

Media Release

26 June 2008

Westpac SPS Margin announcement

Westpac today announced the Margin for its proposed issue of Westpac Stapled Preferred Securities (Westpac SPS) following the completion of a bookbuild.

The Margin for the proposed issue of Westpac SPS has been set at 2.40% per annum. Westpac intends to issue approximately 9.5 million Westpac SPS, at an Issue Price of \$100 each, to raise approximately \$950 million, with the ability to raise more or less.

The stapled securities to be issued by Westpac consist of a Westpac preference share, stapled to a subordinated note issued by Westpac's New York branch. Westpac announced the issue of Westpac SPS on 18 June 2008.

Distributions are expected to be paid quarterly based on the 90 day Bank Bill Rate plus the Margin of 2.40% per annum. Distributions are expected to be fully franked and accordingly, holders are expected to receive cash distributions and franking credits. The potential value of franking credits does not accrue at the same time as holders receive cash distributions and a holder's ability to use franking credits will depend upon individual tax positions.

Distributions will be calculated quarterly using the formula (90 day Bank Bill Rate + Margin) x (1-Tax Rate). The Bank Bill Rate for the first Distribution will be set on the Issue Date (scheduled for 30 July 2008) and thereafter on the first Business Day of each Distribution Period.

The Westpac SPS Offer opens today and full details of the Offer are contained in the replacement Prospectus that has been lodged with the Australian Securities and Investments Commission. The Prospectus is also available on Westpac's website at www.westpac.com.au/investorcentre.

Westpac SPS are being offered to:

- eligible holders of Westpac Ordinary Shares and Westpac TPS ("Eligible Securityholders");
- eligible retail clients of the Joint Lead Managers and syndicate brokers; and
- certain Institutional Investors invited by the Joint Lead Managers.

Applications must be for a minimum of 50 Westpac SPS (A\$5,000).

The Securityholder Offer is expected to close at 5.00pm on 23 July 2008 and the Broker Firm Offer is expected to close at 10.00am on 28 July 2008.

Eligible Applicants who are considering applying for Westpac SPS should read the Prospectus in full. Eligible Securityholders can register to receive a Prospectus and a Securityholder Application Form by calling the Westpac SPS Information Line on **1300 139 843** or by registering online at www.westpac.com.au/investorcentre. Broker Firm Applicants should contact their Syndicate Broker for a Prospectus and a Broker Firm Application Form. Applicants who wish to acquire the Westpac SPS will need to complete the relevant Application Form that accompanies the Prospectus. Eligible



Securityholders may also apply for Westpac SPS on-line at www.westpac.com.au/investorcentre.

Ends.

For Further Information

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Notes

Capitalised terms in this media release refer to terms as described in the Westpac SPS Prospectus.
Dates are indicative only and may change.
All references to time are to Sydney time.

The Westpac SPS are being offered in Australia. This media release does not constitute an offer of securities for sale in the United States, and the Westpac SPS may not be offered or sold in the United States.