

ASX ANNOUNCEMENT*Wednesday, 12 September 2012***ISSUE OF SHARES RELATING TO THE CONVERSION OF HYBRID TIER 1 SECURITIES**

Following its announcement on 15 August 2012, National Australia Bank Limited (“NAB”) has today issued 23,998,944 NAB ordinary shares (“Shares”) to Deutsche Bank AG. The number of Shares provided on conversion of the A\$300 million of Tier 1 Convertible Notes and A\$300 million of Tier 1 Stapled Securities was based on a volume weighted average share price of \$25.0512, to which a 0.2% discount was applied.

In accordance with sub-section 708A(5) of the Corporations Act 2001 (Cth) (the “Act”), NAB gives notice as follows:

1. The Shares were issued without disclosure to investors under Part 6D.2 of the Act.
2. This notice is being given under paragraph 5(e) of section 708A of the Act.
3. As at the date of this notice, NAB has complied with:
 - a. the provisions of Chapter 2M of the Act as they apply to NAB; and
 - b. section 674 of the Act.
4. As at the date of this notice, there is no excluded information within the meaning of sections 708A(7) and 708A(8) of the Act.

Michaela Healey
Company Secretary

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE U.S.

This statement does not constitute an offer of any securities for sale. The securities offered have not been and will not be registered under the *U.S. Securities Act of 1933* and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.