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MEDIA RELEASE

23 MARCH 2012

WESTPAC CPS OFFER – WESTPAC CONFIRMS SUCCESSFUL ISSUANCE OF WESTPAC CPS TODAY

Westpac Banking Corporation (“Westpac”) announced today that the Offer of Westpac Convertible Preference Shares (“Westpac CPS”) has successfully closed. As a result of strong demand, Westpac has increased the Offer from approximately \$1 billion and will now raise \$1.19 billion from the issue of 11,893,605 Westpac CPS at \$100 each on 23 March 2012.

Westpac’s Chief Financial Officer, Philip Coffey, said: “We are very pleased with the strong support received for the Offer. This issue of Westpac CPS utilises existing hybrid Tier 1 capacity and adds approximately 40 bps to Tier 1 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 23 February 2012 under which broker firm bids were scaled back as agreed between Westpac and the Joint Lead Managers. Subject to the Allocations to each broker and each broker's allocation policy to individual clients, all valid Applications received under the Broker Firm Offer have been accepted in full. Applicants under the Broker Firm Offer should confirm their Allocation of Westpac CPS with their broker.

Institutional Offer – Institutional Investors who participated in the Institutional Offer have been individually advised of the Allocations made to them.

There was no general offer of Westpac CPS.

Deferred and normal settlement trading

Westpac CPS are expected to commence trading on a deferred settlement basis on ASX from 12.00 noon (Sydney Time), Monday, 26 March 2012 under the ASX code “WBCPC”. It is expected that normal trading on ASX will commence on Tuesday, 3 April 2012.

Holding statements

CHESS and issuer-sponsored holding statements stating the number of Westpac CPS Allocated to each successful Westpac CPS Applicant will be despatched by 2 April 2012. Any refunds will also be despatched by this date. Any holder wishing to trade Westpac CPS prior to receiving their holding statement is responsible for confirming their Allocation prior to trading to avoid the risk of selling Westpac CPS they do not own.

Applicants should contact their broker if they have received an Allocation through the Broker Firm Offer. Applicants through the Securityholder Offer can call the **Westpac CPS Information Line on 1300 790 223** (Monday to Friday, 8.30am to 5.30pm, Sydney Time) to confirm their Allocation. Applicants will need to quote their SRN/HIN. Investors who sell their Westpac CPS before receiving their holding statement do so at their own risk.

First Dividend Payment

The record date for the first Dividend is 22 September 2012. The first Dividend Payment Date is 30 September 2012. As the first Dividend Payment Date is not a Business Day the first Dividend is expected to be paid on 2 October 2012, subject to the Dividend Payment Test.

The expected Dividend Rate for the first Dividend has been determined as follows:

180 day Bank Bill Rate on 23 March 2012	4.4500% p.a.
Plus Margin	<u>3.25% p.a.</u>
	<u>7.7000% p.a.</u>
Multiplied by (1 – Tax Rate)	0.70
Dividend Rate	<u>5.3900% p.a.</u>

Based on the expected Dividend Rate, the Dividend per Westpac CPS for the first Dividend Period is expected to be \$2.8205. This is based on 191 days in the first Dividend Period.

Dividends are expected to be fully franked and accordingly holders are expected to receive cash dividends and franking credits. The potential value of franking credits does not accrue at the same time as holders receive cash dividends and a holder's ability to use franking credits will depend upon the holder's individual tax position.

Westpac has received a Private Ruling from the Commissioner of Taxation which confirms that the anti-avoidance rule in section 177EA of the Tax Act will not apply to disallow franking benefits in respect of Dividends on Westpac CPS. This ruling is binding on the Commissioner only in relation to Westpac itself, not in relation to holders. Westpac has applied for a Class Ruling to confirm the same matter in relation to successful Westpac CPS Applicants. Further information regarding the taxation implications of acquiring, holding and disposing of Westpac CPS is contained in the Prospectus.

Maximum Conversion Number

For the purposes of the Conversion calculations, as outlined in the Westpac CPS Prospectus, the Maximum Conversion Number is 9.6015 Westpac ordinary shares per Westpac CPS, based on the Issue Date VWAP of \$20.83.

Participation by Westpac directors and associates in the Offer

The aggregate number of Westpac CPS issued to Directors of Westpac (and their associates) was 1,370 representing 0.01% of the aggregate number of Westpac CPS issued.

More information

The Westpac CPS Offer was made under a Prospectus dated 24 February 2012.

Attached is a statement of the names of the 20 largest holders and a distribution schedule of the number of holders.

For more information about Westpac CPS visit www.westpac.com.au/investorcentre or call the **Westpac CPS Information Line on 1300 790 223** (Monday to Friday, 8.30am to 5.30pm, Sydney Time).

Unless otherwise defined, capitalised words used in this media release have the meanings given to them in the Prospectus.

Ends

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Final Top 20 Securityholder List – Westpac CPS

	Investor	Number of Westpac CPS	% of total Westpac CPS
1	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	617,361	5.19%
2	ETRADE AUSTRALIA NOMINEES PTY LIMITED	173,030	1.45%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	153,000	1.29%
4	NULIS NOMINEES (AUSTRALIA) LIMITED <NAVIGATOR MAST PLAN SETT A/C>	125,470	1.05%
5	J P MORGAN NOMINEES AUSTRALIA LIMITED	115,100	0.97%
6	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN ACCOUNT>	110,000	0.92%
7	NAMROG INVESTMENTS PTY LTD	100,000	0.84%
8	QUESTOR FINANCIAL SERVICES LIMITED <TPS RF A/C>	94,770	0.80%
9	M F CUSTODIANS LTD	78,500	0.66%
10	UCA CASH MANAGEMENT FUND LTD	76,950	0.65%
11	CS FOURTH NOMINEES PTY LTD	75,000	0.63%
12	RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <NMSMT A/C>	74,650	0.63%
13	DIMBULU PTY LTD	70,000	0.59%
14	GRIZZLY HOLDINGS PTY LTD	63,300	0.53%
15	BOND STREET CUSTODIANS LTD	60,010	0.50%
16	MRS LINDA ANNE VAN LIESHOUT	60,000	0.50%
17	AVANTEOS INVESTMENTS LIMITED <UTILITY A/C>	58,070	0.49%
18	NETSHARE NOMINEES PTY LTD	57,885	0.49%
19	EASTCOTE PTY LTD	50,000	0.42%
20	FINOT PTY LTD	50,000	0.42%
Top 20 WESTPAC CPS HOLDERS		2,263,096	19.03%
Total Number of Westpac CPS on Issue		11,893,605	

Final Distribution of Securityholders – Westpac CPS

Ranges	Number of holders	Number of Westpac CPS	% of total Westpac CPS
1 to 1,000	15,934	4,706,721	39.57%
1,001 to 5,000	1,116	2,758,177	23.19%
5,001 to 10,000	92	767,356	6.45%
10,001 to 100,000	72	2,367,390	19.91%
100,001 and over	6	1,293,961	10.88%
Total	17,220	11,893,605	100.00%