



WESTPAC

CAPITAL NOTES OFFER

January 2013

Structuring Adviser



Joint Lead Managers




Commonwealth Bank



Morgan Stanley



Westpac Banking Corporation ABN 33 007 457 141.



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You should consider the Prospectus in deciding whether to acquire Westpac Capital Notes. A copy of the Prospectus is available at www.westpac.com.au/investorcentre. Applications for Westpac Capital Notes can only be made on the Application Form in or accompanying the replacement Prospectus which is expected to be lodged with ASIC on or about 7 February 2013.

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Capitalised terms used in this presentation but not otherwise defined have the meanings given in the Prospectus.

See also the "Important Information" section at the back of this presentation.

Westpac Capital Notes summary

Westpac Capital Notes	<ul style="list-style-type: none"> Fully paid, non-cumulative, convertible, transferable, redeemable, subordinated, perpetual, unsecured notes issued by Westpac Notes will qualify as Additional Tier 1 Capital under APRA's Basel III capital adequacy standards
Offer size	<ul style="list-style-type: none"> A\$500 million with the ability to raise more or less The proceeds received will be used for general business purposes
Distributions	<ul style="list-style-type: none"> Floating rate and are expected to be fully franked Discretionary, non-cumulative and only payable subject to the Distribution Payment Conditions Margin range of 3.20% to 3.40% p.a. (to be determined under the Bookbuild)
Term	<ul style="list-style-type: none"> Perpetual (no fixed maturity date)
Conversion, Redemption or Transfer	<ul style="list-style-type: none"> Convert into Ordinary Shares on the Scheduled Conversion Date, subject to the Scheduled Conversion Conditions. First possible Scheduled Conversion Date is 8 March 2021 Early Conversion of Notes upon Capital Trigger Event¹, Non-Viability Trigger Event¹ or Acquisition Event Redemption or Transfer at Westpac's election on 8 March 2019 (Optional Redemption/Transfer Date). Westpac may Redeem earlier for Tax Events, Franking Events or Regulatory Events Redemption is subject to APRA's prior written approval² Holders have no right to request Conversion, Redemption or Transfer
Ranking	<ul style="list-style-type: none"> In a Winding Up of Westpac, the notes rank for payment ahead of Ordinary Shares and equally with Equal Ranking Capital Securities, but behind claims of Senior Creditors³ If the Notes Convert, they become Ordinary Shares, ranking equally with existing Ordinary Shares
Quotation	<ul style="list-style-type: none"> Expected to be quoted on ASX (WBCPD)

¹ If Conversion following a Capital Trigger Event or Non-Viability Trigger Event is not possible (for example due to applicable laws, order of a court or action of any government authority), all rights in relation to those Notes will be terminated. ² There can be no certainty that APRA will provide such approval. ³ Senior Creditors include depositors of Westpac and all holders of Westpac's senior or less subordinated debt.

Distributions

Distributions	<ul style="list-style-type: none"> Floating rate, expected to be paid quarterly in arrear and fully franked. First Distribution is scheduled for 8 June 2013 Distributions are at Westpac's discretion and subject to the Distribution Payment Conditions. Distributions may not always be paid Distributions are non-cumulative. Unpaid Distributions will not be made up or accumulate Non-payment of a Distribution will not be an event of default and does not give Holders the right to apply for a Winding Up
Distribution Rate and Margin	<ul style="list-style-type: none"> The Distribution Rate is a floating rate and is determined quarterly as: $(90 \text{ day Bank Bill Rate} + \text{Margin}) \times (1 - \text{Tax Rate})$ Margin range of 3.20% to 3.40% p.a. (to be determined under the Bookbuild) As an example, if the Margin was 3.20% p.a. and the 90 day Bank Bill Rate on the Issue Date was 2.98% p.a.¹, then the Distribution Rate for the first Distribution Period would be 4.33% p.a.² (equivalent to an unfranked Distribution Rate of 6.18% p.a.³)
Dividend and Capital Restriction	<ul style="list-style-type: none"> If a Distribution is not paid on a Distribution Payment Date, Westpac must not determine or pay dividends on Ordinary Shares or buy back or reduce capital on any Ordinary Shares, unless the amount of the unpaid Distribution is paid in full within 20 Business Days or the occurrence of certain other events⁴

1 90 day Bank Bill Rate on 23 January 2013. 2 The Distribution Rate shown is for illustrative purposes only and does not indicate the actual Distribution Rate. The actual Distribution Rate may be higher or lower than this example. 3 Assumes the potential value of franking credits is taken into account in full. Your ability to use the franking credits will depend on your individual tax position. The potential value of franking credits does not accrue to you at the same time as you receive the cash Distribution. 4 Such events include where all Notes have been Converted or Redeemed, a Distribution for a subsequent Distribution Period is paid in full or Holders pass a Special Resolution, and APRA does not otherwise object.

Scheduled Conversion

Scheduled Conversion	<ul style="list-style-type: none">• On the Scheduled Conversion Date, Holders will receive for each Note they hold a variable number of Ordinary Shares, provided the Scheduled Conversion Conditions are satisfied• The Scheduled Conversion Date will be the earlier of:<ul style="list-style-type: none">– 8 March 2021; and– the first Distribution Payment Date after 8 March 2021, on which the Scheduled Conversion Conditions are satisfied
Scheduled Conversion Conditions	<ul style="list-style-type: none">• The Scheduled Conversion Conditions are intended to ensure that, upon Conversion, Holders will receive Ordinary Shares worth approximately \$101.01 per Note• Satisfaction of the Scheduled Conversion Conditions will depend on the price of Ordinary Shares• For the Scheduled Conversion Conditions to be satisfied:<ul style="list-style-type: none">– The VWAP of Ordinary Shares on the 25th Business Day before (but not including) the Scheduled Conversion Date must be greater than 56.12% of the Issue Date VWAP (First Scheduled Conversion Condition); and– The VWAP of Ordinary Shares during the 20 Business Days before (but not including) the Scheduled Conversion Date must be greater than 50.51% of the Issue Date VWAP (Second Scheduled Conversion Condition)

Early Redemption, Transfer or Conversion

Early Redemption or Transfer	<ul style="list-style-type: none"> • Westpac may elect to Redeem or Transfer some or all of the Notes on the Optional Redemption/Transfer Date (8 March 2019) • Westpac may Redeem all (but not some) of the Notes following a Tax Event, Franking Event or Regulatory Event • Redemption is subject to Westpac receiving APRA's prior written approval¹
Early Conversion – Capital Trigger Event / Non-Viability Trigger Event	<ul style="list-style-type: none"> • Some or all of the Notes must be Converted (without the Scheduled Conversion Conditions needing to be satisfied)² following: <ul style="list-style-type: none"> – a Capital Trigger Event; or – a Non-Viability Trigger Event (see following slide for more information)
Early Conversion – Acquisition Event	<ul style="list-style-type: none"> • All (but not some) of the Notes must be Converted following an Acquisition Event (the Second Scheduled Conversion Condition will be applied as if the reference to 50.51% were a reference to 20.20%)³
Holder rights	<ul style="list-style-type: none"> • Holders have no right to request or require Westpac to Convert, Redeem or arrange for the Transfer of the Notes

¹ There can be no certainty that APRA will provide its prior written approval. ² However, they will still be subject to the Maximum Conversion Number. ³ In addition, the VWAP Period will be the 20 Business Days on which trading in Ordinary Shares took place immediately preceding, but not including, the Acquisition Event Conversion Date and the First Scheduled Conversion Condition will not apply.

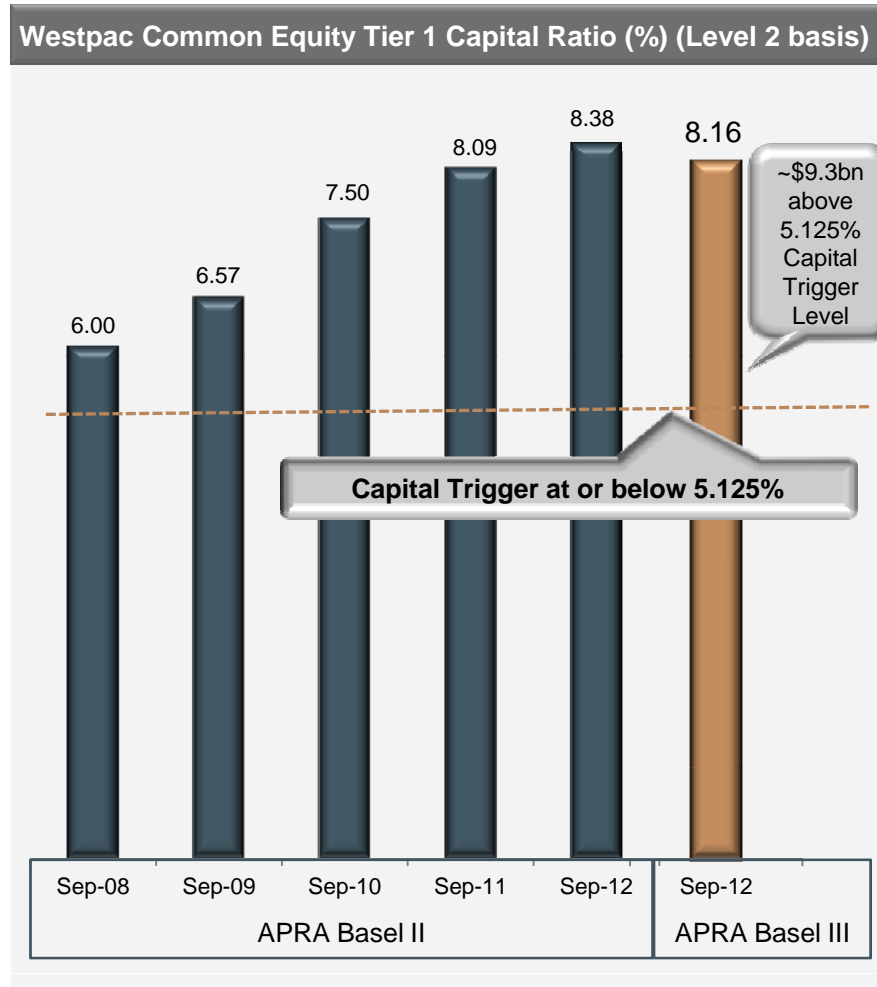
Capital Trigger Event and Non-Viability Trigger Event

Capital Trigger Event	<ul style="list-style-type: none">• A Capital Trigger Event will occur if Westpac's Common Equity Tier 1 Capital Ratio is equal to or less than 5.125% (on either a Level 1 or Level 2 basis)
Non-Viability Trigger Event	<ul style="list-style-type: none">• A Non-Viability Trigger Event will occur when APRA notifies Westpac in writing that it believes Conversion of some or all the Notes (or conversion or write-down of other capital instruments of the Westpac Group) or a public sector injection of capital (or equivalent support), is necessary to prevent Westpac becoming non-viable
Conversion following a Capital Trigger Event or Non-Viability Trigger Event	<ul style="list-style-type: none">• Some or all of the Notes must be Converted immediately following a Capital Trigger Event or Non-Viability Trigger Event• In each case the Scheduled Conversion Conditions will not apply and the number of Ordinary Shares that Holders will receive will be limited to the Maximum Conversion Number• The proportion of the Notes that will be Converted in these circumstances may be determined by APRA (in the case of a Non-Viability Trigger Event) or be dependent on restoration of Westpac's Common Equity Tier 1 Capital Ratio to above 5.125% (on a Level 1 or Level 2 basis) (in the case of a Capital Trigger Event)
Termination of Holder's rights if Conversion does not occur	<ul style="list-style-type: none">• If Conversion is not possible¹ and Westpac is not able to issue the Ordinary Shares within 5 Business Days following a Capital Trigger Event or Non-Viability Trigger Event, then the Holder's rights in relation to those Notes (including to Distributions) are terminated, the investment will lose all of its value and Holders will not receive any compensation

¹ For example, due to applicable laws, order of a court or action of any government authority.

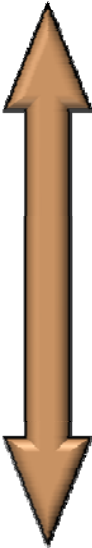
Westpac's Common Equity Tier 1 Capital Ratio

- Effective from 1 January 2013, the Common Equity Tier 1 Capital Ratio is determined under APRA's new Basel III capital adequacy standards
- As of 30 September 2012, Westpac's Basel III Common Equity Tier 1 Capital Ratio was 8.16% (on a Level 2 basis)
 - Considerably above the Capital Trigger Event Level of 5.125% and equivalent to a surplus of over \$9.3bn
- Surplus above 5.125% is also strong on a Level 1 basis. As of 30 September 2012, Westpac's Basel III Common Equity Tier 1 Capital Ratio was 8.15% (on a Level 1 basis)
- Under Basel III, Westpac's preferred range for its Common Equity Tier 1 Capital Ratio is 8.0% to 8.5% (on a Level 2 basis), which reflects Westpac's desire to remain well capitalised
- This preferred range takes into consideration:
 - Regulatory minimums and capital conservation buffers
 - Stress testing to maintain an appropriate capital ratio in a downturn
 - Quarterly volatility of capital ratios under Basel III from dividend payments



Subordination and ranking of Westpac Capital Notes

- In a Winding Up of Westpac, Westpac Capital Notes (if they are on issue at the time) rank for payment:
 - ahead of Ordinary Shares
 - equally with Equal Ranking Capital Securities (which currently include TPS 2003, TPS 2004, Westpac TPS, Westpac SPS, Westpac SPS II and Westpac CPS)
 - behind claims of Senior Creditors (including depositors of Westpac and all holders of Westpac's senior or less subordinated debt)

Higher ranking		Illustrative examples ¹
	Preferred and secured debt	Liabilities in Australia in relation to protected accounts (generally, savings accounts and term deposits) and other liabilities preferred by law including employee entitlements and secured creditors
	Unsubordinated unsecured debt	Trade and general creditors, bonds, notes and debentures (including covered bonds) and other unsubordinated unsecured debt obligations
	Subordinated unsecured debt	Westpac Subordinated Notes 2012, other subordinated bonds, notes and debentures and other subordinated unsecured debt obligations with a fixed maturity date
	Subordinated perpetual debt	Subordinated perpetual floating rate notes issued in 1986
	Tier 1 Capital hybrid securities	Westpac Capital Notes, and notes or preference shares in respect of TPS 2003, TPS 2004, Westpac TPS, Westpac SPS, Westpac SPS II and Westpac CPS
	Ordinary shares	Ordinary Shares
Lower ranking		

¹ This diagram and the descriptions are simplified and illustrative only, and do not include every type of security or obligation that may be issued or entered into by Westpac, or every potential claim against Westpac in a Winding Up. Westpac will from time to time issue additional securities or incur other obligations that rank ahead of, equally with, or subordinated to, Westpac Capital Notes.

Offer summary

Offer	<ul style="list-style-type: none">• The Offer is for the issue of Westpac Capital Notes at a Face Value of A\$100 each to raise approximately A\$500 million with the ability to raise more or less
Who can apply	<ul style="list-style-type: none">• The Offer consists of:<ul style="list-style-type: none">– Securityholder Offer – an offer to registered holders of Ordinary Shares, Westpac TPS, Westpac SPS, Westpac SPS II, Westpac CPS and/or Westpac Subordinated Notes 2012 at 7.00pm (Sydney time) on 21 January 2013 and shown on the Register as having an address in Australia;– Broker Firm Offer – an offer to Australian resident retail clients of the Syndicate Brokers; and– Institutional Offer – an offer to Institutional Investors invited by Westpac Institutional Bank
Other	<ul style="list-style-type: none">• Applications made by Eligible Securityholders may be scaled back by Westpac• There is no general public offer of Westpac Capital Notes. However, Westpac reserves the right to accept Applications from other persons at its discretion• Applications must be for a minimum of 50 Notes (A\$5,000) and in increments of 10 Notes (A\$1,000) thereafter

Comparison to other Westpac Tier 1 Hybrids

	Westpac Capital Notes	Westpac CPS	Westpac SPS II	Westpac SPS	Westpac TPS
ASX code	WBCPD	WBCPC	WBCPB	WBCPA	WCTPA
Legal form	Note	Preference share	Stapled security ¹	Stapled security ¹	Preferred unit in the Westpac TPS Trust
Dividends / Distributions	Floating rate Distributions paid quarterly in arrear – subject to the Distribution Payment Conditions	Floating rate dividends paid semi-annually in arrear – subject to a dividend payment test	Floating rate distributions paid quarterly in arrear – subject to a distribution payment test	Floating rate distributions paid quarterly in arrear – subject to a distribution payment test	Floating rate distributions paid quarterly in arrear – subject to a distribution payment test
Margin / step up	<ul style="list-style-type: none"> Margin (to be determined under the Bookbuild); Expected to be between 3.20% and 3.40% p.a. There is no step up in the margin 	<ul style="list-style-type: none"> Margin of 3.25% p.a. There is no step up in the margin 	<ul style="list-style-type: none"> Margin of 3.80% p.a. There is no step up in the margin 	<ul style="list-style-type: none"> Margin of 2.40% p.a. There is no step up in the margin 	<ul style="list-style-type: none"> Margin of 1.00% p.a. (until the step up date – 30 June 2016); Thereafter a one time step-up of 1.00% p.a.
Issuer redemption rights (subject to prior written APRA approval)	<ul style="list-style-type: none"> Yes, on 8 March 2019 and in certain specified circumstances 	<ul style="list-style-type: none"> Yes, on 31 March 2018 and each dividend payment date thereafter, and in certain specified circumstances 	<ul style="list-style-type: none"> Yes, in certain specified circumstances 	<ul style="list-style-type: none"> Yes, in certain specified circumstances 	<ul style="list-style-type: none"> Yes, on the step up date and in certain specified circumstances
Conversion to Ordinary Shares	<ul style="list-style-type: none"> Scheduled Conversion on 8 March 2021, subject to Scheduled Conversion Conditions; Other specified circumstances 	<ul style="list-style-type: none"> Scheduled conversion on 31 March 2020, subject to conversion conditions; Other specified circumstances 	<ul style="list-style-type: none"> Mandatory conversion on 30 September 2014, subject to conversion conditions; Other specified circumstances 	<ul style="list-style-type: none"> Mandatory conversion on 26 September 2013, subject to conversion conditions; Other specified circumstances 	<ul style="list-style-type: none"> Conversion at Westpac's election on the step-up date; Other specified circumstances
Conversion on Capital Trigger Event	Yes ²	Yes	No	No	No
Conversion on Non-Viability Trigger Event	Yes ²	No	No	No	No

¹ One preference share and one subordinated note issued by Westpac, stapled together. ² If a Capital Trigger Event or Non-Viability Trigger Event occurs and Conversion of Notes is not possible, all rights in relation to those Notes will be terminated.

Key dates for the Offer

Key dates for the Offer

Record date for determining Eligible Securityholders (7.00pm Sydney time)	21 January 2013
Announcement of Offer and lodgement of Prospectus with ASIC	30 January 2013
Bookbuild	6 February 2013
Announcement of Margin	6 February 2013
Lodgement of replacement Prospectus with ASIC	7 February 2013
Opening Date for the Offer	7 February 2013
Closing Date for the Securityholder Offer (5.00pm Sydney time)	1 March 2013
Closing Date for the Broker Firm Offer (10.00am Sydney time)	7 March 2013
Issue Date	8 March 2013
Commencement of deferred settlement trading	12 March 2013
Holding Statements despatched by	15 March 2013
Commencement of normal settlement trading	18 March 2013

Key dates for Westpac Capital Notes

Record Date for first Distribution	31 May 2013
First Distribution Payment Date ¹	8 June 2013 ²
Optional Redemption/Transfer Date ³	8 March 2019
Scheduled Conversion Date ⁴	8 March 2021

¹ Distributions are payable quarterly in arrear, subject to the satisfaction of the Distribution Payment Conditions. ² The first Distribution Payment Date is not a Business Day, accordingly the expected first Distribution will be made on the next Business Day. ³ There can be no certainty that APRA will provide its prior written approval for any such Redemption. ⁴ Conversion of the Westpac Capital Notes to Ordinary Shares on this date is subject to satisfaction of the Scheduled Conversion Conditions.



WESTPAC GROUP

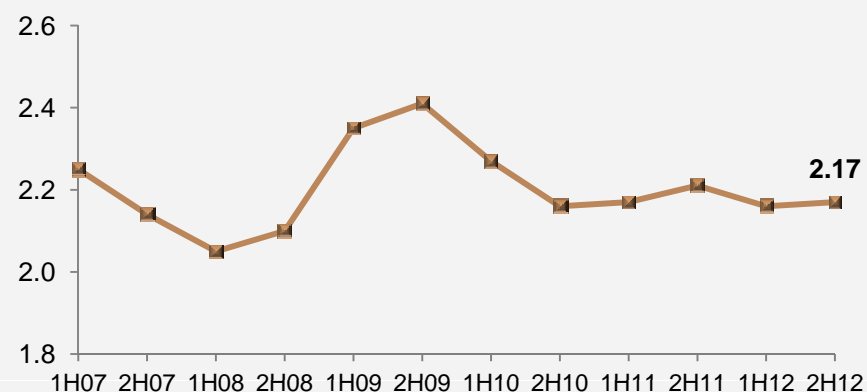


Westpac Banking Corporation ABN 33 007 457 141.

FY12 snapshot – A strong financial result

Earnings	FY12	change FY12– FY11
Net profit after tax	\$5,970m	Down 15%
Cash earnings	\$6,598m	Up 5%
Cash EPS	215.9c	3%
Revenue, reported	\$17,983m	Up 6%
Net interest margin, reported	2.16%	Down 3bps
Expense to income ratio, reported	44.0%	Down 20bps
Return on equity, reported	14.0%	Down 380bps

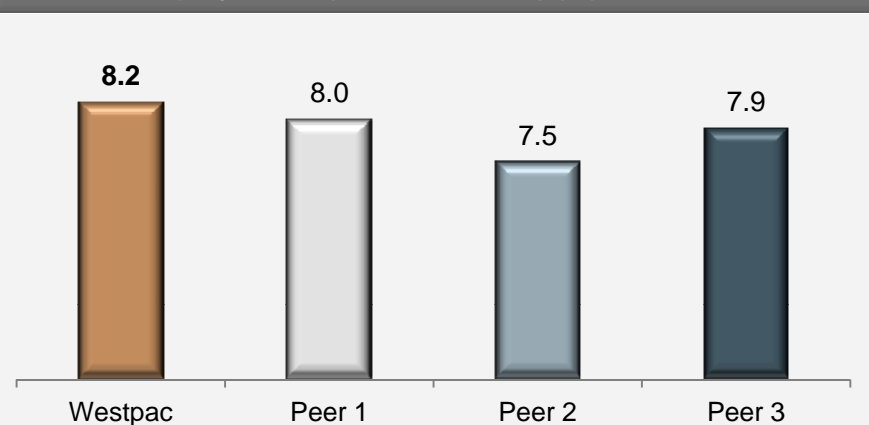
Net interest margin (reported, %)



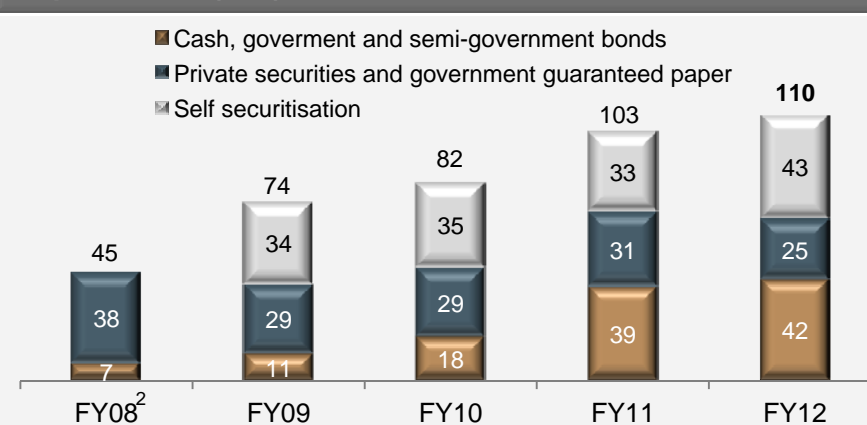
Balance sheet	FY12	change FY12 – FY11
Total assets	\$674.9bn	Up 1%
Loans	\$514.4bn	Up 4%
Customer deposits	\$347.7bn	Up 12%
Customer deposits to loans ratio	67.6%	Up 510bps
Asset Quality		
Impairment charges to average gross loans	24bps	Up 4bps
Net write-offs to average loans annualised	32bps	Down 6bps
Total provisions to risk weighted assets (RWA) (APRA Basel 2.5)	1.42%	Down 16bps
Impairment provisions to impaired assets	37%	Up 1ppt
Collectively assessed provisions to Credit RWA	1.13%	Down 13bps

Balance sheet strength a key focus

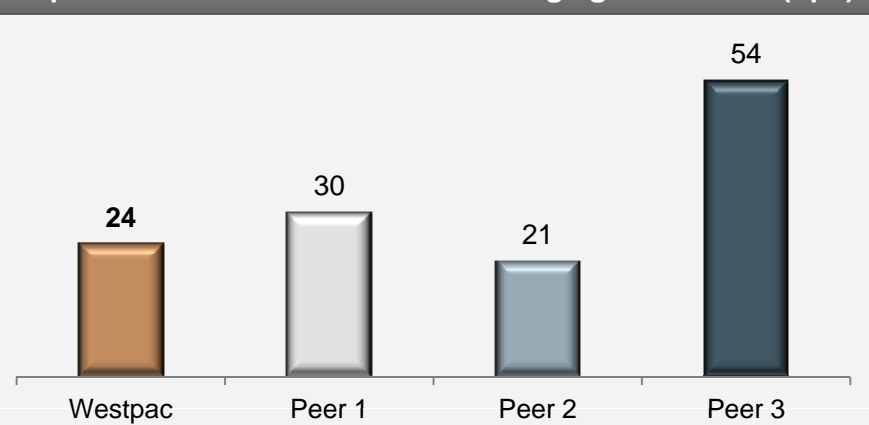
Common equity ratio¹ (APRA Basel III) (%)



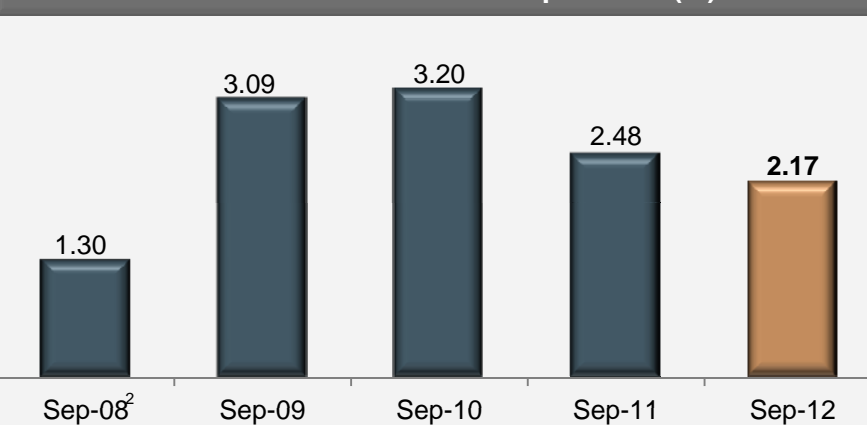
Liquid assets (\$bn)



Impairment losses on loans to average gross loans¹ (bps)



Stressed assets to total committed exposures (%)



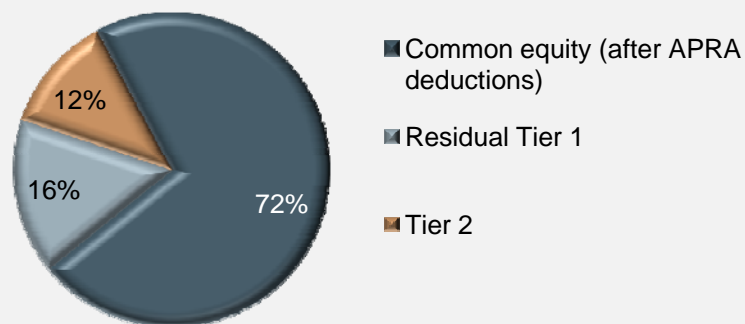
¹ Source: Company reports. Westpac, Peer 1 and Peer 3 as at 30 September 2012. Peer 2 as at 30 June 2012. ² 2008 excludes St.George.

Strong capital position, up on all measures

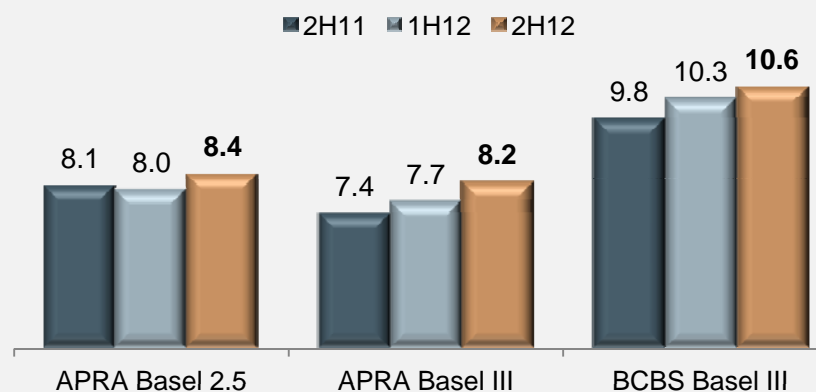
- Westpac's new preferred range for common equity ratio of 8.0% to 8.5%, based on APRA Basel III standards¹
 - Range takes into consideration
 - Regulatory minimums and capital conservation buffer
 - Stress testing to maintain an appropriate buffer in a downturn
 - Quarterly volatility of capital ratios under Basel III from dividends
- Range equivalent to minimum of 10.0% under Basel Committee on Banking Supervision (BCBS) Basel III fully harmonised¹

Key capital ratios ¹ (%)	2H11	1H12	2H12
Common equity ratio (APRA Basel 2.5)	8.1	8.0	8.4
Common equity ratio (APRA Basel III)	7.4	7.7	8.2
Common equity ratio (BCBS Basel III fully harmonised)	9.8	10.3	10.6
Tier 1 ratio (APRA Basel 2.5)	9.7	9.8	10.3
Total capital ratio (APRA Basel 2.5)	11.0	10.8	11.7
Risk weighted assets	\$280bn	\$300bn	\$298bn

Westpac regulatory capital base¹ (%)



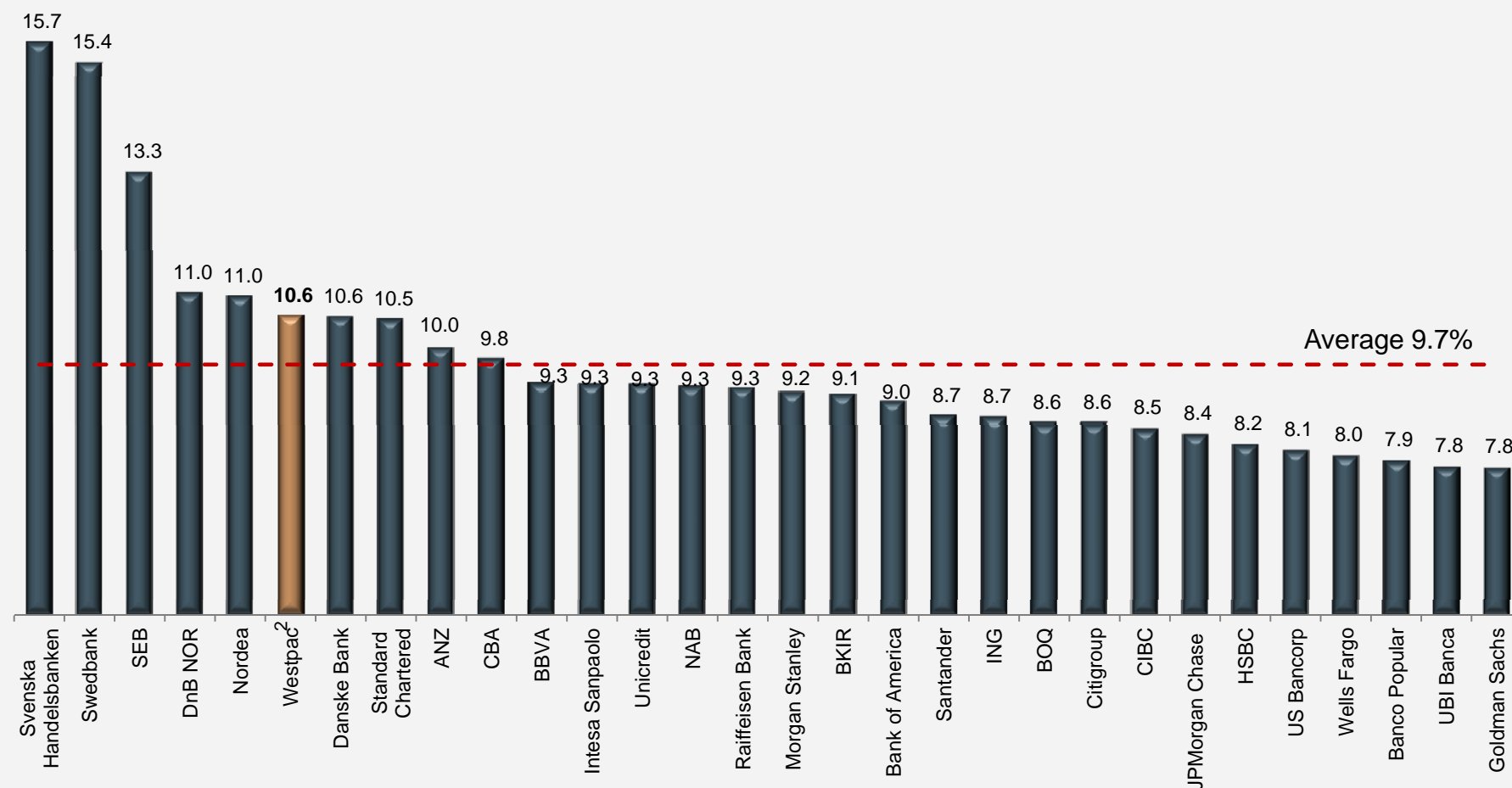
Westpac common equity ratio¹ (%)



¹ On a Level 2 basis.

Strong common equity ratio against global peers

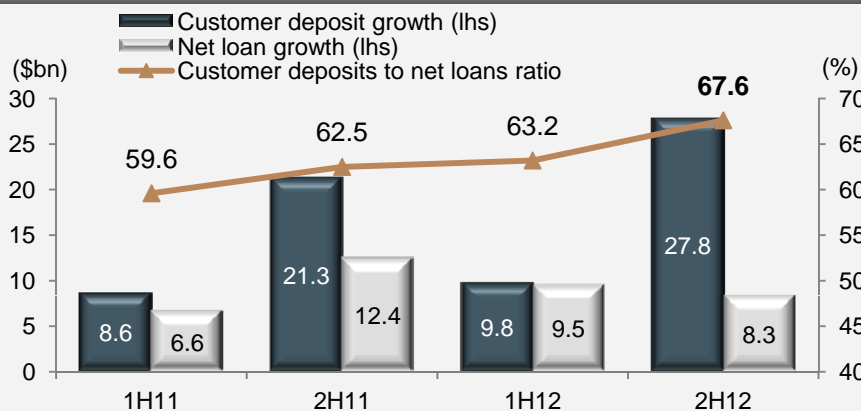
Global peer comparison of Basel III pro-forma common equity ratios¹ (%)



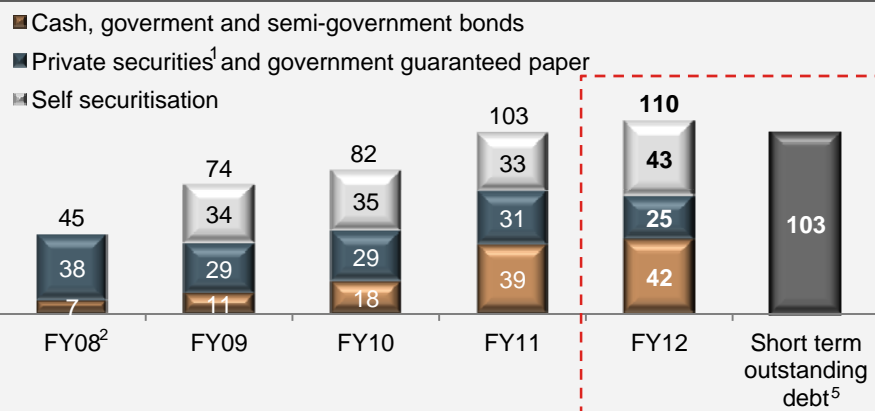
¹ Source: Credit Suisse, Company data (latest reporting date as at 26 October 2012). ² On a Level 2 basis.

Funding profile materially improved

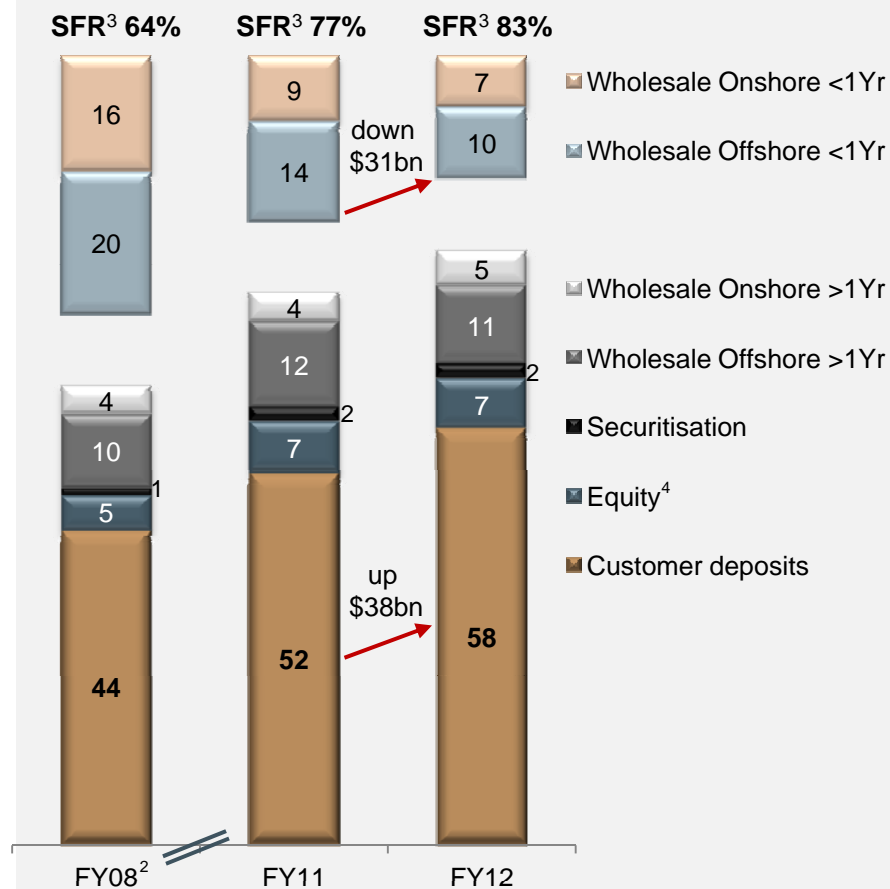
Westpac deposit growth funding loan growth



Liquid assets (\$bn)



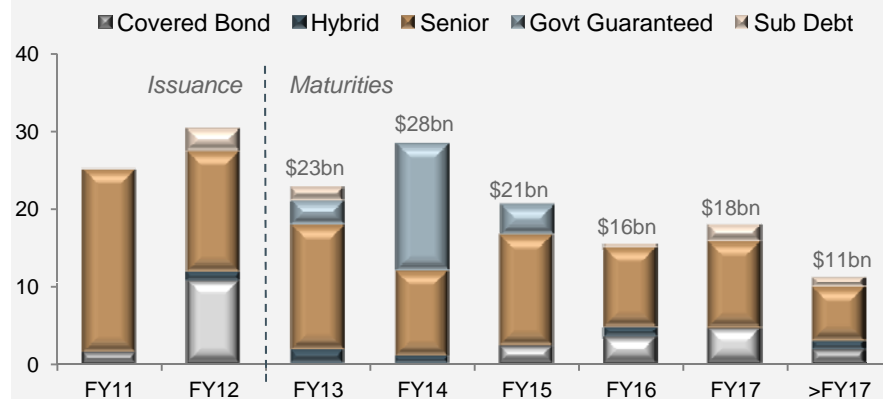
Funding composition by residual maturity (%)



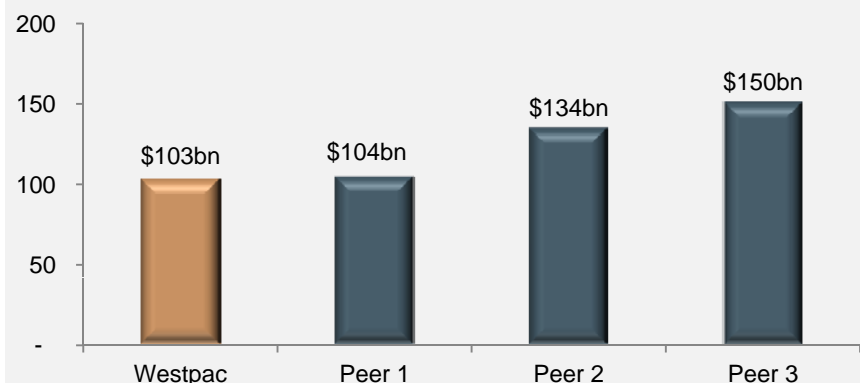
1 Private securities include Bank paper, RMBS, and Supra-nationals. 2 2008 does not include St. George. 3 SFR is the stable funding ratio calculated on the basis of customer deposits + wholesale funding with residual maturity greater than 12 months + equity + securitisation, as a proportion of total funding. 4 Equity excludes FX translation, Available for Sale Securities and Cash Flow Hedging Reserves. 5 Includes long term wholesale funding with a residual maturity less than 1 year.

A well-balanced approach to funding

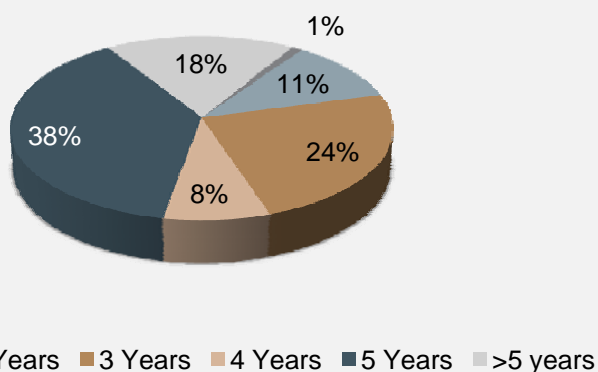
Term debt issuance and maturity profile¹ (\$bn)



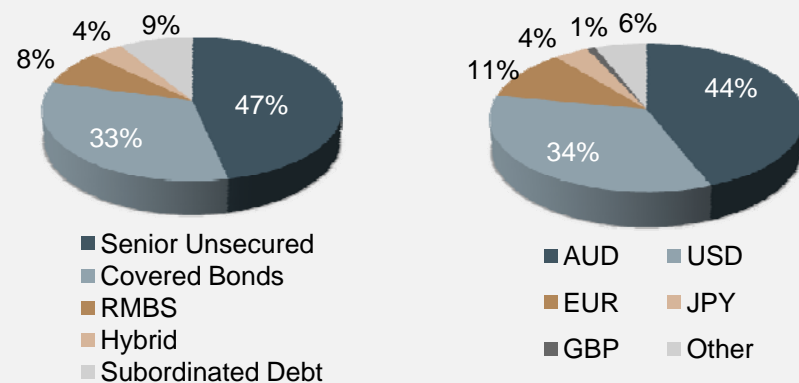
Short term wholesale funding² (\$bn)



FY12 new term issuance by original tenor^{1,3} (%)



FY12 new term issuance by type¹ (%)

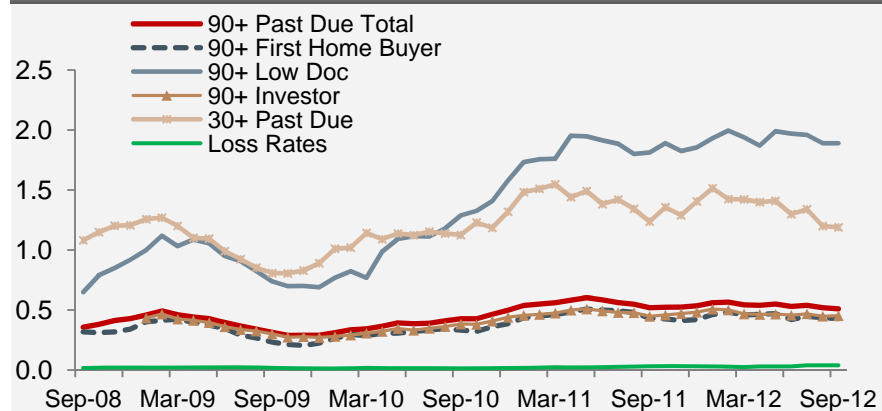


¹ Based on residual maturity and FX spot currency translation. Includes all debt issuance with contractual maturity greater than 13 months, excluding US Commercial paper. Contractual maturity date for hybrids and callable subordinated instruments is the first scheduled conversion date or call date for the purposes of this disclosure. Perpetual sub-debt has been included in >FY17 maturity bucket. ² Source: Company reports. Westpac, Peer 1 and Peer 3 as at 30 September 2012. Peer 2 as at 30 June 2012. ³ Excludes securitisation.

Strong asset quality and provisioning coverage

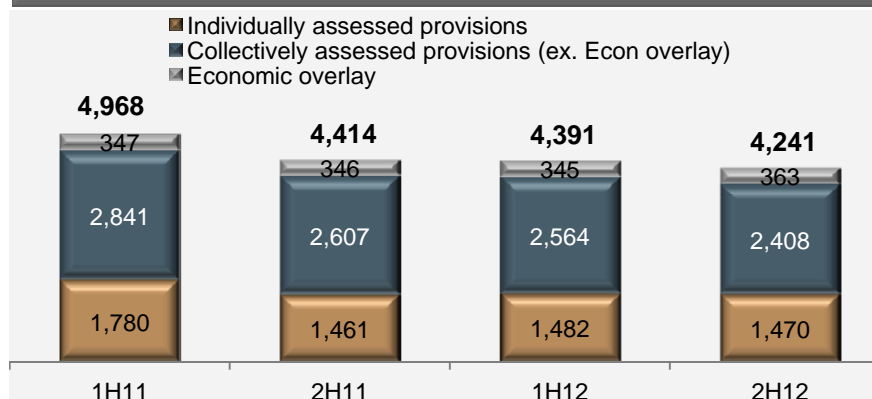
Asset Quality	FY12	change FY12 – FY11
Stressed exposures to total committed exposures	2.17%	Down 31bps
Impaired assets to total committed exposures	58bps	Down 4bps
Impaired assets to gross loans	85bps	Down 7bps
Net write-offs to average loans annualised	32bps	Down 6bps

Australian mortgages delinquencies and loss rates (%)







Provisioning coverage ratios	2H11	1H12	2H12
Collectively assessed provisions to credit RWA	126bps	122bps	113bps
Collectively assessed provisions to performing non-housing loans	169bps	164bps	155bps
Impairment provisions to impaired assets	36%	38%	37%
Total provisions to gross loans	88bps	86bps	82bps

Provisioning (\$m)



Joint Lead Managers

Westpac Institutional Bank		<ul style="list-style-type: none"> • Allan O'Sullivan (02) 8254 1425
ANZ		<ul style="list-style-type: none"> • Tariq Holdich (02) 9226 6946
Commonwealth Bank of Australia		<ul style="list-style-type: none"> • Truong Le (02) 9118 1205
Deutsche Bank		<ul style="list-style-type: none"> • Mozammel Ali (02) 8258 1845
Macquarie		<ul style="list-style-type: none"> • Jacqui Vanzella (02) 8232 4904
Morgan Stanley	Morgan Stanley	<ul style="list-style-type: none"> • Bob Herbert (03) 9256 8937
UBS		<ul style="list-style-type: none"> • Andrew Buchanan (02) 9324 2617

Contacts

For further information contact

Group Treasury

Curt Zuber

Group Treasurer, Westpac Banking Corporation
+61 2 8253 4230
czuber@westpac.com.au

Joanne Dawson

Deputy Treasurer, Westpac Banking Corporation
+61 2 8204 2777
jdawson@westpac.com.au

Guy Volpicella

Executive Director, Structured Funding and Capital
+61 2 8254 9261
gvolpicella@westpac.com.au

John Georgiades

Director, Structured Funding and Capital
+61 2 8253 1053
johngeorgiades@westpac.com.au

Investor Relations

Andrew Bowden

Head of Investor Relations
+61 2 8253 4008
andrewbowden@westpac.com.au

Hugh Devine

Senior Manager, Investor Relations
+61 2 8253 1047
hdevine@westpac.com.au

or email: investorrelations@westpac.com.au

For further information on Westpac, please visit our investor website:

www.westpac.com.au/investorcentre

See 'Latest news' for the link to Westpac Capital Notes information

The screenshot shows the Westpac Investor Centre website. At the top, there's a navigation bar with links: Home, Personal, Business, Corporate, and About Westpac. A search bar is located on the right. Below the navigation bar, there's a section titled 'Investor centre'. On the left side of this section, there's a list of links: Shareholder information, Financial information, Annual reports, Presentations, Analysts' centre, Annual general meeting, Fixed income investors, and Contact investor relations. On the right side, there are several content blocks. The 'Shareholder information' block includes links for Dividends, share and hybrid information, registry contacts, newsletters and emails. The 'Presentations' block includes links for Current and archive briefings, interim and full-year results, speeches and investor updates. The 'Analysts' centre' block includes links for Results announcements, economic reports, discussion packs, and Basel II Pillar 3 risk reports. The 'Fixed income investors' block includes links for For fixed income investors: includes wholesale funding strategy and programs, credit ratings and contact details. The 'Latest news' section is highlighted with a red circle and contains a link to the 'Westpac Shareholder Newsletter - 2 July 2012'.



Key risks of Westpac Capital Notes

- In the unlikely event of a Winding Up, if the Notes are still on issue they will rank ahead of Ordinary Shares, equally with all Equal Ranking Capital Securities and behind Senior Creditors.
- If there is a shortfall of funds on a Winding Up to pay all amounts ranking senior to and equally with Notes, Holders will lose all or some of their investment.
- It is possible that the Notes may trade at a market price below Face Value.
- Circumstances in which the market price of the Notes may decline include general financial market conditions, changes in investor perception and sentiment in relation to Westpac and the availability of better rates of return on other securities issued by Westpac or other issuers.
- The market for the Notes may be less liquid than the market for Ordinary Shares.
- Holders who wish to sell their Notes may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market for the Notes.
- There is a risk that Distributions will not be paid. Distributions are discretionary and are only payable subject to the satisfaction of the Distribution Payment Conditions.
- Distributions are non-cumulative. If a Distribution is not paid in full because the Distribution Payment Conditions are not satisfied, Holders are not entitled to receive the unpaid portion of that Distribution.
- The Distribution Rate will fluctuate (and may increase and/or decrease) over time with movements in the 90 day Bank Bill Rate.
- There is a risk that the rate may become less attractive compared to returns available on comparable securities or investments.
- The value of Ordinary Shares received for each Note that is Converted upon the occurrence of a Capital Trigger Event or Non-Viability Trigger Event may be less than the Face Value of each Note.
- If for any reason Conversion of Notes is not possible following the occurrence of a Capital Trigger Event or Non-Viability Trigger Event (for example, due to applicable laws, order of a court or action of any government authority), all rights (including to Distributions) in respect of those Notes will be terminated. Your investment will lose all of its value and you will not receive any compensation.
- Investments in the Notes may be affected by the ongoing performance and financial position of Westpac.
- The price used to calculate the number of Ordinary Shares to be issued on Conversion may be different to the market price of Ordinary Shares at the time of Conversion.
- Conversion may not occur on 8 March 2021, being the first possible Scheduled Conversion Date, or at all.
- Conversion, Redemption or Transfer may occur in certain circumstances before the Scheduled Conversion Date, which may be disadvantageous in light of market conditions or your individual circumstances.
- As the Notes are perpetual instruments and have no fixed maturity date, there is a risk you may not be repaid your capital.
- Westpac may issue further securities which rank equally with or ahead of the Notes.

This is a summary of the key risks only. You should read Section 5 “Investment Risks” of the Prospectus in full before deciding to invest (including “Investment Risks Relating to Westpac”).

Important Information

The information in this presentation is an overview and does not contain all information necessary to make an investment decision. It is intended to constitute a summary of certain information relating to Westpac and does not purport to be a complete description of Westpac or the Offer.

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We use words such as ‘will’, ‘may’, ‘expect’, ‘indicative’, ‘intend’, ‘seek’, ‘would’, ‘should’, ‘could’, ‘continue’, ‘plan’, ‘probability’, ‘risk’, ‘forecast’, ‘likely’, ‘estimate’, ‘anticipate’, ‘believe’, or similar words to identify forward-looking statements. These statements reflect our current views with respect to future events and are subject to change, certain risks, uncertainties and assumptions which are, in many instances, beyond our control and have been made based upon management’s expectations and beliefs concerning future developments and their potential effect upon us. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from the expectations described in this presentation. Factors that may impact on the forward-looking statements made include those described in section 5 of the Prospectus entitled “Investment Risks” and in the section entitled “Risk and risk management” in Westpac’s Annual Report for the fiscal year ended 30 September 2012. When relying on forward-looking statements to make decisions with respect to Westpac, investors and others should carefully consider such factors and other uncertainties and events. We are under no obligation, and do not intend, to update any forward-looking statements contained in this presentation.

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