









# Major Australian Banks

**A tale of two halves**  
Full Year 2023 Results Analysis

November 2023

# Full Year 2023 Results Snapshot

|                     |  |   |   |
|---------------------|--|---|---|
| REVENUE             | Operating income increased by 11.5% to                                     | Net interest income increased by 12.7% to               |    |
|                     | <b>↑ \$90.4 billion</b>  | <b>↑ \$74.8 billion</b>                                 |   |
| EARNINGS            | Cash profit after tax increased by 12.5% to                                | Average net interest margin increased by 8.8 bps to     |    |
|                     | <b>↑ \$32.5 billion</b>  | <b>↑ 186.5 bps</b>                                      |   |
| SHAREHOLDER RETURNS | Average return on equity <sup>1</sup> increased by 2.0% pts to             | Average dividend payout ratio increased by 0.90% pts to |   |
|                     | <b>↑ 12.6%</b>   | <b>↑ 70.5%</b>  |   |
| EXPENSES            | Average cost to income ratio decreased by 3.4% pts to                      | Technology expenses increased by 3.8% to                |  |
|                     | <b>↓ 46.3%</b>   | <b>↑ \$7.76 billion</b>                                 |   |
| ASSET QUALITY       | Average credit impairment provisions (as % of GLA) increased by 0.6 bps to | Total impaired loans increased by 6.8% to               |  |
|                     | <b>↑ 0.67%</b>   | <b>↑ \$7.4 billion</b>                                  |   |
| BALANCE SHEET       | Average CET1 capital ratio increased by 88 bps to                          | Deposit to loan ratio increased 4.6% pts to             |  |
|                     | <b>↑ 12.5%</b>   | <b>↑ 90.8%</b>  |   |
|                     | Lending assets increased by 4.6% to  | <b>↑ \$3.1 trillion</b>                                 |   |

\*Comparisons are to the 2022 financial year, unless otherwise stated and adjusted for restatements as applicable

<sup>1</sup> Includes notable items

# At a glance

|  | ANZ               |             | CBA <sup>1</sup> |              | NAB         |             | WBC                 |             |
|--|-------------------|-------------|------------------|--------------|-------------|-------------|---------------------|-------------|
|  | FY23              | FY22        | FY23             | FY22         | FY23        | FY22        | FY23                | FY22        |
| <b>Ranking</b>   |                   |             |                  |              |             |             |                     |             |
| By profit before tax   | 4                 | 2           | 1                | 1            | 2           | 3           | 3                   | 4           |
| By total assets  | 2                 | 2           | 1                | 1            | 3           | 3           | 4                   | 4           |
| By total equity  | 3                 | 3           | 2                | 1            | 4           | 4           | 1                   | 2           |
| By market capitalisation   | 3                 | 4           | 1                | 1            | 2           | 2           | 4                   | 3           |
| By CET 1 capital ratio   | 1                 | 1           | 4                | 3            | 3           | 2           | 2                   | 4           |
| <b>Financial Performance – P/L (continuing operations)</b>                 |                   |             |                  |              |             |             |                     |             |
| Total operating income – cash  | 20,893            | 18,547      | 27,237           | 24,689       | 20,654      | 18,296      | 21,645              | 19,606      |
| Profit before tax (\$ million) – statutory basis                           | 10,075            | 10,079      | 14,343           | 13,684       | 10,450      | 9,744       | 10,305              | 8,469       |
| Profit after tax from continuing operations (\$ million) – statutory basis | 7,126             | 7,139       | 10,188           | 9,673        | 7,470       | 7,060       | 7,201               | 5,699       |
| Cash profit after tax (\$ million)   | 7,433             | 6,516       | 10,164           | 9,595        | 7,736       | 7,104       | 7,195               | 5,694       |
| <b>Performance Measures – P/L (continuing operations)</b>                  |                   |             |                  |              |             |             |                     |             |
| Net interest margin – cash basis (basis points) <sup>3</sup>               | 170               | 163         | 207              | 190          | 174         | 165         | 195                 | 193         |
| Cost to income ratio – cash basis (%) <sup>3</sup>                         | 48.5              | 52.0        | 43.5             | 46.3         | 43.7        | 45.2        | 49.4                | 55.1        |
| Basic earnings per share – statutory basis (cents)                         | 236.8             | 250.0       | 603.0            | 561.7        | 236.4       | 214.1       | 205.3               | 159.9       |
| Basic earnings per share – cash basis (cents) <sup>3</sup>                 | 247.1             | 228.8       | 601.5            | 557.1        | 246.5       | 220.7       | Refer to footnote 3 |             |
| Return on average equity (%) – cash basis <sup>3</sup>                     | 10.5              | 11.4        | 14.1             | 12.8         | 12.3        | 11.3        | 10.1                | 8.1         |
| <b>Credit Quality Measures</b>   |                   |             |                  |              |             |             |                     |             |
| Impairment charge / (benefit) (\$ million) (statutory basis)               | 245               | (232)       | 1,108            | (357)        | 816         | 124         | 648                 | 335         |
| Impaired loans to loans and advances to customers (%) – B/S                | 0.21              | 0.21        | 0.36             | 0.33         | 0.18        | 0.15        | 0.17                | 0.20        |
| Collective provision to credit RWA (%) – B/S                               | 1.16              | 1.07        | 1.39             | 1.14         | 1.47        | 1.31        | 1.35                | 1.15        |
| <b>Financial Position</b>  |                   |             |                  |              |             |             |                     |             |
| Total assets (\$ million)  | 1,105,620         | 1,085,729   | 1,252,845        | 1,215,260    | 1,059,083   | 1,055,126   | 1,029,774           | 1,014,198   |
| Total equity (\$ million)  | 70,046            | 66,401      | 72,005           | 72,838       | 61,503      | 59,032      | 72,539              | 70,509      |
| <b>Capital Measures</b>  |                   |             |                  |              |             |             |                     |             |
| Capital Adequacy Ratios (%) –  |                   |             |                  |              |             |             |                     |             |
| Total  | 21.0              | 18.2        | 20.0             | 17.6         | 19.9        | 18.2        | 20.5                | 18.4        |
| Tier 1   | 15.2              | 14.0        | 14.5             | 13.6         | 14.2        | 13.1        | 14.6                | 13.4        |
| – Common Equity Tier 1   | 13.3 <sup>4</sup> | 12.3        | 12.2             | 11.5         | 12.2        | 11.5        | 12.4                | 11.3        |
| <b>Market capitalisation (\$ billion)<sup>2</sup></b>                      | <b>77.1</b>       | <b>68.1</b> | <b>168.0</b>     | <b>153.6</b> | <b>91.0</b> | <b>90.9</b> | <b>74.2</b>         | <b>72.3</b> |

<sup>1</sup> CBA reported as at 30 June 2023. All other majors reported as at 30 September 2023.

<sup>2</sup> Market capitalisation as at the respective reporting date of each Major bank.

<sup>3</sup> During the reporting period Westpac did not present cash basis results. For certain cash basis results on this page we have used Westpac's statutory basis results.

<sup>4</sup> ANZ CET1 ratio is only that of the Bank Group and not of the consolidated entity for FY23.

# Contact us

## Steve Jackson

**National Sector Lead, Banking & Capital Markets**

+61 437 876 824

[sjackson2@kpmg.com.au](mailto:sjackson2@kpmg.com.au)

## Maria Trinci

**Partner, Banking Audit & Assurance**

+61 3 9838 4038

[mtrinci@kpmg.com.au](mailto:mtrinci@kpmg.com.au)

## Kim Lawry

**Partner, Banking Audit & Assurance**

+ 61 409 787 630

[kimlawry@kpmg.com.au](mailto:kimlawry@kpmg.com.au)

**KPMG.com.au**



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