



Group Corporate Affairs

National Australia
Bank Limited
ABN 12004044937

500 Bourke Street
Melbourne
Victoria 3000
Australia

ASX Announcement

Melbourne, Tuesday 19th August 2003

National Australia Bank in South Korea

Market speculation that National Australia Bank is exposed to a large corporate default in South Korea is not correct.

There are no lending exposures in South Korea causing concern to the National.

Earlier this month a former employee of the National in Seoul was indicted by the Seoul District Public Prosecutor on suspicion of embezzlement from members of wealthy South Korean families.

The National has filed a complaint with the Public Prosecutor against the former employee in relation to the forgery of certificates of deposits and promissory notes of approximately A\$77million (KRW60 billion), which purport to be National Australia Bank documents.

The holders of the forged documents are not clients of the National. There was no involvement by the National, nor did any funds pass through the bank's records in regard to the forged documents. The National is not liable on those forged documents.

The National is fully cooperating with the South Korean authorities.

For further information, please contact:

Brandon Phillips
Group Corporate Affairs
03 8641 3857
0419 369 058