing company we aspire to be."

"However, we are making progress in changing how the bank is run, including improving our culture and risk management systems, streamlining decision-making processes through lines of business, and digitising our processes," he said.

A video interview with Mr King on today's results can be found here. A video interview with our Chief Financial Officer, Michael Rowland can be found here.

Result details

Full details of our Full Year 2021 results, including our Annual Report, Sustainability Supplement and our Results Presentation are available on our website. A webcast of the briefing by our Chief Executive Officer, Peter King, and Chief Financial Officer, Michael Rowland, is also on our Investor Centre and can be viewed live from 10am AEST today or on-demand afterwards.

Dividend

- 60 cents per ordinary share, fully franked final dividend
- To be paid on 21 December 2021 to shareholders on the register at the record date of 8 November 2021
- Dividend reinvestment plan (DRP) will apply
  - Shares issued under the DRP will be purchased on-market
  - no discount will be applied to the DRP market price, which will be determined over the 10 trading days commencing 11 November 2021
  - Shareholders, resident in and with addresses on the register in Australia or New Zealand, who wish to update their DRP election, must do so before 5.00pm (AEDT) on 9 November 2021

Further details around the DRP terms and conditions and updating your election can be found at our Investor Centre.

Off-Market Share Buy-back

Westpac's improved performance and progress on our strategic priorities, including the completion of a number of divestments, have contributed to a strong capital position, allowing us to announce an off-market share buy-back. The Board announced an off-market share buy-back of up to $3.5 billion worth of capital.

Details of the buy-back are in the buy-back booklet which will be released today. The booklet, and other buy-back information will be available at westpac.com.au/buyback. Shareholders eligible to participate will be notified separately.

2021 Annual Reporting Suite

Our 2021 annual reporting suite is now available. It includes our Annual Report, Sustainability Supplement, Corporate Governance Statement, Financial Results Announcement, Investor Discussion Pack and Pillar 3 Report.

The Annual Report contains a strategic review bringing together the key elements of our financial, non-financial and sustainability reporting, as well as the Group's audited financial statements and the Directors' Report.

Visit our 2021 Annual Reporting Suite website below to read the Chairman and CEO Reports and other disclosures:

westpac.com.au/2021annualreport

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2021 Annual General Meeting (AGM)

Notification of the AGM and associated details will be sent to you via a separate email if you have elected to receive this electronically. The AGM is being held on 15 December 2021.

Need more information

If you have any questions regarding your dividend or management of your shareholding, please contact Link either by email: Westpac@linkmarketservices.com.au or by telephone on +61 1800 804 255.

Yours sincerely,

Westpac Investor Relations

1. Full Year 2021 compared to Full Year 2020. Reported on a cash earnings basis unless otherwise stated. For a reconciliation of cash earnings to reported results, refer to Section 5, Note 8 of Westpac Group 2021 Full Year Financial Results. For an explanation of cash earnings, refer to Section 1.3.
2. References to notable items in this release include (after tax) provisions and costs related to the AUSTRAC proceedings; provisions for estimated customer refunds and repayments, associated costs and litigation; the write-down of assets; and the impact of asset sales and revaluations. Refer to Westpac Group 2021 Full Year Financial Results for detail.

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