

NATIONAL AUSTRALIA BANK LTD  
Form 6-K  
March 10, 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 March 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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**Bank of New Zealand**

[GRAPHIC]

10 March 2005

Bank Smarter

[LOGO]

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BNZ - Repositioning

[LOGO]

### **Key Business Issues**

In early 2002 our brand performance was declining to unacceptable levels relative to competitors

At that time Bank of New Zealand had:

Declining brand preference

Declining customer satisfaction

Declining main bank customer share

Brand was identified as one of the Bank's Big Five strategic priorities

A major brand project was then put in place

### **Core Strategy**

Back to basics, what is the Bank of New Zealand brand about?

A 12-month process for staff engagement and building belief in our brand attributes

Leadership

Empowerment

Performance

Put in place comprehensive brand programmes to improve all customer touchpoints.

Rebuilt external communication platforms to introduce brand values manifested in Bank Smarter

As a result, by 2002, key measures were falling

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BNZ Strategic Priorities

Brand

Customer Satisfaction

Housing

Youth

Since 2002 Brand performance improved significantly

|                                 |                     | <b>Dec<br/>2002</b> | <b>Sept<br/>2003</b> | <b>Sept<br/>2004</b> | <b>Direction</b> |
|---------------------------------|---------------------|---------------------|----------------------|----------------------|------------------|
| <b>Preference</b>               | <b>All Customer</b> | <b>11.7%</b>        | <b>13.6%</b>         | <b>15.6%</b>         |                  |
| <b>Preference</b>               | <b>Own Customer</b> | <b>61%</b>          | <b>69%</b>           | <b>71%</b>           |                  |
| <b>Preference / Share Ratio</b> |                     | <b>89%</b>          | <b>105%</b>          | <b>111%</b>          |                  |
| <b>Advertising awareness</b>    |                     | <b>14%</b>          | <b>16%</b>           | <b>26%</b>           |                  |
| <b>Customer Satisfaction</b>    |                     | <b>51%</b>          | <b>55%</b>           | <b>65%</b>           |                  |

Source: AC Nielsen Consumer Monitor

Result has been sustained improvement in customer satisfaction

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Focus on improving brand perception and customer experience is paying off.

Experienced significant gains in customer satisfaction over the last two years.



Home Loan Strategy paying off

BNZ One of only two Main Banks to grow market share - Jan 02 to Dec 04

**Housing System Growth versus BNZ Market Share**

[CHART]

Continuous focus on building our Home Loan book

Success driven by a combination of salesforce alignment and promotional focus

[CHART]

Home Loan Market Competitive Advantage

**Mortgage Broker sourced 30 - 40%**  
**2-Year Fixed Rate Home Loan**

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**Assumptions**

Competitor bank matches Bank of New Zealand Rate

Mortgage broker origination year 1 is 65 bpts

Mortgage broker trail commission year 2 is 25 bpts

**Bank sourced 60% - 70%**

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**Assumptions**

Bank of New Zealand 16% Home Loan market share

Programme was designed to deliver competitive advantage in Home Loan market

Full relationship with our customers, therefore greater ability to cross sell

Largest and most capable MMM workforce

Leverage our unique online leads capability to give us an advantage in customer retention and anticipating next best sale.

No broker expense (no upfront, trail or operational costs), therefore we have a natural cost advantage

As we only sell through our own channels, we do not have any internal conflict therefore we have boosted our staff confidence.

As we do not use brokers, we have reduced customer churn

Programme to selectively grow Youth market share

**Key Business Issues**

Share fall from 10% in 1999 to 7% in 2002/3

Majority of switching occurs between 19 to 29 year olds

Youth market opportunity

73% of NZ 20 - 24 year olds do not go onto full time tertiary education

Tertiary students are important but competitive sub-segment.

Student market is highly competitive and service intensive, however we need to be there

Non student youth market is profitable in near term, because they traditionally pay fees, borrow and take longer to repay debt.

**Core Strategy**

Target everyday banking as it is the key relationship driver

Create lead source for Campus Pack

Dynamic Money for under 19s

Acquire new customers from targeting key life events with a good offer

Campus Pack, Graduate Pack & Student Card

Create new market in working youth through recognising future value not current value

Smart Money

Market Share grew from 7% to 9% (2002/3 to 2004)

Progress to date on key strategies implemented

|                         | 2002/3 | Current Industry Best | Av. Gth 99-02 | Score 2004 | Av. Gth Since 2002/3 |
|-------------------------|--------|-----------------------|---------------|------------|----------------------|
| <b>Satisfaction</b>     | 53%    | 68%                   | -1.0%         | 63%        | 5.0%                 |
| <b>Preference</b>       | 12%    | 21%                   | -0.8%         | 15%        | 1.6%                 |
| <b>Preference:Share</b> | 94     | 128                   | -1.7          | 110        | 8.0                  |
| <b>Personal Share</b>   | 12%    | 39%                   | -0.6%         | 14%        | 0.9%                 |
| <b>Housing</b>          | 15%    | 38%                   | 0.0%          | 16%        | 0.5%                 |
| <b>Youth</b>            | 7%     | 42%                   | -0.8%         | 9%         | 1.0%                 |

Consistent evolutionary approach to strategy

|                          | 2002 / 2003   | 2003 / 2004   | 2004 / 2005  |
|--------------------------|---|---|--|
| <b>Ongoing</b>           |   | Brand Program<br>Customer<br>Satisfaction             | Brand Program<br>Customer<br>Satisfaction<br>Home Loans<br>Youth |
| <b>Current<br/>Focus</b> | Brand Program<br>Customer<br>Satisfaction<br>Home Loans | Home Loans<br>Youth<br>Retail Model<br>Small Business | Small Business<br>Consumer<br>Finance<br>Agribusiness            |
| <b>Emerging</b>          | Youth<br>Retail Model<br>Small Business                 | Consumer<br>Finance<br>Agribusiness                   | Savings<br>and Deposits  |

Infrastructure Renewal Program



Disclaimer

The preceding material is a presentation of general background information about the National s activities current at the date of the presentation, March 10, 2005. It is information given in a summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

**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**

Date: 10 March 2005

Title: *Susan Crook*  
*Associate Company Secretary*