

ASX ANNOUNCEMENT

30 June 2016

WESTPAC RAISES \$1.7 BILLION FROM WESTPAC CAPITAL NOTES 4 OFFER

Westpac Banking Corporation successfully completed the Offer of Westpac Capital Notes 4. Approximately 17 million Notes were issued at an Issue Price of \$100 each, raising approximately \$1.7 billion.

BASIS OF ALLOCATION

- **Reinvestment Offer** - All Applications under the Reinvestment Offer have been accepted in full (including Applications made through Syndicate Brokers). Applications for additional Notes have been accepted in accordance with the basis of Allocation set out below for the Securityholder Offer.
- **Securityholder Offer** - Notes have been Allocated under the Securityholder Offer on the following basis:
 - the first \$25,000 of each Application has been accepted in full; and
 - 87.5% of Application Payments in excess of \$25,000 have been accepted.¹
- **Broker Firm Offer** - Allocations to Syndicate Brokers were determined under the Bookbuild and scaled back as agreed amongst Westpac and the Joint Lead Managers.
- **Institutional Offer** - Institutional Investors have been individually advised of their Allocations.

The basis of Allocation and information on how Applicants can confirm their Allocations will be advertised in The Australian and The Australian Financial Review tomorrow. A copy of the advertisement is attached.

CONFIRMATION OF ALLOCATIONS

Holding Statements with details of Allocations, together with any refund of Application Payments (including as a result of scaling), are expected to be dispatched by Tuesday, 5 July 2016.

To confirm an Allocation prior to receiving a Holding Statement:

- **Reinvestment Offer and Securityholder Offer Applicants** – Call the Westpac Capital Notes 4 Information Line (Monday to Friday, 8.30am to 5.30pm, Sydney time) on **1300 363 136**. Applicants will need to quote their holder number (SRN or HIN).
- **Broker Firm Applicants** – Contact your Syndicate Broker.

TRADING ON ASX

The Notes are expected to commence trading on ASX under the ASX code “WBCPG” as follows:

- **Deferred settlement trading** – 1 July 2016
- **Normal settlement trading** – 6 July 2016

¹ Calculations resulting in a fraction of a Note have been rounded up to the next whole Note.

Holders must confirm their Allocation before trading Notes to avoid the risk of selling Notes they do not own. Holders who sell their Notes before receiving confirmation of their Allocation do so at their own risk.

FIRST DISTRIBUTION PAYMENT²

The first Distribution of \$1.2104 per Note is expected to be paid on 30 September 2016. The Record Date is 22 September 2016.

The Distribution Rate of 4.8020% for the first Distribution Period was calculated as follows:

90 day Bank Bill Rate on 30 June 2016	1.9600% p.a.
plus Margin	+4.9000% p.a.
	6.8600% p.a.
multiplied by (1 – Tax Rate)	x 0.70
Distribution Rate	4.8020% p.a.
Cash amount of Distribution per Note	\$1.2104³

Distributions are expected (but not guaranteed) to be fully franked and accordingly Holders are expected to receive cash Distributions and franking credits.⁴

MAXIMUM CONVERSION NUMBER

The Issue Date VWAP has been calculated at \$29.48. The maximum number of Ordinary Shares that may be issued on Conversion (Maximum Conversion Number) has been set at:

- 6.7843 Ordinary Shares per Note if Conversion occurs on the Optional Conversion Date (20 December 2021) or the Scheduled Conversion Date (20 December 2023⁵); or
- 16.9607 Ordinary Shares per Note if Conversion occurs at any other time.

For more information on the Maximum Conversion Number, refer to Section 2 of the Prospectus.

HOLDINGS OF WESTPAC DIRECTORS AND THEIR ASSOCIATES

882 Notes were Allocated to Westpac directors and their associates in aggregate.

HOLDERS OF NOTES

Attached to this announcement is a list of the twenty largest Holders and a distribution schedule of the number of Holders of Notes.

REDEMPTION OF WESTPAC TPS

As referred to in the Prospectus for the Notes, today \$763 million of outstanding Westpac Trust Preferred Securities (**Westpac TPS**) were redeemed by Westpac RE Limited, the responsible entity of the Westpac TPS Trust.

² Distributions are within the absolute discretion of Westpac and only payable subject to satisfaction of the Distribution Payment Conditions. Distributions may not be paid.

³ The number of days in the first Distribution Period will be 92 days.

⁴ The potential value of the franking credits does not accrue to Holders at the same time as Holders receive the cash Distribution and a Holder's ability to use the franking credits will depend on that Holder's individual tax position.

⁵ Conversion of Notes to Ordinary Shares on this date is subject to satisfaction of the Scheduled Conversion Conditions.

FURTHER INFORMATION

For more information on Westpac Capital Notes 4:

- Visit the Offer website at www.westpac.com.au/westpaccapnotes4; or
- Call the Westpac Capital Notes 4 Information Line (Monday to Friday, 8.30am to 5.30pm, Sydney time) on **1300 363 136** (local call within Australia).

The Offer of Westpac Capital Notes 4 was made under a Prospectus dated 26 May 2016.

Capitalised terms used in this announcement have the meanings given to them in the Prospectus.

FURTHER ENQUIRIES

Media Relations

David Lording

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Investor Relations

Andrew Bowden

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Westpac Capital Notes 4 have not been and will not be registered under the US Securities Act or the securities law of any state of the United States and may not be offered, sold, delivered or transferred in the United States or to, or for the account or benefit of, any US Person.

WESTPAC CAPITAL NOTES 4

20 LARGEST SECURITYHOLDER LIST AS AT 30 JUNE 2016

Rank	Investor	Number of Notes	% of total Notes issued
1	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	3,000,000	17.63
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	636,220	3.74
3	J P MORGAN NOMINEES AUSTRALIA LIMITED	249,700	1.47
4	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	230,435	1.35
5	CITICORP NOMINEES PTY LIMITED	218,975	1.29
6	PEJR PTY LTD <LEDERER GROUP A/C>	218,450	1.28
7	GOORIDGE NOMINEES PTY LTD <THE GOODRIDGE FAMILY A/C>	200,000	1.18
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	178,670	1.05
9	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	138,892	0.82
10	MUTUAL TRUST PTY LTD	117,813	0.69
11	NATIONAL NOMINEES LIMITED	115,442	0.68
12	ZASHVIN PTY LTD	104,000	0.61
13	DIMBULU PTY LTD	100,000	0.59
14	G HARVEY NOMINEES PTY LTD <HARVEY 1995 DISC A/C>	100,000	0.59
15	TANDOM PTY LTD	80,000	0.47
16	WILLIMBURY PTY LTD	60,000	0.35
17	NAVIGATOR AUSTRALIA LTD <MLC INVESTMENT SETT A/C>	59,367	0.35
18	NULIS NOMINEES (AUSTRALIA) LIMITED	51,826	0.30
19	V S ACCESS PTY LTD <V S ACCESS A/C>	51,570	0.30
20	GRANNETTE PTY LTD <GRAEME WOOD FOUNDA A/C>	50,000	0.29
Total		5,961,360	35.02
Total number of Westpac Capital Notes 4 on issue		17,020,534	100.00

DISTRIBUTION OF SECURITYHOLDERS AS AT 30 JUNE 2016

Range (Notes)	Number of Holders	Number of Notes issued	% of total Notes issued
1 to 1,000	15,336	4,996,210	29.35
1,001 to 5,000	1,528	3,300,761	19.39
5,001 to 10,000	144	1,131,861	6.65
10,001 to 100,000	85	2,183,105	12.83
100,001 and over	12	5,408,597	31.78
Total	17,105	17,020,534	100.00

Important notice to all Westpac Capital Notes 4 Applicants

Westpac Banking Corporation (ABN 33 007 457 141) successfully completed the Offer of Westpac Capital Notes 4. Approximately 17 million Notes were issued at an Issue Price of \$100 each, raising approximately \$1.7 billion.

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- **Broker Firm Applicants** – Contact your Syndicate Broker.

TRADING ON ASX

The Notes are expected to commence trading on ASX under the ASX code “WBPCG” as follows:

- **Deferred settlement trading** – Friday, 1 July 2016 (today)
- **Normal settlement trading** – Wednesday, 6 July 2016

Holders must confirm their Allocation before trading Notes to avoid the risk of selling Notes they do not own. Holders who sell their Notes before receiving confirmation of their Allocation do so at their own risk.

FURTHER INFORMATION

For more information on Westpac Capital Notes 4:

- Visit the Offer website at www.westpac.com.au/westpaccapnotes4; or
- Call the Westpac Capital Notes 4 Information Line (Monday to Friday, 8.30am to 5.30pm, Sydney time) on **1300 363 136** (local call within Australia).

The Offer of Notes was made under a Prospectus dated 26 May 2016. Capitalised terms used in this notice have the meanings given to them in the Prospectus.

This advertisement is a summary only and is not financial product, investment advice or a recommendation that the Notes are suitable for you. It does not take into account your investment objectives, financial situation or particular needs as an investor. There are risks associated with an investment in the Notes including the risk of unpaid Distributions and the loss of some or all of your investment. Past performance is not a reliable indicator of future performance.

The Notes are not deposit liabilities or protected accounts of Westpac for the purposes of the Banking Act or Financial Claims Scheme and are not subject to the depositor protection provisions of Australian banking legislation (including the Australian Government guarantee of certain bank deposits). Therefore, the Notes are not guaranteed or insured by the Australian Government, any government agency or compensation scheme of Australia or any other jurisdiction. Westpac Capital Notes 4 have not been and will not be registered under the US Securities Act or the securities law of any state of the United States and may not be offered, sold, delivered or transferred in the United States or to, or for the account or benefit of, any US Person.