St.George Bank Limited

ABN 92 055 513 070

GROUP FINANCIAL RESULTS

AND

DIVIDEND ANNOUNCEMENT

for the year ended

30 September 2002

Released
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Available on our Internet site at www.stgeorge.com.au

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1 Financial Summary

1.1 Results at a Glance

Financial Performance

- Profit after tax and before significant items was $505 million (30 September 2001: $376 million), an increase of 34.3%.
- Profit available to ordinary shareholders was $369 million (30 September 2001: $336 million), an increase of 9.8%.
- Net-interest income increased by 7.9% to $1,333 million, with an interest margin of 2.80%, up from 2.76% last year.
- Non-interest income before significant items was $834 million (30 September 2001: $682 million), an increase of 22.3%.
- Operating expenses before goodwill and significant items increased by 10.5% to $1,135 million, with an expense to income ratio of 52.4%, down from 53.6% last year.
- Basic earnings per ordinary share before significant items and goodwill amortisation increased to 124.7 cents (30 September 2001: 101.6 cents), an increase of 22.7%.
- Return on average ordinary equity before significant items and goodwill amortisation increased to 19.57% (30 September 2001: 16.56%).

Financial Position

- Total assets were $55.0 billion (30 September 2001: $52.1 billion), an increase of 5.7%.
- Lending assets (both on and off-balance sheet) were $50.2 billion (30 September 2001: $45.9 billion), an increase of 9.2%.
- Residential receivables (including securitisation) were $36.2 billion (30 September 2001: $33.3 billion), an increase of 8.6%.
- Commercial loans (including securitisation, bill acceptances and trading securities bills) were $11.9 billion (30 September 2001: $10.6 billion), an increase of 12.4%.
- Consumer receivables were $3.1 billion (30 September 2001: $2.4 billion), an increase of 30.2%.
- Retail funding was $29.7 billion (30 September 2001: $26.2 billion), an increase of 13.3%.

Dividends

- A higher final ordinary dividend of 42 cents per ordinary share, fully franked (30 September 2001: 34 cents) has been declared by the Board. This brings the total dividend to 80 cents, an increase of 23.1%.
- The Dividend Reinvestment Plan will operate for the final dividend with no discount.

Other

- Managed funds stood at $17.4 billion (30 September 2001: $15.4 billion), an increase of 13.4%. SEALCORP grew 12.3% to $12.4 billion.
- Net non-accrual loans as a percentage of net receivables decreased from 0.12% at 30 September 2001 to 0.09% at 30 September 2002.

1.2 Group Highlights

The financial information provided in this statement of financial results and dividend announcement relates to the operations of St.George Bank Limited and its controlled entities (the Group) for the year ended 30 September 2002. The Group's financial results have been subject to an independent audit by the Group's external auditors, KPMG. Comparative information has been reclassified where necessary to enhance comparability.

		----Six months to----		---Twelve months to---	
		Sept 2002	March 2002	**Sept 2002**	Sept 2001
TOTAL ON BALANCE SHEET ASSETS	$m	55,004	52,577	**55,004**	52,056
SECURITISED RECEIVABLES	$m	5,729	6,065	**5,729**	5,070
OPERATING PROFIT					
Before preference dividends and:					
- after income tax, OEI (1) and before goodwill and significant items	$m	343	330	**673**	544
- after income tax, OEI, goodwill and before significant items	$m	289	274	**563**	445
- after income tax, OEI, goodwill and significant items	$m	240	187	**427**	405
After preference dividends and:					
- after income tax, OEI and before goodwill and significant items	$m	315	300	**615**	475
- after income tax, OEI, goodwill and before significant items	$m	261	244	**505**	376
- after income tax, OEI, goodwill and significant items (available to ordinary shareholders)	$m	212	157	**369**	336
UNDERLYING PROFIT	$m	531	500	**1,031**	887
RETURN ON AVERAGE ASSETS (Annualised)					
- after income tax, OEI and before goodwill, significant items and preference dividends		1.27%	1.25%	**1.26%**	1.09%
- after income tax, OEI, goodwill and significant items and before preference dividends		0.89%	0.71%	**0.80%**	0.81%
RETURN ON AVERAGE RISK WEIGHTED ASSETS (Annualised)					
- after income tax, OEI and before goodwill, significant items and preference dividends		2.17%	2.18%	**2.17%**	1.90%
- after income tax, OEI, goodwill and significant items and before preference dividends		1.52%	1.23%	**1.38%**	1.42%
RETURN ON AVERAGE ORDINARY EQUITY (Annualised)					
- after income tax, OEI, preference dividends and before goodwill and significant items		19.84%	19.33%	**19.57%**	16.56%
- after income tax, OEI, preference dividends, goodwill and before significant items		16.44%	15.73%	**16.07%**	13.11%
- after income tax, OEI, preference dividends, goodwill and significant items		13.35%	10.12%	**11.74%**	11.71%
EXPENSES AS % AVERAGE ASSETS - (excluding goodwill and significant items)		2.14%	2.12%	**2.13%**	2.07%
EXPENSE / INCOME RATIO - (excluding goodwill and significant items)		52.1%	52.7%	**52.4%**	53.6%
INTEREST MARGIN		2.82%	2.77%	**2.80%**	2.76%
ORDINARY DIVIDEND (Fully franked)	Cents	42.0	38.0	**80.0**	65.0
EARNINGS PER ORDINARY SHARE (Annualised)					
Basic					
- before goodwill and significant items	Cents	126.9	122.4	**124.7**	101.6
- after goodwill and significant items	Cents	85.3	64.0	**74.8**	71.9
Diluted					
- before goodwill and significant items	Cents	126.2	122.0	**124.1**	101.4
- after goodwill and significant items	Cents	86.1	65.6	**76.0**	72.4
NET TANGIBLE ASSETS PER ORDINARY SHARE	$	3.68	3.40	**3.68**	3.28
CAPITAL ADEQUACY RATIO		10.8%	10.8%	**10.8%**	11.1%

(1) OEI refers to Outside Equity Interests in controlled entities.

1.2 Group Highlights (cont…)

Net Interest Income

- Net interest income for the year was $1,333 million (30 September 2001: $1,235 million), an increase of 7.9%. The increase is due to growth in average interest earning assets by 6.5% since September 2001 and the improvement in the net interest margin to 2.80% from 2.76% last year.

Non-Interest Income

- Non-interest income (excluding significant items) was $834 million (30 September 2001: $682 million), an increase of 22.3%. Non-interest income now accounts for 38.5% of total income (30 September 2001: 35.6%). Non-interest income growth was achieved from fee initiatives introduced last year through the Best Bank Redesign, increased financial markets income, growth in securitisation and managed funds income.
- Managed funds have continued their solid growth to $17.4 billion at 30 September 2002 (30 September 2001: $15.4 billion), an increase of 13.4%.

Operating Expenses

- The expense to income ratio, before goodwill amortisation and significant items, decreased to 52.4% (30 September 2001: 53.6%) due to efficiency gains and non-interest income initiatives introduced through the Best Bank Redesign together with growth achieved in average interest earning assets.
- Operating expenses before goodwill and significant items were $1,135 million for the current year (30 September 2001: $1,027 million), an increase of 10.5%. The increase is partly due to the acquisition of WealthPoint in November 2001, with eleven months of WealthPoint's operating expenses totalling $28 million included in the current year result. Further factors contributing to the increase were business volume growth in electronic banking transactions, additional deferred expenditure amortisation arising from Best Bank Redesign computer enhancements and a rise in occupancy costs following the sale and lease-back of a number of premises.

Income Tax

- Income tax expense (before significant items) increased by $5 million to $270 million this year. From 1 October 2001, the corporate income tax rate reduced to 30% from 34%.

Shareholder Returns

- Return on average ordinary equity before goodwill and significant items increased to 19.57% (30 September 2001: 16.56%).
- Basic earnings per ordinary share before goodwill and significant items increased to 124.7 cents (30 September 2001: 101.6 cents).
- The Board has declared a final ordinary dividend of 42 cents per ordinary share, payable on 13 December 2002. This dividend will be fully franked at 30%.

1.2 Group Highlights (cont…)

Capital Management

The Group's capital position remains strong with Tier 1 capital at 7.5% and Tier 2 at 3.4%. During the year the following initiatives were undertaken:

- Completion of $1.8 billion securitisation of residential loan receivables through the Crusade Programme in March 2002
- Completion of $750 million securitisation of residential loan receivables through the Crusade Programme in September 2002.
- Completion of $200 million subordinated debt raising in February 2002.
- Completion of $100 million subordinated debt raising in September 2002.
- 11.9 million shares issued under the Bank's Dividend Reinvestment Plan (DRP) during the year raising $204 million of capital.

The DRP will operate for the final dividend with no discount.

Given the strong level of internal capital generation, it is expected that there will be the potential for some share buy back activity during the year ending 30 September 2003.

Assets and Asset Quality

- Lending assets (on and off-balance sheet) were $50.2 billion (30 September 2001: $45.9 billion), an increase of 9.2%.
- Bad and doubtful debts expense for the year ended 30 September 2002 rose by $10 million to $87 million (30 September 2001: $77 million) due to an increase in the general provision for doubtful debts.
- The combination of the tax effected balance of unearned income on mortgage insurance premiums of $16 million with the general provision of $152 million is $6 million above the accepted industry level of 0.50% of risk-weighted assets.

Residential Lending

- On and off balance sheet residential loans grew 8.6% over the twelve months to 30 September 2002, from $33.3 billion to $36.2 billion. Market share has been trending downwards over the year. It is expected that market share will stabilise over the next year by improving loan officer productivity, introducing new customer retention initiatives and more effectively utilising the third party broker market.
- St.George through its Portfolio loan maintains a leading market position for home equity loan approvals.

Retail Funding

- At 30 September 2002 retail deposits were $29.7 billion, an increase of 13.3% from 30 September 2001, reflecting strong growth in dragondirect balances and Portfolio Cash Management Account.

Managed Funds

- Solid growth in managed funds, increasing by 13.4% to $17.4 billion over the year (30 September 2001: $15.4 billion).

2 Business Summary

2.1 Strategy

2.1.1 Strategic Overview

The Bank's strategic vision is that:

"Customers value St.George as the best partner to manage their finances and build wealth"

Building upon its vision, St.George's six business goals are:

- Deepen and strengthen relationships with customers in its chosen markets
- Leverage specialist capabilities for growth
- Creatively differentiate on customer service
- Accelerate and empower relationship-based selling
- Optimise cost structure
- Build team and performance culture

The Even Better Bank (EBB) program which was completed during the year will facilitate the delivery of St.George's business goals by focussing initially on the following priorities:

1. New Business Model and Integrated Sales and Service

As part of the review, St.George has restructured its business around its distinct customer segments to enhance customer service and cross-sell opportunities. A fully integrated sales and service system is also being developed and will reflect the shift from product-based silos to the new customer led model. Implementation will be supported with training and coaching to build sales and service competencies. It will also include appropriate measures and rewards. Implementation of this new business model is well underway.

2. Wealth Management

Wealth Management has also been identified as a priority. Currently, less than 2% of St.George customers utilise the Group's wealth products compared to 6% for some of its competitors. Among the Group's Gold customers less than 5% hold its wealth products. A number of actions are underway including improving data mining capabilities, a focus on leads-management and lifting the productivity and skills of the internal sales channels. From 1 October 2002, the Gold Segment has been migrated to the Wealth Management Division to better align our Wealth Management focus.

SEALCORP, which has an established track record and affinity with the adviser network that is unique amongst the major banks, will be leveraged both within the existing St.George customer base and externally.

3. Home Loans

The management, retention and growth of the home loans book is a key priority. In recent years, the Group has experienced a decline in its home loan market share in the "owner-occupied" segment. It is intended to arrest this decline (2003) and reverse it (2004 and 2005). The focus will be on retention, lender productivity, sales management and broadening the appeal to the broker channel. New mobile lenders will also be introduced in Queensland and Victoria.

2.1 Strategy (cont…)

4. Middle Market

In the area of Middle Market, the priority will be on enhancing capability around specific industry segments, refining the relationship model to increase business development resources and selectively expanding the geographic footprint. St.George currently enjoys a noticeable customer satisfaction advantage over the major banks.

5. Brand

St.George has commenced a Brand review that will be completed by December 2002. The focus of the Group will be to build on the current strong Brand attributes of community orientation and customer service. The Group is committed to maintaining its current positive service differential over the majors.

6. Productivity Management

As a result of the recent review, savings of $60 million pre-tax in 2003, increasing to $80 million in 2004 and subsequent years will be achieved. This is expected to restrict percentage expense growth in 2003 to low single digits after appropriate re-investment to fund growth initiatives.

Cost savings include reductions in middle management, rationalisation of IT expenditure, improved procurement practices and a range of other initiatives.

Overall, there will be 390 positions made redundant across the Group, of which a significant percentage has already occurred. No customer-facing staff are affected. Over 2003 and 2004, some additional staff will be employed to support the customer led growth initiatives.

2.1.2 Team Agenda for Full Year 2003

The focus of the Bank over the next year is to:

- maintain momentum in core businesses;
- execute the six first phase priorities as noted in the Strategic Overview;
- re-engineer core business and back office processes to improve efficiency and service;
- design and develop the Wealth Management strategy; and
- develop strategies to further augment growth.

2.2 Achievements

2.2.1 Executive Leadership

Four new Group Executives were appointed during the year - Mr Andrew Thorburn as Group Executive-Personal Customers, Mr Peter Clare, Group Executive-Strategy, Mr Paul Fegan, Group Executive-Wealth Management and Mr Rob Chapman, Managing Director-BankSA.

Group Executives who left the Bank during the year were Mr Bill Ott, Group Executive-Personal and Small Business Banking and Mr Richard Cawsey, Group Executive-Investment Services. Mr Lou Morris retired as Managing Director-BankSA during the year.

The new Group Executives bring extensive experience to the team to complement the other executives who have a solid track record with St.George.

2.2 Achievements (cont…)

2.2.2 Credit Quality

St.George continues to maintain excellent asset quality. Bad debts as a percentage of average assets stand at 0.16%. Net non-accrual loans as a percentage of net loans and receivables is 0.09%. Past due loans have fallen to $116 million at 30 September 2002 from $131 million at 30 September 2001.

In May 2002, Moody's Investors Service upgraded St.George's long-term deposit and senior debt ratings to A2 from A3 and short-term deposit and debt ratings to Prime-1 from Prime-2. St.George's financial strength rating was raised to C+ from C.

Moody's cited a number of factors that had an influence on the upgrade, including St.George's "positive franchise development, maintenance of a generally low risk profile and prospects for efficiency gains".

During the year, Fitch Ratings upgraded St.George Insurance Pte Limited (SGI – a wholly owned captive lender's mortgage insurer of St.George) from A+ to AA-. The ratings upgrade reflects the financial health of St.George and prudent reinsurance arrangements of SGI.

2.2.3 St.George Equity Finance Limited

On 22 October 2001, the Group acquired 100% of Deutsche Equity Lending Australia Limited (now St.George Equity Finance Limited) and Deutsche ML Nominees Limited (now Target Nominees Limited). Goodwill on acquisition totalled $9 million and is being amortised over a ten year period. The acquisitions contributed to the growth in the Group's margin lending portfolio during the year. At 30 September 2002, the total portfolio stood at $813 million. In August 2002, St.George's margin lending product was given a five star rating by independent research group CANNEX. The five star rating is recognition of many product features and enhancements that have been added over the last year. These include provision of internet access, which enables financial planners and stockbrokers to access their client's margin lending details online.

2.3 WealthPoint Group

On 5 November 2001, WealthPoint Limited became a wholly owned subsidiary. The consideration paid for 52 million shares and 10 million options that the Group did not already hold was $34 million after including related acquisition costs.

Goodwill on acquisition totalled $139 million. Following a strategic review of the Wealth Management Division, $72 million of goodwill was written off at 31 March 2002.

WealthPoint non-core businesses were disposed of during the year. These businesses were Falkiners Stockbroking, Bourse Education, Hotcopper, and Bourse Data. The Assirt Software businesses that support SEALCORP have been fully integrated into SEALCORP to eliminate duplication of effort and resources.

2.4 Future Prospects

As for most businesses, there is considerable uncertainty about the economic environment in the year ahead. In particular, fluctuations in equity markets and geopolitical instability are causing concerns worldwide. The recent drought has also impacted the Australian farm sector and is expected to weigh on economic growth next year.

The global growth outlook is generally listless, with the US economy showing tepid signs of an upturn, the Japanese economy still under performing and the German economy showing renewed signs of weakness. Globally, manufacturing activity, which appeared to have turned the corner, has now begun contracting again. However, manufacturing in the Asian region, the emerging bright spot, excluding Japan, appears to be on an upward trend. Historically low interest rates and stimulatory fiscal policy in most countries should be supportive of global growth over the coming year.

While the US economic recovery is the biggest risk, the domestic outlook, however, remains positive. Australia maintains one of the highest rates of growth of any developed nation and appears well positioned to continue its strong performance. The retail sector has had a strong performance, business investment is expected to rise in 2003, and corporate earnings have remained relatively solid. If interest rates remain low, the economy is expected to perform well in the medium term. Unemployment is expected to remain around 6%.

Low interest rates have also been driving growth in the housing sector. It is anticipated that there will be a softening in this market in 2003 with growth in the order of 8-10 per cent, rather than the double digits experienced over the past year. St.George has a number of plans in place to achieve residential lending growth in 2003 that is in line with the market. These plans include a stronger focus on retention of existing balances. The Bank is not concerned about residential lending credit quality because its portfolio and lending policies are conservative.

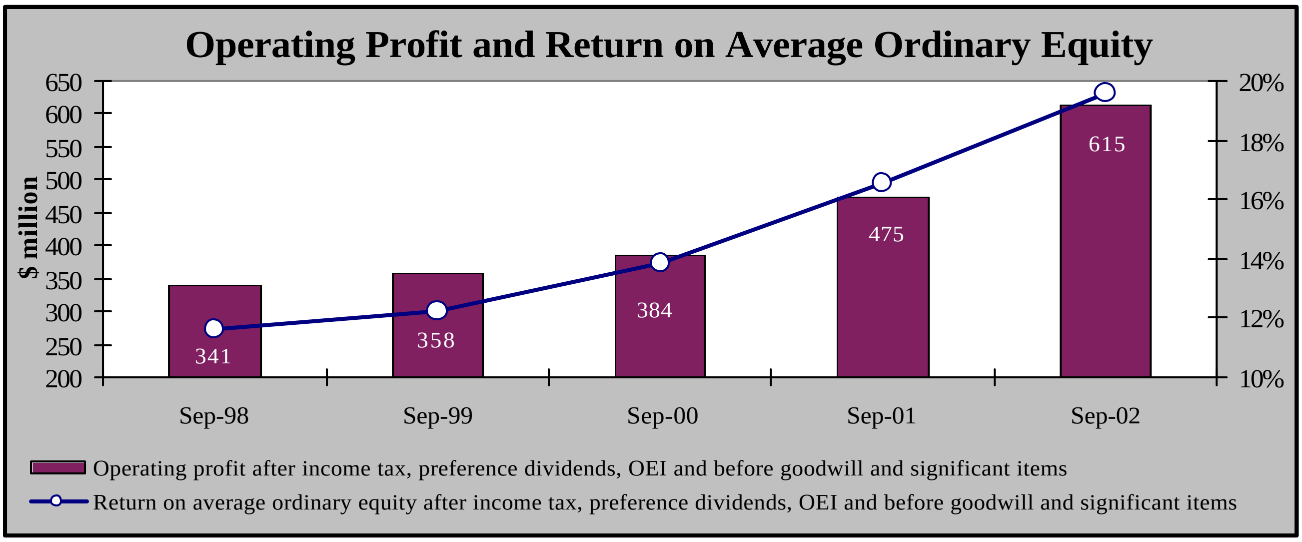
It is expected that the business lending market will grow by 6-7% in 2003. St.George anticipates that it can continue to grow faster than the total system in middle market relationship banking. This confidence is based on a successful model which has a strong focus on the most valuable Key Account Relationship segment.

In terms of specific indicators, St.George is targeting 10 percent earnings per share growth in 2003 and continuing double-digit growth in 2004 and 2005. The Bank has a target of reducing the cost to income ratio to below 50 per cent in 2004.

3 Financial Analysis

3.1 Group Performance Summary

	-------Six months to-------		----Twelve months to----	
	Sept 2002 $'m	March 2002 $'m	**Sept 2002 $'m**	Sept 2001 $'m
Interest income	1,571	1,493	**3,064**	3,311
Interest expense	886	845	**1,731**	2,076
Net interest income	685	648	**1,333**	1,235
Non-interest income	423	411	**834**	682
Significant items	18	-	**18**	8
Total non-interest income	441	411	**852**	690
Bad and doubtful debts expense	53	34	**87**	77
Operating expenses	631	614	**1,245**	1,126
Significant items	90	94	**184**	58
Total operating expenses	721	708	**1,429**	1,184
Share of net loss of equity accounted associates	-	1	**1**	3
OPERATING PROFIT BEFORE INCOME TAX	352	316	**668**	661
Income tax expense	135	135	**270**	265
Income tax benefit on significant items	(23)	(7)	**(30)**	(10)
Total income tax expense	112	128	**240**	255
OPERATING PROFIT AFTER INCOME TAX	240	188	**428**	406
Outside equity interests (OEI)	-	1	**1**	1
OPERATING PROFIT AFTER INCOME TAX AND OEI	240	187	**427**	405
Preference dividends:				
- Converting Preference Shares (CPS)	-	-	**-**	16
- Depositary Capital Securities (DCS)	19	20	**39**	41
- Preferred Resetting Yield Marketable Equity Securities (PRYMES)	9	10	**19**	12
	28	30	**58**	69
PROFIT AVAILABLE TO ORDINARY SHAREHOLDERS	212	157	**369**	336



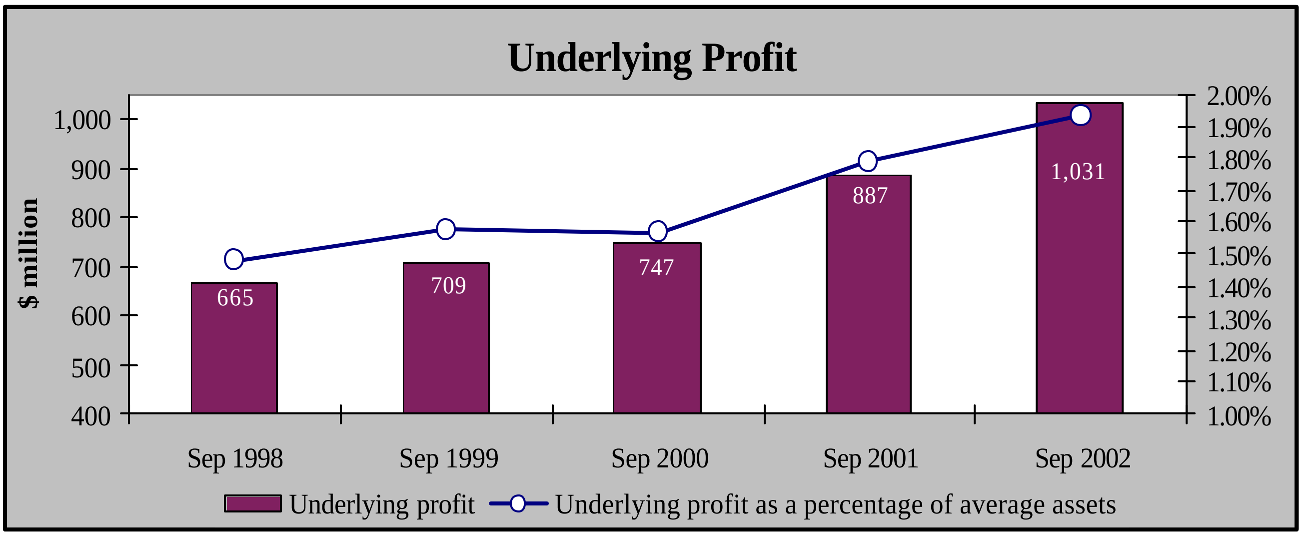
3.1.1 Underlying Profit

The underlying profit for the Group increased 16.2% to $1,031 million compared to 30 September 2001.

	------- Six months to --------		------ Twelve months to ------	
	Sept 2002 $'m	March 2002 $'m	**Sept 2002 $'m**	Sept 2001 $'m
Operating profit after income tax and outside equity interests	240	187	**427**	405
Add: Outside equity interests	-	1	**1**	1
Operating profit after income tax	240	188	**428**	406
Add:				
Income tax expense	135	135	**270**	265
Net loss on significant items	49	87	**136**	40
Charge for bad and doubtful debts	53	34	**87**	77
Goodwill amortisation	54	56	**110**	99
Underlying Profit	531	500	**1,031**	887
Underlying Profit as a percentage of average assets (annualised)	1.97%	1.90%	**1.93%**	1.78%

Factors driving the growth in underlying profit during the year were:

- growth in managed funds;
- full financial benefit of Best Bank non-interest income and cost efficiency initiatives;
- growth in average interest earning assets;
- strong financial markets income result;
- growth in business volumes; and
- improved interest margin.



3.1.2 Significant items

Individually significant items according to AASB 1018 are revenues and expenses of such a size, nature or incidence that their disclosure is relevant in explaining the financial performance of the Group.

	------- Six months to --------		------ Twelve months to ------	
	Sept 2002 $'m	March 2002 $'m	**Sept 2002 $'m**	Sept 2001 $'m
Non-interest income				
Non-interest income before significant items	423	411	**834**	682
Significant items				
- Profit on sale of shares [(i)]	18	-	**18**	-
- Write back of excess provisions	-	-	-	8
	18	-	**18**	8
Total non-interest income	441	411	**852**	690
Operating expenses				
Operating expenses after goodwill and before significant items	631	614	**1,245**	1,126
Significant items				
- Write-down of investments [(ii)]	-	22	**22**	30
- Goodwill write-off [(iii)]	-	72	**72**	-
- Restructure costs [(iv)]	30	-	**30**	-
- Write off of deferred expenditure balances [(v)]	60	-	**60**	-
- Write-down of investment in WealthPoint Limited	-	-	-	22
- Write-down of investment in SMS Management and Technology Limited	-	-	-	6
	90	94	**184**	58
Total operating expenses	721	708	**1,429**	1,184
Income tax expense				
Income tax expense before significant items:	135	135	**270**	265
Significant items				
- Income tax expense on profit on sale of shares	4	-	**4**	-
- Income tax benefit on write-down of investments	-	(7)	**(7)**	(10)
- Income tax benefit on restructure costs	(9)	-	**(9)**	-
- Income tax benefit on deferred expenditure balances write-off	(18)	-	**(18)**	-
- Income tax expense on write-back of excess provisions	-	-	-	2
- Income tax benefit on write-down of SMS Management and Technology Limited	-	-	-	(2)
	(23)	(7)	**(30)**	(10)
Total income tax expense	112	128	**240**	255
Summary of significant items				
Total pre-tax loss from significant items	(72)	(94)	**(166)**	(50)
Less: Total tax benefit attributable to significant items	(23)	(7)	**(30)**	(10)
Net loss from significant items	(49)	(87)	**(136)**	(40)

(i) Profit on sale of shares

In September 2002, the Bank entered into an agreement to sell 16,850,145 shares it held in Cashcard Australia Limited. A profit of $18 million ($14 million after tax) was recognised in respect of this transaction.

(ii) Write-down of Investments

Investments have been written down by $22 million ($15 million after tax) at 31 March 2002, reflecting a downward revision of their future anticipated revenues.

3.1.2 Significant items (cont…)

(iii) WealthPoint Goodwill Written-Off

A strategic review of the Wealth Management Division was conducted during the year. As a result of the strategic review and the reassessment of the future benefits associated with ongoing WealthPoint businesses, an additional $72 million of goodwill has been written-off at 31 March 2002.

(iv) Restructure costs

As a result of the Even Better Bank (EBB) project, the Group recognised a restructuring charge of $30 million ($21 million after tax) at 30 September 2002. The restructuring charge includes staff redundancy payments, outplacement services and costs associated with properties no longer required.

(v) Write-off of deferred expenditure

The deferred expenditure write-off of $60 million ($42 million after tax) has resulted from a detailed review of both completed projects and projects under development. The write-off comprises the following:

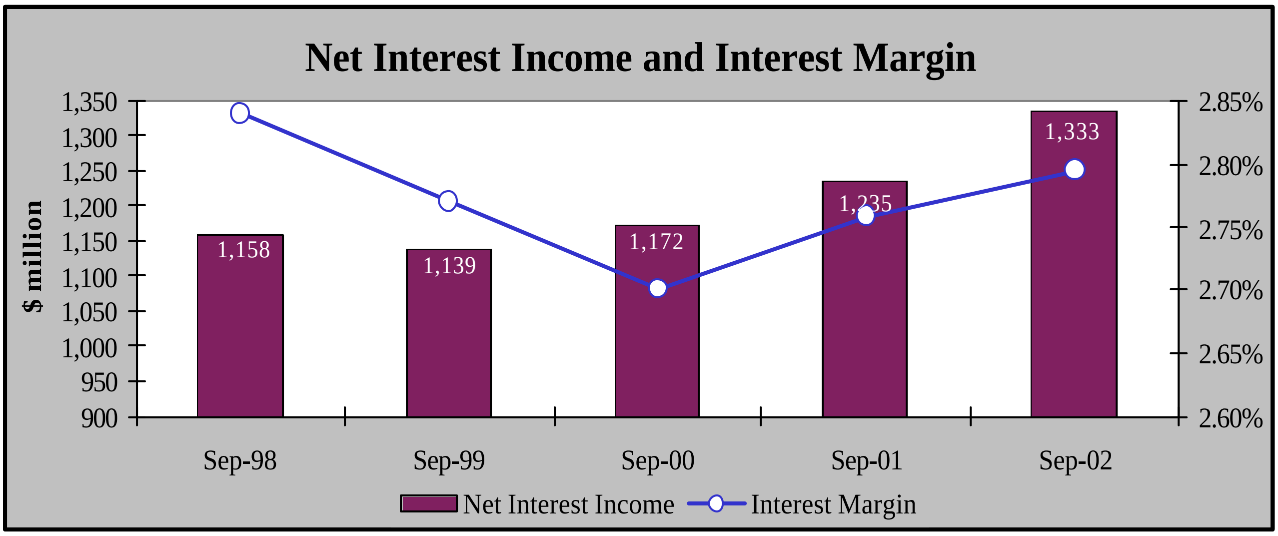
- $31 million due to a reduction in expected future benefits, including certain specific elements of the St. George/Advance Bank core computer systems integration, a component of the work done on the Bank's new front end lending platform and certain projects cancelled as a direct result of EBB.
- $19 million resulting from the refinement of the Group's capitalisation policy which now involves expensing all development costs below $200,000 and all project support costs.
- $10 million due to certain system developments having superseded functionality and revisions to their estimated useful life.

3.1.3 Net Interest Income

Net interest income is derived from the Group's business activities of lending, investments, deposits and borrowings. The net interest income for the year ended 30 September 2002 was $1,333 million (30 September 2001: $1,235 million), an increase of 7.9%.

Twelve months to	**September**		September		September	
	----------2002----------		----------2001----------		---------2000---------	
	Balance $'m	**Rate**	Balance $'m	Rate	Balance $'m	Rate
Actuals						
Net Interest Income	**1,333**		1,235		1,172	
Averages						
Interest Earning Assets	**47,690**	**6.42%**	44,789	7.39%	43,451	7.35%
Interest Bearing Liabilities	**46,499**	**3.72%**	44,247	4.69%	42,393	4.77%
Interest Spread		**2.70%**		2.70%		2.58%
Interest Margin		**2.80%**		2.76%		2.70%

The increase in net interest income was due to growth in average interest earning assets of 6.5% since 30 September 2001. Other factors were the stability in the interest margin which increased from 2.76% to 2.80% in the year as a result of growth in retail funding together with the benefit gained from the ongoing securitisation of residential loans.



3.1.4 Non-Interest Income

Non-interest income has grown 22.3% to $834 million (before significant items) from $682 million in the prior year. WealthPoint's operations contributed $22 million to non-interest income for the period 5 November 2001 to 30 September 2002.

	Six months to		Twelve months to	
	Sept 2002 $'m	March 2002 $'m	**Sept 2002 $'m**	Sept 2001 $'m
Non-interest income				
Financial markets income	14	31	**45**	31
Profit on sale of investment securities	-	-	**-**	6
Product fees and commissions				
- Lending	42	39	**81**	77
- Deposit and other accounts	182	172	**354**	310
Securitisation service fees	37	36	**73**	44
Managed funds fees	92	86	**178**	152
Dividend income	-	2	**2**	2
Net profit on disposal of land and buildings	1	-	**1**	5
Profit on sale of shares	4	-	**4**	2
Factoring and invoice discounting income	10	10	**20**	14
Bill acceptance fees	18	14	**32**	18
Rental income	7	7	**14**	13
Brokerage and clearing fees	4	6	**10**	-
Other	12	8	**20**	8
Non-interest income before significant items	423	411	**834**	682
Significant items				
Profit on sale of shares	18	-	**18**	-
Write back of excess provisions	-	-	**-**	8
TOTAL NON-INTEREST INCOME	441	411	**852**	690
Non-Interest Income as a % of Average Assets (annualised)				
- before significant items	1.57%	1.56%	**1.56%**	1.37%
- after significant items	1.63%	1.56%	**1.60%**	1.39%
Non-Interest Income as a % of Total Income				
- before significant items	38.2%	38.8%	**38.5%**	35.6%
- after significant items	39.2%	38.8%	**39.0%**	35.8%

Financial markets generate net interest income and non-interest income. Net interest income earned on the financial markets trading portfolio was $17 million (30 September 2001: $30 million). Therefore, total financial markets income was $62 million (30 September 2001: $61 million).

Financial markets non-interest income primarily represents gains and losses made on foreign exchange and derivative transactions, realised gains and losses on disposal of trading securities and unrealised market value adjustments on trading securities.

3.1.4 Non-Interest Income (cont…)

The following factors have driven the growth in non-interest income:

- Lending income increased over the year due to solid growth in loans and receivables and the full impact of Best Bank Redesign lending fee initiatives, despite the offering of discounted home loan establishment fees during the year. The use of third party mortgage brokers impacts lending fee income on residential loans with commission expense being netted against lending fees.

- Deposits and other accounts income increased by 14.2% over the year as a result of increased transaction activity driven by expanded ATM and EFTPOS terminals. The full impact of Best Bank Redesign pricing initiatives also had a favourable effect. The result in the second half of the year was favourably impacted by the recognition of $9 million of income previously deferred relating to the Group's mortgage insurance activities. This favourable impact has been offset by an equivalent after tax increase of $7 million in the Group's general provision for doubtful debts.

- Growth in securitisation service fees is driven by the Bank's ongoing securitisation programmes with the balance of the securitised loans increasing by 13.0% to $5,729 million at 30 September 2002 compared to $5,070 million at 30 September 2001.

- Managed funds fee income grew by 17.1% to $178 million over the year reflecting the 13.4% growth in managed funds over 30 September 2001.

- The increase in bill acceptance fee income to $32 million compared to $18 million for the 30 September 2001 year is attributable to strong growth in this product of $492 million to $1,662 million at 30 September 2002.

- Brokerage and clearing fees of $10 million for the year are attributable to WealthPoint's controlled entities, Falkiners Stockbroking and Australian Clearing Services. Falkiners Stockbroking was sold during the year.

- Other non-interest income grew to $20 million in the year (30 September 2001: $8 million) primarily due to the inclusion of revenues from WealthPoint's software and research businesses.

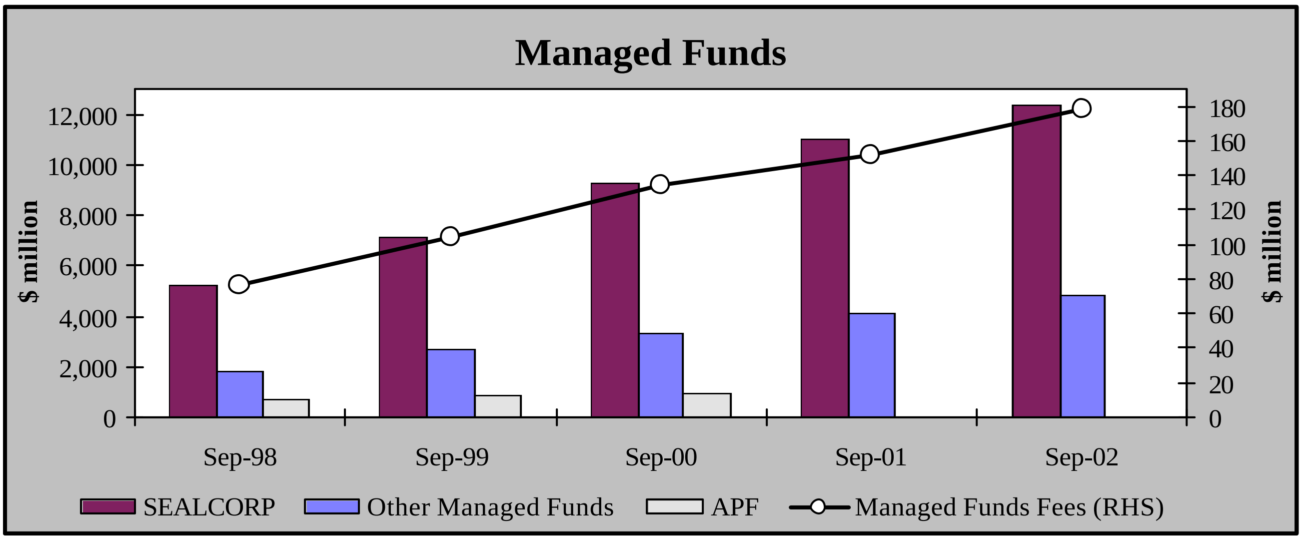
3.1.5 Managed Funds

The Group's managed funds comprise funds under management, funds under administration and funds under advice.

	Sept 2002 $'m	Sept 2001 $'m	Sept 2000 $'m
Income			
Managed funds fees for the financial year	**178**	152	134
Managed funds			
Funds under management	**3,093**	2,567	3,137
Funds under administration (SEALCORP)	**12,402**	11,040	9,285
Funds under advice	**1,952**	1,784	1,165
Total Managed Funds	**17,447**	15,391	13,587

Managed funds have grown 13.4% compared to 30 September 2001. SEALCORP grew 12.3% over the year. Managed funds growth in the second half of the year was impacted by investment market volatility.

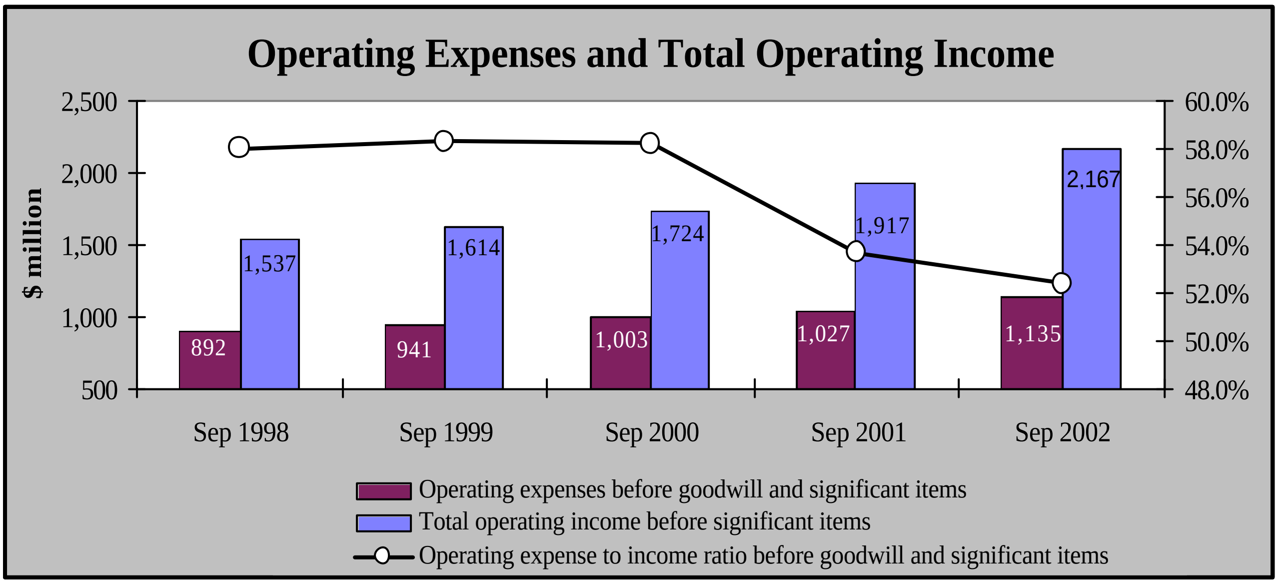
Funds management continues to provide income diversification and growth, with fee income reaching $178 million for the year, an increase of 17.1%. SEALCORP contributed $131 million to managed funds fees for the year ended 30 September 2002 (30 September 2001: $117 million).



3.1.6 Operating Expenses

	Six months to Sept 2002 $'m	Six months to March 2002 $'m	**Twelve months to Sept 2002 $'m**	Twelve months to Sept 2001 $'m
Staff expenses				
Salaries	229	214	**443**	397
Contractors' fees	5	7	**12**	17
Superannuation	18	17	**35**	31
Payroll tax	15	14	**29**	26
Fringe benefits tax	6	4	**10**	8
Other	13	16	**29**	28
Total Staff expenses	286	272	**558**	507
Computer and equipment costs				
Depreciation	19	18	**37**	34
Amortisation - Deferred expenditure	35	31	**66**	46
Rental on operating leases	9	8	**17**	17
Other	33	37	**70**	67
Total Computer and equipment costs	96	94	**190**	164
Occupancy costs				
Depreciation	16	16	**32**	31
Rental on operating leases	27	27	**54**	48
Other	20	20	**40**	37
Total Occupancy costs	63	63	**126**	116
Administration expenses				
Fees and commissions	13	14	**27**	26
Advertising and public relations	26	27	**53**	49
Telephones	6	8	**14**	17
Printing and stationery	20	15	**35**	26
Postage	9	8	**17**	14
Other	58	57	**115**	108
Total administration expenses	132	129	**261**	240
Operating expenses before goodwill and significant items	577	558	**1,135**	1,027
Goodwill amortisation	54	56	**110**	99
Operating expenses after goodwill and before significant items	631	614	**1,245**	1,126
Significant items				
- Write-down of investments	-	22	**22**	30
- Goodwill write-off	-	72	**72**	-
- Restructure costs	30	-	**30**	-
- Write off of deferred expenditure balances	60	-	**60**	-
- Write-down of investment in WealthPoint Limited	-	-	**-**	22
- Write-down of investment in SMS Management and Technology Limited	-	-	**-**	6
	90	94	**184**	58
TOTAL OPERATING EXPENSES	721	708	**1,429**	1,184
Ratios (before goodwill and significant items)				
Operating Expenses (annualised) as a % of Average Assets	2.14%	2.12%	**2.13%**	2.07%
Expense to Income ratio	52.1%	52.7%	**52.4%**	53.6%

3.1.6 Operating Expenses (cont…)



Total Operating Expenses

Operating expenses are classified in the broad categories of staff, computer and equipment, occupancy and other administration. Total operating expenses (before goodwill and significant items) were $1,135 million for the year ended 30 September 2002 (30 September 2001: $1,027 million) an increase of 10.5%.

This result includes the impact of additional operating expenses of $28 million of WealthPoint Limited for the period 5 November 2001 to 30 September 2002.

Staff Expenses

The $51 million increase in staff expenses to $558 million from $507 million last year is due to the following factors:

- Inclusion of $15 million of staff costs for WealthPoint following its acquisition in November 2001. At acquisition, WealthPoint had 250 full time equivalent staff. WealthPoint's staff numbers have fallen to 93 full time equivalent staff at 30 September 2002 as a result of realising synergy benefits and divesting non-core businesses.

- An enterprise agreement average wage increase of 6.4% (including performance pay component) was granted on 1 October 2001. Other staff received an average salary increase of 4.5% effective 1 October 2001.

- Salaries expense increased by $15 million in the second half of the year. This increase was partly attributable to $6 million of termination payments made to Information Technology and Wealth Management staff impacted by restructuring activities and also senior executives. This $6 million was not included in the EBB restructure charge. Despite a lower number of full time equivalent (FTE) staff at 30 September 2002 (7,342 FTE) compared to 31 March 2002 (7,463 FTE), the average number of FTE staff in the second half was 142 higher, primarily driven by growth in business activities which increased salary expense by a further $6 million. While the majority of EBB staff reductions are complete, the restructuring occurred in the latter months of the second half of the year and hence had only a small impact.

3.1.6 Operating Expenses (cont…)

Computer and Equipment Costs

The increase of $26 million or 15.9% to $190 million from $164 million in the prior year is due to the following:

- An increase of 43.5% or $20 million in deferred expenditure amortisation is mainly due to $73 million of expenditure capitalised in the 2001 year, to enhance the Bank's computer systems as part of the Best Bank Redesign.

Computer and equipment costs increased by 2.1% in the second half of the year.

Occupancy Costs

Occupancy costs increased to $126 million for the year, up 8.6% on the previous year's expense of $116 million. The increase in occupancy costs is due to the sale and lease back of a number of properties since 30 September 2001 and rising energy costs. Occupancy costs remained steady in the second half of the year.

Administration Expenses

Administration expenses for the year ended 30 September 2002 were $261 million (30 September 2001: $240 million), an increase of 8.8%.

This is partly due to the inclusion of WealthPoint's other operating expenses of $6 million for the eleven months to 30 September 2002, increased insurance costs and project costs, including consultancy fees, attributable to the EBB and other programs of $6 million. Printing and stationery also increased as a result of additional marketing activities in the dragondirect channel together with costs associated with Privacy Act compliance.

Goodwill Amortisation

Goodwill amortisation for the year ended 30 September 2002 was $110 million (30 September 2001: $99 million), an increase of 11.1%. The increase is due to the acquisition of WealthPoint Limited and Deutsche Equity Lending Australia Limited (now St.George Equity Finance Limited), which resulted in additional goodwill amortisation.

3.1.7 Bad and Doubtful Debts Expense

Bad and doubtful debts expense (net of recoveries) for the year ended 30 September 2002 was $87 million (30 September 2001: $77 million). The Group's bad debt charge as a percentage of average assets increased only slightly when compared to the prior year, reflecting the Bank's excellent asset quality and conservative lending mix relative to other market participants.

	------Six months to-------		------ Twelve months to ------	
	Sept 2002 $'m	March 2002 $'m	**Sept 2002 $'m**	Sept 2001 $'m
Bad and doubtful debts expense (net of recoveries)				
Residential loans	3	1	**4**	5
Commercial loans	21	15	**36**	45
Consumer loans	13	12	**25**	21
Other	3	2	**5**	5
	40	30	**70**	76
Net general provision movement during the period	13	4	**17**	1
Bad and doubtful debt expense	53	34	**87**	77
As a percentage of average risk weighted assets (annualised)	0.33%	0.22%	**0.28%**	0.27%
As a percentage of average assets (annualised)	0.20%	0.13%	**0.16%**	0.15%

The increase in the general provision for doubtful debts mainly reflects the growth in risk weighted assets during the year. In addition, the general provision was increased by $7 million to offset $9 million of income recognised during the year relating to the Group's mortgage insurance activities (refer Section 3.1.4).

3.1.8 Income Tax Expense

	—Six months to—		—Twelve months to—	
	Sept 2002 $'m	March 2002 $'m	**Sept 2002 $'m**	Sept 2001 $'m
Income tax expense shown in the results differs from prima facie income tax payable on pre-tax operating profit for the following reasons:				
Operating profit before income tax	352	316	**668**	661
Prima facie income tax payable calculated at 30% of operating profit (September 2001: 34%)	105	95	**200**	225
Add: tax effect of permanent differences which increase tax payable				
* Amortisation of goodwill	16	17	**33**	34
* Depreciation on buildings	-	1	**1**	2
* General provision for doubtful debts	4	1	**5**	-
* Write-down of investment in WealthPoint	-	-	**-**	7
* Goodwill write-off	-	22	**22**	-
* Restatement of net deferred tax balances	-	1	**1**	5
Less: tax effect of permanent differences which reduce tax payable				
* Deduction allowable on depositary capital securities	6	6	**12**	14
* Deduction allowable on shares issued to employees	-	2	**2**	2
* Deduction allowable on buildings	1	1	**2**	2
* Difference between accounting profit and assessable profit on disposal of shares	4	-	**4**	-
* Other	2	-	**2**	-
Total income tax expense	112	128	**240**	255
Effective tax rate %	31.8	40.5	**35.9**	38.6

The effective tax rate for 30 September 2002 was 35.9%, notwithstanding a reduction in the corporate tax rate to 30% from 1 October 2001. The higher tax rate was due to the $72 million of goodwill written-off in respect of WealthPoint.

3.1.9 Segmental Results

(a) Business Segments

Business segments are based on the Group's organisational structure. The Group comprises four business divisions, namely:

- Personal Customers (PC) – formerly Personal Banking and Small Business Banking. This division is responsible for residential and consumer lending, provision of personal financial services including transaction services, call and term deposits, small business banking, general and life insurance. This division also manages retail branches, agency networks and electronic channels such as call centres, EFTPOS terminals, ATMs and Internet banking.

- Institutional and Business Banking (IBB) - responsible for liquidity requirements, securitisation, wholesale funding, capital markets, treasury market activities including foreign exchange and money market, corporate and business relationship banking, international banking services, leasing, hire purchase, automotive finance, commercial property lending and cash flow financing including factoring and invoice discounting.

- BankSA (BSA) – responsible for providing retail banking and business banking services to customers in South Australia and Northern Territory. These services are now extending into country New South Wales and Victoria as part of the Group's initiative to expand rural banking. Customers are serviced through branches, electronic agencies, ATMs, call centres, EFTPOS terminals and Internet banking.

- Wealth Management (WM) – formerly Investment Services. This division is responsible for providing funds management and administration, margin lending, financial planning, investment advice and private banking services. General and life insurance businesses are not included in WM. These insurance businesses are part of PC's operations.

Effective, 1 October 2001, a portfolio of small business banking accounts was transferred from IBB to PC. On that date, total assets of $444 million and liabilities of $709 million were transferred. Also on that date, the operations of the Cairns branch, including $126 million of assets and $12 million of liabilities were transferred from BSA to PC.

As part of the Group's new business model developed through the EBB program, effective 1 October 2002, the following changes have occurred:

- Gold Segment (high value retail customers) were transferred from PC to WM.
- Life and general insurance businesses were transferred from PC to WM.
- Small business banking customers with borrowings greater than $250,000 were transferred from PC to IBB.

3.1.9 Segmental Results (cont…)

Personal Customers

PC's contribution to profit before tax was $473 million for the year (30 September 2001: $382 million), an increase of 23.8% reflecting:

- The transfer of the small business banking portfolio to PC on 1 October 2001 contributed $30 million to the profit before tax for the year.
- Net interest income growth of $65 million or 9.0% reflecting the 10.1% increase in total assets to $26.4 billion (30 September 2001: $24.0 billion). This growth in assets is partly due to the transfer of $444 million of small business banking loans and residential loans from IBB and BSA to PC in October 2001.
- Non-interest income growth of $51 million or 18.6%. The growth was primarily driven by new and revised fees introduced during the Best Bank Redesign, higher business volumes in electronic banking services, transfer of the small business banking portfolio from IBB and securitisation activities.
- An increase in operating expenses of $16 million or 2.8% with the expense to income ratio falling to 53.4% for the year (30 September 2001: 58.0%).
- An increase in bad debts of $9 million to $45 million compared to the prior year, related to additional general provisioning for doubtful debts reflecting growth in risk weighted assets.

Institutional and Business Banking

IBB's contribution to profit before tax was $261 million for the year (30 September 2001: $255 million). The profit for the year ended 30 September 2002 was reduced by $30 million due to the transfer of the small business banking portfolio to PC effective 1 October 2001. After adjusting for this factor, the underlying increase in profit before tax was 16.0% over the previous year.

- Net interest income fell by 8.5% or $28 million reflecting the transfer of small business banking loans and deposits to PC together with strong growth in bill acceptances which generate non-interest income.
- Non-interest income grew by $26 million or 18.2%. While this growth was adversely impacted by the small business banking portfolio transfer, it significantly benefited from the strong growth in bill acceptance facilities of 76.0% over the year to $2,304 million.
- Operating expenses increased by $3 million to $178 million, being favourably impacted by the transfer of staff in the small business banking unit to PC. Offsetting this favourable impact was an increase in IBB's staff and marketing expenditure to focus on the growth opportunities in the middle market.
- Bad and doubtful debts fell to $32 million from $42 million last year.
- IBB's middle market receivables (including bill acceptances) grew by 16.2% over the year.

3.1.9 Segmental Results (cont…)

BankSA

BSA's contribution to profit before tax was $112 million for the year (30 September 2001: $96 million), an increase of 16.7%, reflecting:

- Growth in net interest income of $15 million or 8.0% to $202 million, due to the 5.5% increase in BSA's total assets to $6.6 billion (30 September 2001: $6.3 billion).
- Growth in non-interest income of $3 million or 5.5% to $58 million. This increase was achieved despite the transfer of BSA's financial planning business to WM and the operations of the Cairns branch to PC.
- Operating expenses remained steady at $142 million for the year. The expense to income ratio fell to 54.6% for the year from 58.7% last year.

Wealth Management

WM's contribution to profit before tax increased to $52 million for the year compared to $38 million in the prior year. General insurance, life insurance and mortgage insurance businesses were transacted by PC during the year. Effective 1 October 2002, life and general insurance businesses were transferred to WM.

The result reflects the following:

- Net interest income grew by $17 million or 65.4%, primarily as a result of acquiring Deutsche's $329 million margin lending portfolio in October 2001.
- Non-interest income increased by $48 million to $205 million, partly due to growth in managed funds which increased by 13.4% to $17.4 billion. The inclusion of revenues of $22 million from WealthPoint businesses from 5 November 2001 also contributed to this result.
- Operating expenses increased by $50 million or 34.5% to $195 million (30 September 2001: $145 million). The inclusion of WealthPoint's results from 5 November 2001 increased operating expenses by $28 million for the year. Other factors contributing to the rise in operating expenses were:
    - the need to manage and support strong growth in managed funds;
    - the transfer of BSA's financial planners and investment advisers to WM;
    - the development of the investment adviser channel; and
    - the acquisition of Deutsche's margin lending portfolio.

3.1.9 Segmental Results (cont…)

These tables set out segmental results in accordance with Accounting Standard AASB 1005.

For the year ended 30 September 2002	Personal Customers $M	Institutional & Business Banking $M	BankSA $M	Wealth Management $M	Other $M	Consolidated $M
Segment revenue						
Net interest income	786	302	202	43	-	1,333
Non-interest income	325	169	58	205	77	834
Individually significant items	-	-	-	-	18	18
Total segment revenue	1,111	471	260	248	95	2,185
Segment expense						
Bad and doubtful debts	45	32	6	1	3	87
Operating Expenses						
- Other provisions	14	12	3	13	9	51
- Depreciation	40	5	8	2	13	68
- Deferred expenditure amortisation	39	5	7	1	14	66
- Other expenses	500	156	124	179	(9)	950
Total operating expenses	593	178	142	195	27	1,135
Individually significant items	-	-	-	-	184	184
Goodwill amortisation	-	-	-	-	110	110
Total segment expenses	638	210	148	196	324	1,516
Share of loss of investments in associates	-	-	-	-	1	1
Profit/(loss) before income tax expense	473	261	112	52	(230)	668
Expense to income ratio (1)	53.4%	37.8%	54.6%	78.6%		
Income tax expense						270
Income tax benefit on individually significant items						(30)
Profit after income tax						428
Outside equity interest (OEI)						1
Profit after income tax and OEI						427

As at 30 September 2002	Personal Customers $M	Institutional & Business Banking $M	BankSA $M	Wealth Management $M	Other $M	Consolidated $M
Assets						
- investments in associates	-	-	-	-	10	10
- other assets	26,372	17,016 (3)	6,605	2,201	2,800	54,994
Segment Assets	26,372	17,016	6,605	2,201	2,810	55,004
Segment Liabilities	20,048	25,095	4,608	390	1,025	51,166
Other Segment Disclosure						
- Securitised loans	5,694	35	-	-	-	5,729
- Managed Funds (2)	-	-	-	17,447	-	17,447

(1) Excludes bad and doubtful debts expense, significant items and goodwill amortisation.
(2) St.George's managed funds activities are principally through SEALCORP, Advance Asset Management and St.George Wealth Management. The Group's managed funds comprise funds under management, funds under administration and funds under advice.
(3) Includes bill acceptances facilities of $2,304 million (2001: $1,309 million).

3.1.9 Segmental Results (cont…)

For the year ended 30 September 2001	Personal Customers $M	Institutional & Business Banking $M	BankSA $M	Wealth Management $M	Other $M	Consolidated $M
Segment revenue						
Net interest income	721	330	187	26	(29)	1,235
Non-interest income	274	143	55	157	53	682
Individually significant items	-	-	-	-	8	8
Total segment revenue	995	473	242	183	32	1,925
Segment expense						
Bad and doubtful debts	36	42	4	-	(5)	77
Operating Expenses						
- Other provisions	7	10	1	13	10	41
- Depreciation	40	5	7	1	12	65
- Deferred expenditure amortisation	30	3	4	1	8	46
- Other expenses	500	157	130	130	(42)	875
Total operating expenses	577	175	142	145	(12)	1,027
Individually significant items	-	-	-	-	58	58
Goodwill amortisation	-	-	-	-	99	99
Total segment expense	613	217	146	145	140	1,261
Share of loss of investments in associates	-	1	-	-	2	3
Profit/(loss) before income tax expense	382	255	96	38	(110)	661
Expense to income ratio	58.0%	37.0%	58.7%	79.2%		
Income tax expense						265
Income tax benefit on individually significant items						(10)
Profit after income tax						406
Outside equity interest (OEI)						1
Profit after income tax and OEI						405

As at 30 September 2001	Personal Customers $M	Institutional & Business Banking $M	BankSA $M	Wealth Management $M	Other $M	Consolidated $M
Assets						
- investments in associates	-	-	-	-	123	123
- other assets	23,958	17,697	6,260	1,518	2,500	51,933
Segment Assets	23,958	17,697	6,260	1,518	2,623	52,056
Segment Liabilities	17,639	25,681	4,348	245	517	48,430
Other Segment Disclosure						
- Securitised loans	4,990	80	-	-	-	5,070
- Managed Funds	-	-	-	15,391	-	15,391

(b) Geographical Segments

The Group operates predominantly in Australia.

3.2 Group Position Summary

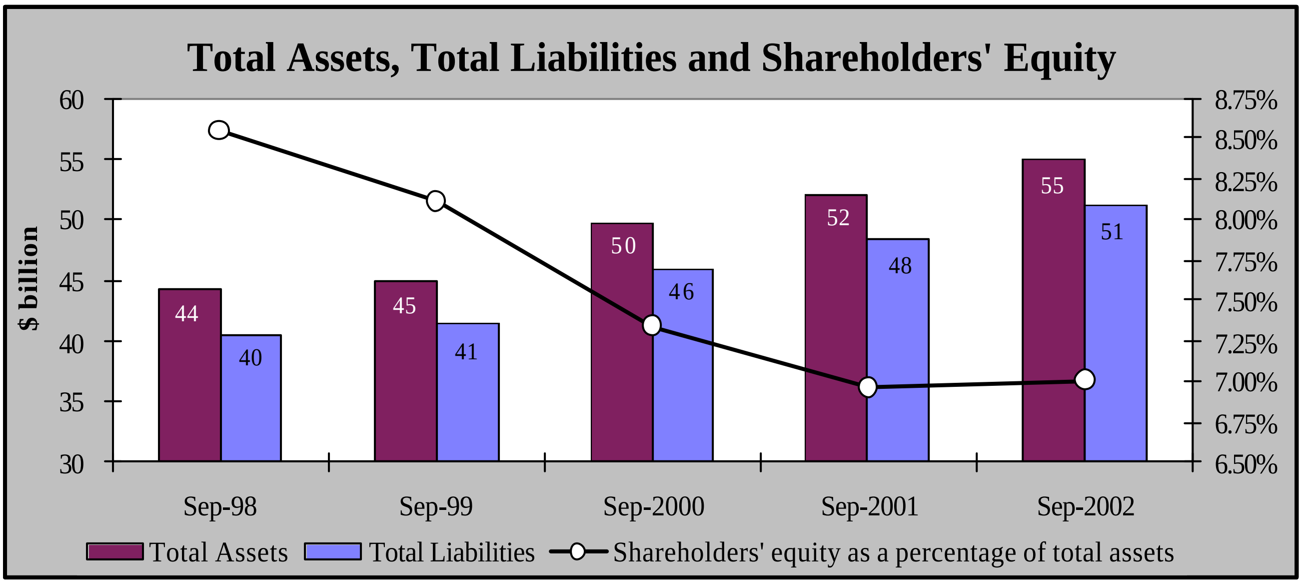
As at	**Sept 2002 $'m**	March 2002 $'m	Sept 2001 $'m
Assets			
Cash and liquid assets [(1)]	**414**	462	1,093
Due from other financial institutions	**239**	248	458
Trading securities	**5,778**	4,766	3,569
Investment securities	**391**	677	463
Loans and other receivables	**42,767**	40,811	39,699
Bank acceptances of customers	**1,662**	1,455	1,170
Property, plant and equipment	**546**	527	534
Goodwill	**1,377**	1,431	1,409
Other assets	**1,830**	2,200	3,661
Total Assets	**55,004**	52,577	52,056
Liabilities			
Retail funding and other borrowings	**46,699**	44,572	44,084
Due to other financial institutions	**912**	787	790
Bank acceptances	**1,662**	1,455	1,170
Bills payable	**165**	157	168
Other liabilities	**1,728**	1,866	2,218
Total Liabilities	**51,166**	48,837	48,430
Net Assets	**3,838**	3,740	3,626
Shareholders' Equity			
Share capital	**3,349**	3,271	3,127
Reserves	**79**	60	59
Retained profits	**71**	70	102
Outside equity interests	**339**	339	338
Total Shareholders' Equity	**3,838**	3,740	3,626
Shareholders' equity as a percentage of total assets	**6.98%**	7.11%	6.97%
Net tangible assets per ordinary share issued	**$3.68**	$3.40	$3.28
Number of ordinary shares issued (000's)	**498,098**	493,385	483,828

(1) The Bank defines liquids to also include amounts due from other financial institutions, trading securities and investment securities.

3.2.1 Total Assets

Total assets were $55.0 billion at 30 September 2002 (30 September 2001: $52.1 billion), an increase of 5.7%. The following items impacted total assets:

- lending assets (including bank acceptances) grew by 9.2% compared to 30 September 2001;
- the securitisation of $2.6 billion of residential lending receivables through the Crusade Programme since 30 September 2001; and
- an increase of $1,239 million or 22.2% in liquid assets compared to 30 September 2001 as a result of growth in retail funding and bill financing included in trading securities.



3.2.2 Lending Assets

Lending assets (on and off-balance sheet) increased to $50.2 billion (30 September 2001: $45.9 billion) an increase of 9.2%.

Residential loans (including securitisation) increased by 8.6% to $36.2 billion from $33.3 billion at 30 September 2001. Within residential loans, home equity loans also performed well, increasing by 14.3% to $9.8 billion.

Consumer loans increased by 30.2% to $3.1 billion from $2.4 billion at 30 September 2001. The acquisition of Deutsche's $329 million margin lending portfolio in October 2001 was a contributing factor to this strong portfolio growth.

Commercial loans (including bill acceptances and securitisation) grew by 6.5% to $10.7 billion from $10.0 billion at 30 September 2001. At 30 September 2002, there were also $1.2 billion (30 September 2001: $0.6 billion) of bill financing included in trading securities. Growth in commercial loans after including these additional bills was 12.4% over the year.

As at	**Sept 2002 $'m**	March 2002 $'m	Sept 2001 $'m
RESIDENTIAL			
Housing [1]	**20,703**	19,908	19,824
Home equity loans	**9,824**	9,066	8,598
TOTAL RESIDENTIAL	**30,527**	28,974	28,422
CONSUMER			
Personal loans [2]	**1,637**	1,577	1,501
Line of credit	**654**	565	471
Margin lending	**813**	802	412
TOTAL CONSUMER	**3,104**	2,944	2,384
COMMERCIAL			
Commercial loans	**7,205**	6,994	7,070
Hire purchase [3]	**1,462**	1,386	1,325
Leasing	**308**	333	372
TOTAL COMMERCIAL	**8,975**	8,713	8,767
FOREIGN EXCHANGE CASH ADVANCES	**137**	123	55
STRUCTURED INVESTMENTS	**176**	196	204
GROSS RECEIVABLES	**42,919**	40,950	39,832
GENERAL PROVISION	**152**	139	133
NET RECEIVABLES	**42,767**	40,811	39,699
SECURITISED LOANS (balance not included above)	**5,729**	6,065	5,070
BANK BILL ACCEPTANCES (balance not included above)	**1,662**	1,455	1,170
ON AND OFF BALANCE SHEET RECEIVABLES	**50,158**	48,331	45,939

(1) September 2002 - net of $5,669 million of securitised loans (March 2002: $5,962 million; September 2001: $4,912 million).
(2) September 2002 - net of $25 million of securitised loans (March 2002: $47 million; September 2001: $78 million)
(3) September 2002 - net of $35 million of securitised loans (March 2002: $56 million; September 2001: $80 million)

3.2.3 Impaired Assets

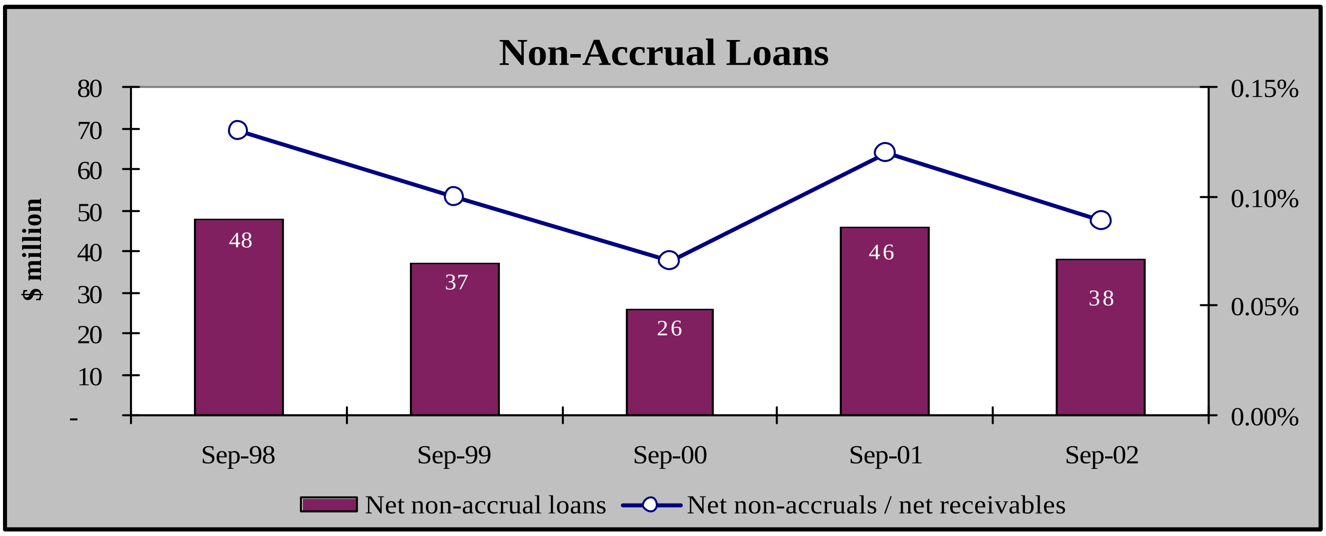
Total impaired assets (net of specific provisions) decreased to $45 million at 30 September 2002 (30 September 2001: $52 million).

As at	**Sept 2002 $'m**	March 2002 $'m	Sept 2001 $'m
Section 1 - Non-Accrual Loans			
With provisions:			
Gross Loan Balances	**64**	67	50
Specific Provisions	**40**	34	30
Net Loan Balances	**24**	33	20
Without provisions:			
Gross Loan Balances	**14**	7	26
Total Non-accrual Loans:			
Gross Loan Balances	**78**	74	76
Specific Provisions	**40**	34	30
Net Loan Balances	**38**	40	46
Section 2 - Restructured Loans			
Loans where the original contractual terms have been amended to provide concessions of interest or principal as a result of customers' financial or other difficulties in complying with the original facility terms.			
With provisions:			
Gross Loan Balances	-	-	-
Specific Provisions	-	-	-
Net Loan Balances	-	-	-
Without provisions:			
Gross Loan Balances	-	-	-
Total Restructured Loans:			
Gross Loan Balances	-	-	-
Specific Provisions	-	-	-
Net Loan Balances	-	-	-
Section 3 - Assets acquired through security enforcement			
Other Real Estate Owned	**7**	6	6
TOTAL IMPAIRED ASSETS	**45**	46	52
Section 4 - Past Due Loans (1)			
Residential loans	**63**	80	76
Other	**53**	49	55
Total	**116**	129	131

(1) Includes loans less than $100,000 or fully secured loans. The loans are not classified as impaired assets and are past due for 90 days or more.

* Balances contained in sections 1, 2 and 3 consist primarily of commercial loans. Unsecured lines of credit, consumer loans, credit cards and other loans with balances less than $100,000 are treated on a portfolio basis. Past due items include the Group’s entire lending portfolio, but do not include those items already classified as being impaired.

3.2.3 Impaired Assets (cont…)



Past due items were $116 million compared to $131 million at 30 September 2001.

As at	**Sept 2002**	March 2002	Sept 2001
Specific provision coverage for non-accruals	**51.28%**	45.95%	39.47%
Gross non-accruals / Net receivables	**0.18%**	0.18%	0.19%
Net non-accruals / Net receivables	**0.09%**	0.10%	0.12%

3.2.4 Provisioning

	---- Six months to ----		---- Twelve months to ----	
	Sept	March	**Sept**	Sept
	2002	2002	**2002**	2001
	$'m	$'m	**$'m**	$'m
GENERAL PROVISION				
Balance at beginning of period	139	133	**133**	132
Provision acquired	-	2	**2**	-
Net provision raised during the period	13	4	**17**	1
Balance at end of period	152	139	**152**	133
SPECIFIC PROVISION				
Balance at beginning of period	65	62	**62**	45
Net provision raised during the period	40	30	**70**	76
Net bad debt write offs	(34)	(27)	**(61)**	(59)
Balance at end of period	71	65	**71**	62
TOTAL PROVISION	223	204	**223**	195

The Bank's general provision for doubtful debts when combined with the tax effected balance of the unearned income on mortgage insurance premiums of $16 million represents 0.52% of risk-weighted assets. The general provision for doubtful debts is not tax effected as it is not determined by reference to statistical techniques.

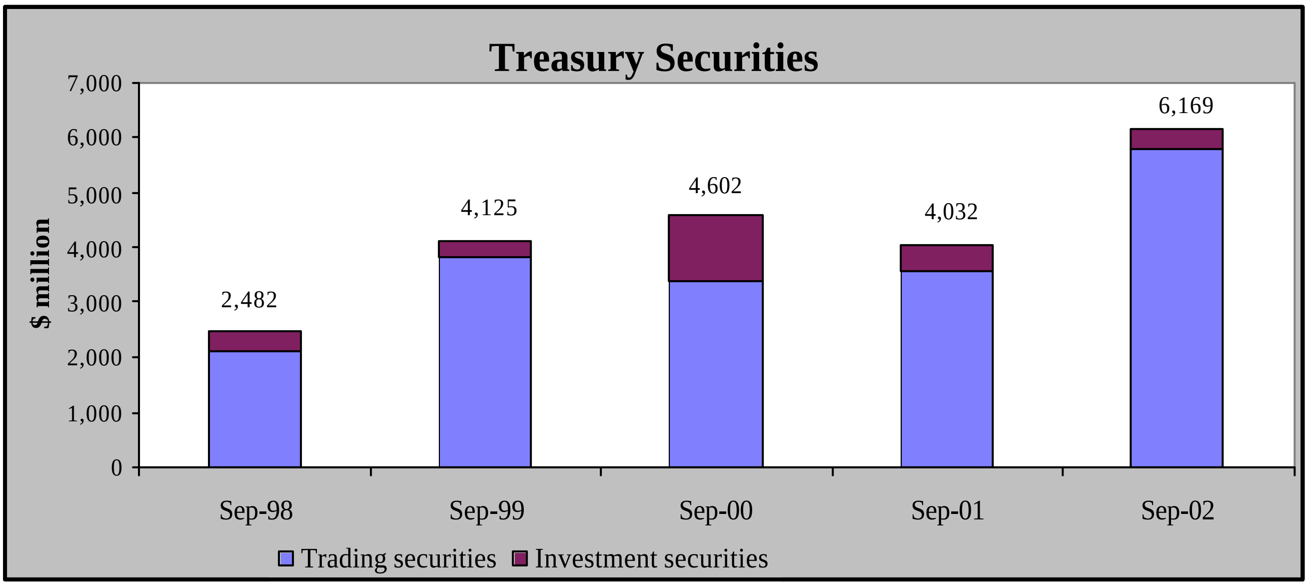
3.2.5 Treasury Securities

The Group's dealing in Treasury securities comprises holdings of 'Trading' and 'Investment' securities. As at 30 September 2002, total Treasury Securities were $6,169 million (30 September 2001: $4,032 million), resulting from growth in the balance sheet and excess short term liquidity at year end due to recent securitisation and debt issues.

Trading securities are those securities intended for regular trade (*ie:* there is no specific intention to hold the securities to maturity). Trading securities are valued on a mark-to-market basis with unrealised gains and losses recorded in the statement of financial performance.

Investment securities are purchased by the Group with the intention of being held to maturity. They are not identified for regular trade and as such are carried at lower of cost or recoverable amount and reviewed at each reporting date to determine whether they are in excess of their recoverable amount. The book value of investment securities at 30 September 2002 was $391 million and the market value was $347 million. These securities were issued by a range of rated counterparties. They continue to be carried at cost, being their recoverable amount.

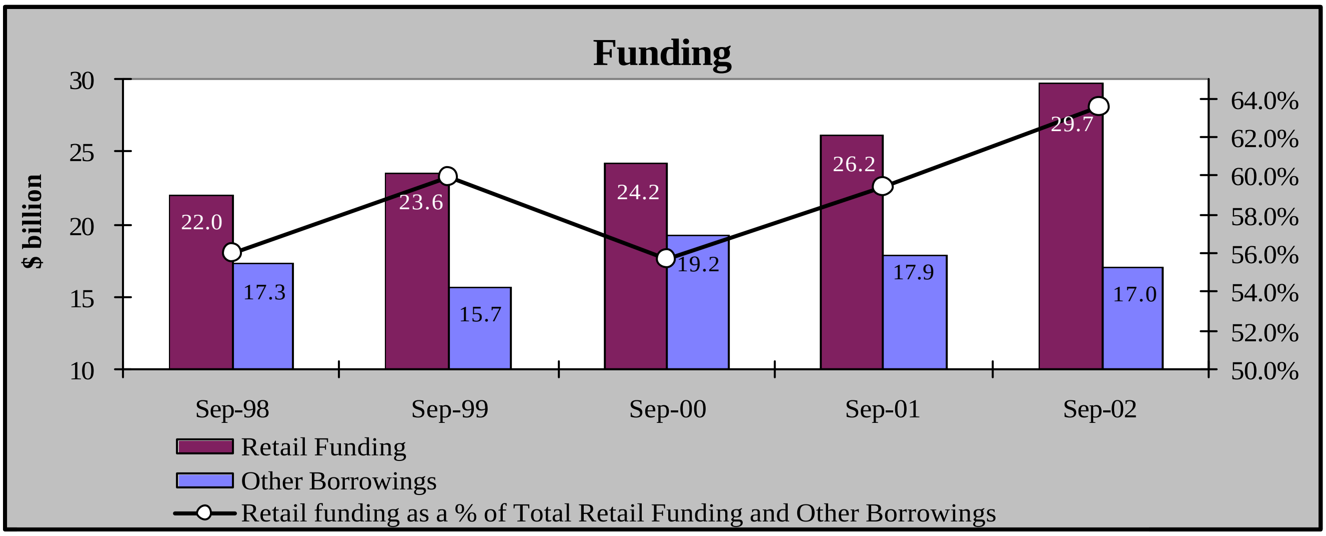
The following graph outlines the changes in the composition of the Group's holdings of Treasury Securities.



3.2.6 Retail Funding and Other Borrowings

Total retail funding and other borrowings have increased to $46.7 billion at 30 September 2002, an increase of 5.9% over September 2001.

As at	**Sept 2002 $m**	March 2002 $'m	Sept 2001 $m
Retail funding	**29,670**	27,543	26,194
Other deposits	**6,681**	7,625	6,532
Offshore borrowings	**7,303**	6,578	7,776
Domestic borrowings	**2,043**	1,909	2,813
Subordinated debts	**1,002**	917	769
Total	**46,699**	44,572	44,084
Retail funding as a % of Total Retail Funding and Other Borrowings	**63.5%**	61.8%	59.4%

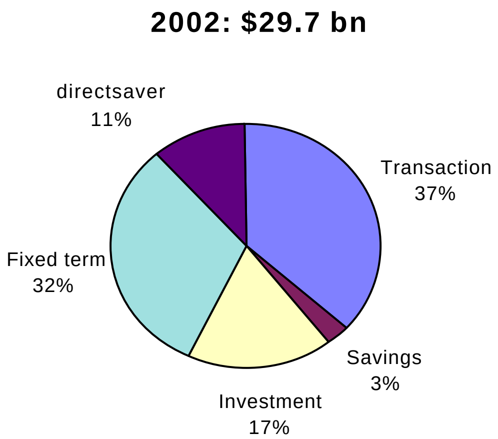


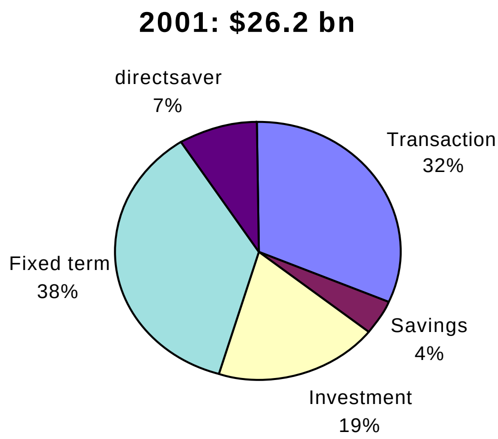
3.2.6 Retail Funding and Other Borrowings (cont…)

Retail funding

Retail funding has grown 13.3% since September 2001 and accounts for 63.5% of total funding and other borrowings (30 September 2001: 59.4%). The growth is attributable to a greater demand from customers for low risk deposit style products with fixed returns in response to volatile equity markets.

The improvement also resulted from the delivery of convenient and competitively priced retail funding products which include the directsaver account from the dragondirect channel and the Portfolio Cash Management Account (Portfolio CMA). The balance of directsaver accounts at 30 September 2002 was $3.4 billion up from $1.9 billion at 30 September 2001. The balance of Portfolio CMA at 30 September 2002 was $4.0 billion up from $2.4 billion at 30 September 2001.





The dragondirect business has continued to perform well, and is now a major player in the online direct distribution banking business. Two products are currently offered under the dragondirect brand - directsaver and directfunds, with a range of new products under development. These products are available exclusively via electronic channels, using the Internet and/or telephone banking.

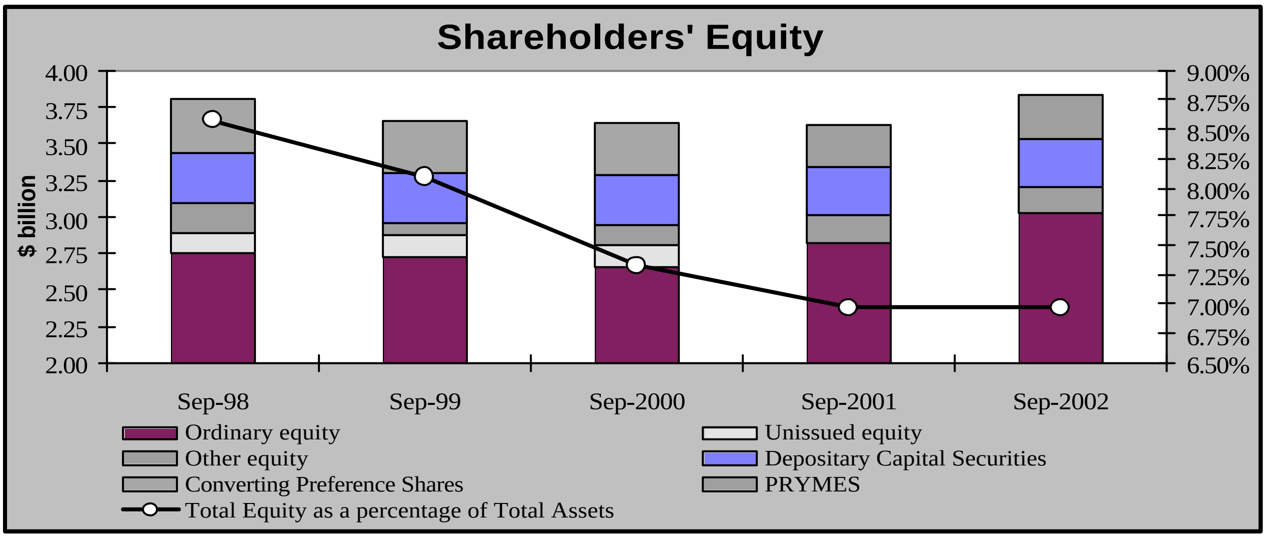
The directsaver portfolio has continued to grow steadily in the face of significant competitive pressure. The number of accounts has risen to 92,000 from 50,000 at 30 September 2001.

Other borrowings

Other borrowings decreased to $17.0 billion from $17.9 billon at 30 September 2001. This includes the $200 million subordinated note issued in February 2002 and the $100 million issued in September 2002.

3.2.7 Shareholders' Equity

Shareholders' equity of $3,838 million represents 6.98% of total assets as at 30 September 2002.



Shareholders' equity comprises ordinary equity of $3,043 million, preferred resetting yield marketable securities of $291 million, depositary capital securities of $334 million, and retained profits and other equity of $170 million.

Below is a table detailing the movements in ordinary equity during the current year.

	$M	Number of Shares
Balance as at 1 October 2001	2,821	483,828,232
Shares issued under various plans:		
Dividend Reinvestment Plan – 2001 final ordinary dividend		
Ordinary shares issued	54	3,334,926
Ordinary shares underwritten	81	4,964,412
Dividend Reinvestment Plan – 2002 interim ordinary dividend	69	3,598,233
Employee Reward Share Plan	-	340,312
Employee Performance Share Plan	-	263,473
Executive Option Plan	18	1,768,333
Balance as at 30 September 2002	3,043	498,097,921

3.2.8 Sell Back Rights

In February 2001, St.George granted Sell Back Rights to effect an off-market buy-back. The Australian Taxation Office (ATO) issued a Class Ruling stating that shareholders who received Sell Back Rights would be liable to income tax on the market value of these Rights.

In order to avoid penalties and interest under taxation laws, St.George sent detailed information packs to shareholders in August 2001 advising that they include the market value of the Sell Back Rights in their assessable income for the year ended 30 June 2001. After St.George had made every effort to respond to requests by the ATO for further information, the ATO has finally disallowed an objection lodged by a taxpayer in respect of the inclusion of the market value of the Sell Back Rights in their assessable income for the year ended 30 June 2001.

While the next step in the litigation process is to lodge a notice of appeal with the Federal Court, with a view to obtaining a hearing date, it is not expected that a hearing date will be set in the Federal Court until early next year. St.George is continuing to pursue the best interests of its shareholders with the ATO in relation to this issue and will continue to contest the ATO's view as long as there is a strong prospect of obtaining a satisfactory result.

3.3 Other Financial Analysis

3.3.1 Dividends

Ordinary Shares

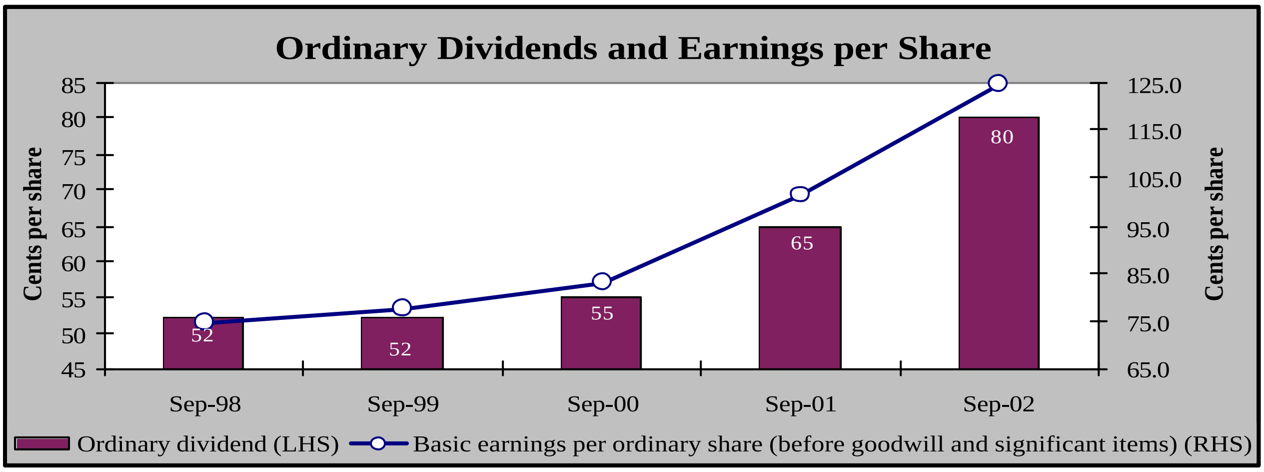
The Board has declared a final dividend of 42 cents per ordinary share.

The dividend will be fully franked at 30% and will be paid on 13 December 2002. Ordinary shares will trade ex-dividend on 25 November 2002.

Registrable transfers received by St.George at its share registry[1] by 5.00 pm Sydney time on 29 November 2002 if paper based, or by end of the day on that date if transmitted electronically via CHESS, will be registered before entitlements to the dividend are determined.

Dividend Reinvestment Plan (DRP)

The DRP will operate for the final ordinary dividend with no discount and participation will be from a minimum of 100 ordinary shares without a cap on participation by individual shareholders. For applications under the DRP to be effective, they must be received at the Bank's Share Registry[1] by 5:00pm on 29 November 2002. DRP application forms are available from the Share Registry.



Preference Shares

The following tables outline the dividend entitlements relating to each class of Preference Share.

Depositary Capital Securities			
Period	Payment date	Amount ($'m)	Franked
1 October 2001 – 31 December 2001	31 December 2001	10	No
1 January 2002 – 30 June 2002	28 June 2002	19	No
1 July 2002 – 30 September 2002	31 December 2002	10	No

The dividend payable on 31 December 2002 is based on the AUD/USD exchange rate as at 30 September 2002.

Preferred Resetting Yield Marketable Equity Securities			
Period	Payment date	Amount ($'m)	Franked
1 October 2001 – 20 February 2002	20 February 2002	7	100% franked at 30%
21 February 2002 – 20 August 2002	20 August 2002	10	100% franked at 30%
21 August 2002 - 30 September 2002	20 February 2003	2	100% franked at 30%

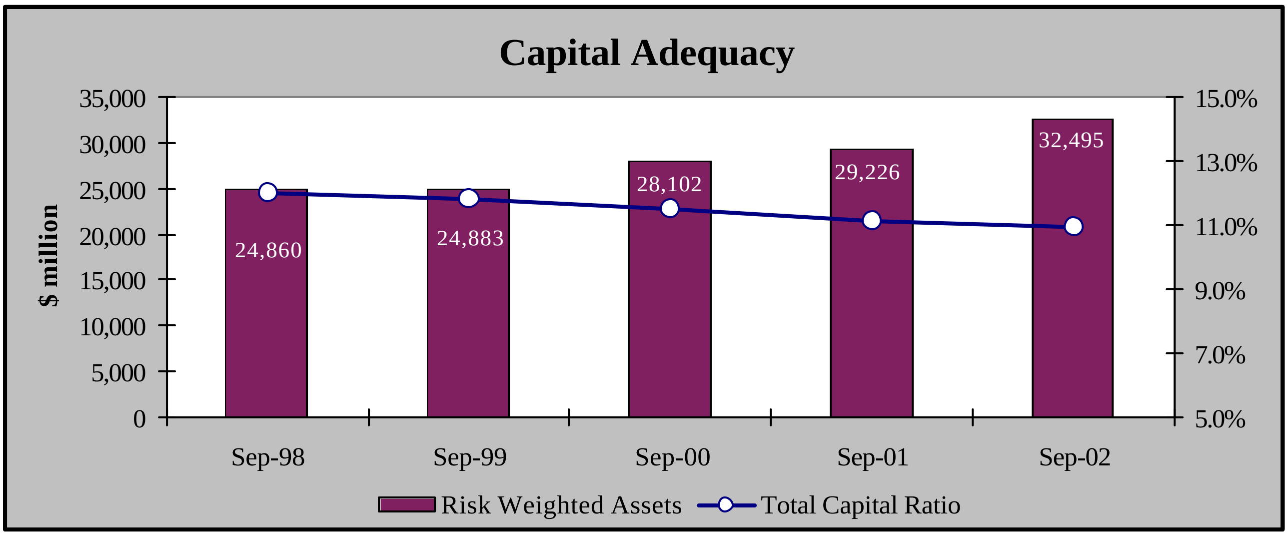
[1] Computershare Investor Services Pty Ltd, Level 3, 60 Carrington Street, Sydney. Tel: 1800 804 457

3.3.2 Capital Adequacy

As at	**Sept 2002 $m**	March 2002 $'m	Sept 2001 $m
Qualifying Capital:			
Tier 1			
Share capital	**3,349**	3,271	3,127
Reserves	**548**	571	665
Retained profits	**71**	70	102
Less: Goodwill and other APRA deductions (1)	**(1,527)**	(1,571)	(1,515)
Total Tier 1 capital	**2,441**	2,341	2,379
Tier 2			
Asset Revaluations	**47**	27	34
Subordinated Debt	**907**	821	734
General provision for doubtful debts (not tax effected)	**152**	139	133
Total Tier 2 capital	**1,106**	987	901
Less: Deductions from capital (2)	**40**	40	40
Total Qualifying Capital	**3,507**	3,288	3,240
Risk Weighted Assets	**32,495**	30,374	29,226
Risk Weighted Capital Adequacy Ratio:			
Tier 1	**7.5%**	7.7%	8.1%
Tier 2	**3.4%**	3.2%	3.1%
Less: Deductions	**-0.1%**	-0.1%	-0.1%
Total Capital Ratio	**10.8%**	10.8%	11.1%

(1) Investments (pre-acquisition retained earnings) in funds management and administration companies and the investment in mortgage insurance company (St.George Insurance Pte. Ltd.) are deducted from Tier 1 Capital.
(2) Holdings of other banks' capital instruments and investments (excluding pre-acquisition retained earnings) in funds management and administration companies and life insurance companies are deducted from the total of Tier 1 and Tier 2 capital.

The Group has a Tier 1 ratio of 7.5% and a total capital ratio of 10.8% (30 September 2001: 11.1%).



3.3.3 Average Balances and Related Interest

Average Balance Sheet **For the Year Ended 30 September 2002**	**Average Balance $m**	**Interest $m**	**Average Rate**
INTEREST EARNING ASSETS :			
Cash and liquid assets	689	30	4.35%
Due from other financial institutions	197	5	2.54%
Investment / trading securities	4,994	228	4.57%
Loans and other receivables	41,810	2,801	6.70%
Total interest earning assets	47,690	3,064	6.42%
NON-INTEREST EARNING ASSETS :			
Bills receivable	7		
Property, plant and equipment	533		
Other assets	5,345		
Provision for doubtful debts	(203)		
Total non-interest earning assets	5,682		
TOTAL ASSETS	53,372		
INTEREST BEARING LIABILITIES :			
Retail funding	27,853	880	3.16%
Other deposits	7,712	375	4.86%
Due to other financial institutions	361	9	2.49%
Domestic borrowings	2,408	137	5.69%
Offshore borrowings	8,165	330	4.04%
Total interest bearing liabilities	46,499	1,731	3.72%
NON-INTEREST BEARING LIABILITIES :			
Bills payable	172		
Other non-interest bearing liabilities	2,927		
Total non-interest bearing liabilities	3,099		
TOTAL LIABILITIES	49,598		
SHAREHOLDERS' EQUITY (1)	3,774		
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	53,372		
Interest Spread (2)			2.70%
Interest Margin (3)			2.80%

(1) Weighted average number of ordinary shares outstanding for the year were 493.0 million.
(2) Interest spread represents the difference between the average interest rate earned on assets and the average interest rate paid on funds.
(3) Interest margin represents net interest income as a percentage of average interest earning assets.

3.3.3 Average Balances and Related Interest (cont…)

Average Balance Sheet **For the Year Ended 30 September 2001**	**Average Balance $m**	**Interest $m**	**Average Rate**
INTEREST EARNING ASSETS :			
Cash and liquid assets	1,081	56	5.18%
Due from other financial institutions	155	4	2.58%
Investment / trading securities	3,738	232	6.21%
Loans and other receivables	39,815	3,019	7.58%
Total interest earning assets	44,789	3,311	7.39%
NON-INTEREST EARNING ASSETS :			
Bills receivable	47		
Property, plant and equipment	554		
Other assets	4,498		
Provision for doubtful debts	(184)		
Total non-interest earning assets	4,915		
TOTAL ASSETS	49,704		
INTEREST BEARING LIABILITIES :			
Retail funding	24,785	961	3.88%
Other deposits	7,718	449	5.82%
Due to other financial institutions	482	13	2.70%
Domestic borrowings	2,828	162	5.73%
Offshore borrowings	8,434	491	5.82%
Total interest bearing liabilities	44,247	2,076	4.69%
NON-INTEREST BEARING LIABILITIES :			
Bills payable	163		
Other non-interest bearing liabilities	1,622		
Total non-interest bearing liabilities	1,785		
TOTAL LIABILITIES	46,032		
SHAREHOLDERS' EQUITY (1)	3,672		
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	49,704		
Interest Spread (2)			2.70%
Interest Margin (3)			2.76%

(1) Weighted average number of ordinary shares outstanding for the year were 467.4 million.
(2) Interest spread represents the difference between the average interest rate earned on assets and the average interest rate paid on funds.
(3) Interest margin represents net interest income as a percentage of average interest earning assets.

3.3.3 Average Balances and Related Interest (cont…)

Average Balance Sheet **For the Year Ended 30 September 2000**	**Average Balance $m**	**Interest $m**	**Average Rate**
INTEREST EARNING ASSETS :			
Cash and liquid assets	813	38	4.67%
Due from other financial institutions	153	5	3.27%
Investment / trading securities	4,463	288	6.45%
Loans and other receivables	38,022	2,863	7.53%
Total interest earning assets	43,451	3,194	7.35%
NON-INTEREST EARNING ASSETS :			
Bills receivable	222		
Property, plant and equipment	563		
Other assets	3,583		
Provision for doubtful debts	(177)		
Total non-interest earning assets	4,191		
TOTAL ASSETS	47,642		
INTEREST BEARING LIABILITIES :			
Retail funding	23,733	940	3.96%
Other deposits	8,062	475	5.89%
Due to other financial institutions	350	7	2.00%
Domestic borrowings	2,627	150	5.71%
Offshore borrowings	7,621	450	5.90%
Total interest bearing liabilities	42,393	2,022	4.77%
NON-INTEREST BEARING LIABILITIES :			
Bills payable	196		
Other non-interest bearing liabilities	1,446		
Total non-interest bearing liabilities	1,642		
TOTAL LIABILITIES	44,035		
SHAREHOLDERS' EQUITY (1)	3,607		
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	47,642		
Interest Spread (2)			2.58%
Interest Margin (3)			2.70%

(1) Weighted average number of ordinary shares outstanding for the year were 463.0 million.
(2) Interest spread represents the difference between the average interest rate earned on assets and the average interest rate paid on funds.
(3) Interest margin represents net interest income as a percentage of average interest earning assets.

3.3.4 Volume and Rate Analysis

The table below allocates changes in interest income and interest expense between changes in volume and rate for the years ended 30 September 2002 and 30 September 2001. Volume and rate variances have been calculated on the movement in average balances and the change in the interest rates on average interest earning assets and average interest bearing liabilities.

	September 2002 over September 2001			September 2001 over September 2000		
	-------------Change Due to---------------			-----------------Change Due to-----------------		
	Volume $m	**Rate $ m**	**Total $m**	Volume $m	Rate $ m	Total $ m
INTEREST EARNING ASSETS :						
Cash and liquid assets	**(17)**	**(9)**	**(26)**	14	4	18
Due from other financial institutions	**1**	**-**	**1**	-	(1)	(1)
Investment / trading securities	**57**	**(61)**	**(4)**	(45)	(11)	(56)
Loans and other receivables	**133**	**(351)**	**(218)**	136	20	156
CHANGE IN INTEREST INCOME	**174**	**(421)**	**(247)**	105	12	117
INTEREST BEARING LIABILITIES :						
Retail funding	**97**	**(178)**	**(81)**	40	(19)	21
Other deposits	**-**	**(74)**	**(74)**	(20)	(6)	(26)
Due to financial institutions	**(3)**	**(1)**	**(4)**	4	2	6
Domestic borrowings	**(24)**	**(1)**	**(25)**	11	1	12
Offshore borrowings	**(11)**	**(150)**	**(161)**	47	(6)	41
CHANGE IN INTEREST EXPENSE	**59**	**(404)**	**(345)**	82	(28)	54
CHANGE IN NET INTEREST INCOME	**115**	**(17)**	**98**	23	40	63

3.3.5 Derivatives

The major categories of risk managed by the Group are credit risk, market risk, liquidity risk and operational risk. The Group uses derivatives as a cost effective way of managing market risk. Derivatives incur extremely low transaction costs in comparison to the face value of the contract. Prudent management of market risk involves the use of derivatives to transfer all or part of the risk to counterparties who are willing to accept it. Derivatives therefore provide protection to income streams from volatile interest and foreign exchange rates in the financial markets.

The following table provides an overview of the Group's exchange rate and interest rate derivatives. It includes all trading and non-trading contracts.

As at	**30 September 2002**		31 March 2002		30 September 2001	
	Notional Amount $m	**Credit Equivalent* $m**	Notional Amount $m	Credit Equivalent* $m	Notional Amount $m	Credit Equivalent* $m
Foreign Exchange						
Spot, Forwards	**15,063**	**328**	13,576	302	17,390	508
Swaps	**5,336**	**643**	4,864	787	5,528	1,647
Options	**571**	**16**	956	11	1,563	23
Total	**20,970**	**987**	19,396	1,100	24,481	2,178
Interest Rate						
Futures	**29,179**	**-**	17,117	-	10,739	-
Forward Rate Agreements	**20,180**	**5**	11,321	9	12,430	9
Swaps	**62,457**	**445**	67,687	391	49,256	440
Options	**16**	**-**	66	-	61	-
Total	**111,832**	**450**	96,191	400	72,486	449
Grand Total	**132,802**	**1,437**	115,587	1,500	96,967	2,627

* Credit Equivalent - represents a measure of the potential loss to the Group as a result of non-performance by counterparties.

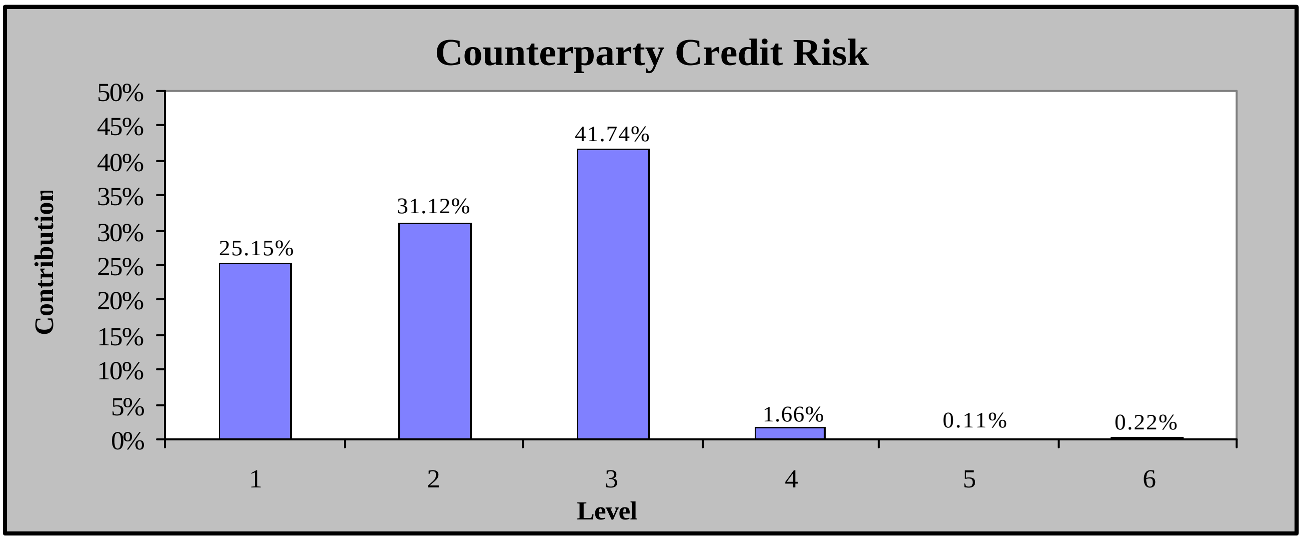
The Group's major use of derivatives is as a hedge for balance sheet assets, the primary exposure to derivative transactions is with counterparties that are rated investment grade quality.

3.3.5 Derivatives (cont…)

The St.George risk rating system has six levels of classification based upon Standard and Poor's International Rating system. The levels are:

Level	International Rating
1	AAA
2	AA or better
3	A or better
4	BBB or better
5	BBB-
6	BB+

The graph below shows the percentage counterparty risk exposure on derivatives on a notional contract basis totalling $133 billion as at 30 September 2002 (30 September 2001: $97 billion).



3.3.6 Share and Option Plans

Three employee share plans and one executive option plan were approved by shareholders at the Annual General Meeting of the Bank held on 3 February 1998. A Non-Executive Directors' Share Purchase Plan was approved by shareholders at the Annual General Meeting held on 17 December 1999.

Details of allocations under these plans are contained in the Group's Full Financial Report for the 30 September 2002 year.

4 Further Information

4.1 Branches

As at	Sept 2002	March 2002	Sept 2001
New South Wales	**225**	222	224
Australian Capital Territory	**14**	14	14
Queensland	**22**	22	22
Victoria	**30**	30	30
South Australia	**109**	111	113
Western Australia	**2**	2	2
Northern Territory	**4**	4	4
Total [1]	**406**	405	409
Assets per branch - $m	**135**	130	127
Net Profit [2] per branch (annualised)			
- after income tax, OEI and before goodwill and significant items - $'000	**1,658**	1,630	1,330
- after income tax, OEI, goodwill and before significant items - $'000	**1,387**	1,353	1,088

(1) There were 40 Automated Banking Centres (ABC) at 30 September 2002 (30 September 2001: 37).
(2) Before Preference Dividends.

4.2 Staffing (full time equivalents)

As at	Sept 2002	March 2002	Sept 2001
New South Wales	**4,573**	4,588	4,411
Australian Capital Territory	**151**	148	154
Queensland	**225**	228	232
Victoria	**253**	266	263
South Australia	**1,199**	1,216	1,157
Western Australia	**86**	82	76
Northern Territory	**30**	32	31
	6,517	6,560	6,324
SEALCORP	**589**	594	583
Scottish Pacific	**143**	141	154
WealthPoint	**93**	168	-
Total Permanent and Casual Staff	**7,342**	7,463	7,061
Assets per staff - $m	**7.5**	7.0	7.4
Staff per $m assets - No.	**0.13**	0.14	0.14
Net Profit [1] per average staff (annualised)			
- after income tax, OEI and before goodwill and significant items - $'000	**91.5**	90.5	75.2
- after income tax, OEI, goodwill and before significant items - $'000	**76.5**	75.1	61.5
Total Group Workforce [2]	**7,896**	8,164	7,704

(1) Before Preference Dividends.
(2) The total Group workforce comprises permanent, casual and temporary staff and contractors.

4.3 Dates and Credit Ratings

Financial Calendar

Date	Event
25 November 2002	Ex-dividend trading for final ordinary share dividend
29 November 2002	Record date for final ordinary share dividend
13 December 2002	Payment of final ordinary dividend
13 December 2002	Annual General Meeting
31 March 2003	Financial half-year end

Proposed Dates

Date	Event
31 January 2003	Ex-dividend trading for PRYMES
6 February 2003	Record date for PRYMES
20 February 2003	Payment date for PRYMES
6 May 2003	Announcement of financial results and interim ordinary dividend
26 May 2003	Melbourne Shareholder Information Meeting
12 June 2003	Ex-dividend trading for interim ordinary share dividend
18 June 2003	Record date for interim ordinary share dividend
2 July 2003	Payment of interim ordinary dividend

Credit Ratings

	Short term	Long term
Standard & Poor's	A-1	A
Moody's Investors Service	P-1	A2
Fitch Ratings	F1	A+

Further Information

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