

WESTPAC BANKING CORP  
Form 424B5  
September 08, 2017

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As Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-220373

**This preliminary prospectus supplement and the information contained herein are subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.**

**Subject to Completion  
Preliminary Prospectus Supplement Dated September 7, 2017**

**PROSPECTUS SUPPLEMENT  
(TO PROSPECTUS DATED SEPTEMBER 7, 2017)**

**Westpac Banking Corporation, acting through its New Zealand Branch  
(ABN 33 007 457 141)**

**US\$            % Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities**

**Subject, upon the occurrence of a Trigger Event, to Conversion or possible Write-off, as more fully described in the accompanying prospectus**

Westpac Banking Corporation, which is referred to herein as Westpac, acting through its New Zealand Branch, is offering US\$            aggregate principal amount of its            % Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities, which are referred to herein as the securities.

Terms used but not defined herein have the meanings described under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.

From and including September            , 2017, which is referred to herein as the Issue Date, to but excluding September            , 2027, which is referred to herein as the First Reset Date, interest on the securities will be scheduled to be paid in arrears on the Outstanding Principal Amount of the securities at an initial rate equal to            % per year, which is referred to herein as the Initial Interest Rate. Subject to the Payment Conditions and to the applicable Business Day convention described in this prospectus supplement, interest, if any, on each security will be scheduled to be paid semi-annually in arrears on September            and March            of each year, commencing on March            , 2018 (each such scheduled date for payment, whether or not such interest is, or is able to be, paid on that date in accordance with the terms and conditions of the indenture and the securities, as described herein and under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus, is referred to herein as an Interest Payment Date), until but not including the date on which a redemption of the securities occurs. From and including each Reset Date (as defined below) to but excluding the next succeeding Reset Date, interest will be scheduled to be paid on the Outstanding Principal Amount of the securities at a rate per year (each of which is referred to herein as a Subsequent Interest Rate, and, together with the Initial Interest Rate, as the Interest Rate), equal to the sum of the then prevailing Mid-Market Swap Rate on the relevant Reset Determination Date (each as defined herein) and            % (rounded to three decimal places, with 0.0005 rounded upwards). The First Reset Date, and every fifth anniversary thereafter, are referred to herein as a Reset Date.

Payments of interest on the securities will be non-cumulative. The payment of any interest on the securities is subject to Westpac's absolute discretion and satisfaction of the other Payment Conditions, as described under "Description of the Securities Additional Provisions Applicable to the Securities Non-Payment of Interest" in the accompanying prospectus, in respect of the securities as at the relevant Interest Payment Date. If all or any part of any interest payment is not paid,

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Westpac will have no liability to pay the unpaid amount of interest, neither holders of securities nor any other person will have a claim or entitlement in respect of such non-payment and such non-payment will not constitute a breach of the terms or conditions described herein or in the accompanying prospectus, or give any holder of securities or any other person a right to apply for a Winding-Up, to place Westpac in administration or to cause a receiver, receiver and manager, liquidator or provisional liquidator to be appointed in respect of Westpac or exercise any remedies in respect of the securities, and such non-payment will not constitute an event of default under the indenture (the indenture does not contain any events of default). Neither holders of securities nor any other person shall have any rights to receive any additional interest or compensation as a result of any non-payment of interest by Westpac. Any rights of holders of securities to receive interest on the Outstanding Principal Amount of such securities shall terminate mandatorily and automatically upon Conversion or Write-off.

The securities are perpetual and have no stated maturity date or other fixed redemption date. Holders of securities have no right to request redemption, Conversion or purchase of the securities at any time.

Subject to certain conditions described herein, Westpac may redeem all, but not less than all, of the securities on the First Reset Date or any Reset Date thereafter (or at any time if specified taxation or regulatory events occur as described herein and under "Description of the Securities Redemption of the Securities Redemption for Taxation Reasons" and "Description of the Securities Redemption of the Securities Redemption for Regulatory Reasons" in the accompanying prospectus) at a redemption price equal to the Outstanding Principal Amount of the securities to be redeemed plus any unpaid interest on the Outstanding Principal Amount of the securities for the period from and including the most recent Interest Payment Date to but excluding the date of redemption, except to the extent that Westpac has determined in its absolute discretion not to pay such interest or Westpac is obliged not to pay such interest because another Payment Condition is not satisfied. Redemption is subject to APRA's prior written approval, which may or may not be given.

The securities will be Westpac's fully paid, direct, unsecured and subordinated obligations as described under "Description of the Securities Ranking", "Description of the Securities Additional Provisions Applicable to the Securities General Status and Subordination of the Securities" and "Description of the Securities Additional Provisions Applicable to the Securities General Ranking in a Winding-Up" in the accompanying prospectus. The securities will constitute a separate series of the Securities described in the accompanying prospectus.

The securities are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance that limit or prohibit the offer or sale of securities such as these securities to certain types of investors. By purchasing, or making or accepting an offer to purchase, these securities from us and/or the underwriters in the United States, each prospective investor represents, warrants, agrees with and undertakes to us and to each underwriter that it qualifies as a "qualified institutional buyer" as defined in Rule 144A of the Securities Act. See "Plan of Distribution" in the accompanying prospectus.

**The securities are subject, upon the occurrence of a Trigger Event, to Conversion or possible Write-off, as more fully described in the accompanying prospectus. If any securities are Converted following a Trigger Event, it is likely that the Maximum Conversion Number, as described under "Description of the Securities Additional Provisions Applicable to the Securities Procedures for Conversion" in the accompanying prospectus, will apply and limit the number of Ordinary Shares to be issued. In that case, the value of the Ordinary Shares received may (in the case of a Capital Trigger Event) and is likely to (in the case of a Non-Viability Trigger Event) be significantly less than the Outstanding Principal Amount of those securities. The Australian dollar may depreciate in value against the U.S. dollar by the time of Conversion. In that case, the Maximum Conversion Number is more likely to apply.**

**If Conversion of the securities (or a percentage of the Outstanding Principal Amount of the securities) does not occur for any reason within five ASX Business Days after the Trigger Event Date, the securities (or a percentage of the Outstanding Principal Amount of the securities to be Converted) will be Written-off and the holders' rights in relation to the securities (including with respect to payments of interest and Outstanding Principal Amount and, upon Conversion, the receipt of Ordinary Shares issued in respect of such securities) will be immediately and irrevocably written-off and terminated with effect on and from the Trigger Event Date, as described under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

**Investing in the securities involves risks. To read about certain factors you should consider before investing in the securities, see "Forward-Looking Statements" on page S-vi and "Risk Factors" beginning on page S-13 of this prospectus supplement, and the risk factors described in the Group's U.S. Interim Financial Results Announcement for the half-year ended March 31, 2017 furnished to the Securities and Exchange Commission on Form 6-K dated May 9, 2017, which is referred to herein as the 2017 U.S. Interim Financial Results Announcement and which is incorporated by reference in this prospectus supplement and the accompanying prospectus.**

The securities are not protected accounts or deposit liabilities for the purpose of the Banking Act 1959 of Australia, which is referred to herein as the Australian Banking Act, or the financial claims scheme established under the Australian Banking Act, which is referred to herein as the Financial Claims Scheme, are not subject to the depositor protection provisions of the Australian Banking Act, and are not insured or guaranteed by (1) the Commonwealth of Australia or any governmental agency or instrumentality of Australia, (2) the United States of America, the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality of the United States, (3) the New Zealand Government or any governmental agency or instrumentality of the New Zealand Government or (4) the government or any governmental agency or instrumentality of any other jurisdiction.

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	Per Security	Total
Public Offering Price(1)	%	US\$
Underwriting Discount(2)	%	US\$

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Proceeds to Westpac, acting through its New Zealand Branch (before expenses)

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% US\$

(1) Plus accrued interest from September , 2017 if settlement occurs after that date.

(2) The underwriters have agreed to reimburse Westpac for certain of its expenses relating to this offering. See "Underwriting" on page S-40 for further information.

The securities will not be listed on any securities exchange. Currently, there is no public market for the securities.

The underwriters expect that the securities will be ready for delivery in book-entry form only through The Depository Trust Company and its participants, including Euroclear Bank SA/NV and Clearstream Banking, S.A., on or about September , 2017.

### *Joint Book-Running Managers*

**Citigroup**

**HSBC**

**J.P. Morgan**  
September , 2017

**UBS Investment Bank**

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**SPECIAL NOTICE TO INVESTORS REGARDING AUTOMATIC CONVERSION OR WRITE-OFF UPON THE OCCURRENCE OF A TRIGGER EVENT**

The securities are subject, upon the occurrence of a Trigger Event, to Conversion or possible Write-off, as more fully described in the accompanying prospectus. If any securities are Converted following a Trigger Event, it is likely that the Maximum Conversion Number will apply and limit the number of Ordinary Shares to be issued. In this case, the value of the Ordinary Shares received may (in the case of a Capital Trigger Event) and is likely to (in the case of a Non-Viability Trigger Event) be significantly less than the Outstanding Principal Amount of those securities. The Australian dollar may depreciate in value against the U.S. dollar by the time of Conversion. In that case, the Maximum Conversion Number is more likely to apply.

If Conversion of the securities (or a percentage of the Outstanding Principal Amount of the securities) does not occur for any reason within five ASX Business Days after the Trigger Event Date, the securities (or a percentage of the Outstanding Principal Amount of the securities to be Converted) will be Written-off and the holders' rights in relation to the securities (including with respect to payments of interest and Outstanding Principal Amount and, upon Conversion, the receipt of Ordinary Shares issued in respect of such securities) will be immediately and irrevocably written-off and terminated with effect on and from the Trigger Event Date, as described under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.

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You should rely only on information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus with respect to the offering of the securities filed by the Group with the Securities and Exchange Commission, which is referred to herein as the SEC. Westpac has not, and the underwriters have not, authorized anyone to provide you with different or additional information. If anyone provides you with different, additional or inconsistent information, you should not rely on it. You should assume that the information in this prospectus supplement, the accompanying prospectus and any free writing prospectus with respect to the offering of the securities filed by the Group with the SEC and the documents incorporated by reference herein and therein is only accurate as of the respective dates of such documents. The Group's business, financial condition, results of operations and prospects may have changed since those dates.

Westpac, acting through its New Zealand Branch, is offering to sell, and is seeking offers to buy, the securities only in jurisdictions where offers and sales of the securities are permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the securities in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the offering of the securities and the distribution of this prospectus supplement and the accompanying prospectus outside the United States. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus supplement and the accompanying prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

Neither this prospectus supplement nor the accompanying prospectus is a prospectus for the purposes of the Prospectus Directive (as defined below) as implemented in member states of the European Economic Area. This prospectus supplement and the accompanying prospectus have been prepared on the basis that any offer of the securities in any member state of the European Economic Area which has implemented the Prospectus Directive (each of which is referred to herein as a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of the securities. Accordingly, any person making or intending to make an offer in that Relevant Member State of securities which are the subject of the offering contemplated in this prospectus supplement and the accompanying prospectus may only do so in circumstances in which no obligation arises for Westpac or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither Westpac nor the underwriters have authorized, nor do they authorize, the making of any offer of the securities in circumstances in which an obligation arises for Westpac or the underwriters to publish a prospectus for such offer. The expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

The securities are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as those described herein to retail investors. By purchasing, or making or accepting an offer to purchase, any of the securities described herein from Westpac and/or any of the underwriters, each prospective investor represents, warrants, agrees with and undertakes to Westpac and each underwriter that it has and will at all times comply with all applicable laws, regulations and regulatory guidance (including, without limitation, in the European Economic Area (the "EEA")) relating to the promotion, offering, distribution and/or sale of the securities (including without limitation the European Union's Directive 2004/39/EC (as amended), as implemented in each Member State of the EEA) and any other applicable laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an

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investment in the securities by investors in any relevant jurisdiction. Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any securities from Westpac and/or the underwriters, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** The securities are not intended, from September 7, 2017, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The communication of this prospectus supplement or the accompanying prospectus and any other document or materials relating to the issue of the securities offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order")), or within Article 49(2)(a) to (d) of the Financial Promotion Order, or to any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, the securities offered hereby are only available to, and any investment or investment activity to which this prospectus supplement or the accompanying prospectus relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this prospectus supplement or the accompanying prospectus or any of their contents.

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**PRESENTATION OF INFORMATION**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the offering of the securities and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus which gives more general information about the securities, some of which may not apply to this offering.

If the information in this prospectus supplement is inconsistent with information contained in the accompanying prospectus or any document incorporated by reference in this prospectus supplement or the accompanying prospectus on or prior to the date hereof, you should rely on the information contained in this prospectus supplement.

Unless otherwise indicated, or the context otherwise requires, references in this prospectus supplement to the "Group" are to Westpac Banking Corporation and its controlled entities (within the meaning of Section 50AA of the Corporations Act 2001 of Australia, which is referred to herein as the Australian Corporations Act), references to "Westpac" are to Westpac Banking Corporation (ABN 33 007 457 141) as a single legal entity, whether acting through its head office in Sydney, Australia or its branch in New Zealand, as applicable, and references to "New Zealand Branch" are to Westpac Banking Corporation, acting through its New Zealand Branch.

The Group publishes its consolidated financial statements in Australian dollars. In this prospectus supplement, unless otherwise stated or the context otherwise requires, references to "dollars", "\$", or "A\$" are to Australian dollars, references to "US\$", "USD" or "U.S. dollars" are to United States dollars and references to "NZ\$", "NZD" or "NZ dollars" are to New Zealand dollars.

Certain amounts that appear in this prospectus supplement may not sum due to rounding.

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**FORWARD-LOOKING STATEMENTS**

This prospectus supplement contains or incorporates by reference statements that constitute "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, which is referred to herein as the Securities Act. Forward-looking statements are statements about matters that are not historical facts. Forward-looking statements appear in a number of places in this prospectus supplement and the accompanying prospectus and the information incorporated by reference herein and therein and include statements regarding the Group's intent, belief or current expectations with respect to its business and operations, market conditions, results of operations and financial condition, including, without limitation, future loan loss provisions and financial support to certain borrowers. Words such as "will", "may", "expect", "intend", "seek", "would", "should", "could", "continue", "plan", "estimate", "anticipate", "believe", "probability", "risk", "aim" or other similar words are used to identify forward-looking statements. These forward-looking statements reflect the Group's current views with respect to future events and are subject to change, certain risks, uncertainties and assumptions which are, in many instances, beyond the Group's control, and have been made based upon management's expectations and beliefs concerning future developments and their potential effect upon the Group. There can be no assurance that future developments will be in accordance with the Group's expectations or that the effect of future developments on the Group will be those anticipated. Actual results could differ materially from those expected, depending on the outcome of various factors, including, but not limited to, those described in the Group's Annual Report on Form 20-F for the financial year ended September 30, 2016, which is referred to herein as the 2016 Form 20-F, and the 2017 U.S. Interim Financial Results Announcement, as applicable, and the other documents incorporated by reference in this prospectus supplement or the accompanying prospectus. These factors include:

the effect of, and changes in, laws, regulations, taxation or accounting standards or practices and government policy, particularly changes to liquidity, leverage and capital requirements;

regulatory investigations, litigation, fines, penalties, restrictions or other regulator imposed conditions;

the stability of Australian and international financial systems and disruptions to financial markets and any losses or business impacts the Group or its customers or counterparties may experience as a result;

market volatility, including uncertain conditions in funding, equity and asset markets;

adverse asset, credit or capital market conditions;

the conduct, behavior or practices of the Group or its staff;

changes to the Group's credit ratings or the methodology used by credit rating agencies;

levels of inflation, interest rates, exchange rates and market and monetary fluctuations;

market liquidity and investor confidence;

changes in economic conditions, consumer spending, saving and borrowing habits in Australia, New Zealand and in other countries in which the Group or its customers or counterparties conduct its or their operations and its ability to maintain or to increase market share, margins and fees, and control expenses;

the effects of competition in the geographic and business areas in which the Group conducts its operations;

information security breaches, including cyberattacks;

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reliability and security of the Group's technology and risks associated with changes to technology systems;

the timely development and acceptance of new products and services and the perceived overall value of these products and services by customers;

the effectiveness of the Group's risk management policies, including its internal processes, systems and employees;

the incidence or severity of the Group's insured events;

the occurrence of environmental change or external events in countries in which the Group or its customers or counterparties conduct its or their operations;

internal and external events which may adversely impact the Group's reputation;

changes to the value of the Group's intangible assets;

changes in political, social or economic conditions in any of the major markets in which the Group or its customers or counterparties operate;

the success of strategic decisions involving diversification or innovation, in addition to business expansion and integration of new businesses;

the Group's ability to incur additional indebtedness and the limitations contained in the agreements governing such indebtedness; and

various other factors beyond the Group's control.

All forward-looking statements speak only as of the date made. The Group is under no obligation to update any forward-looking statements contained or incorporated by reference in this prospectus supplement, whether as a result of new information, future events or otherwise.

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**SUMMARY**

This summary highlights selected information about the Group and this offering. It does not contain all of the information that may be important to you in deciding whether to purchase the securities. Westpac encourages you to read the entire prospectus supplement, the accompanying prospectus and the documents that the Group has filed with the SEC that are incorporated by reference prior to deciding whether to purchase the securities.

**Westpac Banking Corporation**

Westpac is one of the four major banking organizations in Australia and one of the largest banking organizations in New Zealand. The Group provides a broad range of banking and financial services in these markets, including consumer, business and institutional banking and wealth management services.

The Group has branches, affiliates and controlled entities throughout Australia, New Zealand, Asia and in the Pacific region, and maintain branches and offices in some of the key financial centers around the world.

Westpac was founded in 1817 and was the first bank established in Australia. In 1850 Westpac was incorporated as the Bank of New South Wales by an Act of the New South Wales Parliament. In 1982 Westpac changed its name to Westpac Banking Corporation following its merger with the Commercial Bank of Australia. On August 23, 2002, Westpac was registered as a public company limited by shares under the Australian Corporations Act. The Group's principal office is located at 275 Kent Street, Sydney, New South Wales, 2000, Australia. The Group's telephone number for calls within Australia is 132 032 and its international telephone number is (+61) 2 9293 9270.

As at March 31, 2017, the Group had total assets of A\$840 billion. Its market capitalization as of August 31, 2017, was approximately A\$106 billion.

The Group's operations comprise the following key customer-facing business divisions operating under multiple brands serving over 13 million customers.

Consumer Bank, which is referred to herein as CB, is responsible for sales and service to consumer customers in Australia under the Westpac, St.George, BankSA, Bank of Melbourne and RAMS brands. Activities are conducted through a dedicated team of specialist consumer relationship managers along with an extensive network of branches, call centers and automatic teller machines, which are referred to herein as ATMs. Customers are also supported by a range of internet and mobile banking solutions. CB works in an integrated way with BT Financial Group (Australia), which is referred to herein as BTFG, and Westpac Institutional Bank, which is referred to herein as WIB, in the sales and service of select financial services and products, including in wealth and foreign exchange.

Business Bank, which is referred to herein as BB, is responsible for sales and service to micro, small-to-medium enterprise and commercial business customers for facilities up to approximately A\$150 million. The division operates under the Westpac, St.George, BankSA and Bank of Melbourne brands. Customers are provided with a wide range of banking and financial products and services to support their borrowing, payments and transaction needs. In addition, specialist services are provided for cash flow finance, trade finance, automotive and equipment finance, property finance and treasury. The division is also responsible for consumer customers with auto finance loans. BB works in an integrated way with BTFG and WIB in the sales and service of select financial services and products, including corporate superannuation, foreign exchange and interest rate hedging.

BTFG is the Australian wealth management and insurance arm of the Group providing a broad range of associated services. BTFG's funds management operations include the manufacturing



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and distribution of investment, superannuation, retirement products, wealth administration platforms, private banking, margin lending and equities broking. BTFG's insurance business covers the manufacturing and distribution of life, general and lenders mortgage insurance. The division also uses third parties for the manufacture of certain general insurance products as well as actively reinsuring its risk using external providers across all insurance classes. BTFG operates a range of wealth, funds management (including Ascalon, which is a boutique incubator of emerging fund managers) and financial advice brands and operates under the banking brands of Westpac, St.George, Bank of Melbourne and BankSA for Private Wealth and Insurance.

WIB delivers a broad range of financial products and services to commercial, corporate, institutional and government customers with connections to Australia and New Zealand. WIB operates through dedicated industry relationship and specialist product teams, with expert knowledge in transactional banking, financial and debt capital markets, specialized capital and alternative investment solutions. Customers are supported throughout Australia as well as branches and subsidiaries located in New Zealand, the US, UK and Asia. WIB is also responsible for Westpac Pacific currently providing a range of banking services in Fiji and PNG. WIB works in an integrated way with all the Group's divisions in the provision of more complex financial needs, including across foreign exchange and fixed interest solutions.

Westpac New Zealand is responsible for sales and service of banking, wealth and insurance products for consumers, business and institutional customers in New Zealand. Westpac conducts its New Zealand banking business through two banks in New Zealand: Westpac New Zealand Limited, which is incorporated in New Zealand, and Westpac Banking Corporation (New Zealand Branch), which is incorporated in Australia. Westpac New Zealand operates via an extensive network of branches and ATMs across both the North and South Islands. Business and institutional customers are also served through relationship and specialist product teams. Banking products are provided under the Westpac brand, while insurance and wealth products are provided under Westpac Life and BT brands, respectively. Westpac New Zealand also has its own infrastructure, including technology, operations and treasury.

Group Businesses include:

Treasury, which is responsible for the management of the Group's balance sheet, including wholesale funding, capital and management of liquidity. Treasury also manages the interest rate risk and foreign exchange risks inherent in the balance sheet, including managing the mismatch between Group assets and liabilities. Treasury's earnings are primarily sourced from managing the Group's balance sheet and interest rate risk (excluding Westpac New Zealand), within set risk limits;

Group Technology, which comprises functions responsible for technology strategy and architecture, infrastructure and operations, applications development and business integration; and

Core Support, which comprises functions performed centrally, including Australian banking operations, property services, strategy, finance, risk, compliance, legal and human resources.

**New Zealand Branch**

Westpac was registered in New Zealand on the overseas company register to carry on business in New Zealand on July 14, 1994. Westpac is a registered bank in New Zealand and is subject to regulation by the Reserve Bank of New Zealand and the Financial Markets Authority. The New Zealand Branch provides financial markets, debt capital markets, international operations and correspondent banking services to the New Zealand market.

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**The Offering**

*The following is a brief summary of some of the terms of this offering. For a more complete description of the terms of the securities, see "Description of the Securities" in this prospectus supplement and "Description of the Securities" in the accompanying prospectus.*

<b>Issuer</b>	Westpac Banking Corporation, acting through its New Zealand Branch.
<b>Securities Offered</b>	US\$            aggregate principal amount of        % Fixed Rate Resetting Perpetual Subordinated Contingent Convertible Securities.
<b>Perpetual Securities</b>	The securities will be perpetual securities in respect of which there will be no stated maturity date or other fixed redemption date. Holders of securities have no right to request redemption, Conversion or purchase of the securities at any time.
<b>Interest Rate</b>	From and including September    , 2017, which is referred to herein as the Issue Date, to but excluding September    , 2027, which is referred to herein as the First Reset Date, interest on the securities will be scheduled to be paid in arrears on the Outstanding Principal Amount of the securities at an initial rate equal to        % per year, which is referred to herein as the Initial Interest Rate. The First Reset Date and every fifth anniversary thereafter are referred to herein as a "Reset Date." From and including each Reset Date to but excluding the next succeeding Reset Date, interest, if any, on the securities will be scheduled to be paid on the Outstanding Principal Amount of the securities at a rate per year equal to the sum of the then prevailing Mid-Market Swap Rate on the relevant Reset Determination Date and        % per year (rounded to three decimal places, with 0.0005 rounded upwards).
<b>Interest Payment Dates</b>	Subject to the Payment Conditions (as described below), interest on the securities, if any, will be scheduled to be paid semi-annually in arrears on September    and March    of each year, subject in each case to the applicable Business Day convention described below, commencing on March    , 2018 until but not including the date on which a redemption of the securities occurs. Any payment of principal or interest with respect to the securities scheduled to be made on an interest payment date that is not a Business Day in New York, London, Auckland, Wellington and Sydney will be made on the next succeeding Business Day, and no interest will accrue on that payment for the period from and after the Interest Payment Date to the date of payment on the next

succeeding Business Day.  
Payments described under Section 3.1(b)  
under "Description of the Securities - Additional  
Provisions Applicable to the Securities" in the  
accompanying prospectus shall not be subject  
to delays on account of any Business Day  
convention.

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**Interest Payments  
Non-cumulative**

Payments of interest on the securities will be non-cumulative. If all or any part of any interest payment is not paid because of the Payment Conditions (as described below) or because of any applicable law: (i) Westpac will have no liability to pay the unpaid amount of interest; (ii) neither holders of securities nor any other person will have a claim (including, without limitation, in a Winding-Up) or entitlement in respect of such non-payment; (iii) such non-payment will not constitute a breach of any conditions in the indenture or the securities; (iv) such non-payment will not give any holder of securities or any other person a right to apply for a Winding-Up, to place Westpac in administration or to seek the appointment of a receiver, receiver and manager, liquidator or provisional liquidator to Westpac or exercise any remedies in respect of the securities; and (v) such non-payment will not constitute an event of default under the indenture (the indenture does not contain any events of default).

Neither holders of securities nor any other person shall have any rights to receive any additional interest or compensation as a result of such non-payment and any rights of holders of securities to receive interest on the Outstanding Principal Amount of such securities shall terminate mandatorily and automatically upon Conversion or Write-off, as further described under "Description of the Securities Additional Provisions Applicable to the Securities General Non-Payment of Interest" in the accompanying prospectus.

The payment of any interest is subject to:

**Interest Payments are  
Discretionary and Subject to  
Payment Conditions**

- (i) Westpac's absolute discretion;
  - (ii) the interest payment not resulting in a breach of Westpac's capital requirements (on a Level 1 basis) or of the Group's capital requirements (on a Level 2 basis) under the then current Prudential Standards at the time of the interest payment;
  - (iii) the interest payment not resulting in Westpac becoming, or being likely to become, insolvent for the purposes of the Australian Corporations Act; and
  - (iv) APRA not otherwise objecting to the interest payment,
- as further described under "Description of the Securities Additional Provisions Applicable to the Securities General Non-Payment of Interest" in the accompanying prospectus. These are the Payment Conditions.

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**Restrictions in the Case of  
Non-Payment of Interest**

Westpac may also be restricted from paying interest on the securities if Westpac's Common Equity Capital Ratio falls into the capital conservation buffer, which is set at a level in accordance with the Prudential Standards, or if the payment would violate applicable law. For more information about the capital conservation buffer, see "Risk Factors Interest on the securities may not be paid" in this prospectus supplement and the section entitled "Capital resources" in the Group's 2016 Form 20-F.

For so long as the securities remain outstanding, if for any reason a payment of interest on the Outstanding Principal Amount of a security is not paid in full on an Interest Payment Date, Westpac must not, subject to certain restrictions:

- (i) determine or pay any Dividends; or
- (ii) undertake any discretionary Buy Back or Capital Reduction, unless the amount of the unpaid interest payment is paid in full within 20 Business Days of the relevant Interest Payment Date or
- (iii) the securities have been Converted, Written-off or redeemed;
- (iv) on a subsequent Interest Payment Date, an interest payment on the securities for the subsequent interest period is paid in full; or
- (v) a Special Resolution of the holders of the securities has been passed approving such action,

and, in respect of the actions contemplated by items (iii), (iv) and (v) above, APRA does not otherwise object, as further described under "Description of the Securities Additional Provisions Applicable to the Securities General Restrictions in the Case of Non-Payment of Interest" in the accompanying prospectus.

**Ranking and Status**

The securities will be Westpac's direct, unsecured and subordinated obligations. In the event of a Winding-Up of Westpac in Australia, to the extent the securities have not previously been Converted or Written-off, the securities would:

- (i) be subordinate to, and rank junior in right of payment to, the obligations of Westpac to Senior Creditors and all such obligations to Senior Creditors shall be entitled to be paid in full before any payment shall be paid on account of any sums payable in respect of the securities;
- (ii) rank equally with obligations of Westpac to the holders of other securities that have not been Converted or Written-off (or that have been partially Converted or Written-off), and the obligations of Westpac to holders of Equal Ranking Instruments; and



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(iii) rank prior to, and senior in right of payment to, the obligations of Westpac to holders of Ordinary Shares.  
See "Description of the Securities Additional Provisions Applicable to the Securities General Status and Subordination of the Securities" and "Description of the Securities Additional Provisions Applicable to the Securities General Ranking in a Winding-Up" in the accompanying prospectus. However, it is unlikely a Winding-Up of Westpac will occur without a Trigger Event having occurred first and the securities being Converted or Written-off. In that event:

if the securities have Converted into Ordinary Shares, holders will rank equally with existing holders of Ordinary Shares; and

if the securities are Written-off, all rights in relation to the securities will be terminated, and holders will not be paid the Outstanding Principal Amount or receive interest or have the right to have the securities Converted into Ordinary Shares. In such an event, a holder's investment in the securities will lose all of its value and such holder will not receive any compensation.

The securities will not be protected accounts or deposit liabilities of Westpac for the purposes of the Australian Banking Act. The primary method of loss absorption will be Conversion (subject to Write-off if Conversion does not occur for any reason within 5 ASX Business Days after a Trigger Event Date). This means the securities are subject, upon the occurrence of a Trigger Event, to Conversion or possible Write-off, as more fully described under "Description of the Securities Additional Provisions Applicable to the Securities Conversion of the Securities Conversion Following a Trigger Event" in the accompanying prospectus. There are two types of Trigger Events:

(i) A Capital Trigger Event, which occurs where Westpac determines, or APRA notifies Westpac in writing that it believes, that a Common Equity Capital Ratio is equal to or less than 5.125%.

(ii) A Non-Viability Trigger Event, which occurs where APRA notifies Westpac in writing that it believes Conversion or Write-off of all or some securities, or conversion, write-off or write-down of all or some Relevant Securities, is necessary because, without it, Westpac would become non-viable or a public sector injection of

**Conversion or Write-off  
Following a Trigger Event**

capital, or equivalent support, is necessary because, without it, Westpac would become non-viable.

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**Conversion**

If, upon the occurrence of a Trigger Event, Conversion of the securities (or a percentage of the Outstanding Principal Amount of the securities) does not occur for any reason within five ASX Business Days after the Trigger Event Date, the securities (or a percentage of the Outstanding Principal Amount of the securities to be Converted) will be Written-off and the holders' rights in relation to the securities (including with respect to payments of interest and Outstanding Principal Amount and, upon Conversion, the receipt of Ordinary Shares issued in respect of such securities) will be immediately and irrevocably written-off and terminated with effect on and from the Trigger Event Date, as described under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.

In the case of Conversion, Westpac will allot and issue to each holder of securities the Conversion Number of Ordinary Shares for each security (subject always to the Conversion Number being no greater than the Maximum Conversion Number).

$$\text{Conversion Number for each security} = \frac{\text{Outstanding Principal Amount of the security (translated into Australian Dollars in accordance with paragraph (b) of the definition of Outstanding Principal Amount where the calculation date shall be the Conversion Date)}}{P \times \text{VWAP}}$$

where:

**Outstanding Principal Amount** has the meaning given to it in Section 4 under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus, as adjusted in accordance with Section 3.13 under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.

**P** means 0.99.

**VWAP** means the VWAP during the VWAP Period, as adjusted in accordance with the terms described under "Description of the Securities Additional Provisions Applicable to the Securities Procedures for Conversion" in the accompanying prospectus.

**Maximum Conversion Number** means a number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{\text{Outstanding Principal Amount of the security (translated into Australian Dollars in accordance with paragraph (b) of the definition of Outstanding Principal Amount where the calculation date shall be the ASX Business Day prior to the Issue Date of the securities)}}{\text{Relevant Percentage} \times \text{Issue Date VWAP}}$$

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where:

**Outstanding Principal Amount** has the meaning given to it in Section 4 under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus, as adjusted in accordance with Section 3.13 under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.

**Relevant Percentage** means 0.20.

**Issue Date VWAP** means the VWAP during the period of 20 ASX Business Days on which trading in Ordinary Shares took place immediately preceding but not including the Issue Date, as adjusted in accordance with the terms described under "Description of the Securities Additional Provisions Applicable to the Securities Procedures for Conversion" in the accompanying prospectus.

If any securities are Converted following a Trigger Event, it is likely that the Maximum Conversion Number will apply and limit the number of Ordinary Shares to be issued. In this case, the value of the Ordinary Shares received may (in the case of a Capital Trigger Event) and is likely to (in the case of a Non-Viability Trigger Event) be significantly less than the Outstanding Principal Amount of those securities. The Australian dollar may depreciate in value against the U.S. dollar by the time of Conversion. In that case, the Maximum Conversion Number is more likely to apply.

If Conversion of the securities (or a percentage of the Outstanding Principal Amount of the securities) does not occur for any reason within five ASX Business Days after the Trigger Event Date, the securities (or a percentage of the Outstanding Principal Amount of the securities to be Converted) will be Written-off and the holders' rights in relation to the securities (including with respect to payments of interest, Outstanding Principal Amount and, upon Conversion, the receipt of Ordinary Shares issued in respect of such securities) will be immediately and irrevocably written-off and terminated with effect on and from the Trigger Event Date, as described in Section 2.4 under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.

Depending on your circumstances, you may receive Ordinary Shares or the proceeds from the sale thereof. See Section 3.10 under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.





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<b>Optional Redemption on each Reset Date</b>	<p>Subject to certain limitations, Westpac will have the right to redeem the securities in whole, but not in part, on the First Reset Date or any Reset Date thereafter at a redemption price equal to the Outstanding Principal Amount of the securities to be redeemed plus any unpaid interest on the Outstanding Principal Amount of the securities for the period from and including the most recent Interest Payment Date to but excluding the date of redemption, except to the extent that Westpac has determined in its absolute discretion not to pay such interest or Westpac is obliged not to pay such interest because another Payment Condition is not satisfied. Redemption is subject to APRA's prior written approval, which may or may not be given. See "Description of the Securities Redemption of the Securities General" in the accompanying prospectus.</p>
<b>Redemption for Taxation Reasons</b>	<p>Subject to certain limitations, if an Adverse Tax Event (as described under "Description of the Securities Redemption of the Securities Redemption for Taxation Reasons" in the accompanying prospectus) occurs, Westpac will have the right to redeem the securities in whole, but not in part, at a redemption price equal to the Outstanding Principal Amount of the securities to be redeemed plus any unpaid interest on the Outstanding Principal Amount of the securities for the period from and including the most recent Interest Payment Date to but excluding the date of redemption, except to the extent that Westpac has determined in its absolute discretion not to pay such interest or Westpac is obliged not to pay such interest because another Payment Condition is not satisfied. Redemption is subject to APRA's prior written approval, which may or may not be given. See "Description of the Securities Redemption of the Securities Redemption for Taxation Reasons" in the accompanying prospectus.</p>
<b>Redemption for Regulatory Reasons</b>	<p>Subject to certain limitations, if a Regulatory Event (as described under "Description of the Securities Redemption of the Securities Redemption for Regulatory Reasons" in the accompanying prospectus) occurs, Westpac will have the right to redeem the securities in whole, but not in part, at a redemption price equal to the Outstanding Principal Amount of the securities to be redeemed plus any unpaid interest on the Outstanding Principal Amount of the securities for the period from and including the most recent Interest Payment Date to but excluding the date of redemption, except to the extent that Westpac has determined in its absolute discretion not to pay such interest or Westpac is obliged not to pay such interest because</p>

another Payment Condition is not satisfied.  
Redemption is subject to APRA's prior written  
approval, which may or may not be given.

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<b>Consent to Receive Ordinary Shares</b>	See "Description of the Securities Redemption of the Securities Redemption for Regulatory Reasons" in the accompanying prospectus. As more fully described in Section 2.5 under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus, the indenture provides that, subject to any Write-off, each holder of securities by its purchase or holding thereof will be deemed to have irrevocably agreed that, upon Conversion, it consents to becoming a holder of Ordinary Shares and agrees to be bound by the constitution of Westpac.
<b>Use of Proceeds</b>	Westpac estimates that the net proceeds from the offering of the securities, after taking into account the underwriting discount and deducting estimated offering expenses payable by Westpac, will be US\$ . Westpac intends to use the net proceeds for general corporate purposes.
<b>Governing Law</b>	The indenture and the securities will be governed by, and construed in accordance with, the laws of the State of New York without regard to conflict of law principles, except that the that the Trigger Event, Conversion, Write-off and subordination provisions will be governed by, and construed in accordance with, the laws of the State of New South Wales, Commonwealth of Australia.
<b>Sinking Fund</b>	The securities will not be entitled to the benefit of any sinking fund.
<b>Form of Security</b>	The securities, in global form, which are referred to herein as global securities, will be held in the name of The Depository Trust Company, which is referred to herein as the Depository or DTC, or its nominee.
<b>Trustee</b>	The Bank of New York Mellon, which is referred to herein as the trustee.
<b>Calculation Agent</b>	The Bank of New York Mellon, which is referred to herein as the calculation agent.

Table of Contents**Summary Financial Information**

The following table sets forth summary consolidated financial information as of, and for the financial years ended, September 30, 2016, 2015, 2014, 2013 and 2012, and as of, and for the half-years ended, March 31, 2017 and 2016. Westpac has derived the summary financial information from the Group's audited consolidated financial statements and related securities as of, and for the financial years ended, September 30, 2016, 2015, 2014, 2013 and 2012, and the Group's unaudited interim consolidated financial statements and related notes as of, and for the half-years ended, March 31, 2017 and 2016, which have been prepared in accordance with Australian Accounting Standards and International Financial Reporting Standards as issued by the International Accounting Standards Board.

You should read this information together with the operating and financial review set forth in "Section 2" of the Group's 2016 Form 20-F, and its audited consolidated financial statements and the accompanying notes included in its 2016 Form 20-F and the operating and financial review set forth in "Section 2" and "Section 3" of the Group's 2017 U.S. Interim Financial Results Announcement and its unaudited consolidated financial statements and the accompanying notes included in its 2017 U.S. Interim Financial Results Announcement, each of which is incorporated by reference in this prospectus supplement. See "Where You Can Find More Information" in this prospectus supplement.

	As of and for the half-year ended March 31,			As of and for the financial year ended September 30,					
	2017(1) (in US\$ millions)	2017 (in A\$ millions)	2016	2016(1) (in US\$ millions)	2016(2)	2015(2)	2014(2)	2013(2)	2012(2)
	(Unaudited)								
<b>Income statement(3)</b>									
Net interest income	5,815	7,613	7,477	11,570	15,148	14,267	13,542	12,821	12,502
Non-interest income	2,410	3,156	2,996	4,458	5,837	7,375	6,395	5,774	5,481
Net operating income before operating expenses and impairment charges	8,225	10,769	10,473	16,028	20,985	21,642	19,937	18,595	17,983
Operating expenses	(3,538)	(4,633)	(4,568)	(7,040)	(9,217)	(9,473)	(8,547)	(7,976)	(7,957)
Impairment charges	(377)	(493)	(667)	(859)	(1,124)	(753)	(650)	(847)	(1,212)
Profit before income tax	4,310	5,643	5,238	8,129	10,644	11,416	10,740	9,772	8,814
Income tax expense	(1,322)	(1,731)	(1,528)	(2,432)	(3,184)	(3,348)	(3,115)	(2,947)	(2,812)
Profit attributable to non-controlling interests	(4)	(5)	(9)	(11)	(15)	(56)	(64)	(74)	(66)
<b>Net profit attributable to owners of Westpac Banking Corporation</b>	<b>2,984</b>	<b>3,907</b>	<b>3,701</b>	<b>5,686</b>	<b>7,445</b>	<b>8,012</b>	<b>7,561</b>	<b>6,751</b>	<b>5,936</b>
<b>Balance sheet(3)</b>									
Loans	509,413	666,946	640,687	505,579	661,926	623,316	580,343	536,164	514,445
Other assets	132,174	173,047	191,073	135,403	177,276	188,840	190,499	164,933	164,167
<b>Total assets</b>	<b>641,587</b>	<b>839,993</b>	<b>831,760</b>	<b>640,982</b>	<b>839,202</b>	<b>812,156</b>	<b>770,842</b>	<b>701,097</b>	<b>678,612</b>
Deposits and other borrowings	399,095	522,513	494,246	391,884	513,071	475,328	460,822	424,482	394,991
Debt issues	127,788	167,306	165,065	129,771	169,902	171,054	152,251	144,133	147,847
Loan capital	13,066	17,106	13,017	12,072	15,805	13,840	10,858	9,330	9,537
Other liabilities	56,290	73,696	101,451	62,817	82,243	98,019	97,574	75,615	79,972
<b>Total liabilities</b>	<b>596,239</b>	<b>780,621</b>	<b>773,779</b>	<b>596,544</b>	<b>781,021</b>	<b>758,241</b>	<b>721,505</b>	<b>653,560</b>	<b>632,347</b>
<b>Total shareholders' equity and non-controlling interests</b>	<b>45,348</b>	<b>59,372</b>	<b>57,981</b>	<b>44,438</b>	<b>58,181</b>	<b>53,915</b>	<b>49,337</b>	<b>47,537</b>	<b>46,265</b>



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	As of and for the half-year ended March 31, 2017    2016 (Unaudited)		As of and for the financial year ended September 30, 2016    2015    2014    2013    2012				
	<b>Key Financial Ratios</b>						
<b>Business Performance</b>							
Operating expenses to operating income ratio (%)	43.0	43.6	43.9	43.8	42.9	42.9	44.2
Net interest margin (%)	2.05	2.09	2.10	2.09	2.09	2.14	2.16
<b>Capital adequacy</b>							
APRA Basel III:							
Common equity Tier 1 (%) <sup>(4)</sup>	10.0	10.5	9.5	9.5	9.0	9.1	8.2
Tier 1 ratio (%) <sup>(5)</sup>	11.7	12.1	11.2	11.4	10.6	10.7	10.3
Total capital ratio (%) <sup>(5)</sup>	14.0	14.0	13.1	13.3	12.3	12.3	11.7
<b>Credit Quality</b>							
Total provisions for impairment on loans and credit commitments to total loans (basis points)	52	57	54	53	60	73	82
<b>Other information</b>							
Full-time equivalent staff (number at financial year end) <sup>(6)</sup>	31,994	32,021	32,190	32,620	33,586	33,045	33,418

	For the half-year ended March 31, 2017	For the financial year ended September 30, 2016    2015    2014    2013    2012 (unaudited)				
	<b>Ratio of earnings to fixed charges</b>	1.71	1.63	1.62	1.57	1.48

- (1) Solely for the convenience of the reader, the Group has translated the amounts in this column from Australian dollars into U.S. dollars using the noon buying rate in New York City for cable transfers of Australian dollars as certified for customs purposes for the Federal Reserve Bank of New York as of March 31, 2017 of A\$1.00 to US\$ 0.7638. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate or as of that or any other date.
- (2) Where accounting classifications have changed or where changes in accounting policies are adopted retrospectively, comparatives have been revised and may differ from results previously reported.
- (3) The above income statement extracts for the half-years ended March 31, 2017 and 2016 and balance sheet extracts as of March 31, 2017 and 2016 are derived from the unaudited consolidated financial statements included in the 2017 U.S. Interim Financial Results Announcement. The above income statement extracts for the financial years ended September 30, 2016, 2015 and 2014 and balance sheet extracts as of September 30, 2016 and 2015 are derived from the consolidated financial statements included in the 2016 Form 20-F. The above income statement extracts for the financial years ended September 30, 2013 and 2012 and balance sheet extracts as of September 30, 2014, 2013 and 2012 are derived from consolidated financial statements previously published.
- (4) Basel III was not effective in Australia until January 1, 2013. The 2012 ratio has been presented on a proforma Basel III basis. For further information, refer to "Capital resources" and Note 33 to the Group's audited consolidated financial statements in the 2016 Form 20-F.
- (5) Basel III was not effective in Australia until January 1, 2013. The 2012 ratio has been presented on a Basel II basis. For further information, refer to "Capital resources" and Note 33 to the Group's audited consolidated financial statements in the 2016 Form 20-F.

- (6) Full-time equivalent employees includes full-time and pro-rata part-time staff. It excludes staff on unpaid absences (e.g., unpaid maternity leave), overtime, temporary and contract staff.

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**RISK FACTORS**

*Investors should carefully consider the risks described below and in the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, including the risks described in the Group's 2017 U.S. Interim Financial Results Announcement, before making an investment decision. The risks and uncertainties described below and in such other information are not the only ones facing the Group or you, as holders of the securities. Additional risks and uncertainties that the Group is unaware of, or that the Group currently deems immaterial, may become important factors that affect the Group or you, as holders of the securities.*

***The securities are loss absorption instruments that involve risk and may not be a suitable investment for all investors***

The securities are loss absorption instruments designed to comply with applicable Australian banking regulations and involve certain risks. Each potential investor of the securities must determine the suitability (either alone or with the help of a financial advisor) of an investment in the securities in light of its own circumstances. In particular, each potential investor should understand thoroughly the terms of the securities, such as the provisions governing payment of interest, Conversion and Write-off, including under what circumstances a Trigger Event could occur.

A potential investor should not invest in the securities unless it has the knowledge and expertise (either alone or with the help of a financial advisor) to evaluate how the securities will perform, subject to the risks described herein and the risks described in the Group's 2017 U.S. Interim Financial Results Announcement, the resulting effects on the likelihood of the Conversion or Write-off and the value of the securities, and the resultant impact on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus.

***Interest on the securities may not be paid***

Interest payments on the securities are discretionary and only payable subject to satisfaction of the Payment Conditions, being:

Westpac's absolute discretion;

the payment of interest not resulting in a breach of Westpac's capital requirements (on a Level 1 basis) or of the Group's capital requirements (on a Level 2 basis) under the then capital adequacy requirements at the time of payment;

the payment of interest not resulting in Westpac becoming, or being likely to become, insolvent; and

APRA not otherwise objecting to the payment.

Within Australia, APRA is responsible for setting minimum prudential capital requirements, which are referred to herein as PCRs, and the capital conservation buffer (including any countercyclical buffer) for Authorised Deposit-taking Institutions, which are referred to herein as ADIs, including Westpac.

PCRs are set at both a Level 1 and Level 2 basis. Currently, the minimum Common Equity Tier 1 Capital PCR for all ADIs is 4.5% of risk weighted assets, however APRA has the discretion to set a higher requirement for individual ADIs, including for Westpac (which may not be disclosed).

Westpac is also required to hold additional Common Equity Tier 1 Capital as a capital conservation buffer above the PCR. Currently, the capital conservation buffer applicable to ADIs is



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comprised of a 2.5% base requirement, a surcharge of 1.0% for any ADI designated by APRA as a domestic systemically important bank and a countercyclical buffer, which is currently set to zero within Australia and New Zealand. APRA has the discretion to vary the capital conservation buffer (including any countercyclical buffer).

Restrictions on the proportion of earnings that can be paid through Dividends, Additional Tier 1 Capital distributions (which will include interest payments on the securities) and discretionary staff bonuses will apply if Westpac's Common Equity Capital Ratio falls into the capital conservation buffer. For example, if Westpac's Common Equity Capital Ratio falls within the capital conservation buffer, this may result in the Payment Conditions not being satisfied, which will result in Westpac not paying interest on the securities until such Payment Conditions are satisfied, including that Westpac, in its absolute discretion, has determined to pay such interest. For more information about the capital conservation buffer, see the section entitled "Capital resources" in the Group's 2016 Form 20-F.

An ADI may apply to APRA to make payments in excess of the constraints imposed by the capital conservation buffer regime. APRA will only grant approval where it is satisfied that an ADI has established measures to raise capital equal to or greater than the amount above the constraint that it wishes to distribute.

Interest payments on the securities are non-cumulative. If an interest payment is not paid in full because the Payment Conditions are not satisfied, holders of securities will not be entitled to receive the unpaid portion of that interest payment. No interest will accrue on any unpaid interest and Westpac will have no liability to holders of securities and such holders will have no claim in respect of such non-payment.

Non-payment of an interest payment will not be an event of default (the indenture contains no events of default) and holders of securities will have no right to apply for a Winding-Up on the grounds of Westpac's failure to pay an interest payment.

However, if an interest payment has not been paid in full for a relevant Interest Payment Date, then until an interest payment is paid in full on a subsequent Interest Payment Date (or all securities are Converted, Written-off or redeemed) Westpac must not:

determine or pay any Dividend; or

undertake any discretionary Buy Back or Capital Reduction,

unless the amount of the unpaid interest payment is paid in full within 20 Business Days (and in certain other limited circumstances).

Further, the terms of Westpac's other outstanding and future securities could limit Westpac's ability to make payments on the securities. If Westpac does not make payments on other securities, payments may not be permitted to be made in respect of the securities.

The payment tests applicable to other securities (whether currently outstanding or issued in the future) may be different from the Payment Conditions applicable to the securities. Accordingly, Westpac may not be permitted to make a payment on another security in circumstances where Westpac would otherwise be permitted to make a payment on the securities. In these circumstances, the distribution restrictions on the other securities may then apply, preventing Westpac from making a payment on the securities. Similarly, Westpac may not be permitted to make a payment on the securities in circumstances where the payment tests on other securities have been passed.

If distribution restrictions for another security apply to payments on the securities, Westpac may not be able to make interest payments when scheduled to do so under the securities and may not be able to redeem the securities. Westpac is not restricted from issuing other securities of this kind,

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securities ranking senior to the securities or agreeing in the terms of issue of other securities to additional or different payment tests or distribution restrictions.

***A Trigger Event may occur, requiring mandatory Conversion or Write-off, and the circumstances surrounding or triggering a Trigger Event are unpredictable***

If a Trigger Event occurs, Westpac must Convert securities into Ordinary Shares, or if Conversion does not occur pursuant to the terms and conditions of the securities, Write-off securities. A Trigger Event could occur at any time. It could occur on dates not previously contemplated by investors or which may be unfavorable in light of then-prevailing market conditions or investors' individual circumstances or timing preferences.

There are two types of Trigger Events:

a Capital Trigger Event; and

a Non-Viability Trigger Event.

A Capital Trigger Event will occur if Westpac determines or APRA notifies Westpac that it believes that Westpac's Common Equity Capital Ratio is equal to or less than 5.125%.

Westpac's determination of the Common Equity Capital Ratio, or APRA's notification to Westpac regarding the Common Equity Capital Ratio, will determine whether there is a Capital Trigger Event and will be binding on all holders of securities. The Common Equity Capital Ratio may be significantly impacted by a number of factors, including factors which affect the business, operation and financial condition of Westpac. Accordingly, there is a risk that Westpac's Common Equity Capital Ratio will decrease to 5.125% or below and that as a result securities will be required to Convert into Ordinary Shares. The Common Equity Capital Ratio will also be affected by Westpac's decisions relating to its businesses and operations, as well as the management of its capital position. Westpac will have no obligation to consider the interests of holders of securities in connection with its business decisions, including (without limitation) in relation to capital management. Holders of securities will not have any claim against Westpac relating to decisions that affect the business and operations of Westpac, including its capital position, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause holders of securities to lose all or part of the value of their investment in the securities.

A Non-Viability Trigger Event occurs when APRA notifies Westpac in writing that it believes:

- (a) Conversion or Write-off of all or some securities, or conversion, write-off or write-down of all or some Relevant Securities, is necessary because, without it, Westpac would become non-viable; or
- (b) a public sector injection of capital, or equivalent support, is necessary because, without it, Westpac would become non-viable.

APRA has indicated that at this time it will not provide guidance as to how it will determine non-viability. Non-viability could be expected to include serious impairment of Westpac's financial position, concerns about Westpac's capital, funding or liquidity levels and/or insolvency. However, it is possible that APRA's definition of non-viability may not necessarily be confined to these matters and APRA's position on these matters may change over time. As the occurrence of a Non-Viability Trigger Event is at the discretion of APRA, there can be no assurance given as to the factors and circumstances that might give rise to such an event.

The section entitled "Risks relating to our business" in the Group's 2017 U.S. Interim Financial Results Announcement sets out a number of general risks associated with Westpac's businesses. If one, or a combination, of these risks leads to a significant capital loss, or prolonged difficulties in raising

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funding or maintaining sufficient liquidity, Westpac believes this may be the type of situation in which APRA would become concerned and notify Westpac that Westpac has become non-viable. These examples are not exhaustive and there may be other risks which affect the financial performance and condition of Westpac and, consequently, the likelihood of the occurrence of a Non-Viability Trigger Event.

***The Ordinary Shares to be received upon Conversion are likely to be worth significantly less than the Outstanding Principal Amount of the securities***

Upon the occurrence of a Trigger Event, if the securities are required to be Converted, all or some securities (or a percentage of the Outstanding Principal Amount of each security) will Convert into the applicable Conversion Number of Ordinary Shares, subject to the Maximum Conversion Number. In these circumstances, it is likely that the Maximum Conversion Number will apply and limit the number of Ordinary Shares to be issued. Upon Conversion, the value of Ordinary Shares received is likely to be significantly less than the Outstanding Principal Amount of the securities because:

the VWAP during the five ASX Business Days on which trading in Ordinary Shares took place immediately preceding but not including the Trigger Event Date may differ from the Ordinary Share price on or after that date;

the number of Ordinary Shares holders receive for each security on Conversion is limited by the Maximum Conversion Number, which is based on 20% of the Issue Date VWAP. It is likely that the Maximum Conversion Number will apply if a Trigger Event has occurred and limit the number of Ordinary Shares to be issued; and

the Australian dollar may depreciate in value against the U.S. dollar by the Conversion Date. Any depreciation of the Australian dollar against the U.S. dollar by the Conversion Date will increase the likelihood of the Maximum Conversion Number applying on Conversion and will likely also reduce the U.S. dollar equivalent of Ordinary Shares received, particularly if such depreciation is significant. This is because:

the Maximum Conversion Number is based on an Issue Date VWAP in Australian dollars and the U.S. dollar Outstanding Principal Amount of each security converted to Australian dollars based on the spot rate of exchange at the time of issue; and

the Conversion Number is based on the VWAP in Australian dollars at the time of Conversion and the U.S. dollar Outstanding Principal Amount of each security converted to Australian dollars based on the spot rate of exchange at the time of Conversion.

The Maximum Conversion Number may be adjusted to reflect a consolidation, division or reclassification, or pro rata bonus issue, of Ordinary Shares. However, no adjustment will be made to it on account of other transactions which may affect the price of Ordinary Shares, including for example, rights issues, returns of capital, buy-backs or special dividends. The transactions that Westpac may undertake with respect to its share capital are not limited and any such action may increase the risk that holders receive only the Maximum Conversion Number and so adversely affect the position of holders.

***Ordinary Shares are a different type of investment to the securities and investors may be obliged to accept Ordinary Shares***

While Westpac currently has Ordinary Shares listed on ASX, the Ordinary Shares issued on Conversion may not be listed, for example, if Westpac is acquired by another entity and delisted. There may be no market in Ordinary Shares received on Conversion and the Ordinary Shares may not be able to be sold at prices representing their value based on the VWAP. In particular, VWAP prices will

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be based on trading days which occurred immediately before the occurrence of the Trigger Event. As a result, investors may suffer loss.

Ordinary Shares are a different type of investment to the securities. Like interest payments on the securities, Dividends are payable at the absolute discretion of Westpac but, unlike interest payments on the securities, Dividends are not scheduled to be paid at any particular time and the amount of each Dividend is also discretionary. In a Winding-Up in Australia, claims of holders of Ordinary Shares rank behind claims of holders of all other securities and debts of Westpac. The market price of Ordinary Shares may be more sensitive than that of the securities to changes in Westpac's performance, operational issues and other business issues.

Potential investors in the securities should understand that if a Trigger Event occurs and the securities are Converted, investors are obliged to accept Ordinary Shares or have such Ordinary Shares issued to the Holders' Nominee to be delivered or sold on their behalf.

The tax and stamp duty consequences of holding Ordinary Shares following a Conversion could be different for some categories of holders from the tax and stamp duty consequences for them of holding securities. See "Taxation Australian Taxation" in the accompanying prospectus.

***Holders' rights will be terminated if Conversion does not occur within five ASX Business Days after a Trigger Event Date***

If Conversion of the securities (or a percentage of the Outstanding Principal Amount of the securities) required to be Converted does not occur for any reason within five ASX Business Days after a Trigger Event Date (including, for example, due to applicable law, order of a court or action of any government authority, including regarding the insolvency, Winding-Up or other external administration of Westpac or as a result of Westpac's inability or failure to comply with its obligations under the terms and conditions of the securities in relation to Conversion), then the securities (or a percentage of the Outstanding Principal Amount of the securities to be Converted) will be Written-off and the rights of holders in relation to such securities (including with respect to payments of interest and Outstanding Principal Amount and, upon Conversion, the receipt of Ordinary Shares issued in respect of such securities) will be immediately and irrevocably written-off and terminated with effect on and from the Trigger Event Date and investors will lose all or some of their investment and will not receive any compensation.

***In certain circumstances, an investor holding securities subject to Conversion may not receive Ordinary Shares, only the proceeds thereof, as the Ordinary Shares would be issued upon Conversion to the Holders' Nominee for immediate sale, which sale is likely to occur when market conditions are not favorable***

If an investor holding securities subject to Conversion: (i) notifies Westpac no less than 15 Business Days prior to the Trigger Event Date that it does not wish to receive Ordinary Shares as a result of the Conversion (and does not subsequently notify Westpac otherwise); (ii) is a Foreign Holder or an Ineligible Holder, (iii) is a Clearing System Holder; (iv) does not provide Australian securities account information to Westpac prior to the Trigger Event Date; or (v) where a FATCA Withholding is required to be made in respect of the Ordinary Shares issued on the Conversion, the Ordinary Shares that the investor would receive on Conversion will instead be issued to the Holders' Nominee (which may not be Westpac or any of its Related Entities (which has the meaning given by APRA from time to time)), which will sell the shares on behalf of that investor. The Holders' Nominee will have no duty to seek a fair market price, or to engage in an arm's length transaction in such sale, and market conditions are likely to have deteriorated following the Trigger Event that caused the Conversion.

To enable Westpac to issue Ordinary Shares to an investor holding securities on Conversion, an investor holding securities needs to have appropriate securities accounts in Australia for the receipt of Ordinary Shares and to provide to Westpac, prior to the Trigger Event Date, their name and address

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and certain security holder account and other details. Investors should understand that a failure to provide this information to Westpac by the Trigger Event Date may result in Westpac issuing the Ordinary Shares to the Holders' Nominee which, if the information is not provided to the Holders' Nominee within 30 days of the date on which Ordinary Shares are issued to the Holders' Nominee, will sell the Ordinary Shares and pay the net proceeds to the investors. In this situation, investors will have no rights against Westpac in relation to the Conversion and will not be able to trade in any Ordinary Shares issued to the Holders' Nominee.

***In order to realize your investment, you may have to sell the securities in the market as the securities are perpetual securities with no fixed maturity date or mandatory redemption date, and are only subject to redemption or repurchase at Westpac's option***

The securities are perpetual securities with no fixed maturity date. Accordingly, Westpac is under no obligation to repay all or any part of the Outstanding Principal Amount of the securities and holders have no right to request redemption or Conversion of the securities at any time. Therefore, unless Westpac has the right to and elects to redeem the securities (redemption is subject to APRA's prior written approval, which may or may not be given), in order to realize an investment, a holder would need to sell its securities at the prevailing market price. Depending on market conditions at the time, the securities may be trading at a market price below the Outstanding Principal Amount of the securities and/or the market for the securities may not be liquid. Brokerage fees may also be payable if securities are sold through a broker. Westpac does not guarantee that holders will be able to sell each security at an acceptable price or at all.

***The Ordinary Share price used to calculate the Conversion Number of Ordinary Shares is likely to be different from the market price of Ordinary Shares at the time of Conversion***

The number of Ordinary Shares issued to holders upon Conversion will generally depend on the VWAP of Ordinary Shares over the five ASX Business Days on which trading in Ordinary Shares took place immediately preceding but not including the Trigger Event Date, and is subject to the Maximum Conversion Number. Accordingly, the Ordinary Share price used to calculate the Conversion Number of Ordinary Shares is likely to be different to the market price of Ordinary Shares at the time of Conversion so that the value of Ordinary Shares received is likely to be less than the value of those Ordinary Shares based on the Ordinary Share price on the Trigger Event Date. See " The Ordinary Shares to be received upon Conversion are likely to be worth significantly less than the Outstanding Principal Amount of the securities."

***Prior to the issue of Ordinary Shares, holders of securities will not have any rights with respect to Ordinary Shares, but may be subject to changes made to Westpac's constitution with respect to Ordinary Shares***

Holders of securities have no voting or other rights in relation to Ordinary Shares until Ordinary Shares are issued to them. In addition, the securities do not confer on holders of securities any right to subscribe for new securities in Westpac or to participate in any bonus issue of securities. The rights attaching to Ordinary Shares if Ordinary Shares are issued will be the rights attaching to Ordinary Shares at that time. Holders of securities have no right to vote on or otherwise to approve any changes to Westpac's constitution in relation to the Ordinary Shares that may in the future be issued to them. Therefore, holders of securities will not be able to influence decisions that may have adverse consequences for them.

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***Because the indenture contains no limit on the amount of additional debt that Westpac may incur, Westpac's ability to make timely payments on the securities you hold may be affected by the amount and terms of Westpac's future debt***

Westpac's ability to make payments on the securities may depend on the amount and terms of its other obligations, including any additional securities that Westpac may issue. The indenture does not contain any limitation on the amount of indebtedness that Westpac may issue in the future. As Westpac issues additional securities under the indenture or incurs other indebtedness, unless Westpac's earnings grow in proportion to its debt and other fixed charges, Westpac's ability to service the securities may become impaired.

***The terms of the indenture and the securities provide only limited protection against significant events that could adversely impact your investment in the securities***

The indenture does not:

require Westpac to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity;

restrict Westpac's subsidiaries' ability to issue securities or otherwise incur indebtedness or other obligations that would be senior to Westpac's equity interests in its subsidiaries and therefore rank effectively senior to the securities with respect to the assets of Westpac's subsidiaries;

restrict Westpac's ability to repurchase or prepay any other of its securities or other indebtedness; or

except as described in Section 1.6 under "Description of the Securities Additional Provisions Applicable to the Securities General Restrictions in the Case of Non-Payment of Interest" in the accompanying prospectus, restrict Westpac's ability to make investments or to repurchase, or pay dividends or make other payments in respect of, its Ordinary Shares or other securities ranking junior to the securities.

As a result of the foregoing, when evaluating the terms of the securities, you should be aware that the terms of the indenture and the securities do not restrict Westpac's ability to engage in, or to otherwise be a party to, a variety of corporate transactions, circumstances and events that could have an adverse impact on your investment in the securities.

***The securities do not contain events of default or rights for holders of securities to require or accelerate repayment and the remedies available to holders of securities are therefore limited***

The securities contain no events of default or rights for holders of securities to require or accelerate repayment and, accordingly, failure to pay scheduled interest will not constitute a default or event of default under, or breach of, the indenture or the securities. The securities are repayable only in a Winding-Up or if they are redeemed, subject to APRA's prior written approval, which may or may not be given. Other than as described herein or in the accompanying prospectus, the securities do not confer any claim on Westpac. Further, in the event that Westpac does not pay scheduled interest, no holder of securities:

has any right to apply for a Winding-Up, or to place Westpac in administration, or to seek the appointment of a receiver, receiver and manager, liquidator or provisional liquidator to Westpac merely on the grounds that Westpac does not pay such interest when scheduled; and

may exercise any right of set-off and will have no offsetting rights or claims against us.

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*Westpac has broad rights to redeem the securities, including in the event of certain tax and regulatory events and, if Westpac does so, that could adversely affect your return on the securities*

Westpac may redeem all, but not less than all, of the securities:

on the First Reset Date or any Reset Date thereafter; or

at any time following the occurrence of an Adverse Tax Event or Regulatory Event, provided that Westpac has obtained, in the case of an Adverse Tax Event, a supporting opinion of legal or tax advisers of recognized standing in the applicable Relevant Tax Jurisdiction, or, in the case of a Regulatory Event, a supporting opinion of advisers of recognized standing in Australia or confirmation from APRA.

An Adverse Tax Event will occur if, as a result of any amendment to, clarification of, or change (including any announcement of a change that will be introduced) in, the laws or treaties or any regulations affecting taxation in a Relevant Tax Jurisdiction or any Administrative Action or any amendment to, clarification of, or change in, an Administrative Action that provides for a position that differs from the current generally accepted position, in each case, by any legislative body, court, governmental authority (including, without limitation, a tax authority) or regulatory body in a Relevant Tax Jurisdiction, irrespective of the manner in which such amendment, clarification, change or Administrative Action is made known, which amendment, clarification, change or Administrative Action is effective, or is announced or made known, on or after the Issue Date and which on the Issue Date is not expected by Westpac to come into effect, there is a material risk that:

Westpac is or would be required to increase the amount of any interest scheduled to be paid on the securities by payment of an additional amount in respect of any withholding tax and such an increase cannot be avoided within 60 days of such Adverse Tax Event by Westpac filing a form, making an election or taking some reasonable measure that in Westpac's sole judgment will not be adverse to Westpac and will involve no cost to Westpac that is material in the context of the securities;

Westpac is or would be no longer entitled to claim a deduction for any payments in respect of the securities in computing its taxation liabilities in or relating to such Relevant Tax Jurisdiction or the amount of such deduction is or would be materially reduced; or

any interest scheduled to be paid on the securities is or would be a frankable dividend or distribution within the meaning of Division 202 of the Australian Tax Act.

A Regulatory Event will occur if:

as a result of any amendment to, clarification of or change (including any announcement of a change that will be introduced) in any law or regulation or the Prudential Standards or any official administrative pronouncement or action or judicial decision interpreting or applying such law, regulation or Prudential Standards, which amendment, clarification or change is effective, or pronouncement, action or decision is announced, on or after the Issue Date of the securities; or

written confirmation is received from APRA after the Issue Date of the securities that,

Westpac is not or will not be entitled to treat all of the securities as Additional Tier 1 Capital, provided that, in each case, Westpac did not expect at the Issue Date that the matter giving rise to the Regulatory Event would occur.

If Westpac elects to redeem securities, APRA's prior written approval is required. There can be no certainty that APRA will provide its prior written approval. Westpac may only redeem securities if it replaces them with a capital instrument of the same or better quality (for the purposes of the Prudential Standards) and the replacement is done under conditions that are sustainable for Westpac's

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income capacity (for the purposes of the Prudential Standards) or obtains confirmation that APRA is satisfied that Westpac does not have to replace the securities.

Holders of securities have no right to request or require a redemption of the securities. Any redemption may occur on dates not previously contemplated by holders of securities, which may be disadvantageous in light of market conditions or holders' individual circumstances. This means that the period for which holders of securities will be entitled to the benefit of the rights attaching to the securities is unknown.

Where holders of securities receive cash on redemption, the rate of return at which such holders could reinvest their funds may be lower than the interest rate on the securities. Further, upon redemption, holders of securities will receive the Outstanding Principal Amount of the securities, which may be less than their market value immediately prior to redemption.

***The Interest Rate on the securities could be reduced and the market value of the securities could be adversely impacted when the Interest Rate is reset on each Reset Date***

Each time the Interest Rate is reset on each Reset Date, there is a risk that the new Interest Rate may become less attractive when compared to the rates of return available on comparable securities issued by Westpac or other entities. The Interest Rate will be reset on the First Reset Date and on each Reset Date thereafter and may be less than the Initial Interest Rate and/or the Interest Rate that applies immediately prior to such Reset Date, which would affect the amount of any scheduled interest payments under the securities and may affect the market value of the securities. See "Description of the Securities."

***Changes in regulatory capital requirements could impact the market value of the securities or the likelihood of Conversion***

Any fall in Westpac's Common Equity Capital Ratio as a result of changes to regulatory capital requirements may adversely impact the market price of the securities or potentially increase the chance that Conversion or Write-off of securities is required due to the occurrence of a Capital Trigger Event or a Non-Viability Trigger Event. A Capital Trigger Event will occur if Westpac's Common Equity Capital Ratio, as defined by APRA, is equal to or less than 5.125%. A Non-Viability Trigger Event will occur where APRA notifies Westpac in writing that it believes (a) Conversion or Write-off of all or some securities, or conversion, write-off or write-down of all or some Relevant Securities, is necessary because, without it, Westpac would become non-viable, or (b) a public sector injection of capital, or equivalent support, is necessary because, without it, Westpac would become non-viable.

***Westpac has substantial liabilities which would have a higher priority in the event of its insolvency***

The securities will be Westpac's direct, unsecured and subordinated obligations. In the event of a Winding-Up of Westpac in Australia, to the extent the securities have not previously been Converted or Written-off, the securities would (i) be subordinate to, and rank junior in right of payment to, the obligations of Westpac to Senior Creditors (including in respect of any entitlement to interest under section 563B of the Australian Corporations Act to the extent that a holder of a Preference Share would not be entitled to such interest) and all such obligations to Senior Creditors shall be entitled to be paid in full before any payment shall be paid on account of any sums payable in respect of the securities, (ii) rank equally with obligations of Westpac to the holders of other securities that have not been Converted or Written-off (or that have been partially Converted or Written-off), and the obligations of Westpac to holders of Equal Ranking Instruments, and (iii) rank prior to and senior in right of payment to the obligations of Westpac to holders of Ordinary Shares. See "Description of the Securities Additional Provisions Applicable to the Securities General Status and Subordination of the Securities."



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Section 13A(3) of the Australian Banking Act provides that if Westpac becomes unable to meet its obligations or suspends payment, the assets of Westpac in Australia are to be made available to meet certain of Westpac's liabilities in priority to all other liabilities of Westpac (including the obligations of Westpac under the securities). However, it is unlikely a Winding-Up of Westpac will occur without a Trigger Event having occurred first and the securities being Converted or Written-off. In that event:

if the securities have Converted into Ordinary Shares, holders will rank equally with existing holders of Ordinary Shares;  
and

if the securities are Written-off, all rights in relation to the securities will be terminated, and holders will not be paid the Outstanding Principal Amount or receive any interest, or have the right to have the securities Converted into Ordinary Shares. In such an event, a holder's investment in the securities will lose all of its value and such holder will not receive any compensation.

The securities will not be protected accounts or deposit liabilities of Westpac for the purposes of the Australian Banking Act.

The liabilities which have priority, by virtue of section 13A(3) of the Australian Banking Act, to the claims of holders in respect of the securities will be substantial, as such liabilities include (but are not limited to) liabilities owed to APRA in respect of amounts payable by APRA to holders of protected accounts (as defined below) kept with Westpac in connection with the Financial Claims Scheme, costs of APRA in exercising its powers and performing its functions relating to Westpac in connection with the Financial Claims Scheme, liabilities in Australia in relation to protected accounts kept with Westpac, debts due to the Reserve Bank of Australia, which is referred to herein as the "RBA", and liabilities under certified industry support contracts. Section 13A(3) applies in a Winding-Up of Westpac and other circumstances if Westpac is unable to meet its obligations or suspends payment. A "protected account" is either (a) an account where the ADI is required to pay the account-holder, on demand or at an agreed time, the net credit balance of the account, or (b) another account or financial product prescribed by regulation.

Further, certain assets, such as the assets of Westpac in a cover pool for covered bonds issued by Westpac, are excluded from constituting assets in Australia for the purposes of Section 13A(3) of the Australian Banking Act, and these assets are subject to the prior claims of the covered bond holders and certain other secured creditors in respect of the covered bonds. The assets which are subject to such prior claims may also be substantial. In addition, future changes to applicable law may extend the debts required to be preferred by law or the assets to be excluded.

In addition, in Section 16(2) of the Australian Banking Act, certain other debts of Westpac due to APRA shall in a Winding-Up of Westpac have, subject to Section 13A(3) of the Australian Banking Act, priority over all other unsecured debts of Westpac, and Section 86 of the Reserve Bank Act 1959 of Australia provides that in a Winding-Up of Westpac, debts due by Westpac to the RBA shall, subject to Section 13A(3) of the Australian Banking Act, have priority over all other debts of Westpac.

Therefore, in the event of Westpac's insolvency, there is no assurance that Westpac will have sufficient assets to repay the securities in full or at all. See "Description of the Securities Additional Provisions Applicable to the Securities General Ranking in a Winding-Up" in the accompanying prospectus.

***Holders of the securities or the Ordinary Shares will not be entitled to receive any gross up or other additional amounts if Westpac or any other person is required to withhold or deduct amounts arising under or in connection with FATCA from any payments made with respect to the securities or the Ordinary Shares***

Legislation incorporating provisions referring to any tax, duty, assessment or other governmental charge arising under or in connection with Sections 1471 to 1474 of the U.S. Internal Revenue Code of

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1986, as amended, which is referred to herein as the Code, including any regulations or official interpretations issued, agreements (including, without limitation, intergovernmental agreements) entered into or non-U.S. laws enacted with respect thereto, which is referred to herein as FATCA, was passed in the United States on March 18, 2010. This description is based on guidance issued to date by the U.S. Department of Treasury, including final regulations. Future guidance may affect the application of FATCA to the securities and the Ordinary Shares.

It is possible that, in order to comply with FATCA, Westpac (or, if the securities or the Ordinary Shares are held through another financial institution, such other financial institution) may be required (pursuant to an agreement entered into with the United States or under applicable law (including pursuant to the terms of any applicable intergovernmental agreement entered into between the United States and any other jurisdiction)) (i) to request certain information from the holders or beneficial owners of the securities or the Ordinary Shares, which information may be provided to the U.S. Internal Revenue Service, which is referred to herein as the IRS, and (ii) to withhold U.S. tax on some portion of payments made after December 31, 2018 with respect to the securities, with respect to the issuance of any Ordinary Shares upon any Conversion or with respect to the Ordinary Shares if such information is not provided or if payments are made to certain foreign financial institutions that have not entered into a similar agreement with the United States (and are not otherwise required to comply with the FATCA regime under applicable law (including pursuant to the terms of any applicable intergovernmental agreement entered into between the United States and any other jurisdiction)).

If Westpac or any other person is required to withhold or deduct amounts arising under or in connection with FATCA from any payments made with respect to the securities, with respect to the issuance of any Ordinary Shares upon any Conversion or with respect to the Ordinary Shares, the holders and beneficial owners of the securities, and the holders and beneficial owners of the Ordinary Shares issued upon any Conversion, will not be entitled to receive any gross up or other additional amounts on account of any such withholding or deduction. FATCA is complex and its application to the securities, any Conversion and the Ordinary Shares remains uncertain. Prospective investors are advised to consult their own tax advisors as to the application of FATCA to the securities, any Conversion and the Ordinary Shares.

***The exercise of administrative powers by APRA or other regulatory authorities that supervise Westpac may result in adverse consequences to the trustee and holders of securities***

The exercise of administrative powers by APRA or other regulatory authorities that supervise Westpac may result in adverse consequences to the trustee and holders of securities. In particular, under the Australian Banking Act, for the purpose of protecting depositors and maintaining the stability of the Australian financial system, APRA has administrative power, among other things, to issue a direction to Westpac regarding the conduct of its business, including prohibiting making payments with respect to its debt obligations (including the securities), and, if Westpac becomes unable to meet its obligations or suspend payment (and in certain other limited circumstances), to appoint an "ADI statutory manager" to take control of its business.

***Insolvency and similar proceedings are likely to be governed by Australian Law***

In the event that Westpac becomes insolvent, insolvency proceedings are likely to be governed by Australian law. Australian insolvency laws are different from the insolvency laws of certain other jurisdictions, including the United States. In particular, the voluntary administration procedure under the Australian Corporations Act, which provides for the potential re-organization of an insolvent company, is different from Chapter 11 under the U.S. Bankruptcy Code and may differ from similar provisions under the insolvency laws of other non-Australian jurisdictions.

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In addition, to the extent that the holders of the securities are entitled to any recovery with respect to the securities in any bankruptcy or certain other events in bankruptcy, insolvency, dissolution or reorganization relating to Westpac, those holders might not be entitled in such proceedings to a recovery in U.S. dollars and might be entitled only to a recovery in Australian dollars.

***There is no existing public market for the securities and such a market may not develop***

The securities are a new issue of securities and there is no existing trading market for the securities. Westpac has been advised by the underwriters that the underwriters intend to make a secondary market for the securities. However, they are not obligated to do so and may discontinue making a secondary market for the securities at any time without notice. If a trading market for the securities develops, no assurance can be given as to how liquid that trading market will be. Any market for the securities will likely be less liquid than the market for Ordinary Shares. If the securities are traded after their initial issuance, they may trade at a discount from their initial offering price and/or the Outstanding Principal Amount, depending upon prevailing interest rates, the market for similar securities and other factors, including general economic conditions and Westpac's financial condition, performance and prospects.

***Replacement of Westpac by an Approved Successor could have a negative impact on the value of the securities***

Where Westpac is replaced as the ultimate holding company of the Group by an Approved Successor and certain other conditions are satisfied, Conversion of securities will not be triggered but Westpac may be allowed to instead make amendments (provided APRA's prior written approval is obtained) to substitute the Approved Successor as the debtor in respect of the securities and as the issuer in respect of the Ordinary Shares issued on Conversion and to make certain other amendments to the indenture and the securities. Accordingly, potential investors should be aware that, if:

Westpac is replaced by an Approved Successor as the ultimate holding company of the Group; and

a substitution of the Approved Successor as the debtor in respect of the securities and the issuer of the Ordinary Shares on Conversion is effected under the indenture and the securities,

holders will be obliged to accept Approved Successor Shares and will not receive Ordinary Shares on Conversion.

Potential investors should also be aware that holders of securities may not have a right to vote on any proposal to approve, implement or give effect to the establishment of an Approved Successor.

Where Westpac transfers only some of its assets to an Approved Successor, the Approved Successor may as a result have reduced assets which may affect its credit rating and the likelihood holders of securities will receive their claims in full in a Winding-Up.

***No further rights if Westpac is acquired by an entity other than an Approved Successor***

If a person other than an Approved Successor acquires control of Westpac, the indenture and the securities do not provide any right or remedy for the holders on account of such an acquisition occurring. Further, such an acquisition of Westpac may result in the Westpac's Ordinary Shares no longer being quoted on ASX.

If, after such an acquisition has occurred, a Trigger Event occurs, the number of Ordinary Shares issued on Conversion will reflect the VWAP for the period of five ASX Business Days on which the Ordinary Shares were last traded on ASX. The period of five ASX Business Days may be well before the Trigger Event and, accordingly, the value of the Conversion Number of Ordinary Shares when issued is likely to be very different from the value based on that VWAP. This is likely to adversely

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affect the value of the Ordinary Shares which are issued to holders upon Conversion and such Ordinary Shares may not be freely tradeable.

***There may be limits on the amount of Ordinary Shares a holder may acquire upon Conversion***

An issue of Ordinary Shares following Conversion may result in a contravention by a holder of laws in Australia relating to shareholdings by virtue of the holder acquiring Ordinary Shares in excess of limits permitted by those laws.

For example, the Financial Sector (Shareholdings) Act 1998 of Australia restricts ownership by people (together with their associates) of an ADI, such as Westpac, to a 15% stake. A shareholder may apply to the Australian Treasurer to extend their ownership beyond 15%, but approval will not be granted unless the Treasurer is satisfied that a holding by that person greater than 15% is in the national interest.

Mergers, acquisitions and divestments of Australian public companies listed on ASX, such as Westpac, are regulated by detailed and comprehensive legislation and the rules and regulations of ASX. These provisions include restrictions on the acquisition and sale of relevant interests in certain shares in an Australian listed company under the Australian Corporations Act and a requirement that acquisitions of certain interests in Australian listed companies by foreign interests are subject to review and approval by the Treasurer. In addition, Australian law also regulates acquisitions which would have the effect, or be likely to have the effect, of substantially lessening competition in a market, or in a state or in a territory of, Australia.

An issue of Ordinary Shares may also result in a contravention by a holder of a law in force in New Zealand relating to shareholdings (eg, the Overseas Investment Act 2005 of New Zealand, the Financial Markets Conduct Act 2013 of New Zealand and the Reserve Bank of New Zealand Act 1989 of New Zealand), by virtue of a holder acquiring indirect interests in Westpac New Zealand Limited, a New Zealand incorporated registered bank and wholly-owned subsidiary of Westpac.

Under the indenture, where a holder is prohibited or restricted from being offered, holding or acquiring Ordinary Shares by a law in Australia, New Zealand or any other jurisdiction in which Westpac carries on business, it will be treated as an Ineligible Holder. In relation to the position of Ineligible Holders on Conversion, see "In certain circumstances, an investor holding securities subject to Conversion may not receive Ordinary Shares, only the proceeds thereof, as the Ordinary Shares would be issued upon Conversion to the Holders' Nominee for immediate sale, which sale is likely to occur when market conditions are not favorable."

***Changes in accounting standards may affect Westpac's ability to make interest payments***

A change in accounting standards by either the International Accounting Standards Board or Australian Accounting Standards Board may affect Westpac's reported earnings and financial position in future financial periods. This may adversely affect Westpac's ability to make interest payments.

***Provision of information and certifications pursuant to Common Reporting Standard compliance requirements***

The Organization for Economic Co-operation and Development's Common Reporting Standard for Automatic Exchange of Financial Account Information, which is referred to herein as the CRS, will require certain financial institutions to report information regarding certain accounts (which may include the securities) to their local tax authority and follow related due diligence procedures. Holders of securities may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed the CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. New Zealand has enacted legislation to give effect to the CRS from July 1, 2017 (with the government to government exchange of information to take place by September 2018).

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Westpac estimates that the net proceeds from the offering of the securities, after taking into account the underwriting discount and deducting estimated offering expenses payable by Westpac, will be US\$ . Westpac intends to use the net proceeds for general corporate purposes.

**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth the Group's ratio of earnings to fixed charges (unaudited) for the periods indicated. The ratio is calculated based on earnings and charges determined in accordance with Australian Accounting Standards.

	<b>For the half-year ended March 31, 2017</b>		<b>For the financial year ended September 30,</b>					
		<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>		
	<b>(unaudited, in millions unless otherwise indicated)</b>							
Profit before income tax	A\$ 5,643	A\$ 10,644	A\$ 11,416	A\$ 10,740	A\$ 9,772	A\$ 8,814		
Add fixed charges	7,888	16,881	18,223	18,894	20,376	24,549		
Less non-controlling interest in subsidiaries that have not incurred fixed charges	(5)	(15)	(56)	(64)	(74)	(66)		
<b>Earnings before tax and fixed charges</b>	<b>A\$ 13,526</b>	<b>A\$ 27,510</b>	<b>A\$ 29,583</b>	<b>A\$ 29,570</b>	<b>A\$ 30,074</b>	<b>A\$ 33,297</b>		
Interest expense	A\$ 7,780	A\$ 16,674	A\$ 18,028	A\$ 18,706	A\$ 20,188	A\$ 24,371		
Portion of rent estimated to represent interest expense	108	207	195	188	188	178		
<b>Fixed charges</b>	<b>A\$ 7,888</b>	<b>A\$ 16,881</b>	<b>A\$ 18,223</b>	<b>A\$ 18,894</b>	<b>A\$ 20,376</b>	<b>A\$ 24,549</b>		
<b>Ratio of earnings to fixed charges</b>	<b>1.71</b>	<b>1.63</b>	<b>1.62</b>	<b>1.57</b>	<b>1.48</b>	<b>1.36</b>		

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The following table sets forth the Group's cash and cash equivalents and its capitalization as of March 31, 2017 and as adjusted to give effect to the issuance of the securities and the repayment and issuance of other securities subsequent to March 31, 2017 and on or prior to July 31, 2017. This information should be read in conjunction with the Group's consolidated financial statements, including the securities thereto, and other financial information pertaining to the Group incorporated herein by reference.

	<b>As of March 31, 2017</b>	
	<b>Actual</b>	<b>As adjusted</b>
	<b>(unaudited, in A\$ millions)</b>	
Cash and balances with central banks	15,912	15,912
Debt issues	167,306	162,307(1)
Securities offered hereby		(2)
Loan capital	17,106	17,106
<b>Shareholders' equity and non-controlling interests</b>		
Share capital	33,264	33,264
Reserves	845	845
Retained profits	25,206	25,206
Non-controlling interests	57	57
Total shareholders' equity and non-controlling interests	59,372	59,372
<b>Total capitalization</b>	<b>243,784</b>	

(1) The net adjustment of A\$4,999 million reflects the repayment of maturing debt issues and the issuance of new debt issues subsequent to March 31, 2017 and on or before July 31, 2017. Debt issues issued in a currency other than Australian dollars have been converted into Australian dollars using the closing spot rate on July 31, 2017.

(2) The Group has translated the aggregate principal amount of the securities from U.S. dollars into Australian dollars using the noon buying rate in New York City for cable transfers of Australian dollars as certified for customs purposes for the Federal Reserve Bank of New York as of July 31, 2017 of A\$1.00 to US\$0.7988. This translation should not be considered a representation that such amount has been, could have been or could be converted into Australian dollars at that or at any other exchange rate or as of that or any other date.

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**DESCRIPTION OF THE SECURITIES**

*The following description is a summary of certain terms of the securities. This summary supplements the description of the Securities in the accompanying prospectus and, to the extent it is inconsistent, replaces the description in the accompanying prospectus. The descriptions of certain terms of the securities and the indenture do not purport to be complete, and reference is hereby made to the indenture, as supplemented by the first supplemental indenture relating to the securities, which will be filed as an exhibit to a Report on Form 6-K, and the Trust Indenture Act of 1939, as amended. You may also request copies of the indenture and the first supplemental indenture from Westpac at its address set forth under "Where You Can Find More Information." References to "Westpac" and "its" in this description of the securities refer only to Westpac Banking Corporation and not to any of its subsidiaries.*

**General**

Westpac, acting through its New Zealand Branch, will issue the securities under the indenture, dated September 7, 2017, between Westpac and The Bank of New York Mellon, as trustee, which is referred to herein as the base indenture, as supplemented by the first supplemental indenture, to be dated the date of issuance of the securities, between Westpac, acting through its New Zealand Branch, and the trustee. The base indenture, as supplemented by the first supplemental indenture, together are referred to herein as the indenture. The Bank of New York Mellon will act as calculation agent for the securities.

Westpac, acting through its New Zealand Branch, will initially issue US\$ \_\_\_\_\_ aggregate principal amount of the securities. The securities will be issued in minimum denominations of US\$2,000 and integral multiples of US\$1,000 in excess thereof, which shall be a "Denomination" for the purposes of the definition of "Denomination" under "Description of the Securities Additional Provisions Applicable to the Securities Definitions" in the accompanying prospectus. Westpac may from time to time, without the consent of the existing holders, create and issue additional securities having the same terms and conditions as the securities being offered hereby in all respects, except for Issue Date, issue price and, if applicable, the first date from which interest is scheduled to be paid and the first payment of interest thereon. Additional securities issued in this manner will be consolidated with, and will form a single series with, the previously outstanding securities unless such additional securities will not be treated as fungible with the securities being offered hereby for U.S. federal income tax purposes. The securities offered hereby and any additional securities of the same series would rank equally and ratably.

**Acting through New Zealand Branch**

The securities will be issued by Westpac acting through its New Zealand Branch. The New Zealand Branch is not a separate legal entity and so, in insolvency proceedings relating to Westpac, creditors of Westpac acting through its New Zealand Branch would not be limited to making claims on the assets of Westpac allocated to or booked in the New Zealand Branch. Conversely, creditors of Westpac acting other than through the New Zealand Branch will have a claim on the assets of Westpac acting through its New Zealand Branch.

Further, if Westpac is unable to make payment on the securities through its New Zealand Branch it may make the payment through any other branch or through its head office and may do so from cash held anywhere in the world.

Securities issued by Westpac acting through one of its branches are nevertheless obligations of Westpac, and holders of those securities will have claims against the assets of Westpac pursuant to the terms of the securities, and are not limited to claims against the assets of the issuing branch.

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**Ranking**

The securities will be Westpac's direct, unsecured and subordinated obligations. In the event of a Winding-Up of Westpac in Australia, to the extent the securities have not previously been Converted or Written-off, the securities would (i) be subordinate to, and rank junior in right of payment to, the obligations of Westpac to Senior Creditors (including in respect of any entitlement to interest under section 563B of the Australian Corporations Act to the extent that a holder of a Preference Share would not be entitled to such interest) and all such obligations to Senior Creditors shall be entitled to be paid in full before any payment shall be paid on account of any sums payable in respect of the securities; (ii) rank equally with obligations of Westpac to the holders of other securities that have not been Converted or Written-off (or that have been partially Converted or Written-off), and the obligations of Westpac to holders of Equal Ranking Instruments; and (iii) rank prior to, and senior in right of payment to, the obligations of Westpac to holders of Ordinary Shares. See "Description of the Securities Additional Provisions Applicable to the Securities General Status and Subordination of the Securities" and "Description of the Securities Additional Provisions Applicable to the Securities General Ranking in a Winding-Up" in the accompanying prospectus.

Section 13A(3) of the Australian Banking Act provides that if Westpac becomes unable to meet its obligations or suspends payment, the assets of Westpac in Australia are to be made available to meet certain of Westpac's liabilities in priority to all other liabilities of Westpac (including the obligations of Westpac under the securities). However, it is unlikely a Winding-Up of Westpac will occur without a Trigger Event having occurred first and the securities being Converted or Written-off. In that event:

if the securities have Converted into Ordinary Shares, holders will rank equally with existing holders of Ordinary Shares;  
and

if the securities are Written-off, all rights in relation to the securities will be terminated, and holders will not be paid the Outstanding Principal Amount or receive any interest, or have the right to have the securities Converted into Ordinary Shares. In such an event, a holder's investment in the securities will lose all of its value and such holder will not receive any compensation.

The securities will not be protected accounts or deposit liabilities of Westpac for the purposes of the Australian Banking Act.

The securities will constitute a separate series of the Securities as described in the accompanying prospectus. Except as described in this prospectus supplement, the terms generally applicable to the Securities, as described under "Description of the Securities" in the accompanying prospectus, will be applicable to the securities.

The securities are not entitled to the benefit of any sinking fund.

The securities will be perpetual securities in respect of which there will be no stated maturity date or other fixed redemption date. Holders of securities have no right to request redemption, Conversion or purchase of the securities at any time.

**Interest on the securities**

From and including September , 2017, which is referred to herein as the Issue Date, to but excluding September , 2027, which is referred to herein as the First Reset Date, interest will be scheduled to be paid in arrears on the Outstanding Principal Amount of the securities at an initial rate equal to % per year, which is referred to herein as the Initial Interest Rate. The First Reset Date and every fifth anniversary thereafter shall be a "Reset Date." From and including each Reset Date to but excluding the next succeeding Reset Date, interest, if any, on the securities will be scheduled to be paid on the Outstanding Principal Amount of the securities at a rate per year equal to the sum of the



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then prevailing Mid-Market Swap Rate on the relevant Reset Determination Date and % per year (being the margin determined at the time of the bookbuild for the securities) (rounded to three decimal places, with 0.0005 rounded upwards). Subject to the provisions for the non-payment of interest described under "Description of the Securities Additional Provisions Applicable to the Securities General Non-Payment of Interest" in the accompanying prospectus, interest, if any, on the securities will be scheduled to be paid semi-annually in arrears on September and March of each year, subject in each case to the Business Day convention described below, commencing on March , 2018 until but not including the date on which a redemption of the securities occurs. Interest on a security will be paid to the person in whose name that security was registered at the close of business on the September or March , as the case may be, whether or not a Business Day, prior to the applicable Interest Payment Date. The amount of interest, if any, on the securities scheduled to be paid for any period less than a full interest period shall be computed on the basis of a 360-day year consisting of twelve 30-day months and the actual days elapsed in a partial month in such period. Any payment of principal or interest on the securities scheduled to be made on an Interest Payment Date that is not a Business Day will be made on the next succeeding Business Day, and no interest will accrue on that payment for the period from and after the Interest Payment Date to the date of payment on the next succeeding Business Day. Any payment of interest on the securities must be made in the form of cash.

As used herein:

The "Mid-Market Swap Rate" means the mid-market U.S. dollar swap rate having a 5-year maturity appearing on Bloomberg page "USISDA05 Index" (or such other page as may replace such page on Bloomberg, or such other page as may be nominated by the person providing or sponsoring the information appearing on such page for purposes of displaying comparable rates) at 11.00 a.m. (New York City time) on the Reset Determination Date, as determined by the calculation agent. If such swap rate does not appear on such page (or such other page or service), the Mid-Market Swap Rate shall instead be determined by the calculation agent on the basis of (a) quotations provided by the principal office of each of four major banks in the U.S. dollar swap rate market (which banks shall be selected by the calculation agent in consultation with Westpac (the "Reference Banks")) of the rates at which swaps in U.S. dollars are offered by it at approximately 11.00 a.m. (New York City time) (or thereafter on such date, with the calculation agent acting on a best efforts basis) on the Reset Determination Date to participants in the U.S. dollar swap rate market for a five-year period and (b) the arithmetic mean expressed as a percentage and rounded, if necessary, to the nearest 0.001% (0.0005% being rounded upwards) of such quotations. If the Mid-Market Swap Rate is not able to be determined on the relevant Reset Determination Date in accordance with the foregoing procedures, the Mid-Market Swap Rate shall be the mid-market U.S. dollar swap rate having a 5-year maturity that appeared most recently on Bloomberg "USISDA05 Index" (or such other page as may replace such page on Bloomberg, or such other page as may be nominated by the person providing or sponsoring the information appearing on such page for purposes of displaying comparable rates) that was last available prior to 11.00 a.m. (New York City time) on such Reset Determination Date, as determined by the calculation agent.

The "Reset Determination Date" shall be the second Business Day immediately preceding the relevant Reset Date.

Payments of interest, if any, on the securities will be non-cumulative as described under "Description of the Securities Additional Provisions Applicable to the Securities General Non-Payment of Interest" in the accompanying prospectus. The payment of interest, if any, on the securities is subject to Westpac's absolute discretion and satisfaction of the other Payment Conditions in respect of the securities as at the relevant Interest Payment Date as described under "Description of the Securities Additional Provisions Applicable to the Securities General Non-Payment of Interest"

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in the accompanying prospectus. For so long as the securities remain outstanding, if for any reason a payment of interest on the Outstanding Principal Amount of a security is not paid in full on an Interest Payment Date, Westpac will be subject to certain restrictions as described under "Description of the Securities Additional Provisions Applicable to the Securities General Restrictions in the Case of Non-Payment of Interest" in the accompanying prospectus.

For purposes of the securities and the definition of "Business Day" under the "Description of the Securities Additional Provisions Applicable to the Securities Definitions" in the accompanying prospectus, "Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York, New York, London, United Kingdom, Auckland or Wellington, New Zealand or Sydney, Australia are authorized or obligated by law or executive order to close.

**Payment of Additional Amounts**

The indenture provides that Westpac will pay all amounts that it is required to pay in respect of the securities without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or other governmental charges imposed or levied by or on behalf of a Relevant Tax Jurisdiction, unless such withholding or deduction is required by law. In that event, Westpac will pay such additional amounts as may be necessary so that the net amount received by the holder of the securities, after such withholding or deduction, will equal the amount that the holder would have received in respect of the securities without such withholding or deduction. The indenture also provides that, under certain circumstances, Westpac will not pay additional amounts. See "Description of the Securities Payment of Additional Amounts" in the accompanying prospectus.

For purposes of the securities, in addition to the circumstances described in "Description of the Securities Payment of Additional Amounts" in the accompanying prospectus, Westpac will also not pay additional amounts in respect of the securities for or on account of:

any (i) New Zealand resident withholding tax (under the Income Tax Act 2007 of New Zealand); and/or (ii) New Zealand non-resident withholding tax (under the Income Tax Act 2007 of New Zealand) imposed at a resident withholding tax rate as a consequence of a holder or the beneficial owner of the securities deriving interest under such securities jointly with one or more other persons at least one of which is a resident of New Zealand for income tax purposes; or

any tax, duty, assessment or other governmental charge that is imposed as a consequence of the application of section BG 1 of the Income Tax Act 2007 of New Zealand (or any modification thereof or provision substituted therefor) by the New Zealand Commissioner of Inland Revenue in circumstances where the holder or the beneficial owner of the securities is a party to or participated in an arrangement to avoid such tax, duty, assessment or other governmental charge which Westpac was not a party to.

**Redemption**

Subject to certain limitations, Westpac will have the right to redeem the securities, in whole, but not in part, on the First Reset Date or any Reset Date thereafter at a redemption price equal to the Outstanding Principal Amount of the securities to be redeemed plus any unpaid interest on the Outstanding Principal Amount of the securities for the period from and including the most recent Interest Payment Date to but excluding the date of redemption, except to the extent that Westpac has determined in its absolute discretion not to pay such interest or Westpac is obliged not to pay such interest because another Payment Condition is not satisfied. See "Description of the Securities Redemption of the Securities General" in the accompanying prospectus.

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In addition, subject to certain limitations, if an Adverse Tax Event or Regulatory Event occurs, Westpac will have the right to redeem the securities in whole, but not in part, at a redemption price equal to the Outstanding Principal Amount of the securities to be redeemed plus any unpaid interest on the Outstanding Principal Amount of the securities for the period from and including the most recent Interest Payment Date to but excluding the date of redemption, except to the extent that Westpac has determined in its absolute discretion not to pay such interest or Westpac is obliged not to pay such interest because another Payment Condition is not satisfied. See "Description of the Securities Redemption of the Securities Redemption for Taxation Reasons" and "Description of the Securities Redemption of the Securities Redemption for Regulatory Reasons" in the accompanying prospectus.

Redemption is subject to APRA's prior written approval, which may or may not be given.

**Conversion or Write-off Upon Trigger Event**

The securities are subject, upon the occurrence of a Trigger Event, to Conversion or possible Write-off, as more fully described in the accompanying prospectus. If any securities are Converted following a Trigger Event, it is likely that the Maximum Conversion Number will apply and limit the number of Ordinary Shares to be issued. In this case, the value of the Ordinary Shares received may (in the case of a Capital Trigger Event) and is likely to (in the case of a Non-Viability Trigger Event) be significantly less than the Outstanding Principal Amount of those securities. The Australian dollar may depreciate in value against the U.S. dollar by the time of Conversion. In that case, the Maximum Conversion Number is more likely to apply.

If Conversion of the securities (or a percentage of the Outstanding Principal Amount of the securities) does not occur for any reason (including, for example, due to applicable law, order of a court or action of any government authority, including regarding the insolvency, Winding-up or other external administration of Westpac or as a result of Westpac's inability or failure to comply with its obligations under the terms and conditions of the securities in relation to Conversion) within five ASX Business Days after the Trigger Event Date, the securities (or a percentage of the Outstanding Principal Amount of the securities to be Converted) will be Written-off and the holders' rights in relation to the securities (including with respect to payments of interest and Outstanding Principal Amount and, upon Conversion, the receipt of Ordinary Shares issued in respect of such securities) will be immediately and irrevocably written-off and terminated with effect on and from the Trigger Event Date, as described under "Description of the Securities Additional Provisions Applicable to the Securities" in the accompanying prospectus.

**Governing Law**

The indenture and the securities will be governed by, and construed in accordance with, the laws of the State of New York without regard to conflict of law principles, except that the Trigger Event, Conversion, Write-off and subordination provisions will be governed by, and construed in accordance with, the laws of the State of New South Wales, Commonwealth of Australia.

**Securities issued as global securities**

The securities are expected to be issued in the form of global securities. See "Description of the Securities Global Securities" in the accompanying prospectus.

**Book-Entry System**

All interests in the securities will be subject to the operations and procedures of DTC, Euroclear Bank SA/NV, which is referred to herein as Euroclear, and Clearstream Banking, S.A., which is referred to herein as Clearstream. The descriptions of the operations and procedures of DTC,

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Euroclear and Clearstream described below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. Westpac obtained the information in this section and elsewhere in this prospectus supplement concerning DTC, Euroclear and Clearstream and their respective book-entry systems from sources that Westpac believes are reliable, but Westpac takes no responsibility for the accuracy of any of this information.

The Depository Trust Company, New York, NY, will act as securities depository for the securities. The securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each issue of the securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds US\$500 million, one certificate will be issued with respect to each US\$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended, which is referred to herein as the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants, which are referred to herein as Direct Participants, deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation, which is referred to herein as DTCC. DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly, which are referred to herein as Indirect Participants. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the securities on DTC's records. The ownership interest of each actual purchaser of each security, which is referred to herein as a Beneficial Owner, is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities, except in the event that use of the book-entry system for the securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be

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requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities; DTC's records reflect only the identity of the Direct Participants to whose accounts the securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Westpac as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Westpac or its agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, its agent or Westpac, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Westpac or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the securities at any time by giving reasonable notice to Westpac or its agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

Westpac may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

*Euroclear.* Euroclear was created in 1968 to hold securities for participants of Euroclear, which is referred to herein as Euroclear Participants, and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several markets in several countries. Euroclear is operated by Euroclear Bank SA/NV, which is referred to herein as the Euroclear Operator, under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation, which is referred to herein as the Cooperative. All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator,

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not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is regulated and examined by the Belgian Banking Commission. Distributions of principal and interest with respect to securities held through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the relevant system's rules and procedures, to the extent received by such system's depository.

*Clearstream.* Clearstream is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations, which are referred to herein as Clearstream Participants, and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides Clearstream Participants with, among other things, services for safekeeping, administration, clearance and establishment of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Monetary Institute. Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant either directly or indirectly.

Distributions with respect to securities held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures to the extent received by the U.S. depository for Clearstream.

Links have been established among DTC, Clearstream and Euroclear to facilitate the initial issuance of the securities and cross-market transfers of the securities associated with secondary market trading. DTC will be linked indirectly to Clearstream and Euroclear through the DTC accounts of their respective U.S. depositories.

*Global Clearance and Settlement Procedures.* Initial settlement for the securities will be made in immediately available funds. Transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Cross-market transfers between participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository. However, those cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in that system in accordance with the rules and procedures and within the established deadlines (Brussels time) of that system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear Participants and Clearstream Participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

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Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a security from a participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised Westpac that cash received in Euroclear or Clearstream as a result of sales of interests in a security by or through a Euroclear or Clearstream participant to a participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Although Westpac understands that DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the securities among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform those procedures, and those procedures may be discontinued at any time. Neither Westpac nor the trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

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**TAXATION**

For a general discussion of the material U.S. federal income tax and Australian tax considerations relating to the purchase, ownership, and disposition of the securities by certain holders, please refer to "Taxation" in the accompanying prospectus.

**Australian Taxation**

The disclosure set forth under the heading "Potential Withholding for Failure to Provide Australian Tax File Number ("TFN") / Australian Business Number ("ABN")" in the accompanying prospectus is not applicable to interest paid on the securities while they are registered in the name of Cede & Co (DTC's partnership nominee).

**New Zealand Taxation**

*The following is a general summary of the New Zealand tax consequences of the purchase, ownership, conversion and disposal of the securities by non-New Zealand resident holders. This summary is not exhaustive and does not consider all New Zealand tax consequences relating to the securities that may be relevant to particular holders. In particular, without limitation, it does not address the tax consequences which may arise for non-New Zealand resident holders who acquire their securities or the Ordinary Shares (or an interest in the securities or the Ordinary Shares) otherwise than under the offering of the securities under this prospectus supplement, who hold securities on revenue account or as trading stock, or who are subject to the financial arrangements rules in Subpart EW of the Income Tax Act 2007 of New Zealand in relation to their holding of securities or Ordinary Shares. In addition, this summary does not relate to holders who are resident in New Zealand for New Zealand income tax purposes or who carry on business in New Zealand through a fixed establishment in New Zealand. All prospective investors are advised to obtain advice relevant to their own circumstances.*

*This summary is based on the relevant New Zealand tax laws as at the date of this prospectus supplement which may be subject to change, sometimes with retrospective effect. It is not intended to be, nor should it be construed as, legal or tax advice to any particular holder. This summary assumes that the securities and the Ordinary Shares will be issued and held in accordance with this prospectus supplement and their terms of issue.*

**Withholding Taxes**

New Zealand law requires a deduction on account of New Zealand resident withholding tax from the payment of interest (including amounts deemed to be interest) to the holder of any security if the holder or the beneficial owner of the security (i) is a resident of New Zealand (as defined in the Income Tax Act 2007 of New Zealand); (ii) is a non-resident that holds the security for the purposes of a business it carries on in New Zealand through a fixed establishment (as defined in the Income Tax Act 2007 of New Zealand) in New Zealand; or (iii) is a non-resident that is a registered bank in New Zealand and is engaged in business in New Zealand through a fixed establishment in New Zealand, which is referred to herein as a New Zealand Holder, and at the time of such payment the holder or the beneficial owner does not hold a valid resident withholding tax exemption certificate. Westpac shall not make any additional payments to holders or beneficial owners of the securities where any deduction on account of New Zealand resident withholding tax is made.

Prior to any date on which interest is scheduled to be paid, any Conversion Date or any date of redemption, a holder of any security who is a New Zealand Holder must notify Westpac (a) that it is a New Zealand Holder; (b) of any circumstances or information that may enable Westpac to make the payment of interest to the New Zealand Holder without deduction on account of resident withholding tax; and (c) of any change in the circumstances from those previously notified that could affect the payment or withholding obligations of Westpac in respect of such security. By accepting payment of any



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principal amount or interest thereon, the New Zealand Holder indemnifies Westpac for all purposes in respect of any liability Westpac may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax. Only a New Zealand Holder will be obliged to make the notifications referred to above and no other holder of the securities will be required to do so.

New Zealand law requires, with certain exceptions, a deduction on account of non-resident withholding tax to be made from the payment of interest (including amounts deemed to be interest) with a New Zealand source to a holder of a security who is not a New Zealand Holder. Westpac intends to reduce the applicable rate of non-resident withholding tax to 0% as a result of receiving or having received approved issuer status, registering or having registered the securities with the New Zealand Inland Revenue and paying, on its own account, an approved issuer levy (currently equal to 2% of such payments of interest). If interest payments on the securities do become subject to New Zealand non-resident withholding tax (at a rate other than 0%) in the future, Westpac will, subject to certain exceptions and limitations be required to pay additional amounts to ensure that the net amount received by holders after such withholding will equal the amount the holders would have received had there been no such withholding. See "Description of the Securities Payment of Additional Amounts" in this prospectus supplement and in the accompanying prospectus. A holder of the securities that is not a New Zealand Holder should also generally not be subject to New Zealand ordinary income tax on interest payable on the securities.

Where interest is paid to a holder that is not a New Zealand Holder and that interest is derived jointly with a person who is a resident of New Zealand, non-resident withholding tax must be deducted from that interest at the applicable rate of resident withholding tax. Payment of the approved issuer levy does not allow a 0% rate of non-resident withholding tax in this case. Relief from New Zealand tax under an applicable double taxation treaty may be available, but only on application to the New Zealand Inland Revenue for a refund of over-deducted tax. Westpac will not pay an additional amount to the holder in respect of non-resident withholding tax deducted in that case. See "Description of the Securities Payment of Additional Amounts" in this prospectus supplement and in the accompanying prospectus.

***Disposal (including Redemption) of the Securities***

Non-New Zealand residents that have never held their securities in the course of carrying on business at or through a fixed establishment in New Zealand will not be subject to New Zealand income tax on any gains realized by them on the sale or redemption of the securities and treated as income for New Zealand tax purposes, to the extent such income is not New Zealand sourced. Any income arising on the sale of securities by a non-New Zealand resident to another non-New Zealand resident where the securities are sold outside New Zealand and all negotiations are conducted, and documentation executed, outside New Zealand would not generally be regarded as having a New Zealand source.

***Garnishee Notices***

The New Zealand Inland Revenue may give a notice under section 157 of the Tax Administration Act 1994 of New Zealand or any similar provision requiring Westpac to deduct or withhold from any payment to any other party (including any holder of the securities or the Ordinary Shares) any amount in respect of tax payable by that other party. If Westpac is served with such a notice, Westpac intends to comply with that notice and make any deduction or withholding required by that notice.

***Goods and Services Tax ("GST") and Other Taxes***

No GST will be payable by a holder of the securities on the issue, transfer, Conversion or redemption of the securities or on the acquisition or sale of Ordinary Shares.

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No ad valorem stamp, issue, registration or similar taxes are payable in New Zealand in connection with the issue, transfer, Conversion or redemption of the securities or in connection with the acquisition or sale of Ordinary Shares. Under current New Zealand law, there are no gift, estate or other inheritance taxes or duties.

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**UNDERWRITING**

Citigroup Global Markets Inc., HSBC Securities (USA) Inc., J.P. Morgan Securities LLC and UBS Securities LLC are acting as the representatives of the underwriters named below. Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has agreed to severally purchase, and Westpac, acting through its New Zealand Branch, has agreed to sell to that underwriter, the principal amount of the securities set forth opposite the underwriter's name.

<b>Underwriter</b>	<b>Principal Amount of the Securities</b>
Citigroup Global Markets Inc.	US\$
HSBC Securities (USA) Inc.	
J.P. Morgan Securities LLC.	
UBS Securities LLC	
<b>Total</b>	<b>US\$</b>

The underwriting agreement provides that the obligations of the underwriters to purchase the securities offered hereby are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the securities if they purchase any of the securities.

The underwriters have advised Westpac that they propose to offer some of the securities directly to the public at the public offering price, set forth on the cover page of this prospectus supplement and some of the securities to dealers at the public offering price, less a concession not to exceed % of the principal amount of the securities. The underwriters may allow, and dealers may realow, a concession not to exceed % of the principal amount of the securities. After the initial offering of the securities to the public, the representatives may change the public offering price and other selling terms. The offering of the securities by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part. In connection with this offering of the securities, Westpac will pay an underwriting discount to the underwriters of % (expressed as a percentage) of the principal amount of the securities.

In connection with the offering of the securities, the representatives may engage in transactions that stabilize, maintain or otherwise affect the prices of the securities. Specifically, the underwriters may over allot in connection with the offering of the securities, creating a syndicate short position. In addition, the underwriters may bid for, and purchase, securities in the open market to cover syndicate short positions or to stabilize the prices of the securities. Finally, the underwriting syndicate may reclaim selling concessions allowed for distributing the securities in the offering of the securities, if the syndicate repurchases previously distributed securities in syndicate covering transactions, stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market prices of the securities above independent market levels. The underwriters are not required to engage in any of these activities, and may end any of them at any time without notice.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased securities sold by or for the account of such underwriter in stabilizing or short covering transactions.

Westpac estimates that its total expenses, excluding the underwriting discount, for this offering will be US\$ . The underwriters have agreed to reimburse Westpac for certain of its expenses relating to this offering.

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Westpac has agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

The securities are a new issue of securities with no established trading market. The securities will not be listed on any securities exchange or on any automated dealer quotation system. The underwriters may make a market in the securities after completion of the offering, but will not be obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of the trading market for the securities or that an active public market for the securities will develop. If an active public market for the securities does not develop, the market price and liquidity of the securities may be adversely affected.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and their affiliates have, directly and indirectly, provided various investment and commercial banking services to the Group and its affiliates for which they received customary fees and commissions. The underwriters and their affiliates may, from time to time, engage in other transactions with and perform services for the Group in the ordinary course of their business. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. If any of the underwriters or their affiliates has a lending relationship with the Group, certain of those underwriters and affiliates routinely hedge and certain other of those underwriters or affiliates may hedge their credit exposure to the Group consistent with their customary risk management policies. Typically, these underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in its securities, including potentially the securities offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the securities offered hereby. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Since trades in the secondary market generally settle in two business days, purchasers who wish to trade securities on the date of pricing or the next two succeeding business days will be required, by virtue of the fact that the securities initially settle in T+5, to specify alternative settlement arrangements to prevent a failed settlement.

**Offering restrictions**

*Australia*

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the securities, including this prospectus supplement, has been or will be lodged with or registered by the Australian Securities and Investments Commission ("ASIC"). Each underwriter has represented and agreed that it has not:

- (a) made or invited, and will not make or invite, an offer of the securities for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and

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- (b) distributed or published and will not distribute or publish any draft, preliminary or final form prospectus (including this prospectus supplement), advertisement or other offering material relating to the securities in Australia,

unless:

- (i) the minimum aggregate consideration payable by each offeree or invitee is at least A\$500,000 or its equivalent in an alternate currency (disregarding money lent by the offeror or its associates (as described in Division 2 of Part 1.2 in Chapter 1 of the Corporations Act)) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act and does not constitute an offer or invitation to a "retail client" as defined for the purposes of section 761G of the Corporations Act; and
- (ii) such action complies with all applicable laws, directives and regulations and does not require any document to be lodged with, or registered by, ASIC.

***New Zealand***

No action has been or will be taken by Westpac or the underwriters which would permit a regulated offer of any of the securities, or possession or distribution of any offering material in relation to the securities, in New Zealand.

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