

ASX Release

Level 18, 275 Kent Street
Sydney, NSW, 2000

4 NOVEMBER 2020

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Westpac Capital Notes 7 Offer Launched

Westpac Banking Corporation (**Westpac**) today announced the offer of a new Additional Tier 1 capital instrument, Westpac Capital Notes 7 (**Notes**) (**Offer**).

Key features of the Offer and Notes

| | |
|---------------------------|--|
| Issue Price | \$100 per Note |
| Distribution Rate | Floating rate to be determined quarterly as the sum of the 3 month BBSW Rate per annum plus the Margin per annum, together multiplied by (1 - Tax Rate) ¹ . The Margin will be determined via a Bookbuild, and is expected to be between 3.40% and 3.60% per annum. Distributions are non-cumulative and are expected to be paid quarterly in arrear, subject to the satisfaction of the Distribution Payment Conditions, which include that payments of Distributions are within the absolute discretion of Westpac. |
| Term | Perpetual, however the Notes may be Converted, Redeemed or Transferred. |
| Listed/trading | Expected to be quoted on ASX under the code WBCPJ once listed. |
| Offer size | Approximately A\$750 million, with the ability to raise more or less. |
| Use of proceeds | For general business purposes. |
| Regulatory capital | Additional Tier 1 Capital under the Australian Prudential Regulation Authority's (APRA) capital adequacy framework. |
| Offer Opening Date | 13 November 2020 |
| Offer Closing Date | 5.00pm (Sydney time) on 30 November 2020, but may close earlier ² . |

There are risks associated with investing in the Notes, many of which are outside the control of Westpac. Certain risks and uncertainties are referred to in the Prospectus, but other risks and uncertainties may also exist. As a result, Notes may not be suitable for some investors.

¹ The Tax Rate is 30% (or 0.30 expressed as a decimal) as at the date of this announcement but that rate may change.

² Westpac and the Joint Lead Managers may, in their absolute discretion, close the Offer early or extend the Offer Period without notice. Westpac may also withdraw the Offer at any time before the Notes are issued.

About the Offer

The Offer comprises:

- **a Reinvestment Offer:** a priority offer to registered holders of Westpac Capital Notes 3 shown on the Register at 7.00pm (Sydney time) on 28 October 2020 to have an address in Australia (**Eligible Westpac Capital Notes 3 Holders**);
- **a Securityholder Offer:** to registered holders of Westpac Ordinary Shares, Westpac Capital Notes 2, Westpac Capital Notes 4, Westpac Capital Notes 5 and/or Westpac Capital Notes 6 shown on the Register at 7.00pm (Sydney time) on 28 October 2020 to have an address in Australia (**Eligible Securityholder**);
- **a Broker Firm Offer:** to Australian resident clients of the Syndicate Brokers; and
- **an Institutional Offer:** to Institutional Investors invited by Westpac Institutional Bank.

There is no general public offer of Notes.

Other features of the Notes

| | |
|---|---|
| Optional Conversion/ Redemption/ Transfer | Westpac may elect to Convert into Ordinary Shares (subject to certain conditions), Redeem (if APRA gives its prior written approval), or Transfer: <ul style="list-style-type: none"> - all or some of the Notes on 22 March 2027; or - all (but not some) of the Notes following a Tax Event or Regulatory Event. |
| Scheduled Conversion | Scheduled to Convert into Ordinary Shares on 22 March 2029 subject to the satisfaction of the Scheduled Conversion Conditions. |
| Capital or Non-Viability Trigger Events | Westpac must Convert all or some of the Notes into Ordinary Shares immediately upon a Capital Trigger Event or a Non-Viability Trigger Event. The number of Ordinary Shares that Notes Convert into is limited by a Maximum Conversion Number (as required by APRA) and Holders may suffer loss as a consequence. If Conversion does not occur and Ordinary Shares are not issued for any reason by 5.00pm (Sydney time) on the fifth Business Day after the Capital Trigger Event Conversion Date or Non-Viability Trigger Event Conversion Date (as the case may be), all rights attached to the Notes will be terminated and the investment will lose all of its value. |
| Holders' right to request Conversion/ Redemption/ Transfer | Holders have no right to request Conversion, Redemption or Transfer of the Notes for any reason. To realise their investment, Holders may sell their Notes on ASX at the prevailing market price. |

Other features of the Notes are set out in the Prospectus.

Westpac Capital Notes 3 Holders

Eligible Westpac Capital Notes 3 Holders will have the opportunity to reinvest all or some of their Westpac Capital Notes 3 in an equivalent number of Notes (as both have a face value of \$100 each). Participation in the Reinvestment Offer is optional.

Westpac will give priority to Applications received under the Reinvestment Offer (including Applications made through Syndicate Brokers). This priority will not extend to Applications for additional Notes by Eligible Westpac Capital Notes 3 Holders.

Westpac Capital Notes 3 not reinvested under the Reinvestment Offer (**Non-Participating Westpac Capital Notes 3**) will remain on issue following completion of the Reinvestment Offer and all rights attaching to the Non-Participating Westpac Capital Notes 3 will continue, including to any distributions determined to be paid.

For further information regarding the Westpac Capital Notes 3, please refer to the separate announcement lodged on ASX today.

How to access a Prospectus and apply

The Prospectus was lodged with ASIC and made available on ASX today and is also available on the Offer website at www.westpac.com.au/westpaccapnotes7. A replacement Prospectus containing the Margin is expected to be made available on the Offer website on 13 November 2020, when the Offer opens.

In the current environment, Westpac is adopting a contactless process for applying and paying for Notes. Eligible Securityholders and Eligible Westpac Capital Notes 3 Holders can apply online after the Offer opens on 13 November 2020 by going to the Offer website and following the Application instructions. You will need your SRN or HIN.

Application Payments must be made by BPAY®. Payments by cash or cheque will not be accepted.

Broker Firm Applicants should contact their Syndicate Broker for instructions on how to apply.

This announcement only contains a summary of the features of the Notes and the Offer. **Potential investors should read the Prospectus in full before deciding whether to apply for any Notes, and consider the risks that could affect an investment in the Notes.**

For more information about the Offer

- Visit the **Offer website** at www.westpac.com.au/westpaccapnotes7.
- Call the **Westpac Capital Notes 7 Information Line** (Monday to Friday, 8.30am to 5.30pm, Sydney time) on 1300 668 378 (within Australia) and +61 1300 668 378 (from outside Australia).
- Seek professional advice from a financial adviser or other professional adviser.



CAUTION – Westpac Capital Notes 7 are not deposit liabilities of Westpac, are riskier than bank deposits and may not be suitable for some investors. Their complexity may make them difficult to understand and the risks associated with the Notes could result in the loss of all of your investment. If you do not fully understand how they work or the risks associated with them, you should obtain professional advice.

Unless otherwise defined, capitalised words and expressions used in this announcement have the meanings given to them in the Prospectus.

For further information:

David Lording
Group Head of Media Relations
0419 683 411

Andrew Bowden
Head of Investor Relations
0438 284 863

This document has been authorised for release by Tim Hartin, General Manager & Company Secretary.

Disclaimer

The information provided in this announcement is not financial product advice (nor tax, accounting or legal advice) and has been prepared without taking into account individual investment objectives, financial situations or particular needs (including financial and taxation issues).

This announcement does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933 (U.S. Securities Act)) (**U.S. Person**). Westpac Capital Notes 7 have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction 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 U.S. Person.

BPAY® is a registered trademark of BPAY Pty Ltd ABN 69 079 137 518.