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18 July 2013

Company Announcements ASX Limited 20 Bridge Street SYDNEY NSW 2000

LETTERS TO HOLDERS OF WESTPAC SPS (WBCPA) AND TRANSFER NOTICE

Westpac Banking Corporation ("**Westpac**") today released the following documents in connection with its Westpac Stapled Preferred Securities ("**Westpac SPS**"). These documents are attached, unless otherwise indicated:

- a letter mailed to holders of Westpac SPS who are eligible to participate in the Reinvestment Offer.
 This letter includes a description of the Reinvestment Offer announced by Westpac on 10 July 2013.
 It is accompanied by the replacement prospectus dated 18 July 2013 for the offering of Westpac Subordinated Notes II and the Reinvestment Offer (separately lodged today on the ASX)¹ and a personalised application form for the Reinvestment Offer (in the form attached to this notice);
- a letter mailed to holders of Westpac SPS who are not eligible to participate in the Reinvestment Offer; and
- a transfer notice for Westpac SPS. The transfer notice is enclosed with each of the above letters and
 is described below in more detail.

Under their terms, Westpac SPS have an Initial Mandatory Conversion Date of 26 September 2013 (subject to certain conditions being satisfied). However, Westpac may, at its discretion elect that the Westpac SPS be transferred to a Nominated Party, subject to certain conditions.

Westpac SPS then on issue will automatically be transferred to the Nominated Party. Holders who have their Westpac SPS transferred will receive \$100 for each of their Westpac SPS and, provided in each case that the distribution payment test in the Westpac SPS terms is satisfied, a Pro-Rata Distribution on 29 August 2013 and a Final Distribution on 26 September 2013.

This transfer process will not apply in respect of Westpac SPS sold through the Reinvestment Offer as participants will no longer hold those Westpac SPS on 26 September 2013.

Yours sincerely,

Timothy Hartin

Group Company Secretary Westpac Banking Corporation

² Westpac SPS holders who participate in the Reinvestment Offer or otherwise sell their Westpac SPS before 11 September 2013 (which is expected to be the last day of trading in Westpac SPS) will not own any Westpac SPS on 26 September 2013 and accordingly will not participate in the transfer process.















¹ Unless otherwise defined, capitalised expressions used in this letter and the following documents have the meanings given to them in the replacement prospectus.



18 July 2013

Dear Westpac SPS Investor,

WESTPAC SPS REINVESTMENT OFFER

As a holder of Westpac Stapled Preferred Securities ("Westpac SPS"), I am writing to inform you of an opportunity to realise your investment in Westpac SPS early and invest in a new Westpac security ("Reinvestment Offer").

On 10 July 2013, Westpac Banking Corporation ("Westpac") announced the offer of a new security, Westpac Subordinated Notes II ("Notes"). The Notes are expected to be quoted on the ASX.

Full details of Westpac Subordinated Notes II are contained in the Prospectus accompanying this letter.

Reinvestment Offer

The Reinvestment Offer is an opportunity for Eligible Westpac SPS holders to sell their Westpac SPS and invest the proceeds in Westpac Subordinated Notes II.

You are eligible to participate in the Reinvestment Offer because you were registered as a Westpac SPS holder at 7.00pm (Sydney time) on 1 July 2013 and are shown on our register as having an Australian address.

If you wish to participate in the Reinvestment Offer you may:

- 1. Apply to reinvest all of your Westpac SPS under the Reinvestment Offer;
- 2. Apply to reinvest some of your Westpac SPS under the Reinvestment Offer; or
- 3. Apply to reinvest all of your Westpac SPS under the Reinvestment Offer and apply for additional Notes.

Applications received under the Reinvestment Offer will be given priority.

If you participate in the Reinvestment Offer, your participating Westpac SPS will be sold on-market on your behalf by the On-Market Sale Agent, who will reinvest the sale proceeds in Westpac Subordinated Notes II. You will receive one Note for each Westpac SPS sold as both have a face value of \$100. There are no transaction costs payable to participate in the Reinvestment Offer.

There is also no minimum number of Westpac SPS you must hold to participate in the Reinvestment Offer. However, if you wish to participate in the Reinvestment Offer and you own:

- 50 Westpac SPS or fewer, you must apply to reinvest all your Westpac SPS; or
- more than 50 Westpac SPS, you must reinvest a minimum of 50 Westpac SPS.

If you apply to reinvest all of your Westpac SPS and wish to apply for additional Notes, you must apply for a minimum of 50 additional Notes (\$5,000), and thereafter in multiples of 10 Notes (\$1,000).

The Reinvestment Offer is not a simple rollover into a similar investment. Westpac Subordinated Notes II and Westpac SPS have different benefits and risks, which must be evaluated separately.

















How to apply under the Reinvestment Offer

Applications can be made by completing and returning the personalised Reinvestment Form accompanying this letter, or by applying online at **www.westpac.com.au/investorcentre**.

If you are a client of a broker and wish to reinvest your Westpac SPS, contact your broker to apply.

If your broker is not a Syndicate Broker for purposes of the Reinvestment Offer or you elect to participate in the Reinvestment Offer by applying online, certain information requested in your Reinvestment Form will need to be verified for the purposes of anti-money laundering and counter-terrorism financing regulations. If your Reinvestment Form is incomplete your application may not be processed and your application to participate in the Reinvestment Offer will not be accepted.

See the Prospectus and personalised Reinvestment Form for full details on how to apply.

Key dates for the Reinvestment Offer

Reinvestment Offer Record Date for determining Eligible Westpac SPS Holders (7.00pm Sydney time)	1 July 2013
Opening Date	18 July 2013
Closing Date for the Reinvestment Offer (5.00pm Sydney time)	9 August 2013
On-Market Buy-Back Date	19 August 2013
Record date for Pro-Rata Distribution (7.00pm Sydney time)	21 August 2013
Issue Date of Notes	22 August 2013
Payment date for Pro-Rata Distribution ¹	29 August 2013
Last day of trading in Westpac SPS	11 September 2013
Initial Mandatory Conversion Date for Westpac SPS	26 September 2013

¹ Subject to satisfaction of the distribution payment test in the Westpac SPS terms.

Other Options for Westpac SPS Holders

Participation in the Reinvestment Offer is not compulsory. Eligible Westpac SPS Holders may continue to hold their Westpac SPS or sell their Westpac SPS on market on or by 11 September 2013, which is expected to be the last day of trading in Westpac SPS on ASX.

Westpac intends that any Westpac SPS that are not sold through the Reinvestment Offer will be transferred to a nominated party on 26 September 2013, which is the Initial Mandatory Conversion Date for Westpac SPS. On that date, Westpac SPS holders who continue to hold their Westpac SPS will receive \$100 per Westpac SPS, plus the Final Distribution (provided the distribution payment test in the terms of the Westpac SPS is satisfied). As a technical requirement under the Westpac SPS terms, a transfer notice to Westpac SPS holders in relation to this transfer accompanies this letter.

Distributions payable on Westpac SPS

Provided the distribution payment test in the terms of the Westpac SPS is satisfied, holders of Westpac SPS on the record date of 21 August 2013 will receive a Pro-Rata Distribution for the period from (but excluding) 30 June 2013 to (and including) 22 August 2013. The Pro-Rata Distribution will be payable to all holders of Westpac SPS on 29 August 2013, regardless of whether they participate in the Reinvestment Offer.

Provided the distribution payment test in the terms of the Westpac SPS is satisfied, all holders of Westpac SPS on 18 September 2013 will receive a Final Distribution for the period from (but excluding) 22 August 2013 to (and including) 26 September 2013. The Final Distribution will be paid on 26 September 2013.



Amendments to Westpac SPS terms

Westpac has made amendments to the terms of Westpac SPS to facilitate the Reinvestment Offer and related matters. The amended SPS terms are available on our website at **www.westpac.com.au/investorcentre**.

Further information

Enclosed is a copy of the Westpac Subordinated Notes II Prospectus (including details of the Reinvestment Offer), a personalised Reinvestment Form, a reply paid envelope and a copy of the transfer notice for Westpac SPS. You should read the Prospectus in full before deciding to apply for Notes. Unless otherwise defined, capitalised expressions used in this letter have the meanings given to them in the Prospectus.

For more information about the Reinvestment Offer visit the Westpac website at **www.westpac.com.au/investorcentre** or call the Westpac Subordinated Notes II Information Line (Monday to Friday, 8.30am to 5.30pm, Sydney time) on **+61 1300 551 756** (local call cost within Australia).

Finally, I would like to take this opportunity to thank you for your investment and support of Westpac.

Yours sincerely,

Lindsay Maxsted

Chairman



Westpac Banking Corporation ("Westpac") ABN 33 007 457 141

REINVESTMENT FORM

This Reinvestment Form requires your prompt attention should you wish to reinvest your existing Westpac SPS in Notes.

Broker code	Broker stamp
Adviser code	

SRN/HIN. Entitlement Number.



Α	Number and value of Westpac SPS you held as at 7.00pm (Sydney time) on 1 July 2013				
=		at	A\$100		

This Reinvestment Form relates to your holding of Westpac SPS, further detail about which is set out in the Prospectus dated 18 July 2013 issued by Westpac. The Prospectus contains important information about the Reinvestment Offer and the Westpac Subordinated Notes II ("Notes") and you should read the Prospectus in full before completing and returning this Reinvestment Form. If you wish to sell all or some of your existing Westpac SPS through the On-Market Buy-Back Facility and reinvest the proceeds in Notes you must complete this form. You may also apply for additional Notes in Section C. You may instead apply online by visiting www.westpac.com.au/investorcentre and completing an online Reinvestment Form. If you do not complete and return this form or apply online, your Westpac SPS will not be sold through the On-Market Buy-Back Facility and you will not be able to participate in the Reinvestment Offer. Capitalised words used in this Reinvestment Form have the meanings given to them in the Prospectus.

В	F	REINVESTMENT	OPTION			
Choose ONE box only.						
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You must return this form to Link Market Services Limited at the address on the back of this Reinvestment Form, or return this form to your Syndicate Broker, by the Closing Date for the Reinvestment Offer, which is expected to be 5.00pm (Sydney time) on 9 August 2013.

Note, if you are a client of a Syndicate Broker (or any other broker, financial planner or other financial adviser) and have been contacted by them regarding the Reinvestment Offer, you should contact your Syndicate Broker (or any other broker, financial planner or other financial adviser) for information about how and when to lodge this Reinvestment Form. Generally, you must lodge this Reinvestment Form with your Syndicate Broker (or any other broker, financial planner or other financial adviser) in accordance with their instructions.



OTHER IMPORTANT APPLICANT DETAILS

The information provided by you in this Reinvestment Form is required to process your Application and to ensure compliance with relevant Anti-Money Laundering (AML) obligations. You may also be contacted by Link Market Services Limited requesting additional information to ensure compliance with relevant AML obligations. If you do not provide all of the information required in this Reinvestment Form or such additional information requested by Link Market Services Limited, your Application may not be accepted. Please note that the address(es) provided in this Section E will not be used to amend the details on your holding. All future correspondence will continue to be mailed to the address printed on the front page of this Reinvestment Form.

Please complete your details below.

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GUIDE TO THE REINVESTMENT FORM

This form must be returned to the Registrar by the Closing Date for the Reinvestment Offer, which is expected to be 5.00pm (Sydney time) on 9 August 2013. Eligible Westpac SPS Holders who wish to sell all or some of their existing Westpac SPS through the On-Market Buy-Back Facility and reinvest the proceeds in Notes must complete this Reinvestment Form. If you do not complete and return this Reinvestment Form or apply online, your Westpac SPS will not be sold through the On-Market Buy-Back Facility and you will not be able to participate in the Reinvestment Offer. The Prospectus contains important information about investing in Notes and you should read the Prospectus in full before applying for Notes. This Reinvestment Form should be read in conjunction with the Prospectus. This Reinvestment Form is important. If you are in any doubt as to how to deal with it, please contact your professional adviser without delay.

A This is the number and value of Westpac SPS you held at 7.00pm (Sydney time) on 1 July 2013. If you choose to apply to sell all or some of these Westpac SPS through the On-Market Buy-Back Facility and reinvest the proceeds in Notes it is your responsibility not to dispose of any Westpac SPS you have elected to reinvest in Notes. If you do so, you may not be Allocated the Notes you applied for.

B Full reinvestment

Mark the first box to apply to have all of your existing Westpac SPS indicated in Section A sold through the On-Market Buy-Back Facility and the proceeds applied for reinvestment in Notes.

Partial reinvestment

Mark the second box to apply to have a specified number of your existing Westpac SPS sold through the On-Market Buy-Back Facility and the proceeds applied for reinvestment in Notes. Any Westpac SPS you held at 7.00pm (Sydney time) on 1 July 2013 that are not elected for reinvestment in Notes will not be sold through the On-Market Buy-Back Facility. If you select this option please ensure that you mark the box and enter the number and value of Westpac SPS (up to the maximum number and value indicated in Section A) that you wish to be reinvested in Notes. If you do not specify a number or value of Westpac SPS greater than the number or value, or you specify a number or value of Westpac SPS greater than the number or value indicated in Section A, you will be taken to have elected to reinvest all of your Westpac SPS held at 7.00pm (Sydney time) on 1 July 2013.

If you marked both boxes, Westpac will treat your election as being to apply to have all of your existing Westpac SPS indicated in Section A sold through the On-Market Buy-Back Facility and the proceeds applied for reinvestment in Notes.

Application for additional Notes

Select this option to apply for additional Notes. Applications for additional Notes are in addition to the maximum number of Westpac SPS elected for reinvestment in Notes and must be a minimum of 50 Notes (A\$5,000), and thereafter in multiples of 10 Notes (A\$1,000). All Applications for additional Notes must be accompanied by your Application Payment, except where you apply online.

D Contact details

Enter your telephone number, contact name, and email address. This will assist us if we need to contact you about your Application.

Other important Applicant details

If you are an individual Securityholder or a joint Securityholder, you must enter your date of birth, middle name and a residential street address (do not use a PO Box or c/- address) of each Securityholder in the order that the names are currently registered. If you are a company, you must enter your Australian Business Number (ABN) or Australian Company Number (ACN) and registered office street address (do not use a PO Box or c/- address).

ACCEPTANCE OF THE OFFER

By returning this Reinvestment Form and Application Payment for any additional Notes I/we:

declare that I am/we are an Eligible Westpac SPS Holder(s);

- acknowledge having personally received a printed or electronic copy of the full Prospectus (and any supplementary or replacement document) accompanying this Reinvestment Form and declare that I/we have read them all in full;
- agree to be registered as a holder of Notes and to be bound by the terms of the Offer, the Prospectus, the Conditions and the Deed Poll;
- agree to become a member of Westpac and to be bound by the terms of Westpac's Constitution, if issued Ordinary Shares on Conversion;
- declare that all details and statements in this Reinvestment Form are complete and accurate;
- declare that each Applicant, if a natural person, is over 18 years of age;
- acknowledge and declare that I/we authorise Westpac (and its agents, including the Registrar on Westpac's behalf) to use and disclose my/our personal information in the manner set out in Section 9.10 of the Prospectus:
- acknowledge that once I/we submit this Reinvestment Form I/we may not modify or withdraw it except as permitted by law;
- apply for the number of Notes shown on the front of this Reinvestment Form, calculated as the number of Notes equal to the number of Westpac SPS elected to be reinvested plus the number (if any) of additional Notes indicated in Section C;
- agree to being Allocated the number of Notes that I/we apply for, or a lower number Allocated in a way described in the Prospectus, or no Notes at all;
- authorise Westpac and the Joint Lead Managers and their respective officers or agents, to do anything on my/our behalf necessary for Notes to be Allocated to me/us, including to act on instructions received by the Registrar upon using the contact details in Section D;
- acknowledge that the information contained in the Prospectus (and any supplementary
 or replacement document) is not financial product or investment advice or a
 recommendation that Notes are suitable for me/us, given my/our investment objectives,
 financial situation or particular needs:
- · declare that I am/we are an Australian resident;
- represent and warrant that I am/we are not acting for the account or benefit of any person
 to whom it would not be lawful to make the Offer under applicable securities law;
- represent and warrant that I am/we are not in a jurisdiction in which it would not be lawful
 for the Offer to be made to me/us, and that I am/we are not in the United States and
 I am/we are not a US Person (and not acting for the account or benefit of a US Person),
 and I/we will not offer, sell, deliver or transfer Notes in the United States or to, or for the
 account or benefit of, any US Person;
- acknowledge that Notes are not deposit liabilities or protected accounts of Westpac for
 the purposes of the Banking Act 1959 (Cth) or Financial Claims Scheme, are not subject
 to the depositor protection provisions of Australian banking legislation, and are not
 guaranteed or insured by any Australian government, government agency, compensation
 scheme of Australia or any other jurisdiction, or any other person;
- acknowledge that an investment in Notes is subject to investment risk, including possible
 delays in payment and loss of income and principal invested, and that neither Westpac
 nor any member of the Westpac Group guarantees the capital value or performance of
 Notes or any particular rate of return;

- acknowledge that investments in the Notes are an investment in Westpac and may be affected by the ongoing performance, financial position and solvency of Westpac:
- acknowledge that Westpac may reject an Application without giving any reason, including where this Reinvestment Form is not properly completed or where, in relation to an Application for additional Notes, a cheque submitted with this Reinvestment Form is dishonoured;
- hereby authorise Pacific Custodians Pty Limited (as the On-Market Sale Agent), Link Market Services Limited and the Joint Lead Managers (or any person acting on their behalf) to complete and execute any documents and take any other actions necessary to effect the sale of the Westpac SPS elected for reinvestment through the On-Market Buy-Back Facility, the application of the proceeds from the sale for reinvestment in Notes and the Allocation of Notes;
- hereby authorise, agree and consent to having a holding lock placed on those Westpac SPS elected for reinvestment, pending completion of the Reinvestment Offer, and that I/we will not be able to successfully deal with those Westpac SPS until those Westpac SPS are released from the holding lock;
- hereby authorise and provide consent for the Westpac SPS elected for reinvestment to be placed in a CHESS subposition at the time of processing this Reinvestment Form and to be transferred to Pacific Custodians Pty Limited (on a pooled basis) following close of the Reinvestment Offer, to act as legal custodian in respect of the elected Westpac SPS as a preparatory step to facilitate the sale of the elected Westpac SPS through the On-Market Buy-Back Facility (on the basis that I/we will retain beneficial ownership of those Westpac SPS prior to the sale of the elected Westpac SPS through the On-Market Buy-Back Facility);
- hereby acknowledge and agree that if I/we have specified a number or value of Westpac SPS greater than the number or value indicated in Section A, I/we will be taken to have elected to reinvest all of my/our Westpac SPS held at 7.00pm (Sydney time) on 1 July 2013;
- hereby acknowledge and agree that if I/we hold a lesser number of Westpac SPS than
 elected to be reinvested in Section B, I/we will be taken to have applied for reinvestment
 of the lower of the number of Westpac SPS in Section B and the number of Westpac SPS
 registered in my/our name on the Closing Date for the Reinvestment Offer;
- hereby authorise and provide consent for the Westpac SPS elected for reinvestment to be sold by Deutsche Securities Australia Limited (an ASX market participant) on the instructions of Pacific Custodians Pty Limited, through the On-Market Buy-Back Facility at not less than A\$100 per Westpac SPS, with the proceeds to be reinvested in the maximum number of Notes as may be acquired with those proceeds; and
- hereby authorise, provide consent and direct my/our broker sponsored controlling
 participant (if the Westpac SPS are held on the CHESS subregister) or my/our financial
 planner or other financial adviser (if applicable) to provide Westpac and Pacific Custodians
 Pty Limited (if requested) any materials or information that I/we provided to my/our broker,
 financial planner or other financial adviser (as applicable) in order to complete Know Your
 Client (KYC) checks.

LODGEMENT INSTRUCTIONS

Please return your completed Reinvestment Form and Application Payment for any additional Notes to the Registrar at either of the addresses below.

Mailing address

Westpac Subordinated Notes II Offer Link Market Services Limited Reply Paid 3560, Sydney NSW 2001 Australia

Hand delivery address

Westpac Subordinated Notes II Offer Link Market Services Limited 1A Homebush Bay Drive, Rhodes NSW 2138 Australia

(Please do not use this address for express post mailing)

If you have any questions regarding your Application, please contact the Westpac Subordinated Notes II Information Line (Monday to Friday, 8.30am to 5.30pm, Sydney time) on 1300 551 756 (local call cost within Australia).

Privacy Statement. Link Market Services Limited (the Registrar) advises that once you become a holder of Notes, Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a securityholder (including your name, address and details of the Notes you hold) to be included in the register of the entity which has issued securities to you. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to Westpac and others as set out in Section 9.10 of the Prospectus. You can obtain access to your personal information by contacting the Registrar on 1300 554 474. The Registrar's privacy policy is available on the Registrar's website (www.linkmarketservices.com.au). The privacy policy of Westpac is available on Westpac's website (www.westpac.com.au).



18 July 2013

Dear Westpac SPS Investor,

PROPOSED TRANSFER OF YOUR WESTPAC SPS

As a holder of Westpac Stapled Preferred Securities ("**Westpac SPS**"), I am writing to notify you of a decision made by Westpac Banking Corporation ("**Westpac**") regarding those securities that may impact your holding.

Under their terms, Westpac SPS have an Initial Mandatory Conversion Date of 26 September 2013 (subject to certain conditions being satisfied). On this date, Westpac SPS are expected to either convert into a variable number of Westpac ordinary shares or, at Westpac's discretion, be transferred to a third party nominated by Westpac ("**Nominated Party**"), subject to certain conditions.

Westpac has chosen to exercise its discretion to transfer all Westpac SPS on issue on 26 September 2013 to a Nominated Party and has lodged a transfer notice for Westpac SPS with ASX. A copy of the transfer notice is enclosed.

Holders of those Westpac SPS being transferred will receive:

- \$100 for each of their transferred Westpac SPS on 26 September 2013;
- a Pro-Rata Distribution on 29 August 2013 (provided they hold those Westpac SPS on 21 August 2013 and the distribution payment test in the Westpac SPS terms is satisfied); and
- a Final Distribution on 26 September 2013 (provided they hold those Westpac SPS on 18 September 2013 and the distribution payment test in the Westpac SPS terms is satisfied).

If you do not wish your Westpac SPS to be transferred to the Nominated Party, you can choose to sell your Westpac SPS on ASX at the prevailing market price on or by 11 September 2013, which is expected to be the last day of trading in Westpac SPS on ASX. In this case, you will not own Westpac SPS on 26 September 2013 and accordingly will not participate in the transfer process.

Please note that you will not be able to participate in the Reinvestment Offer that Westpac recently announced to certain holders of Westpac SPS because you do not meet the eligibility criteria for that offer.¹

If you have any questions regarding this process or other matters relating to your Westpac SPS holding, please contact Westpac's share registrar, Link Market Services, on 1300 551 756.

Finally, I would like to take this opportunity to thank you for your investment and support of Westpac.

Yours sincerely,

Lindsay Maxsted

Chairman

¹ To be eligible to participate in the Reinvestment Offer, a Westpac SPS holder must have been a registered holder of Westpac SPS on the Reinvestment Offer record date (7.00pm (Sydney time) on 1 July 2013) and be shown on the Register as having an address in Australia. Unless otherwise defined, capitalised expressions used in this letter have the meanings given to them in the Prospectus for Westpac Subordinated Notes II, which was separately lodged with ASX today.

WESTPAC BANKING CORPORATION ABN 33 007 457 141















18 July 2013

TRANSFER NOTICE FOR WESTPAC SPS

Westpac Banking Corporation ("**Westpac**") notifies holders of Westpac Stapled Preferred Securities issued in 2008 ("**Westpac SPS**") that, on 26 September 2013, all Westpac SPS on issue at that time will be acquired (the "**Transfer**") by UBS AG, Australia Branch ("**Nominated Party**").

The Nominated Party will pay each holder of Westpac SPS the face value of \$100 for each Westpac SPS under the Transfer.

On 26 September 2013, subject to the Nominated Party making those payments, all Westpac SPS then on issue will be transferred to the Nominated Party in accordance with clause 5.1 of the Preference Share Terms for Westpac SPS (as amended).

The Nominated Party has given an undertaking in favour of each Westpac SPS holder to pay \$100 for each Westpac SPS that will be transferred from the relevant holder on 26 September 2013.

Copies of the Deed Poll containing the undertaking by the Nominated Party and the Preference Share Terms are available from Westpac's website (www.westpac.com.au).

The Transfer payments will be made to holders in the same manner in which their distributions are usually paid.

Timothy Hartin

Group Company Secretary Westpac Banking Corporation











