

Westpac Capital Notes were offered in Australia only. This media release does not constitute an offer of securities for sale in the United States, and Westpac Capital Notes may not be offered or sold in the United States.

MEDIA RELEASE

8 March 2013

Westpac confirms the successful issuance of Westpac Capital Notes raising \$1.38 billion

Westpac Banking Corporation (**Westpac**) today announced that the Offer of Westpac Capital Notes has closed. Following strong demand, Westpac today issued 13,835,690 Westpac Capital Notes at an Issue Price of \$100 each, raising approximately \$1.38 billion.

The Notes are expected to commence trading on ASX on a deferred settlement basis from approximately 12 noon (Sydney time) on Tuesday, 12 March 2013, under the ASX code "WBCPD". Trading on a normal settlement basis is expected to commence on Monday, 18 March 2013.

Allocation policy

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

Broker Firm Offer – Allocations to Syndicate Brokers were determined pursuant to the Bookbuild conducted on 6 February 2013 under which broker firm bids were scaled back as agreed between Westpac and the Joint Lead Managers.

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 Capital Notes.

Holding Statements and confirmation of holding

CHESS and issuer-sponsored Holding Statements stating the number of Westpac Capital Notes Allocated to successful Applicants are expected to be dispatched by Friday, 15 March 2013. Refunds for any over payment are also expected to be dispatched by this date.

Applicants wishing to confirm their holding before receiving their Holding Statement can do so in the following ways:

- Securityholder Offer applicants can call the Westpac Capital Notes Information Line on 1300 133 814 (local call cost within Australia) (Monday to Friday, 8.30am to 5.30pm, Sydney time) to confirm their Allocations. Applicants will need to quote their holder number (SRN or HIN).
- Broker Firm Offer applicants should contact their Syndicate Broker.
- Institutional Investors under the Institutional Offer have already been advised of their Allocations.

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

First Distribution Payment

The Distribution Rate for the first Distribution Period from (but excluding) 8 March 2013 to (and including) 8 June 2013 is 4.3540% per annum and was calculated as follows:

90 day Bank Bill Rate on 8 March 2013:	3.0200%	p.a.
Plus Margin:	<u>3.20%</u>	p.a.
	6.2200%	p.a.
Multiplied by (1 – Tax Rate):	<u>0.70</u>	
Distribution Rate:	4.3540%	p.a.

This equates to a Distribution of \$1.0974 per Westpac Capital Note (based on 92 days in the first Distribution Period). The Distribution is expected to be paid on 11 June 2013^{1,2}.

The Record Date for the first Distribution is 31 May 2013.

Distributions are expected to be fully franked and accordingly Holders are expected to receive cash Distributions and franking credits³.

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

Maximum Conversion Number

For the purposes of the Conversion calculations, as outlined in the Westpac Capital Notes Prospectus, the Maximum Conversion Number if Conversion occurs on the Scheduled Conversion Date is 6.6912 Ordinary Shares per Westpac Capital Note and for Conversion at any other time, the Maximum Conversion Number is 16.7280 Ordinary Shares per Westpac Capital Note, based on the Issue Date VWAP of \$29.89.

Tax ruling

As noted in the Prospectus, Westpac applied for a Class Ruling to confirm the Australian tax consequences for certain Holders of Westpac Capital Notes. The ATO issued the Class Ruling in the form expected on 6 March 2013 as CR 2013/17. A copy of the Class Ruling is available at www.westpac.com.au/westpaccapnotes and on the ATO website at www.ato.gov.au.

¹ Distributions are within the absolute discretion of Westpac and only payable subject to satisfaction of the Distribution Payment Conditions. Distributions may not be paid.

² The first Distribution Payment Date, being 8 June 2013, is not a Business Day, accordingly the expected first Distribution will be made on the next Business Day, being 11 June 2013.

³ 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.

Participation by Westpac Directors and associates in the Offer

No Director (or any of their associates) has been issued any Westpac Capital Notes in the Offer.

Newspaper notices

On Tuesday, 12 March 2013, Westpac will publish a notice in each of The Australian Financial Review, The Australian, The Sydney Morning Herald and The Melbourne Age regarding the basis of Allocations.

More Information

The Westpac Capital Notes Offer was made under a Prospectus dated 7 February 2013.

For more information visit www.westpac.com.au/westpaccapnotes or call the **Westpac Capital Notes Information Line on 1300 133 814** (local call cost within Australia) (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.

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Ends.