

The Westpac Subordinated Notes are being offered in Australia and certain foreign jurisdictions subject to various restrictions outlined in the Information Memorandum. This media release does not constitute an offer of securities for sale in the United States, and the Westpac Subordinated Notes may not be offered or sold in the United States.

MEDIA RELEASE

23 August 2012

Westpac Subordinated Notes Offer Closes

Westpac Banking Corporation (**Westpac**) today announced that the Offer of Westpac Subordinated Notes has successfully closed. Following strong demand, the Offer raised approximately \$1.68 billion of Tier 2 capital.

As a result, Westpac today issued 16,762,190 Westpac Subordinated Notes at an Issue Price of \$100 each. The notes are expected to commence trading on ASX on a deferred settlement basis from approximately 12.00 noon (Sydney time) on 24 August 2012, under the ASX code "WBCHA". Trading on a normal settlement basis is expected to commence on ASX on 31 August 2012.

Allocation policy

Securityholder Offer - All valid Applications were accepted in full.

Broker Firm Offer - Allocations to each Joint Lead Manager were determined pursuant to the Bookbuild conducted on 20 July 2012 under which broker firm bids were scaled back as agreed between Westpac and the Joint Lead Managers.

Institutional Offer – A scaleback was applied to Applicants under the Institutional Offer. Institutional Investors who participated in the Institutional Offer have been advised of the Allocations made to them.

There was no general public offer of Westpac Subordinated Notes.

Confirmation of holding

Applicants wishing to confirm their holding can do so in the following ways:

- Applicants under the Securityholder Offer can call the Westpac Subordinated Notes Information Line on 1300 551 472 (local call cost within Australia) or +61 2 8280 7706 (international) (Monday to Friday, 8.30am to 5.30pm, Sydney time). Applicants must quote their holder number (SRN or HIN).
- Applicants under the Broker Firm Offer should contact their Syndicate Broker.
- Institutional Investors under the Institutional Offer have already been advised of their Allocation by the Joint Lead Managers.

Any Holder wishing to sell Westpac Subordinated Notes prior to receiving their Holding Statement is responsible for confirming their Allocation prior to selling to avoid the risk of selling Westpac Subordinated Notes they do not own. Investors who sell their Westpac Subordinated Notes before receiving their Holding Statement do so at their own risk.

Holding Statements and refunds

CHESS and issuer-sponsored Holding Statements are expected to be dispatched to successful Applicants by 30 August 2012. Any refunds are also expected to be dispatched by this date.

First Interest Payment

The Interest Rate for the first Interest Period beginning on (and including) 23 August 2012 to (but excluding) 23 November 2012 is 6.37% per annum and was calculated as follows:

90 day Bank Bill Rate on 23 August 2012	3.62% p.a.
Plus Margin	2.75% p.a.
Interest Rate (for the first Interest Period)	6.37% p.a.

This equates to an interest payment of \$1.6056 per Westpac Subordinated Note (based on 92 days in the first Interest Period). This payment is due to be paid on 23 November 2012.

The Record Date for the first interest payment is 15 November 2012.

Future Interest Rates will be set quarterly on the first Business Day of each subsequent Interest Period. The Interest Rate for each Interest Period will be advised to ASX and will also be available on Westpac's website at www.westpac.com.au/investorcentre.

Newspaper notices

Tomorrow Westpac will publish a notice in each of The Australian Financial Review, The Australian, The Sydney Morning Herald and The Melbourne Age regarding the close of the Offer. A copy of this notice is attached.

More Information

For more information about Westpac Subordinated Notes please call the Westpac Subordinated Notes Information Line on 1300 551 472 (local call cost within Australia) or +61 2 8280 7706 (international), Monday to Friday, 8.30am to 5.30pm (Sydney time).

Capitalised terms used in this media release have the meanings given to them in the Westpac Subordinated Notes Information Memorandum dated 23 July 2012.

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WESTPAC SUBORDINATED NOTES

IMPORTANT NOTICE TO ALL APPLICANTS

Westpac Banking Corporation (ABN 33 007 457 141) (**Westpac**) advises that the Offer of Westpac Subordinated Notes has successfully closed. Westpac issued 16,762,190 Westpac Subordinated Notes on 23 August 2012, at an Issue Price of \$100 each to raise approximately \$1.68 billion of Tier 2 capital.

ALLOCATION POLICY

Securityholder Offer: All valid Applications have been accepted in full.

Broker Firm Offer: Allocations to each Joint Lead Manager were determined pursuant to the Bookbuild conducted on 20 July 2012 under which broker firm bids were scaled back as agreed between Westpac and the Joint Lead Managers. Applicants under the Broker Firm Offer should confirm their allocation of Westpac Subordinated Notes with their Syndicate Broker.

Institutional Offer: A scaleback was applied to Applicants under the Institutional Offer. Institutional Investors who participated in the Institutional Offer have been advised of the Allocations made to them.

There was no general public offer of Westpac Subordinated Notes.

DEFERRED AND NORMAL SETTLEMENT TRADING

Westpac Subordinated Notes are expected to commence trading on ASX on a deferred settlement basis from approximately 12.00 noon (Sydney time) today, 24 August 2012, under the ASX code "WBCHA".

Westpac Subordinated Notes are expected to commence trading on ASX on a normal settlement basis on Friday, 31 August 2012.

HOLDING STATEMENTS AND REFUNDS

CHES and issuer-sponsored Holding Statements stating the number of Westpac Subordinated Notes Allocated to each successful Applicant are expected to be dispatched by 30 August 2012. Any refunds are also expected to be dispatched by this date. Any Holder wishing to sell Westpac Subordinated Notes prior to receiving their Holding Statement is responsible for confirming their Allocation prior to selling to avoid the risk of selling Westpac Subordinated Notes they do not own. Investors who sell their Westpac Subordinated Notes before receiving their Holding Statement do so at their own risk.

Applicants under the Securityholder Offer can call the Westpac Subordinated Notes Information Line (see Further Information below) to confirm their Allocation. Applicants will need to quote their holder number (SRN or HIN).

Applicants under the Broker Firm Offer should contact their Syndicate Broker to confirm their allocation.

FIRST INTEREST PAYMENT

The Record Date for the first interest payment is 15 November 2012 and the first Interest Payment Date is 23 November 2012.

FURTHER INFORMATION

Applicants under the Securityholder Offer can call the Westpac Subordinated Notes Information Line on 1300 551 472 (local call cost within Australia) or +61 2 8280 7706 (international) (Monday to Friday, 8.30am to 5.30pm, Sydney time) for further information regarding Westpac Subordinated Notes.

The Westpac Subordinated Notes Offer was made under an Information Memorandum dated 23 July 2012. Unless otherwise defined, capitalised terms used in this notice have the meanings given to them in the Information Memorandum.

Westpac Subordinated Notes are not deposit liabilities of Westpac, nor protected accounts and are not guaranteed or insured by any government agency or any other person. Neither Westpac nor any member of the Westpac Group guarantees the performance of Westpac Subordinated Notes. Westpac Subordinated Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") and may not be offered, sold, delivered or transferred within the United States, or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act).