



DISCLOSURE OF 2015 AUSTRALIAN TAX PAID

In December 2016 the ATO will publish the following information in respect of NAB's 2015 tax year:

	\$
Total Income	46,064,575,264
Taxable Income	12,938,685,627
Tax Payable	2,688,097,025

The above information is taken from various labels of the 2015 tax return for NAB's "income tax consolidated group" (**NAB TCG**). The NAB TCG comprises NAB and all of NAB's wholly-owned Australian entities.

Importantly, the NAB TCG includes the statutory funds of MLC Limited, a life insurance company within the NAB Wealth division. Within these statutory funds investments are made by MLC Limited on behalf of life insurance policyholders. The income and tax payments relating to these investments and policyholder contributions are attributable to policyholders (and not NAB). As such, the above tax information reported for the NAB TCG includes income and tax payments attributable to policyholders and needs to be eliminated to present the stand-alone tax position of the NAB Group.

This is illustrated on the right.

2015 tax information for the NAB TCG

(including income and tax attributable to policyholders)

	2015
Total Income	46,065
Total Expenses	(38,164)
Net Profit Before Income Tax [A]	7,901
Book to Tax Adjustments:	
Offshore Banking Unit Concession	(115)
Life Company Adjustments	3,899
Clydesdale Bank Demerger and Great Western Bank IPO Adjustments	787
Franking Credit Gross Up	356
Other Adjustments	125
Tax Losses Utilised	(14)
Total Book to Tax Adjustments [B]	5,038
Taxable Income [A]+[B]=[C]	12,939
Income Tax on Taxable Income	3,128
Research & Development Offset	(84)
Franking & Other Offsets	(356)
Tax Payable [D]	2,688
Effective Tax Rate [D]/[A]	34.02%

Tax Allocation

	NAB Group 2015	Policyholders 2015	Total
Taxable Income [A]+[B]=[C]	8,780	4,159	12,939
Income Tax on Taxable Income	2,634	494	3,128
Research & Development Offset	(84)	–	(84)
Franking & Other Offsets	(15)	(341)	(356)
Tax Payable [D]	2,535	153	2,688