

# SECURED FUNDING IN BALANCE-SHEET MANAGEMENT

November 2011

STRICTLY PRIVATE AND CONFIDENTIAL

J.P.Morgan

This presentation was prepared exclusively for the benefit and internal use of the J.P. Morgan client to whom it is directly addressed and delivered (including such client's subsidiaries, the "Company") in order to assist the Company in evaluating, on a preliminary basis, the feasibility of a possible transaction or transactions and does not carry any right of publication or disclosure, in whole or in part, to any other party. This presentation is for discussion purposes only and is incomplete without reference to, and should be viewed solely in conjunction with, the oral briefing provided by J.P. Morgan. This presentation is confidential and neither this presentation nor any of its contents may be disclosed or used for any other purpose without the prior written consent of J.P. Morgan.

The information in this presentation is based upon any management forecasts supplied to us and reflects prevailing conditions and our views as of this date, all of which are accordingly subject to change. J.P. Morgan's opinions and estimates constitute J.P. Morgan's judgment and should be regarded as indicative, preliminary and for illustrative purposes only. In preparing this presentation, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which was provided to us by or on behalf of the Company or which was otherwise reviewed by us. In addition, our analyses are not and do not purport to be appraisals of the assets, stock, or business of the Company or any other entity. J.P. Morgan makes no representations as to the actual value which may be received in connection with a transaction nor the legal, tax or accounting effects of consummating a transaction. Unless expressly contemplated hereby, the information in this presentation does not take into account the effects of a possible transaction or transactions involving an actual or potential change of control, which may have significant valuation and other effects.

Notwithstanding anything herein to the contrary, the Company and each of its employees, representatives or other agents may disclose to any and all persons, without limitation of any kind, the U.S. federal and state income tax treatment and the U.S. federal and state income tax structure of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to the Company relating to such tax treatment and tax structure insofar as such treatment and/or structure relates to a U.S. federal or state income tax strategy provided to the Company by J.P. Morgan.

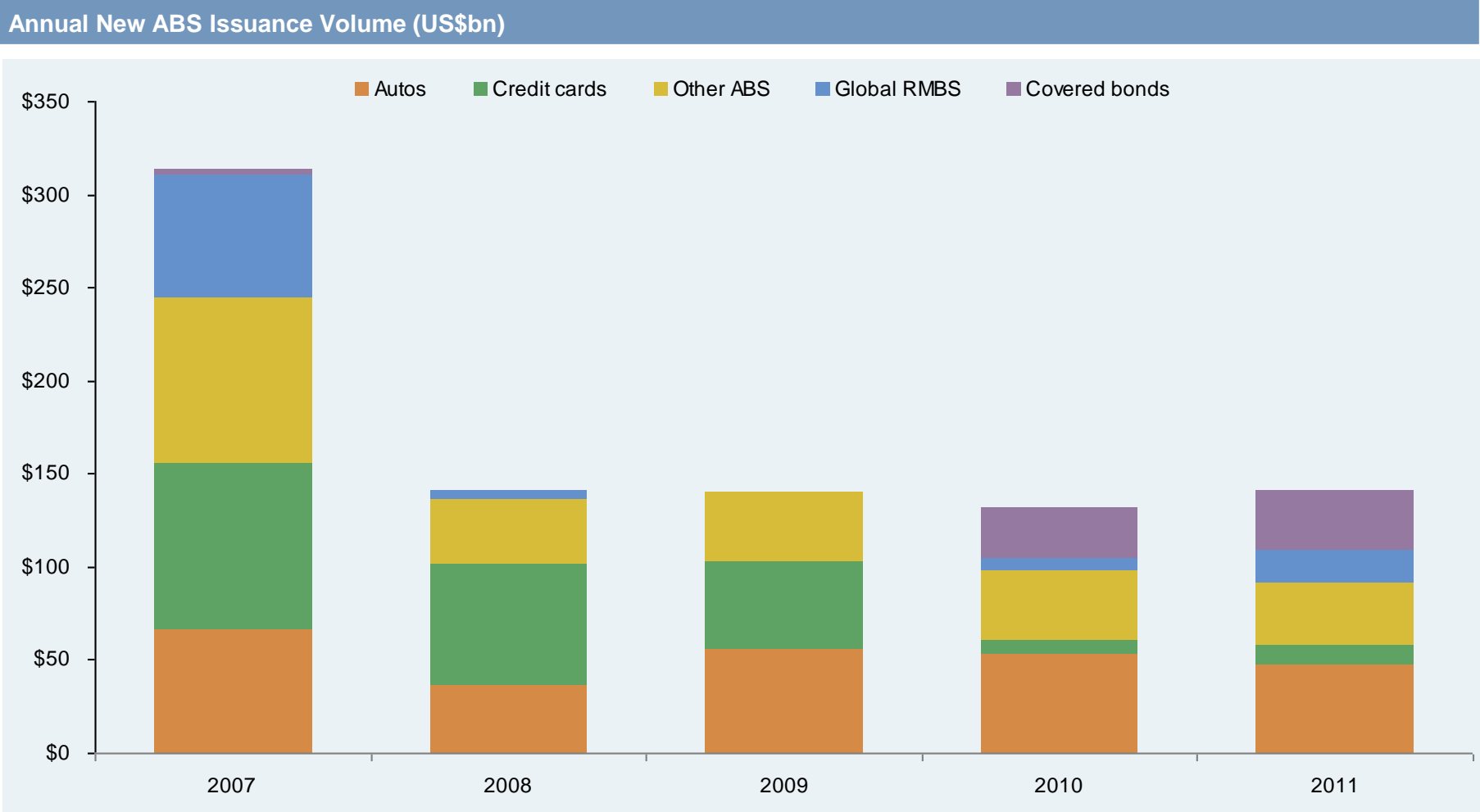
J.P. Morgan's policies prohibit employees from offering, directly or indirectly, a favorable research rating or specific price target, or offering to change a rating or price target, to a subject company as consideration or inducement for the receipt of business or for compensation. J.P. Morgan also prohibits its research analysts from being compensated for involvement in investment banking transactions except to the extent that such participation is intended to benefit investors.

**IRS Circular 230 Disclosure: JPMorgan Chase & Co. and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters included herein (including any attachments) is not intended or written to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone not affiliated with JPMorgan Chase & Co. of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.**

J.P. Morgan is a marketing name for investment banking businesses of JPMorgan Chase & Co. and its subsidiaries worldwide. Securities, syndicated loan arranging, financial advisory and other investment banking activities are performed by a combination of J.P. Morgan Securities LLC, J.P. Morgan plc, J.P. Morgan Securities Ltd. and the appropriately licensed subsidiaries of JPMorgan Chase & Co. in Asia-Pacific, and lending, derivatives and other commercial banking activities are performed by JPMorgan Chase Bank, N.A. J.P. Morgan deal team members may be employees of any of the foregoing entities.

This presentation does not constitute a commitment by any J.P. Morgan entity to underwrite, subscribe for or place any securities or to extend or arrange credit or to provide any other services. Neither this presentation, nor any services provided by J.P. Morgan to the Company as a result of, or in connection with this presentation or its subject matter, will represent, imply or give rise to a fiduciary relationship between J.P. Morgan and the Company. Any services provided in connection with the possible transaction or transactions the subject of this presentation will be provided on arm's length terms and, if applicable, pursuant to, and in accordance with, a contractual agreement to be negotiated between the parties. The Company acknowledges that J.P. Morgan and its related bodies corporate ("J.P. Morgan Group") comprise a full service securities firm and commercial bank. Accordingly, members of the J.P. Morgan Group may have interests which are in conflict with those of the Company or the Company's related bodies corporate including engaging in trading and brokerage activities involving the Company's securities.

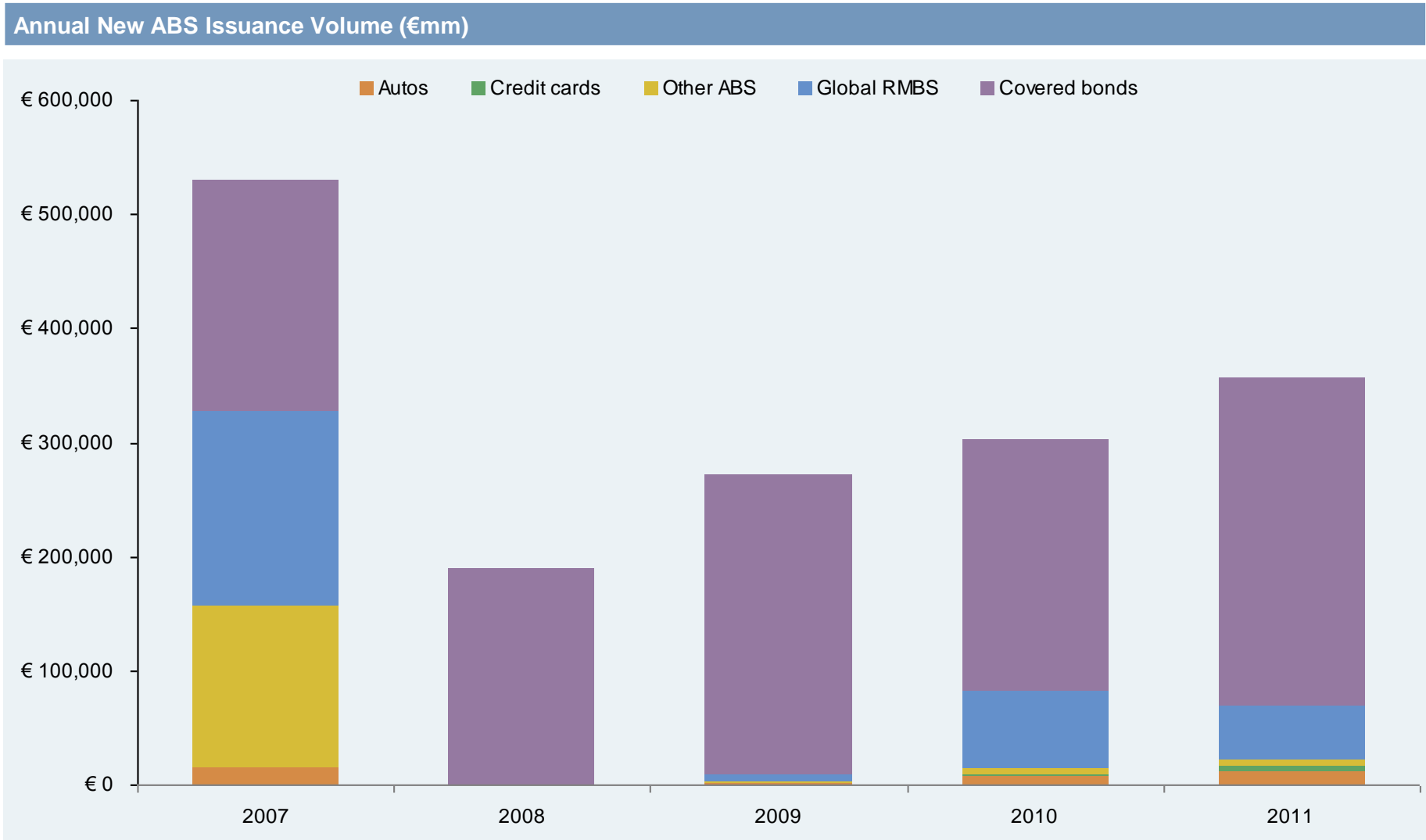
# US secured markets accessed by domestic and offshore issuers



Source: J.P. Morgan, as of 24/10/2011

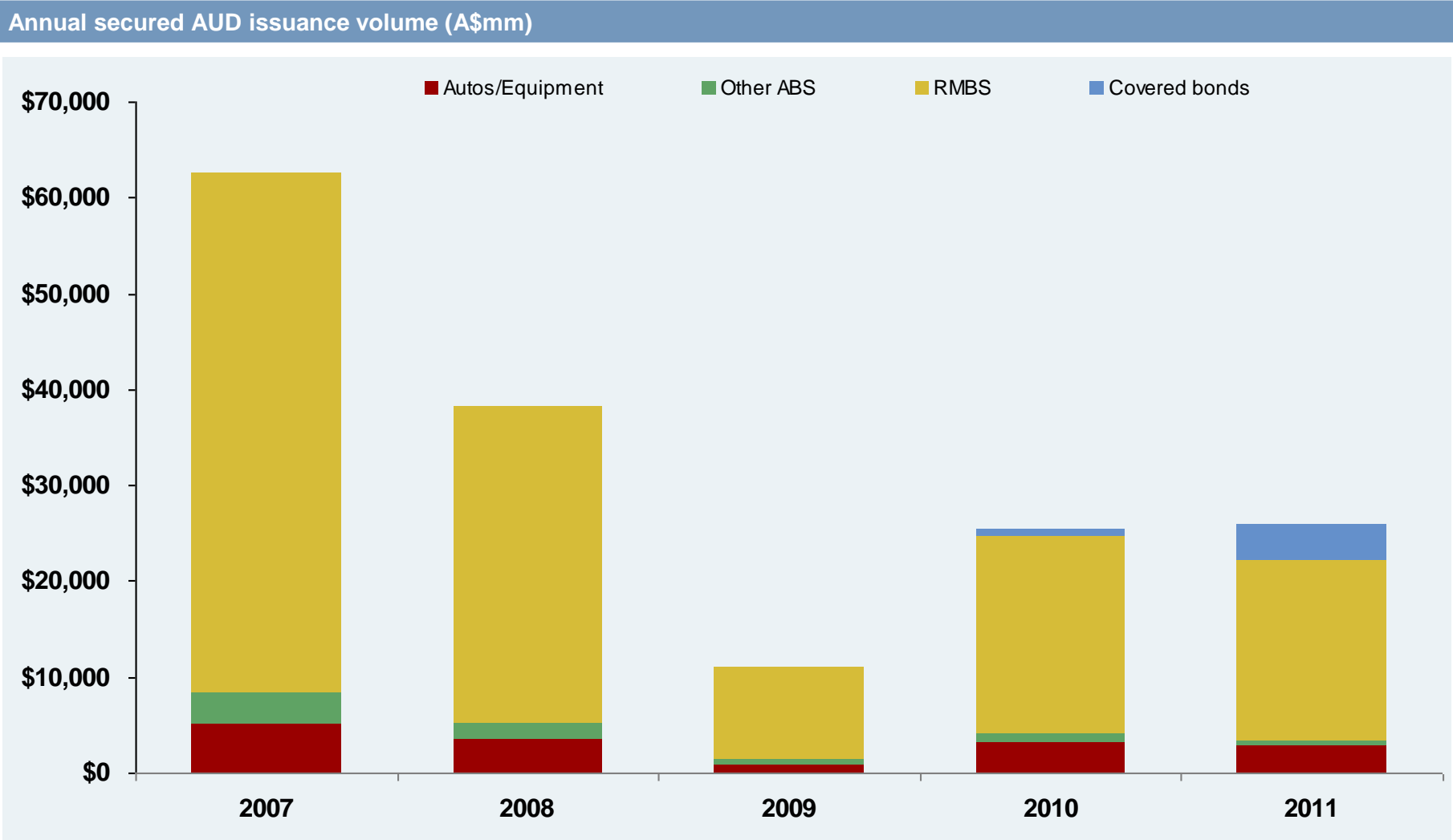
SECURED FUNDING IN BALANCE-SHEET MANAGEMENT

# European secured markets accessed by domestic and offshore issuers



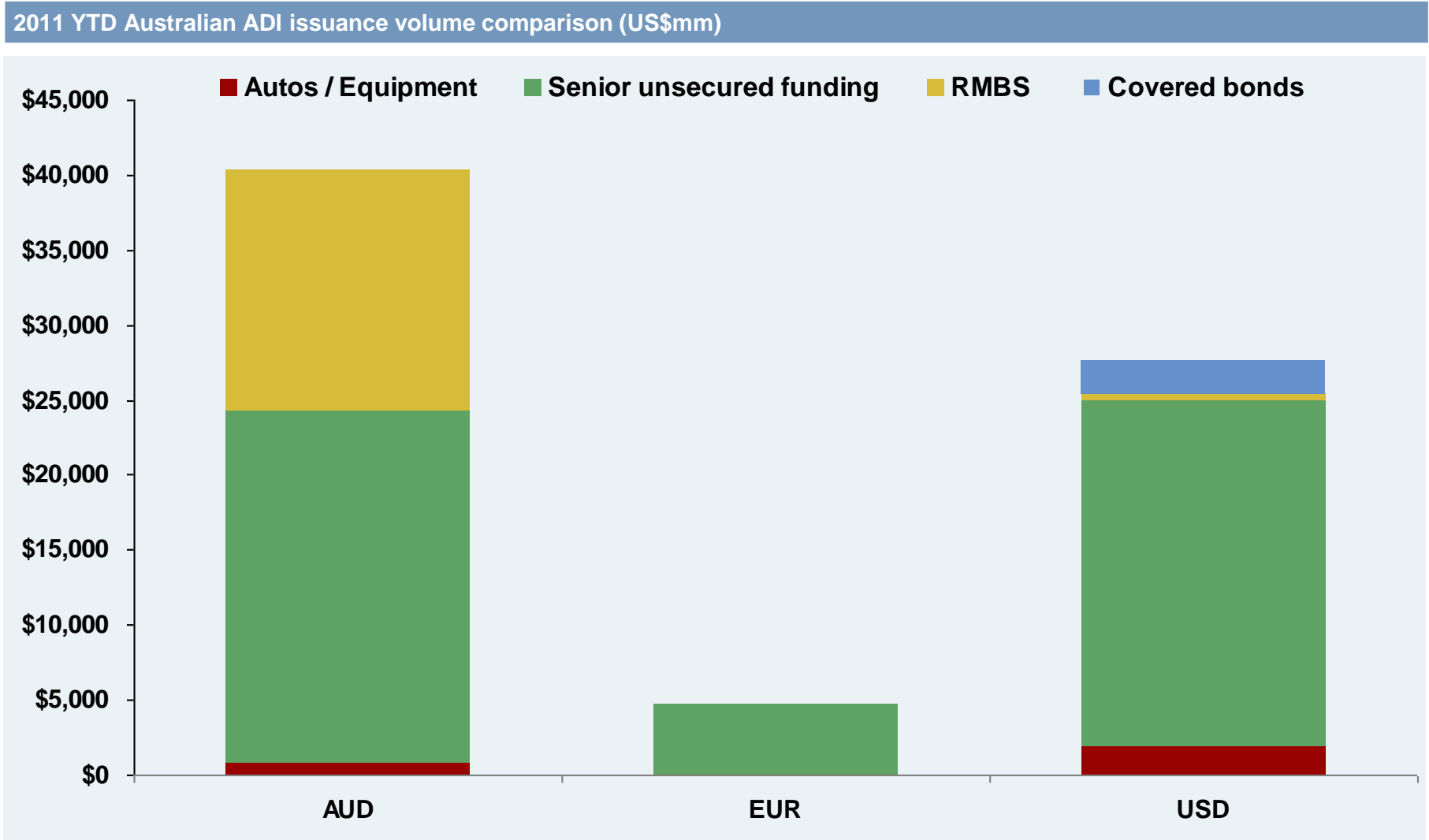
Source: J.P. Morgan research as of 21/11/2011 (excludes retained transactions)

# Australian secured markets accessed by domestic and offshore issuers



Source: S&P / J.P. Morgan, as of 21/11/2011

# Australian ADIs – funding mix



Source: J.P. Morgan, CM Market Analysts, AUD/USD FX rate: 1.000

SECURED FUNDING IN BALANCE-SHEET MANAGEMENT

# Australian major ADIs – pricing comparison

Estimated 3 yr pricing for Australia major banks (swapped back to 3M BBSW)



Source: J.P. Morgan Syndicate