

NATIONAL AUSTRALIA BANK LTD  
Form 6-K  
October 26, 2005

FILE NO 1-9945

# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON DC 20549

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## FORM 6-K

### REPORT OF FOREIGN ISSUER

Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

For the month of October 2005

## National Australia Bank Limited

ACN 004 044 937

(Registrant's Name)

Level 24

500 Bourke Street

MELBOURNE VICTORIA 3000

AUSTRALIA

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82

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**Group Corporate Affairs**

National Australia  
Bank Limited  
ABN 12004044937

500 Bourke Street  
Melbourne  
Victoria 3000  
Australia

**ASX Announcement**

*Melbourne, Monday 24 October 2005*

**Final adjustments for sale of Irish banks**

National Australia Bank today announced, that following final adjustments made to the sale completion accounts, the net profit on sale of the Northern Bank and National Irish Bank was \$1,043 million compared to the initial estimate of \$1,073 million.

The sale completion process also identified the need for an adjustment to previously reported net interest margins and net interest spreads for the NAB's United Kingdom banks.

The adjustments have no effect on previously reported Group profit or margins.

The adjustments are required to correctly record the inter-company balances between the United Kingdom and Irish banks, and affect net interest margins and net interest spreads reported for the United Kingdom in the 2005 March half year and prior periods commencing September 2003.

For the March 2005 half year the reported net interest margin for the United Kingdom ongoing operations (ie excluding the Irish banks) reduces from 4.00% to 3.91% and the net interest spread falls from 3.66% to 3.53%. There is a similar movement in interest margins and spreads reported since September 2003.

The full details of changes to the United Kingdom net interest margins and spreads at the 2005 March half year are attached. The adjustments will also be incorporated in the Group's 2005 full year results to be announced on 9 November.

**For further information:**

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**Or visit [www.nabgroup.com](http://www.nabgroup.com)**



**PROFITABILITY**

*Net Interest Income*

*Volumes by Division*



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| Average interest-earning assets (1)          | Mar 05<br>\$bn | Half Year to   |                | Fav/(Unfav)<br>Change on Sep 04 |                |
|--|----------------|----------------|----------------|---------------------------------|----------------|
|  |                | Sep 04<br>\$bn | Mar 04<br>\$bn | %                               | Ex FX<br>% (2) |
| Australian Banking                           | 150.1          | 142.9          | 135.5          | 5.0                             | 5.0            |
| UK Banking                                   | 54.5           | 57.2           | 51.4           | (4.7)                           | (1.2)          |
| New Zealand Banking                          | 31.1           | 28.4           | 26.5           | 9.5                             | 6.7            |
| Institutional Markets & Services             | 139.8          | 133.0          | 126.7          | 5.1                             | 7.3            |
| Other (3)                                    | (50.6)         | (47.7)         | (40.9)         | (6.1)                           | (10.8)         |
| <b>Group average interest-earning assets</b> | <b>324.9</b>   | <b>313.8</b>   | <b>299.2</b>   | <b>3.5</b>                      | <b>4.1</b>     |

(1) Interest-earning assets include intercompany balances.

(2) Change expressed at constant foreign exchange rates.

(3) Other includes the Wealth Management regional operations, Group Funding, Corporate Centre and Inter-divisional eliminations.

*Total UK (Banking & Wealth Management) Ongoing Operations*



*Key Performance Measures*

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|   | Mar 05 | Half Year to<br>Sep 04 | Mar 04 | Sep 04<br>% | Fav/(Unfav)<br>Change on<br>Mar 04<br>% |
|---|--------|------------------------|--------|-------------|---|
| <b>Performance &amp; profitability</b>                |        |                        |        |             |   |
| Return on average assets (annualised)                 | 0.93%  | 0.79%                  | 1.14%  |             |   |
| Cost to income ratio                                  | 63.8%  | 65.1%                  | 60.7%  |             |   |
| Cash earnings per average FTE (annualised)<br>(£ 000) | 21     | 19                     | 24     |             |   |
| <b>Net interest income</b>                            |        |                        |        |             |   |
| Net interest margin                                   | 3.91%  | 3.98%                  | 4.33%  |             |   |
| Net interest spread                                   | 3.53%  | 3.65%                  | 4.09%  |             |   |
| <b>Average balance sheet (£bn)</b>                    |        |                        |        |             |   |
| Gross loans and acceptances                           | 15.6   | 14.8                   | 14.3   | 5.3         | 8.8                                     |
| Interest-earning assets                               | 17.1   | 16.7                   | 15.9   | 2.4         | 7.5                                     |
| Retail deposits                                       | 11.2   | 11.1                   | 10.6   | 1.7         | 5.7                                     |

*Supplementary Performance Summary (includes ongoing and disposed operations - eg. includes the Irish Banks)*

Supplementary Performance Summary (includes ongoing and disposed operations - eg. includes the Irish Banks)

*Key Performance Measures*

|   | Mar 05 | Half Year to<br>Sep 04 | Mar 04 |
|---|--------|------------------------|--------|
| <b>Performance &amp; profitability</b>                |        |                        |        |
| Return on average assets (annualised)                 | 0.85%  | 0.77%                  | 0.99%  |
| Cost to income ratio                                  | 66.1%  | 68.2%                  | 63.9%  |
| Cash earnings per average FTE (annualised)<br>(£ 000) | 20     | 17                     | 21     |
| <b>Net interest income</b>                            |        |                        |        |
| Net interest margin                                   | 3.69%  | 3.84%                  | 4.08%  |
| Net interest spread                                   | 3.13%  | 3.38%                  | 3.71%  |
| <b>Average balance sheet (£bn)</b>                    |        |                        |        |
| Gross loans and acceptances                           | 19.2   | 19.8                   | 19.2   |
| Interest-earning assets                               | 22.3   | 22.5                   | 21.5   |
| Retail deposits                                       | 15.0   | 15.6                   | 15.1   |

**SIGNATURE PAGE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

**NATIONAL AUSTRALIA BANK LIMITED**



/s/

*Brendan Case*



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Date: 24 October 2005

Title: *Associate Company Secretary*

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